



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

June 24, 2019

Truth – in – Taxation Hearing



**The
General Fund
(Operating Fund)**



Grand Ledge Public Schools 2019-2020 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**



Grand Ledge Public Schools Tax Collection Schedule

Tax Levy	Delta Twp & City of Grand Ledge	All Others
General Fund (Non-Principal Residence only)	100% Summer	100% Winter
Debt & Sinking Fund (all property)	50% Summer 50% Winter	100% Winter



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



Debt Fund



**2 Successful
Bond Proposals!!**

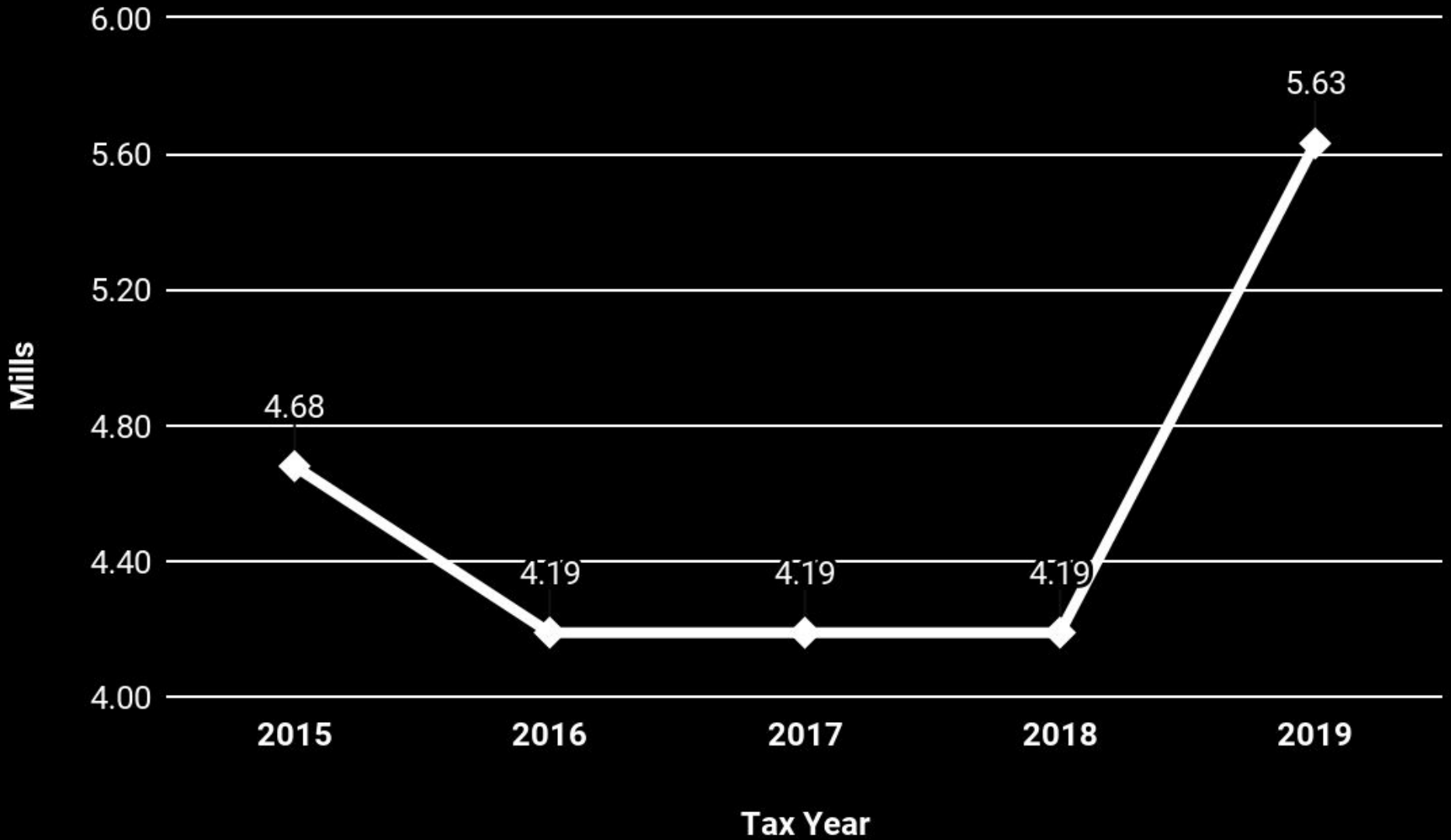


Debt Fund Details

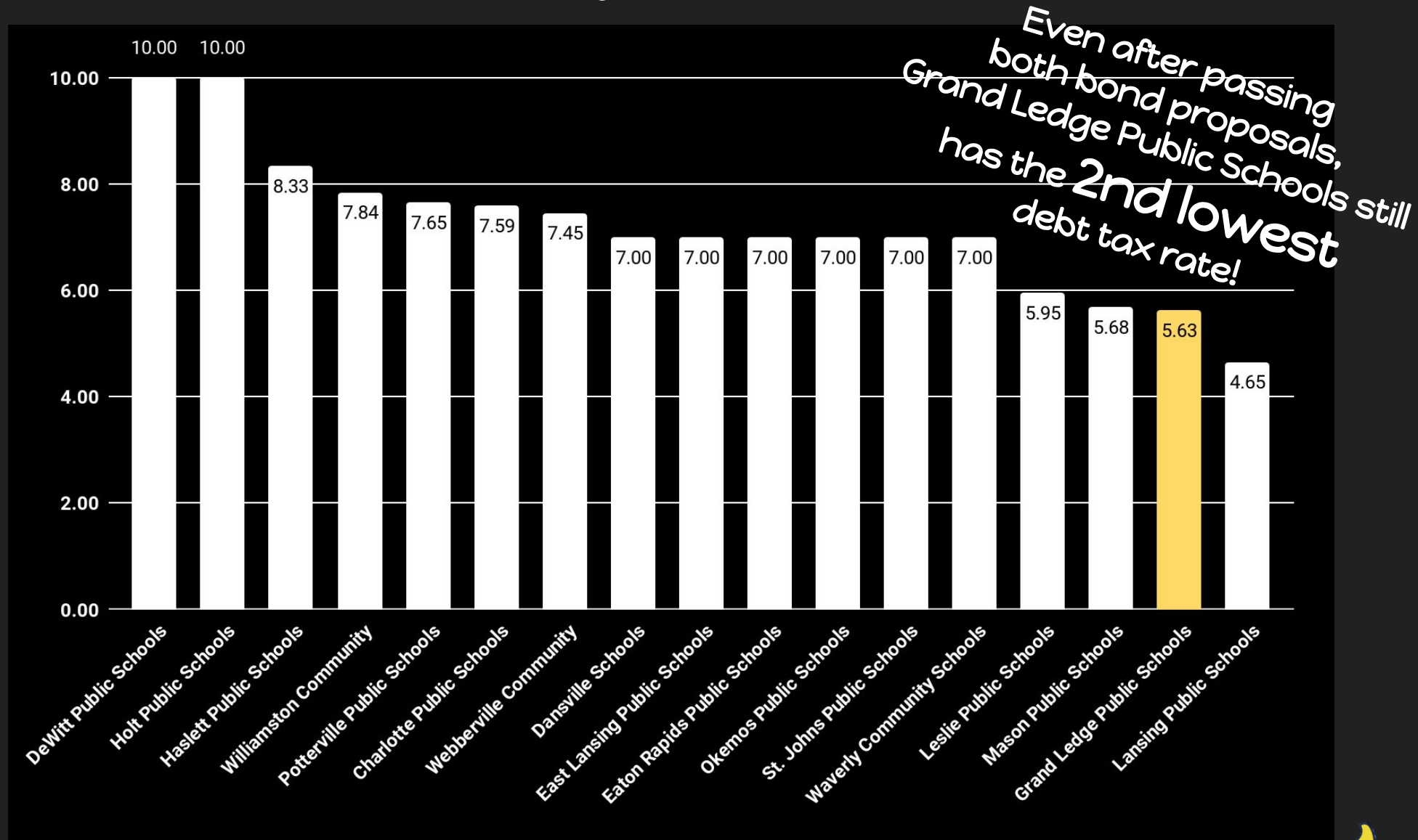
- ❑ Total outstanding debt: \$88.5 million
- ❑ Total "Taxable Value" of District = \$1.53 billion
- ❑ Principal/interest annual payments = \$8.43 million
- ❑ Millage rate calculated for bond payments = 5.63 mills



Debt Millage History



Comparative Millage Rate Central Michigan School Districts



**The
Capital Improvement Fund
(Sinking)**



Capital Improvement (Sinking) Fund Details

- ❑ **Approved 0.8 mill for 10 years**
- ❑ **2019 Levy - .7968 (Headlee Reduction)**
- ❑ **Expires 12/21**



Grand Ledge Public Schools Changes in Property Tax Rates

- Non Homestead (Operating) – No Change**
- Debt Service – Increase of 1.44 mills**
- 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



2018-2019 Final Revision

Estimated Final Revenues	\$ 55,124,657
Estimated Final Expenditures	\$ 54,729,856
Operating Excess (Deficit)	\$ 394,801
Ending Fund Balance (June 30, 2019)	\$ 6,630,858
Fund Balance as % of Expenditures	12.1%



Revenues 2019-2020

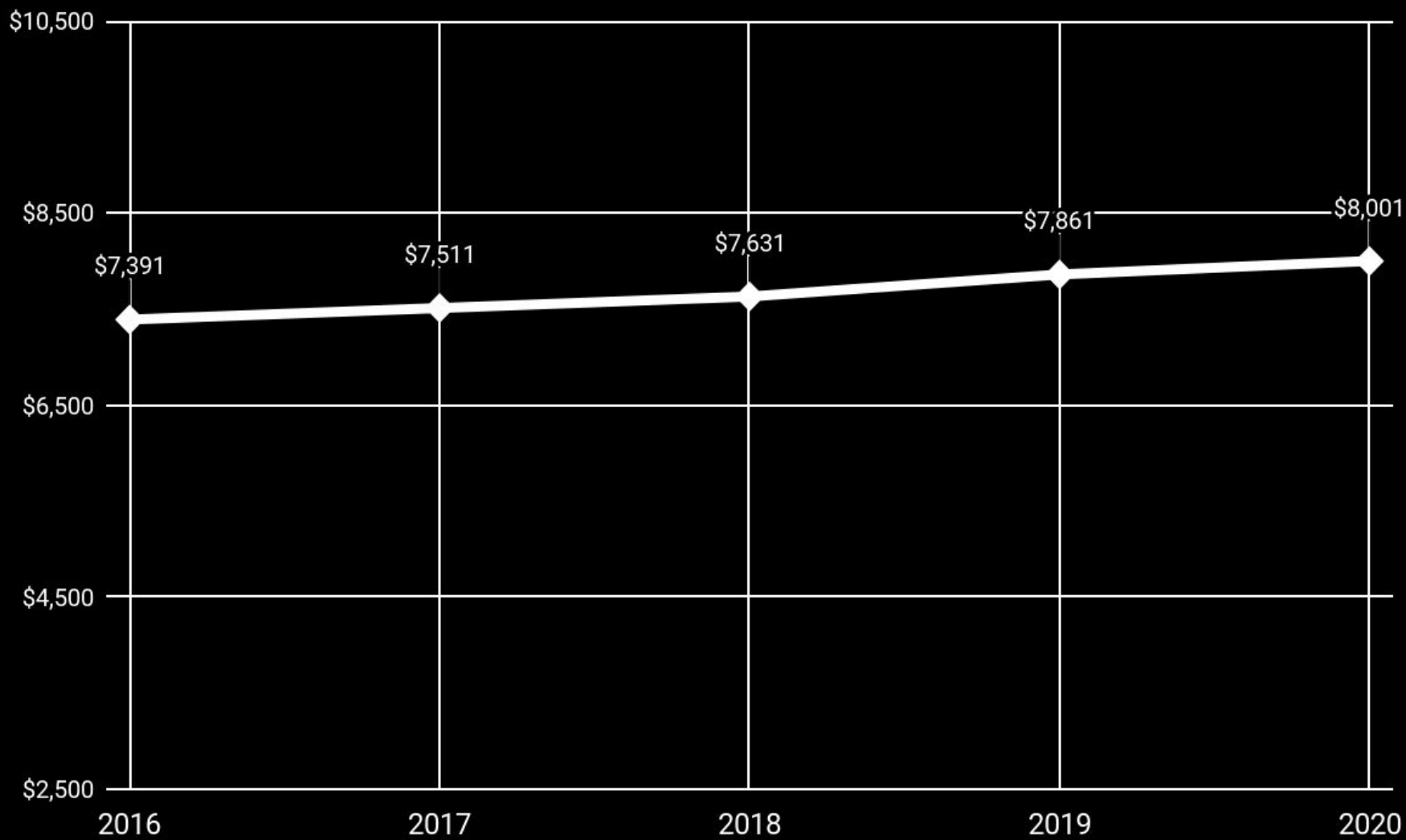
Per Pupil Foundation Grant – PROJECTED

- ❑ \$140 Foundation Grant increase for 2019-2020

State Budget has **NOT** been approved by the legislature
(this could change).



Per Pupil Foundation Allowance



Enrollment

Blended count

☐ 2019-2020

- Projected decrease of 25 students
- Enrollment forecasts predict a downturn in pupil enrollment for the State of Michigan
- Grand Ledge posted a "limited" number for school of choice students for the 2019-2020 school year.



2019-2020 Revenue Summary

BASE REVENUES	\$55,124,657
Changes	
State Aid Foundation (Net)	\$ 408,545
Misc. Local Revenue	(\$ 7,094)
Federal Revenue (IDEA Flowthru)	\$ 2,939,752
Transfers from ERESA	(\$3,100,115)
TOTAL ADOPTED REVENUE	\$ 55,365,745



Revenues – Bottom Line

More Income

\$241,088



2019-2020 Expenditure Summary

BASE EXPENDITURES	\$ 54,729,856
Changes	
Wage/fringe (All Staff)	\$ 410,000
Addition of Counselor/Reading TCH	\$ 148,696
TOTAL ADOPTED EXPENDITURES	\$ 55,288,552



Expenditures – Bottom Line

More Costs

\$558,696



2019-2020 General Fund Budget Summary

BEGINNING UNDESIGNATED FUND BALANCE	\$ 6,630,858
	12.1%
Total Revenue	\$55,365,745
Total Expenditures	\$55,288,552
Operating Surplus (Deficit)	\$ 77,193
ESTIMATED ENDING UNDESIGNATED FUND BALANCE	\$ 6,708,051
	12.1%



QUESTIONS
or
COMMENTS

