LAKE ORION COMMUNITY SCHOOLS

Adopted Budget Information
Fiscal Year 2026-27

Executive Summary & Budget Assumptions

Lake Orion Community Schools

Lake Orion Community Schools
Board of Education

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Assistant Superintendent of Teaching & Learning

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Adam Weldon

Assistant Superintendent of Business & Finance

Andrea Curtis

The Uniform Budgeting and Accounting Act requires the district's budget to set forth a statement of the total number of mills of ad valorem property taxes to be levied and the purpose for which the millage is levied. For fiscal year 2026-27, the school district will levy tax mills and generate estimated tax revenue as follows:

Tax Base	Purpose	Mills Levied	Est. Tax Revenue
Non-Homestead	General Operating	18.0000	$ 13,070,125
All Properties	B&S Sinking Fund	1.8434	$ 5,622,950
All Properties	Debt Retirement	7.0000	$ 21,352,200

Lake Orion Community Schools Overview

Lake Orion Community Schools is one of 562 Local Educational Authorities (LEA) in the State of Michigan. LEA's are commonly referred to as local school districts. Lake Orion Community Schools covers an area of approximately 50 square miles and is located entirely in Oakland County. It is comprised of the Village of Lake Orion, a portion of the City of Auburn Hills, and the townships of Addison, Independence, Oakland, Orion, and Oxford. The district is located primarily in a residential area. The first school building to house Lake Orion students was built in 1893 and served grades K-12. The school district is currently comprised of six elementary schools, three middle schools, one high school, one community education resource center, an early childhood center and two operational support facilities serving approximately 6,500 students. Lake Orion Community Schools is an autonomous, tax-supported public school district governed by Michigan General School Law. The governing body of the district is the Board of Education. The Board of Education consists of seven elected members at large for over-lapping terms. The Board of Education is responsible for the selection and hiring of the Superintendent of Schools. It sets policy, develops long-range goals, acts upon recommendations of the Superintendent, and adopts and periodically amends the operating budget in accordance with governing laws.

Our vision

Empowered Dragons experience joy and success.

Our mission

Empowering the Dragon community to achieve excellence.

Our beliefs

We believe:

- Preparing Dragons is a collaboration of students, staff, families and community.
- We have a responsibility to provide a safe, welcoming, equitable learning environment where all individuals are respected and valued.
- In fostering an environment that cultivates each individual's maximum potential.
- Character development is an integral part of education.
- In a dynamic innovative approach to educating Dragons.

What we do

Lake Orion Community Schools provides comprehensive educational programming and services for our students including Pre-K, innovative primary and secondary, and special education programing. Additionally, the district provides comprehensive student athletic, music, band, and intramural programs.

Economic Environment & District Forward Planning

Our Board of Education and Administration considers many factors when setting the district's fiscal year 2026-27 (July 1, 2026 - June 30, 2027) budget. One of the most important factors affecting the budget is the economic condition and uncertainty of the State of Michigan. The fiscal year 2026-27 budgets will be adopted prior to June 30, 2026, and be in effect July 1, 2026. Budgets are based on an estimated pupil enrollment, property tax revenues, state aid funding, and grant awards. State law requires the district to amend the budget if actual District resources are not sufficient to fund original appropriations. Since the District's revenue is primarily dependent on property taxes, state funding and therefore the health of the State's School Aid Fund (SAF), the actual revenue received depends on the State's economic conditions, continued stability in the tax base and the State's ability to collect revenues to fund its appropriations to school districts. Our Board of Education and Administration are profoundly aware of the impact the State's economy has on the State's School Aid Fund and consequently our District.

Budget Policy, Development and Management Process

Lake Orion Community Schools' budget and fiscal planning policy directs, authorizes and holds responsible the Superintendent (and their designee) for the planning, preparation, and execution of the district's annual operating budgets. The budget documents represent the numerical representation of the district's curriculum programming and operational priorities. The Board of Education authorizes and funds the operating budgets according to approved district policies, procedures and laws of the State of Michigan. The Board of Education conducts budget hearings and a budget adoption process in accordance with State law. Changes to the original annual operating budgets shall be documented to maintain accurate working budgets and shall be presented through the budget amendment process up to three times each fiscal year for the Board of Education review and approval.

Budget Development Process

Budgeting for a public school district is the process of allocating limited resources to the various educational functions of the district. The general appropriations act, or school board adopted budget, represents the legal authority for the school district's administration to spend the district's funds. The school board's vote to adopt the budget implies that a set of decisions has been made to allocate the district's resources for certain educational items or services. The Lake Orion Community Schools' budget development process operates on a continuous improvement basis. The Superintendent (or designee) annually establishes a budget development calendar. Budget documents, as released each year, include presentation and operational changes. Accordingly, the proposed new fiscal year budget documents reflect all changes made to our general ledger reporting structure done to maintain compliance with the Michigan Public Schools Accounting Manual (Bulletin 1022).

Significant Legal Requirements

The State of Michigan requires local school districts to comply with the following Public Acts and Michigan Compiled Laws:

1. Uniform Budgeting and Accounting Act – Public Act 2 of 1968
2. The General Property Tax Act - Public Act 206 of 1893 (MCL 211.24e)
3. Local Government Fiscal Responsibility - PA 72 of 1990
4. Revised Municipal Finance Act – PA34 2001
5. Budget Hearings of Local Governments – PA 43 of 1963 (MCL 141.412)
6. The Revised School Code - PA 451 of 1976
7. The State School Aid Act - PA of 1979
8. The Michigan School Accounting Manual (Bulletin 1022)

These Public Acts require school districts to prepare fund level budgets, which account for the day-to-day operations of the school district. The budgets are prepared in accordance with generally accepted accounting principles and a specific uniform chart of accounts established by the State of Michigan. The Michigan School Accounting Manual (Bulletin 1022) is a mandatory guide to the uniform classification and recording of accounting transactions for Michigan public school districts. Budgets must be approved and adopted no later than June 30 for the fiscal year beginning July 1 and ending June 30 of the subsequent year. Prior to adoption, the Board must conduct a public hearing and make the budget available for review as well as provide notice of the hearing in accordance with law. Formal adoption of the budget is accomplished through a general appropriations resolution approved by the Board of Education which sets forth the expenditures, presented by function, in each fund and a statement of estimated revenues.

The Michigan Public School Accounting Manual (Bulletin 1022) was adopted in 1963 and conforms to the Federal Financial Accounting for Local and State School Systems. The primary purpose of Bulletin 1022 is to provide a standard framework for reporting financial data to the state. The following is an excerpt taken from Bulletin 1022 describing multiple expenditure function codes that create the basis of our expenditure budget.

Instruction - Instruction includes the activities dealing directly with the teaching of pupils or the interaction between teachers and pupils. Teaching may be provided for pupils in a school classroom, in another location such as in a home or hospital, and other learning situations. Included are the activities of classroom aides, teacher assistants, supplies and machines that directly aid in the instructional process.

Basic Programs - Instructional activities including enrichment designed primarily to prepare pupils for activities as citizens, family members, and workers, as contrasted with programs designed to improve or overcome physical, mental, social and/or emotional handicaps. Included is the Pre-kindergarten, Elementary, Middle-Junior High and High School programing.

Added Needs - Instructional classroom activities designed for pupils added needs. Special Education - Instructional activities designed primarily to deal with pupils having impairments requiring special accommodation. The special education programs area includes Preprimary, Elementary, Middle/Junior High, and High School services for pupils with mental, emotional, hearing, visual, speech, language, physical and other impairments and learning disabilities. Compensatory Education - Instructional activities designed to improve the achievement in basic cognitive skills of pupils who have an extraordinary need for assistance to improve their competence in such basic skills. Career and Technical Education - Instructional activities which provide laboratory, simulations or instruction offered at the secondary level, based upon individually designed learning experiences in a vocational subject preparing the pupil for competencies required in a recognized occupation.

Supporting Services - Supporting Services are those services which provide administrative, technical, and logistical support to facilitate and enhance instruction and to a lesser degree, community services. Supporting Services exist as adjuncts for the fulfillment of the objectives of instruction. The Supporting Services expenditure function codes include Truancy/Absenteeism Services, Guidance Services, Health Services, Psychological Services, Speech Pathology and Audiology Services, Social Work Services, Visual Aid Services, Teacher Consultant, Other Pupil Support Services, Improvement of Instruction, Educational Media Services, Instruction Related Technology, Supervision and Direction of Instructional Staff, Academic Student Assessment, Other Instructional Staff Services, General Administration, School Administration, Business, Operations and Maintenance, Pupil Transportation Services, Central, and Other.

District Budget Management and Internal Controls

The district's budget development and management process comprise a multi-year forecast, two budget amendment cycles and a structured budget development practice focused on timeline, critical path tasks and valid data. The district maintains a system of budgetary and internal controls designed to assist management in meeting its fiduciary and reporting responsibility. Our internal control system is designed to provide reasonable assurance that assets are safeguarded, and transactions are recorded correctly and executed with management's authorization. Periodic financial information reporting packages are provided to the Board of Education throughout the course of the fiscal year. Included in the financial reporting packages are an executive summary, budget to actual revenue and expenditure reports, analysis on all budgeted funds, district cash and investment information, the district disbursements report, general fund cash flow reporting, district procurement card activity reporting, and grant summary report.

BUDGET DEVELOPMENT ASSUMPTIONS

General Fund Revenue Assumptions

Property Tax Revenues

The District's Taxable Value (TV) information, as provided by Oakland County, is based on the applicable L-4028 report. The district's "all property" tax base is $3,050,313,120 and is comprised of an estimated 76.2% Pre-homestead TV and 23.8% non-homestead TV property. The district's "non-pre property", aka non-homestead, tax base is $726,118,082. Lake Orion Community Schools levies 18.0 mills on the qualifying non-pre property. The per student foundation allowance amount is funded from two revenue sources, the 18 mill local property taxes and the School Aid Fund. These funds constitute the district's local funding contribution of the per student foundation allowance guarantee. State Aid funding makes up the balance of the foundation allowance guarantee. The fiscal year 2026-27 general fund budget for local property tax revenue is a product of the 18 mills times the "non-pre property" tax base and is budgeted at $13,070,125.

State Source Revenue

The State source revenue is budgeted at $77,740,573 million, down $4,212,845 over fiscal year 2025-26 budgeted revenue. This revenue source is comprised of the State Aid portion of the foundation allowance guarantee plus each fiscal year's various state aid categorical funds. The net decrease is driven by the decrease of one-time 147g and 27L MPSERS funding and state categorical grants including MPSERS funding, 31aa mental health and safety, 35j professional development, 23g summer programming, and 35m Literacy Supports. The district's per student foundation allowance is budgeted to increase

$250 per pupil from $10,050 to $10,300. The student count for fiscal year 2026-27, is expected to be a 90% weight placed on the October 2026 student count plus a 10% weight on the actual February 2026 student count. We are planning for a net decrease of 229 full-time equivalent (FTE) students as compared to the 2025-26 student FTE count resulting in a forecasted overall budgeted student count of 6,618 FTE. This figure includes our estimated net number of resident students "aging out", the net change in our Schools of Choice students and Shared Time Services student population. Section 147c(1) categorical pass through funding, and corresponding expenditures, have been budgeted to decrease from $7.4 million to $7.0 million.

Federal Source Revenue

The Federal source revenue has been budgeted at $1.9 million representing a $462,000 reduction relative to the prior fiscal year's Federal funding of $2.4 million. Federal source revenues are comprised entirely of federally funded grants including the Individuals with Disabilities Education Act (IDEA) grant, and Title series grants.

ISD and Other Revenue

Intermediate School District (ISD) funding is primarily made up of PA-18 Special Education funding distributed to the local districts from Oakland Schools. The budgeted PA-18 amount is $7.7 million based on preliminary estimates provided by Oakland Schools. The Food Service and Community Service Funds all provide indirect cost recovery dollars and/or rent transfers back to the General Fund. The transfer from the Food Service fund is budgeted at $250,000. The Community Services fund transfer has been budgeted at $50,000.

General Fund Expenditure Assumptions

The Lake Orion Community Schools Board of Education has approved multiple revenue and expenditure adjustments that are to be implemented in fiscal year 2026-27. The following is a summary of the expenditure changes implemented:

Salaries and Wages

Salaries and wages comprise the single largest expenditure category for the district's General Fund operating budget. The adopted budget wage base represents a slight decrease over the prior year. The district's proposed wage budget changes are driven by employee retirements and absorptions, employee wage schedule adjustments and employee step movement within their applicable contract or wage schedule.

MPSERS Retirement Costs

The district will pay an estimated $26.19 in base retirement costs for every $100 of wages paid to our employees in fiscal year 2026-27. The district's employees

participate in multiple Office of Retirement Services retirement programs. The district's weighted average retirement rate expectation for the new year has been projected at 26.19%. The State Legislature continues to fund the section 147c MPSERS rate stabilization pass through categorical. The district's receives additional funding of $7.0 million via this categorical then pays the Office of Retirement Services in a pass-through process payment structure. The revenue and expenditure budgets of the General Fund, Community Service, Food Service, and Student Activities Funds are "grossed up" by this process and the costs are embedded at all functional levels.

FICA Costs

The district pays an additional $7.65 in FICA payroll taxes (Medicaid 1.45% plus social security 6.2%) for every $100 of wages paid our employees. The individual salary base upon which the Social Security element of the FICA payroll tax as levied is capped at a specific IRS determined earnings level on a calendar year basis. The calendar year 2026 social security wage cap has been increased to $184,500. There is no cap for the Medicaid element of the payroll tax. The FICA rate expectation for fiscal year 2026-27 remains 7.65%.

Summary Employee Benefits Costs

The district incurs, with some exceptions, employee related costs that include, but are not limited to healthcare, dental, vision, long term disability, life, unemployment and workers compensation insurances. Changes included for fiscal year 2026-27 reflect the known employee benefit selection changes. We are planning on no increase in the district's healthcare cost coverage caps for FY2026-27 as listed below:

- Single Cap $ 7,304.51
- Two Person Cap $15,276.01
- Family Cap $19,921.45

Other Operating Costs

The district's other operating costs, which are defined as all operating costs excluding wage and benefits related costs, include purchased services, supplies, materials, capital outlay, dues and fees and other financing uses.

Utility Costs

The district monitors electrical and natural gas consumption and expects to minimize overall consumption because of the efficiency improvements. Natural gas is budgeted at $626,000 and electrical at $1,721,000.

Other Included Information:

The following schedule identifies all the district's Funds for FY2026-27.

- General Fund
- Community Services Special Revenue Fund
- Food Services Special Revenue Fund
- Student Activities Special Revenue Fund
- Debt Service Funds (voted debt)
- Building & Site Sinking Fund
- District Capital Projects Fund
- Bond 2025 Series 3A Capital Projects Fund
- Bond 2026 Series 3B Capital Projects Fund
- Risk Internal Service Fund

The district uses a multi-year forecasting process modeling the General Fund's operations to improve the planning process of the district's operations. Like all forecasts, ours is designed to identify near future trends to be managed and is not an exact prediction of operational outcomes.

For the fiscal year 2026-27, all fund level budgets incorporate all the major revenue and expenditure assumptions identified herein. The fund level budgets, as incorporated into this document, were presented for approval and adoption by the Board of Education at the June 24, 2026, public meeting.

LAKE ORION COMMUNITY SCHOOLS

GENERAL FUND

FISCAL YEAR 2026-27 ADOPTED BUDGET - June 24, 2026

	FINAL ACTUAL 2024-25	FINAL BUDGET 2025-26	PROPOSED BUDGET 2026-27	Year to Year $ Variance	Year to Year % Variance	Explanation
REVENUES						
Local Sources	13,640,605	14,452,374	15,339,069	886,695	6.1%	A
State Sources	82,941,749	81,953,418	77,740,573	(4,212,845)	-5.1%	B
Federal Sources	2,706,993	2,371,211	1,908,343	(462,868)	-19.5%	C
ISD and Other Sources	7,233,131	8,434,581	8,952,797	518,216	6.1%	D
Other Revenue	1,125,462	305,000	300,000	(5,000)	-1.6%	
TOTAL REVENUES	107,647,940	107,516,584	104,240,782	(3,275,802)	-3.0%	
EXPENDITURES						
INSTRUCTION						
Basic Programs	47,925,266	47,759,985	46,101,536	(1,658,449)	-3.5%	E, F
Added Needs	14,882,601	15,666,632	15,118,300	(548,332)	-3.5%	E, G
TOTAL INSTRUCTION	62,807,867	63,426,617	61,219,836	(2,206,781)	-3.5%	
SUPPORT SERVICES						
Pupil Support Services	9,461,481	9,811,035	9,467,649	(343,386)	-3.5%	E, H
Instructional Staff Support Services	6,090,344	5,535,997	5,143,764	(392,233)	-7.1%	E, I
General Administration	1,470,064	1,647,881	1,631,846	(16,035)	-1.0%	E
School Administration	5,115,724	5,063,639	5,026,433	(37,206)	-0.7%	E
Business Services	1,413,016	1,555,036	1,423,606	(131,430)	-8.5%	E, J
Operation and Maintenance	7,320,839	8,245,287	8,285,822	40,535	0.5%	E
Transportation Services	5,761,684	5,538,198	5,509,929	(28,269)	-0.5%	E
Communication Services	251,093	271,766	272,104	338	0.1%	E
Human Resources	1,311,674	1,288,595	1,260,331	(28,264)	-2.2%	E
Technology Services	2,092,640	1,941,337	1,982,791	41,454	2.1%	E
Pupil Services	256,980	281,812	279,852	(1,960)	-0.7%	E
Athletic Activities	1,756,464	1,731,679	1,751,111	19,432	1.1%	E
Community Services	243,055	272,331	253,069	(19,262)	-7.1%	E
TOTAL SUPPORT SERVICES	42,545,058	43,184,593	42,288,307	(896,286)	-2.1%	E
TOTAL EXPENDITURES	105,352,925	106,611,210	103,508,143	(3,103,067)	-2.9%	
Beginning Fund Balance	9,518,632	11,813,647	12,719,021	905,374	7.7%	
Revenues over/(under) Expenditures	2,295,015	905,374	732,639	(172,735)	-19.1%	
Ending Fund Balance	11,813,647	12,719,021	13,451,660	732,639	5.8%	

LAKE ORION COMMUNITY SCHOOLS

GENERAL FUND BUDGET ANALYSIS EXPLANATIONS

FISCAL YEAR 2026-27 ADOPTED BUDGET - June 24, 2026

Explanations are provided below for significant prior year variances	
A	**The net $886,695 increase in Local Source funding is primarily comprised of:** **1) increase of $1,050,000 in the local property tax revenue** **2) decrease in one time grant funding of $102,000 from the cable commission** **3) decrease in expected medicaid funding of $59,000**
B	**The net $4,212,845 decrease in State Source revenue is primarily the result of:** **1) decrease of $1,524,000 in state aid projection of $250 per foundation allowance increase ($10,300 per pupil) with a projected decrease of 229 student FTE** **2) decrease of 158,000 in 147a2 and 147e MPSERS funding** **3) decrease of $446,000 in 147c1 MPSERS UAAL funding from 15.02% to 13.51% (offsetting expenses)** **4) decrease of $1,004,000 in 147g MPSERS and 27L(2) Educator Compensation funding (offsetting expenses)** **5) decrease of $770,000 in one-time 27L(4) MPSERS Healthcare Offset** **6) decrease of $301,000 in prior year foundation allowance adjustments, and state categorical grants including 31aa mental health and safety, 35j professional development, 23g summer programming, 35m Literacy Supports, 104h Benchmark Assessments, 61d Vocational Education and sections 27 educator grants.**
C	**The $462,868 decrease in Federal Source revenue reflects:** **1) decrease in Filter First grant funding of $430,000** **2) decrease in Grow Your Own funding of $22,000**
D	**The net $518,216 increase in ISD and other sources reflects the sale of fixed assets for the Administration building still under land contract**
E	**Multiple functional costs have been adjusted reflecting the new fiscal years projected wages (including position absorbtions), retirement and FICA expenditure changes.**
F	**The net decrease in Basic programs includes decreases in relation to the state categorical grants mentioned in explanation B above. These include $466,000 in 27L(2) educator compensation, $270,000 in 23g summer programming, $615,000 in 35m literacy supports and $95,000 in 27 educator grants.**
G	**The net decrease in Added needs includes decreases in relation to the state categorical grants mentioned in explanation B above. These include $194,000 in 27L(2) educator compensation, $20,000 in 23g summer programming, and $10,000 in 61d vocational education grants.**
H	**The net decrease in Pupil support services includes decreases in relation to the state categorical grants mentioned in explanation B above. These include $115,000 in 27L(2) educator compensation, $102,000 in 31aa mental health and safety, and $7,000 in 23g summer programming.**
I	**The net decrease in Instructional Staff Support Services includes decreases in relation to the state categorical grants mentioned in explanation B above. These include $41,000 in 27L(2) educator compensation, $103,000 in 35j professional development, $102,000 in Orion Cable Commission grant, $63,000 in 104h benchmark assessment grant, $22,000 in 23g summer programming.**
J	**The net decrease in business services includes $104,000 in tax collection costs and taxes written off.**

LAKE ORION COMMUNITY SCHOOLS

COMMUNITY SERVICES FUND

FISCAL YEAR 2026-27 ADOPTED BUDGET - June 24, 2026

	FINAL ACTUAL 2024-25	FINAL BUDGET 2025-26	PROPOSED BUDGET 2026-27	Year to Year $ Variance	Year to Year % Variance
REVENUES					
Community Enrichment	1,267,282	1,199,184	1,185,891	(13,293)	-1.1%
Early Childhood	3,195,941	4,100,702	3,862,559	(238,143)	-5.8%
TOTAL REVENUES	4,463,223	5,299,886	5,048,450	(251,436)	-4.7%
EXPENDITURES					
Salaries	2,109,527	2,705,694	2,564,512	(141,182)	-5.2%
Benefits	1,394,651	1,733,101	1,651,331	(81,770)	-4.7%
Purchased Services	554,533	639,511	635,090	(4,421)	-0.7%
Supplies	132,430	206,523	189,584	(16,939)	-8.2%
Capital Outlay & Other	114,393	113,515	91,792	(21,723)	-19.1%
SUB-TOTAL EXPENDITURES	4,305,534	5,398,344	5,132,309	(266,035)	-4.9%
OUTGOING TRANSFERS					
General Fund	257,709	55,000	50,000	(5,000)	-9.1%
TOTAL TRANSFERS	257,709	55,000	50,000	(5,000)	-9.1%
TOTAL EXPENDITURES	4,563,243	5,453,344	5,182,309	(271,035)	-5.0%
Beginning Fund Balance	1,289,815	1,189,795	1,036,337	(153,458)	-12.9%
Revenues over/(under) Expenditures	(100,020)	(153,458)	(133,859)	19,599	-12.8%
Ending Fund Balance	1,189,795	1,036,337	902,478	(133,859)	-12.9%

LAKE ORION COMMUNITY SCHOOLS

FOOD SERVICE FUND

FISCAL YEAR 2026-27 ADOPTED BUDGET - June 24, 2026

	FINAL ACTUAL 2024-25	FINAL BUDGET 2025-26	PROPOSED BUDGET 2026-27	Year to Year $ Variance	Year to Year % Variance
REVENUES					
LOCAL SOURCES					
Food Sales	283,021	309,000	337,000	28,000	9.1%
Interest, Rebates & Other	57,401	77,500	72,800	(4,700)	-6.1%
Catering Services	47,903	45,000	45,000	-	0.0%
STATE SOURCES	2,537,616	2,867,986	2,547,738	(320,248)	-11.2%
FEDERAL SOURCES	1,261,851	1,261,000	1,261,000	-	0.0%
TOTAL REVENUES	4,187,792	4,560,486	4,263,538	(296,948)	-6.5%
EXPENDITURES					
Salaries	1,109,894	1,285,840	1,335,948	50,108	3.9%
Benefits	766,284	845,460	824,957	(20,503)	-2.4%
Purchased Services	90,466	92,733	93,100	367	0.4%
Supplies	1,601,756	1,643,520	1,643,520	-	0.0%
Capital Outlay	258,834	295,343	300,000	4,657	1.6%
Other	10,288	10,500	11,000	500	4.8%
SUB-TOTAL EXPENDITURES	3,837,522	4,173,396	4,208,525	35,129	0.8%
OUTGOING TRANSFERS					
General Fund	215,000	250,000	250,000	-	0.0%
TOTAL TRANSFERS	215,000	250,000	250,000	-	0.0%
TOTAL EXPENDITURES	4,052,522	4,423,396	4,458,525	35,129	0.8%
Beginning Fund Balance	2,051,438	2,186,708	2,323,798	137,090	6.3%
Revenues over/(under) Expenditures	135,270	137,090	(194,987)	(332,077)	242.2%
Ending Fund Balance	2,186,708	2,323,798	2,128,811	(194,987)	-8.4%

LAKE ORION COMMUNITY SCHOOLS

STUDENT ACTIVITIES FUND

FISCAL YEAR 2026-27 ADOPTED BUDGET - June 24, 2026

	FINAL ACTUAL 2024-25	FINAL BUDGET 2025-26	PROPOSED BUDGET 2026-27	Year to Year $ Variance	Year to Year % Variance
REVENUES					
Local Revenue	2,085,594	2,100,000	2,100,000	-	0.0%
State Sources	3,611	5,000	5,000	-	0.0%
TOTAL REVENUES	2,089,205	2,105,000	2,105,000	-	0.0%
EXPENDITURES					
Purchased Services, Supplies, Other	2,041,200	2,055,000	2,055,000	-	0.0%
SUB-TOTAL EXPENDITURES	2,041,200	2,055,000	2,055,000	-	0.0%
TOTAL EXPENDITURES	2,041,200	2,055,000	2,055,000	-	0.0%
Beginning Fund Balance	1,201,368	1,249,373	1,299,373	50,000	4.0%
Revenues over/(under) Expenditures	48,005	50,000	50,000	-	-
Ending Fund Balance	1,249,373	1,299,373	1,349,373	50,000	3.8%

LAKE ORION COMMUNITY SCHOOLS

DEBT SERVICE FUNDS

FISCAL YEAR 2026-27 ADOPTED BUDGET - June 24, 2026

	FINAL ACTUAL 2024-25	FINAL BUDGET 2025-26	PROPOSED BUDGET 2026-27	Year to Year $ Variance	Year to Year % Variance
REVENUES					
LOCAL SOURCES					
Other local source	565,603	462,963	465,000	2,037	0.4%
2025 Series 3A Debt	-	3,745,700	474,020	(3,271,680)	-
2016 Refunding Debt	6,957,349	1,035,400	520,995	(514,405)	-49.7%
2019 Series 1 Debt	5,762,320	6,218,200	5,641,250	(576,950)	-9.3%
2019-B Refunding Debt	417,553	6,087,000	5,730,930	(356,070)	-5.8%
2021-B Refunding Debt	3,795,641	-	-	-	#DIV/0!
2026 Series 3B Debt	-	-	4,842,680	4,842,680	#DIV/0!
2022 Series 2 Debt	3,877,294	4,755,000	4,142,325	(612,675)	-12.9%
TOTAL REVENUE	21,375,760	22,304,263	21,817,200	(487,063)	-2.2%
EXPENDITURES					
Principal	14,205,000	13,805,000	15,260,000	1,455,000	10.5%
Interest	5,702,771	5,608,576	5,752,589	144,013	2.6%
Other	84,320	195,453	85,000	(110,453)	-56.5%
TOTAL DEBT SERVICE	19,992,091	19,609,029	21,097,589	1,488,560	7.6%
OTHER FINANCING SOURCES (USES)					
School Bond Loan Fund Proceeds	108,319	4,685	-	(4,685)	-100.0%
School Bond Loan Fund Payment	(2,108,118)	(472,529)	-	472,529	0.0%
TOTAL OTHER FINANCING SOURCES (USES)	(1,999,799)	(467,844)	-	467,844	-100.0%
Beginning Fund Balance	989,801	373,671	2,601,061	2,227,390	596.1%
Revenues over/(under) Expenditures	(616,130)	2,227,390	719,611	(1,507,779)	-67.7%
Ending Fund Balance	373,671	2,601,061	3,320,672	719,611	27.7%

LAKE ORION COMMUNITY SCHOOLS

BUILDING & SITE SINKING FUND

FISCAL YEAR 2026-27 ADOPTED BUDGET - June 24, 2026

	FINAL ACTUAL 2024-25	FINAL BUDGET 2025-26	PROPOSED BUDGET 2026-27	Year to Year $ Variance	Year to Year % Variance
REVENUES					
LOCAL SOURCES					
Property tax revenue	5,200,012	5,414,000	5,622,950	208,950	3.9%
Interest and other revenue	55,520	60,664	65,000	4,336	7.1%
TOTAL REVENUES	5,255,532	5,474,664	5,687,950	213,286	3.9%
EXPENDITURES					
Capital Outlay	3,923,423	3,876,661	4,993,135	1,116,474	28.8%
Principal	954,423	1,330,000	400,000	(930,000)	-69.9%
Interest	93,007	171,800	162,500	(9,300)	-5.4%
Other	19,452	49,507	30,000	(19,507)	-39.4%
TOTAL EXPENDITURES	4,990,305	5,427,968	5,585,635	157,667	2.9%
TOTAL EXPENDITURES	4,990,305	5,427,968	5,585,635	157,667	2.9%
Beginning Fund Balance	-	265,227	311,923	46,696	-
Revenues over/(under) Expenditures	265,227	46,696	102,315	55,619	119.1%
Total Ending Fund Balance	265,227	311,923	414,238	102,315	32.8%

LAKE ORION COMMUNITY SCHOOLS

CAPITAL PROJECTS FUND

FISCAL YEAR 2026-27 ADOPTED BUDGET - June 24, 2026

	FINAL ACTUAL 2024-25	FINAL BUDGET 2025-26	PROPOSED BUDGET 2026-27	Year to Year $ Variance	Year to Year % Variance
REVENUES					
Local Sources	53,317	110,000	64,255	(45,745)	-41.6%
TOTAL REVENUES	53,317	110,000	64,255	(45,745)	-41.6%
EXPENDITURES					
Purchased Services	38,359	47,000	50,000	3,000	6.4%
TOTAL EXPENDITURES	38,359	47,000	50,000	3,000	6.4%
Beginning Fund Balance	56,281	71,239	134,239	63,000	88.4%
Revenues over/(under) Expenditures	14,958	63,000	14,255	(48,745)	-
Total Ending Fund Balance	71,239	134,239	148,494	14,255	10.6%

LAKE ORION COMMUNITY SCHOOLS

BOND 2026 SERIES 3B CAPITAL PROJECTS FUND

FISCAL YEAR 2026-27 ADOPTED BUDGET - June 24, 2026



	FINAL ACTUAL 2024-25	FINAL BUDGET 2025-26	PROPOSED BUDGET 2026-27	Year to Year $ Variance	Year to Year % Variance
REVENUES					
Local Sources	-	5,000	250,000	245,000	4900.0%
TOTAL REVENUES	-	5,000	250,000	245,000	4900.0%
EXPENDITURES					
Capital Outlay	-	75,000	14,063,870	13,988,870	18651.8%
Dues and Fees	-	167,675	-	(167,675)	-100.0%
TOTAL EXPENDITURES	-	242,675	14,063,870	13,821,195	5695.4%
Other Financing Sources					
Face value of debt issued	-	12,880,000	-	(12,880,000)	-100.0%
Premium on debt issued	-	1,171,545	-	(1,171,545)	-100.0%
TOTAL OTHER FINANCING SOURCES	-	14,051,545	-	(14,051,545)	-100.0%
Beginning Fund Balance	-	-	13,813,870	13,813,870	-
Revenues over/(under) Expenditures	-	13,813,870	(13,813,870)	(27,627,740)	200.0%
Total Ending Fund Balance	-	13,813,870	-	(13,813,870)	-100.0%

LAKE ORION COMMUNITY SCHOOLS

RISK - INTERNAL SERVICE FUND

FISCAL YEAR 2026-27 ADOPTED BUDGET - June 24, 2026

	FINAL ACTUAL 2024-25	FINAL BUDGET 2025-26	PROPOSED BUDGET 2026-27	Year to Year $ Variance	Year to Year % Variance
Net Assets, Beginning of Year					
Reserve - Dental Claims	87,518	180,692	180,692	-	0.0%
Retained Earnings	-	-	-	-	-
Total Net Assets, Beginning of Year	87,518	180,692	180,692	-	0.0%
REVENUE					
LOCAL SOURCES					
Dental Claims Contributions	1,076,156	1,000,000	1,200,000	200,000	20.0%
TOTAL REVENUE	1,076,156	1,000,000	1,200,000	200,000	20.0%
EXPENSES					
Dental Claims	982,982	1,000,000	1,100,000	100,000	10.0%
TOTAL EXPENSES	982,982	1,000,000	1,100,000	100,000	10.0%
Revenues over/(under) Expenditures	93,174	-	100,000	100,000	#DIV/0!
Net Assets, End of Year					
Reserve - Dental Claims	180,692	180,692	280,692	100,000	55.3%
Retained Earnings	-	-	-	-	-
Total Net Assets, End of Year	180,692	180,692	280,692	100,000	55.3%

BE IT RESOLVED that the following represents the General Fund Appropriations of the Lake Orion Community School District for the fiscal year 2026-2027; A resolution to make appropriations; to provide for the expenditure of the appropriations; and to provide for the disposition of all income received by the Lake Orion Community School District.

BE IT FURTHER RESOLVED that the total revenues and unappropriated fund balance estimated to be available for appropriations in the **General Fund** of the Lake Orion Community School District for the fiscal year 2026-2027 is as follows:

REVENUES:

Local Sources	$	15,339,069
State Sources		77,740,573
Federal Sources		1,908,343
Intermediate Sources		8,952,797
Incoming Transfers/Other		300,000
Total Revenues/Incoming Transfers/Other	$	104,240,782

Estimated Fund Balance, July 1, 2026	$	12,719,021	
BE IT RESOLVED that the general appropriations, budgets and millage			$ 12,719,021
Total Available to Appropriate			$ 116,959,803

BE IT FURTHER RESOLVED that **$104,240,782** of the total available to appropriate in the ***General Fund*** is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:

Instruction:

Basic Programs	$	46,101,536
Added Needs		15,118,300
Total Instruction	$	61,219,836

General Fund Expenditures Continued:

Support Services:

Pupil Support Services	$	9,467,649
Instructional Staff Support Services		5,143,764
General Administration		1,631,846
School Administration		5,026,433
Business Services		1,423,606
Operations & Maintenance		8,285,822
Transportation Services		5,509,929
Communication Services		272,104
Human Resources		1,260,331
Technology Services		1,982,791
Pupil Services		279,852
Athletics Activities		1,751,111
Community Services		253,069
Total Support Services	$	42,288,307
Outgoing Transfers and Other	$	-
Total Expenditures/Outgoing Transfers	$	103,508,143

BE IT FURTHER RESOLVED that the total revenue and unappropriated fund balance estimated to be available for appropriations in the ***Community Service Special Revenue Fund*** of the Lake Orion Community School District for fiscal year 2026-27 is as follows:

Revenues:

Local & Other Sources		$	5,048,450
Total Revenues		$	5,048,450
Estimated Fund Balance, July 1, 2026	$ 1,036,337		
Estimated Fund Balance Available to Appropriate		$	1,036,337
Total Available to Appropriate		$	6,084,787

BE IT FURTHER RESOLVED that **$5,048,450** of the total available to appropriate in the ***Community Service Revenue Fund*** is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:

Salaries	$	2,564,512
Employee Benefits		1,651,331
Purchased Services		635,090
Supplies		189,584
Capital Outlay & Other		91,792
Outgoing Transfers		50,000
Total Expenditures	$	5,182,309

BE IT FURTHER RESOLVED that the total revenue and unappropriated fund balance estimated to be available for appropriations in the ***Food Service Special Revenue Fund*** of the Lake Orion Community School District for fiscal year 2026-27 is as follows:

Revenues:

Local Sources		$ 454,800
State Sources		2,547,738
Federal Sources		1,261,000
Total Revenues		$ 4,263,538
Estimated Fund Balance, July 1, 2026	$ 2,323,798	
Estimated Fund Balance Available to Appropriate		$ 2,323,798
Total Available to Appropriate		$ 6,587,336

BE IT FURTHER RESOLVED that **$4,263,538** of the total available to appropriate in the ***Food Service Special Revenue Fund*** is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:

Salaries	$ 1,335,948
Employee Benefits	824,957
Purchased Services	93,100
Supplies/Materials	1,643,520
Capital Outlay	300,000
Other Expenditures	11,000
Outgoing Transfers	250,000
Total Expenditures	$ 4,458,525

BE IT FURTHER RESOLVED that the total revenue and unappropriated fund balance estimated to be available for appropriations in the ***School Activity Special Revenue Fund*** of the Lake Orion Community School District for fiscal year 2026-27 is as follows:

Revenues:

Local Sources		$	2,105,000
Total Revenues		$	2,105,000
Estimated Fund Balance, July 1, 2026	$ 1,299,373		
Estimated Fund Balance Available to Appropriate		$	7,388,344
Total Available to Appropriate		$	9,493,344

BE IT FURTHER RESOLVED that **$2,105,000** of the total available to appropriate in the ***School Activity Special Revenue Fund*** is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:

Salaries	$	-
Employee Benefits		-
Purchased Services		-
Supplies/Materials		-
Capital Outlay		-
Other Expenditures		2,055,000
Outgoing Transfers		-
Total Expenditures	$	2,055,000

BE IT FURTHER RESOLVED that the total revenues and unappropriated fund balance estimated to be available for appropriations in the ***Debt Service Funds*** of the Lake Orion Community School District for the fiscal year 2026-27 is as follows:

Revenues:

Local Sources			
Property Taxes		$	21,352,200
Other			465,000
Other Financing Sources			-
Total Revenues		$	21,817,200
Estimated Fund Balance, July 1, 2026	$ 2,601,061		
Estimated Fund Balance Available to Appropriate		$	2,601,061
Total Available to Appropriate		$	24,418,261

BE IT FURTHER RESOLVED that **$21,867,200** of the total available to appropriate in the ***Debt Service Funds*** is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:

Redemption of Principal	$	15,260,000
Interest on Debt		5,752,589
Other Expenses		85,000
Other Financing Uses		-
Total Expenditures	$	21,097,589

BE IT FURTHER RESOLVED that the total revenue and unappropriated fund balance estimated to be available for appropriations in the **District Capital Projects Fund** of the Lake Orion Community School District for fiscal year 2026-27 is as follows:

Revenues:

Local Source		$ 6,002,205
State Source		-
Incoming Transfers		-
Total Revenues		$ 6,002,205
Estimated Fund Balance, July 1, 2026	$ 14,260,032	
Estimated Fund Balance Available to Appropriate		$ 14,260,032
Total Available to Appropriate		$ 20,262,237

BE IT FURTHER RESOLVED that **$20,332,237** of the total available to appropriate in the ***Capital Projects Funds*** is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:

Purchased Services	$	50,000
Capital Outlay		19,057,005
Other Expenditures		30,000
Principal		400,000
Interest		162,500
Total Expenditures	$	19,699,505

BE IT FURTHER RESOLVED that the total revenue and unappropriated fund balance estimated to be available for appropriations in the **Internal Services Fund,** The Risk Fund, of the Lake Orion Community School District for fiscal year 2026-27 is as follows:

Revenues:

Local Source		$	1,200,000
Total Revenues		$	1,200,000
Estimated Fund Balance, July 1, 2026	$ 180,692		
Estimated Fund Balance Available to Appropriate		$	180,692
Total Available to Appropriate		$	1,380,692

BE IT FURTHER RESOLVED that **$1,200,000** of the total available to appropriate in the ***Internal Services Funds*** is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:

Employee Benefits	$	1,100,000
Purchased Services		-
Other Expenditures		-
Total Expenditures	$	1,100,000

BE IT FURTHER RESOLVED that for operating purposes 18.0000 mills be levied on non-homesteads and, that 6.0000 mills be levied on applicable commercial personal property; and that 7.0000 mills be levied on all classes of property for debt retirement purposes; and that 1.8434 mills be levied on all classes of property for the building & site sinking fund.

BE IT FURTHER RESOLVED that no Board of Education member or employee of the school shall expend any funds or oblige the expenditure of any funds except pursuant to appropriations made by the Board of Education in keeping with the budgetary policy statement hitherto adopted by the Board. Changes in the amount appropriated by the Board shall require approval by the Board;

BE IT FURTHER RESOLVED that the Superintendent is hereby charged with general supervision of the execution of the budget adopted by the Board and shall hold the Principals and District Administrators responsible for performance of their responsibilities with the amount appropriated by the Board of Education in keeping with the budgetary policy statement hitherto adopted by the Board.

This Appropriation Resolution shall take effect immediately.

Susan Flaherty
Secretary, Board of Education

BE IT RESOLVED that the general appropriations, budgets and millage rates of the Lake Orion Community School District for the fiscal year 2026-27 for the following funds be approved as attached hereto and made a part of the official minutes of the June 24, 2026 regular meeting.

Susan Flaherty
Secretary, Board of Education