

School District of the City of Royal Oak
MEMORANDUM

TO: Thomas L. Moline

FROM: John R. Schwartz

DATE: March 5, 2010

SUBJECT: 2010-11 Budget Development Update
Community Service Fund

Budget development has been on going for all funds, including the Community Service Fund. This fund includes the operation of the Churchill Community Education Center, Latchkey, and the fee-for-service programs at the Addams Early Childhood Center. The following is a summary of the most recent developments and recommendations:

Revenue

- An inflationary increase of approximately 3% is recommended for the fees charged for all fee-for-service programs. The programs include:
 - Childcare
 - Preschool
 - Summer Camp
 - Acorn
 - Young Oaks (Latchkey)

The proposed fee schedule is attached.

- Two new half-day Preschool programs will be introduced in 2010-11 for 4-year olds: a four day per week offering and a five-day per week program. The fees charged will be competitive to fees charged by other districts offering similar programs. We believe there is a demand for an expanded preschool program.
- Room rental will be charged to the two preschool programs currently operated at Churchill Community Education Center by Oak Ridge and Northwood PTAs. The rental fee will be \$400 per month. Pat Wolynski has discussed this rental charge with each program coordinator. Tentative agreement has been reached with each program to pay room rental in 2010-11.

Expenditures

- An across-the-board 15% reduction in supplies, materials, and capital outlay allocations will be implemented.
- Latchkey, childcare, and preschool staff will become PCMI employees. As a result, the District will no longer be obligated to pay employment related costs (FICA and Retirement).
- Summer camp transportation for field trips will be limited to one bus trip per week.

Additional discussion and further recommendations to reduce costs and enhance revenues will continue.

pc: Pat Wolynski
Karen Andersen

/bls