

April 2016

In January, in this column and through district email, I described the financial problems ahead for not only our district but also the state. On Monday night I presented the facts to the Board of Education detailing where we are financially, how we got there and also how we can weather what I've called the "Perfect Storm" for our school district. Some have wondered why it took us so long to explain how we were going to weather this storm. My answer is, simply, the picture continued to change and we didn't receive our notification of how much 'rainy day' money our district would receive until March 29th. In my 4 years at GPS we have had many highs such as passing our first bond issue with record participation. Also, we have experienced the lowest of lows with the loss of two teachers well before their time. Now, we are entering possibly the most financially challenging period I've experienced in my 25 year education career.

You may recall the Logan County Assessor made the arbitrary decision to lower the assessment ratio in Logan County which cost our district approximately \$300,000 annually. We budgeted accordingly and made the necessary adjustments before this year began. We have now been faced with the collapse of the energy sector locally which has reduced our revenue from 2015 by almost \$850,000. As enrollment continues to rise statewide while funding remains stagnant there is less money for all public schools. Because of this, we experienced a loss of just under \$240,000. Then there was a statewide revenue failure in January which lowered our state aid funding this year by just over \$120,000 followed by a second statewide revenue failure which lowered our state aid by almost \$240,000. You may have heard that thankfully, our legislature and governor approved using "rainy day" funds which provided just over \$250,000 of relief to our school district. When you add all of the losses up that were not planned for during this budget year (this doesn't include the loss of funding from the County Assessors decision), we have just over \$1.2 million less to educate our children in Guthrie than we had in 2014-15. This is truly the "perfect storm" for our district from a financial standpoint.

We spend approximately 84% of our budget on salaries and benefits and an additional 9% on items where we have no discretion such as utilities, fuel and insurance. I have said many times that we run on one of the leanest budgets possible for a school of our size. With that in mind, there is no option to balance our budget for next year with the current staffing levels. In order to achieve the necessary cuts, we have established larger class size parameters than we would like and will probably not replace most or all of the staff members who resign or retire. We have found ways to use federal funds that were previously used to purchase technology for teacher salaries. This will protect some of the losses from the classroom. That being said, there will still be staff members who want to work for us next year whom we cannot offer contracts due to this statewide funding crisis.

Solutions for this problem came from many different people. This began with an email I sent to all staff on January 4th. I asked for their suggestions and took them to heart as we have proceeded through this gauntlet of funding cuts. We have had numerous meetings with building principals and department directors as a group as well as individually. Costs from monthly utility bills as well as the totals of all teaching salaries by grade are examples of the depth by which we analyzed our expenses. Since I have presented this plan to the Board of Education, I will now present it to teachers and staff, keeping a promise I made to them early in this process.

This news is difficult to say the least. I have found myself truly saddened at the options for our school district. I hurt for every person this affects whether it be families of staff, the teacher who will have more students in their class next year or the at risk-student who will struggle to find as much individualized instruction as we have been able to provide in the past.

Over the last 4 years, my family and I have been proud to call Guthrie our home. During this time, I've learned one true characteristic of our community is "grit". We are hard-working people, not that different from those who settled here the day our community began. When the dark clouds of a storm arose, those settlers rode it out together only to emerge ready for the next challenge life in the frontier would bring. That spirit will get us through this crisis and others in the future. Together, we will prevail.