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FEATURED

Pontiac School District eliminates \$51 million deficit, starts 2021 with budget surplus

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A Pontiac school bus.

Photo by Natalie Broda - Digital First Media / Oakland Press File Photo

For the first time in nearly a decade, Pontiac School District is entering a new year with a budget surplus.

It's been a long and often challenging road for the district's administration and staff. In 2013, the district's budget deficit stood at \$51.7 million. Surplus buildings were sold, healthcare insurance policy options were reduced, teachers were asked to take pay cuts and other concessions. By 2020, the district's budget deficit had grown to \$51.7 million. 

the deficit had been cut in half, but much of what the district had lost had yet to return.



Inside how Don Weatherspoon and Pontiac schools balanced the budget

On Jan. 1, Pontiac School District entered 2021 with a positive fund balance of \$1.13 million. Every teacher in the district has received a new two-year contract with pay raises. Projects outlined in a \$147 million bond proposal are in the works, including updating classrooms, building out theaters and reopening the high school's pool.

"We're excited about the long haul and journey this district has come through," Kelley Williams, superintendent of Pontiac schools, said. "We've decreased our deficit to the point of elimination. We're giving back to our employees who have had their pay frozen for about eight years. We're stable in our staffing and we're getting closer to offering competitive salaries with our neighboring districts."

Deficit in Pontiac School District drops to \$11M as enrollment improves



The picture of a debt-free Pontiac schools became clearer last summer when the deficit was about \$700,000. It was through two, one time COVID-19 relief grants the district was able to push out of the red and into the black. Pontiac schools received about \$4.2 million from the U.S. Department of Education's Elementary and Secondary School Emergency Relief Fund and about \$1 million from Oakland County. Some of the funds were required to be spent on protective gear and technology while the rest could be used to supplement existing budget costs.

Teachers who had their pay frozen over multiple years will receive a credit, \$1,000 per year compensation was frozen, as a kind of back-pay. A new formula for pay was also devised based on increases in property tax income, which is averaging upwards to 3.5% to 4.4% each year, according to James Graham, director of business services.



Pontiac schools released from state oversight of financials, new contract for educators

"We're excited to be able to push more resources into classrooms and attract certified teachers. We were able to purchase new textbooks this past year, implement new assessment tools for reading levels and increase our supplemental intervention," Williams said. "For the first time in many years, the playing field has been leveled for us. We're excited to finally see the light at the end of the tunnel."



Williams also discussed her goal of updating all of the district's athletic facilities in the near future. Administration plans to present a new 10-year fiscal plan to the district's board of education on Monday, Feb. 1.



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