



UTICA COMMUNITY SCHOOLS

PROPOSED BUDGET
2011 – 2012 FISCAL YEAR

JUNE 13, 2011





Proposed Budget Information

Budget Components:

- General Fund Budget
- Special Revenue Fund Budget
- Debt Service Fund Budget
- Capital Projects Fund Budget
- Tax Millage Levy



Budget Assumptions Expenditures

General Fund:

- Foundation Allowance – \$7,337
(2008-09 less \$470)
- Salaries – no cost of living increases
- Mandated Retirement – 24.46%, FICA – 7.65%
- Enrollment formula – 10% – 90% blend
- Supplies and capital improvements – 0%
- Health insurance – 10.3% increase



Permanent Rollback of Foundation Allowance 2011-2012

UCS 2008-09 Foundation Allowance	\$7,807
2011-2012 Foundation Reduction	(470)
Funding less than 2005-06 Foundation of \$7,414	\$7,337





Ranking of Macomb County School Districts by Foundation Allowance Grant 2010-2011

<u>District</u>	<u>Allowance</u>
Centerline	\$ 9,823
Warren Consolidated	9,326
South Lake	9,194
Warren Woods	8,958
Fitzgerald	8,489
Fraser	8,459
Mt. Clemens	8,428
Lakeshore	8,411
Lakeview	8,277
Van Dyke	8,198
East Detroit	7,961
Roseville	7,915
L'Anse Creuse	7,868
Romeo	7,846
Utica Community Schools	7,807
Clintondale	7,758
New Haven	7,553
Armada	7,386
Anchor Bay	7,316
Chippew Valley	7,316
Richmond	7,316



Source: Michigan Department of Education, State Aid Financial Status Report by District & State School Aid Update

* Per P.A. 217 under Section 11d, the 2010/2011 Foundation Allowance per pupil deduction has increased from a \$154 to \$170 for all Michigan school districts.



General Fund 2011-2012 Proposed Budget

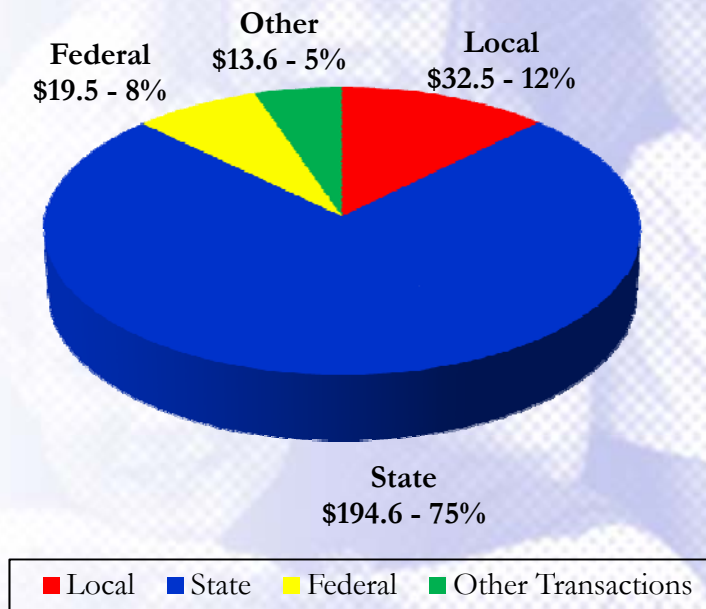
Revenue	\$ 260,199,316
Expenditures	<u>265,378,561</u>
Operating Deficit	\$ (5,179,245) *

** After proposed budget reductions*



Proposed General Fund Revenue

Revenue by Source
2011-2012
In Millions

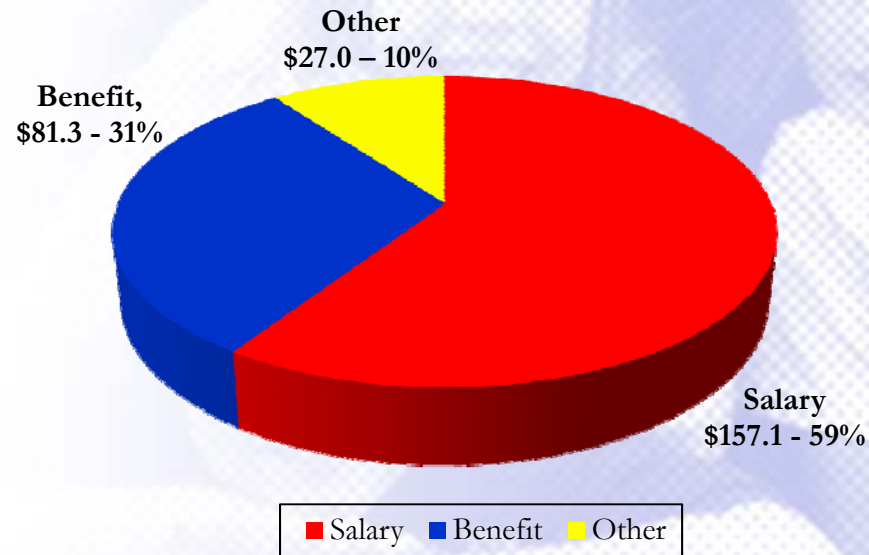


\$260,199,316



Proposed General Fund Expenditure

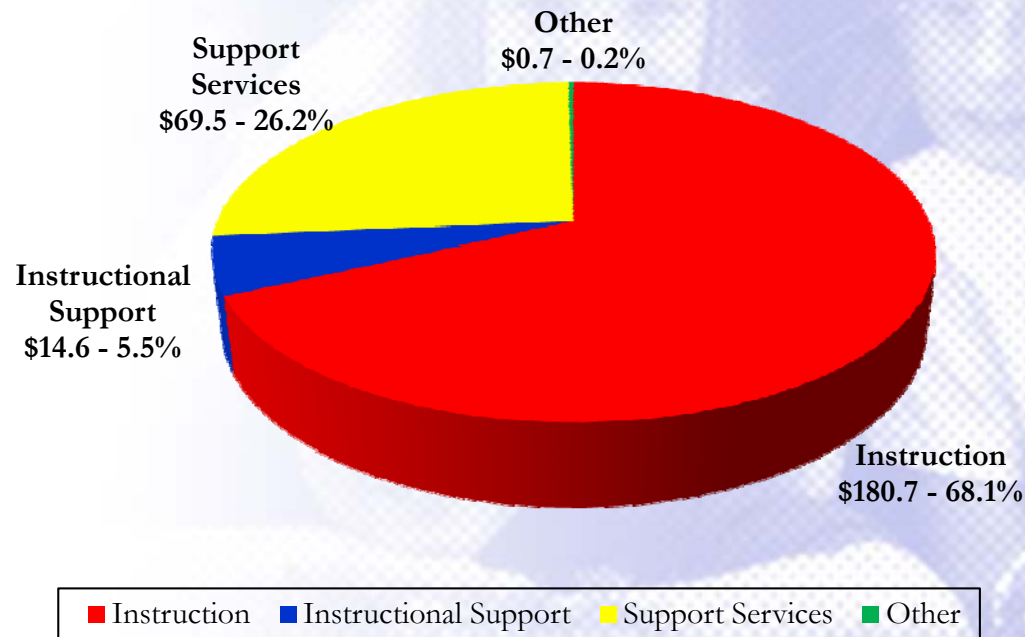
Expenditures by Object
2011-2012
In Millions



\$265,378,561

Proposed General Fund Expenditure

Expenditures by Function 2011-2012 In Millions



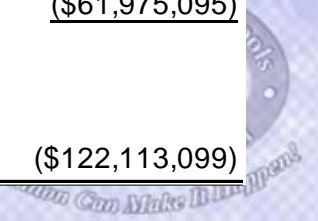
\$265,378,561



General Fund Multi-Year Projection

GENERAL OPERATING FUND COMBINED COMPARATIVE BUDGET ANALYSIS 2010/2011 - 2014/2015

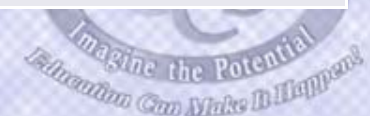
<u>TITLE</u>	<u>BUDGET ADJUSTMENT II 2010-2011</u>	<u>TENTATIVE BUDGET 2011-2012</u>	<u>TENTATIVE BUDGET 2012-2013</u>	<u>TENTATIVE BUDGET 2013-2014</u>	<u>TENTATIVE BUDGET 2014-2015</u>
TOTAL REVENUE	\$259,467,523	\$260,199,316	\$241,387,253	\$240,754,741	\$240,759,396
TOTAL EXPENDITURES	\$263,254,361	\$265,378,561	\$277,475,817	\$288,953,127	\$300,897,400
EXCESS EXPENDITURES OVER REVENUE	<u>(\$3,786,838)</u>	<u>(\$5,179,245)</u>	<u>(\$36,088,564)</u>	<u>(\$48,198,386)</u>	<u>(\$60,138,004)</u>
BEG. FUND EQUITY JULY 1,	<u>\$31,277,938</u>	<u>\$27,491,100</u>	<u>\$22,311,855</u>	<u>(\$13,776,709)</u>	<u>(\$61,975,095)</u>
ENDING FUND EQUITY JUNE 30,	<u>\$27,491,100</u>	<u>\$22,311,855</u>	<u>(\$13,776,709)</u>	<u>(\$61,975,095)</u>	<u>(\$122,113,099)</u>





Budget Update 2011-2012

2011-2012 Projection:	
Revenue	\$ 245.3 M
Expenditures	<u>\$ 282.0 M</u>
Expenditures Over Revenue	<u>\$ (36.7) M</u>
Board Approved Adjustments/Reductions 3/14/11	\$ 7.8 M
Board Approved Adjustments/Reductions 4/25/11	\$ 9.1 M
Projected Retirement Cost Reduction (one time)	\$ 2.6 M
Board Approved Adjustments/Reductions 5/23/11	\$ 6.6 M
TOTAL:	<u>\$ (10.6) M</u>





Board Approved Reductions: 3/14/11

Use of one-time Federal Edujobs funding	\$ 5,700,000
Healthcare redesign (non-teaching)	\$ 610,000
Relocation of APA to TDC and Community Education programs to Walsh	\$ 236,000
Self-sustaining Community Education program	\$ 632,500
Elimination of print shop	\$ 67,000
Administrative concessions (\$1M over 2 years)	\$ 590,000
BOE Approval 3/14/11	\$ 7,835,500





Board Approved Reductions: 4/25/11

Reduce building allocations by 25%	\$ 600,000
Reduce secondary textbook replacement 50%	\$ 123,000
Central office department reductions	\$ 841,000
Operating transfer - B&S	\$ 3,950,000
Operating transfer - Enrichment	\$ 2,550,000
Operating transfer - ISF - release of benefit obligation	\$ 534,000
Transfer school store internal funds	<u>\$ 530,000</u>
BOE Approval 4/25/11	\$ 9,128,000





Board Approved Reductions: 5/23/11

HR reorganization and position elimination	\$ 387,993
Reduce teachers	\$ 5,533,100
Eliminate skilled trades positions	\$ 192,000
Eliminate mechanic position	\$ 79,000
Eliminate administrators	\$ 300,000
Eliminate campus monitor positions	\$ 120,000
BOE Approval 5/23/11	\$ 6,612,093





Proposed Budget Reductions: 6/13/11

Personnel:		<u>FTE</u>
Personnel reductions (transfer 2.3 FTE to grant funds)	\$ 257,000	
Paraprofessional positions	\$ 517,700	30.0
Revise elementary ELL program (transportation savings)	\$ 90,000	2.3
Eliminate Administrative intern position	\$ 124,000	1.0
Non-affiliated cost reductions	\$ 15,000	
Proposed	\$ 1,003,700	33.3





Continued: Proposed Budget Reductions 6/13/11

Copier Lease	\$ 90,000
Eliminate 7th/8th grade athletics (beginning Winter/Spring sport)	\$ 289,910
Increase Pay-to-Participate fees	<u>\$ 50,000</u>
Proposed	\$ 429,910
Proposed Personnel	\$ 1,003,700
Total Proposed Reductions 6/13/11:	<u>\$ 1,433,610</u>





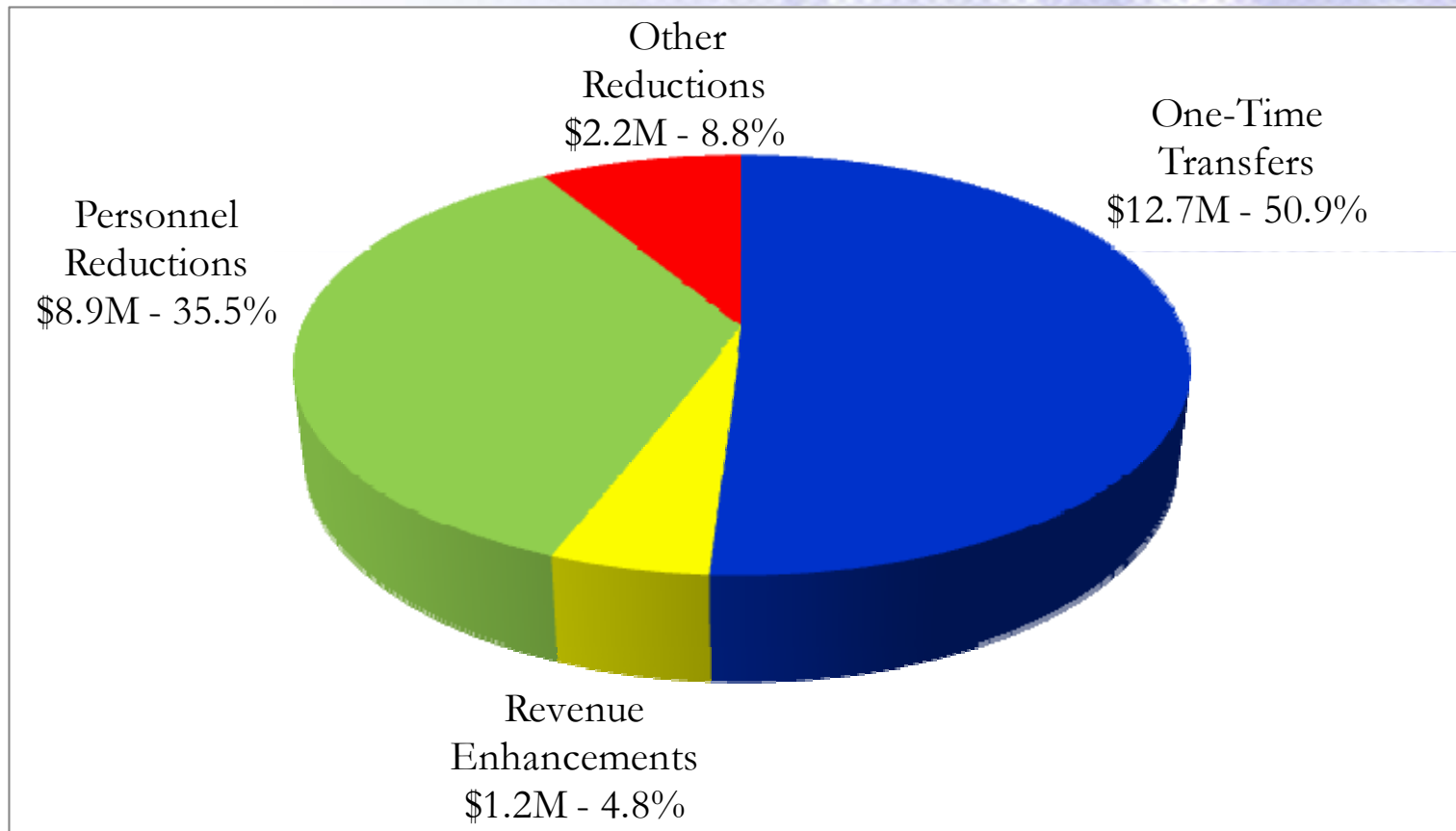
7th & 8th Grade Athletics

	TOTAL	Fall Sports	Net Savings
Pay to Participate	\$ 161,500	\$ 42,700	\$ 118,800
Total Expenditures	\$ (684,200)	\$ (275,490)	\$ (408,710)
Net Savings	\$ (522,700)	\$ 232,790	\$ (289,910)

* 9th- 12th Grade sports continued at \$1.8M General Fund support



2011-2012 Reductions by Classification





General Fund 2011-2012 Proposed Budget

Revenue	\$ 260,199,316
Expenditures	<u>265,378,561</u>
Operating Deficit	\$ (5,179,245)

** After proposed budget reductions*





Budget Overview 2011-2012: Special Revenue

Special Revenue Fund	Estimated Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
Enrichment	\$3,100,732	\$5,292,000	\$8,269,273	\$123,459
Student Store	910,562	440,000	970,000	380,562
Total	\$4,011,294	\$5,732,000	\$9,239,273	\$504,021





Budget Overview 2011-2012: Food Service

Food Service Fund	Estimated Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
Food Service	\$2,121,140	\$7,740,729	\$7,742,348	\$2,119,521
Total Food Service Fund	\$2,121,140	\$7,740,729	\$7,742,348	\$2,119,521

Total Special Revenue Fund	\$6,132,434	\$13,472,729	\$16,981,621	\$2,623,542
-----------------------------------	--------------------	---------------------	---------------------	--------------------





Budget Overview 2011-2012: Debt Service Fund

Debt Retirement Fund	Estimated Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
Debt	\$2,864,065	\$25,657,991	\$25,128,963	\$3,393,093





Budget Overview 2011-2012: Building & Site Fund

Building & Site/Capital Improvement Fund	Estimated Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
Building & Site	\$4,222,099	\$2,000	\$3,950,000	\$274,099





Budget Overview 2011-2012: Capital Projects Fund

Capital Projects Fund (multi-year budgets)	Revenue	Expenditures
2000 Series V	\$ 10,413,136	\$ 10,413,136
2003 Series III - V	47,294,923	47,294,923
2009 Series I - II	36,945,646	36,945,646
Total Capital Projects	\$ 94,653,705	\$ 94,653,705



Utica Community Schools

Every Child
Achieves



MILLAGE LEVY

2011 - 2012





Taxable Value

July 1, 2011 - June 30, 2012				
Municipality	Taxable Value	Commercial Personal 5.9316 mills Oper	Renaissance Zone 3.85 mills Debt	Industrial/Commercial Facilities 1.925 mills Debt
CITIES:				
Sterling Heights	\$ 2,623,796,800	\$ 62,557,650		\$ 244,322,700
Utica	196,360,793	13,721,473		580,337
TOWNSHIPS:				
Macomb	719,903,250	4,979,960		
Ray	3,130,973	26,079		
Shelby	2,811,310,758	56,326,009	7,341,590	12,502,629
Washington	166,630,340	198,730	-	-
TOTAL	\$ 6,521,132,914	\$ 137,809,901	\$ 7,341,590	\$ 257,405,666
		Estimated	Homestead	\$ 4,920,194,431
		Estimated	Non-Homestead	\$ 1,600,938,483

Imagine the Potential
Education Can Make It Happen



Tax Levy

	<u>UCS Operating</u>	<u>UCS Debt</u>
Homestead	0.0 mills	3.85 mills
Non-Homestead	17.9316 mills	3.85 mills

- The Debt Levy has been increased by 0.10 mills for 2011-2012, from 3.75 to 3.85 mills.
- No additional Headlee impact on the District's tax levy
 - Loss of Revenue due to .0684 mill reduction = \$110,000





Impact of Debt Levy Increase

Example – 2010 Calculation:	
Market Value 2010	\$ 200,000
Taxable Value 2010	100,000
Debt millage 2010	<u>3.75</u>
Debt levy 2010	\$ 375

Example - 2011 Calculation – 6% decrease in taxable value:	
Market Value 2011	\$ 188,000
Taxable Value 2011	94,000
Debt millage 2011	<u>3.85</u>
Debt levy 2011	\$ 362

