



# Budget Road Map for SJPS

6.8.20

# Financial Facts at the State Level

- State Tax Revenues are Down 43% from April 2019 to April 2020 Detroit Free Press, May Article
- State is Facing a \$6.3B Revenue Deficit This Year, and Next Associated Press, 6.2.20 Article
- Therefore the state's School Aid Fund will lose \$1.2B
- The State has \$938M in Rainy Day Fund
  - 25% is the maximum allowed
- Hard Numbers Have Not Been Posted for School Districts
- Numbers will Continue to Change Through the Summer



# What We Are Hearing

- Assumptions
  - This is an unprecedented event with wide sweeping affects
  - Federal support may not come
  - State support may not come, definitely not before June 30,2020
  - The state must balance their year-end budget
  - State lawmakers may prorate 2019-2020 school district budgets
  - Most districts will reduce their per pupil spending by ~\$700
  - SJPS proposed budget is due by June 30, 2020
  - 3 year slump; plan for the future
  - Information and data will continue to change rapidly



# Action Planning

- Plan for the Most Difficult Scenario
  - Plan for a \$2.1M reduction in 2019-2020 Budget Due by June 30, 2020
  - Plan for a \$2.1M reduction in 2020-2021
    - \$2.1M is the equivalent to ~16 Teachers
      - For example, 6 at HS, 5 at MS and 5 at ES
      - Class sizes would increase to compensate
  - Prioritize reductions so when funding is more clear we are able to adjust
    - Budgets will continue to evolve throughout the summer and possibly fall
  - Plan for increased cleaning, equipment and altered processes
  - SJ's CARES Act will be less than \$132K



# Next Steps

- Go Back to Our Strategic Goals!
  - *Inspire Lifelong Learners, Creating Tomorrow's Leaders* Provide a World Class Education
  - Hold the classrooms unharmed, as much as possible
    - Salaries and benefits make up 83% of our budget
    - The alternative is layoffs and larger class sizes, district wide
- Partner with our Community
  - Survey questions about learning, health and wellness, and fall planning
- And, Plan for COVID-19 Suppression and Spikes
- We Must Be Flexible and Fluid in Our Planning!



# Potential Savings - 3 Buckets

- Operations and Facilities
  - Transportation and Custodial
    - C-19 Impact?
- Attrition
  - Retiring staff members
  - Resignations
- Line Items
  - Departments and Sites



# Considerations

- Prioritize Possible Reductions
  - Ranking reductions allows for a more fluid response if funds become available
  - Consider SJPS Strategic Plan
  - Consider survey results
  - Reimagine SJ education into the future
    - **In times of crisis, innovate!**



# What Happens Next?

Our administrative team will take all of this information and present the best plan possible for our continued growth and success. At the same time we will be planning for the next chapter, when we can begin to rebuild our depth and innovation of educational practices.

In times of crisis, we have the ability to innovate. We will continue to be a Lighthouse District, leading others towards the best education possible for our students.

Thank you for partnering with us during this unprecedented event.





# How can you help?

Communicate to your legislators

Support your SJ Foundation

Be a volunteer with your PTO

Stay informed. Sunday Bear News

Website

Social Media

Upcoming virtual town hall meetings

Participate in future surveys

