



BELLBROOK-SUGARCREEK SCHOOLS

"Soaring Toward Excellence"

Bellbrook-Sugarcreek Board of Education Approves the Next Two Phases of Budget Cuts

Phase III reductions will occur next school year;

Phase IV will occur if the March ballot issue does not pass

The Bellbrook-Sugarcreek Board of Education voted during the February 13 regular board meeting to unanimously approve the recommendation for necessary reductions that will occur regardless of the passage of the March ballot, due to the district's long-term financial situation. The board also unanimously approved the recommendation for necessary budget reductions in the event of the failure of the 5.7-mill operating levy scheduled for the March 17 ballot.

Dr. Douglas A. Cozad, superintendent, and Kevin Liming, treasurer, presented a financial update to the board, which included a performance audit review, recommendations for the next two phases of cuts as well as a review and forecast of the district's financial status.

"Bellbrook-Sugarcreek Local Schools is at a critical juncture and the single most important issue facing our schools right now is our budget," said Cozad. "We are doing what we must to address our budget issues. Deciding on and making cuts is never easy, and these are never decisions that we take lightly. At the end of the day, any reductions hurt the overall experience that we provide to our residents and their children."

The district must implement the following Phase III reductions starting in the 2020-21 school year regardless of passage of the March 17 levy, totaling a cumulative \$747,083 over the next two years:

- Eliminate STEP (the gifted pull-out program) at BCI
- Eliminate world language offerings at BMS
- Eliminate 1 English position at BHS
- Increase sports participation fees from \$150 to \$200
- \$50 of marching band/color guard/winterguard/IPE fees will go to district budget
- Increase All-Day / Every-Day kindergarten tuition by \$900/yr
- 2 open positions (2nd grade, 3rd grade) filled by involuntary transfers
- No parking lot resurfacing or landscape mulch in summer 2020
- Delay purchase of Chromebooks for 1 year

The district's five-year forecast in May 2019 projected a \$1.5 million deficit in the 2020-21 school year. That, along with a levy failure in May of 2019, triggered the Ohio auditor's office, in consultation with the Ohio Department of Education, to work collaboratively to conduct a performance audit of Bellbrook-Sugarcreek Schools. The report was released in January, and the reduction recommendations total \$11.5 million. The district used the recommendations from the [Ohio auditor's office performance audit](#) as a guide for our reductions.

"This type of audit is designed to assist districts that are struggling financially to offer recommendations that can reduce costs and increase operational effectiveness," explained Cozad. "The reductions recommendations only focus on cutting expenditures and did not take into account any changes in revenue or any more under- or unfunded state mandates. Furthermore, due to an already lean budget, the auditors found it very challenging to find many areas to reduce without striking at the core of our schools and forever changing the well-rounded and high-caliber educational experience that our students and our community deserve."

The board also approved a list of Phase IV reductions that the district will have to make if the March 17 levy does not pass, totaling a cumulative \$2,458,756 over the next two years:

- Increase participation fees from \$200 to \$300 for high school
- Eliminate busing for BHS
- Reduce transportation to the minimum two-mile state requirement for BMS and BCI
- Eliminate:
 - Art at SB & BCI
 - STEM at SB & BCI
 - Keyboarding at BMS
 - Art for 6th grade at BMS
 - 1 Social Studies, 1 English, & 1 Science (outsource Biomed to GCCC) teachers at BHS
 - 2 librarian positions across the district
 - 85 paid supplementals and/or athletic positions across the district
- Reduce district-wide staff development
- Delay curriculum adoptions in math and science
- Non-renew select electronic curriculum subscriptions
- Non-renew contract with our communications consultant, Allerton Hill

This list will be presented to the Ohio Department of Education as the district's official reduction plan, due to the district's new designation as Fiscal Precaution. The reduction plan must be submitted to the Ohio Department of Education by March 31, 2020.

The district made over \$2.3 million in budget reductions between summer 2018 and Phase I and II reductions in 2019. These cuts included the reduction of 20 staff positions, half of which are teaching positions, in addition to a pay freeze for all employees in the 2020-21 school year.

Over the years the district has seen inflationary increases that are outside its control, including unfunded and underfunded state mandates, in addition to an increase in the cost of doing business. District funding from the state has generally flatlined, with very few increases. Only 27% of the district's budget is funded by the state.

"Without additional funds these reductions will be devastating; the need does not go away with levy failure," continued Cozad. "Even if the March levy does pass, finances in the district are still very perilous. We will continue to keep expenses to a minimum, while constantly looking for ways to seek efficiencies."

In December 2019, the Bellbrook-Sugarcreek School Board of Education took the necessary votes to place a 5.7-mill operating levy on the March 17, 2020 presidential primary ballot. If passed, Issue 9 will raise \$3.3 million annually and would cost district taxpayers \$16.60 per month per \$100,000 appraised value.

For more information about the board-approved cuts, and facts about the March levy request and district finances, please visit the Bellbrook-Sugarcreek School District website: www.sugarcreek.k12.oh.us/Levy.aspx. For more information about the state auditor's performance audit, visit the district's website or the Ohio auditor's website: <http://ohioauditor.gov/performance/Bellbrook-Sugarcreek-2019.html>.