

2010-11 SCHOOL BUDGET UPDATE

Key Communicator Meeting Summary • May 3, 2010



GOVERNOR MIFFLIN
SCHOOL DISTRICT

BUDGET REDUCTION OPPORTUNITIES PRESENTATION

Mary T. Weiss, Ed.D., Superintendent and Daniel G. Bulinski, Ed.D., Assistant Superintendent

1. The district's goals in setting the 2010-11 school budget are to:
 - Minimize property tax increases without incurring a loss of wages or reducing staff benefits
 - Maintain the Pennsylvania Educational Standards in GMSD
 - Preserve the integrity of Governor Mifflin's academic programs
2. In order to limit any possible tax increase to 2.65%, the Board of School Directors has accepted the implementation of several budget reduction opportunities, as presented on the *attached press release*, dated April 19, 2010.
3. Dr. Weiss and Dr. Bulinski discussed the impact of the 2010-11 budget on curriculum and instruction.
 - To date, five district teachers have declared retirement.
 - The board of school directors has directed the administration to minimize new hires by reassigning existing staff for positions vacated through reassignments/retirements.
 - According to PA Chapter 4, the district exceeds the mandated course requirements
 - a. In order to fill elementary positions vacated by retiring staff, secondary staff in the mathematics and business education departments will be reassigned to teach at the elementary level because they are certified to do so.
 - b. These reassignments will not impact the courses mandated by Pennsylvania law to be offered to students.
 - c. It was noted that non-mandated, elective courses that do not meet the minimum class size specified in school policy #216, will not be offered in 2010-11.
4. Dr. Weiss and Dr. Bulinski outlined the instructional, curricular and financial status of the music department:
 - The district currently employs 10 full-time and 1 part-time music teachers.
 - One K-12 music teacher has declared retirement.
 - Per budget discussion during the November 2009 finance meeting, the school board directed the administration to eliminate one .5 position in the department.
 - Currently, the district spends \$974,455, or 1.6% of the overall school budget, on the music program. Of this amount, 65% is allocated to salaries and benefits related to the instruction of non-mandated music courses.

GENERAL QUESTIONS AND COMMENTS:

- Q: What contingencies are in place if the state cuts school funding?
District Response: GMSD has not planned on receiving the full subsidy promised by the governor. The school budget estimates that it will receive 2.9%, which is the amount equal to the index for 2010-11.
- Q: Is GMSD dipping into a fund balance or reserve this year?
District Response: No, the district is not utilizing its reserves for any recurring costs. The district does utilize reserve funds for one-time capital projects and facility improvements.
- Q: What is the district's outlook on its tax base?
District Response: Prior to 2008, the tax base typically increased between 2-5% each year. Currently, the tax base is increasing at <1%. GMSD projects a 96% collection rate, which includes penalty factors.
- Q: What concerns has the district received from community members?
District Response: Prior to 2008, school administrators received little reaction from community members about annual tax increases. Recently, several district residents who are facing

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foreclosure and unemployment have expressed concern about not being able to afford higher taxes.

Q: Does attrition impact the student-to-teacher class ratio?

District Response: The ratio is determined by student enrollment and is not affected by attrition. There exists a memorandum of understanding between the school board and the teachers, which sets the parameters for class sizes. At the secondary level, many non-mandated courses have enrollments that are well below the class size limits.

Q: Is the overall student population increasing or decreasing?

District Response: The student population is increasing, but the “bubble” is primarily in the elementary grades. The high school enrollment will actually be lower next year than it is now.

Q: What comments are the key communicators hearing from the public?

- a. The quality of Governor Mifflin’s academic and co-curricular programs is very high.
- b. The art and music programs are supported by vocal parent groups who are concerned that the district may make cuts to these programs.
- c. The district is top-heavy with administrative staff.
- d. Parents are upset about the changes implied by the budget reduction measures, such as the proposed activity fees; however,
 - Community members in other school districts have not reacted negatively to activity fees.
 - Career and technology center students must pay for materials, tools and supplies for class projects; Mifflin’s activity fees have the same intent.
 - Families involved in Mifflin area athletic programs must pay fees to participate; Mifflin’s student activity fees have the same intent.
- e. The district needs to improve its communication with the public in order to educate the community on school policies and help foster an understanding and acceptance of the curricular and co-curricular changes. A suggestion was made for the district to issue Connect-ED emails to inform families of district news and updates after board meetings.

Q: What burden do the retirement and other defined benefit plans place on the district, and are there ways to alleviate the expense?

District Response: Defined benefit plans for current employees are mandated by the state; therefore, school districts have no input into or control over these requirements. The governor is in the process of proposing a plan that would smooth out the retirement contribution rate increase over the coming years. In addition, “hybrid” plans are being considered for future school district employees. Fortunately, GMSD created a stabilization fund years ago to prepare for the retirement contribution rate increase. In 2010-11, the district will allocate 10.59%, instead of the 8.4% that is required.

ABOUT ACTIVITY FEES

The implementation of curricular activity fees for non-mandated courses relates to a school policy that has been ignored for many years. Policy #110 requires students to compensate the district for any projects rendering items of use that the students are permitted to keep. Food, artwork, furniture, crafts and instrument supplies are examples of such items.

Requiring a \$10 standard activity fee is the district’s way of enforcing the school policy. In many cases, \$10 is less than the actual cost of the materials used per year. As noted in the policy, special consideration will be made in the case of financial hardship.

The following school policy was adopted in November 2005:

110: INSTRUCTIONAL SUPPLIES

It shall be the policy of the Board to supply each staff member and student with the supplies and equipment that are deemed necessary for implementation of the approved instructional program.

The Board may require that students provide certain supplies for participation in extracurricular activities.

When individualized and nonreusable clothing or equipment is necessary for reasons of safety or health, students shall be required to provide their own clothing or equipment, which shall meet standards set by the school. Such standards shall be reasonably related to considerations of safety, health and protection of property.

When students prepare useful items they are permitted to keep, **they shall pay the District the cost of the materials used.**

When policy guidelines impose a financial hardship on a student, the District will assume the cost. The Superintendent or designee shall implement procedures to assure that no student is denied participation in the school program for financial reasons and to guard the privacy of each student.

