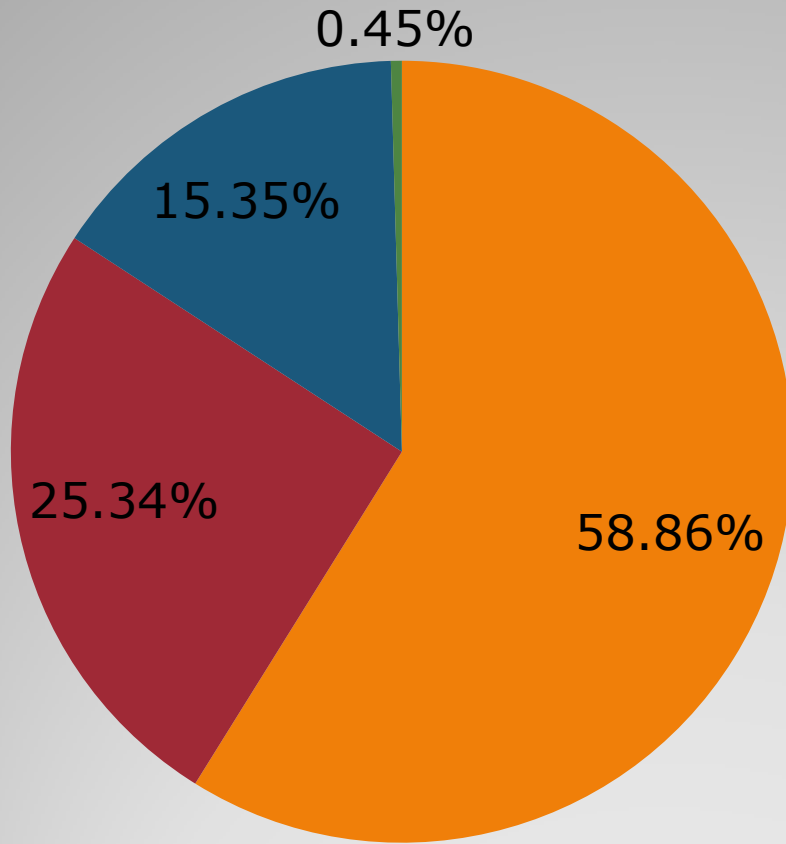


Public Hearing on the Budget 2016-2017

School District of the City of Pontiac
Proposed 2016-2017 Budgets
June 6, 2016

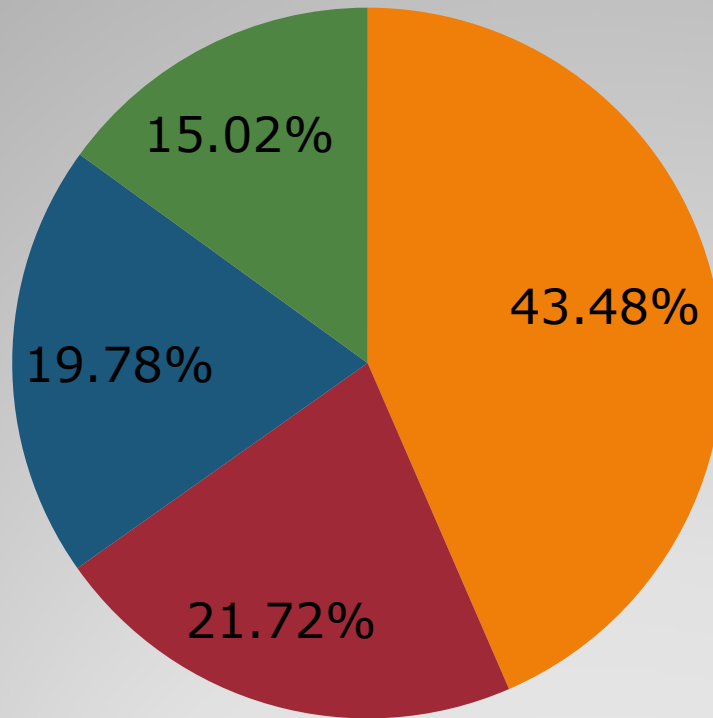




- General Education
- Categorical Grants
- Special Education
- Athletics

FY 2017 Proposed Budget: \$66.8M
General Fund: \$39.3M
Categorical Grants: \$16.9M
Special Education: \$10.3M
Athletics: \$300K

General Fund Revenue by Fund



- Local
- State
- Federal
- Other Financing Sources

Property Tax Revenue - \$27M

Other Local - \$2M

State Revenue - \$14.5M

Federal Revenue: - \$13.2M

New Grant: \$9.3M

C/over Grant: \$3.9M

Other: Sale of Land - \$1.4M

Insurance - \$2.6M

PA-18 - \$4.5

Fund Modifications - \$1.6M

General Fund Revenue - Summary

- In order to generate \$27M in revenue the District will levy a total of 18.00 mills (FY16 millage rate was also 18.00)
- The original authorized millage rate in November 2006 was permanently reduced in prior years as a result of a Headlee Rollback; but the authorized supplemental of .50 mills has been used to ensure the District remained eligible to authorize the full 18.00 mills.
- The District passed a renewal of the non-homestead millage of 18.00 mills plus .50 supplemental in March, 2016. This authorization will span 20 years (2017-2036).
- Sinking Fund is 2.87 mills
- MESSA Judgment is .40 mills (Auburn Hills, Bloomfield, Pontiac and Lake Angelus)

2016 Millage Rates

- Foundation Allowance: \$7,511/FTE
 - FY2016 = \$7,391 + \$120

- Calculation of Blended Count 90%/10%
 - 90% Fall, 2016 / 10% Spring, 2016

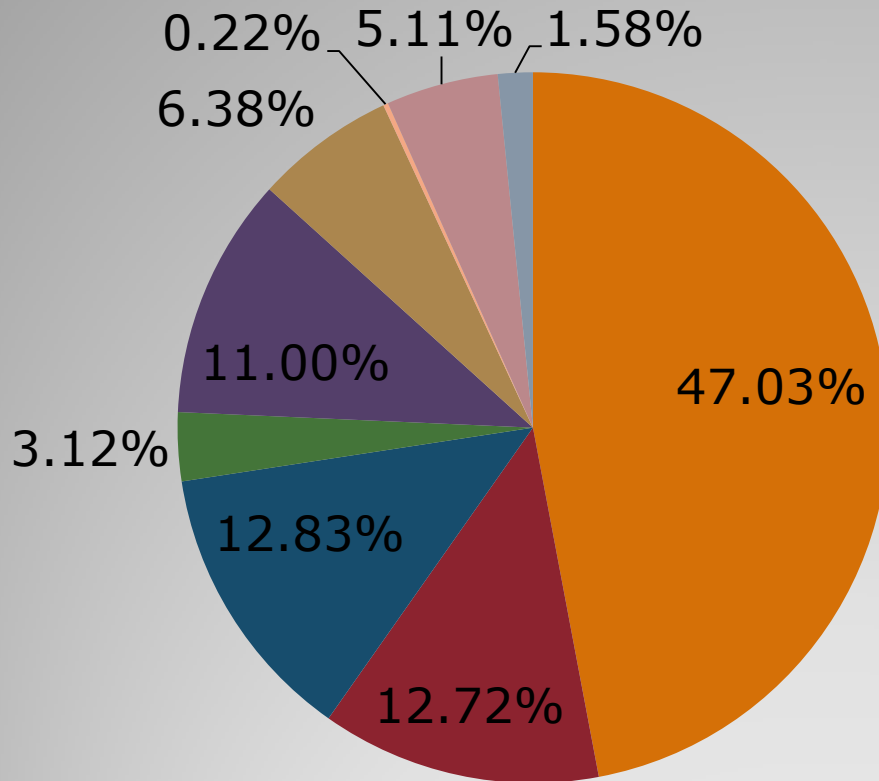
- Student Enrollment: 4,295
 - An increase of 70 students from FY2016

- Sec 25e – Adjustment for Pupils Moving after Count Day (*eliminated*)
 - **Final - Repeals for K-12; Strict Discipline Academies must continue to report**

General Fund Budget Assumptions

- Art & Music
- Begindergarten (early 5's)
- International Language Academy
- Expansion of International Tech Academy
- Schoolwide Consolidation (combining:
General Fund w/Title I, II, III and At Risk)
 - The District is entering the last year of a 3-year MDE Compliance Agreement [for grants]; this will enable the District to reach a grant carryover of not more than 15% by the end of the FY2017.

General Fund Highlights



- Instruction \$31.4M
- Supporting Services \$8.5M
- Administration \$7.8M
- Business \$2.1M
- Operations & Security \$7.3M
- Transportation \$4.3M
- Capital \$.15M
- Long Term Debt \$4.2M
- Other \$1M
 - Athletics
 - Community Services

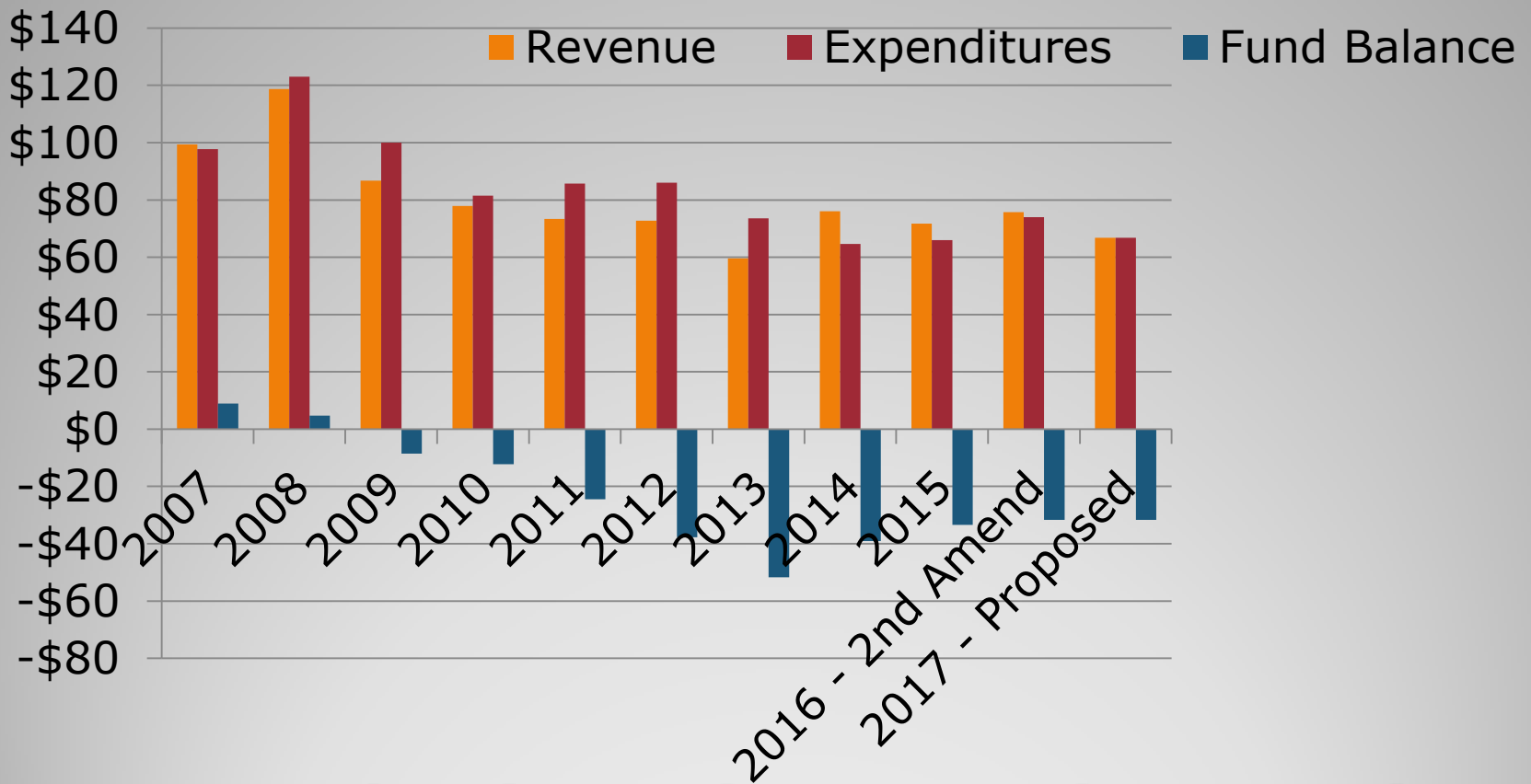
FY2017 Proposed Budget: \$66.8M

General Fund Expenditures Summary

□ Revenue	\$66,780,800
□ Expenditures	\$ <u>66,778,100</u>
□ Positive Fund Balance	\$ <u><u>2,700</u></u>

- This will be the 4th year that the District has approved a balanced budget.
- This was done WITHOUT consideration of an Emergency Loan OR refinancing the 2006 Energy Bonds; the District is living within its means.
- If the District were to use the Zero-Based Budgeting approach; we would be right on target; where are Revenue = Expenditures.

General Fund Fiscal Year 2017 Fund Balance



General Education Fund Overview

10 Year History

Questions or Comments?

The School District of the City of Pontiac is conducting this hearing in order to provide our community an opportunity to express their thoughts, suggestions, or concerns, on our proposed Fiscal Year 2017 General Fund Budget, the underlying tax levy (L-4029) supporting it and to comply with existing law.

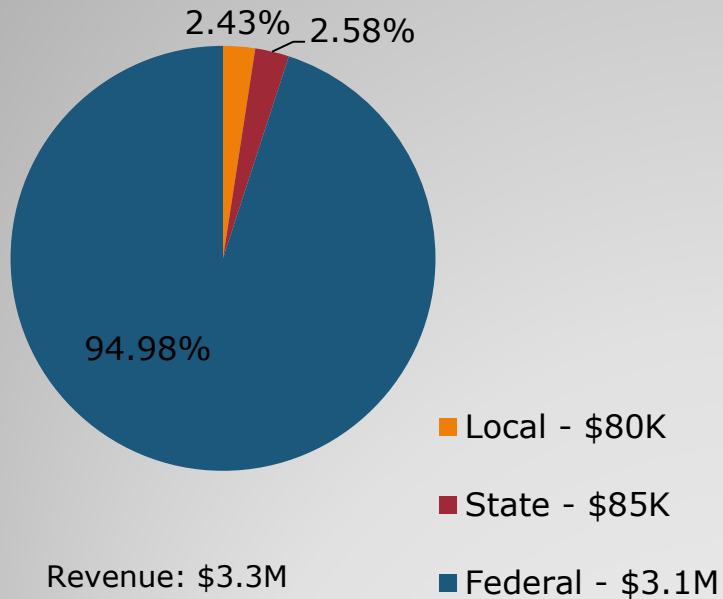


□ Revenue	\$ 3,293,000
□ Expenditures	\$ <u>3,265,000</u>
□ Current Year Net Income	\$ <u><u>28,000</u></u>
□ Beginning Balance 7/1/16	\$ 697,736
□ Ending Balance 6/30/17	\$ 725,736

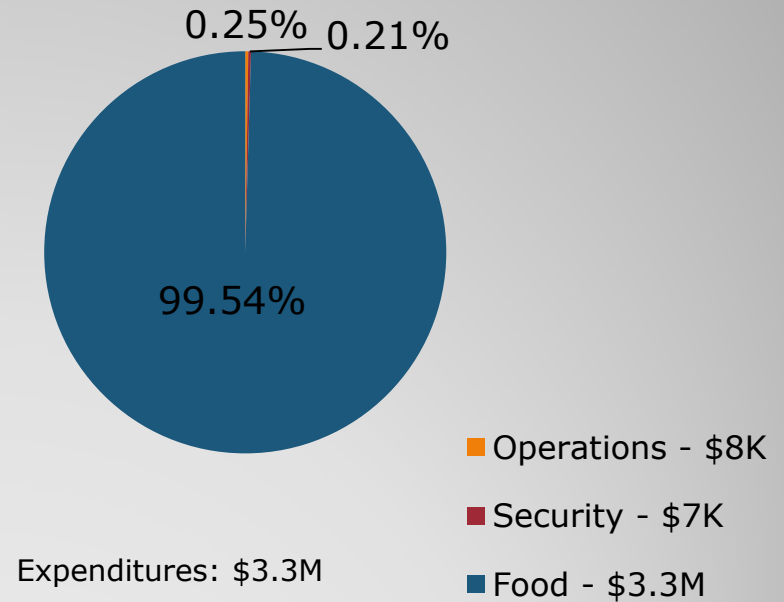
Continues to meet requirement of cash reserves not in excess of 3-month average of operating expenditures. No spend-down plan would be required.

Food Service Fund

Revenue



Expenditures



2016/17 Food Service Fund

Questions or Comments?



Total Revenue: \$6,688,500

Total Expenditures: \$6,688,500

Available for Additional Projects: \$ 0

Examples of Additional Projects

- Owners' Rep for any project (outside of High School Controls)
- Architect & Engineering fees for Admin (part of Phase II) and Phase III Controls
- Middle School Roof
- Construction Manager
 - Still awaiting Needs Assessment Report

**Sinking Fund
First Year**

Project	Cost
FY16 Middle School Controls	\$ 700,000
FY16 Exterior Lighting	\$ 300,000
Facility Director (20% shift from GF)	\$ 24,000
Procurement Contract Specialist (IGA)	\$ 87,120
Legal Fees	\$ 5,000
Owners Rep (High School Controls)	\$ 60,000
Architect – Phase II Controls	\$ 306,000
Architect/Engineering Fees (other projects)	\$ 50,000
High School Controls	\$ 2,430,000
High Schools Controls (contingency)	\$ 243,000
Paving/Concrete	\$ 558,714
Carpet/Tile/Abatement/Asbestos Removal	\$ 325,507
Playground/Playfield	\$ 733,065
Contingency/Passthroughs/FY16 WIP	\$ <u>866,094</u>
	\$ 6,688,500

Sinking Fund Projects: 1st Year

Questions or Comments?



- This fund accounts for the District's property, general liability, unemployment and workman's compensation insurance programs (provided to other funds of the District on a cost-reimbursement basis) as well as providing a claims fluctuation reserve for future insurance liabilities.

Internal Service Fund (RRAF)

□ Current Reserves

Available to Pay Claims:

\$508,305

- Property & General Liability
- Workman's Compensation
- Unemployment

Internal Service Fund (RRAF)

Questions or Comments?

