

Budget Reduction Plan for 2017-18

Background

On December 13, 2016, we presented a 1st Interim budget update that showed the need to close a \$2.5 Million dollar gap for 2017-18. We have been analyzing our district expenses to find the best solutions to close this gap. We have some specific recommendations that are ready to implement for next year with others framed up but needing further analysis, work, and communication with our principals.

As a point of reference, the average cost of a teacher in our district is about \$80,000 which includes statutory costs such as STRS, benefits, Medicare, workers comp, etc. As we present potential savings in staffing, please keep that \$80k number in mind. For our secondary staffing models, a teacher has five instructional periods (except for San Marcos with their semester block schedule) so one period costs \$16,000.

Part of the backdrop of our situation is the gradual declining enrollment in our district. We are not ready to reduce our staffing as a result of enrollment projections quite yet. We are waiting on enrollment numbers to come in this spring and also the report from California Demographic Services that will arrive in about a month. Therefore, any reductions in staffing at this point are based on appropriate and equitable use of staffing.

Analysis and Recommendations

We are presenting this first draft of recommendation in the following order. The first list are strategies that we are ready to move on. The second list are those in process with commentary about the strategy and an approximate date of when we will conclude that strategy.

Item	Amount	Comments
Technology software	\$100,000	We have identified various software platforms that we are not using enough to justify such contracts
Technology coach	\$87,000	We have one position that we can trim from our staffing
GATE consultant	\$25,000	We have several part-time coordinators, we recommend keeping one and eliminate the other
Open Alternative School	\$169,000	We have had an on-going conversation with

(OAS)		the staff and parent community about right-sizing OAS to their smaller enrollment. The details of this recommendation are in a separate report in the Feb 14 th agenda.
Subtotal	\$381,000	

Recommendations in Process

Secondary staffing	\$480,000	6 full-time equivalent (fte) of staffing will be reduced from our master schedules. This is based on efficient and appropriate use of current staffing allocations.
Elementary staffing	\$320,000	4 fte of staffing will be reduced from our nine elementary schools. This will be a bit more challenging to achieve given the small size of most of our schools, but we think we can get to this number.
Site allocations	\$200,000	Our total site allocation across our 18 schools is about \$4M. We are going to work with our principals to find an approximate 5% reduction in allocations.
Services and Operating Expenses	\$468,000	Our current year budget for this line in the MYP is \$23,456,081. A 1% reduction in this line is \$234,000. We are going to start with a goal of a 2% reduction which would save \$468,000.
Subtotal for "in process"	\$1,468,000	We should be able to finalize these strategies by the March 28 th board meeting

Future strategies

Overall goal	\$2,500,000	
Subtotals above	\$1,849,000	

Still to solve	\$651,000	See below

We believe there are greater savings to be found in the services and operations budget, but that will take more time. The same is true for general staffing. Our current overall budget is \$158.8 Million dollars. The remaining amount of \$651k represents 0.41% of \$158.8 Million. We will find the remaining savings of \$651,000 and bring a final set of recommendations to the Board on March 28, 2017.