

Truth-in-Taxation Hearing Truth-in-Budgeting Hearing



June 27, 2016

Truth-in-Taxation Hearing

The background features abstract, overlapping geometric shapes in various shades of blue, ranging from light sky blue to deep navy blue. These shapes are primarily located on the right side of the frame, creating a modern, layered effect.

PROPERTY TAX 101

“MILLAGE RATE”

- Mill = \$1 per thousand of “taxable value”
- Example: A house has.....
 - “Market Value” of \$200,000
 - “State Equalized Value” of \$100,000
 - “Taxable Value” of \$80,000
 - 1 mill = \$80/year

How millage rates work

$$X \times Y = Z$$

Taxable Value x Millage Rate = Total Revenue

Grand Ledge Public Schools Tax Collection Schedule

Tax Levy	Delta Twp & City of Grand Ledge	All Others
General Fund (Non-Principal Residence only)	Summer	Winter
Debt & Sinking Fund (all property)	50%/50%	Winter

Fund Accounting

General
Fund



Salaries
Insurance
Electricity/Utilities
Gas
Buses
Supplies
Books
Technology

Debt
Fund



Repay Bonds

Sinking
Fund



Building Projects

Property
Purchase

NO Personnel
Costs!!

Bond
Fund



Building Projects

Buses
Technology
Playgrounds

NO Personnel
Costs!!



General Fund

Grand Ledge Public Schools
2016-17

General Fund Millage Rates

- ❑ Non-Homestead Tax Rates = 18 mills
- ❑ Industrial Personal Property = 0 mills
- ❑ Commercial Personal Property = 6 mills
- ❑ State Education Tax = 6 mills

The millage rate is constant,
the revenue is variable!

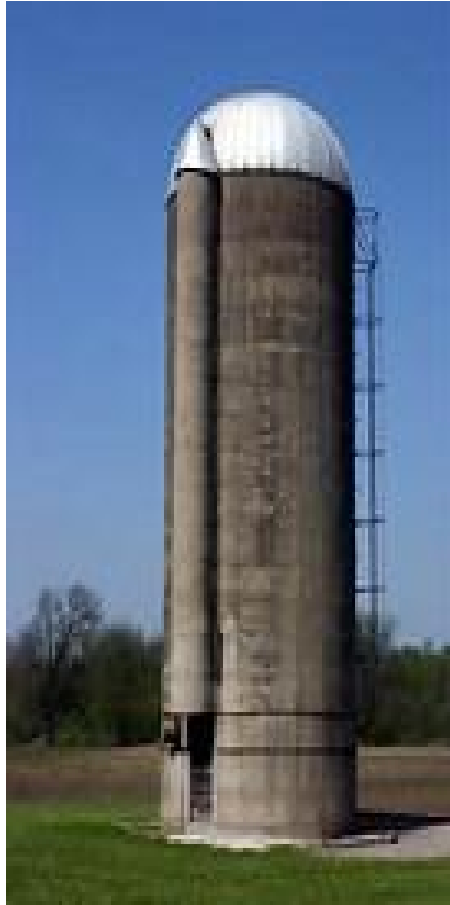


Debt Fund

Debt Fund Details

- ❑ Total outstanding debt: \$46.5 million
- ❑ Total “Taxable Value”: \$1.32 billion
- ❑ Principal & interest payments of \$5.73 million
- ❑ Millage rate needed to make bond payments: 4.18 mills (Tax reduction this year!!!); due to 2007 Bond Refinance

The millage rate is constant,
the revenue is variable!



Capital Improvement: Sinking Fund

Capital Improvement (Sinking) Fund Details

- ❑ Approved 0.8 mill for 10 years
- ❑ Expires 12/21

The millage rate is constant,
the revenue is variable!

Grand Ledge Public Schools


Changes in Property Tax Rates

- ❑ Non Homestead (Operating) - No Change
- ❑ Debt Service - Decreasing by .50 mills
- ❑ Capital Improvement - No Change

Truth-in-Taxation

Any Questions?

Truth-in-Budgeting Hearing

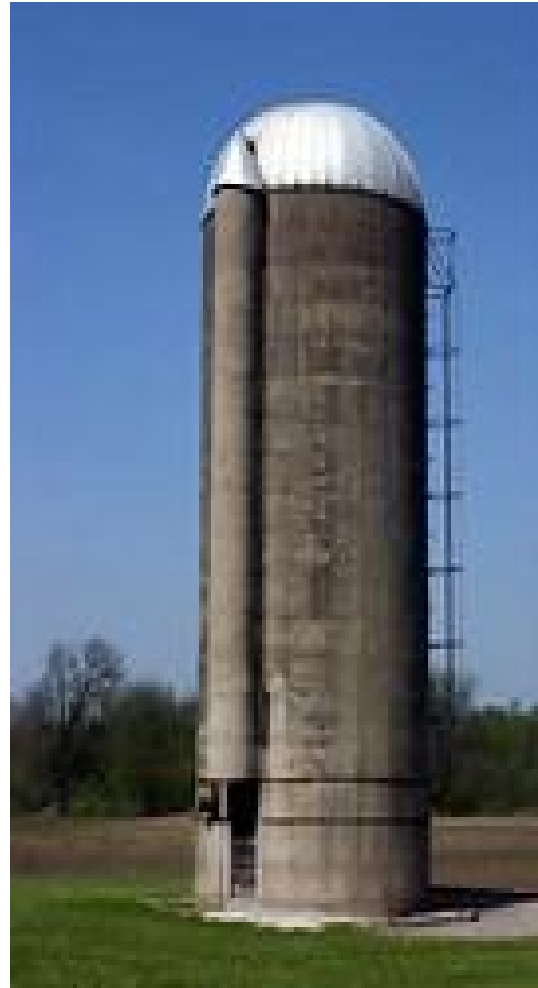
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Funds

- ❑ General Fund
(Includes Athletics)
- ❑ Food Service
- ❑ Community Education
- ❑ School Store
- ❑ Sinking Fund
- ❑ Debt Fund



General Fund



2015-16 Final Revision

❑ Projected Final Revenues	\$48,066,971
❑ Projected Final Expenditures	<u>\$48,212,139</u>
❑ Operating Deficit	\$ (145,168)
❑ Ending fund balance, June 30	\$ 3,766,252
❑ Fund balance as a % of Expenditures	7.8%

Revenues

Per Pupil Foundation Grant

- ❑ GLPS received \$7,391 per pupil in 2015-16
- ❑ \$120 Foundation Grant increase for 2016-17
- ❑ Grand Ledge will be at \$7,511
 - Finally back to 2010 foundation allowance

Per Pupil Foundation Allowance



“Truth-in-Budgeting” Factoids

- ❑ FY 2010 GLPS Per Pupil Foundation Grant: \$7,426
- ❑ Proposed FY 2017 GLPS Foundation Grant: \$7,511
- ❑ GLPS projected to receive \$85 more per pupil than it did in FY 2010
- ❑ **Reality: Inflation has outpaced foundation increases for the last decade and a half***

*Lansing State Journal, June 10, 2016

2016-17 Revenues

Other Funding Changes

- ❑ Anticipated loss of grant revenue: (\$393,000)

- ❑ 147c MPSERS Rate Stabilization:
 - ❑ Increased Revenue of \$224,500 *with matching expense of \$224,500*
 - Net = \$0

Enrollment - Blended Count

- 2015-16
 - StanFred predicted GLPS to be down 25-58 students
 - We estimated down 53 students
 - Actual enrollment was up 68 students
 - 40 GLPS
 - 28 Shared Partnership

- 2016-17
 - StanFred predicting GLPS will be down
 - Middle Cities predicting GLPS will be up
 - We are estimating a stable enrollment (0 increase/decrease)

2016-17 Revenue Summary

Base Revenues	\$48,066,971
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Changes:

Foundation Grant Increase	620,000
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MPSERS 147c Revenue	224,500
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Federal Funding (grant loss)	<u>(393,000)</u>
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Total Adopted Revenue	\$48,518,463
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2016-17 Expenditure Summary

Base Expenditures \$48,212,138

Changes:

Wage/fringe Increases (all staff)	\$ 695,000
Staff new hires	\$ 500,000
Expenditure reductions	(\$ 922,500)

Total Adopted Expenditures \$48,484,648

2016-17 General Fund Budget Summary

Beginning Undesignated Fund Balance	\$ 3,766,252
	7.81%
Total Revenue	\$48,518,463
Total Expenditures	\$48,484,648
Operating Surplus	\$ 33,815
Estimated Ending Undesignated Fund Balance	\$ 3,800,067
	7.83%

QUESTIONS?