

The School District of The City of Wyandotte



Final Budget Revision 2019-20 SY

Proposed Budgets 2020-21 SY



FINAL BUDGET REVISION 2019-20

Revised General Fund Revenue March Revision Compared to Final

The final changes to the estimated revenue were extensive due to the possible proration from the State to make up the \$ 1 billion short fall in the School Aid Fund due to Covid-19 pandemic. The expense adjustments in the General Fund were relatively small.

Revenue decreased by \$2,501,435.

- Local revenue was decreased by \$2,501,435. This reflects the possible proration the State could impose on the 19-20 school year. \$700 per student using a blend pupil count was used to calculate this reduction to state aide revenue with categorical revenue e.g. At Risk, Early Literacy, CTE kept in place.

Expenditures decreased by \$352,521

Most of the decrease was due to less spending because of school closure on March 13th 2020.

Revenue And Expenditures

% Difference – March Revision Compared To Final

	Final Revision 19 20	March Revision 19 20	Change	% Change
Local Sources	\$ 4,075,319	\$4,182,113	\$ (106,794)	(2.55)%
State Sources	\$ 34,264,149	\$ 36,658,790	\$ (2,394,641)	(6.53)%
Federal Sources	\$ 25,000	\$ 25,000	0	0%
Incoming Transfers & Other Transactions	\$ 2,258,000	\$2,258,000	0	0%
Total Revenue	\$ 40,622,468	\$ 43,123,903	\$(2,501,435)	(5.8)%

	Final Revision 19 20	March Revision 19 20	Change	% Change
Instruction	\$ 25,347,902	\$ 25,366,632	\$ (18,730)	(.07)%
District Support Services	\$ 17,679,524	\$ 18,106,035	\$ (426,511)	(2.36)%
Other	\$ 1,591,260	\$ 1,498,540	\$ 92,720	3.82%
Total Expenses	\$ 44,618,686	\$ 44,971,207	\$ (352,521)	(.78)%

Fund Balance – General Fund

June 30, 2020

School District of The City of Wyandotte
General Fund Balance Summary
Final Revision 2019-20 SY

	GENERAL FUND
Beginning Fund Balance 7 1 2019	\$ 8,908,430
Revenue	\$ 40,622,468
Expenses	\$ (44,618,686)
Ending Fund Balance 6 30 2020	\$ 4,912,212
Change	\$ -3,996,218
Fund Balance as A Percentage of Total Expenditures	11.01%

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PROPOSED BUDGETS 2020-21

Here Is What We Know.

- The district is authorized to levy the full 18-mill non-homestead tax rate.
- The pupil membership blend is 90% of the fall count and 10% of the spring count, of the prior school year. No change.
- Much uncertainty from the State on the Foundation Allowance for the 20-21 school year. This year 20-21 was developed with the same \$700 per pupil reduction and less 125 students in the fall. The reduced revenue is \$926,372 and the proposed reductions in expenses are massive \$3,614,550.

Revenue Assumptions.

- Levy of the full 18.00 mills for non-homestead properties.
- A loss of 125 student FTE's.
- A base foundation per pupil amount of \$7,411. No consensus on Foundation Allowance from Lansing at this time.

Expenditure Assumptions.

- Health Care increase January 2021 of 7%.
- Retirement rate increase 2.7%.
- Proposed reductions of \$ 3,614,550 in wages, benefits, professional development, supplies, capital outlay.

Comparative Revenue And Expenditures 2019-20 / 2020-21 SY

	Final Revision 2019-20	Proposed 2020-21	Change	% Change
Local Sources	\$ 4,075,319	\$ 4,075,319	0	0%
State Sources	\$ 34,264,149	\$ 33,337,777	\$ (926,372)	(2.62)%
Federal Sources	\$ 25,000	\$ 25,000	0	0%
Incoming Transfers & Other Transactions	\$ 2,258,000	\$ 2,258,000	0	0%
Total Revenue	\$ 40,622,468	\$ 39,696,096	(\$ 962,372)	(2.28)%

	Final Revision 2019-20	Proposed 2020-21	Change	% Change
Instruction	\$ 25,347,902	\$ 22,838,076	(\$ 2,509,826)	(9.90)%
District Support Services	\$17,679,524	\$ 16,674,800	(\$ 1,004,724)	(5.68) %
Other	\$ 1,591,260	\$ 1,491,260	(\$100,000)	(6.28)%
Total Expenses	\$ 44,618,686	\$ 41,004,136	(\$ 3,614,550)	(8.10)%

General Fund – Estimated Fund Balances June 30, 2021

School District of The City of Wyandotte
Fund Balance Summary
Proposed 2020-21SY

	GENERAL FUND
Beginning Fund Balance 7 1 2020	\$ 4,912,212
Revenue	\$ 39,696,096
Expenses	\$ (41,004,136)
Ending Fund Balance 6 30 2021	\$ 3,604,172
Change	\$ (1,308,040)
Fund Balance as A Percentage of Total Expenditures	8.79%

The Advantages of Maintaining A Fund Balance

Is Being Fiscally Responsible Such A Bad Thing?

- Provides adequate cash reserves, which reduces the cost of annual cash flow borrowing.
- Provides a safety net of funds that the district can use to address revenue shortfalls (declining enrollment, a reduction in State funding) or unanticipated expenditures (facility needs, legal settlements, weather challenges).
- Provides the District the resources to respond to specific instructional and operational needs of the district, without philosophical “give and take”.
- Affords the district adequate resources to manage its workforce cost, allowing us the ability to continue to provide reasonable and affordable employee wages and benefits.
- The viability of The City of Wyandotte depends upon the instructional and fiscal success of its community school district.

As We Move Forward.

- ▶ Student Enrollment / Choice.
- ▶ State of Michigan- Economic Growth ?
- ▶ State SAF Funding. How will shortfall be addressed?
- ▶ Preservation of a minimum 10% Fund Balance Level.
- ▶ Budget Planning For 2020-21 SY Revision.
- ▶ Sinking Fund Levy 1.75 mills.

Where To Get Additional Budget Information

- www.wyandotte.org

