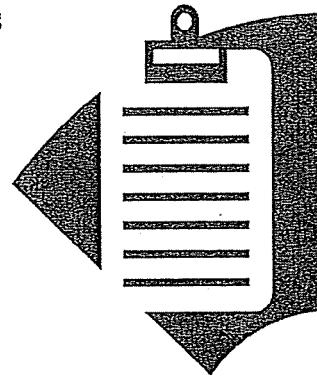


2009/10 Preliminary Budgets

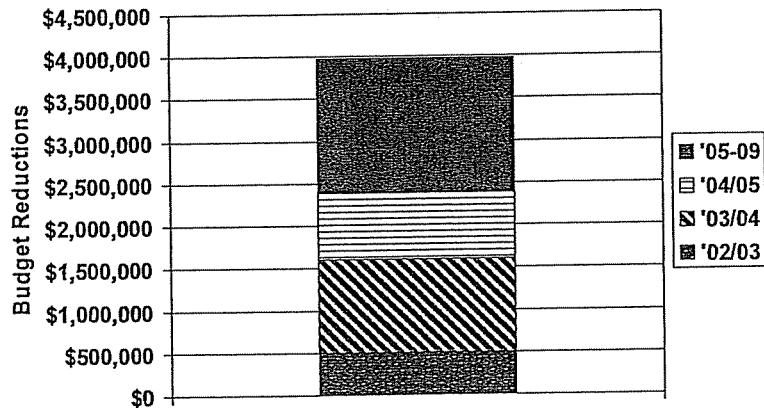
Presented to Board of Education
June 1, 2009

Presentation Outline

- Review recent budget reductions
- Financial Snapshots
 - Fund Balance
 - Current year deficit
- Assumptions/Uncertainties
- The GF Bottom Line
- Reductions and Adjustments
- Other Funds



Cumulative Effect of Past PPS Budget Cuts *Reductions of \$4 Million*



Fund Balance Snapshot at June 30, 2008'



- Audited Fund Balance
 - \$6,778,346 or **8.77%** of 07/08 Expenses
- Statewide Fund Balance Database
 - Portage ranks **259 of 839** Public Schools and Charters in % of fund balance at 6/30/08.
 - In Kalamazoo County Portage ranks **7th out of 9** public schools in %.



Fiscal Year 08/09 Looks Predictable

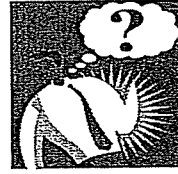
- Doesn't Appear That Pro-ration will occur thanks to the Federal Stimulus Funds!
- Typical Year End Improvement Savings of \$200,000 are included in the amendment.
- Deficit as of GF Amend #2 – (\$415,000) would decrease fund balance to 8.2%.

Assumptions/Uncertainties for 09/10

- ✓ Foundation Grant
 - Flat at \$7,316 with heavy reliance on State Fiscal Stabilization Funds
 - Stabilization Funds deficit in 09/10 cause uncertainty in categorical funds.
- ✓ Enrollment
 - Demographics point to loss of 35 memberships (blended count)
- ✓ County wide enhancement millage – relatively stable (for now)
- ✓ Flat Salary Schedule
 - Step costs only, health insurance 3.91%, MPSERS 2.42%
- ✓ Energy Costs
 - Energy Education Implementation – net savings of \$200,000
- ✓ Special Education Stimulus Impact \$300,000
- ✓ Increase in textbook adoptions \$417,000



PPS General Fund "The Bottom Line"



| | <u>SY 08/09</u> | <u>SY 09/10</u> |
|----------------------------------------|---------------------|----------------------|
| Revenues | \$77,352,824 | \$78,191,942 |
| Expenses | <u>\$77,767,594</u> | <u>\$78,966,779</u> |
| Bottom Line (Deficit) | <u>\$ (414,770)</u> | <u>\$ (774,837)</u> |

PPS GF Budget 09/10 Reductions & Adjustments



| | |
|--------------------------------------------|--------------------|
| • K-12 Instruct. Staff - GE (5.72 FTE *) | \$365,000 |
| Gifted & Talented (1.0 FTE) | 65,000 |
| • Custodial Services Outsourcing | 600,000 |
| • Increase in Specific Walk Zones | <u>106,000</u> |
| Total Budget Reductions/Adjustments | \$1,136,000 |

* Full Time Equivalency

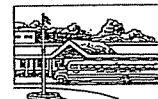
Walk Zone Recommendations

| | |
|-------------|--------------------------------------------------------|
| AMB | North of Kalarama, West of Towhee |
| LCE | South of Bacon, North of Osterhout |
| LCE | Auburn Woods |
| TWL | South of School, East of 12 th |
| TWL | South of School, West of 12 th |
| WOD | Ashton Woods |
| CMS/ CHS | East of Lover's Lane to Newell's, South of Centre Ave |
| NMS/ NHS | Milham Meadows |
| WMS | North & East of AMB school, Crown Pointe, Cooley Drive |



Other Funds – Key Points

- **Debt Retirement (Page 15)**
 - Met millage promised target of 4.54 mills
 - Smaller deficit due to successful refunding
- **Building and Site (Pages 16/17)**
 - Millage of .50 mills expires after 09/10
 - Over \$1,500,000 for improvements to sites not covered by bond issue
- **School Service Fund (Page 18)**
 - Retains current breakfast/lunch prices
 - Includes \$200,000 contribution for NHS cafeteria equip
 - CHS cafeteria equipment (\$200K) will be in 10/11



2009/10 Budget Calendar

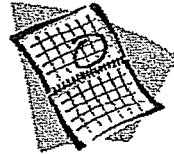
To Facilitate June Adoption As Required By Law

- **January – May, 2009**

- Budget discussions begin. Enrollment and staff projections prepared

- **May 15**

- State Revenue Estimating Conference



- **June 1**

- GF Preliminary budget, other funds. Final amendments '08/09

- **June 15**

- Budget hearing and adoption

- **Sept '09 – June '10**

- Amendment Process

