

2018-19 PUBLIC BUDGET / TRUTH-IN-TAXATION HEARING

Holland Public Schools

WRAPPING UP THE 2017-18 SCHOOL YEAR

- ▶ UPDATING THE CURRENT YEAR BUDGET
 - ▶ A FACTOR THAT SHEDS LIGHT ON THE UPCOMING YEAR
- ▶ MINIMAL CHANGES FROM JANUARY AMENDMENT
 - ▶ CONTINUED STRUCTURAL DEFICIT AS ORIGINALLY BUDGETED
 - ▶ \$800,000 OFFSET FROM FUND 48 (PROPERTY SALE FUND)
 - ▶ PROJECTED FUND BALANCE PERCENTAGE REMAINING SLIGHTLY ABOVE 5.00%, AVOIDING POTENTIAL FOR ADDITIONAL MDE OVERSIGHT

June 2018

2017-18 GENERAL FUND BUDGET UPDATE

	Current Budget	Proposed Amendment
Revenues	45,139,900	45,046,900
Expenditures	45,469,400	45,330,400
Excess Revenues (Expenditures)	(329,500)	(283,500)
Actual 7/1/17 Fund Balance	2,553,927	2,553,923
Projected 6/30/18 Fund Balance	2,224,427	2,270,423
Fund Balance Percentage	4.89%	5.01%

June 2018

2018-19 REVENUE ASSUMPTIONS

- BLENDED ENROLLMENT OF 3580 STUDENT FTE, 97 LESS THAN THE CURRENT YEAR
 - BASED ON STANFRED PROJECTIONS
- FOUNDATION ALLOWANCE INCREASE OF \$240/PUPIL
- CATEGORICAL/GRANT FUNDING BASED ON CURRENT POSTED ALLOCATIONS
 - INCLUDES CARRYOVER ESTIMATES BASED ON 2017-18 SPENDING PROJECTIONS

June 2018

ENROLLMENT PROJECTIONS

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Unaudited	Projected	Projected	Projected	Projected	Projected
StanFred Consultants	3,678	3,581	3,450	3,347	3,277	3,199
Year-to-year change		-97	-131	-103	-70	-78
Middle Cities (method 3)	3,678	3,461	3,383	3,324	3,287	3,230
Year-to-year change		-217	-78	-59	-37	-57
StanFred by grade level:						
K	302	303	303	297	301	296
1	217	254	255	255	250	253
2	223	207	243	244	244	239
3	236	207	192	226	226	226
4	221	225	198	184	216	216
5	252	213	217	190	177	208
6	230	237	200	203	178	166
7	222	221	227	192	195	171
8	255	222	221	227	192	196
9	278	278	242	241	247	210
10	296	272	271	236	235	241
11	305	273	250	250	218	217
12	276	309	276	252	253	220
SpecEd / AltEd / Shtime	365	360	355	350	345	340
TOTAL	3,678	3,581	3,450	3,347	3,277	3,199

June 2018

2018-19 REVENUE ASSUMPTIONS - CONTINUED

- COUNTY SPECIAL EDUCATION FUNDING BASED ON CURRENT FUNDING FORMULA
 - REDUCTION IN FUNDING FOR TRANSITION OF SXI PROGRAMMING TO OTHER DISTRICTS
- CONTINUATION OF ISD BEHAVIOR INITIATIVE FUNDING
 - YEAR 2 OF 3
- INDIRECT COST SUBSIDIES AS FOLLOWS:
 - FOOD SERVICE - \$125,000
 - FUND 48 - \$-0-

June 2018

2018-19 EXPENDITURE ASSUMPTIONS

- POSITION ELIMINATIONS/OTHER SPENDING REDUCTIONS PER APPROVED RESTRUCTURING PLAN
- IMPLEMENTATION OF NEW NEGOTIATED TEACHER SALARY SCHEDULE
 - INCLUDES IMPACT OF RETIREMENTS, RESIGNATIONS, AND LAYOFFS
- JANUARY 2019 IMPLEMENTATION OF 2019 HEALTH INSURANCE HARD CAP LIMITS

June 2018

AT-RISK FUNDING SPENDING RESTRICTIONS - CHANGES COMING

MICHIGAN LAWMAKERS HAVE INCLUDED SPENDING REQUIREMENTS IN THE AT-RISK FUNDING GUIDELINES THAT WILL DIRECT HOW MOST SCHOOLS PROGRAM A PORTION OF THESE FUNDS. UNLESS IMPLEMENTATION IS DELAYED, HOLLAND MAY HAVE TO REDIRECT SPENDING TO SPECIFIC AREAS AS FOLLOWS:

- \$575,000 FOR 3RD GRADE READING
- \$792,000 FOR COLLEGE & CAREER READINESS

June 2018

2018-19 GENERAL FUND PROPOSED BUDGET

	2017-18 Final Amended Budget	Proposed 2018-19 Budget
Revenues	45,066,900	43,390,800
Expenditures	45,350,400	43,247,300
Excess Revenues (Expenditures)	(283,500)	143,500
Projected Beginning Fund Balance	2,553,923	2,270,423
Projected Ending Fund Balance	2,270,423	2,413,923
Fund Balance Percentage	5.01%	5.58%

June 2018

2018 PROPOSED OPERATING TAX LEVY

VOTERS APPROVED AN 18-MILL LEVY FOR OPERATIONS IN MAY 2017. AS A RESULT OF RISING PROPERTY TAXABLE VALUES, A HEADLEE MILLAGE REDUCTION HAS BEEN APPLIED IN ACCORDANCE WITH THE STATE'S CONSTITUTION. AS SUCH, HOLLAND PUBLIC SCHOOLS WILL BE LEVYING 17.7228 MILLS ON NON-HOMESTEAD PROPERTIES FOR THE UPCOMING YEAR.

June 2018

2018 PROPOSED DEBT TAX LEVY

WHEN BONDS ARE APPROVED, VOTERS AGREE TO TAX THEMSELVES ENOUGH TO REPAY THE DEBT OVER A PRESCRIBED NUMBER OF YEARS.

IN ORDER TO MEET THE PRINCIPAL AND INTEREST OBLIGATION ON VOTER-APPROVED BONDS, THE DISTRICT WILL LEVY 6.70 MILLS FOR THE UPCOMING YEAR.

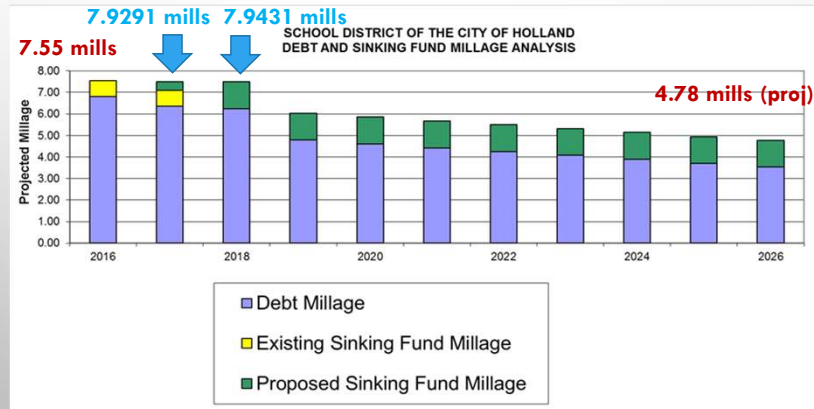
June 2018

2018 PROPOSED SINKING FUND TAX LEVY

VOTERS APPROVED AN 1.25-MILL LEVY FOR ITS SINKING FUND IN MAY 2017. AS A RESULT OF RISING PROPERTY TAXABLE VALUES, A HEADLEE MILLAGE REDUCTION HAS BEEN APPLIED IN ACCORDANCE WITH THE STATE'S CONSTITUTION. AS SUCH, HOLLAND PUBLIC SCHOOLS WILL BE LEVYING 1.2431 MILLS ON ALL PROPERTIES FOR THE UPCOMING YEAR.

June 2018

ANTICIPATED DEBT/SINKING FUND TAX LEVIES



2018-19 FOOD SERVICE FUND PROPOSED BUDGET

	2017-18 Final Amended Budget	Proposed 2018-19 Budget
Revenues	2,016,700	2,019,200
Expenditures	2,140,000	2,081,500
Excess Revenues (Expenditures)	(123,300)	(62,300)
Projected Beginning Fund Balance	769,506	646,206
Projected Ending Fund Balance	646,206	583,906
Fund Balance Percentage	30.20%	28.05%

June 2018

NEXT STEPS

AT ITS REGULAR MEETING ON JUNE 18, THE BOARD WILL
TAKE ACTION ON:

- 2018-19 BUDGET RESOLUTION
- 2018 OPERATING LEVY
- 2018 DEBT TAX LEVY
- 2018 SINKING FUND LEVY

*THIS PRESENTATION WILL BE AVAILABLE ON THE DISTRICT'S WEBSITE
BEGINNING JUNE 20*

June 2018