

Fiscal Challenges

2009-2010

2010-2011

Redford Union Schools

Presentation – November 23, 2009

2009 - 2010 Foundation Allowance

- \$7331 per student (FTE)
- Annual amount per student
- Consists of property taxes and state revenue

If the District has 3,331
students (FTE): \$24,419,561

$$3,331 \times \$7,331 = \$24,419,561$$

(annual amount)

2009-2010

Proration of \$165 per student reduction already made by the State because of a shortage in the School Aid Fund which amounts to \$549,615

2009-2010

- The state is proposing another \$127 per student reduction which would amount to \$423,037
- If the economy in Michigan stays flat some predict another decrease

Projected Budget

2009-10 Budget Adopted June 2009	
Revenue	\$ 30,102,202
Expenditures	30,055,119
Excess of Revenue over Expenditures	47,083
Fund Balance June 30, 2009	390,337
Estimated Fund Balance June 30, 2010	\$ 437,420
2009-10 Budget Adjustments	
Foundation Allowance Reduction of \$165/student	(549,615)
Foundation Allowance Reduction of \$127/student	(423,037)
Estimated Fund Balance after Budget Adjustments June 30, 2010	\$ (535,232)

Section 15 of the Budgeting Act provides that a school board's "total estimated expenditures, including an accrued deficit, in the budget shall not exceed the total estimated revenue...."

**In order to Balance the 2009-2010
Budget we need to cut \$535,232**

Which equates to:

\$716 per employee = \$535,232

2.2% Salary Reduction = \$535,232

Redford Union Schools

General Fund Expenditure Summary

Description	2009-10	Percentage
Salaries	\$ 15,296,388	56%
Fringe Benefits	7,517,719	28%
Purchased Services	1,961,749	7%
Supplies	1,594,220	6%
Capital Outlay	17,500	0%
Other	845,373	3%
Total Expenditures	\$ 27,232,949	100%

Redford Union Schools

General Fund Expenditures by Object

Description	2009-10	Percentage
Salaries	\$ 15,296,388	56%
FICA	1,221,008	4%
Retirement	2,651,104	10%
Medical Insurance	3,343,685	12%
Workers		
Compensation/Unemployment/ERI	301,922	1%
Purchased Services	1,296,267	5%
Mileage	8,920	0%
Workshops/Conferences	4,860	0%
Postage/Printing	37,410	0%
Property/Liability Insurance	167,660	1%

Description	2009-10	Percentage
Natural Gas/Electricity/Telephone	1,059,552	4%
Gasoline	122,260	0%
Maintenance Repairs/Supplies	500,102	2%
Transportation Repairs/Supplies	152,240	1%
Teaching Supplies	115,517	1%
Office/Computer/Other Supplies	91,181	1%
Capital Outlay	17,500	0%
Miscellaneous/Dues and Fees	67,663	0%
Transfer to Athletics	363,620	1%
Transfer to Other Districts	75,460	0%
Payments on Debt	338,630	1%
Total Expenditures	\$27,232,949	100%

Annual Employee Health Care Contribution

2009-2010

Administrators, Exempt Staff, Custodial,
Maintenance and Bus Drivers

Single	\$482
2-Person	\$1,084
Family	\$1,349

Teachers	\$1,500
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Educational Assistants

Single	\$300
2-Person	\$500
Family	\$800

Food Service Managers /Child Care Lead	\$482
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Secretaries	\$0
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What can we do now?

- .Class size is set by contract with the RUEA
- .32 students in grades K-3
- .34 students in grades 4-12
- .Currently K-3 averages are 30.48
- .Currently 4-5 averages are 29.50
- .Currently 6-8 averages are 33.90
- .Currently 9-12 averages are 21.55 with a range from 12 to 35

Transportation

- Currently we bus students 2-12 grade who live more than 1.5 miles from school
- Should we change that?
- Currently we have multiple bus stops.
- Should we decrease the number of stops?
- Currently we transport for all sporting events
- Should we limit athletics transportation?

Pay to Participate

- Currently we charge students \$75 to participate in 1 sport
- to participate in 1 play
- to participate in Marching Band

Should this be increased?

Athletics

- The budget for athletics is made up of Pay to Participate funds and the general fund
- Expenses are incurred for coaches, trainers, time keepers, referees, security, custodians, transportation, equipment, uniforms
- Should we eliminate some sports?
- Who decides which ones?

Buildings and Grounds

- Currently we have 1 day custodian in each elementary building/1.5 at the middle school/2.5 at the high school
- Currently we have 1 to 1.5 evening custodians in all elementary/2.5 at the middle school/5 at the high school
- Currently we have 2 grounds personnel who take care of lawns and snow
- Can we decrease these numbers?

Secretaries

- Currently each elementary has 1 full time
- Currently the middle school has 3 full time
- Currently the high school has 5 full time and 1 shared between athletics and counseling
- Currently Special Education has 1.5
- Currently Alternative Education/Registration Data Input has 1.5

Central Office Support Staff

- ~1 Administrative Assistant
- ~1 Human Resources Coordinator
- ~1 Business Services Supervisor
- ~1 Accounts Payable
- ~1 Business Services
- ~1 Benefits
- ~1 Curriculum
- ~1 Payroll

- ~2 Technology

Funding Sources

- Title I (\$824,037) ARRA (\$439,060)
 - Monies may be used for students who need academic support and cannot supplant programs the district is required to provide or has been providing
 - All three elementaries are School Wide buildings due to the level of free and reduced lunch applications
 - Alternative Education is Targeted Assistance and will become School Wide in 2011

- Title II, A (\$180,832)

All monies must be used for:

- Professional development/training of administrators, teachers, and paraprofessionals

- 31a (\$794,051)

- All monies must be used for at-risk students who qualify with multiple risk factors

.Vocational Education

- Supports vocational classes that must be taught by a vocationally certified teacher
- Reimbursement is computed based on the number of students in qualifying classes

.Special Education

- These funds are federal, state and county
- The requirements for service of Special Education students is determined by federal and state law

What can we do now?

2009-2010

.We can reduce staff when student numbers do not support the need for the position

.We can reduce some transportation staff if day custodians come in, open their building and then drive one bus run

.We can reduce bus runs for athletics

.We can conserve energy in classrooms and all buildings

.We can bid:

- phone service
- alarm service
- auditors service

2009-2010 continued

- .Reduce the number of times the fields for baseball and soccer are cut
- .Reduce all non-essential purchases
- .Professional Development can be limited to those activities that are covered with Title II,A funds
- .Paperless payroll
- .Centralize printing

2010-2011

- The school aid budget is projected to be short \$35 million
- Another proration of \$223 per student – for a total of \$742,813
- This amounts to \$515 in two years
- Senator Patterson has stated that the cut will be \$465 in 2010-2011

**What can we do
next year?**

2010-2011

2010 - 2011

- Send 3rd and/or 4th year foreign language students to Schoolcraft College if paying the tuition is less expensive than the cost of a teacher
- End second prep at the middle school
- All extended year programs will meet in the same building on the same day and hour schedule
- Every other day cleaning in all buildings
- Afternoon custodians take one bus run

2010-2011 continued

- .Eliminate all non-essential electrical appliances in classrooms
- .Motion detector light sensors in restrooms except MacGowan and Beck
- .Close child care program at Pearson unless breaking even
- .Outsource coaches to third party vendor
- .End weekend athletic transportation

Next Steps of Action

- .Already met with leadership team
- .Meet with each bargaining unit
- .Meet with the District Communication Team
(12/3/2009)
- .Request input from parent organizations