

For May 7, 2013

The School Board...

Heard from Superintendent Robert Haworth:

Pursuant to legislation approved by the 2012 General Assembly, Elkhart Community Schools was facing a levy reduction of \$2,173,000. As the 2013 Transportation Levy was certified in the amount of \$7,084,271, this would represent a 30% shortfall. Further, this levy reduction would be \$1,178,500 greater than the 2012 reduction, and would force our Transportation Fund into a negative cash balance by the end of the 2013 budget year.

The 2013 General Assembly has approved Senate Enrolled Act 517 (SEA 517) which includes an amendment which moderates the levy reduction statute. As a result of this amendment, Elkhart Schools can anticipate a levy reduction of \$1,208,000 in 2013. While this levy reduction is greater (by \$200,000) than last year's reduction, the Transportation Fund can absorb this loss without going into a negative cash balance.

Unfortunately, the SEA 517 amendment provides us with relief for one year only. In 2014, we can anticipate a levy reduction equal to or greater than the \$2,173,000 loss we were facing prior to the approval of SEA 517. Accordingly, we must continue to pursue cost-efficiency measures within our Transportation program. Given the magnitude of levy reductions anticipated for 2014 and future years, it is increasingly apparent that program cost-efficiencies which are sufficient enough to fully offset the levy reductions cannot be achieved without reducing the level of transportation services ECS provides to its students.

A committee has been formed to examine why some 50 school districts across the state of Indiana which include urban districts, rural districts, districts with high percentage of free and reduced lunch, and districts with low percentage of free and reduced lunch are facing short falls.

I am estimating a \$492,000.00 cost savings to our transportation fund in the 2014 calendar year.

I am recommending a 2-year moratorium on no new bus purchases, with the money being placed in the rainy day fund.

These cost estimates are based on the following assumptions: a reduction of 4 buses from regular runs, a reduction of 5 buses from special runs, and a reduction of 5 buses from elementary runs due to boundary zone changes. The "bus reductions" described above relate to reduction in the number of runs, and will not always represent pulling a bus out of service in its entirety. In total, current estimates assume we will deploy 97 buses on a daily basis, rather than our current 106.

I am recommending ECS reorganize the following elementary school attendance areas: (Mary Beck, Bristol, Cleveland, Daly, Eastwood, Feeser, Hawthorne, Osolo, Riverview, Roosevelt and Woodland). Any sixth grader who would be affected by the reorganization would be allowed an automatic transfer upon completion of the proper transfer forms. Transportation would not be provided for sixth grade transfers. Siblings of sixth grade transfers would be subject to our current transfer policy.

I am recommending ECS continue the school choice program but no longer provide transportation. I am recommending ECS continue PEP, special education, Head Start, and PACE transportation.

I am recommending ECS adopt the following two tier transportation model:

- o Secondary (High School and Middle School) 7:30 a.m.-2:45 p.m.

- o Elementary School 8:45 a.m. – 4:00 p.m.

All students will have a 7 hour and 15 minute day, which shortens the current secondary day by 10 minutes and lengthens the current elementary day by 1 hour and 10 minutes. Teachers will still have an 8 hour work day, 30 minute duty free lunch, and preparation time. As routes become more efficient, the elementary day could start earlier.

ECS will also examine the use of "round-robin" pick-up and delivery models in order to reduce the number of buses.

In 2014, band, orchestra, and extra-curricular clubs will need to support their own transportation.

It would be prudent for ECS to consider additional cost savings options, including, but not limited to: elimination of the 2-hour guaranteed minimum pay which drivers are eligible for; the elimination of insurance benefits for any driver (or other school employee) who works less than 6 hours a day (or 30 hours a week), according to the standard of eligibility established under the federal health care reform legislation which goes into effect on 1/1/2014; reduction of overtime costs; a transportation referendum; and outsourcing transportation, which Dr. Haworth is currently not recommending.

If ECS Transportation doesn't operate in the black, a 3-tier transportation model may be considered to save additional money; the implication for elementary students under this model would be potentially waiting for the bus as early as 6:00 a.m.

This recommendation provides benefits to the elementary day by allowing science and social studies to be taught as standalone classes. It also allows every elementary student to receive weekly art instruction; which will increase the total number of art teachers by 3.5 positions. This recommendation allows every elementary student to receive weekly key boarding and essential technology instructions; which were taught 11 years ago. In order for every elementary student to receive weekly key boarding, an additional 10.5 paraprofessionals will be employed or reassigned.

Currently, ECS has 28 retirees who will not be replaced, or filled by teachers with less experience as a cost saving measure.

Prior to developing this recommendation, I submitted a survey to our staff with 87% of staff responding. The survey results indicate those staff members who have children attending our schools prefer the two –tier option being recommended. The survey indicates staff members with no children enrolled in ECS, prefer the three tier option.

In response to Board inquiry, Dr. Haworth clarified by stating elementary special education students affected by re-districting may attend a different school if programming is offered at the newly assigned school, but the special education department will make parents aware if this is necessary; the existing band and orchestra programs will continue for sixth graders; although savings will be seen in the Transportation fund, some increases may occur in the General fund which will be offset by not replacing all retirements; the 2015 outlook for the General fund does not look much better; and science kits are still provided to elementary schools by ETHOS.

heard from ETA President Alex Holtz, elementary teachers are excited about the increase to the length of their day, but are worried about the time needed to prepare these extended lesson plans.

heard from Dr. John Hill, director of curriculum and instruction, explained the sample elementary day given to Board members is up to the discretion of each building how their day is designed. The increase to the instructional time for teachers is significant.

in response to an audience member's opposition to the redistricting of his children at Cleveland, Board members reported the only reason ECS is even considering these changes is because the school district has to save money; the corporation has studied, listened, and surveyed; the legislature has put us in this position; and ECS must operate within these boundaries. Dr. Bob Woods, director of business operations, stated schools will be changing and some schools may be labeled because of the grading system but asks parents to give their new school a try.

by unanimous action, the Board approved the recommendation as presented.