

**MINUTES OF THE BUDGET WORKSHOP OF THE BOARD OF EDUCATION
OF THE SCHOOL DISTRICT OF THE CITY OF ROYAL OAK
1123 Lexington Blvd., Royal Oak, MI. 48073**

February 5, 2010

8:00 A.M.

BOARD ROOM

PRESENT: President, Gary Briggs; Vice President, Deborah Anderson; Secretary, Marty Cardamone; Treasurer, Michael Hartman; Trustee, Lisa Bradford; Trustee, Carrie Beerer and Trustee, Jeff Brinker

ALSO PRESENT: Superintendent, Thomas Moline; Executive Director Business and Personnel Services, John Schwartz; Executive Director Administrative Services, Cheryl Goodgine; visitors

ABSENT:

1. Opening of Meeting Mr. Briggs called the meeting to order at 8:06 a.m.

2. Budget Development

The board reviewed a PowerPoint presentation, and a booklet of the information. The presentation will also be posted on the District website.

Dr. Moline opened the workshop noting five areas of loss; students, state funding, PA18 Special Education funding, health insurance premiums, and retirement costs.

Mr. Schwartz stated that today's workshop was not to make decisions but for good discussion.

OVERVIEW:

Projected Operating Deficiency \$(4,042,638)

Impacts:

- Legislation
- Declining enrollment
- Foundation allowance
- Millage rates
- Interest earnings
- PA18 funding
- Federal revenue (one time stimulus money)
- Wages & Fringe Benefits
- Retirement
- Social Security

Reviewed fund equity, importance, goal and appropriate uses.

Budget Recommendations:

- Eliminate Director, Maintenance and Transportation Services position (-1.0 fte) \$128,000
- Eliminate Secretarial position at MTC (-1.0 fte) 73,000
- Increase class size – all levels
 - Elementary – 30 (-6.0 fte) 412,000
 - ROMS – 35 TBD
 - ROHS – 35 TBD
- Restructure ROHS Attendance Office 55,000
- Eliminate teacher position (-0.8 fte)
- Eliminate NCA teacher position at ROHS (-0.2 fte) 14,000
- Eliminate Student Government teacher position at ROHS (-0.2 fte) 14,000
- Tighten teacher schedules
 - Vocal and Instrumental Music TBD
- Eliminate all low enrollment classes TBD
 - Establish minimum class size
- Keller IB Program 137,000
 - Higher class sizes will be necessary
 - This item represents cost avoidance
- Eliminate ROYA contribution 20,000
- Implement Club and Activity Fee TBD
 - ROMS
 - ROHS
- Eliminate Enrichment Program 10,000
- Restructure clerical duties at Administrative Offices (-1.0 fte) 98,000
- Establish minimum participation levels for clubs
- Restructure Churchill Community High School Administration 27,000
- Formalize an advertising initiative
 - Revenue generation
- Increase Student Parking Fees at ROHS 8,000
- Increase charges for Fee-for-Service Programs 31,000
 - Acorn
 - Young Oaks
 - Preschool
 - Childcare
 - Summer Camps
- Restructure Athletic Pay-to-Participate at ROMS
 - Per sport fee 7,000

Budget Considerations:

• Increase fees for Open Swim and Swim program	\$9,000
• Eliminate All-Day Kindergarten program (-3.0 fte)	206,000
• Eliminate IB Program at Keller Elementary	178,000
- Cost of no combination classes (-2.0 fte)	
- Coordinator (-0.5 fte)	
- Fee	
• Discontinue efforts for Middle Years Program (MYP) (-0.5 fte)	34,000
• Reduce supply, material, and capital outlay allocations by 5%	70,000
• Shared principal – Elementary Schools	468,000
- One principal for two buildings (-3.0 fte)	
• Shared assistant principal – ROMS/ROHS (-1.0 fte)	148,000
• Piano accompanists – self funded	14,000
• IPhase out IB participation – Bloomfield Hills	
- Savings begin in 2012-13 - \$40,000 annually in each of the first four years	
• Restructure Foreign Language program	172,000
- Elementary and Middle School	
- Cost avoidance (2.5 fte)	
• Privatize secretarial, clerical, and technical staff	TBD
• Privatize technology services	TBD
• Privatize Special Education ancillary staff where allowable	TBD
• Eliminate funding for Police Liaison Officer	70,000
• Combine Accounting Manager and Accountant Positions (-1.0 fte)	100,000
• Restructure clerical duties at ROHS (-1.0 fte)	73,000
• Eliminate one wrestling coach at ROMS	3,500
• Combine football teams at ROMS	8,000
• Golf team at ROHS (boys and girls)	13,000
- Fund coaches only	
- Self-funded program	
- Eliminate	
• Eliminate conditioning of plumbing system throughout the District	30,000

Facility Needs:

- Facility assessment completed in September 2009
 - Sites
 - Buildings
 - Roofs
 - Mechanical
 - Electrical

- 2005 Bond Issue and subsequent property sales did not provide sufficient funding

- Facility assessment estimated the cost of the many building and site needs:

Site	\$2,870,105
Building	5,331,170
Roofing	1,470,773
Mechanical	8,106,143
Electrical	284,319
Total	\$18,062,510

- The District has no funding source to address the identified building and site projects

Funding Options:

- Sinking Fund Millage
- Bond Issue
- Within General Fund Budget

3. Opportunity for Citizens to Speak

- Pam Shewchuck thanked board for going through this process and knows it is difficult.

4. Adjournment

President Briggs adjourned the meeting at 11:34 a.m.

Respectfully submitted,



Marty Cardamone
Secretary, Board of Education