



East Grand Rapids Public Schools

January 27, 2012

2012-2013 Budget - Operating Expenses & EGRPS Spending Compared Locally and Statewide

Dear EGRPS Families,

Our first budget communication detailed the reasons for the budget deficit we are projecting for 2012-2013. This second communication will provide a detailed analysis of the projected expenses for the 2012-2013 school year. The district's current projection for 2012-2013 operating expenses is \$29,230,776. A thorough breakdown is provided of how these expenses will be disbursed, as well as a comparison of how East Grand Rapids Public Schools allocates its spending relative to other Kent County districts and on a statewide basis.

East Grand Rapids Public Schools' operating budget, like all public school districts' operating budgets, consists primarily of personnel costs. A little over 85% of the projected budget for 2012-2013 reflects direct personnel expenses, and an additional 5% represents outsourced personnel costs. Since personnel costs represent the overwhelming majority of the operating budget, projected expenses are separated into personnel and non-personnel expenses, with considerable detail included in each segment.

EAST GRAND RAPIDS PERSONNEL COSTS

Classroom Related Personnel Costs: \$19,151,687

Core Curriculum/Electives: The district has 108.1 full time equivalent (FTE) teachers who teach the core curriculum and elective courses at the all building levels (excluding art, physical education, music, and world language). The budgeted cost for the 108.1 teachers is detailed below:

	<u>Salaries</u>	<u>Health Benefits</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Total</u>
Breton	\$1,180,950	\$262,000	\$323,226	\$90,037	\$1,856,213
Lakeside	\$1,157,850	\$280,315	\$315,535	\$88,193	\$1,841,893
Wealthy	\$1,277,589	\$280,934	\$346,933	\$96,969	\$2,002,425
Middle School	\$1,912,359	\$377,482	\$500,147	\$139,793	\$2,929,781
High School	\$2,243,341	\$480,389	\$610,399	\$170,609	\$3,504,738
Substitutes	\$156,850	\$0	\$0	\$0	\$156,850
Total	\$7,928,939	\$1,681,120	\$2,096,240	\$585,601	\$12,291,900

Specials (Art, Music, Physical Education): The district employs 17.3 FTE teachers to teach art, music, and physical education across the district. The budgeted cost for 17.3 teachers:

	<u>Salaries</u>	<u>Health Benefits</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Total</u>
Specials	\$1,216,010	\$245,272	\$332,821	\$93,025	\$1,887,128

World Languages: Spanish, French, Latin, Hybrid (Japanese/Mandarin Chinese/Arabic)

The district has 11.6 FTE teachers for world languages. The budgeted cost for 11.6 teachers is:

	<u>Salaries</u>	<u>Health Benefits</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Total</u>
World Language	\$812,400	\$165,735	\$222,352	\$62,150	\$1,262,637

Special Education: Classroom personnel costs related to special education include 9.7 FTE teachers and paraeducator staffing. Services supporting the classroom teachers and paraeducators are social worker, speech and language therapy, psychologist, teacher consultant, visually impaired, and occupational therapist costs. Many of those services are provided

by the Kent Intermediate School District, which allows the district to receive additional state funding. In addition, the district has students who attend countywide center based programs for special instruction. East Grand Rapids Public Schools reimburses the center based programs for the net cost of educating our students. The budgeted personnel costs to provide these services are:

	<u>Salaries</u>	<u>Health Benefits</u>	<u>Retirement</u>	<u>Social Security</u>	<u>KISD</u>	<u>Total</u>
Teachers	\$688,300	\$138,096	\$188,389	\$52,657	\$0	\$1,067,442
Paraeducators	\$282,550	\$91,427	\$77,334	\$21,615	\$0	\$472,926
Social Workers	\$92,000	\$31,000	\$25,180	\$7,038	\$90,500	\$245,718
Speech	\$70,000	\$17,500	\$19,159	\$5,355	\$147,500	\$259,514
Psychologist	\$75,050	\$9,100	\$20,541	\$5,741	\$119,230	\$229,663
Teacher Consultant	\$52,500	\$11,500	\$14,369	\$4,016	\$0	\$82,386
Occup. Therapist	\$38,500	\$2,000	\$10,537	\$2,945	\$0	\$53,983
Visual Services	\$0	\$0	\$0	\$0	\$45,000	\$45,000
Center Based	\$0	\$0	\$0	\$0	\$153,500	\$153,500
Substitutes	<u>\$15,525</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$15,525</u>
Total	\$1,314,425	\$300,623	\$355,090	\$99,367	\$555,730	\$2,625,657

Reading Support: The district has three FTE reading teachers dedicated to providing additional support at the elementary level. The budgeted cost:

	<u>Salaries</u>	<u>Health Benefits</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Total</u>
Reading Support	\$228,700	\$33,744	\$62,595	\$17,496	\$342,535

Guidance Counseling: The district has two guidance counselors at the high school, one at the middle school, and part time positions at each elementary that equal 0.2 of a FTE, or 0.6 of an FTE for all elementaries. The budgeted cost of the counselors district wide:

	<u>Salaries</u>	<u>Health Benefits</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Total</u>
Counselors	\$287,950	\$52,675	\$78,812	\$22,028	\$441,465

General Education Support: The district provides a 0.8 full time equivalent intervention specialist, 0.6 full time equivalent Title I support position at the middle school, and also tutoring/homebound services provided at the high school. The budgeted cost:

	<u>Salaries</u>	<u>Health Benefits</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Total</u>
Gen Ed Support	\$126,628	\$4,160	\$34,658	\$9,687	\$175,133

Classroom Paraeducators: The district provides 2 hours daily of paraeducator support in Young Fives classrooms, 1 hour daily in kindergarten classrooms, and 2 hours daily in 1st grade classrooms. The budgeted cost:

	<u>Salaries</u>	<u>Health Benefits</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Total</u>
Paraeducators	\$92,750	\$0	\$25,386	\$7,097	\$125,231

Other Personnel Costs: \$7,063,330

Custodial & Maintenance: The district employs two maintenance workers, one for Heating/Cooling, and one for general maintenance; 12 full time district custodians, two private company custodians (district office & high school pool), and five cleaner positions working six hours per day during the school year. In addition, the district reimburses the City of East Grand Rapids for outdoor facility maintenance, and also outsources maintenance work for areas that the maintenance employees are not able to perform. The budgeted personnel costs:

	<u>Salaries</u>	<u>Health Benefits</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Outsourced</u>	<u>Total</u>
Maintenance	\$95,000	\$31,000	\$26,002	\$7,268	\$0	\$159,269
Custodial	\$489,150	\$179,130	\$133,879	\$37,421	\$50,000	\$889,580
City of EGR	\$0	\$0	\$0	\$0	\$140,000	\$140,000
Other Maint.	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$240,000</u>	<u>\$240,000</u>
Total	\$584,150	\$210,130	\$159,881	\$44,689	\$430,000	\$1,428,849

School Administration: The district has five principals and one assistant principal each at the middle and high schools, and a Director of Guidance at the high school. The budgeted cost:

	<u>Salaries</u>	<u>Health Benefits</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Total</u>
School Admin.	\$771,086	\$129,200	\$211,044	\$58,990	\$1,170,320

School Secretarial: The high school has 3.5 FTE, the middle school 3.0 FTE, and elementary buildings have 1 FTE secretary, and 1 part time secretary who works 12.5 hours per week. The budgeted cost:

	<u>Salaries</u>	<u>Health Benefits</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Total</u>
Secretarial	\$379,920	\$127,050	\$103,985	\$29,063	\$640,018

District Wide Support Services

Personnel functions that provide support and service to the entire district. These functions include the Office of the Superintendent, Business Office, Instruction Office, Technology Department, and administrative services for custodial & maintenance, special education, and transportation. The personnel costs for these services are detailed below.

Office of the Superintendent: The Office of the Superintendent includes the Superintendent, executive assistant to the superintendent, and district office receptionist/transportation and operations support. The budgeted cost:

	<u>Salaries</u>	<u>Health Benefits</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Total</u>
Office of Supt.	\$283,000	\$31,800	\$77,457	\$21,650	\$413,907

Business Office: The Business Office consists of the Assistant Superintendent of Business, a 0.3 FTE accounting supervisor, 1 FTE payroll specialist, a 0.8 FTE accounts payable position, and a 0.5 FTE secretary. The budgeted personnel costs:

	<u>Salaries</u>	<u>Health Benefits</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Total</u>
Business Office	\$246,200	\$54,750	\$67,385	\$18,834	\$387,169

Instruction Office: The Instruction Office consists of the Assistant Superintendent of Instruction, 1 FTE secretary and 1 FTE position responsible for student enrollment, state and county reporting requirements, and other projects. Budgeted personnel costs:

	<u>Salaries</u>	<u>Health Benefits</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Total</u>
Instruction Ofc.	\$223,700	\$37,000	\$61,227	\$17,113	\$339,040

Technology Department: The Technology department staffing includes a Director of Technology and Assessment, and 5.6 FTE staff members. Budgeted personnel costs:

	<u>Salaries</u>	<u>Health Benefits</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Total</u>
Technology	\$396,000	\$70,000	\$108,384	\$30,295	\$604,679

Transportation: The district employs three part time bus drivers to handle shuttles to county vocational programs, field trips, and athletics. The district receives special education transportation through the county wide program. Budgeted personnel costs:

	<u>Salaries</u>	<u>Health Benefits</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Special Ed</u>	<u>Total</u>
Transportation	\$45,000	\$0	\$12,317	\$3,442	\$170,000	\$230,759

Other: The district employs a Director of Special Education with a 0.5 FTE secretary, as well as a Director of Buildings and Grounds. Budgeted personnel costs:

	<u>Salaries</u>	<u>Health Benefits</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Total</u>
Other	\$204,500	\$39,000	\$55,972	\$15,645	\$315,117

Athletics and Other Extracurriculars: The athletic department personnel costs include a 0.8 athletic director, 1 FTE athletic department secretary, athletic trainer, coaches for the 19 district funded sports and transportation costs to athletic events. Non-athletic extracurricular personnel expenses represent the cost for advisors, organizers, leaders of the various clubs, and fine art extracurriculars the district offers. The budgeted personnel cost for extracurriculars:

	<u>Salaries</u>	<u>Health</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Total</u>
Athletic Office	\$145,500	\$32,000	\$39,823	\$11,131	\$228,454
Athletic Coaches	\$246,000	\$0	\$52,330	\$18,819	\$317,149
Athletic Transp.	<u>\$20,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$20,000</u>
Total Athletic	\$411,500	\$32,000	\$92,153	\$29,950	\$565,603
Non-Athletic	\$72,544	\$0	\$19,855	\$5,550	\$97,949

Child Care/Pre-School: The district offers child care services as well as three and four-year-old preschool programs. The program, which is profitable for the district, employs a part time director position, a full time secretary, two preschool teachers, two part time preschool aides and child care providers as needed based on enrollment. The budgeted personnel cost of the child care/pre-school program:

	<u>Salaries</u>	<u>Health</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Outsourced</u>	<u>Total</u>
Child Care Office	\$91,200	\$10,050	\$24,961	\$6,977	\$0	\$133,188
Pre-School	\$66,000	\$16,500	\$18,064	\$5,049	\$31,500	\$137,113
Child Care	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$220,000</u>	<u>\$220,000</u>
Total	\$157,200	\$26,550	\$43,025	\$12,026	\$251,500	\$490,301

Other Personnel Costs: The remaining personnel costs reflect the paraeducator staffing of the media centers in each school building, lunchroom and playground monitors, and the cost to manage the Performing Arts Center at the high school. The budgeted personnel costs for these services:

	<u>Salaries</u>	<u>Health Benefits</u>	<u>Retirement</u>	<u>Social Security</u>	<u>Total</u>
Lunch/Playground	\$74,640	\$0	\$20,430	\$5,707	\$100,777
Media Centers	\$117,100	\$34,800	\$32,051	\$8,959	\$192,910
PAC Management	\$59,200	\$6,000	\$16,203	\$4,529	\$85,932

TOTAL PERSONNEL COSTS: \$26,215,017

East Grand Rapids Non-Personnel Costs:

Total non-personnel costs for 2012-2013 are projected to be **\$3,015,759**. Detail is provided below.

Utilities (\$1,070,900): The total cost of utilities includes electricity, heat, water, telephone, and waste removal. The two largest utility costs are electricity and heat, which are budgeted to be \$550,000 and \$310,000 respectively.

Classroom Supplies & Textbooks (\$570,247): This amount represents materials and supplies budgeted for all classrooms. Each school building receives a budget based on a "per student amount" which is used for consumables and replacements on a yearly basis. That per student amount is \$129 at each elementary and middle school, and \$141 at the high school. Also included in this amount are budgeted funds for new textbook adoptions (\$50,000), and funding for special education classroom supplies (\$45,000).

Business Expenses (\$357,250): This category includes district wide expenses that are either required or necessary to maintain an efficient and effective organization. These expenses include risk management insurance (\$93,000), copier lease payments and supplies (\$89,000) worker's compensation insurance (\$50,000), legal fees (\$50,000), audit fees (\$35,000) and interest paid on short-term debt (\$20,000).

Custodial/Maintenance (\$248,000): Included in this amount are custodial supplies (\$75,000), maintenance supplies (\$75,000), the district's contribution to the Joint Facilities budget (\$60,000), and repairs to district equipment.

Professional Development (\$221,346): The professional development budget includes all of the costs for the mandated 38 hours of professional development that each teacher is required to complete annually, the cost of summer learning opportunities for our teaching staff to further their professional growth, and the costs associated with updating and enhancing the district curriculum.

Athletics (\$189,816): Non-personnel costs for athletics is composed of tournament and other competitive fees (\$30,000), supplies for 19 individual sport teams (\$30,000), game officials (\$25,000), workers assigned to games held in the district (\$20,000), expenses incurred when teams make regional and state tournaments (\$25,000), expenses incurred when the district hosts district tournaments (\$25,000, offset by tournament revenue), and miscellaneous athletic office expenses (\$30,000).

Technology (\$135,000): The majority of the technology non-personnel costs are annual license costs for software packages and programs the district utilizes (\$110,000), and costs for professional development and consulting fees (\$20,000).

Transportation (\$98,450): Non-personnel costs for transportation reflect fuel, vehicle repairs, and \$60,000 that has been set aside to potentially purchase a newer used bus to continue to refresh the district's fleet of buses.

Foundation Grants (\$60,000): Each year, the EGR Schools Foundation funds grant requests from our teachers that enhance teaching and learning in the classroom. The Foundation provides the district with funds for approved grants, the district then purchases the necessary equipment and supplies for the grants, which is reflected in this expense category.

Child Care/Pre-School (\$42,750): Non-personnel costs for child care and pre-school are classroom supplies, field trip expenses, and professional development and program accreditation costs.

Dual Enrollment (\$22,000): Dual enrollment expenses reflect the cost of tuition for high school students to enroll in college courses as part of their schedule. The district receives state funding that offsets the costs of tuition.

EAST GRAND RAPIDS PUBLIC SCHOOLS – STATEWIDE COMPARISON

The Michigan Department of Education produces an annual report that compares the revenue and expenses of each K-12 school district and charter school statewide and provides each district or charter school its individual ranking for each of the revenue and expense categories compared. The most recent fiscal year report available is 2009-2010. There were 783 K-12 districts and charter schools included in the 2009-2010 report. East Grand Rapids was ranked as shown below:

Total Revenues:	281 st out of 783
Expenses:	
Basic Programs (General Education):	102 nd out of 783
Added Needs (Special Education & Title I):	693 rd out of 783
Total Instruction (Basic Program & Added Needs)	244 th out of 783
Instructional Salaries (Total Teacher Salaries)	228 th out of 783
Instructional Support (Curriculum, Media Center, Guidance, etc.)	105 th out of 783
Business & Administration	425 th out of 783
Operations & Maintenance (Custodial, Maintenance, Utilities)	257 th out of 783
Total General Fund Expenditures	250 th out of 783
Average Teacher Salaries (\$66,948)	80 th out of 783

You will notice that we rank 693rd out of 783 in Added Needs, which reflects our Special Education and Title I expenditures. The low ranking in that category is due to the district currently having a smaller than average population of students who require special education services, as well as the lack of federal funding we receive for Title I, which is based on the ratio of our students who qualify for free and reduced meals.

The report for 2010-2011 should be available in the next couple of months, as the state receives the individual school district financial information for the prior fiscal year in mid-November. If you are interested in reviewing the full report, the link is: <http://www.michigan.gov/mde/0,1607,7-140--21514--,00.html>.

EAST GRAND RAPIDS PUBLIC SCHOOLS – KENT COUNTY COMPARISON

As a district, we also compare our financial ratios and statistics to neighboring districts in Kent County. There are 20 public school districts in Kent County. Revenues and expenses by category are ranked on a per-pupil dollar basis. Compensation is ranked based on the percentage of compensation relative to the entire general fund budget, and not on actual dollars spent on compensation. The following data provided below is from the 2010-2011 fiscal year.

REVENUES

State Per-Pupil Funding:	5 th out of 20
Total Per-Pupil Revenues:	10 th out of 20

COMPENSATION

Total Compensation as a % of total expenditures (83.3%)	3 rd out of 20
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EXPENSES BY CATEGORY

General Education Classroom	2 nd out of 20
Special Education Classroom	20 th out of 20
Title I Services	20 th out of 20
Guidance/Counseling	7 th out of 20
Special Education Support (Speech, Social Work, Psych, Admin)	14 th out of 20
Instructional Support/Curriculum	4 th out of 20
Media Center	11 th out of 20
Technology	4 th out of 20
School Building Administration (Administration & Secretarial)	4 th out of 20
General Administration (Administration & Secretarial)	4 th out of 20
Business Office	8 th out of 20
Operations & Maintenance (Custodial, Maintenance, Utilities)	3 rd out of 20
Transportation	20 th out of 20

TOTAL GENERAL FUND EXPENSES	13 th out of 20
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Thank you for taking the time to read this detailed explanation of projected expenses for the 2012-2013 fiscal year and learning how our district finances compare at both the state and local level. The third communication will focus on the district's revenue and expense trends over the last few years and will provide staffing levels for all district employee categories.

Sincerely,



Sara Magaña Shubel, Ph.D.
Superintendent



Kevin Philipps
Assistant Superintendent of Business