

THE GROSSE POINTE PUBLIC SCHOOL SYSTEM
Grosse Pointe, Michigan

AGENDA NUMBER AND TITLE

**Draft Resolution to Commence 2016-17
Budget Development and Related Parameters**

Under Policy 6220, the Board is required to adopt a resolution documenting budget parameters in January of each year to cause the formal commencement of the administration's preparation of the budget. The Treasurer drafts the resolution after review of the various financial reports and projections, taking into account the district goals (which the Board has not yet established for (2016-17) and after receiving input from fellow Board members. The resolution should articulate the preference of the Board in advance of budget development to avoid ambiguity and to allow the community to have a clear view of the budget development process from its inception. The resolution should:

- A. Identify specific financial goals and objectives that the Board requires in regards to specific cost reduction, revenue increases or other financially related objectives for particular budget elements.
- B. Identify particular budget related strategies that the Board prefers the administration to pursue or avoid in their development of the budget.
- C. Be as specific as possible in terms of the objectives, but allow for flexibility in the administration's approach to budget development.

In accordance with this policy, the Board directs the administration to begin preparation of the 2016-17 Budget. The budget shall be consistent with all state and federal laws, the Board's policies, and the District's strategic plan. The budget shall further aid in the achievement of the District's goals, and provide for long-term financial stability. Specific objectives and strategies include:

- 1. Providing resources to achieve the action points identified in the District's strategic plan;
- 2. Not participating in Schools of Choice;
- 3. Achieving a fund equity of at least 9% of expenditures;
- 4. Continuing to operate the District's elementary, middle school, and high school programs in the current buildings, making appropriate adjustments to staffing and resources to reflect the student enrollment and the students' educational needs in each building;
- 5. Maintaining elementary class sizes at or below 24 students for Kindergarten, 27 students for 1st through 3rd grades, and 30 students for 4th and 5th grades.
- 6. Prioritizing sinking fund projects, facilities maintenance, and improvement projects, including allowable expenses for technology upgrades, by those that, if delayed, will create safety issues, negatively impact programs, or increase costs, and looking for other options to fund them;
- 7. Offering work and educational opportunities in conjunction with the Full Circle Foundation and other community organizations that share the District's strategic vision for students with special needs;
- 8. Expanding co-op programs in STEM related fields;
- 9. Continuing public relations and communication strategies to improve the educational experience for students, increase student enrollment, and communicate effectively with the community;
- 10. Researching potential opportunities to decrease energy and related costs across the district;
- 11. Ensuring tuition-based preschool programs are self-funded and offered at market competitive rates;

12. Identifying and proposing new or additional revenue streams, including enrollment expansion programs (excluding Schools of Choice), adding or raising fees and rates, leasing, and actively developing relationships with community businesses;
13. Providing for Board member training;
14. Restoring textbook budget, and considering the cost/benefit of changing to electronic textbooks
15. Considering ways to reduce the District's legal costs.

The Board encourages the administration to explore budget alternatives and make proposals. Budget recommendations resulting in significant program or related changes should only be brought to the Board if the administration deems them to be in the best interest of the education of all students.

The first draft of the administration's budget recommendations should be presented to the Board by April 30, 2016. For each review or adoption of the budget, the administration shall present all information required under Policy 6220, including updated versions of the following:

1. General Fund Budget Model Utility (which will include additional line items for public relations and Board training)
2. Staff Utilization Report
3. Enrollment Projections
4. Class Size Projections
5. Debt Fund budget
6. Sinking Fund budget and proposed projects
7. School Service Fund budget
8. Capital Project Fund budget
9. Details of any program enhancements, reductions, movements, or eliminations
10. A report on energy savings opportunities with an investment and payback analysis
11. If not otherwise disclosed, a brief description of how the budget meets the objectives and strategies set forth above.

Any changes to the budget will be made following Board of Education reviews and recommendations. Other changes will also be made based on directives from the State of Michigan. The final budget proposal will be presented for approval by the Board of Education no later than June 30, 2016, including the required Appropriation Act Resolutions for all funds.

REQUEST: That the Board of Education approve the Resolution to Commence 2016-17 Budget Development and Related Parameters.

Submitted by:

Brian C. Summerfield, Board Treasurer

January 18, 2015