

Let's Talk



Monthly Updates from Your Superintendent

November 1, 2011

Things have been very busy for the staff and students at Belding Area Schools and yet, it somehow feels as if the school year just began. In reality, we are already nearing the end of first trimester. Fall sports seasons are wrapping up, the fall play is fast approaching, our band is once again off to Ford Field and MEAP is over. As we continue to be faced with the many challenges of public education, our goal remains to accept them, overcome them, and offer the best education possible to the students of Belding.

Belding, like other schools, made hard decisions about budget cuts coming into this year. We anticipate that trend will continue for all schools over the next few years. The news we are hearing from Lansing does not speak well for us seeing any kind of relief any time soon. In fact, it is estimated that there will be substantial excesses in revenue at the Revenue Estimating Conference this winter, but that even the excess School Aid Fund should not be “counted on” to come back to districts after all we have lost. I ask again that as you struggle with cuts made in Belding, or in any public school, you please contact your legislators and let them know how unhappy you are with the funding situation for public schools and the impact you believe it will have on our children and our future.

The State School Aid Fund was established to fund K-12 public schools – period! That money has now been diverted to pay for colleges and community colleges. Lansing has “created” our funding problems. Please let legislators know that is unacceptable. We have no control at the local level over what we receive. Our only option is to react to the budget that is forced upon us. The only people that can change our funding dilemma are the folks in Lansing. They need to hear from you if you disagree with what is happening to public schools. You will hear this same message over and over as it is our only hope for improvement to our funding situation.

The Bond

The bond work continues to progress. Keep in mind that bond funds cannot be spent on operations or salaries. The funds must be utilized for capital improvements. We are making great progress as outlined below:

- The middle school gym renovation (floor, backboards & bleachers) was completed two summers ago.
- The district phone system was replaced two summers ago.
- Woodview gained two classrooms and two conference rooms which were completed last spring.
- Teacher computers were replaced last spring.
- Multimedia classroom technology systems were installed this summer across the district.
- Multiple district technology upgrades (servers, equipment, wireless access) have taken place over the past year.
- For fall 2012, all students 6-12 will receive a district netbook for use. Currently, elementary and pre-k classrooms have four netbooks per classroom for student use.
- The high school science rooms were completely remodeled and upgraded over the summer.
- The football plaza and track were redone over the summer. The baseball field and softball field work began with the fields slated for use in the spring 2013 season. Work will also continue on practice fields.
- The high school gym, auditorium and related spaces are under construction. The gym is anticipated to be done by August and the auditorium by late October of 2012. The auditorium requires much more detailed and technical work.
- The current high school gym will be renovated (bleachers & floor) and the new band room will be constructed on the current gym balcony next summer so they are ready for use with the start of next school year. During next school year, work will take place on the new commons, drama room, learning labs and main office.
- Bids for the Ellis project will take place in February with construction starting as soon as ground can be broken in the spring. New rooms will be open for the start of school in the first two wings (five classrooms). The rest of the project (the Bridge Street wing) will continue through next year and be ready for use fall 2013 (seven new classrooms and selective remodeling of current spaces).
- Bids for the middle school project will take place in March with most work taking place over the summer to be done for the start of school.
- Security upgrades will take place throughout the district over the course of the bond work.

The Budget

Over the last two years Belding Area Schools has “quietly” cut about \$3 million from our budget in actual cuts to staff and programs and in employee concessions. Even with those cuts, we still face a \$1 million deficit for this year that will be covered by our fund equity (savings). This will be our fourth year in a row of using fund equity to cover our budget and not make further drastic cuts. This year, for the first time in many years, we were forced to borrow funds for cash flow during the time we do not get state aid payments to cover payroll. This is a common occurrence for many schools, but one we have avoided until now. Fund equity will run out if this trend continues – soon we must balance our budget. This will mean more hard decisions. Luckily, we have been in a position to maintain programs, services and staff for longer than many districts have been able to. Without a change in funding from the state, all public schools will eventually be bankrupt. Our legislators need to hear that we want to maintain a viable, competitive public school system.

A further hit to our budget this year was a greater than anticipated loss in students. This alone has an impact on our budget of about \$431,000. Ninety percent of our funding per student is based on our October count day. This means any students who come to us after count day only get 10 percent of state funding. We have enrolled about 30 students since count day. That would have given us back about \$184,800 of the funds we lost had they been here for count day. Now, we will get about \$20,000 total for those students, but we will still educate them all year – that is how state funding works. It makes it very hard to add staff to support those new students when we basically get no funding for them and are already at high deficit levels for the year.

Some other items that have happened since the start of the year will impact the budget as well. The district did certify that we met four out of five state mandated “Best Practices” that allow us to receive \$100 per pupil “back” from the \$470 that was taken away. This gave us about \$200,000. We had already planned for those funds in our June budget. The district is in the process of selling one of our two build-a-homes at a loss. We simply felt waiting longer would not result in increased revenue on the home in this market. That loss will be reflected in this year’s budget. We have had two teachers retire this month that will offset losses by around \$100,000 for the rest of this year. Additionally, the administrators have agreed to open their contract and are working on changes that will be an overall savings to the district.

One last item related to budget that folks should be aware of is the proposal at the state level to eliminate the Personal Property Tax (PPT). Every individual is in a different tax situation, but some facts remain true for all. Ending the PPT will have a negative impact on school funding if there are no guaranteed replacement funds. Whether you like the PPT or not, there has been no proposal for replacement revenue; this would be a huge loss for schools. Additionally, the hidden cost to homeowners is that with property values declining, millage rates across the state will have to increase in order to cover the cost of school bonds. One local community did the math and found that their millage rate would increase two mills to cover the school debt if the PPT is eliminated – these two mills will be billed directly to homeowners in districts. The bottom line is that voters need to be educated on the possible effects of eliminating the PPT without careful planning for replacement and impact of doing so.

Yes times are hard, but we are moving forward with innovative ways to educate our children in state-of-the-art facilities and with technology in their hands. Our college advisor at the high school has been very busy working with students across the district on plans for their futures. Even as budgets shrink, we are doing our best to stretch every dollar and maximize services we can offer to our students to ensure their success. As always, our kids are our first priority and while we must make cuts, we do so with their best interest at the forefront.

Sincerely,
Leslie Mount
Superintendent

 **Belding Area Schools**
The right size. The right choice.