

# Let's Talk



## Monthly Updates from Your Superintendent

April 1, 2011

If you've received our district newsletter in the mail, The Belding Banner, you have likely already read the information I will share again below. One of my main priorities these past several weeks has been to spread the word about our budget situation, which is having a serious impact on every school district in Michigan. School districts are looking for community support to save our budget and continue to provide the education our students need to be successful.

Several weeks ago, newly-elected Michigan Governor Rick Snyder released his proposed 2011-12 state budget to our legislators, with the expectation that they accept all or some of his recommendations. On the contrary, it is my hope they will reject most of the funding cuts to K-12.

Let's look at our "public education block," which includes K-12 public schools, public community colleges and public universities. Currently, financial experts project that the School Aid Fund (SAF), which for 37+ years has provided the revenue to fund K-12 public schools, has approximately \$600 million.

Governor Snyder is recommending several tax restricting proposals, including a recommendation that \$196 million of the \$600 million in the SAF be allocated to public community colleges and \$700 million be given to public universities. If the State Legislature approves those recommendations, not only will K-12 public schools be deprived of its \$600 million in the SAF, but the SAF will be left in deficit. To cover that deficit, the Governor is recommending an additional \$470 per student be cut from K-12 public schools. If this scenario happens, Belding Area Schools' funding per student would drop from a high of \$7,316 per student to \$6,846. Remember, community colleges and public universities can increase tuition and fees for additional revenue. Public K-12 schools cannot. But there's more.

In addition to the Governor's recommended \$470 cut per student, school districts must also absorb the State increase in contributions to the State pension fund. That contribution will increase by 3.8% this July. Public schools have absolutely no control over this number. This represents an additional \$190 reduction in funding per student. Now, we are up to \$690 per student in funding cuts for 2011-12.

Another major financial expenditure is employee health insurance premium increases. We do not know that number as of today, but our best estimate is that increase will be in the double digits, bringing the potential cut in funding to over \$900 per student. For Belding Area Schools and our 2,000 students, this equates to cuts totally 2.7 million.

In addition to these cuts, which I consider to be severe, K-12 education has been receiving funding cuts for the past several years.

**2002-2003:** Mid year cuts by executive order

**2003-2004:** Mid year cuts by executive order

**2009-2010:** \$165 per student cut

**2010-2011:** \$208 million transferred from School Aid Fund to General Fund

**2011-2012:** Proposal to cut \$470 per pupil while transferring \$600 million from School Aid Fund to General Fund for universities and community colleges

### What can you do to help?

I encourage you to contact Governor Snyder and email our area legislators with your opinion:

Judy Emmons, [SenJEmmons@senate.michigan.gov](mailto:SenJEmmons@senate.michigan.gov), 517-373-3760

Rick Outman, [RickOutman@house.mi.gov](mailto:RickOutman@house.mi.gov), 517-373-0834

### Here is a sample letter you can copy and send:

We ask that you protect the K-12 School Aid Fund (SAF) and not allocate these revenue to community colleges and state universities. The Governor's proposed \$470/student cut to K-12 schools will be compounded by the 3.8% increase in districts' responsibilities to the State pension fund and they very real potential of a 20%+ increase in health insurance premiums. The real loss in funding per student then becomes \$700-1,000. This reality will be literally disastrous to our public school children! Remember, public schools have been experiencing reductions in State revenues since 2002. The only life preserver during the past several years has been the federal stimulus revenue (EduJobs). These dollars are gone.

We appreciate and respect the difficult and challenging responsibilities our legislatures are facing in the midst of the State's financial crisis. We are not asking for a tax increase or a new revenue. We are simply asking for the revenue in the School Aid Fund to be used exclusively for K-12 public education. We understand that Michigan is facing a serious financial crisis, but stand firm that protecting our students and their education is a number one priority.

As always, feel free to contact me with any questions or concerns.

Sincerely,  
Leslie Mount  
Superintendent