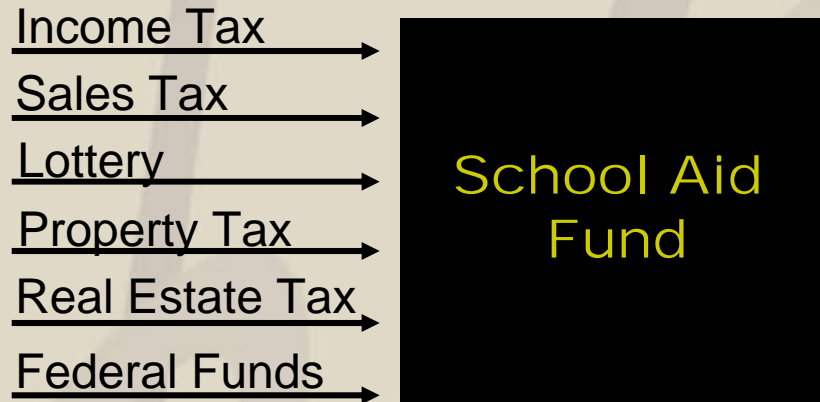


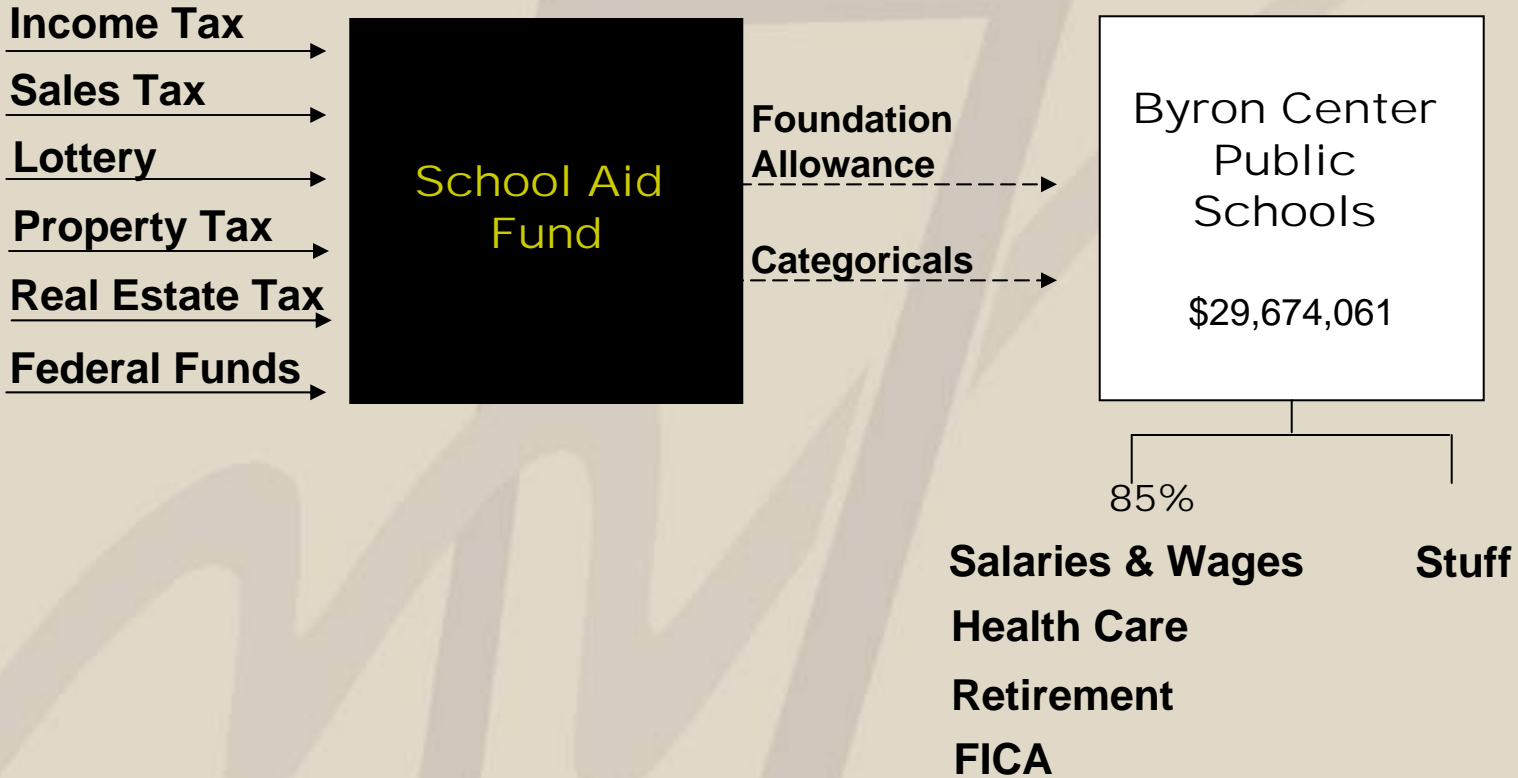
Byron Center Public Schools

**Opening the doors of tomorrow
for students today!**

School Funding 101



School Funding 101



What Happened in early October?

- The BCPS 09-10 School Year Budget as required by law, was completed by July 1, 2009.
- **Mid October – State informed schools of a \$165 per pupil foundation grant reduction for current 09-10 School Year.**

What does a \$165.00 cut mean to Byron Center Public Schools?

- This equates to a reduction of \$545,000 to our current operating budget for the 2009/2010 school year.
- Without ARRA (American Recovery and Reinvestment Act- Federal Stimulus) monies for 09-10, an additional \$278 reduction per pupil or \$918,234 would have taken place for a total of \$1,463,234.

Our goals as we consider solutions for \$165 reduction:

- As little disruption to students' current classes as possible
- Attempt to maintain present level of services for the 2009/2010 school year
- No mid-year staffing reductions
- Maintain an adequate fund balance for cash flow
- Stay optimistic
- Remember these are tough times not bad times

Possible Solutions to \$165 reduction (\$545,000)

- ***Option one:***

- Review all revenue funds***
- Evaluate line items for potential freeze***
- Approx. 50% of needed reduction covered by fund balance, lowering fund balance to ~6.4% (from 8.2%)***

- ***Option two:***

- 100% of needed reduction covered by fund balance, lowering fund balance to ~5.4%***
(\$300,000 equates to 1% of the fund balance)

What Happened in late October?

- End October – a proposed ***additional*** \$127 per pupil reduction in current 09-10 School Year.

What does an additional \$127.00 cut mean to BCPS?

- This equates to an additional reduction of \$420,000 to our current operating budget for the 2009/2010 school year.
- Total reduction: $\$165 + \$127 = \$292$ / student
- Total reduction to 2009-10 budget = \$965,000

Our goals as we consider solutions for \$127 reduction:

- As little disruption to students' current classes as possible
- Attempt to maintain present level of services for the 2009/2010 school year
- Hope to avoid mid-year staffing reductions
- Maintain an adequate fund balance for cash flow
- Stay optimistic
- Remember these are tough times not bad times

Possible Solutions to \$127 reduction (\$420,000)

- Option one
 - 100% of additional reduction covered by fund balance, lowering fund balance to ~5.1%
 - Beginning Fund Balance as of July 1, 2009 - 8.2%
 - Balance as of October 15, 2009 - ~6.4% (portion of \$165)

(Board of Education at the November 4, 2009 Work Session determined this is not a viable solution)

Possible Solutions to \$127 reduction (\$420,000)

- Option two
 - Use a portion of Fund Balance
 - Contract Concessions (wages, PD, benefits, etc.)
 - Mid-year staffing reductions
 - Increased class sizes K-12
 - Schedule changes 5-12
 - Other

Timeline for \$127 Reduction

- State of Michigan will make final decision regarding the additional \$127 reduction by late November. (Announcement to schools regarding the \$165 was early October, additional \$127 late October)
- Board of Education makes final decision at December 7, 2009 Board of Education Meeting.
- Tentative Building Schedule Changes are in progress.
- Per union contract, lay-off notices need to be received by December 11 and December 25.

Recent Reductions/Cuts

- Reduced one full time Central Office Secretary
- Reduced one part time Curriculum Director
- Reduced one part time Energy Manager
- Reduced one full time Assistant Athletic Director
- Reduced one full time time K-12 Fine Arts Director
- Reduced one part time Central Office Clerk and K-4 Office Assistant
- Implemented Early Retirement Incentive
- Reduced Building/Program supply budgets 10%

Most Recent Reductions/Cuts

- Reduced Fine Arts Director to 0.1 FTE
- Reduced Facilities/Operations Budget by ~\$446,000
- Reduced Transportation Budget by ~\$146,500
- Reduced Professional Staff by 19.03 FTE* (E.R.I, Lay-offs, Attrition, Grant Funding)
- Reduced Support Staff by 4 Positions
- Collaborative Agreement with Caledonia for Special Education Director
- Reduced Building/Program supply budgets by an additional 10%
- Eliminated School Liaison Police Officer

What may be on the horizon?

- **Another mid-year cut in Spring 2010?**
(Senate Fiscal Consensus scheduled for January 2010 and continued erosion of State Revenue indicate a strong possibility)
- **Reductions for the 2010-11 School Year?**
(Reports and projections suggest a possible \$400-\$600 reduction per student, or more)
- **End of ARRA Funds**

2010-2011 Preliminary Budgetary Assumptions for Planning

- Budget for \$400-\$600 per pupil or more Deduct –
(estimate based on legislative updates 10-30-09) \$1.3 - \$1.9 million
 - Non Union Staff – wage freeze saving \$22,082
 - Estimated Retirement Increase 1.5% \$227,623
 - Estimated Health Increase – 7% (last years increase) \$226,288
 - Estimated Energy Increase – 2% \$61,675
 - Plan for NO additional new students
-

Necessary considerations as we prepare for further reductions

- BCHS Block Schedule to 6-period day
- Middle School Teaming
- Increase class sizes
- School closings, split schedules, busing, pay-to-participate
- ***All*** Staff - 1% wage equates to ~\$890,470
- Union/non-union concessions
- Seeking staff/stakeholder input

Where Do We Go From Here?

- Work with our elected officials to help resolve the K-12 Funding Model (Ex. Sales Tax)
- The Finance Committee will continue to meet to seek out the best solutions possible for Byron Center
- Meetings with Board of Education, Superintendent Advisory Committee, Parent Groups, Staff Groups and Student Groups
- We need to remember that this is not a time to panic but we must remain positive and look at the many blessings we have as a district and community

Your Feedback is Important!

**Byron Center Public Schools
Suggestion Form for 2010-2011 Budget**

The Board of Education, Leadership Team, the BCEA and the Support Personnel MEA/KCEA leadership would like your suggestions on creative measures that may assist the District to address 2010-2011 budget concerns. Your participation in this process would be greatly appreciated. When making your suggestion, please note your innovative ideas, as well as a recommended plan to implement the idea. Please return this form no later than December 15, 2009.

1. _____

2. _____

3. _____

*Upon completion, return to the Superintendent's office:
Byron Center Public Schools
8542 Byron Center Ave SW
Byron Center, MI 49315*

Tentative Timeline for 2010-2011 Budget

- Nov.-Dec. '09 Present issues and explain to stakeholders
- Jan.-Feb. '10 Collect and compile options/solutions
- March-April '10 Create tentative budget
- May '10 Finalize budget
- June '10 BOE adopts 2010-11 BCPS School Budget

***Together we can make a
positive difference!***

