FOR ACTION: Reduction in Transportation Costs to Offset Projected Budget Shortfall of $150,000 in 2008 Due to Increasing Fuel Costs

Recommendation

It is recommended that the following short term and long term steps are taken to reduce transportation costs due to increased fuel costs:

**SHORT TERM - 2008**

$ 36,000 – 1. Charge a $20.00 student transportation fee to all high school students involved in extracurricular activities requiring transportation. The charge would be per activity. The goal is to raise approximately $36,000.00, which is half the labor cost of athletic trips. The athletic departments will cover any shortfall if fees do not cover one-half of the labor costs. Non-athletic trips currently pay one-half of labor costs.

$ 66,000 – 2. Transfer $66,000.00 from the School Bus Replacement Fund to the Transportation Operating Fund. This will require Department of Local Government Finance approval.

3. Reduce the number of Strings Program sites. This is being studied by the music staff involved and site principals. The total savings is being determined.

$102,000.00 + Strings Program Savings = Total SHORT TERM - 2008

**LONG TERM – 2009**

$ 36,000 – 1. Continue student fee

$250,000 – 2. Transfer $250,000 of contract driver costs from the Transportation Operating Fund to the School Bus Replacement Fund.

$ 28,000 – 3. Purchase four activity buses over two budget years. This would allow coaches to drive groups of fourteen or less. The buses cost approximately $55,000 each. This would reduce labor costs by approximately $28,000 per year.

$ 45,000 – 4. Eliminate high school summer school programs and the associated transportation expense. Student remediation services will be provided in other ways during the school year.

5. Continue evaluation of summer school for elementary and middle school students. Current transportation costs for elementary and middle schools are $78,000.

$ 20,000 – 6. Negotiate with AFSCME the possibility of a lower hourly rate for trips.

$379,000.00 = Total LONG TERM - 2009