

# Estimated Budget Shortfall & Reductions for 2010/11

Daniel M. Evans, Superintendent

March 2010

# Mission

- Focus on academics
- Maintain programs
- Minimal impact on students
- Not eliminating
  - Core academic programs
  - Athletics
  - Busing
  - Music
  - Art
  - Foreign language
  - Etc.

# MEAP Highlights

Reading	3 grade	4 grade	5 grade	6 grade
Bennett	86	64	73	80*
Cascades	85*			
Dibble	84	89	83	92
Frost	77*	56	79*	77
Hunt	80*	80	69	77*
McCulloch	68	28	72*	
Northeast	81	56	69*	88*
Sharp Park	92	95*		
<b>AVG</b>	82	67	74	83*

Math	3 grade	4grade	5 grade	6 grade
Bennett	90	80	67	73
Cascades	96			
Dibble	97	96	90	90
Frost	84	93	68	77
Hunt	91	88	61	61
McCulloch	97	50	48	
Northeast	89	79	62	67
Sharp Park	95	90		
<b>AVG</b>	92	82	65	74

Parkside	7 grade	8 grade
Reading	75	80
Math	73	55
Science		69

**Highest in District History**

**Meets district standard for success (80%)**

# Recent Headlines From Other Districts

- ANN ARBOR SCHOOL DISTRICT FUND BALANCE SHRINKING; THIS YEAR'S BUDGET DEFICIT ESTIMATED AT \$8 MILLION, 3/12/10
- NORTHVILLE CUTS SCHOOL TRANSPORTATION, 3/12/10
- HARTLAND AND BRIGHTON SCHOOLS OK BUS CONSOLIDATION, 3/10/10
- BUDGET WOES PROMPT SCHOOL CLOSURES AND OTHER CHANGES (WATERFORD/HURON VALLEY/ WEST BLOOMFIELD) 3/11/10
- MORE CUTS FOR UTICA COMMUNITY SCHOOLS; ANTICIPATED \$33 MILLION BUDGET SHORTFALL, 3/10/10
- CLEANING, PARAPRO STAFF LAYOFFS PROPOSED FOR SPRING LAKE SCHOOLS, 2/12/10
- SCHOOL DISTRICTS FACE BUDGET HOLES AS STIMULUS RUNS OUT, 2/15/10
- MACOMB COUNTY SCHOOLS COULD FACE ECONOMIC HARDSHIP OF "CATASTROPHIC" PROPORTIONS, 3/5/10

## Recent Headlines From Other Districts – Cont.

- SCHOOLS' HEALTH PLANS TOO COSTLY, 2/14/10
- SCHOOL BOARD INVESTIGATES PRIVATIZATION (LIVONIA) 2/25/10
- ALPENA PUBLIC SCHOOLS CLOSING 2 SCHOOLS, 3/1/10
- BUSINESS AS USUAL WON'T IMPROVE STATE'S ECONOMY, 3/1/10
- NILES SCHOOLS NEEDS TO TRIM ABOUT \$3 MILLION OR GO BROKE, 3/1/10
- SCHOOL PROFESSIONALS OK CONCESSIONS TO SAVE JOBS (LIVINGSTON ISD), 3/3/10
- SUPERINTENDENT TELLS UNIONS: COMPROMISE OR BE PRIVATIZED (SOUTHGATE), 3/2/10
- "SURVEY OF PAIN" SHOWS SERIOUS TROUBLE AHEAD FOR MICHIGAN SCHOOLS (DEWITT), 3/8/10
- PORTAGE SCHOOLS CONSIDERS PAY-TO-PLAY FOR SPORTS, OTHER ACTIVITIES, 3/9/10

## Recent Headlines From Other Districts – Cont.

- GRAND LEDGE WILL CUT TWO BUILDINGS AND ANTICIPATE 50-54 LAYOFFS, 3/8/10
- INCREASED CLASS SIZES, REDUCED BUSING ON LIST OF CUTS (LIVONIA), 3/11/10
- FACING \$22 MILLION DEFICIT, WALLED LAKE DISTRICT EYES CUTS, 3/13/10
- DISTRICT LAYING OFF 19 (CHELSEA), 3/16/10
- GRAND BLANC SCHOOL DISTRICT MAY ELIMINATE ELEMENTARY SPANISH PROGRAM, LAY OFF TEACHERS, 3/15/10
- FARMINGTON PUBLIC SCHOOLS REDUCES 160 POSITIONS, \$17.9 MILLION, 2/24/10
- LAYOFFS AMONG IDEAS TO TIGHTEN DISTRICT'S BUDGET (GRASS LAKE), 3/16/10
- EAST JACKSON SCHOOL BOARD APPROVES LAYING OFF NINE TEACHERS, 3/8/10

# State and Federal Funding Reductions

- We need to put pressure on state and federal governments for adequate funding.
- Providing information to allow employees to consider their options.
- We are planning for the worst, but hoping for the best.

Total JPS Estimated Budget Shortfall  
(as a result of state and federal reductions)

**\$7,093,992**

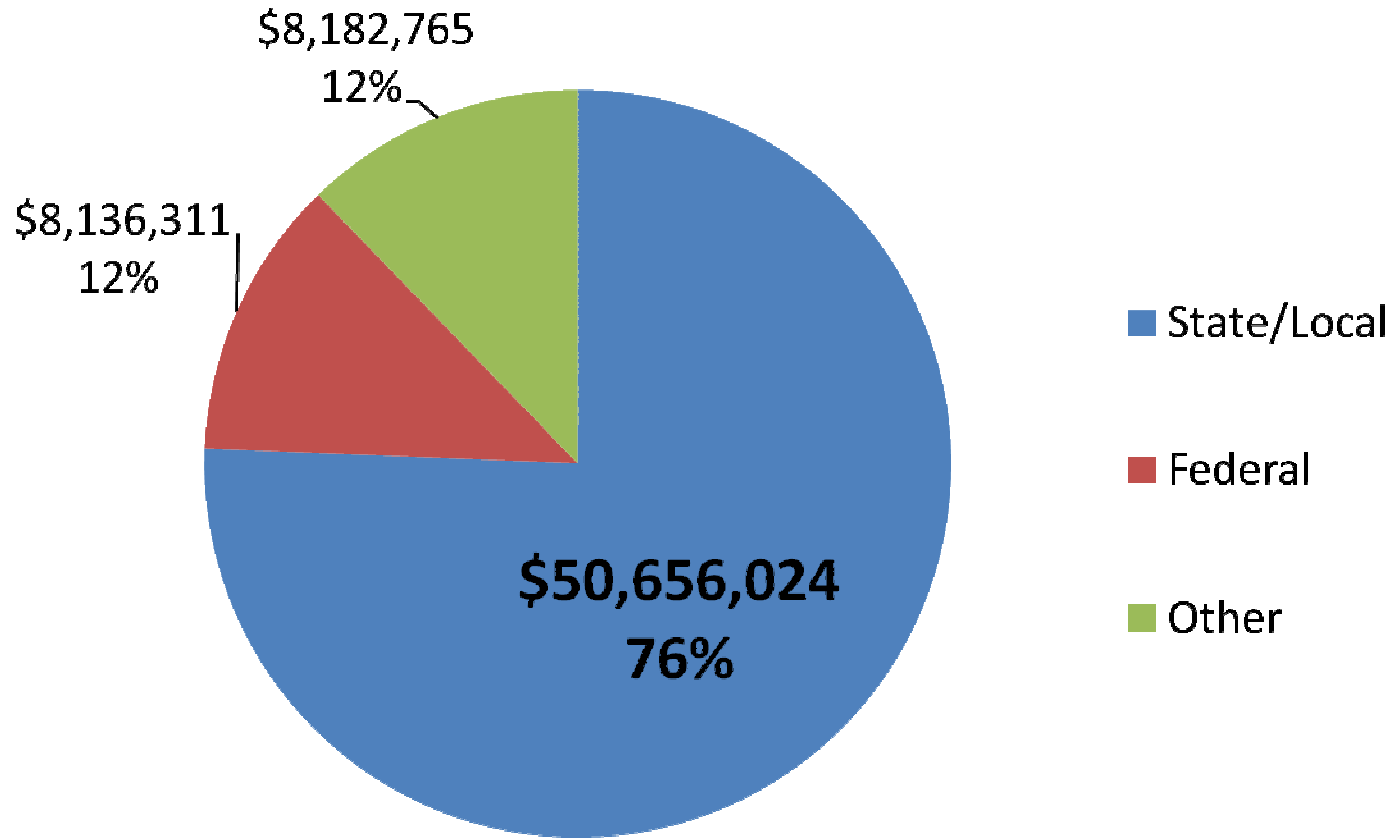
or

**10.47 %**

of

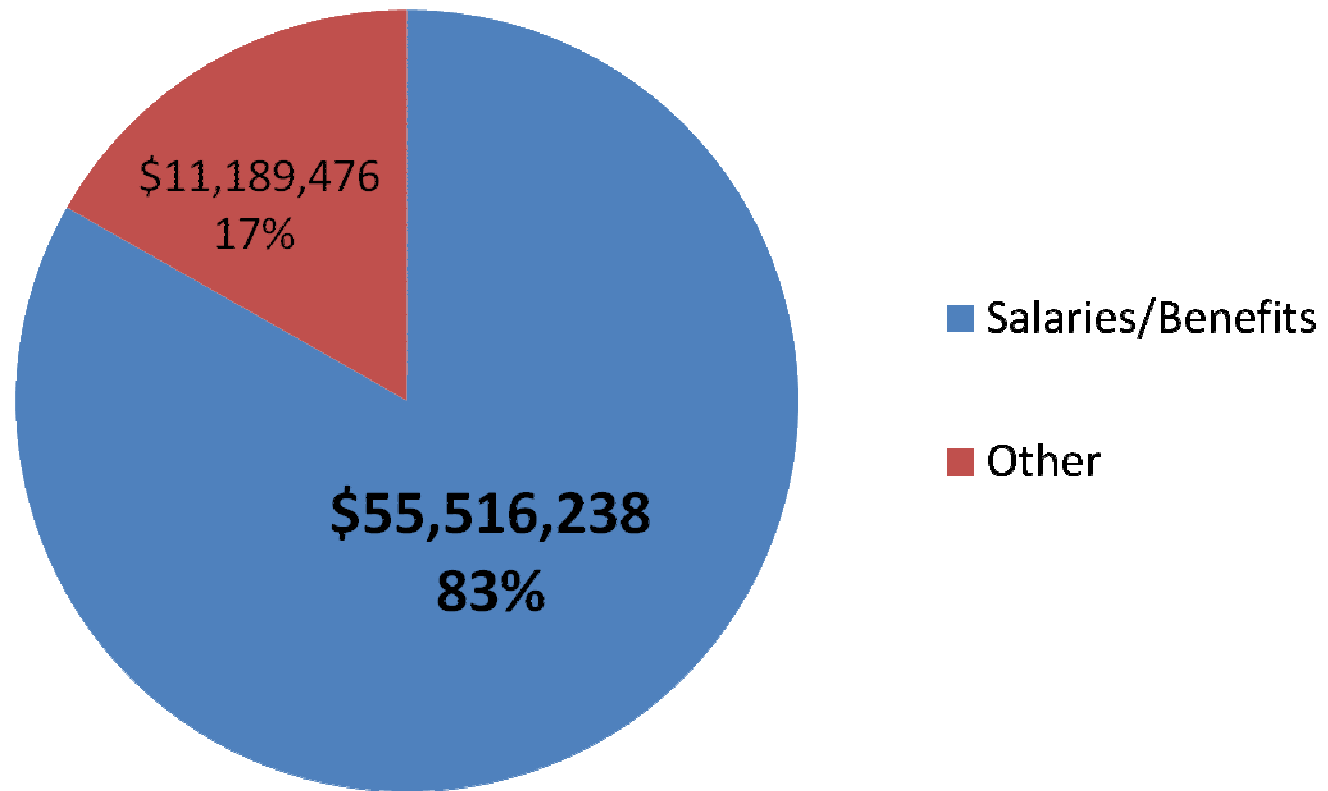
**\$67,765,729**

# Revenue Sources for 2008/09



**Total Revenues = \$66,975,100**

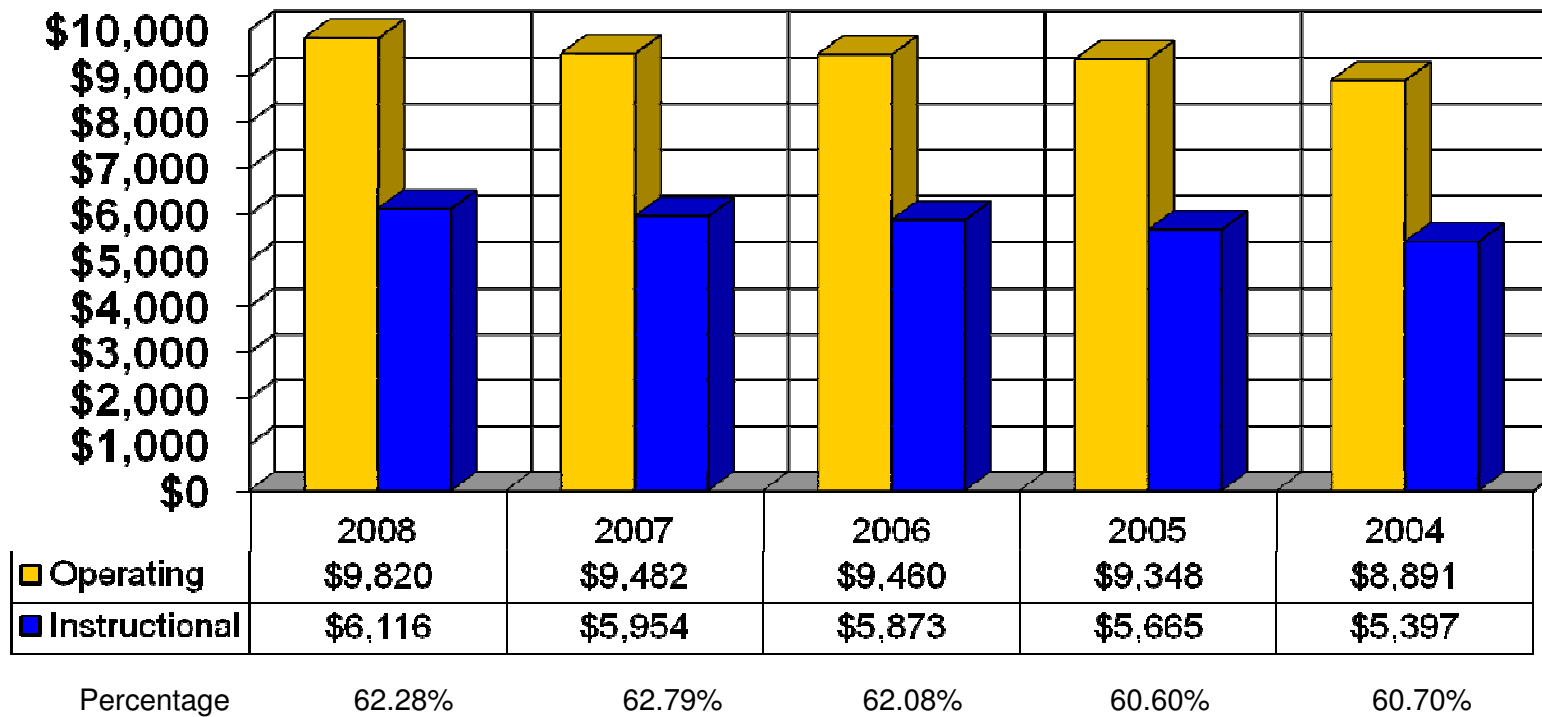
# Expenditures by Type for 2008/09



**Total Expenditures = \$66,705,704**

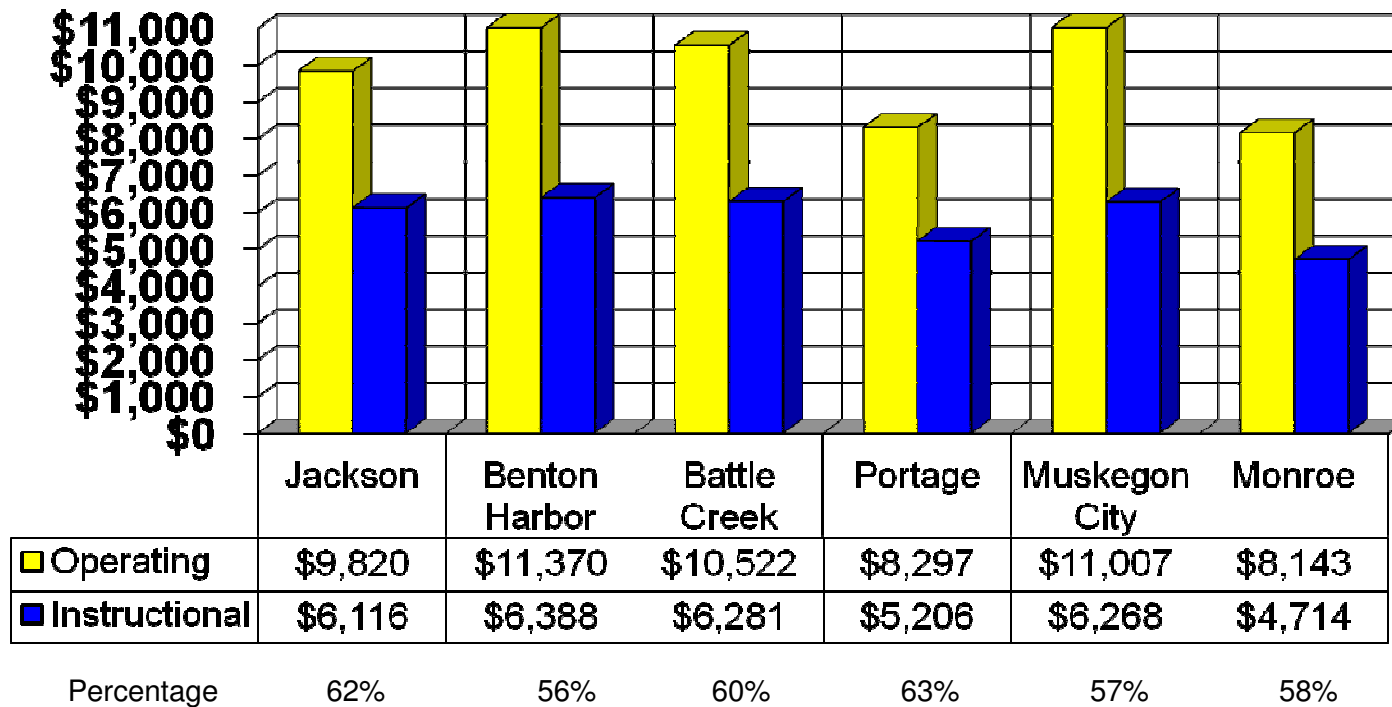
# Comparison of Instructional Expenditures as a Percent of Operating Expenditures

## Year Ended June 30



# Comparison of Instructional Expenditures as a Percent of Operating Expenditures

**Year Ended June 30, 2008**



# Number of Students and Funding

## Number of students

2008/09	6,365
2009/10	6,176 (actual loss of 189)
2010/11	6,051 (estimated loss of 125)

## Funding per student

2008/09	\$7,366 (incl \$372 ARRA)
2009/10	\$7,201 (incl \$289 ARRA); actual loss of \$165
2010/11	\$6,946 (incl \$0 ARRA); estimated loss of \$255

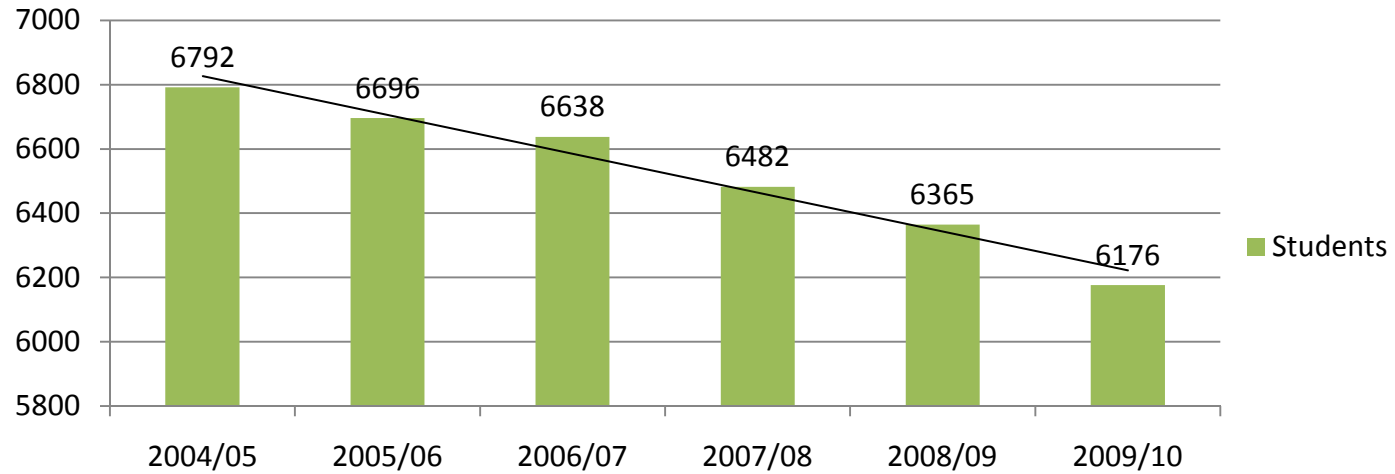
# Estimated Loss in Revenues

Loss of 125 students	\$ 900,125
Loss of \$255 per pupil in state funding	1,574,880
Loss of federal Title I and II-A funding	870,000
Other	<u>100,000</u>
Total	\$ 3,445,005

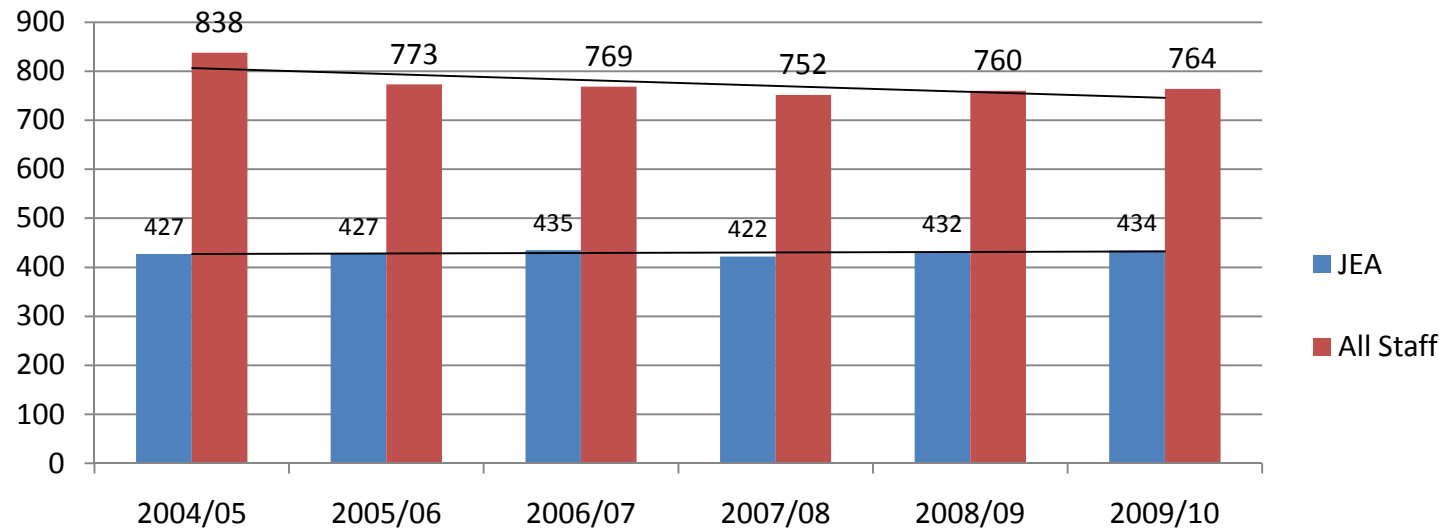
# Estimated Increase in Costs

Health insurance (9%)	\$ 731,700
Salaries (JEA only, 2%)	650,000
Steps (JEA)	415,000
Retirement rate	<u>864,500</u>
	2,661,200
Budget shortfall for 2009/10	987,787
Estimated loss in revenues	<u>3,445,005</u>
Total	<u><u>\$ 7,093,992</u></u>

## History of Student Enrollment



## History of Staff and JEA



# Potential Revenues

- Increase enrollment
- Partner with private schools
- Retain our own students

# Proposed Reductions

Administrators	<u>5.20</u>	<u>\$ 522,516</u>
JEA		
Teachers		
<a href="#">Kindergarten</a>	12.00	\$ 540,000
K-3 McCulloch	6.00	592,477
Elementary Classroom (1-6) (incl. 2 G/T)	9.00	617,500
Parkside (incl. 1.5 Alpha II)	4.00	260,000
Jackson High	6.00	390,000
Other (tutorial rooms)	3.00	105,000
Instructional specialists	7.50	750,610
Social workers	<u>3.30</u>	<u>347,411</u>
Subtotal	<u>50.80</u>	<u>\$ 3,602,998</u>

# Proposed Reductions – Cont.

## Support staff

Secretaries	4.00	\$ 213,000
Paraprofessionals (33 F/T to P/T)		510,000
JESPA	1.00	82,212
Teacher assistants		
Transportation		
Labor contract reductions/adjs.		<u>1,400,000</u>
Subtotal	<u>5.00</u>	<u>\$ 2,205,212</u>

# Proposed Reductions – Cont.

Nursing services		\$ 63,000
Textbook adoptions (susp. for 1 year)		250,000
Athletic department	.50	56,836
Schedule B positions		53,641
Maintenance		65,000
Other	<u>2.00</u>	<u>274,789</u>
Subtotal	<u>2.50</u>	<u>\$ 763,266</u>

# Summary of Reductions

Administrators	5.20	\$ 522,516
JEA	50.80	3,602,998
Support Staff	5.00	2,205,212
Other	<u>2.50</u>	<u>763,266</u>
TOTAL	<u>63.50</u>	<u>\$ 7,093,992</u>

# Next Steps

- Special Board Meeting, Discussion Only
  - March 22, 6 pm, JHS Auditorium
- Regular Board Meeting, Action
  - April 19, 6 pm, Location TBD

# State and Federal Contact Information

## **Congressman Mark Schauer**

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# Kindergarten

- This budget recommends ALL DAY Kindergarten
- State recommends only half day program
- This plan maintains quality all day instruction at a reduced cost

# Kindergarten Proposal

	Student Classroom 1	Student Classroom 2
AM	Core Academics - Math, English Language Arts, Social Studies, Science	Academic Support - Computers, Phys Ed, Music, Art, Tutoring, Success Maker, Recess
Lunch and Planning Period		
PM	Academic Support - Computers, Phys Ed, Music, Art, Tutoring, Success Maker, Recess	Core Academics – Math, English Language Arts, Social Studies, Science
Dismissal		

