



South Redford School District

---

**2009-2010**  
**GENERAL FUND**  
**BUDGET**

*Board of Education – Public Hearing*

*June 22, 2009*



# South Redford School District

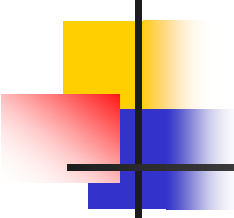
---

## 2009-2010 GENERAL FUND BUDGET

REVENUE	\$ 30,990,632
---------	---------------

EXPENSE	<u>\$ 31,589,929</u>
---------	----------------------

Excess Expense	\$ (599,297)
----------------	--------------

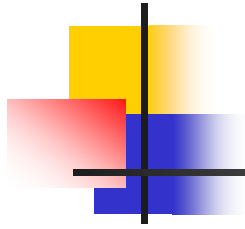


# South Redford School District

## 2009-2010 GENERAL FUND BUDGET

	2008-09 Budget <u>Feb. 23, 2009</u>	2008-09 Projected <u>Jun. 22, 2009</u>	2009-10 INITIAL <u>BUDGET</u>
REVENUE	31,558,381	31,449,068	30,990,632
EXPENSE	<u>31,764,131</u>	<u>31,353,783</u>	<u>31,589,929</u>
EXCESS	(205,750)	95,285	(599,297)





# South Redford School District

## 2009-2010 GENERAL FUND BUDGET

	2008-09 Projected <u>Jun. 22, 2009</u>	2009-10 INITIAL <u>BUDGET</u>
Excess Revenue/ (Expense)	95,285	(599,297)
Fund Balance (June 30)	<u>4,010,623</u>	<u>4,105,908</u>
Fund Balance (July 1)	4,105,908	3,506,611





# South Redford School District

---

## 2009-2010 GENERAL FUND

### REVENUE

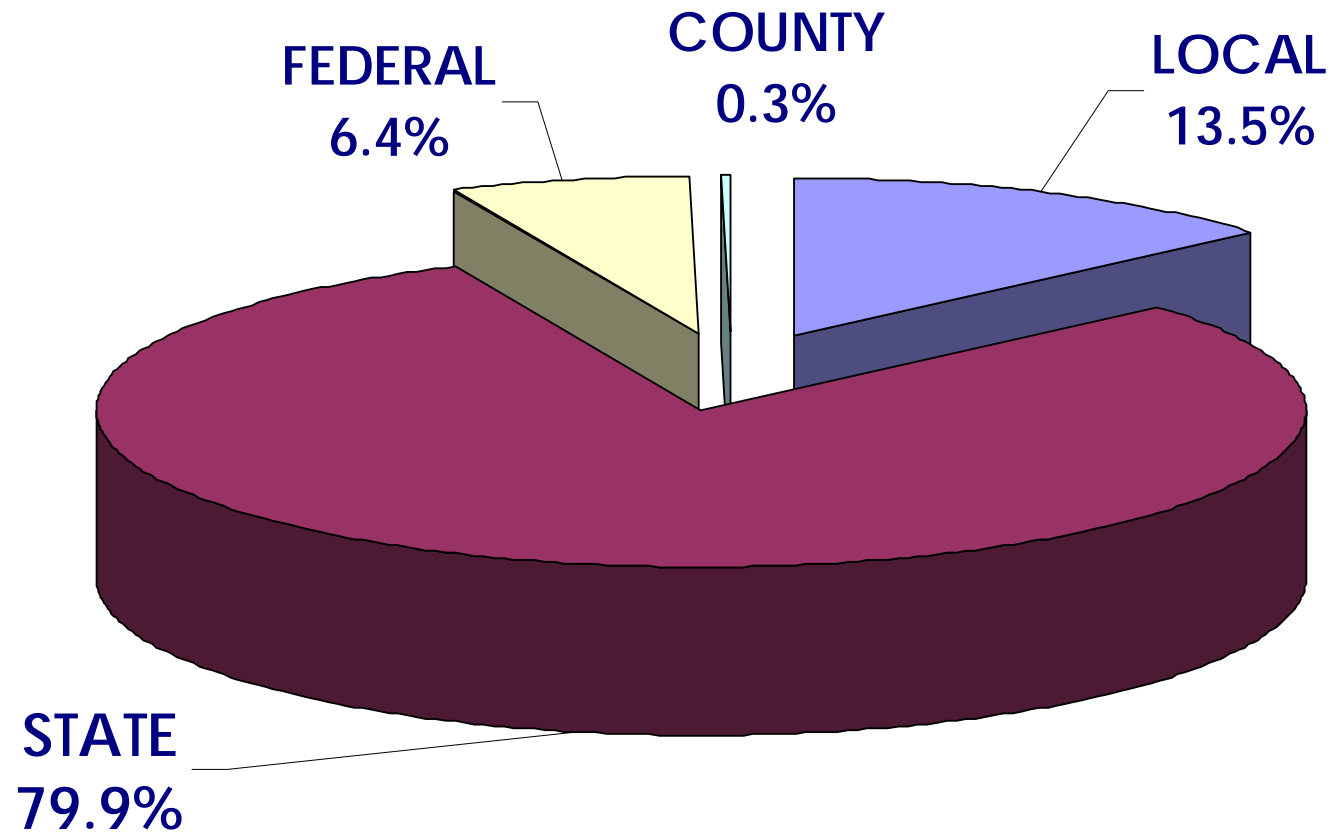
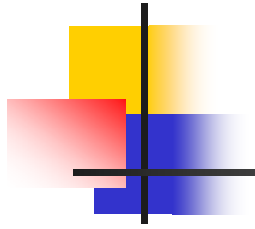
2008-09 REVENUE	\$ 31,449,068
-----------------	---------------

2009-10 REVENUE	<u>\$ 30,990,632</u>
-----------------	----------------------

Change	\$ (458,436)
--------	--------------

( 1.8% )

# SOUTH REDFORD SCHOOL DISTRICT 2009-2010 Revenue





# South Redford School District

---

## Local Revenue: 2009 TAXABLE VALUE

2008 TAXABLE VALUE: \$ 780,238,985

2009 TAXABLE VALUE: \$ 729,713,800

Taxable Value DECREASE: ( 6.5% )



# South Redford School District

## Local Revenue: 2009-2010 LEVY

	Homestead Properties	NON-Homestead Properties
Operating Levy	-0-	18.00
Debt Levy	6.08	6.08
TOTAL	<hr/> 6.08	<hr/> 24.08



# South Redford School District

---

## ENROLLMENT PROJECTIONS

	2008-09	2009-10	
	Actual	Projected	Change
Fall student count	3,408	3,361	(47)
State Aid student count	3,415	3,377	(38)

NOTE: State Aid is calculated on a 'Blended Rate' of 25% February count & 75% September count.



# South Redford School District

## State Revenue: FOUNDATION GRANT

	2008-09	2009-10
Local (18 Mills)	1,105	1,099
State Aid	7,071	7,077
State Aid Cut	(370)	(149)
Federal (ARRA)	370	149
<b>TOTAL</b>	<b>8,176</b>	<b>8,176</b>



# South Redford School District

## State Revenue: FOUNDATION GRANT

	<b>2008-09</b>	<b>2009-10</b>
State Aid Cut	\$ (370)	\$ (149)
Student count	3,415	3,377
Revenue Loss	\$(1,263,550)	\$(503,173)

ARRA FEDERAL STABILIZATION FUNDS:

\$ 1,766,723



# South Redford School District

---

**American Recovery and  
Reinvestment Act of 2009**

**' ARRA '**



# ARRA Comes in Two Large Sections

---

- State Fiscal Stabilization (Unrestricted Use)
- Direct Education (Targeted) (Restricted Use)
  - Title I, Part A
  - Title I, Part A School Improvement
  - Title II, Part D Educational Technology
  - Title X, Part C Homeless
  - IDEA Special Education
  - Other

# EXPECTATIONS FOR FY 2009

*as of June 15, 2009*

- \$600 million shortfall in State Aid
- Per Pupil decrease of \$370
- June State Aid payment same
- Decrease in Jul/Aug State Aid
- Section 22b (Foundation Grant) funds only
- **FEDERAL STABILIZATION FUND** \$\$ will be used restore shortfall in 2008-09 State Aid

# State Fiscal Stabilization Fund Education Stabilization Funds



---

- Federal Regulations require LEAs (including ISDs and PSAs) to submit an application in order to receive Education Stabilization (ES) funds
- ES funds are FEDERAL grant monies and subject to all applicable federal spending and reporting requirements



# South Redford School District

---

## 2009-2010 GENERAL FUND

### EXPENSE

2008-09 EXPENSE	\$ 31,353,783
-----------------	---------------

2009-10 EXPENSE	<u>\$ 31,589,929</u>
-----------------	----------------------

Change	\$ 236,143
--------	------------

0.8%



# South Redford School District

---

## 2009-2010 GENERAL FUND EXPENSE

- MPSERS increased from 16.54% to 16.94%
- Employee Benefits increased by (only) 1.5%
- Gas, Electric and Water increased by (Avg.) 10%
- Phone expense DECREASED by 48%
- Contractual increments for teacher salaries  
\$549,329 (cost of salaries, FICA and MPSERS)
- \$947,329 of budget REDUCTIONS ←



# South Redford School District

---

## **2009-2010 GENERAL FUND REDUCTIONS**

- 3 Elementary teacher layoff
- 2 Teaching staff retirements
- Staff savings – new grant programs
- Pierce Middle School reduction
- Supplies from ALL buildings
- Athletics reduction
- Schedule B reductions



# South Redford School District

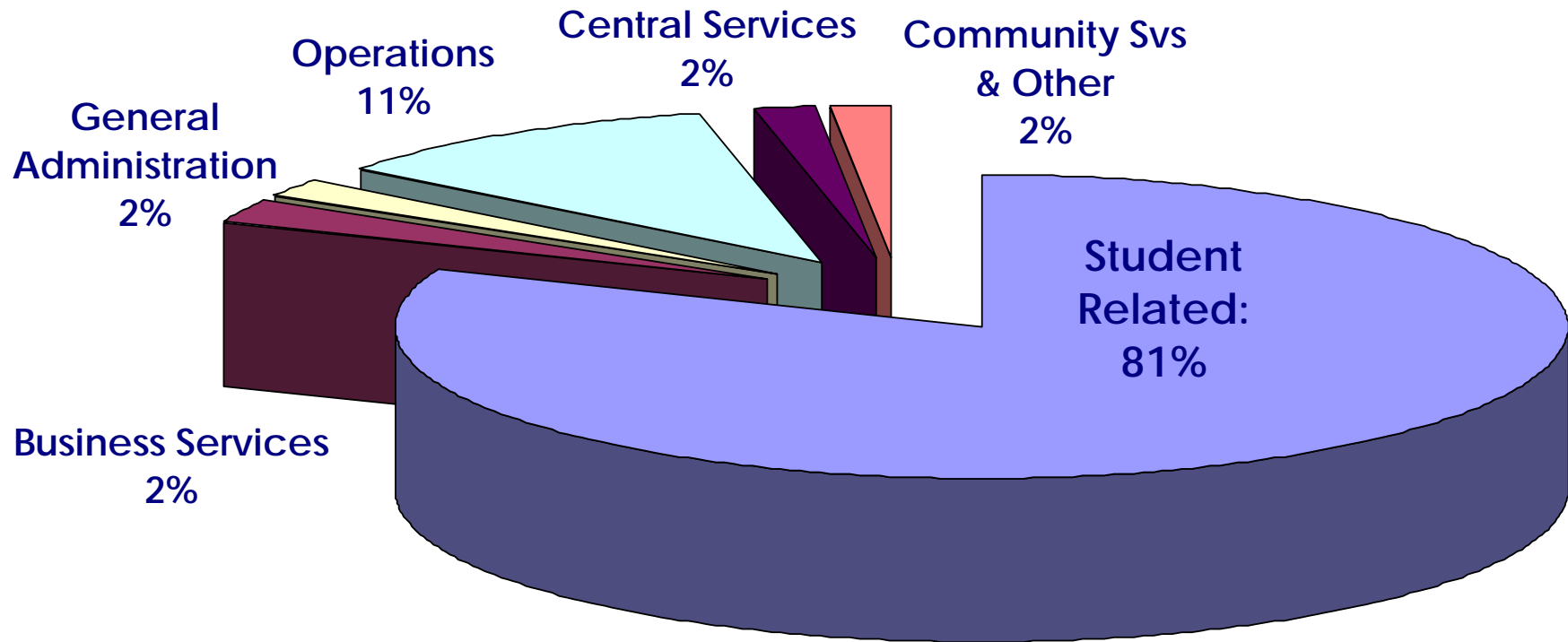
---

## 2009-2010 GENERAL FUND REDUCTIONS

- Clerical Benefits cost savings
- Facilities
- Supplies: Central Off., Student Svs., Transp.
- Township Police (Tentative)
- Mileage (Wayne & Oakland County travel)
- Kindergarten Aides ( cut reduced to \$66,250)
- Mailings / Postage
- Travel Expense (all GF in-service reimbursement)

# South Redford School District

## Where the money is spent



Student Related expenses are:

>> Pupil Services

>> School Administration

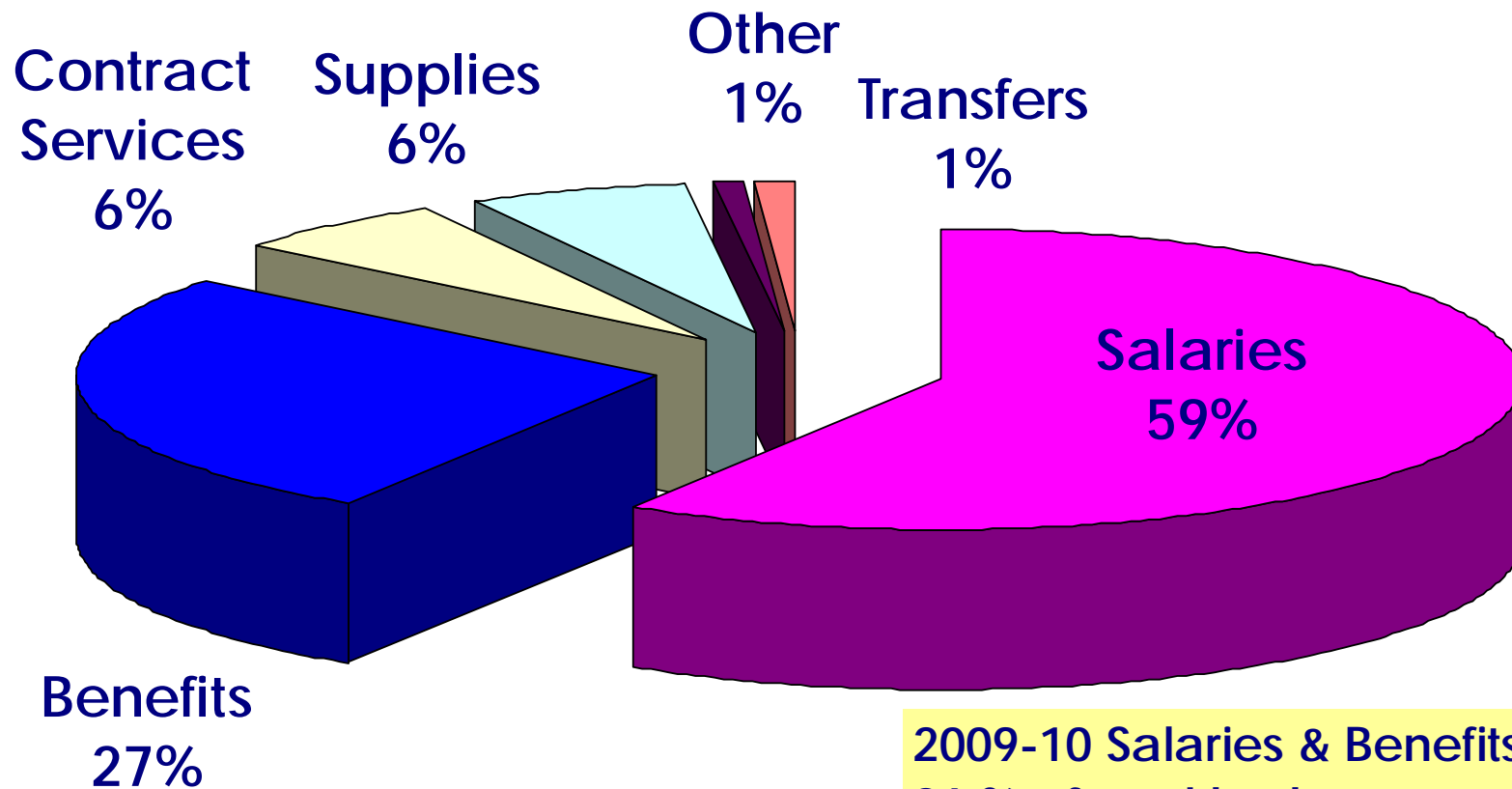
>> Classroom Instruction

>> Instructional Services

>> Pupil Transportation

# South Redford School District

## How the money is spent



2009-10 Salaries & Benefits  
86 % of total budget



# South Redford School District

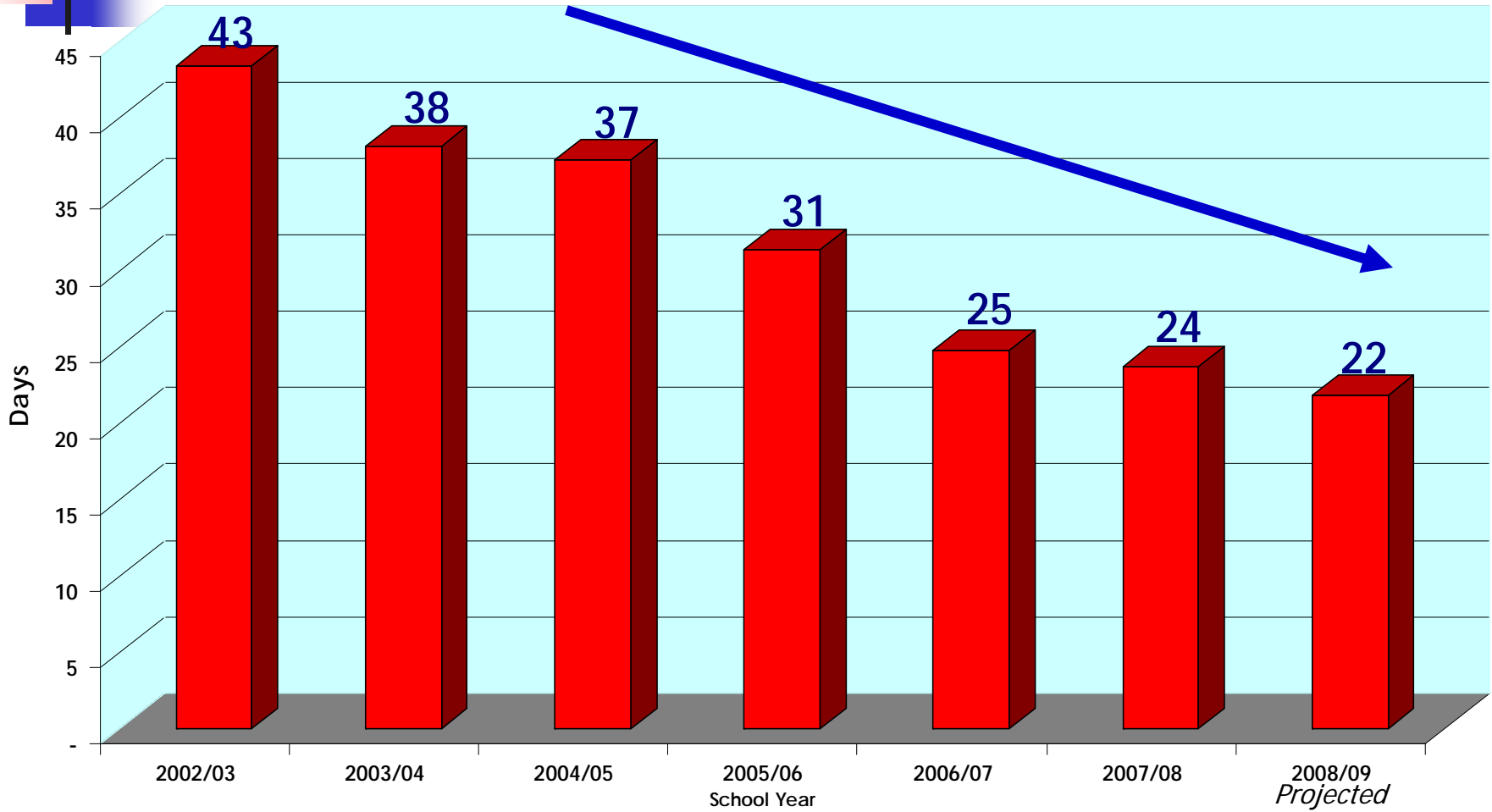
---

## The **IMPORTANTANCE** of Fund Balance

- #1 importance: guard against the very real possibility of having to reduce program – mid year – due to a reduction in State Aid (90% of our revenue!)
- #2 importance: CASH FLOW, CASH FLOW, CASH FLOW. With out a reasonable fund balance we would have to borrow much more (*than we currently will have to*) to meet payrolls, resulting in additional expense

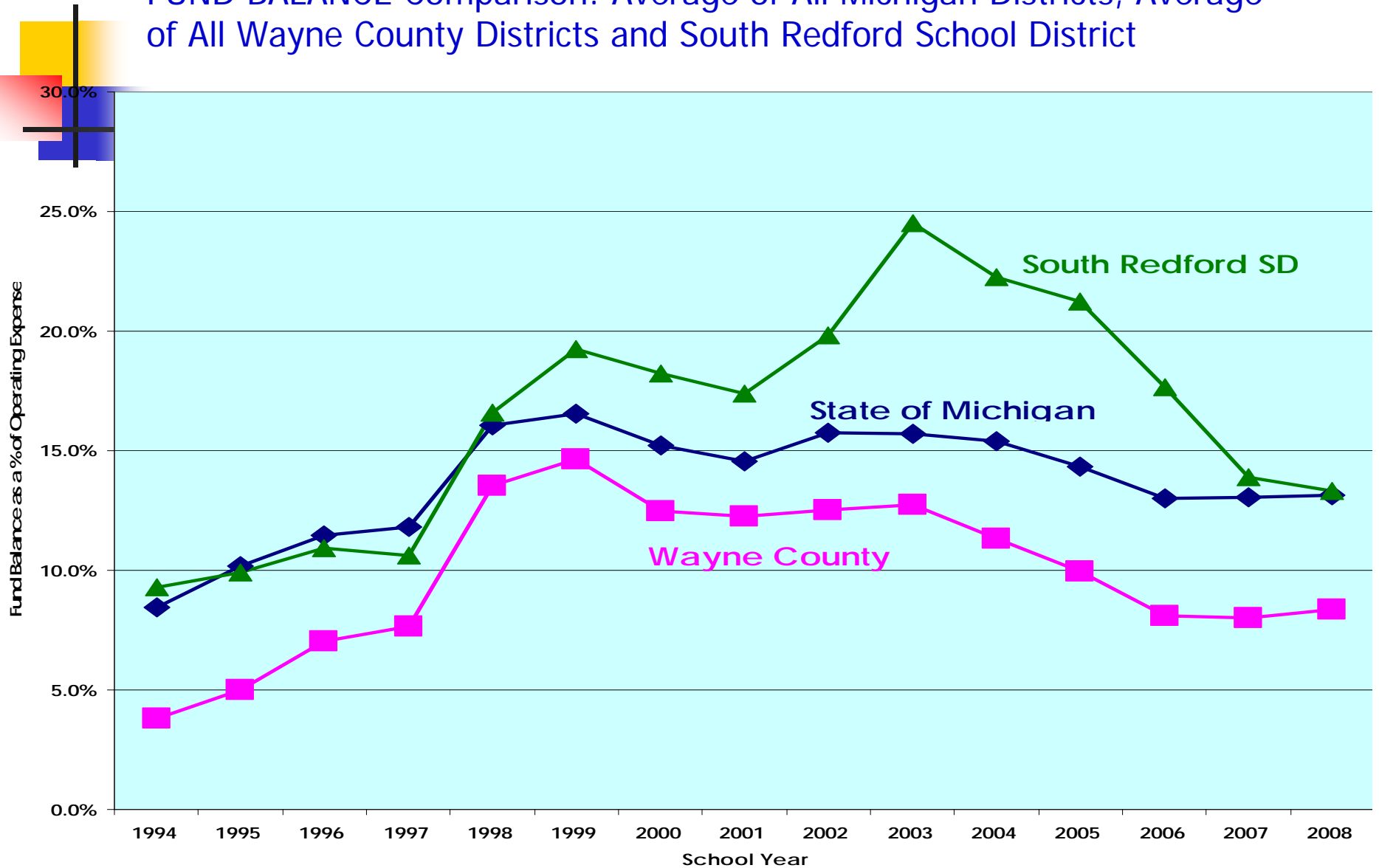
# South Redford School District

FUND BALANCE Converted to operating school days



# South Redford School District

FUND BALANCE Comparison: Average of All Michigan Districts, Average of All Wayne County Districts and South Redford School District





# South Redford School District

---

## **Concerns, Uncertainties and Potential**

- Enrollment (could be a potential or concern )
- State Revenue – continued shortfall ?
- Close to 90% of our revenue is dependant on the State of Michigan
- ARRA Educational Stabilization funds will NOT cover continued state revenue shortfall
- Property Value decrease, State unemployment at 14%



# South Redford School District

---

## Concerns, Uncertainties and Potential

### POTENTIAL:

- Anticipate additional revenue \$ 266,000 for prior year transportation reimbursement - awaiting approval from the State
- Savings of approximately \$17,000 per new waste disposal bid (award on agenda 6.22.09)
- Prudent use of ARRA Education Direct funds (Title I and IDEA )



# South Redford School District

---

**Concerns, Uncertainties and Potential**

**QUESTIONS**

**AND**

**COMMENTS**