



Truth-in-Taxation Hearing

Truth-in-Budgeting Hearing

June 22, 2020

Truth – in – Taxation Hearing



Grand Ledge Public Schools, 2020-2021

GLPS Millage Rates & Funding Accounting Rules

□ **Non-Homestead Millage = 18 mills**

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



Grand Ledge Public Schools, 2020-2021

GLPS Millage Rates & Funding Accounting Rules

☐ Debt Millage = 5.63 mills

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)

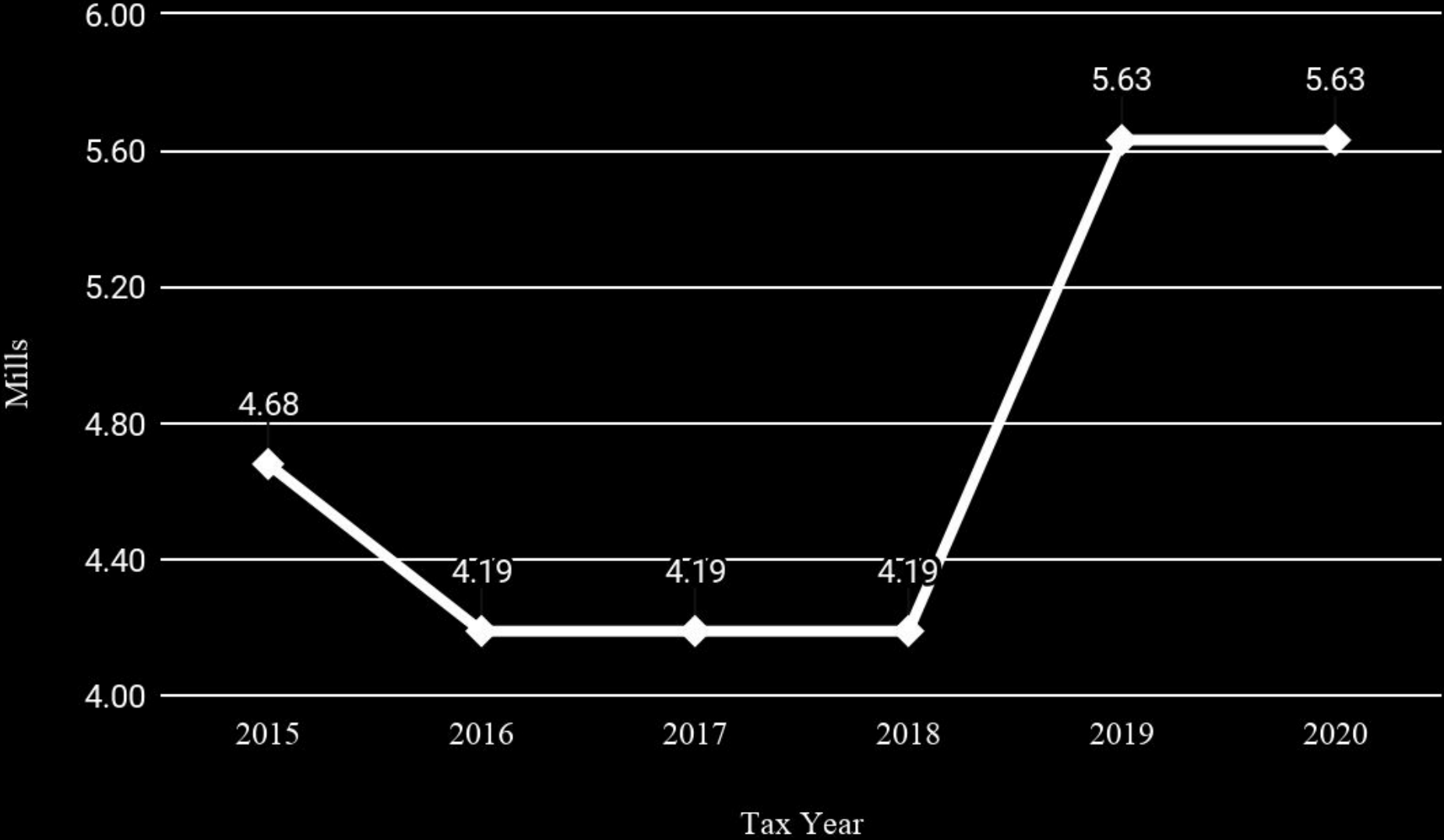


Debt Fund Details

- ❑ Total outstanding debt: \$84.6 million
- ❑ Total "Taxable Value" of District = \$1.59 billion
- ❑ Principal/interest annual payments = \$8.21 million
- ❑ Millage rate calculated for bond payments = 5.63 mills



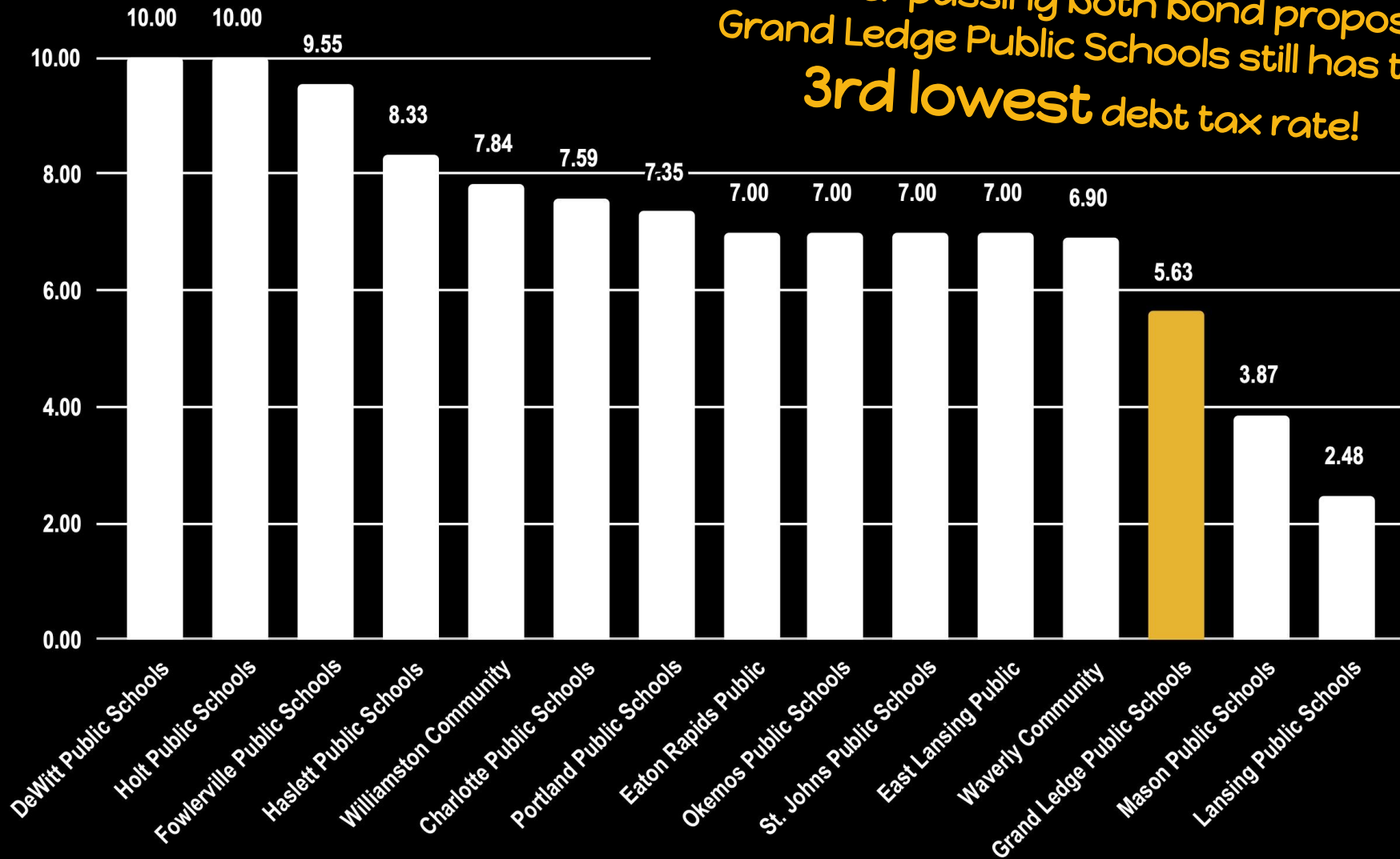
Debt Millage History



Comparative Debt Millage Rate

Capital Area Activities Conference

Even after passing both bond proposals, Grand Ledge Public Schools still has the 3rd lowest debt tax rate!



Grand Ledge Public Schools, 2020-2021

GLPS Millage Rates & Funding Accounting Rules

□ Sinking Fund Millage = .7944 mills

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



Capital Improvement (Sinking) Fund Details

- ❑ **Approved 0.8 mill for 10 years**
- ❑ **2019 Levy - .7944 (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 – Decrease of .0024 mills



Truth – in – Budgeting Hearing



Funds

- General Fund (Includes Athletics)**
- Food Service**
- Community Service**
- Student Activity**
- School Store**
- Capital Improvement/Sinking Fund**
- Debt Fund**



The General Fund





Revenues 2019-2020

Per Pupil Foundation Grant

- PROJECTED STATE AID REDUCTION - \$650 per pupil as a result of declining revenues from COVID-19 pandemic closures**



2019-2020 Final Revision

Estimated Final Revenues	\$ 53,846,692
Estimated Final Expenditures	\$ 54,634,858
Operating Excess (Deficit)	\$ (788,166)
Ending Fund Balance (June 30, 2020)	\$ 5,864,096
Fund Balance as % of Expenditures	10.7%



Revenues 2020-2021



Per Pupil Foundation Grant – PROJECTED

- ❑ Continued \$650 per pupil State Aid reduction

State Budget deadline (6/30) extension?



Enrollment 2020-2021



Blended count

- 2020-2021
 - Projected decrease of 100 students
 - Enrollment forecasts continue to project a decrease in pupil enrollment for the State of Michigan
 - Effects from COVID-19 pandemic



Revenue Summary 2020-2021



BASE REVENUES	\$53,846,692
Changes	
State Aid (Net)	\$ (1,225,000)
Revenues from ERESA	\$ (850,000)
TOTAL ADOPTED REVENUE	\$ 51,596,058



Revenues – Bottom Line

**Decreased Income
(\$2,075,000)**



Expenditure Summary 2020-2021



BASE EXPENDITURES	\$ 54,634,858
Changes	
Wage/fringe Increase (Net)	\$ 200,000
Staffing	(200,000)
Capital Outlay	(200,000)
Misc Grants (State/Local)	(100,000)
TOTAL ADOPTED EXPENDITURES	\$ 54,337,674



Expenditures – Bottom Line

Reduced Costs
(\$300,000)



General Fund Budget Summary 2020-2021



BEGINNING UNDESIGNATED FUND BALANCE	\$ 5,864,096
	10.7%
Total Revenue	\$51,596,058
Total Expenditures	\$54,337,674
Operating Surplus (Deficit)	(\$2,741,616)
ESTIMATED ENDING UNDESIGNATED FUND BALANCE	\$3,122,480
	5.7%



QUESTIONS
or
COMMENTS

