



We know you have questions about future funding for Dexter Schools....

Why is Dexter Consolidated School District in a financial crunch?

The amount our district has to build budget for school year 2011-2012 is designated by the Public Education Department according to the State Equalization Guarantee (SEG). The amount of the proposed SEG is \$7,686,883.90. The budget for school year 2010-2011 was \$8,251,375 leaving a difference of \$564,491.10. A decrease in enrollment and bilingual students were factors in the drop in funding. There is also an anticipated decrease in Federal funding and there will be no American Recovery and Reinvestment Act (ARRA) funding available.

How can the budget be reduced with the least impact on student learning?

Dexter Schools eliminated positions for the past two years beginning with administration and Central Office. About 88 % of the budget is made up of personnel costs so reducing the number of employees is one of the only ways to make significant cuts to the budget. Programs that are affected by staff cuts will be addressed in a different manner so that students do not lose opportunities. The athletic budget will be cut by 10% but students will still have the privilege to participate in the same sports we now offer. Activities such as Auto, Band and FFA will continue to be made available to our students.

Why is the district buying furniture, bleachers and equipment or renovating buildings instead of paying a teacher's salary?

When we purchase tables and chairs for the cafeteria or remodel part of a building, capital funding such as SB9 or bond is used. Operational money, which is the state funding that is being cut, is not used by our district for capital purchases. It is illegal to expend capital monies on salaries.

Why didn't the district save money over the past few years to avoid the financial position we're in now?

When the state appropriates money to the district, we have to use it. We are allowed to carry over a cash balance in Operational. That cash gets us through payroll and other expenditures in July and August until the state starts sending us money again. Certain funds like Transportation and Migrant *must* be spent to zero each year. If they are not, the state takes that balance back—we don't get to keep it. The state has also taken district's cash balances in the past if they were too high.

Why can't federal funding pay for additional teachers' salaries?

Federal law prohibits us from using federal money to pay for positions that are required by law because the federal funds are designed to supplement our state programs. If we *supplant* rather than supplement our state-funded programs, we are in danger of losing *all* federal funding.

How will staff take-home pay be impacted?

Again, we will not be able to give pay raises to any staff. Fortunately, insurance premiums will not increase this year, however, retirement contributions will. HB628 mandated that state and school employees contribute an extra 1.75% to retirement, therefore, 1.75% of staff's gross pay will be deducted from paychecks.