

OXFORD COMMUNITY SCHOOLS

FINANCIAL REPORTING PACKAGE

QUARTER 1

Fiscal Year 2025-26



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OXFORD COMMUNITY SCHOOLS
Fiscal Year 2025-26

EXECUTIVE SUMMARY

Economic Update:

State Aid and Legislative Issues:

Please see attached "[Weekly Government Relations Update](#)" as provided by Oakland Schools.

General Fund Actual Verses Budget Highlights:

The adopted fiscal year 2025-26 revenue and transfers in budget total is \$108,911,763. We have recognized to date \$13,118,127 which is 12.08% of the budget. Considering how the State Aid funding mechanism operates, taken together, we are on budget. The adopted fiscal year 2025-26 expenditure budget total is \$108,698,103. We have expended to date \$26,704,684 which is 24.63% of the budget. Considering the point in the fiscal year we are at, taken together, we are on budget.

District Disbursement Activity:

During this reporting period, the district disbursed \$29.251 million via accounts payable check, purchasing card settlement, automated ACH payments and payroll.

COMMENTARY & ANALYSIS

Revenue & Expenditure Operational Overview:

The "Budget to Actual" reports provided herein reflect posted activity for the fiscal year to date. All budgets reflect the Fiscal Year 2025-26 adopted budget as approved by the Board of Education June 24, 2025.

Operational funding for Oxford Community Schools is categorized into four broad revenue sources. The four major revenue sources include local, state, federal, and other financing source revenues. The local source revenues include locally levied operating property taxes, program-based fees, athletic fees, local grant revenue and investment income. The other revenues primarily consist of Public Act-18 special education funds and Medicaid program revenues. The "state source" revenue consists of the state portion of the per student foundation allowance, state issued grants and categorical payments. The state-aid payment process runs from October of our existing fiscal year to August of our next fiscal year. Federal source revenues are comprised of federally issued grants. Other financing sources (uses) consist of operating transfers-in from other funds.

Operational spending for Oxford Community Schools, as presented, is comprised of three broad expenditure categories: salary and wages, fringe benefits and program operations. Program operations consist of purchased services, supplies (including gas

and electricity), materials, capital outlay and other miscellaneous expenditures. For the purposes of this report, the definition of “expenditure” is the actual expenditure incurred to date.

Economic Overview:

Please see the attached report as provided by the Comerica Bank and University of Michigan.

National Economic Dashboard:

The following data set contains indicators that inform the reader about the current and near future national macroeconomic picture:

- US real gross domestic product (GDP) increased at an annualized rate of 3.8% in the second quarter of 2025 according to the third estimate released by the Bureau of Economic Analysis. In the first quarter, real GDP decrease 0.6%.
- Total non-farm job payroll increased in August 2025 by 22,000.
- The U.S. unemployment rate in August changed to 4.3%.
- The Consumer Price Index for All Urban Consumers (CPI-U) for September rose 0.3% (seasonally adjusted) and rose over prior month at annualized rate of 3.0% (not seasonally adjusted).
- The Conference Board’s Leading Economic Indicator (LEI) index decreased 0.5% in August 2025 to 98.4, after a small increase in July of 0.1%. The LEI is now down 2.8% over the six-month period between February 2025 and August 2025, which is a faster rate of decline than its 0.9% contraction over the previous six-month period. This indicator is designed to predict future economic growth or decline six months forward.
- The University of Michigan consumer sentiment index for October registered at 53.6, down from the prior month’s 55.1.

State Aid Overview:

The typical Local Education Agency (LEA), better known as the local school district, receives most of its operating revenues from two funding sources, locally levied property taxes and the School Aid Fund. Oxford Community School’s fiscal year 2025-26 foundation allowance level has been increased to \$10,050. The student membership blended count formula continues to use 90% of the current fiscal year’s October count plus 10% of the prior fiscal year’s February count to calculate the district’s total foundation allowance funding.

Oxford’s foundation allowance guarantee is funded from two sources. The first source is the district’s local tax levy of 17.3155 mills on qualifying non-homestead property only. This levy is expected to generate an estimated about \$860.04 per pupil this year. Because we are levying less than 18.0 mills which would generate an estimated \$903.08 we are losing \$43.04 per pupil. The second and primary funding source is from

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the State's School Aid Fund (SAF). The balance of the fiscal year foundation allowance funding comes from the SAF. State aid continues to be paid out over 11 payments based on the state's fiscal year (spanning October through August) and not the school district's fiscal year. The section 147c MPERS unfunded liability rate stabilization categorical has been approved again for 2025-26. This State categorical will provide funding and a corresponding (invoice) expenditure to the district for the Michigan Public Schools Employee Retirement System existing unfunded accrued actuarial liability. The way the State has chosen to fund this categorical and generate the corresponding invoiced expenditure results in a "grossing up" of the district's revenue and expenditure budgets by an estimated \$6.1 million. The growth ("grossing up") in the district's revenue and expenditure budgets resulting from this state categorical (section 147c) gives the *false impression* that the district has received or benefitted from "additional revenue" because of this categorical. This state categorical is simply a "pass through" funding mechanism that comes with a bill attached.

General Fund Analysis:

Revenue:

The General Fund revenue budget for the period, as approved in the fiscal year 2025-26 adopted budget, is \$108,911,763.

- Revenue recognized in fiscal year to date is \$13,118,127 or 12.8% of the budget.

The Local Source revenue budget is \$7,269,500 and is 6.67% of the total budget.

- Year to date recognized revenue is \$6,360,700 or 87.5%.

The State Source revenue budget is \$91,938,018 and is 84.46% of the total budget.

- Year to date recognized revenue is \$6,757,427 or 7.5%.
 - State aid (foundation allowance and categorical funds) is paid out over 11 payments beginning in October and is based on the State of Michigan's fiscal year. We expect the last two payments for our fiscal year 2026 state aid to arrive in July and August of 2026, which are the first and second months of our next fiscal year (FY2025).

The Federal Source revenue is grant based reimbursement funding with a total budget of \$3,173,958 and is 2.91% of the total revenue budget.

- Year to date recognized revenue is \$0. Typically, federal grant revenues operate on a "reimbursement" basis which entails the actual spending, filing for, and recognizing the reimbursement in our records.

The Other Source Revenue is budgeted at \$6,210,287 and is 5.70 % of the total revenue budget.

- Year to date recognized revenue is \$0 or 0%. PA-18 Special Education funding provided through Oakland Schools is paid out quarterly. Most of the Medicaid funding is released from Oakland Schools in June of each fiscal year.

Other Financing Sources budget of \$275,000 represents 0.25% of the budget.

- Year to date recognized revenue is \$0 or 0%. Typically transfers happen toward the end of the year after final budget amendments are made.

Expenditures:

The General Fund expenditure budget is \$108,698,103 as approved in the fiscal year 2025-26 adopted budget. We have expended \$26,704,684 or 24.57% of the budget.

The Salary & Wage expenditure budget of \$48,750,445 represents 44.85% of the budget.

- Year to date expenditures are \$10,345,872 or 21.22%.

The Benefits expenditure budget of \$33,551,382 represents 30.87% of the budget.

- Year to date expenditures are \$6,956,531 or 20.73%. This category of expenditure is typically expended in close tandem with the salary & wage budget with a few exceptions.

The Purchased Services budget of \$6,505,528 represents 18.19% of the budget.

- Year to date expenditures are \$6,505,528 or 32.9%.

The Supplies expenditure budget of \$4,002,769 represents 3.68% of the budget.

- Year to date expenditures are \$843,312 or 21.07%.

The Capital Outlay expenditure budget of \$1,917,768 represents 1.76% of the budget.

- Year to date expenditures are \$2,053,441 or 107.07%. These budgets will be addressed in the amendment process.

The Other Financing Uses budget of \$700,000 represents .64% of the budget.

- Year to date expenditures are \$0 or 0%. Typically transfers happen toward the end of the year after final budget amendments are made.

Community Service Special Revenue Fund Analysis:

Revenue:

The Community Service Special Revenue budget as approved in the fiscal year 2025-26 is \$2,641,793. We have recognized \$320,055 or 12.12% of the budget.

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Local Sources Revenue budget of \$1,305,475 and represents 49.42% of the total budget.

- Year to date recognized revenue is \$293,988 or 22.52%.

The State Sources revenue of \$1,336,318 comprises 50.58% of the total budget.

- Year to date recognized revenue is \$26,067 or 1.95%.

The Federal Sources revenue of \$0 comprises 0% of the total budget.

- Year to date recognized revenue is \$0 or 0%.

Expenditures:

The Community Service Special Revenue Fund expenditure budget is \$2,573,237 as approved in the fiscal year 2025-26 budget. We have expended \$593,799 or 23.08% of the total budget.

The Salary & Wage expenditure budget of \$1,149,028 represents 56.7% of the total budget.

- Year to date expenditures are \$356,222 or 24.42%.

The Benefits expenditure budget of \$860,009 represents 33.42% of the total budget.

- Year to date expenditures are \$196,655 or 22.87%.

The remaining expenditure budgets (Purchased Service, Supplies & Materials, Capital Outlay & Other, and Other Financing Uses – Transfer to General Fund) total \$129,200 and represents 5.02% of the total budget.

- Year to date expenditures are \$40,922 or 31.67%.

Food Service Special Revenue Fund Analysis:

Revenue:

The Food Service Special Revenue Fund revenue budget as approved in the fiscal year 2025-26 budget is \$3,570,654. We have recognized \$101,306 or 2.84% of the budget.

Local Sources Revenue budget of \$465,580 and represents 13.04% of the total budget.

- Year to date recognized revenue is \$24,469 or 5.26%.

The State Sources revenue of \$1,830,779 comprises 51.27% of the total budget.

- Year to date recognized revenue is \$76,837 or 4.2%.

The Federal Sources revenue of \$1,274,295 comprises 35.69% of the total budget.

- Year to date recognized revenue is \$0 or 0%.

Expenditures:

The Food Service Special Revenue Fund expenditure budget is \$3,901,392 as approved in the fiscal year 2025-26 budget. We have expended \$1,083,901 or 27.78% of the total budget.

The Salary & Wage expenditure budget of \$842,229 represents 21.59% of the total budget.

- Year to date expenditures are \$191,763 or 22.77%.

The Benefits expenditure budget of \$499,163 represents 12.79% of the total budget.

- Year to date expenditures are \$115,530 or 23.14%.

The remaining expenditure budgets (Purchased Service, Supplies & Materials, Capital Outlay & Other, and Other Financing Uses – Transfer to General Fund) total \$2,410,000 and represents 61.77% of the total budget.

- Year to date expenditures are \$776,608 or 32.22%.

School Activity Special Revenue Fund Analysis:

Revenue:

The School Activity Special Revenue Fund revenue budget as approved in the fiscal year 2025-26 budget is \$1,229,714.

- Year to date recognized revenue is \$221,629 or 18.02%.

Expenditures:

The School Activity Special Revenue Fund expenditure budget as approved in the 2025-26 budget is \$1,149,207.

- Year to date expenditures are \$257,120 or 22.37%.

Debt Service Funds (Combined):

The revenue and expenditure budgets for all our debt service funds are based on our current year debt service requirements. Most of our debt service payments occur in November and May of each fiscal year. The summary Debt Service Funds approved revenue and expenditure budgets are:

Total revenue and other financing sources:	\$14,072,798
Total expenditures:	<u>\$30,183,891</u>
Revenues over/(under) expenditures:	\$(16,111,093)
Beginning Fund Balance (budget):	\$16,724,346

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Ending Fund Balance: \$ 618,253

Capital Project Funds (41):

The summary Capital Projects Fund revenue and expenditure budgets as approved for fiscal year 2025-26 are:

Total revenue and other financing sources:	\$ 701,000
Total expenditures:	<u>\$ 1,000,000</u>
Revenues over/(under) expenditures:	\$ (299,000)
Beginning Fund Balance:	\$ 304,927
Ending Fund Balance:	\$ 5,927

District Disbursement Activity:

The district issued disbursements through the accounts payable process in the amount of \$20,65,327. This included a combination of electronic payments, checks, ACH transactions and voided transactions. The reporting period included 7 payroll dates and the district issued a total of \$8,025,609 in net wages to the employees. The district's purchasing card program incurred 2,163 transactions in the aggregate amount of \$569,135 for an average expenditure of \$263.12 generating an estimated rebate of \$7,285. for the period. This is an estimate based on last years rebate rate of 1.28%. Detail check information will continue to be provided at the second board meeting of each month under the "consent agenda" format and can be found on our website in our Transparency Reporting section.

**OXFORD COMMUNITY SCHOOLS
FUND STRUCTURE INFORMATION**

General Fund (Consolidated)

Fund 11 = General Fund Sub-fund

Fund 12 = Special Education Sub-fund

Fund 14 = Educational Solutions Sub-fund

Fund 15 = Athletics Sub-fund

Fund 16 = Healthcare Reserve Sub-fund

Fund 23 - Community Service Special Revenue Fund

Fund 25 – Food Service Special Revenue Fund

Fund 29 – School Activity Special Revenue Fund

Funds 33 – 39 Debt Service Funds

Fund 41 – Capital Projects Fund

Fund 42 – Sinking Fund

Fund 61 – Internal Service Fund

Institution	Funding Source	Type of Investment	Acquisition Date	Maturity Date	Days Duration	Rate	Principal Amt/Bal	
OXFORD BANK	General Fund (11 - 19)	Corporate Business Acct	na	na	na	0.050%	\$ 115,966	
OXFORD BANK	General Fund (11 - 19)	Corporate Business Acct	na	na	na	0.050%	\$ 89,160	
OXFORD BANK	General Fund (11 - 19)	Corporate Business Acct	na	na	na	0.050%	\$ 95,192	
OXFORD BANK	General Fund (11 - 19)	Corporate Business Acct	na	na	na	0.050%	\$ 5,111,475	
OXFORD BANK	General Fund (11 - 19)	Money Market Account	na	na	na	2.650%	\$ 3,008,465	
OXFORD BANK	Food Service Fund	Corporate Business Acct	na	na	na	0.050%	\$ 360,389	
OXFORD BANK	Community Services	Corporate Business Acct	na	na	na	0.050%	\$ 1,566,105	
OXFORD BANK	Student Activity	Corporate Business Acct	na	na	na	0.050%	\$ 870,441	
OXFORD BANK	2015A Debt	Corporate Business Acct	na	na	na	0.010%	\$ 1,694	
OXFORD BANK	2010 Debt QSCB	Corporate Business Acct	na	na	na	0.010%	\$ 504	
OXFORD BANK	2016 Debt	Corporate Business Acct	na	na	na	0.010%	\$ 1,360	
OXFORD BANK	Sinking Fund	Corporate Business Acct	na	na	na	0.030%	\$ 5,011	
OXFORD BANK	Capital Projects	Corporate Business Acct	na	na	na	0.050%	\$ 366,801	
OXFORD BANK	2018 Debt CP SR123	Corporate Business Acct	na	na	na	0.010%	\$ 1,782	
OXFORD BANK	2019 Debt SBL Refi	Corporate Business Acct	na	na	na	2.010%	\$ 646,725	
			Business Account Totals:					\$ 12,241,070
MILAF	General Fund	Cash+/Max funds	na	na	na	4.010%	\$ 5,154,753	
MILAF	Debt Service Fund	Cash+/Max funds/Term	na	na	na	4.250%	\$ 11,716	
MILAF	School Activity Fund	Cash+/Max funds	na	na	na	4.250%	\$ 1,024,358	
			Other Totals:					\$ 6,190,827
			Total Cash/Investments					\$ 18,431,896



Oxford Community Schools

General Fund (11 - 16) Financial Analysis

Quarter 1 - July - September 2025

	Current Budget	Year-to-Date Actual	% of Budget
REVENUE			
Local Revenue	7,269,500	\$ 6,360,700	87.50%
State Revenue	91,983,018	6,757,427	7.35%
Federal Revenue	3,173,958		0.00%
Other Revenue	6,210,287		0.00%
TOTAL REVENUE	108,636,763	13,118,127	12.08%
EXPENDITURES			
<u>Instruction</u>			
Basic Programs	53,441,139	\$ 12,260,479	22.94%
Added Needs	11,240,744	2,228,785	19.83%
SUB TOTAL	64,681,883	14,489,264	22.40%
<u>Support Services</u>			
Pupil Support Services	9,161,450	\$ 1,940,305	21.18%
Instructional Staff Support Services:	5,161,585	1,235,907	23.94%
General Administration	1,573,825	500,730	31.82%
School Administration	6,041,387	1,588,428	26.29%
Business Services	1,180,744	463,297	39.24%
Operations and Maintenance	9,276,512	2,488,957	26.83%
Transportation Services	4,141,601	740,201	17.87%
Central	4,730,662	1,982,095	41.90%
Athletic Activities	1,495,006	1,155,222	77.27%
Other Support Services	344,639	107,883	31.30%
Community Services	208,809	12,394	5.94%
SUB TOTAL	43,316,220	12,215,420	28.20%
OPERATING TRANSFERS-OUT			
Transfers In	(275,000)	-	0.00%
Transfers Out	700,000	-	0.00%
TOTAL TRANSFERS	425,000	-	0.00%
TOTAL EXPENDITURES	108,698,103	26,704,684	24.57%
Revenues Over/	213,660	(13,586,557)	
Beginning Fund Balance	17,315,523	17,315,523	100.00%
Ending Fund Balance	17,529,183	3,728,966	21.27%
Fund Balance as a % of Expenditures		14.0%	



Oxford Community Schools

General Fund (11 - 16) Financial Analysis

Quarter 1 - July - September 2025

	Current Budget	Year-to-Date Actual	% of Budget
REVENUE			
Local Revenue	7,269,500	\$ 6,360,700	87.50%
State Revenue	91,983,018	6,757,427	7.35%
Federal Revenue	3,173,958		0.00%
Other Revenue	6,210,287	-	0.00%
TOTAL REVENUE	108,636,763	13,118,127	12.08%
EXPENDITURES			
Salaries	48,750,445	10,345,872	21.22%
Benefits	33,551,382	6,956,531	20.73%
Purchased Services	19,775,739	6,505,528	32.90%
Supplies	4,002,769	843,312	21.07%
Capital Outlay and Other	1,917,768	2,053,441	107.07%
TOTAL EXPENDITURES	107,998,103	26,704,684	24.73%
OPERATING TRANSFERS-OUT			
Transfers In	(275,000)	-	0.00%
Transfers Out	700,000	-	0.00%
TOTAL TRANSFERS	425,000	-	0.00%
TOTAL EXPENDITURES	108,698,103	26,704,684	24.57%
Revenues Over/(Under) Expenditures	213,660	(13,586,557)	
Beginning Fund Balance	17,315,523	17,315,523	100.00%
Ending Fund Balance	17,529,183	3,728,966	21.27%
Fund Balance as a % of Expenditures		14.0%	



Oxford Community Schools

Community Services Fund (23) Financial Analysis

Quarter 1 - July - September 2025

	Current Budget	Year-to-Date Actual	% of Budget
REVENUE			
Local Sources	1,305,475	293,988	22.52%
State Sources	1,336,318	26,067	1.95%
Federal Sources	-	-	0.00%
TOTAL REVENUE	2,641,793	320,055	12.12%
EXPENDITURES			
Salaries	1,459,028	356,222	24.42%
Benefits	860,009	196,655	22.87%
Purchased Services	49,200	14,999	30.49%
Supplies	80,000	9,733	12.17%
Capital Outlay and Other	-	16,190	0.00%
TOTAL EXPENDITURES	2,448,237	593,799	24.25%
OUTGOING TRANSFERS			
General Fund - Indirect Costs	125,000	-	0.00%
TOTAL TRANSFERS	125,000	-	0.00%
TOTAL EXPENDITURES	2,573,237	593,799	23.08%
Revenues Over/(Under) Expenditures	68,556	(273,744)	-399.30%
Beginning Fund Balance	478,468	478,468	100.00%
Ending Fund Balance	547,024	204,724	37.43%



Oxford Community Schools

Food Services Fund (25) Financial Analysis

Quarter 1 - July - September 2025

	Current Budget	Year-to-Date Actual	% of Budget
REVENUE			
Local Sources	465,580	24,469	5.26%
State Sources	1,830,779	76,837	4.20%
Federal Sources	1,274,295		0.00%
TOTAL REVENUE	3,570,654	101,306	2.84%
EXPENDITURES			
Salaries	842,229	191,763	22.77%
Benefits	499,163	115,530	23.14%
Purchased Services	50,000	36,755	73.51%
Supplies	2,050,000	333,270	16.26%
Capital Outlay	300,000	402,067	134.02%
Other	10,000	4,516	45.16%
TOTAL FOOD SERVICE	3,751,392	1,083,901	28.89%
OUTGOING TRANSFERS			
General Fund	150,000	-	0.00%
TOTAL TRANSFERS	150,000	-	0.00%
TOTAL EXPENDITURES	3,901,392	1,083,901	27.78%
Revenues Over/(Under) Expenditures	(330,738)	(982,595)	297.09%
Beginning Fund Balance	559,020	559,020	100.00%
Ending Fund Balance	228,282	(423,575)	-185.55%



Oxford Community Schools

General Fund Cash Disbursement Detail

Quarter 1 - July - September 2025

Disbursements

	July	August	September	Total
Electronic Payments:	5,477,420.53	5,895,882.07	4,001,731.41	15,375,034.01
Checks:	770,785.68	460,137.26	518,652.99	1,749,575.93
ACH Transactions:	1,671,460.76	1,163,691.21	705,081.02	3,540,232.99
Voided Transactions:			(8,515.91)	(8,515.91)
Total Disbursements:	7,919,666.97	7,519,710.54	5,216,949.51	20,656,327.02

Payroll (net wages)

	July	August	September	Total
Payroll 1:	1,170,532.31	1,037,847.03	1,275,279.23	3,483,658.57
Payroll 2:	1,039,519.64	1,087,880.76	1,277,015.80	3,404,416.20
Payroll 3:		1,137,534.68		1,137,534.68
Total Payroll:	2,210,051.95	3,263,262.47	2,552,295.03	8,025,609.45

Credit Cards

	July	August	September	Total
Transaction Count:	330	925	908	2163
Transaction Total:	116,718	218,758	233,659	569,135

Quarter Total: 29,251,071.47

Fed Forecast to Cut Again at October and December Meetings; Economy May Hit an Air Pocket in the 4th Quarter, But Should Regain Traction in 2026

The Fed finally pivoted to rate cuts in September after a raft of weak jobs releases and downward revisions downgraded their view of the labor market. The August jobs report was considerably weaker than expected, with anemic payrolls growth, downward revisions to prior months, and the unemployment rate edging up to the highest since late 2021. The Preliminary Benchmark Revision released September 9 made further downward revisions to payrolls, and confirmed a weak trend of job growth throughout this year. Following these releases, the Fed cut the federal funds target a quarter percent on September 17. Jobs data since then have continued to disappoint. Payroll processing company ADP reported a 32,000 decline in private employment in September, likely the clearest read on job growth while the federal shutdown delays the BLS' jobs report. Comerica forecasts for the Fed to cut their target rate a quarter percent at both their late October and mid-December decisions, to a range of 3.50% to 3.75% by year-end. The Fed is also forecast to end run-off of their bond holdings ("Quantitative Tightening") in early 2026.

Real GDP has been volatile in 2025, with a modest contraction in the first quarter followed by catchup growth in the second; Comerica forecasts a solid third quarter, as well. Some of this mid-year strength is payback after volatility of imports and inventories fueled the first quarter's drop. Also, consumer spending picked up in the second and third quarters as Americans cashed in on EV subsidies before they lapsed on September 30.

Real GDP is forecast to hit another air pocket in the fourth quarter. Auto sales will take a step back without the subsidies. The federal government shutdown that began October first will be a headwind, too; in prior shutdowns, each week of shutdown shaved 0.1 to 0.2 percentage points from annualized real GDP growth in that quarter, with about half of the foregone growth recovered once the government reopens. Tariff-fueled inflation is another nagging headache for the private sector, squeezing margins, pressuring businesses to slow-roll hiring and investment, and eating into consumers' purchasing power.

Even so, there are even more important tailwinds that will likely help the economy regain traction in 2026. Not only is the Fed cutting rates, fiscal policy will turn expansionary as the July 4 fiscal bill raises spending on defense and immigration enforcement and cuts corporate and individual taxes. Even more importantly, AI is fueling a boom in investment in software, computing equipment, data centers, and electricity generation; the long gestation periods for these projects mean they should continue to propel the economy into 2026 at least. Finally, existing home sales should begin to recover next year as mortgage rates fall and start to unbundle long-pent-up demand, albeit at prices that are a bit lower than the peaks reached in early 2025.

U.S. Economic Outlook, Summary

<i>a = actual f = forecast</i>	4Q'24a	1Q'25a	2Q'25p	3Q'25f	4Q'25f	1Q'26f	2Q'26f	2024a	2025f	2026f	2027f
Real GDP (Percent Change Annualized)	1.9	-0.6	3.8	2.4	0.3	1.6	2.5	2.8	1.9	1.8	1.8
CPI (Percent Change Year-over-Year)	2.7	2.7	2.5	2.9	2.9	2.8	3.1	3.0	2.8	2.8	2.3
Payroll Jobs (Average Monthly Diff., Ths.)	170	174	93	29	23	44	54	161	80	37	30
Unemployment Rate (Percent)	4.1	4.1	4.2	4.3	4.2	4.1	4.0	4.0	4.2	4.0	3.6
Federal Funds Rate (Period Average)	4.65	4.33	4.33	4.29	3.91	3.58	3.53	5.14	4.21	3.36	2.83
10-Yr. Treasury Rate (Period Average)	4.28	4.45	4.36	4.25	4.10	4.09	4.09	4.21	4.29	4.09	4.07

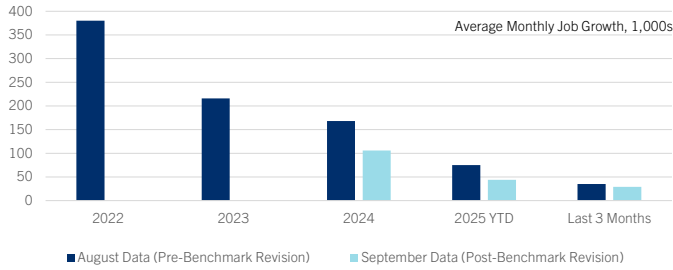
a = actual p = preliminary f = forecast

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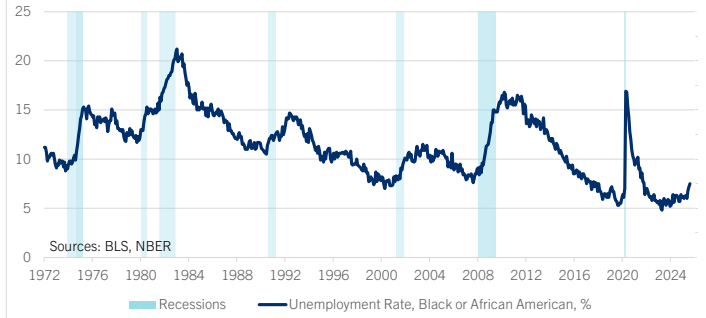
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September Jobs Report and Revisions Paint a Weaker Picture of the 2025 Job Market



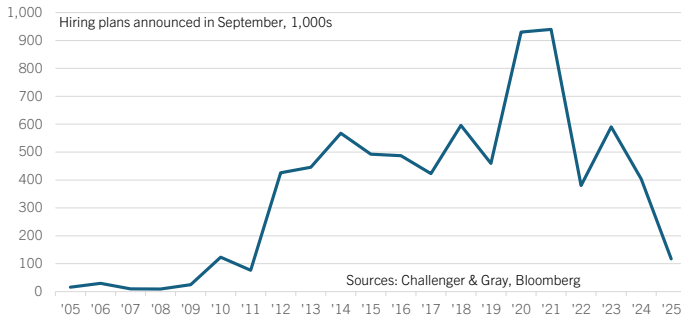
Sources: BLS, Federal Reserve Bank of St. Louis FRED

Fed Will Squirm at the Echo Between Rising Black Unemployment and the End of Prior Expansions



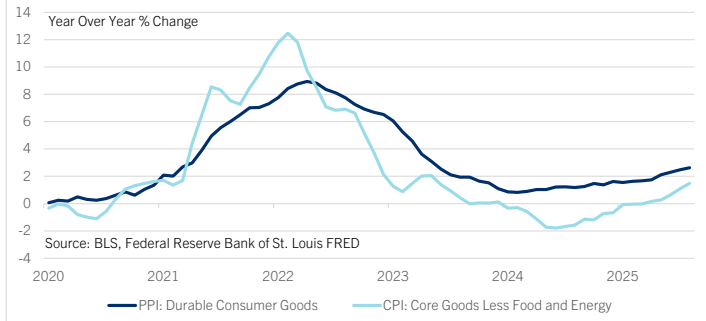
Sources: BLS, NBER

Holiday Season Hiring Intentions at the Lowest since 2011



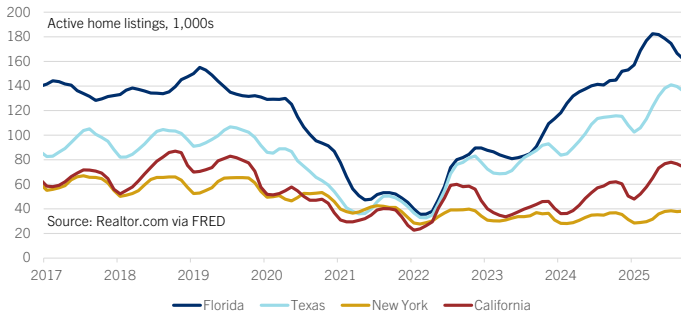
Sources: Challenger & Gray, Bloomberg

Tariff Costs Are Gradually Working Their Way Through the Supply Chain



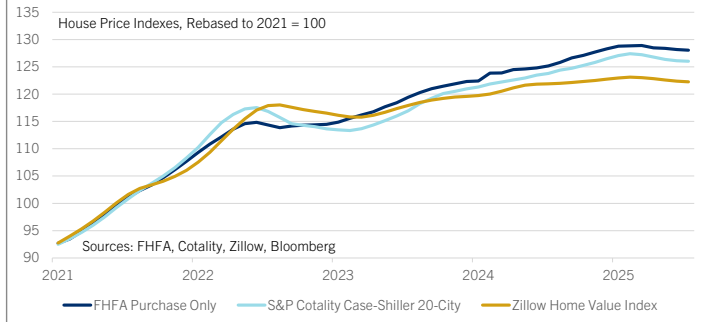
Sources: BLS, Federal Reserve Bank of St. Louis FRED

Home Listings Are Rising Nationally, But Are Up the Most in the Sunbelt



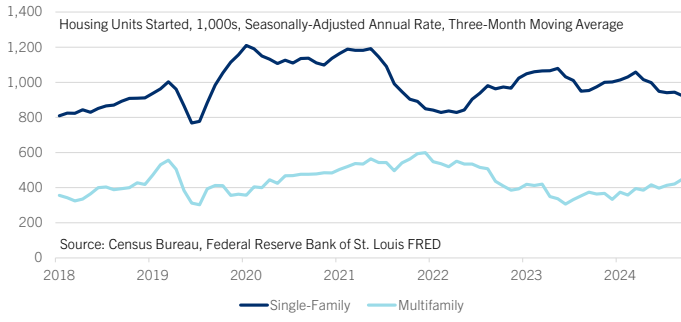
Source: Realtor.com via FRED

House Prices Down From Early 2025 Peaks But Most Owners Still Have Plenty of Equity



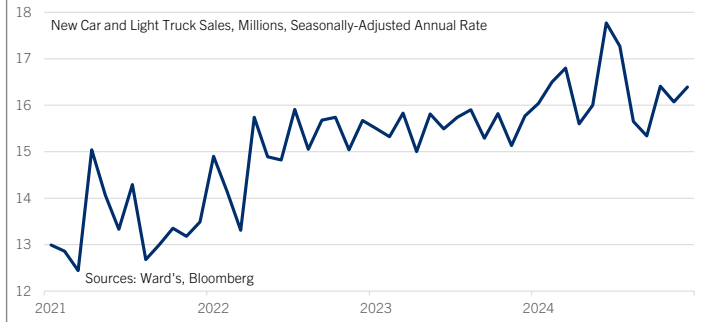
Sources: FHFA, Cotality, Zillow, Bloomberg

Single-Family Construction Is Slowing But Multifamily Is Recovering



Source: Census Bureau, Federal Reserve Bank of St. Louis FRED

Car Sales Were Strong Ahead of the EV Subsidy Sunset But Are Set to Retreat in the Fourth Quarter



Sources: Ward's, Bloomberg

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	4Q'24a	1Q'25a	2Q'25p	3Q'25f	4Q'25f	1Q'26f	2Q'26f	2024a	2025f	2026f	2027f
Output											
Nominal GDP (Billions \$ Annualized Rate)	29,825	30,042	30,486	30,852	31,063	31,382	31,762	29,298	30,611	31,923	33,242
Percent Change Annualized	4.3	2.9	6.0	4.9	2.8	4.2	4.9	5.3	4.5	4.3	4.1
Real GDP (Chained 2017 Billions \$ Annual Rate)	23,587	23,548	23,771	23,915	23,934	24,028	24,175	23,358	23,792	24,228	24,674
Percent Change Annualized	1.9	-0.6	3.8	2.4	0.3	1.6	2.5	2.8	1.9	1.8	1.8
Pers. Consumption Expenditures	16,321	16,346	16,446	16,589	16,581	16,665	16,810	16,088	16,490	16,854	17,268
Percent Change Annualized	3.9	0.6	2.5	3.5	-0.2	2.0	3.5	2.9	2.5	2.2	2.5
Nonresidential Fixed Investment	3,514	3,595	3,659	3,674	3,680	3,704	3,729	3,519	3,652	3,742	3,831
Percent Change Annualized	-3.7	9.5	7.3	1.7	0.6	2.6	2.7	2.9	3.8	2.5	2.4
Residential Investment	791	789	779	776	774	781	788	790	779	789	804
Percent Change Annualized	4.3	-1.0	-5.1	-1.2	-1.2	4.0	3.5	3.2	-1.4	1.3	1.9
Change in Private Inventories	17	172	-18	-9	-74	-45	-25	43	18	-16	-18
Net Exports	-1,069	-1,381	-1,058	-1,091	-1,016	-1,081	-1,151	-1,033	-1,136	-1,172	-1,311
Government Expenditures	4,004	3,994	3,993	4,005	4,018	4,033	4,054	3,945	4,002	4,061	4,130
Percent Change Annualized	3.3	-1.0	-0.1	1.2	1.3	1.6	2.0	3.8	1.4	1.5	1.7
Federal Fiscal Deficit, \$ Trillions, Fiscal Year	--	--	--	--	--	--	--	1.83	2.00	2.21	2.30
As Percent of Annual GDP								-6.3	-6.5	-6.9	-6.9
Industrial Prod. Index (2007=100)	102.4	103.4	103.8	104.5	104.5	104.9	105.4	102.6	104.0	105.6	107.2
Percent Change Annualized	-1.2	4.1	1.6	2.4	0.1	1.6	2.0	-0.3	1.5	1.5	1.5
Capacity Utilization (Percent)	77.1	77.6	77.6	77.8	77.6	77.5	77.8	77.6	77.6	77.7	77.4
Prices											
CPI (Year-Over-Year % Change)	2.7	2.7	2.5	2.9	2.9	2.8	3.1	3.0	2.8	2.8	2.3
Core CPI (Year-Over-Year % Change)	3.3	3.1	2.8	3.1	3.2	3.3	3.5	3.4	3.0	3.3	2.4
PCE Price Index (Year-Over-Year % Change)	2.6	2.6	2.4	2.7	2.8	2.7	2.8	2.6	2.6	2.7	2.4
Core PCE Price Index (Year-Over-Year % Change)	3.0	2.8	2.7	2.9	3.0	3.0	3.0	2.9	2.8	3.0	2.5
GDP Price Index (Year-Over-Year % Change)	2.5	2.6	2.5	2.6	2.7	2.4	2.5	2.5	2.6	2.4	2.3
PPI, Final Demand (Year-Over-Year % Change)	3.1	3.5	2.5	2.6	2.4	2.1	2.7	2.4	2.8	2.5	2.4
Crude Oil, WTI (\$/barrel)	\$71	\$72	\$65	\$65	\$64	\$64	\$65	\$77	\$66	\$65	\$66
Labor Markets											
Payroll Jobs (Average Monthly Difference, Ths.)	170	174	93	29	23	44	54	161	80	37	30
Unemployment Rate (Percent)	4.1	4.1	4.2	4.3	4.2	4.1	4.0	4.0	4.2	4.0	3.6
Labor Force Participation Rate (%)	62.5	62.5	62.4	62.4	62.3	62.1	62.2	62.6	62.4	62.2	62.0
Average Weekly Hours	34.3	34.2	34.3	34.2	34.2	34.2	34.2	34.3	34.2	34.2	34.1
Personal Income											
Average Hourly Earnings (\$)	35.59	35.92	36.21	36.50	36.78	37.08	37.40	35.06	36.35	37.57	38.94
Percent Change Annualized	4.4	3.7	3.3	3.3	3.1	3.3	3.5	4.0	3.7	3.3	3.7
Real Disp. Income (2017 Billions \$ Annualized)	17,843	17,943	18,082	18,129	18,224	18,562	18,816	17,724	18,095	18,818	19,190
Percent Change Annualized	2.0	2.3	3.1	1.0	2.1	7.6	5.6	2.9	2.1	4.0	2.0
Personal Saving Rate (Percent)	4.7	5.1	5.3	5.3	5.5	5.7	5.9	5.4	5.3	5.9	6.5
Housing											
Housing Starts (Ths., Annual Rate)	1,387	1,401	1,354	1,296	1,285	1,243	1,249	1,371	1,334	1,235	1,215
Single-Family Housing Starts	1,013	1,015	941	889	881	829	843	1,016	932	825	796
Multifamily Housing Starts	374	386	413	407	404	414	406	355	402	410	419
Exst. SF Home Sales (Ths., Annual Rate)	3,767	3,737	3,627	3,625	3,755	3,907	3,947	3,673	3,686	3,984	4,206
New SF Home Sales (Ths., Annual Rate)	671	655	670	601	606	574	587	685	633	574	553
FHFA Purchase-Only HPI (Annual % Change)	4.6	4.2	2.9	1.7	0.0	-1.0	-0.9	5.4	2.2	-0.5	1.7
Case/Shiller One-Family HPI (Annual % Change)	3.8	3.8	2.3	0.7	-1.1	-2.4	-1.6	5.1	1.4	-1.0	1.9
Consumer											
Retail & Food Service Sales (Monthly Avg, Bns)	712.5	715.3	720.3	734.7	732.5	742.3	757.0	696.9	725.7	761.3	801.1
Percent Change Annualized	7.5	1.6	2.9	8.3	-1.2	5.5	8.1	2.6	4.1	4.9	5.2
Consumer Confidence® (Conference Board)	110.6	99.8	93.1	95.2	98.8	104.2	107.2	104.5	96.7	108.6	117.0
Car and Light Truck Sales (Millions)	16.7	16.6	16.2	16.3	15.0	15.4	16.0	16.0	16.1	15.9	16.2
Financial Indicators (Period Average)											
Federal Funds Rate (Effective)	4.65	4.33	4.33	4.29	3.91	3.58	3.53	5.14	4.21	3.36	2.83
Prime Rate	7.82	7.50	7.50	7.46	7.08	6.75	6.70	8.31	7.38	6.53	6.00
1-Month Term SOFR	4.59	4.31	4.32	4.28	3.86	3.52	3.48	5.11	4.20	3.31	2.80
3-Month Term SOFR	4.50	4.30	4.30	4.20	3.77	3.54	3.42	5.05	4.14	3.23	2.74
1-Yr. Treasury Rate	4.25	4.14	4.03	3.87	3.53	3.38	3.24	4.69	3.89	3.14	2.93
5-Yr. Treasury Rate	4.13	4.25	3.96	3.79	3.60	3.55	3.51	4.13	3.90	3.48	3.40
10-Yr. Treasury Rate	4.28	4.45	4.36	4.25	4.10	4.09	4.09	4.21	4.29	4.09	4.07
30-Yr. Fixed Rate Mortgage	6.65	6.82	6.79	6.53	6.19	6.10	6.00	6.72	6.58	5.96	5.77
Corporate Profits After Tax (Billions \$ Annualized)	3,689	3,336	3,356	3,409	3,487	3,684	3,781	3,499	3,397	3,812	4,146
Percent Change Annualized	31.7	-33.2	2.4	6.5	9.5	24.5	11.0	7.9	-2.9	12.2	8.8

a = actual p = preliminary f = forecast

October 6, 2025

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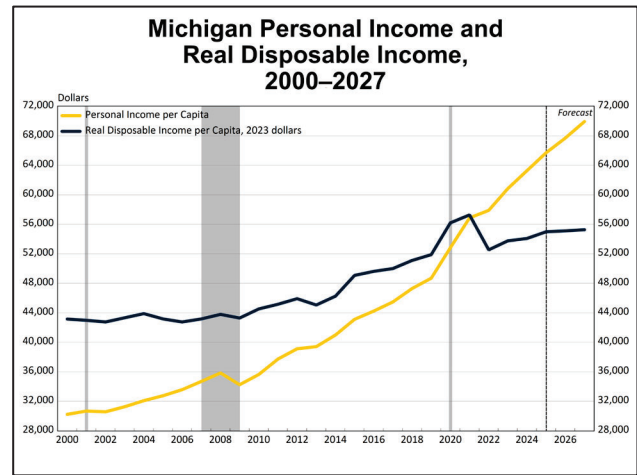
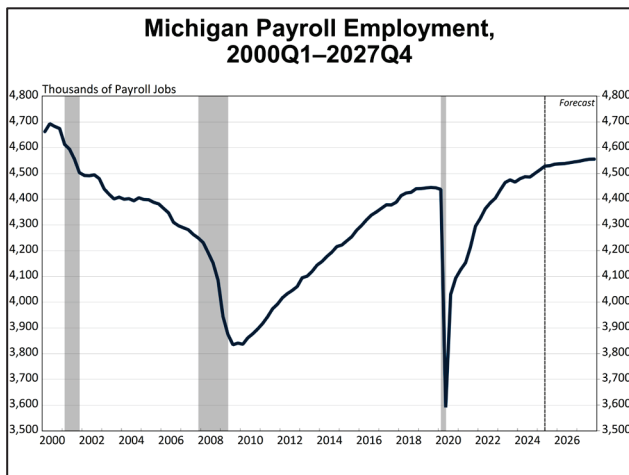
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Gabriel M. Ehrlich, Director

George A. Fulton & Saul H. Hymans
Directors Emeriti

For Release: 9/2/2025

The Michigan Economic Outlook for 2025–2027: Executive Summary



Michigan’s economy has been displaying mixed signals recently. Payroll employment has risen at a healthy clip, while resident employment has declined for five consecutive months. We project more clarity ahead as both payroll and resident employment grow at a modest pace. Payroll job growth decelerates from 38,700 this year to 13,700 next year and 12,100 in 2027. Michigan’s unemployment rate creeps up to 5.7 percent in the second half of next year before edging back down to 5.5 percent by the end of 2027.

We expect tariffs to reduce employment in Michigan’s auto sector over the next several years, but recent regulatory changes such as the relaxation of fuel economy standards are likely to encourage domestic auto production.

We continue to expect growth to be concentrated in industries that are not generally sensitive to the state of the business cycle, such as private education and health services, leisure and hospitality, and government. We expect the strain of scheduled cuts to Medicaid and other social assistance programs not to be felt acutely until after 2027.

We project Detroit CPI inflation to moderate to 2.0 percent this year before picking back up to 3.2 percent next year, as tariffs feed through to consumer prices. We forecast local inflation to tick down to 2.9 percent in 2027 as the tariffs’ impact begins to phase out. We do not expect local inflation to return to the pace seen in 2021–23.

Personal income per capita in Michigan has more than doubled since the turn of the century, growing from \$30,200 in 2000 to \$63,300 in 2024. The past two years have seen strong growth, with personal income per capita rising 5.1 percent in 2023 and 4.0 percent in 2024. We project growth to tick down to 3.9 percent in 2025 before decelerating to an average of 3.2 percent over the next two years, bringing Michigan’s personal income per capita to \$69,900 in 2027.

Real disposable income per capita has grown much more slowly, rising at an average pace of just 1 percent per year since 2000. We project growth to register a solid 1.7 percent this year. Real disposable income holds roughly flat in 2026 and 2027.

OXFORD COMMUNITY SCHOOLS

Fiscal Year 2026-27 Budget Development Calendar

<u>Task or Event Description</u>	<u>Time Frame</u>
School Loan Revolving Fund Draw/Payment	July 2025
Board of Education Meeting <ul style="list-style-type: none"> • School Bond Loan Fund Annual Estimate Loan Application 	July 29, 2025
Board of Education Finance Subcommittee Meeting <ul style="list-style-type: none"> • Review budget development timelines for FY2026-27 	August 22, 2025
Oxford Virtual Academy vendor payments (semester 1)	October 2025
Annual Summer Tax Resolution Approval <ul style="list-style-type: none"> • Addison & Oxford Townships – 100% summer levy • Brandon Township – 50% / 50% split levy • Dryden, Hadley, Metamora – 100% winter levy 	October 21, 2025
Board of Education FY2024-25 Audit Presentation	October 21, 2025
Board of Education Meeting <ul style="list-style-type: none"> • Review of budget development calendar documents 	November 4, 2025
District Bonded Debt Service payment due	November 2025
Key District Reporting Dates <ul style="list-style-type: none"> • District FID Annual Report Due • District Continuing Disclosure Report Due • District Qualify Statement Report Due 	November 1, 2025 December 15, 2025 December 15, 2025
FY 2026-27 Budget Assumptions development: <ul style="list-style-type: none"> • January Consensus Revenue Estimating Conference • Begin FY2026-27 Revenue & Expenditure Assumptions Development <ul style="list-style-type: none"> ○ Student enrollment and draft staffing projections ○ Foundation allowance ○ All other identified major changes/assumptions 	January 2026

OXFORD COMMUNITY SCHOOLS

Fiscal Year 2026-27 Budget Development Calendar

<u>Task or Event Description</u>	<u>Time Frame</u>
Oxford Virtual Academy vendor payments (semester 2)	February 2026
FY2025-26 Amendment 1 First Reading	February 10, 2026
FY2025-26 Amendment 1 Second Reading/Approval	February 24, 2026
Board of Education <ul style="list-style-type: none"> • OCS Three Year Budget Forecast (Draft 1) – Presentation • Status review of FY2026-27 draft-1 budget inclusive of all known operating assumptions and district changes (budget by function) 	February 24, 2026
Develop and Issue FY2026-27 Budget Worksheets for Departments: <ul style="list-style-type: none"> • Departmental budget worksheets • Building per pupil allocation worksheets 	April 2026
School Loan Revolving Fund Draw/Payment	April 2026
FY2026-27 Final Budget Decisions then begin documentation	May 2026
District Bonded Debt Service Payments Issued for	May 2026
May Consensus Revenue Estimating Conference <ul style="list-style-type: none"> • Make final adopted budget planning adjustments if needed 	May 2026
Board of Education Meeting: <ul style="list-style-type: none"> • Consensus Revenue Estimating Conference Update 	May 26, 2026
Board of Education Meeting: <ul style="list-style-type: none"> • Truth in Budget and Taxation Hearing Presentation: <ul style="list-style-type: none"> ○ Review Draft-2 of FY2026-27 Budgets • Approval of the L-4029 Tax Levy Document • FY2025-26 Final Budget Amendment – First Reading 	June 9, 2026
Board of Education Meeting: <ul style="list-style-type: none"> • FY2025-26 Final Budget Amendment – Second Reading/Approval • FY2026-27 Adopted Budget – Second Reading/Approval 	June 23, 2026

Oxford Community Schools
Board Reporting Schedule
Fiscal Year 2025-26

Report Type	Frequency	Reporting Period	Data Due Date	Report Final	Board Meeting Date
Periodic Board Financial Report	Quarterly	July - September	10/22/2025	10/29/2025	11/4/2025
Periodic Board Financial Report	Quarterly	October - December	1/26/2026	2/4/2026	2/10/2026
Periodic Board Financial Report	Quarterly	January - March	4/22/2026	4/29/2026	5/5/2026
District Financial Statements	Annual				