

Updated Q and A Regarding Budget Recommendations (Posted February 8, 2010)

1. Why not more club sports to save money?

In the last few decades, new sports started out as club sports. All the costs associated with those sports were paid by parents. Once they had been established and had sufficient numbers, they were added as school sports. The costs for club sports would be the same as regular sports, so we would simply be shifting the costs to parents. Our district philosophy is to provide sports and other extra-curricular activities to our students at a reasonable price. Moving back to club sports would go against that philosophy.

2. Why not replace carpet with tile to save dollars?

We have used tile in the district where we felt appropriate. In fact, we added tile and/or terrazzo in certain buildings as opposed to carpeting. However, carpeting does make sense in certain areas since it does muffle sound and provides a warmer learning environment. We are reviewing our capital improvement plan and will likely defer some carpet replacement to save dollars and will also discuss the issue of the replacement medium.

3. Why not offer administrators/principals a buyout?

The reason we don't offer a buyout to administrators is because we would save very little, if anything at all. Unlike teachers where the pay differential is about \$45,000, the difference for administrators is about \$6,000.

4. Why not close ECC and save \$84,000?

The General Fund contributes only \$27,000 of this amount to support the State Funded Preschool program. The balance is paid for by the Kids Club program and Preschool. If we were to close the building, we would still have some utility costs, snow removal and mowing. The likely savings would be minimal at best, and we would not be utilizing the new building which was approved by the voters for the purpose of these programs.

5. Why not reduce copy costs? Why not do more on-line?

We can probably do more in this area and we will pursue additional savings. We have reduced copying across the board by doing more on-line and/or reducing the frequency of mailings. However, our position has been not to mandate this type of thing to the school buildings. We give each school building a budget based on their student population, and their Shared Involvement Team decides how to allocate funds. Therefore, a building may decide they want hard copies for a specific reason and are willing to allocate resources accordingly. We will provide additional education on cost savings opportunities, hopefully, they will be implemented. In terms of color versus black and white, we have changed some reports already that have been traditionally color. We will continue to evaluate future use of color copying.

6. Why not eliminate mentors?

This is a contractual issue and a mentor program is also mandated by the State.

7. Why not have even year November elections to save dollars?

South Lyon was one of the first districts to change from May elections every year to save dollars. The legislation at the time was pushing districts to have odd year November elections, which we chose. There could be some minimal savings moving to even-year November elections, but we could still be charged our pro-rated portion of the costs. Another cost savings measure is to have our municipalities change the voting precincts to better coincide with school district boundaries so we don't have precincts where just a few people vote which is currently what happens.

8. Why don't you reduce more administrators instead of teachers?

The recommended budget adjustments that were presented on January 11, 2010 reduce a greater percentage of administrators versus teaching positions. Looking at the twelve year period ending with 2014-15, with job eliminations and with moving some positions to contractual, Central Office Administrators/Staff are being reduced by 20.8% over this time period, and staff at the Griswold Operations Center are being reduced by 17.0%. During the same time period, teaching positions are being reduced by only 5.5%. Additionally, this teacher percentage is likely to improve, since the Board and Administration have indicated that the first priority would be to bring back teaching positions if dollars became available.

9. Why doesn't the school district have a family cap on athletic pay to participate fees?

Two new configurations were presented at the February 1 Board Meeting that would include a family cap, as well as reduced charges compared to what was presented on January 11. The Finance Committee was charged with choosing the final configuration.

10. How come administrators are only willing to take a 2% reduction in pay? What about all the taxpayers that have taken a 10% or 20% reduction in pay over the past few years?

The 2% pay reduction was done voluntarily by administrators, including principals who have a contract that won't expire until 2013. At this time, no other employee groups have offered to open up their contract and take pay reductions. However, the presentation on January 11 indicated that the district will be pursuing over \$7.6 million in contract concessions over the next four years. This is the single biggest cost cutting measure that was presented. These concessions will also impact administrators beyond the 2% pay reduction.

In regards to the impact of this economy on taxpayers, there is no doubt there are many tragic stories. However, the district does receive its funding on a statewide basis (local property taxes have a negligible impact on district revenues), and if you were to look at the percentage increase in per capita income in the State of Michigan from 1998 to the 3rd quarter in 2009, the average increase was 2.5%, versus an average increase of 1.8% in the wage schedule for South Lyon Community Schools.

11. What do you mean "local property taxes have a negligible impact on district revenues"?

The State of Michigan provides each school district with a certain amount of dollars on a per pupil basis. This amount is set legislatively each year. Any local property taxes that are received are treated as an offset, and the State makes up the difference. Theoretically, if we had no local operating taxes collected, the State would pay the entire amount per pupil. Therefore, local property taxes collected have no effect on our funding level, except for the negligible impact they have on total state revenues. For additional clarification, there are three taxes that are collected locally; the 6 mill state education tax (which goes directly to Lansing), the 18 mills collected for non-

homestead (these are the local revenues that are treated as an offset) and the 8.5 debt mills (this is kept locally to pay off bonds and cannot be used for a General Fund or other operating purpose).

12. Someone told me that South Lyon Schools has lower funding than compared to other districts. Is this true?

For 2009-10, the minimum funding level per pupil in the State of Michigan is \$7,151. South Lyon's funding level is \$7,205 or just \$54 above the minimum. At this level, our school district is not even at the state-wide average, which would add additional revenues of \$2,900,000 annually (which, by the way, would make the majority of our budget problem go away). Furthermore, if we were at the average in Oakland County, we would have an additional \$9,900,000 annually. Most of our neighboring districts have higher funding levels, including Brighton, Huron Valley, Walled Lake, Novi, Northville, Plymouth, and Ann Arbor.

13. Why doesn't the district consider grade re-alignment to save dollars?

The bottom line is that we believe this is too drastic an action to take at this time. There are many reasons for this including:

- This would impact ALL students
- SLEHS was built as a high school and outfitted accordingly. Changing the grade level would mean a lot of taxpayer dollars would have been spent needlessly (stadium, large student parking lot, high school labs, technology, weight room, pool, etc.).
- Many of the secondary buildings would be at close to capacity. This would mean another redistricting could occur in the near future. It also would mean that the building cultures would change, and the crowding could have adverse effects on the educational environment.
- Our central purpose, as a public school district, is to support and facilitate effective learning communities which in turn support effective teaching and learning. Critical ingredients in effective learning communities are the structures and systems to support relationships, e.g. staff to parent/ staff to student/ staff to staff/ student to student . Structures that allow staff and families to stay together over longer periods of time help to maximize relationships between stakeholders and as relationships improve and deepen, student academic performance increases.
- Research studies show that the more a student moves from school to school, the more likely he/she is to struggle. We know that to effectively teach a student we need to know the student and family.
- Schools that go beyond a reasonable size, for a given developmental level, interfere with effective communication and relationships. This results in an increase in discipline referrals, family concerns due to lack of connections and student performance issues. Those who experienced our middle school before Centennial opened, our high school before EAST opened and Centennial Elementary before Brummer opened would never want to repeat these experiences if they can be avoided.
- We do not believe it is responsible to spread families, for short periods of time, over so many grade structures and buildings so that they cannot give adequate attention, overall time, volunteer time, build meaningful relationships or make a contribution of significance to any school
- We do not believe it is in the best interest of students to create multiple transitions from school to school when we know the negative impact this has on relationships and achievement.
- We do not believe it is in the best interest of our families and students to keep them in two-year transitions with the resulting disconnections. These families and students would spend one year

settling in to a new environment and the next year getting ready to leave. Everyone is always just passing through.

- Removing grade 9 from the high schools would also cause problems with staff assignments and meeting the highly qualified requirements for the teaching of subjects. More staff would be spending more time traveling from building to building and less time in front of students. This could result in the need to hire more teachers and increase budget. Staff would also be disconnected from colleagues and have difficulty becoming part of a professional learning community.

14. Why did the district go to every other day cleaning? Isn't it your responsibility to provide a clean and safe environment for our students?

We recommended this change to save dollars. In the 2007-08 fiscal year, the State of Michigan reported that SLCS spent \$1,177 per student (194th highest in State) on custodial and maintenance, while our funding level was ranked 577th in the State (as an FYI, our Business and Administration was 576th, and our instructional salaries were 543nd). We were higher than more than 2/3 of the districts and academies in the state (there were 773 in 2007-08) because many other districts either privatized custodial services or went to every other day cleaning. This includes our neighbors, Novi, Walled Lake, Huron Valley, Brighton, and Ann Arbor, who have all successfully implemented the cleaning schedule change. It should be noted that the term "every other day cleaning" is a bit misleading. While classrooms will be cleaned every other day, and desks once per week, trash will continue to be emptied daily, and corridors and bathrooms will be cleaned daily.

We believe the schools will continue to be clean and safe. We have purchased state of the art equipment to clean efficiently and will be adding some new equipment next year. Also, we continue to invest in our preventative maintenance program to make sure our school infrastructures are kept up to date and running smoothly. The cost savings with this change also reflect some dollars set aside to cover special cleaning situations or other unforeseen situations. Finally, we hope to continue to educate our students to clean up after themselves and to help reduce the spread of viruses.