

# Superintendent's Budget Outlook - FY2010



## *Workforce Reductions and Program Realignment*

*February 23, 2009*

*Dear Marietta City Schools Parents & Supporters,*

*Due to the severe economic downturn, our school system has been impacted by reductions in state and local funding, as well as reduced interest earnings. Given what we know at this time, we have had to trim \$2.8M from our previously balanced FY09 budget. Included in this amount are reductions in travel and teacher recruitment; personnel adjustments such as a hiring freeze on non-critical positions and filling of positions with existing staff; reductions in substitute teacher costs; delaying the purchase of language arts textbooks and other related instructional items; cutbacks in professional development; cuts in the communication department budget; furlough days without pay for Central Office Administrators; and reductions in business office expenses including supplies and materials.*

*However, because of the current economic forecast and further declines in anticipated state revenues, the FY10 budget year for Marietta City Schools (MCS) is expected to be extremely challenging. As a result of expected budgetary shortfalls that include at least a three percent reduction on top of the FY09 state cuts, our school board has made a number of difficult decisions to reduce expenditures. The state recently increased the class size funding formula in response to the budget crisis, now we have had to respond similarly. Even with the +1 increase, we remain at or below the state maximums in all areas and below the additional flexibility provided by Charter System status. Nonetheless, this action coupled with a decrease in projected student enrollment and program needs will reduce staffing requirements for 2009-2010.*

*These program realignments and workforce reductions are necessary if we are to weather the tenuous times ahead, but are not made without consideration of the impact on our valued employees and successful programs district-wide. The planned reductions in force are painful to those of us who care about this school system and all who share in its success. Reduction in Force (RIF) involves examining the current staffing assignments at each school and determining how those needs will change for the 2009-2010 school year due to shifts in enrollment, program needs and available funding.*

### **What actions has the school board taken?**

On Feb. 10, 2009, the Board of Education of the City of Marietta approved a number of personnel and program changes for FY10. Included are workforce reductions resulting from an increase in class size that effectively saves the district \$2.5M in additional staffing and other resources. Restructuring of certain operational areas such as the Central Registration operation at the district Central Administrative Offices will save the system \$161,000. Ongoing program evaluation regarding the viability and academic offerings available through the CrossRoads program at the Woods-Wilkins Center revealed that outsourcing the program to Ombudsman Services would yield savings to the district of nearly \$340,000. Other operational and program changes will save the system approximately \$265,000.

### Why were these decisions necessary?

Marietta City Schools like many school systems across Georgia is facing a budget shortfall. The budget decisions approved thus far by our school board will save nearly \$3.2M. However, there is a strong possibility that school districts will face further declines in state education budgets for the current FY09 and FY10 school years. Likewise, local property tax and other revenues are subject to further erosion. Furthermore, the flow of education dollars to MCS resulting from the federal stimulus plan, and the criteria for use of these funds is unknown at this time. As a result, our operating budget will require further cost-savings measures. As these circumstances develop, the school board will have to consider other potential reductions and will determine the severity of these cuts based on the loss of state, local and other revenue sources. In all cases, we will do so without sacrificing successful programs that impact academic achievement.

*Marietta City Schools has a long history of excellence and even though the immediate future holds economic challenges, the focus will remain on our mission to prepare each of our students through academic achievement for life success. As always, our board and I are aware that communication is essential. We will strive to share more details as the state budgeting process evolves.*

*Sincerely,*

*Emily Lembeck  
Superintendent*