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*West Bloomfield  
School District*

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*Finance Presentation  
Fall 2009*

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## *Fall Enrollment – The Good News*

- The fall enrollment projection was 6,937 students.
  - The actual enrollment was 6,934 students.
  - Enrollment determines revenue and it is great that we “hit” the projection!
  - Now the bad news .....
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## *During The Month Of October . . .*

- The Governor Has Reduced School Aid To Our School District By \$551/pupil, **\$3.8 million** in operating revenue.

Section 20j	\$259/pupil
Section 11d	\$165/pupil
Proration	\$127/pupil
Total	\$551/pupil

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## *What Is Section 20j?*

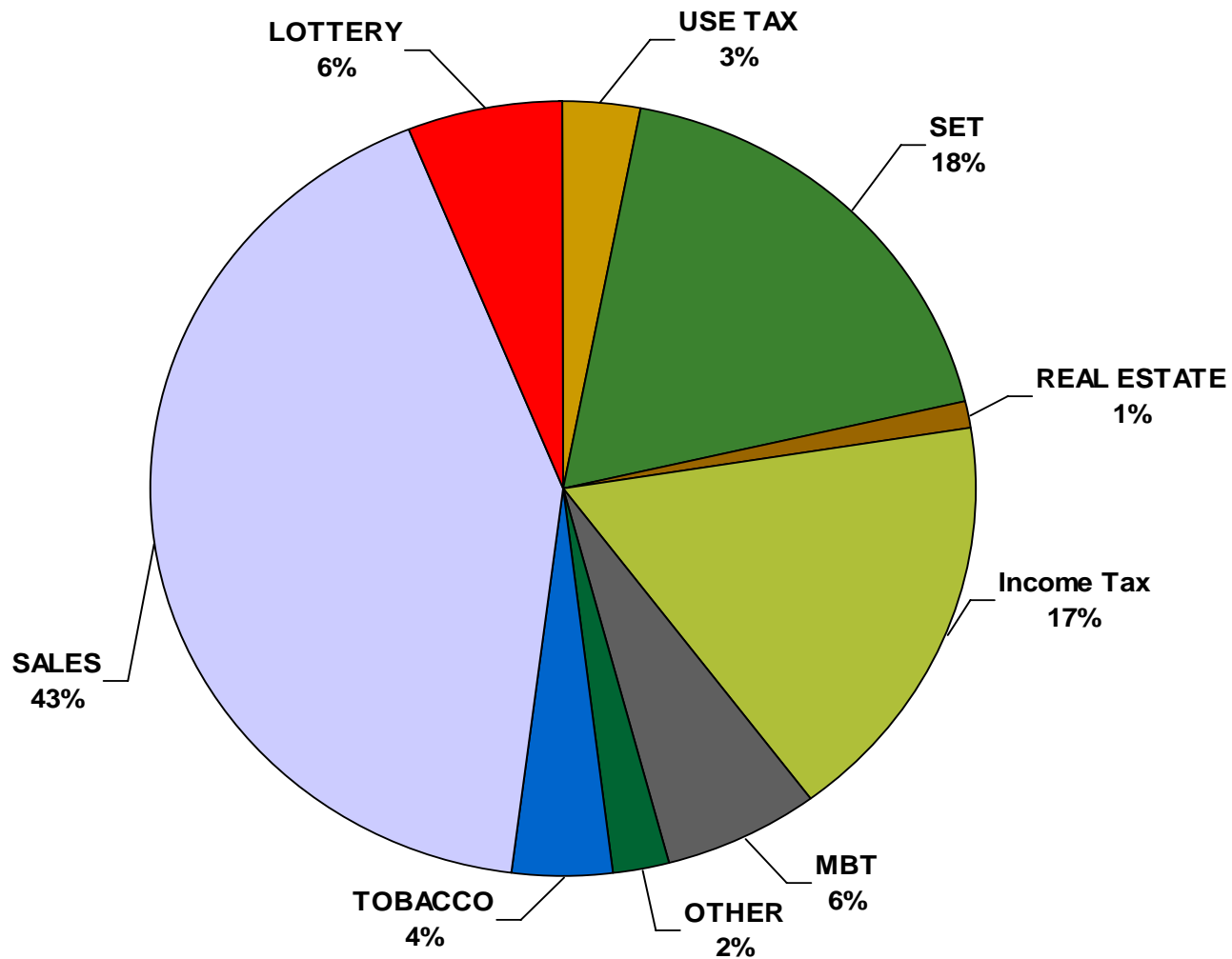
- Section 20j of the school aid act is part of the foundation allowance designed to give hold harmless districts their promised increase in per pupil funding.
  - These funds are the same dollars built into other school district's base foundation allowance.
  - Currently this funding represents approximately \$1.7 million.
  - 20j is not:
    - *Bonus money*
    - *Extra money*
    - *Just for wealthy school districts.*
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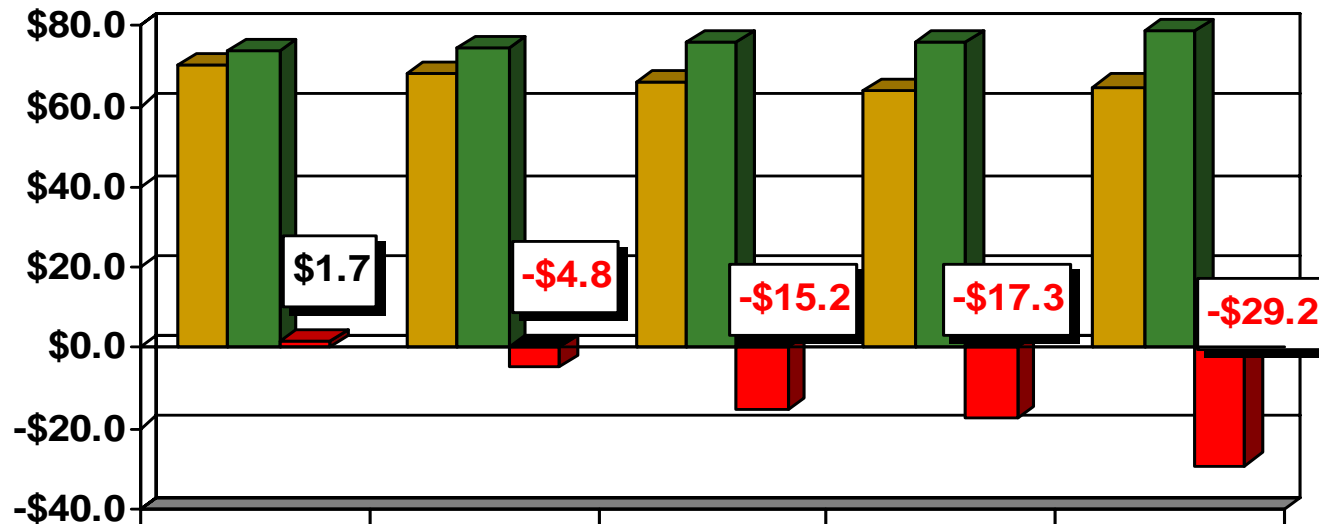
## *Impact Of This Reduction*

- **What is \$3.8 million? By way of example:**
    - 5% of operating expenditures.
    - Equivalent of two district payrolls.
    - 58 teaching positions.
    - Possible higher class size.
    - Possible elimination of programs
    - Elimination of transportation
    - Elimination of athletics
  - This loss would reduce school funding to less than the level received in the 2003-04 school year.
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# How Does Lansing Fund Schools?



# General Fund Budget Forecast 2009-10 To 2011-12 (Subject To Change)

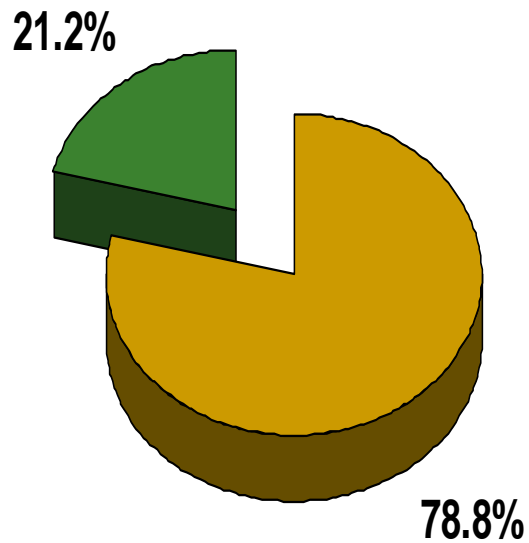


	2008-09 Actual	2009-10 Updated	2010-11 Best Case	2010-11 Worst Case	2011-12 Best Guess
■ Revenue	\$70.1	\$68.1	\$65.7	\$63.7	\$64.9
■ Expenses	\$73.6	\$74.6	\$76.1	\$76.1	\$78.9
■ Fund Balance	\$1.7	-\$4.8	-\$15.2	-\$17.3	-\$29.2

■ Revenue 
 ■ Expenses 
 ■ Fund Balance

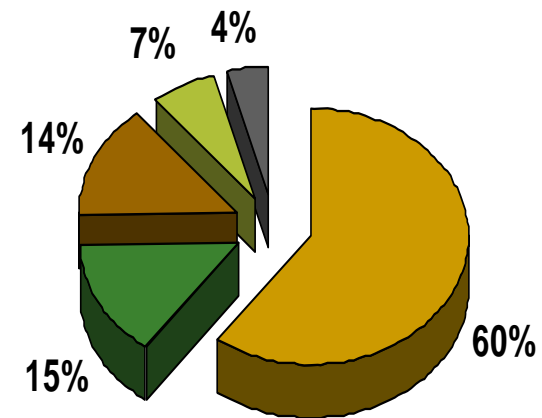
# Breakdown Of The Budget

Function Code



- Instruction & Instruction Support
- Support Services

Object Code



- Salaries
- Insurance
- Rtmt. & FICA
- Purch. Svcs.
- Supplies



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## *What Does This Forecast Mean?*

- **The district will be in true budget deficit at the end of this school year.**
  - A deficit elimination plan must be submitted to Michigan Dept. of Education.
  - The plan must reflect how the district will eliminate the deficit.
  - Districts are given two years to eliminate the deficit, but extensions due to extenuating circumstances may be granted.
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*What Are We Going To Do  
For The Rest Of This Year?*

- Second Semester Staff Reduction
  - Freeze purchase orders
  - Pay bills once/month
  - Reduce overtime except for emergencies
  - Eliminate workshops unless covered by grants or committed funds
  - Reduce use of Substitute Employees
  - Reduce copier costs
  - Maintain energy awareness
  - Freeze on all building level subs except for IEP's.
  - Field trips covered completely by school
  - No new VSI Program
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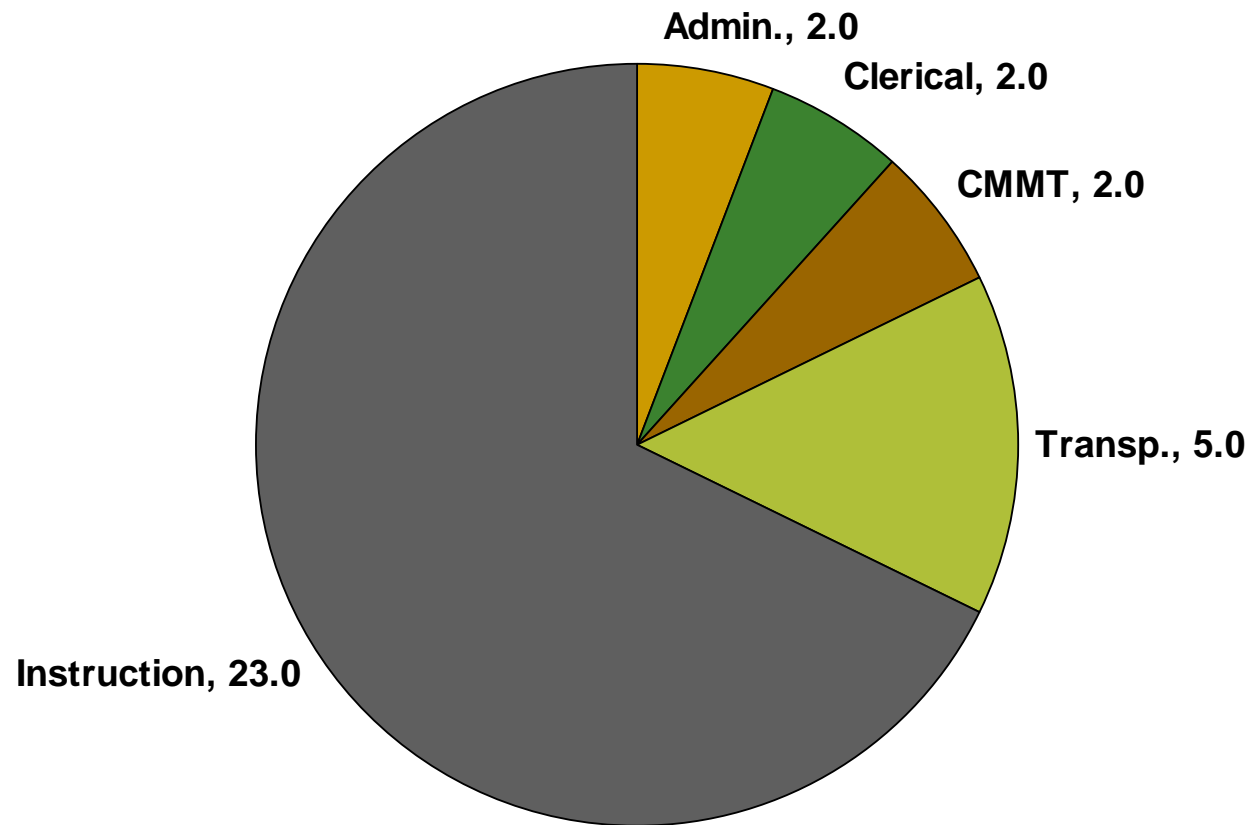
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## *Areas That We Will Review For 2010-11 & Beyond*

- OEC Enrollment
  - Sale of Bonds
  - Consolidation
  - Community Ed.
  - Walking Distances
  - DMC (printing/video)
  - Outsourcing
  - Attrition
  - Electives
  - Layoffs, furloughs
  - Non-mandated programs
  - Athletics
  - Student Activities
  - Class Size, Split Classes
  - Scheduling
  - Collective Bargaining
  - Full Day Kindergarten
  - SOC Enrollment
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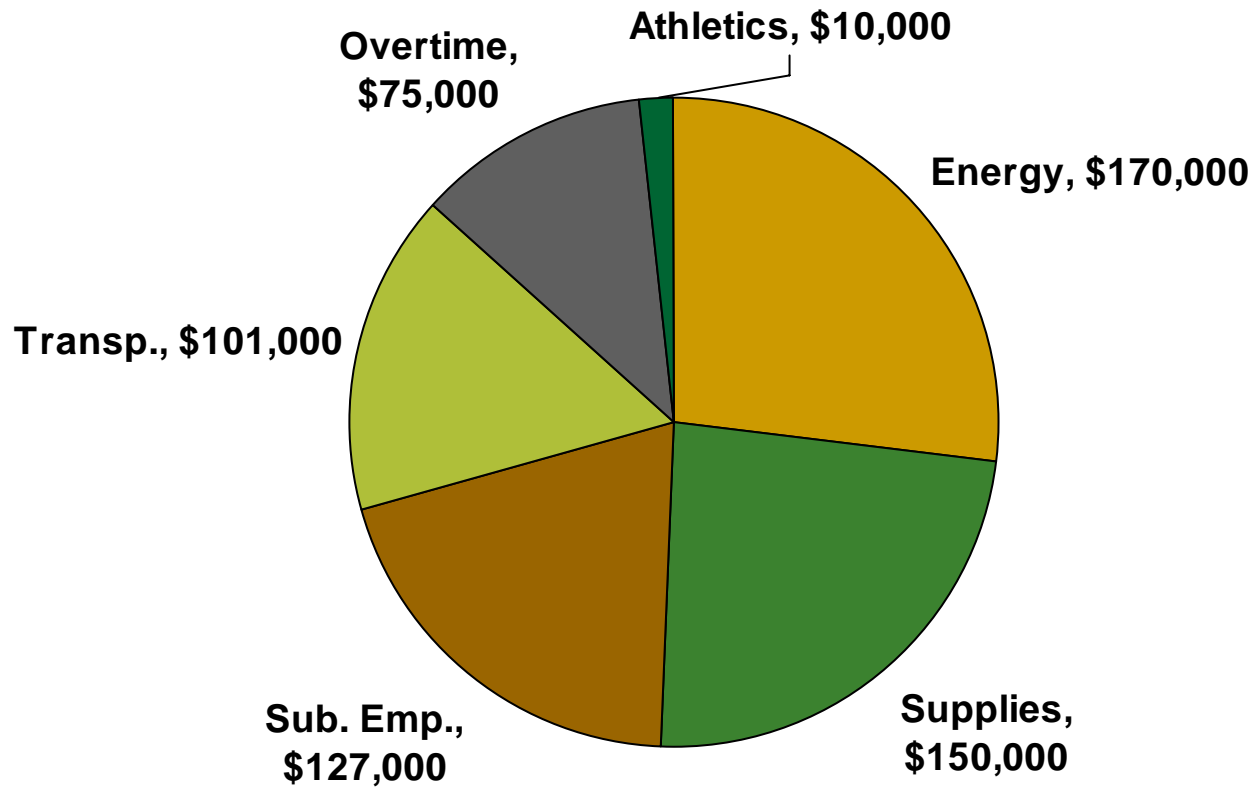
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*Staff Reductions This Year*  
*34 Positions, \$2.4 Million*



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*Non Staff Reductions This Year*  
*\$633,000*



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*What Has Been Done To Control Costs?  
Over \$16 million in adjustments since 03-04*

- **Refinanced Existing School Bonds**
    - Saved over \$800,000 in interest
  - **Human Resources**
    - Wage & step increase givebacks
    - Health insurance changes
    - Retirement incentives
    - Use of contract employees
    - Staff Reductions
  - **Instruction & Support**
    - Program changes
    - Supplies & materials
    - Energy initiatives/savings
    - Purchasing cooperatives
    - Reduction in cleaning staff
    - Collaboration efforts
  - **Transportation**
    - Bus route consolidation
    - Tiering of bus routes
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## *What Can You Do?*

- The size of these cuts cannot continue to be absorbed by our school district.
  - We implore everyone to contact the governor's office, state legislators, and demand that these dollars be reinstated so that we can keep the school doors open until next June.
  - If this does not happen, return local control so that communities can decide what kind of education program they want for their children.
  - Lets make education a priority for our students and the state.
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