



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

**June 25, 2018**

# Truth – in – Taxation Hearing



# Grand Ledge Public Schools Tax Collection Schedule

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



# Funding Accounting Rules

## General (Operating) Fund

- **Source:** Foundation Grant (Non-PRE property taxes & state aid), grants
- **Uses:** Day-to-day operations
- **Restrictions:** None on Foundation Grant, grants restricted to purpose

## Debt Fund

- **Source:** Tax on all property
- **Uses:** Bond proceeds used for building, land, buses, technology. Taxes used to make principal and interest payments on voted debt
- **Restrictions:** Cannot be used for day-to-day operations (Section 1351a)

## Capital Improvement (Sinking) Fund

- **Source:** Tax on all property
- **Uses:** Building renovation and land acquisition
- **Restrictions:** Uses controlled by Department of Treasury. Cannot be used for buses, technology, or day-to-day operations



# The General Fund (Operating Fund)



# **Grand Ledge Public Schools 2018-19 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**



# Debt Fund



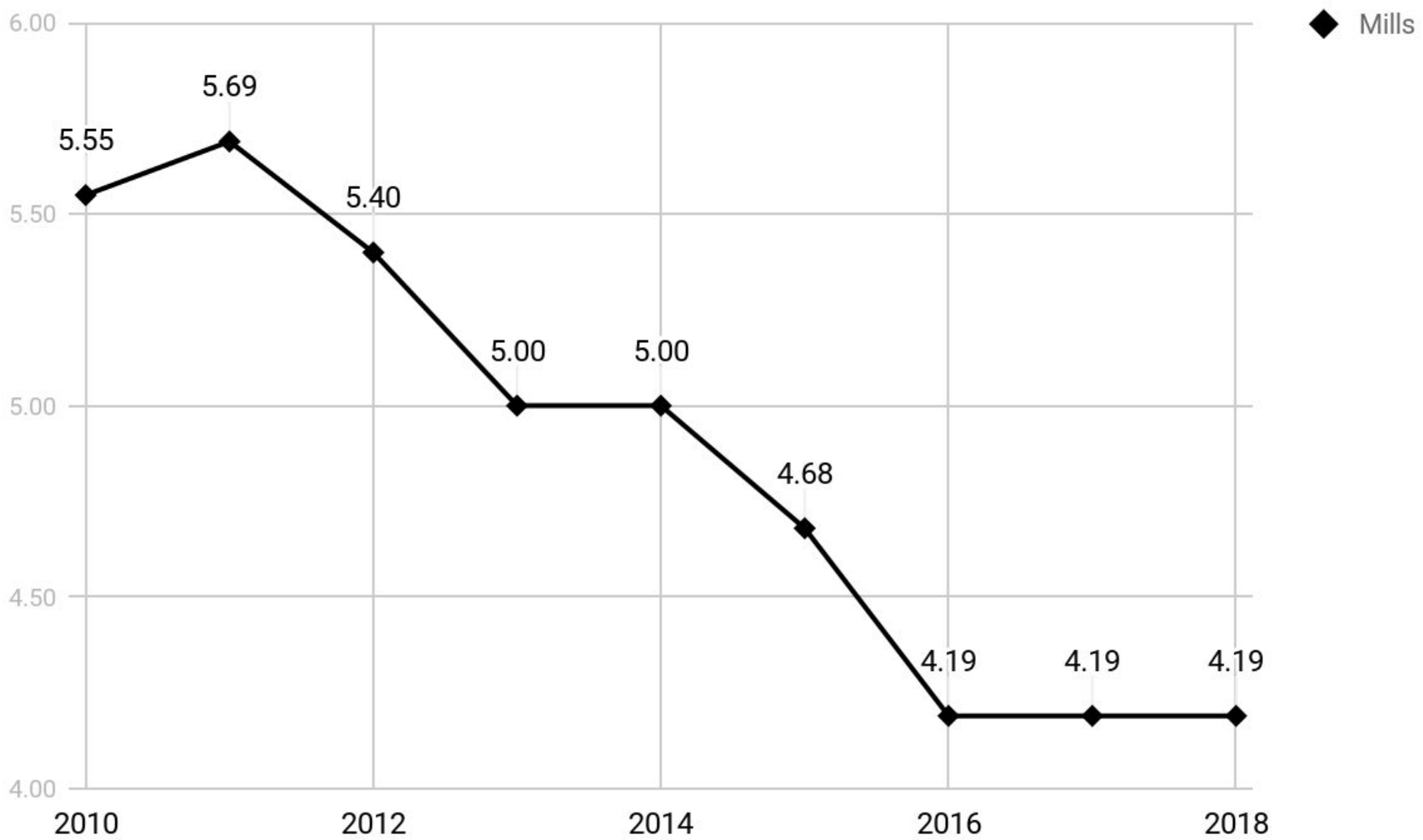
# Debt Fund Details

- ❑ Total outstanding debt: \$39.8 million
- ❑ Total "Taxable Value" of \$1.45 billion
- ❑ Principal and interest payments of \$5.33 million
- ❑ Millage rate needed to make bond payments: 4.19 mills





# Debt Millage History



# Comparative Millage Rate

## Central Michigan School Districts

DISTRICT	MILLAGE RATE
DeWitt Public Schools	10.00
Holt Public Schools	10.00
Haslett Public Schools	8.33
Williamston Community Schools	7.84
Potterville Public School	7.65
Charlotte Public Schools	7.59
Webberville Community Schools	7.45
Dansville Public Schools	7.00
Eaton Rapids Public Schools	7.00
Okemos Public Schools	7.00
St. Johns Public Schools	7.00
Waverly Community Schools	7.00
Leslie Public Schools	5.95
Mason Public School	5.68
East Lansing Public Schools	5.21
<b>Grand Ledge Public Schools</b>	<b>4.19</b>



**The  
Capital Improvement Fund  
(Sinking)**



# Capital Improvement (Sinking) Fund Details

- Approved 0.8 mill for 10 years**
- 2018 Levy - .7968 (Headlee Reduction)**
- Expires 12/21**



# **Grand Ledge Public Schools Changes in Property Tax Rates**

- Non Homestead (Operating) – No Change**
- Debt Service – No Change**
- Capital Improvement – No Change**



# Truth – in – Budgeting Hearing



# Funds

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



# The General Fund





# 2017-18 Final Revision

<b>Estimated Final Revenues</b>	<b>\$ 53,651,143</b>
<b>Estimated Final Expenditures</b>	<b>\$ 52,988,829</b>
<b>Operating Excess (Deficit)</b>	<b>\$ 622,314</b>
<b>Ending Fund Balance (June 30, 2018)</b>	<b>\$ 6,129,610</b>
<b>Fund Balance as % of Expenditures</b>	<b>11.5%</b>



# Revenues

## Per Pupil Foundation Grant

- ❑ **GLPS received \$7,631 per pupil in 2017-18**
- ❑ **Decreased enrollment of 33 pupils**
- ❑ **Special Education Fund Balance distribution from Eaton RESA (ONE-TIME FUNDS) - \$222,000**
- ❑ **Increase in ERESA local tax distribution - \$400,000**



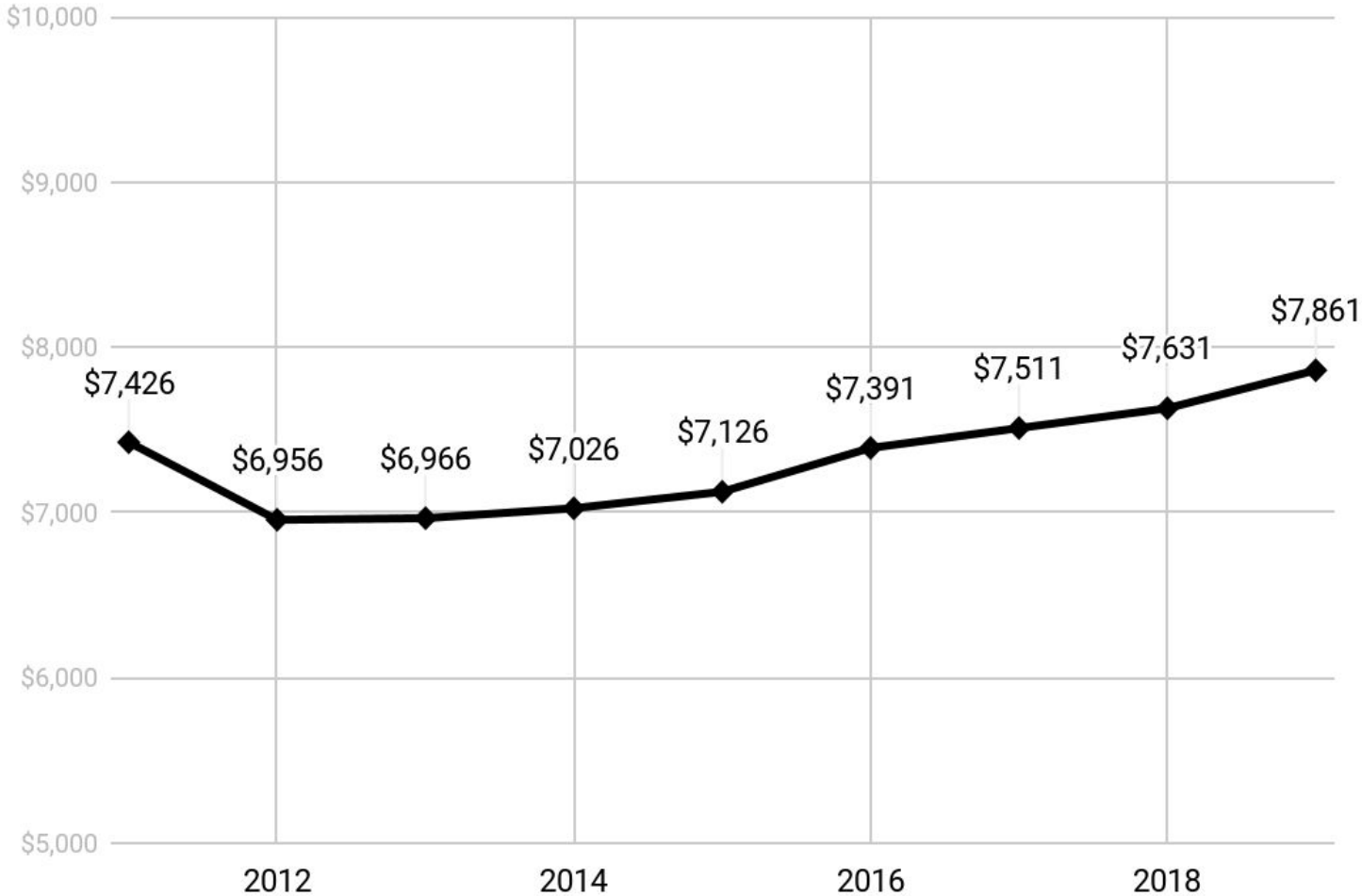
# Revenues

## Per Pupil Foundation Grant –

- **\$240 Foundation Grant increase for 2018-19**
  - **New statewide base of \$7,871**
  - **New statewide maximum of \$8,409**



# Per Pupil Foundation Allowance



# Enrollment

## Blended count

### ☐ 2017-18

- Last year enrollment forecasters (StanFred & Middle Cities) predicted GLPS to be down slightly
- Actual enrollment was down 33 students

### ☐ 2018-19

- Projected decrease of 35 students



# 2018-19 Revenue Summary

<b>BASE REVENUES</b>	<b>\$ 53,651,143</b>
<b>Changes</b>	
<b>State Aid Increase (Net)</b>	<b>\$ 628,514</b>
<b>Misc. Local Revenue</b>	<b>(\$ 300,000)</b>
<b>Special Ed Fund Balance Dist.</b>	<b>(\$ 222,000)</b>
<b>MPSERS Stabilization Revenue</b>	<b>(\$ 593,000)</b>
<b>TOTAL ADOPTED REVENUE</b>	<b>\$ 53,162,011</b>



# Revenues – Bottom Line

**Down**  
**\$489,132**



# 2018-19 Expenditure Summary

<b>BASE EXPENDITURES</b>	<b>\$ 52,988,829</b>
<b>Changes</b>	
<b>Wage/fringe increases (All Staff)</b>	<b>\$ 348,000</b>
<b>Installment payment (copier purchase)</b>	<b>\$ 82,600</b>
<b>Expenditures reduction (buses)</b>	<b>(\$ 294,000)</b>
<b>TOTAL ADOPTED EXPENDITURES</b>	<b>\$ 52,125,457</b>





# Expenditures – Bottom Line

Up

\$136,600



# 2018-19 General Fund Budget Summary

<b>BEGINNING UNDESIGNATED FUND BALANCE</b>	<b>\$ 6,129,610</b>
	<b>11.5%</b>
<b>Total Revenue</b>	<b>\$53,162,011</b>
<b>Total Expenditures</b>	<b>\$53,125,457</b>
<b>Operating Surplus (Deficit)</b>	<b>\$ 36,554</b>
<b>ESTIMATED ENDING UNDESIGNATED FUND BALANCE</b>	<b>\$ 6,166,164</b>
	<b>11.6%</b>



**QUESTIONS/COMMENTS**

**?**

