

Aid Cut Cost Schools \$844,000

A News Roundup

The six school districts in Observerland will lose a total of \$844,000 from their state aid appropriations for the remaining fiscal year.

The state aid cuts are part of \$38 million recently pared out of Michigan's budget, \$12.6 million of which came from a slash in school aid payments. The House and Senate Appropriations Committees came up with the plans to balance the state budget in February and Gov. William Milliken agreed with them. Under a formula established by the committee, state aid to school districts is to be cut by three quarters of one per cent of the total school budget. One-fifth of the money allocated from the "grandfather clause," which assures a school district it will not receive less state aid than in the previous year, will also be cut.

Originally the governor had suggested that school aid be cut by a flat two per cent, but legislators argued that some districts would be hit harder than others under this plan. The hardest hit districts would be those who receive a larger percentage of their budget from state aid rather than local revenue.

OBSERVERLAND districts will lose from approximately \$25,000 in Clarencville to as much as \$250,000 in Livonia. While Clarencville's loss is estimated at \$25,000 to \$30,000, it is part of about \$100,000 the district has had to account for in its budget since the beginning of the fiscal year. Supt. David McDowell said the \$84 million budget has suffered setbacks from the cuts in school aid and the trailer taxes as well as the Supreme Court ruling requiring free textbooks.

LIVONIA'S Supt. R. H. Upton said the \$250,000 cut will reduce the state share of the district budget from 38 per cent to 36 percent. State aid accounted for about \$12 million of the district's \$35 million budget. Upton said the cuts increased the likelihood of a deficit at the end of the operating year. No significant cuts can be made, he said, because 90 per cent of the budget goes for contracted salaries and most of the remaining is for necessary services.

The Livonia district is particularly hard hit by the cuts, he said, because residents of the district pay higher property taxes than average.

NEXT hardest hit are the two school districts in Redford Township which will lose a total of \$239,000 for the remaining year.

The South Redford School District was the hardest hit of the two, losing an estimated \$170,000 in state aid funds and "grandfather clause" aid.

Redford Union School District fared slightly better, taking a \$68,875 cut in state aid. It does not receive funds under the so-called grandfather clause.

The amount represents about a three per cent reduction in revenue over the RU school district's remaining four months of operation in the fiscal year. South Redford School District faces a similar cut over the next four months, amounting to about a six per cent slice in expected state aid.

PLYMOUTH'S school board is faced with cutting \$151,000 from its budget and expects to hear recommendations in its March 8 meeting from the finance committee on how to accomplish this. Final action is anticipated at that meeting. Melvin Blunk, assistant superintendent for business, already has made suggestions for deferring approximately \$70,000 in capital expenditures and equipment purchases until the next fiscal year.

"The next \$81,000 will be a lot tougher to cut," he admits. Board Treasurer George Lawton, finance committee chairman, said, "The objective of the board will be to make savings that do not impair the educational program; that is, the teaching of the three R's and vocational training."

He said his committee will welcome suggestions from teachers on where to make reductions, voicing the hope that they might volunteer to work one of their remaining "in-service" days without pay. The PEA has not replied to Lawton's suggestion.

WILLIAM PRISK, business manager of Farmington School District, said Farmington will be cut \$116,000 as opposed to the \$121,000 loss which was expected under the

two per cent proposed formula. Prisk added that he is more concerned with what next year's state aid formula will be because of the possibility of having to seek additional operating millage for 1971-72.

The Farmington School Board must now decide if it will trim expenditures by \$116,000, which would involve program reductions, or accept a deficit budget for the current fiscal year. The operating budget, without

allowing for any state aid cut, now has a fund balance of only \$495. **THE GARDEN CITY** Public Schools would lose an estimated \$72,000 in the Garden City district more

by the legislature. The figure is well under the \$130,000 the district may have lost under Gov. Milliken's original proposal. That court ruling cost the estimated \$72,000 in the Garden City district more than \$152,000.

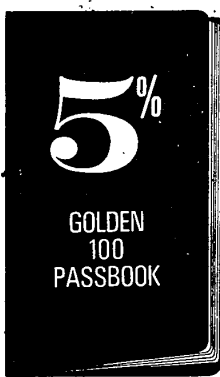
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