

**Bloomfield Hills Schools Community Partnership
 Financial Information Subcommittee
 Corrected Meeting Summary for October 10, 2011
 Submitted by Charlie Fleetham, Facilitator**

Participants

▪ Howard Baron	▪ Charlie Fleetham	▪ Barbara Kaufman	▪ Elizabeth Steig
▪ Aftab Farooq	▪ Karen Hildebrandt	▪ John Roach	▪ Eric Winkelman
▪ Tina Kostiuk			

Background: Charlie played a video of a Detroit Lions game in 2009 (November 22 vs. Cleveland) where Matt Stafford came back from an injury to lead the team to victory (click on <http://www.nfl.com/videos/detroit-lions/09000d5d8147b67c>.) He asked the group how Bloomfield was/could become heroic. Responses included:

- We might be in a similar position as the Lions were in 2009 . . . we are bringing sides together to look at core facts and that is heroic.
- I thought John Roach’s email was heroic – it was fairly bold.
- Heroism – opening doors and showing the good, bad and ugly.
- Never say die! The community has to be the hero.
- How do you have heroism without a team? We don’t have a team yet.
- Perhaps achieving a community consensus will be heroic.

Review of Meeting Summaries: There were no changes to the September 12 meeting summary.

Review of School Finance 101: Tina and Karen presented modifications to the slides that were distributed prior to the meeting. These modifications were based on team member feedback. Several other minor changes were suggested and made.

Decision: The committee unanimously agreed to proceed with the video as follows:

- BHS will do the voice over.
- The complete video for 2010 results will be loaded on the District web-site.
- Comments will be considered and modifications will be made as appropriate.
- 2011 data will be loaded when complete and terminology will be changed as needed to reflect recent changes in governmental accounting standards (~~GASPE~~)— **(GASB)**
- At the next meeting (November 7) the subcommittee will review the Finance 201 script.

Average per Pupil Cost Comparison – Birm vs. BHS: Tina and Karen presented the next version of the Center for Performance and Education Information (CEPI) comparison between Birmingham and Bloomfield Hills. Birmingham was chosen as there have been frequent requests from community members, e.g. “How do we stand up against Birmingham?” The comparison is apples to apples, that is, it reconciles the different cost assignments between the districts because although districts use the same Chart of Accounts to feed CEPI, in some cases, they assign their costs to different categories. (Note: Birmingham was contacted during this process.) Discussion highlights include:

- Within Center Programs (county wide programs for special needs students), student counts stay in the district. Both Birmingham and BHS have center programs.

- Birmingham breaks out its Community Recreation Fund expenses (Fund 23, page 15 forward) as a non-General Fund cost. BHS accounts for the similar costs in its General Fund. The total difference is \$2.9M. The reconciliation subtracted out this difference.
- International Academy students are counted in their home district.
- Pre-K students are not included in the student count.
- Charlie asked Tina and Karen – “If the man on the street asked you what is the best comparison of what it costs to educate a student at Birmingham and Bloomfield, what would your answer be?” The response was the table at the bottom of page 36 (note: I have attached per pupil comparisons to this summary. The district will make the entire report available on line.). As shown below, in 2010, Birmingham spent, \$164 more dollars per student.

Expenditure Summary	
Expenditure Category	
Instructional Expenditures	
Instructional Support	
Non-Instructional Support	
Community Services	
Facilities Acquisition	
Capital Outlay	
Expenditures Before Transfers	
Other Transactions	
Debt Service	
Transfers to Other Funds	
Total Expenditures	

Bloomfield Hills School District (63080)	Birmingham City School District (63010)
Restated Totals	Restated Totals
Year: 2010	Year: 2010
Per Pupil	Per Pupil
\$8,268	\$7,659
\$2,715	\$2,580
\$3,892	\$2,882
\$328	\$476
\$57	\$70
\$704	\$260
\$15,965	\$13,926
\$0	\$20
\$561	\$2,905
\$683	\$522
\$17,209	\$17,373

- The major difference in the comparison is the \$2,905 debt service expense for Birmingham. Is this appropriate to put in the expense summation? First, it represents a debt owed by the District. Second, governmental accounting standards dictate that debt repayments should be included in the “Expenditure Summary.” ~~The data reflects the fact that Birmingham pre-financed a majority of its capital outlays; BHS finances them as it goes forward.~~ **The data reflects that Birmingham has had significant building/construction projects which has been financed by debt (>\$200 mil.) while BHS has been doing maintenance, financed both from general fund and through the pay-as-you-go sinking fund.**

Next Steps: We discussed next steps, now that we have an apples to apples per pupil comparison. After some discussion, we agreed as follows:

1. Tina and Karen will provide more detail on three variances between the districts: **Basic Instruction (110) from Instructional Expenditures, Student Services (210) from Instructional Support and Other Support (280) from Non-Instructional Support.**
2. Tina and Karen will provide some thoughts on how much the district spends on Elementary education, Middle School education and High School education. The CEPI does not classify data in this manner and neither does the district; however, the committee expressed an interest in getting a handle on these costs.

3. Tina and Karen will provide an appropriate candidate for a comparison between BHS and a non hold harmless district.

Board Presentation: Charlie reviewed a conversation with Ingrid Day about the Board's request for committee presentations on October 20th.

- The presentations will start shortly after 7:00.
- Charlie will start with a brief overview of the partnership progress since the June CPC meeting.
- Each committee should present for no more than seven minutes and allow a few minutes for question and answer from the Board.

John Roach and Aftab Farooq graciously volunteered to speak for the committee.

Next Financial Subcommittee Meeting: Monday, Nov. 7, 6:30 to 8:30, Doyle Center