


# Considerations for Cost Savings/Increasing Revenue

January 19, 2016





# Increase Revenue

- Two things can increase revenue
    - A. Increase enrollment.
    - B. Pass a referendum.
- 



Thank You School Board  
Members




Current Deficit = \$200,000


Additional deficit projected  
by the study in the course  
of the next 5 years =  
\$345,000



\$545,000 5 years from now



Ideas for funding cuts/  
increasing revenue  
Pre-K through 12



# Pre-school

- Wonderful READINESS program for our students.
- Provides start for future success.
- Provides support for students with speech disabilities or delays as young as 3 years old.
- Provides support for special needs students beginning with their 3<sup>rd</sup> birthday.
- Both of these services are mandated by the state.
- This program runs in the Red.
- Suggestion: Raise the price of Pre-School around a dollar a day.
- Projected Revenue = \$7,500.00

# Grades K-4

- As class sizes drop we will need to consider 2 sections at grade levels instead of three.
- My recommendation is we consider this at third grade and keep three sections k-2.
- Currently 54 students in kindergarten, we will need to combine them at third grade at DE and continue two sections on through the system.
- This would save the corporation the cost of a teacher (\$50,000-\$80,000-costs include salary and benefits) but this savings is three years away
- Consideration for other grades as well when they reach third grade.

# Middle School Grades 5/6

- Elimination of the Team Time concept.
- All teachers in our system have a prep time and a duty free lunch period.
- Forty three minutes each day will be devoted to either a Humanities or P.E. course. Similar scheduling to what is currently happening at both elementaries.
- Give the Middle School the freedom to be creative in their scheduling.
- This will free up periods for traveling teachers.
- When Kindergarten class arrives, 5/6 will need to consider self contained classes, as two sections will be needed instead of three..



# Middle School 7<sup>th</sup>/8<sup>th</sup>

- Eliminate the Team Time concept.
- All teachers in our system have a prep and a duty free lunch period.
- My recommendation for sharing teachers with the high school is to go to an 8 period day.
- Continue block concept by having double LA and math periods. There was support for this from the study.
- This schedule will free up 6 teachers to teach an additional period each day at the middle school or high school.

# M.S. 7<sup>th</sup>/8<sup>th</sup> Continued


- The two language arts teachers could potentially teach drama courses either at the middle school or high school. This was recommended by the study. This would make this possible without any additional staffing costs.
- We could offer a drama course at the high school and one at the middle school.
- This could eliminate the need for some part time positions, but won't know until scheduling is complete.

# High School

- Require all high school academic courses with multiple sections to contain no less than an average of 20 -25 students.
- Consideration of combining more than one course when enrollment for the single course is 10 or less and the course is required for students.
- This will eliminate some sections and could possibly eliminate the need for some part time positions. This will need to occur in order to absorb teachers to attrition in the future.



# H.S. continued

- Share our PLTW teacher with another school corporation.
  - We currently have two possibilities.
  - This position was at one time a half time position.
  - Immediate savings of \$25,000.
- 

# H.S. continued


- Allow all P.E. credits for participation in a sport or band.
- This became an option in 2014 through legislation.
- This will free up teacher schedules and could eliminate some part-time positions.

# Other Considerations

- If enrollment continues to drop we will need to absorb teachers to attrition. Every retirement will need to be considered for elimination or reduction.
- Absorbing three teachers over the next five years saves \$240,000.
- RIFing 5 beginning teachers = \$250,000.
- 3 teachers versus 5 teachers, definite difference when considering the impact on learning.

# Projected Savings

- Year one = \$50,000-\$150,000.
- Year two/three = \$80,000-\$150,000.
- Year three = \$50,000-\$80,000. (this is when the kindergarten reaches third grade.)
- An additional \$50,000-\$80,000 with each grade level that has less than 58 students and we absorb a teacher.

- 
- Every cost saving measure I presented thus far this evening is in addition to a referendum.



# What will the Referendum money pay for?

- 1. Pre-School Special Education Teacher/ Elementary Music teacher. (\$50,000-\$80,000)
- 2. Corporation Wide Social Worker. (\$50,000)  
This was a recommendation by the study. With the increase in accountability for teachers, this position of support is needed.

# Referendum money pay for?


- 4. Pay all ECA salaries. Without a referendum, we will need to consider eliminating some programs. (\$175,000)
- 5. Eliminate current expenses in rainy day fund. We currently pay teacher retirement expenses from the rainy day fund. (\$300,000 )  
This is a mandated process.
- Total = \$565,000

# Referendum money pay for?


- This will eliminate our deficit financing in the general fund.
- Allow us to continue our current structure and programs.
- Allow for a raise legally for employees for the first time since 2011.
- Thank you all employees!

# What is the reality of referendum failure?

- RIFing of 5 teachers , this will eliminate our deficit, but will negatively impact students.
- Strong consideration of moving to one elementary. Building project?
- Strong consideration of eliminating programs.
- Consolidation with a neighboring school corporation, we assume their tax rates.



# What is the reality of referendum failure?


- Decisions will have to be made that will potentially make Northeast Dubois less attractive: larger class sizes, less programs, less extra curricular offerings, potential drop in test scores, etc. All leads to less enrollment which means less funding.
- 

# Other Considerations

- With the addition of 18 cents to our tax rate in the form of a referendum, Northeast Dubois will still be the lowest tax rate in Dubois County.
- \*Based on data of the four county schools for taxes to be collected for 2016.
- 2008 Tax Rate Information: \$1.72, with \$0.90 going to general fund.
- 2009 – law changed and state funded the general fund.
- 2016 tax rate \$.7975



# My Recommendations tonight

- Increase cost for Pre-school – sign up is January 28th.
  - Move forward with the referendum.
- 

Once a Jeep  
Always a Jeep

