

Littleton Independent

School districts search for solutions

By **Holly Cook**

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Etched in front of the Littleton Public Schools administration building is the quote: "Education is a nation's defense."

In the wake of the economic downturn, school districts both poor and prosperous are facing hardships and being forced to cut costs in a way which threatens that commitment.

"We've cut \$4 million dollars from our budget, we've closed two schools, we've reduced staffing in schools, cut across administrative lines, and operations, and now we have to cut again," said LPS Superintendent Scott Murphy. "It's really very concerning as our options become less and less."

Before the nation's economic downturn, Littleton Public Schools' financial advisory committee was examining ways to find savings in programs, services, and staffing costs, and making a series of recommendations to the board of education to reduce budgeted costs.

The discussions resulted in deductions across the board.

Simply stated, the superintendent said, "It was a very trying time for everyone."

After November, the state began to talk about a \$600 million problem that eventually grew into an \$800 million problem, and cuts were to be made across all state agencies — including public education.

Littleton Public Schools already had a \$4 million deficit, but was planning on a revenue increase between 2.5 percent and 3.5 percent, which would help offset growing expenses.

"We finally balanced our expenses with our revenue and then the revenue dropped on us," Murphy said.

When estimates started coming in, the district learned there'd be no increase in revenue.

In fact, the Legislature told LPS officials to brace for cuts.

"So then our deficit grew another \$4 million by loss of revenue," Murphy said.

While a growing district might absorb cuts easier, Littleton has seen a steady decline in enrollment for more than 20 years.

And losing even two students in every classroom results in a large loss of revenue across the district, Murphy said.

Meanwhile, the Legislature had been waiting for the Consumer Price Index report to see how much money it could provide school districts. The CPI is a measure of the average price of consumer goods and services purchased by households.

On Feb. 22, they learned the CPI had increased 3.7 percent according to the Bureau of Labor Statistics, which meant additional revenue to schools.

While it was good news, it was temporary. Due to economic conditions, the state simply didn't have enough money to adjust to the CPI increase.

Desperate for funding, schools fought back using Amendment 23 as their defense.

But the schools learned that the state could make technical adjustments to the amendment, which alters the school finance formula.

"So while we thought Amendment 23 protected schools, (the state) is talking about adjustments where we'll receive less than we thought we would," Murphy said.

Some costs will be mitigated by the president's federal stimulus package, but the dollars don't necessarily help the district's budget.

Over a two-year period Littleton Public Schools will see about \$3 million in special education funding, and about \$750,000 in Federal Title I funds.

"Does that help our budget?" Murphy said. "Well, not really."

Since the funds are dedicated to a specific purpose, the stimulus won't help the whole system. It will take some of the pressure off, but only for two years.

"We're in a quandary about what we do with those resources. How do you support kids without setting our system up for another downturn?" Murphy said. "And that's where we find ourselves today. It's confusing, it's troubling and uncertainty is probably the greatest problem we're dealing with."

But he's quick to add a note of optimism.

"We've had tough times before," he said. "We're going to be OK. Kids are resilient. Our teachers are committed and cycles do turn around."

But it's not just Littleton Public Schools that is in this position.

Superintendents in every part of the country are subject to the realities of the economic downturn.

The American Association of School Administrators recently conducted a survey of more than 5,000 superintendents across the nation to determine the impact the economic downturn is having on school districts.

When superintendents were asked to identify what actions their districts have considered as a result of the downturn, the seven most frequent responses were: reducing staff-level hiring, increasing class sizes, reducing instructional material, altering thermostats, eliminating nonessential travel, reducing consumable supplies and deferring maintenance.

Also noted was freezing outside professional service contracts, laying-off personnel and eliminating outside staff development consultants.

Since school districts are a people-driven business, most of the costs are in wages and benefits, according to Murphy.

"The only way we reduce a budget is to pay people less, or pay less people," Murphy said.

In Douglas County School District, where budget cuts are estimated between \$24 million and \$31 million, nearly 250 positions will be eliminated this year.

In Jefferson County class sizes will grow, on average by one to two more elementary students, so the ratio will be one teacher to 22 students instead of one teacher per 20. Finalizing the district's 2009-10 budget won't occur until June, but preliminary plans call for eliminating 50 teacher positions in the district's 94 elementary schools, 9.5 teacher positions in the 21 middle schools, 22.5 bus drivers and 39 custodians.

"My biggest worry is that there isn't a strong labor market out there right now. All the districts around us are contracting too," Murphy said. "When people can't bring home wages it has an impact on families and the community. It's troublesome for the entire area."

For many communities like Littleton, the schools are a major employer and a regular and reliable source of revenue.

If schools curtail their spending through measures such as reducing payroll, conserving energy use, reducing fuel consumption, deferring maintenance and delaying purchases, the local community is the first to share the effects, according to the American Association of Schools.

"We're close to the largest employer in the city and every dollar our people earn is reinvested in the local and state economy," Murphy said. "When we have fewer people earning wages that means less money that's going into the community."

He continued, "When the economy hits income it's going to rub off into the community."

Many economic observers expect the job market to get worse before it gets better. Colorado's unemployment rate is expected to rise to 6.5 percent in 2009.

And school districts are anticipating more budget cuts in years to come.

In order to weather the storm during an economically tough and turbulent time, Jay Bonstingl, a national school strategic planning consultant and speaker, says school district leaders should focus on five key strategies to create a "bright future for constituents" including eliminating underperforming programs, combining forces with neighboring school districts, and brainstorming ways to expand course options instead of reduce existing resources.

"No question about it. These are the toughest economic times we have seen in decades," Bonstingl said. "The housing boom fueled the need for new schools. Now, seats are going empty. Declining state revenues add to the misery, as state officials ponder the best ways to distribute shrinking resources. In times like these, school district leaders must effectively plan for the best possible future."

Others, like officials from the American Association of School Administrators, say school districts should focus on "ready-to-go" construction and renovation projects.

"With an infusion of federal economic stimulus funds, the projects would work to both stimulate a stagnating economy and improve the educational environment for children," said Amy Vogt, a member of the AASA.

Again, Littleton Public Schools' Superintendent emphasizes the word "uncertainty" when asked about the future of his district.

This is a worrisome economy," he said. "It's a tough year but we've had other tough times. We're going to be OK. There's a little more heavy lifting, and everyone has to do a little more heavy lifting. But we're going to be OK."