




and the District  
remains Financially  
Strong.



### The State of the District



- The operating budget for our 8600 student district this year is nearly \$79 million.
- Over 80% is related to personnel costs.

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### The State of the District



- 81% of the District's revenue to operate our schools comes from State funding, based upon a per pupil amount.
- Last year, Portage received \$7,316 per pupil in State funding.

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### The Challenge



- October - December 2009
  - 1<sup>st</sup> Reduction of \$165 per pupil
  - 2<sup>nd</sup> Reduction of \$127 per pupil
  - Total of \$292 per pupil
- January 2010
  - Potential 3<sup>rd</sup> Reduction of \$100 pp.

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### The Challenge

- \$165 Reduction = \$1,419,000
- \$127 Reduction = \$1,092,200
- Total of \$292 = \$2,511,200
- \$100 Reduction in January 2010 ?
- Potential Total = \$3,371,200






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### The Challenge We Face Together

Navigating the Difficult  
Waters Ahead:



Cut \$2.5 - 3 million  
this school year.

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## The Challenge

- This loss in revenue can't be made up with fund balance, the District's savings account.
- 7% of the budget in savings is needed to help with cash flow & to avoid the need to borrow during the months when the State checks don't come.

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## The 2009/10 Challenge Cut \$2.5-3 Million



November 16

- 1<sup>st</sup> Round Adjustments = \$625,000

December 7 & 14

- 2<sup>nd</sup> Round Adjustments = \$1,874,954

Total = \$2,511,200






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## The 2009/10 Challenge Cut \$2.5-3 Million

November 16

- 1<sup>st</sup> Round Adjustments = \$625,000
- Administrative Reductions = \$219,046
- Training Cost Reductions = \$52,000
- Supply Reductions = \$354,000



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## The Challenge We Face Together

Administrative Cost Reductions = \$219,046

[Semester savings]

- Change in Health Insurance Carrier
- Increase in Employee Contribution to Health Care Costs
- Elimination of 1 Central Office Administrator






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## The Challenge We Face Together

Staff Training Cost Reductions = \$52,000

- District & building level professional development & training






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## The Challenge We Face Together

Supply Cost Reductions = \$354,000

- District level textbook & supply reductions
- Building level media services supplies
- Building level supplies
- District level laptop computer replacement supplies


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## The 2009/10 Challenge Cut \$2.5-3 Million

**2<sup>nd</sup> Round Adjustments = \$1,874,954**

Reduce / Eliminate ~ 53 Positions = \$844,950  
 Through lay offs no later than  
 February 1  
 24 Non Certified Staff  
 29 Certified Staff


Reduce / Eliminate  
 Additional Programs & Staff = \$1,030,050



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## The 2009/10 Challenge Cut \$2.5-3 Million


Next Steps include  
 Engaging our Employee Group Leaders  
 in Discussions to Explore their Ideas  
 about how to Close the Gap.



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## Next Year's Forecast: 2010/11


- A loss of between \$400 - \$600 per pupil in State funding is expected due to decreasing State revenue.
- For example, a \$600 per pupil reduction is an additional loss of \$5,160,000 for next year.



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## Next Year's Forecast: 2010/11


- The Building & Site Sinking Fund millage expires this year. A renewal could be placed on the May 2010 school election ballot.
- This .50 millage, in effect since 1965, provides \$1.2 million for critical maintenance of our facilities. Things like roofs, boilers, traffic safety redesigns.
- *Loss of this millage would mean the General Fund would absorb these costs.*



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## Potential Forecast for 2011/12


- The Regional Enhancement Millage expires at the end of the 2010/11 school year.
- This generates \$3 million each year.
- If the millage is not renewed, this would be an additional loss of \$3 million for 2011/12.



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## Shaping the Future: Teaching for Learning

What is most important  
to achieve  
our core mission?



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## Global Ends

All students will have an empowering set of knowledge bases that will enable them to succeed at the next stage of their lives in an increasingly complex & global world, and at a level such that the results justify the costs.

*Board of Education: 2/9/09*

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## Global Ends

Policy 1.0

### Core priorities

1. Curricular Academics
2. Co-curricular Activities — those held outside of the school day & are a part of the curriculum, such as MS/HS music classes
3. Extracurricular Activities

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## The Challenge

- Protect high quality education in a cost effective way
- Provide safe & orderly places to learn
- Comply with contractual, state & federal mandates
- Maintain District fiscal integrity

## Next Steps

- A Strong Outreach to Stakeholders will also occur through:
  - District Website Survey
  - Staff Survey
  - 50 Community Forums
  - Focus Groups

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## Next Steps

- A Strong Outreach to Stakeholders

Community Meeting  
Financial Presentation  
Monday, November 30, 6:30 p.m.  
West Middle School Little Theatre

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## Next Steps

2009/10:

- Decision points to balance this year's budget must occur between November - January.

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## Next Steps

2010/11

- Decision points for creating a balanced budget for next year must occur between February - April.

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**There is no better place to  
be than where you are,  
and no better time than now  
to make a difference.**

—Jim Kelly,  
member of NFL Hall of Fame

**Portage Public  
Schools**

*Shaping the Future,  
Striving to be 'Simply Exceptional'*

[www.portageps.org](http://www.portageps.org)