



PUBLIC HEARING

2023-24 PROPOSED BUDGET

June 5, 2023



Outline

- Purpose of the Public Hearing
- Budget Process and Timeline
- District Accounting Funds Explanation
- 10 Year General Fund Trend
- All Funds Budget Summary
- General Fund and Sub Funds
- Remaining Funds
- Proposed Millage Rates and Tax Information
- Next Steps

Purpose of Public Hearing

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 2023-2024 Budget, the underlying tax levy supporting it, and to comply with existing law.

The Board may not adopt its Proposed 2023-2024 budget until after the Public Hearing

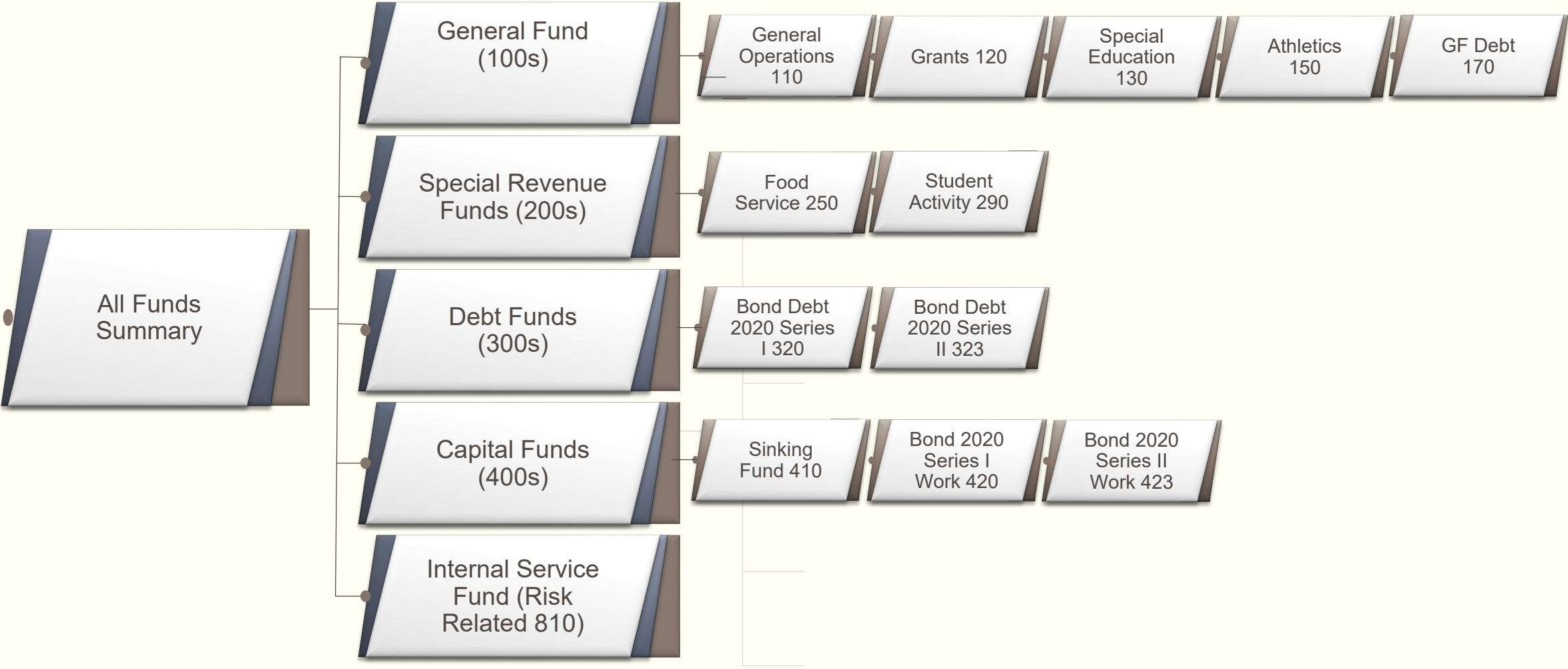


2023-2024 Budget Process & Timeline

Jan	1 st State Revenue Consensus Meeting
Feb	Governor's Budget Released
Feb/Mar	Send budget information to dept. heads / principals
April	Est. tax revenues, update wages and benefits
April	Receive new staffing and program requests, receive dept budgets
April	Prepare draft Budget for Board Retreat
May 3	Board Retreat
May	Update Budget based on Board retreat and updated information, update millage rate information / levy
May 30	Proposed Budget Finalized
June 5	Public Hearing

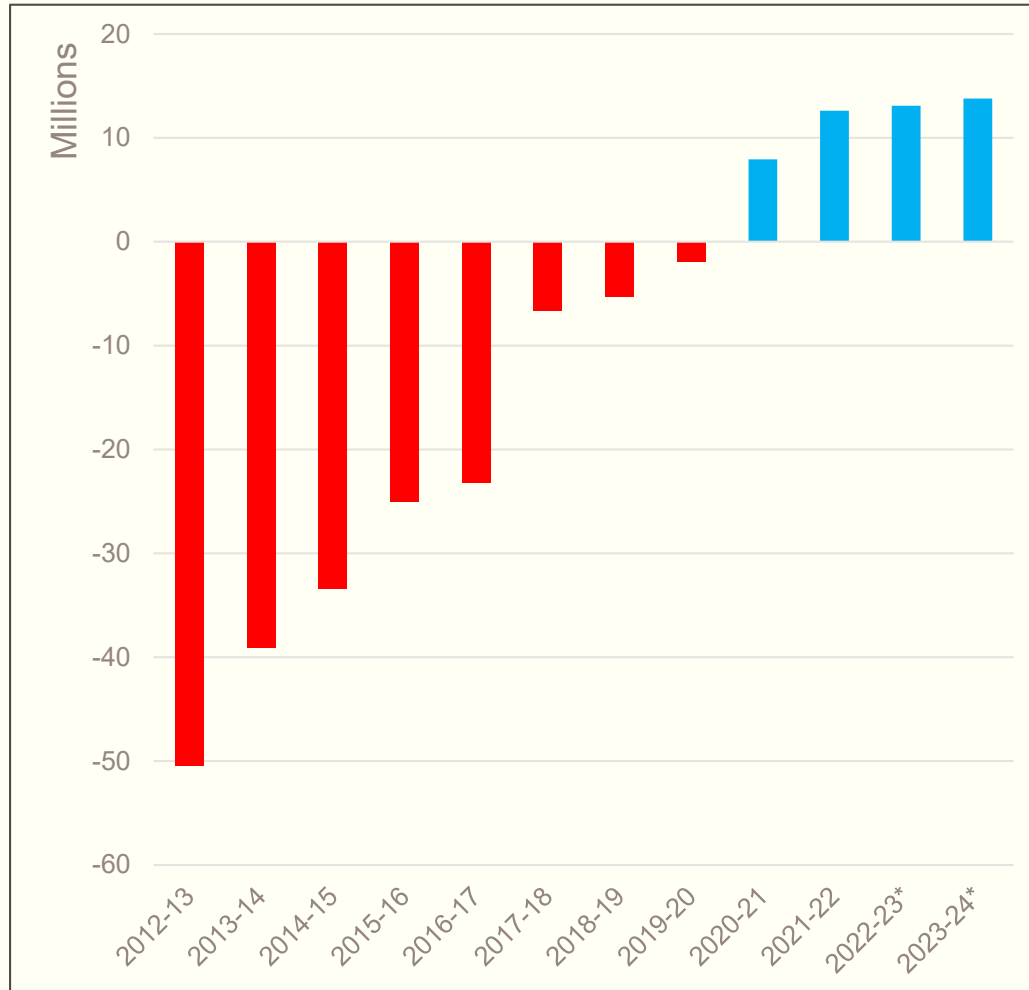


District Fund Structure

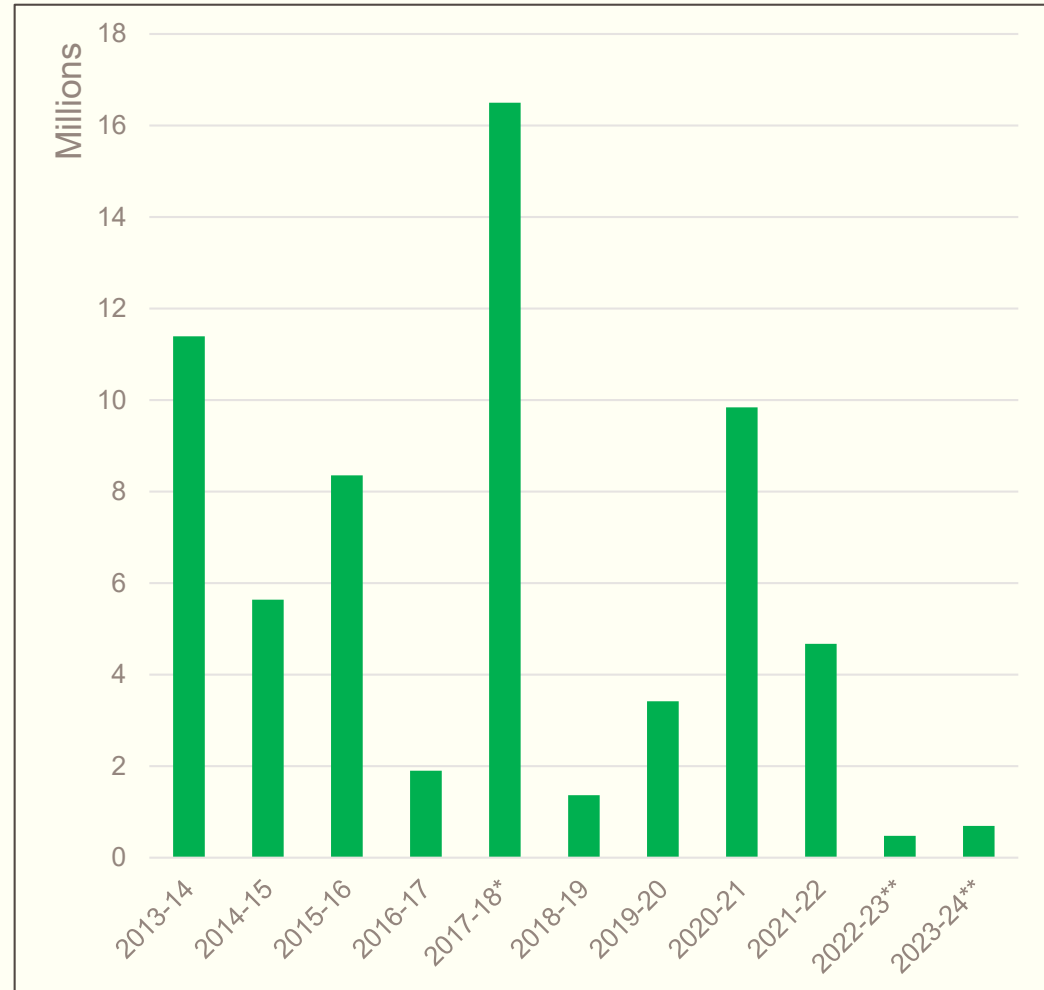


10 Year Financial Trends – General Fund

Fund Balance History



Annual Surplus (Shortfall) History



All Fund FY2024 Summary By Function

	<u>General Fund</u> <u>Funds 110-170</u>	<u>Special Revenue</u> <u>Funds 250, 290</u>	<u>Bonded Debt</u> <u>Fund 320, 323</u>	<u>Capital Projects</u> <u>Fund 410, 420, 423</u>	<u>Risk Related</u> <u>Fund 810</u>	<u>Totals</u>
REVENUE						
Local	\$ 43,548,658	\$ 110,000	\$ 6,995,000	\$ 3,765,294	\$ 915,000	\$ 55,333,952
State	20,762,670	205,518	-	-	-	20,968,187
Federal	32,159,062	2,992,395	-	-	-	35,151,457
County & Interdistrict	15,253,999	-	-	-	-	15,253,999
TOTAL REVENUE	\$ 111,724,389	\$ 3,307,913	\$ 6,995,000	\$ 3,765,294	\$ 915,000	\$ 126,707,595
EXPENDITURES BY FUNCTION						
Instructional Services	\$ 45,785,589	\$ -	\$ -	\$ -	\$ -	\$ 45,785,589
Supporting Services	41,043,585	3,176,924	-	-	915,000	45,135,509
Community Services	1,112,582	-	-	-	-	1,112,582
Debt Service	1,250,128	-	7,251,750	-	-	8,501,878
Capital / Building Improvements	11,236,534	-	-	23,803,000	-	35,039,534
Other Financing	8,575,000	-	-	-	-	8,575,000
Fund Modifications	2,481,564	100,000	-	-	-	2,581,564
TOTAL EXPENDITURES	\$ 111,484,982	\$ 3,276,924	\$ 7,251,750	\$ 23,803,000	\$ 915,000	\$ 146,731,656
Net Surplus (Shortfall) - Current Year	\$ 239,407	\$ 30,988	\$ (256,750)	\$ (20,037,706)	\$ -	\$ (20,024,061)
Beginning Fund Balance	13,086,134	632,183	782,843	43,134,856	1,003,349	58,639,365
Projected Ending Fund Balance	13,325,541	663,172	526,093	23,097,150	1,003,349	38,615,304

All Fund FY2024 Summary By Object

	General Fund Funds 110-170	Special Revenue Funds 250, 290	Bonded Debt Fund 320, 323	Capital Projects Fund 410, 420, 423	Risk Related Fund 810	Totals
REVENUE						
Local	\$ 43,548,658	\$ 110,000	\$ 6,995,000	\$ 3,765,294	\$ 915,000	\$ 55,333,952
State	20,762,670	205,518	-	-	-	20,968,187
Federal	32,159,062	2,992,395	-	-	-	35,151,457
County & Interdistrict	15,253,999	-	-	-	-	15,253,999
TOTAL REVENUE	\$ 111,724,389	\$ 3,307,913	\$ 6,995,000	\$ 3,765,294	\$ 915,000	\$ 126,707,595
EXPENDITURES BY OBJECT						
Salaries	\$ 35,602,383	\$ 821,217	\$ -	\$ -	\$ -	\$ 36,423,600
Benefits	26,037,402	514,558	-	-	295,000	26,846,960
Purchased Services	17,651,070	542,745	-	-	620,000	18,813,815
Supplies	6,127,470	1,200,404	-	-	-	7,327,874
Debt	9,825,128	-	7,251,750	-	-	17,076,878
Capital Improvements	11,256,770	-	-	23,803,000	-	35,059,770
Other / Financing	4,984,759	98,000	-	-	-	5,082,759
Fund Modifications	-	100,000	-	-	-	100,000
TOTAL EXPENDITURES	\$ 111,484,982	\$ 3,276,924	\$ 7,251,750	\$ 23,803,000	\$ 915,000	\$ 146,731,656
Net Surplus (Shortfall) - Current Year	\$ 239,407	\$ 30,988	\$ (256,750)	\$ (20,037,706)	\$ -	\$ (20,024,061)
Beginning Fund Balance	13,086,134	632,183	782,843	43,134,856	1,003,349	58,639,365
Projected Ending Fund Balance	13,325,540	663,172	526,093	23,097,150	1,003,349	38,615,304

General Fund FY2024 Summary By Function

	2021-22 Actual	2022-23 Amendment #1	2023-24 Proposed Budget	Variance
REVENUE				
Local	\$ 35,401,483	\$ 38,978,079	\$ 43,548,658	\$ 4,570,579
State	16,782,437	16,978,561	20,762,670	3,784,109
Federal	19,305,039	30,951,636	32,159,062	1,207,426
County & Interdistrict	-	-	-	
Other Financing Sources	51,151,342	18,683,239	15,253,999	(3,429,240)
TOTAL REVENUE	\$ 122,640,301	\$ 105,591,515	\$ 111,724,389	\$ 6,132,873
EXPENDITURES				
Instructional Services	\$ 31,397,078	\$ 40,017,447	\$ 45,785,589	\$ 5,768,142
Supporting Services	35,188,955	40,611,005	41,043,585	432,580
Community Services	252,154	1,243,240	1,112,582	(130,658)
Debt Service	31,071,375	1,849,858	1,250,128	(599,730)
Capital / Building Improvements	1,371,338	7,900,000	11,236,534	3,336,534
Other Financing	14,615,075	11,075,000	8,575,000	(2,500,000)
Fund Modifications	4,072,855	2,419,237	2,481,564	62,327
TOTAL EXPENDITURES	\$ 117,968,830	\$ 105,115,787	\$ 111,484,982	\$ 6,369,195
Net Surplus (Shortfall) - Current Year	\$ 4,671,471	\$ 475,729	\$ 239,407	
Beginning Fund Balance	\$ 7,938,934	\$ 12,610,405	\$ 13,086,134	
Projected Ending Fund Balance	\$ 12,610,405	\$ 13,086,134	\$ 13,325,541	

General Fund FY2024 Summary By Object

	2021-22 Actual	2022-23 Amendment #1	2023-24 Proposed Budget	Variance
<u>REVENUE</u>				
Local	\$ 35,401,483	\$ 38,978,079	\$ 43,548,658	\$ 4,570,579
State	16,782,437	16,978,561	20,762,670	3,784,109
Federal	19,305,039	30,951,636	32,159,062	1,207,426
County & Interdistrict				
Other Financing Sources	51,151,342	18,683,239	15,253,999	(3,429,240)
TOTAL REVENUE	\$ 122,640,301	\$ 105,591,515	\$ 111,724,389	\$ 6,132,873
<u>EXPENDITURES</u>				
Salaries	\$ 28,835,809	\$ 33,710,854	\$ 35,602,383	\$ 1,891,529
Benefits	17,277,733	23,208,925	26,037,402	2,828,477
Purchased Services	15,325,034	16,808,372	17,651,070	842,698
Supplies	3,307,655	3,595,077	6,127,470	2,532,393
Debt Service	45,822,500	12,924,858	9,825,128	(3,099,730)
Capital	2,017,305	9,921,600	11,256,771	1,335,171
Other / Other Financing	5,382,794	4,946,100	4,984,758	38,658
TOTAL EXPENDITURES	\$ 117,968,830	\$ 105,115,786	\$ 111,484,982	\$ 6,369,196
Net Surplus (Shortfall) - Current Year	\$ 4,671,471	\$ 475,729	\$ 239,407	
Beginning Fund Balance	\$ 7,938,934	\$ 12,610,405	\$ 13,086,134	
Projected Ending Fund Balance	\$ 12,610,405	\$ 13,086,134	\$ 13,325,540	

General Fund FY2024 Budget Assumptions

Revenue	Expenditures
Local Revenue (39.0%)	Wages (31.9%)
<ul style="list-style-type: none"> Property Taxes \$41 million Local Grants \$1.3 million Interest/Other \$1.2 million 	<ul style="list-style-type: none"> 2.8% Wage increase all employees Additional increases for PEA / PPIA
State Revenue (18.6%)	Benefits (23.4%)
<ul style="list-style-type: none"> MPSERS (Retirement) \$6.2 million At Risk \$3.0 million GSRP \$2.9 million Special Education \$6.9 million 	<ul style="list-style-type: none"> Mandatory State retirement contribution Health care cap for all employees Jan 1, 2024
Federal Revenue (28.8%)	Purchased Services (15.8%)
<ul style="list-style-type: none"> ESSER III \$19 million Title I-IV \$10.3 million IDEA \$1.2 million 21st Century \$0.9 million 	<ul style="list-style-type: none"> Contracted staffing and services
Other Financing / Other Revenue (13.7%)	Supplies (5.5%)
<ul style="list-style-type: none"> TAN \$8.5 million (down from \$11 million) PA 18 County \$4.6 million 	Capital (10.1%)
	<ul style="list-style-type: none"> ESSER funded projects
	Debt Service (8.8%)
	<ul style="list-style-type: none"> TAN \$8.5 million (down from \$11 million) Reduced debt (assuming 600k state payout)

Staffing Changes

FTE's (Full Time Equivalent)

General Fund – 16.57

Teachers – 14.57

Helper – 2.00

Grants – 32.43

Teachers – 12.43

Assistants – 16.00

Tutor – 2.00

Paras – 1.00

Security – 1.00



Big Picture Budget Items / Changes

- FY2024 budget would be 11th year in a row of General Fund financial surplus
- FY2024 GF Fund Balance of \$13.3 million
- Minimum of a 2.8% increase in wages for all staff, plus applicable step increases, includes additional dollars to make Pontiac competitive for teacher pay and benefits, and for teacher aides / paraprofessionals
- Reduces borrowing by \$2.5 million (\$11 million to \$8.5 million)
- Includes expected payoff of State debt (\$600k savings FY2024, \$23.1 million total)
- Dollars to finish WHRC, PHS, PMS construction projects
- WHRC doors/windows, Herrington and Rogers Elementary schools in the design phase
- Updated furniture, equipment and technology
- Increased security officers and added/improved security equipment & services

Big Picture Budget Items / Changes

- ESSER dollars set aside for student learning loss related to Covid
- District changed transportation vendor with goal to significantly improve service quality
- Significant increase in support of athletic program
- Bringing PMS custodial staff back to in-house
- Additional student course offerings
- Dollars to improve food service quality and variety
- District is monitoring cash flow on a daily basis in order to maximize interest earnings

Food Service FY2024 Budget Assumptions

Revenue \$3.215 million

Local Revenue (\$17k - 0.5%)

Catering, Adult Meals

State Revenue (\$206k - 16.4%)

State reimbursements

Federal Revenue (\$2.99 million - 28.8%)

Breakfast program
Lunch program
Child care
Fruit & vegetable
Summer school

Expenditures \$3.184 million

Wages \$821k (25.8%)

Benefits \$515k (16.2%)

Purchased Services \$543k (17.0%)

Supplies \$1.200 million (37.7%)

Food cost \$1.180 million

Transfer to General Fund \$100k (3.2%)

Food Service Fund FY2024 Summary By Object

	2021-22 <u>Actual</u>	2022-23 <u>Amendment #1</u>	2023-24 <u>Proposed Budget</u>	Variance
<u>Revenues</u>				
Local Sources	\$ 2,584	\$ 36,000	\$ 17,000	\$ (19,000)
State Sources	176,749	103,000	205,518	102,518
Federal Sources	2,740,353	3,192,280	2,992,395	(199,885)
Other Financing Sources	-	-	-	-
	<u>\$ 2,919,686</u>	<u>\$ 3,331,280</u>	<u>\$ 3,214,913</u>	<u>\$ (116,367)</u>
<u>Expenditures</u>				
Salaries	794,920	772,049	821,217	\$ 49,168
Benefits	433,444	486,198	514,558	28,360
Purchased Services	671,243	524,534	542,745	18,211
Supplies	1,012,259	1,380,023	1,200,404	(179,619)
Debt	-	-	-	-
Capital Improvements	-	-	-	-
Other / Financing	9,429	6,700	5,000	(1,700)
<u>Fund Modifications</u>	-	100,000	100,000	-
	<u>\$ 2,921,295</u>	<u>\$ 3,269,504</u>	<u>\$ 3,183,924</u>	<u>\$ (85,580)</u>
Net Surplus (Shortfall) - Current Year	\$ (1,609)	\$ 61,776	\$ 30,988	
Beginning Fund Balance	431,267	386,346	386,346	
Projected Ending Fund Balance	\$ 429,658	\$ 448,122	\$ 417,334	

Student Activity FY2024 Budget Assumptions

Revenue \$93,000

Local Revenue (\$93k - 100%)

19 student activity accounts, mostly in school buildings

Expenditures \$93,000

Mostly supplies, purchased services

Spent on student needs
Largest activity fund is the ITA robotics

Student Activity Fund FY2024 Summary By Object

	2021-22 <u>Actual</u>	2022-23 <u>Amendment #1</u>	2023-24 <u>Proposed Budget</u>	<u>Variance</u>
<u>REVENUE</u>				
Local	\$ 70,120	\$ 76,500	\$ 93,000	\$ 16,500
State	-	-	-	-
Federal	-	-	-	-
County & Interdistrict	-	-	-	-
Other Financing Sources	-	-	-	-
TOTAL REVENUE	<u>\$ 70,120</u>	<u>\$ 76,500</u>	<u>\$ 93,000</u>	<u>\$ 16,500</u>
<u>EXPENDITURES</u>				
Salaries		\$ -		
Benefits		-		
Purchased Services		-		
Supplies		-		
Debt		-		
Capital Improvements		-		
Other / Financing		76,500	93,000	16,500
<u>Fund Modifications</u>		-		
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 76,500</u>	<u>\$ -</u>	<u>\$ -</u>
Net Surplus (Shortfall) - Current Year	\$ 70,120	\$ -	\$ 93,000	
Beginning Fund Balance	67,025	\$ 184,062	\$ 184,062	
Projected Ending Fund Balance	\$ 137,145	\$ 184,062	\$ 277,062	

Bond 2020 Series I Debt Fund FY2024 Budget Assumptions

Revenue \$5.650 million

Local Revenue

Property tax levy of \$5.6 million
Interest of \$50k

Tax levy of 1.62 mills

Expenditures \$6.002 million

Payments to pay debt associated with the first series of bonds (\$103 million) in support of the \$147 million voted bond issue

Principal payment \$2.39 million
Interest payment \$3.62 million

Debt payments made in November and May

Bond 2020 Series I Debt Fund FY2024 Summary By Function

	2021-22 Actual	2022-23 Amendment #1	2023-24 Proposed Budget	Variance
REVENUE				
Local	\$ 5,914,593	\$ 6,270,000	\$ 5,650,000	\$ (620,000)
State	-	-	-	-
Federal	-	-	-	-
County & Interdistrict				
Other Financing Sources	-	-	-	-
TOTAL REVENUE	\$ 5,914,593	\$ 6,270,000	\$ 5,650,000	\$ (620,000)
EXPENDITURES				
<u>Supporting Services</u>				
Bond and note redemption	\$ 1,795,000	\$ 2,085,000	\$ 2,390,000	\$ 305,000
Bond and note interest	3,805,750	3,716,000	3,611,750	(104,250)
Debt Defeasement / Other	-	-	-	-
TOTAL EXPENDITURES	\$ 5,600,750	\$ 5,801,000	\$ 6,001,750	\$ 200,750
Net Surplus (Shortfall) - Current Year	\$ 313,843	\$ 469,000	\$ (351,750)	
Beginning Fund Balance	-	313,843	782,843	
Projected Ending Fund Balance	\$ 313,843	\$ 782,843	\$ 431,093	

Bond 2020 Series II Debt Fund FY2024 Budget Assumptions

Revenue \$1.345 million

Local Revenue

Property tax levy of \$1.325 million
Interest of \$20k

Tax levy of 0.38 mills

Total of 2.00 mills for Series I and II

Expenditures \$1.250 million

Payments to pay debt associated with the second series of bonds (\$25 million) in support of the \$147 million voted bond issue

Principal payment \$0 million
Interest payment \$1.25 million

Debt payments made in November and May

Bond 2020 Series II Debt Fund FY2024 Summary By Function

	<u>2022-23 Amendment #1</u>	<u>2022-23 Amendment #2</u>	<u>2023-24 Proposed Budget</u>	<u>Variance</u>
<u>REVENUE</u>				
Local	\$ -	\$ -	\$ 1,345,000	\$ 1,345,000
State	-	-	-	-
Federal	-	-	-	-
County & Interdistrict				
Other Financing Sources	-	-	-	-
TOTAL REVENUE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,345,000</u>	<u>\$ 1,345,000</u>
<u>EXPENDITURES</u>				
<u>Supporting Services</u>				
Bond and note redemption	\$ -	\$ -	\$ -	\$ -
Bond and note interest	-	-	1,250,000	1,250,000
Debt Defeasement / Other	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,250,000</u>	<u>\$ 1,250,000</u>
Net Surplus (Shortfall) - Current Year	\$ -	\$ -	\$ 95,000	
Beginning Fund Balance	-	-	-	
Projected Ending Fund Balance	\$ -	\$ -	\$ 95,000	

Sinking Fund FY2024 Budget Assumptions

Revenue \$2.84 million

Local Revenue

Property tax levy of \$2.740 million
Interest of \$100k

Tax levy of 0.7980 mills (was rolled back from voted 0.80 mills)

FY2024 is year 3 of the 5 year voted millage

Expenditures \$2.168 million

Remaining PHS/PMS science lab project (\$1.5 M)

\$600k set aside for repairs

Sinking Fund FY2024 Summary By Function

	2021-22 Actual	2022-23 Amendment #2	2023-24 Proposed Budget	Variance
REVENUE				
Local	\$ 2,303,770	\$ 2,750,000	\$ 2,840,000	\$ 90,000
State	-	-	-	-
Federal	-	-	-	-
County & Interdistrict	-	-	-	-
Other Financing Sources	-	-	-	-
TOTAL REVENUE	\$ 2,303,770	\$ 2,750,000	\$ 2,840,000	\$ 90,000
EXPENDITURES				
<u>Supporting Services</u>				
Other Business Services	\$ -	\$ 30,000	\$ 30,000	\$ -
Professional Services	20,802	38,000	38,000	-
Infrastructure Technology	-	-	-	-
Site Improvements	-	-	-	-
Building Improvements	542,719	1,800,000	2,100,000	300,000
<u>Debt Service</u>	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ 563,521	\$ 1,868,000	\$ 2,168,000	\$ 300,000
Net Surplus (Shortfall) - Current Year	\$ 1,740,249	\$ 882,000	\$ 672,000	
Beginning Fund Balance	3,350,830	5,091,079	5,973,079	
Projected Ending Fund Balance	\$ 5,091,079	\$ 5,973,079	\$ 6,645,079	

Bond 2020 Series I Capital Fund FY2024 Budget Assumptions

Revenue \$426K

Local Revenue

Interest earnings \$426k

Expenditures \$12.87 million

FY24 Funded projects:

PHS Infrastructure
PMS Infrastructure
FFE
Technology
Professional Fees

Bond 2020 Series I Capital Fund FY2024 Summary By Function

	2021-22 Actual	2022-23 Amendment #2	2023-24 Proposed Budget	Variance
REVENUE				
Local	\$ (258,635)	\$ 1,594,000	\$ 425,294	\$ (1,168,706)
State	-	-	-	-
Federal	-	-	-	-
County & Interdistrict	-	-	-	-
Other Financing Sources	-	-	-	-
TOTAL REVENUE	\$ (258,635)	\$ 1,594,000	\$ 425,294	\$ (1,168,706)
EXPENDITURES				
<u>Supporting Services</u>				
Building Improvements	\$ 22,057,761	\$ 39,310,000	\$ 12,000,000	\$ (27,310,000)
Instructional Technology	184,806	680,000	-	(680,000)
Furniture & Equipment	973,379	1,690,000	50,000	(1,640,000)
Site Improvements	69,684	-	-	-
Professional Fees	3,755,856	5,845,000	820,000	(5,025,000)
Bond Issuance Costs	2,375,608	-	-	-
TOTAL EXPENDITURES	\$ 29,417,094	\$ 47,525,000	\$ 12,870,000	\$ (34,655,000)
Net Surplus (Shortfall) - Current Year	\$ (29,675,729)	\$ (45,931,000)	\$ (12,444,706)	
Beginning Fund Balance	88,118,506	58,442,777	12,511,777	
Projected Ending Fund Balance	58,442,777	12,511,777	67,071	

Bond 2020 Series II Capital Fund FY2024 Budget Assumptions

Revenue \$500K

Local Revenue

Interest earnings \$500k

Expenditures \$8.765 million

FY24 Funded projects:

WHRC Doors & Windows
Herrington Infrastructure
Rogers Infrastructure
FFE
Technology
Professional Fees

Bond 2020 Series II Capital Fund FY2024 Summary By Function

	<u>2022-23 Adopted Budget</u>	<u>2022-23 Amendment #2</u>	<u>2023-24 Proposed Budget</u>	<u>Variance</u>
<u>REVENUE</u>				
Local	\$ -	\$ 25,000,000	\$ 500,000	\$ (24,500,000)
State	-	-	-	-
Federal	-	-	-	-
County & Interdistrict	-	-	-	-
Other Financing Sources	-	-	-	-
TOTAL REVENUE	<u>\$ -</u>	<u>\$ 25,000,000</u>	<u>\$ 500,000</u>	<u>\$ (24,500,000)</u>
<u>EXPENDITURES</u>				
<u>Supporting Services</u>				
Building Improvements	\$ -	\$ -	\$ 7,500,000	\$ 7,500,000
Instructional Technology	-	-	-	-
Furniture & Equipment	-	-	200,000	200,000
Site Improvements	-	-	-	-
Professional Fees	-	-	1,065,000	1,065,000
Bond Issuance Costs	-	350,000	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 350,000</u>	<u>\$ 8,765,000</u>	<u>\$ 8,765,000</u>
Net Surplus (Shortfall) - Current Year	\$ -	\$ 24,650,000	\$ (8,265,000)	
Beginning Fund Balance	-	-	24,650,000	
Projected Ending Fund Balance	-	24,650,000	16,385,000	

Risk Related Fund FY2024 Budget Assumptions

Revenue \$915K

Transfer

From General Fund

Expenditures \$915k

Covered Costs:

General Liability Insurance
Deductibles
Workers' Compensation Costs
Unemployment Costs

Risk Related Fund FY2024 Summary By Function

	2021-22 Actual	2022-23 Amendment #1	2023-24 Proposed Budget	Variance
REVENUE				
Local	\$ 1,079,854	\$ 360,000	\$ 915,000	\$ 555,000
State	-	-	-	-
Federal	-	-	-	-
County & Interdistrict				
Other Financing Sources	-	-	-	-
TOTAL REVENUE	\$ 1,079,854	\$ 360,000	\$ 915,000	\$ 555,000
EXPENDITURES				
<u>Insurance Program</u>				
Workers Compensation	\$ 104,107	\$ 290,000	\$ 260,000	\$ (30,000)
Unemployment	9,750	75,000	35,000	(40,000)
Property & Casualty Insurance	605,326	520,000	620,000	100,000
TOTAL EXPENDITURES	\$ 719,183	\$ 885,000	\$ 915,000	\$ 30,000
Net Surplus (Shortfall) - Current Year	\$ 360,671	\$ (525,000)	\$ -	
Beginning Fund Balance	1,167,678	1,528,349	1,003,349	
Projected Ending Fund Balance	\$ 1,528,349	\$ 1,003,349	\$ 1,003,349	



PUBLIC HEARING

2023-24 PROPOSED TAX RATES

June 5, 2023



FY 2024 Truth in Budgeting Public Hearing

As part of Proposal A (approved by the voters in Michigan in 1994), in order to collect the full Per Pupil State Funding, Districts are required to levy 18 mills on their Non-Homestead properties

This includes commercial and industrial properties, as well as vacant land and second homes

This 18 mills does not apply for a person's primary residence

This millage amount must be authorized by the school district voters, and since the millage can be reduced due to the "Headlee Amendment", most district have their voters authorize more than 18 mills to cover any potential rollback in the rate

Pontiac Schools authorized rate is currently 19.8892 mills, but again the actual levy cannot exceed 18 mills



FY 2024 Truth in Budgeting Public Hearing

For FY2024, there was no Headlee Rollback, therefore, the District's authorized millage remains at 19.8892

the District is proposing the levy of 18.000 mills on Non-Homestead properties, resulted in an estimated tax revenue of \$41.07 million

The Proposed budget also includes a 00.7980 Sinking Fund millage (rolled back from 00.8000 mills) that will generate \$2.74 million.

The Proposed budget also includes a 2.00 Debt Fund Millage in support of the Bond 2020 Series I and Series II

All of these rates are the same as in FY2023



FY 2024 Truth in Budgeting Public Hearing

For FY2024, there was no Headlee Rollback, therefore, the District's authorized millage remains at 19.8892

the District is proposing the levy of 18.000 mills on Non-Homestead properties, resulted in an estimated tax revenue of \$41.07 million

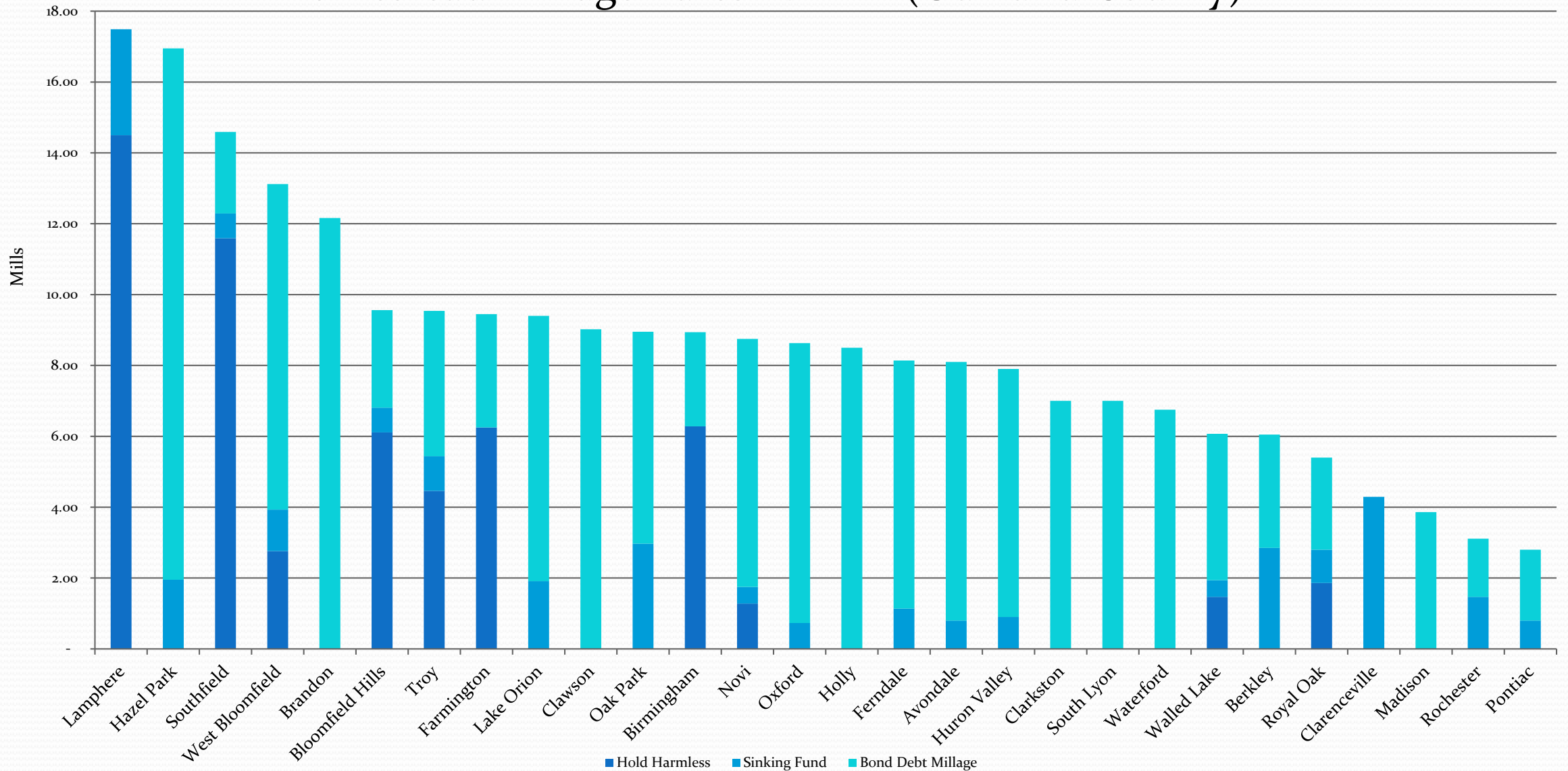
The Proposed budget also includes a 00.7980 Sinking Fund millage (rolled back from 00.8000 mills) that will generate \$2.74 million.

The Proposed budget also includes a 2.00 Debt Fund Millage in support of the Bond 2020 Series I and Series II

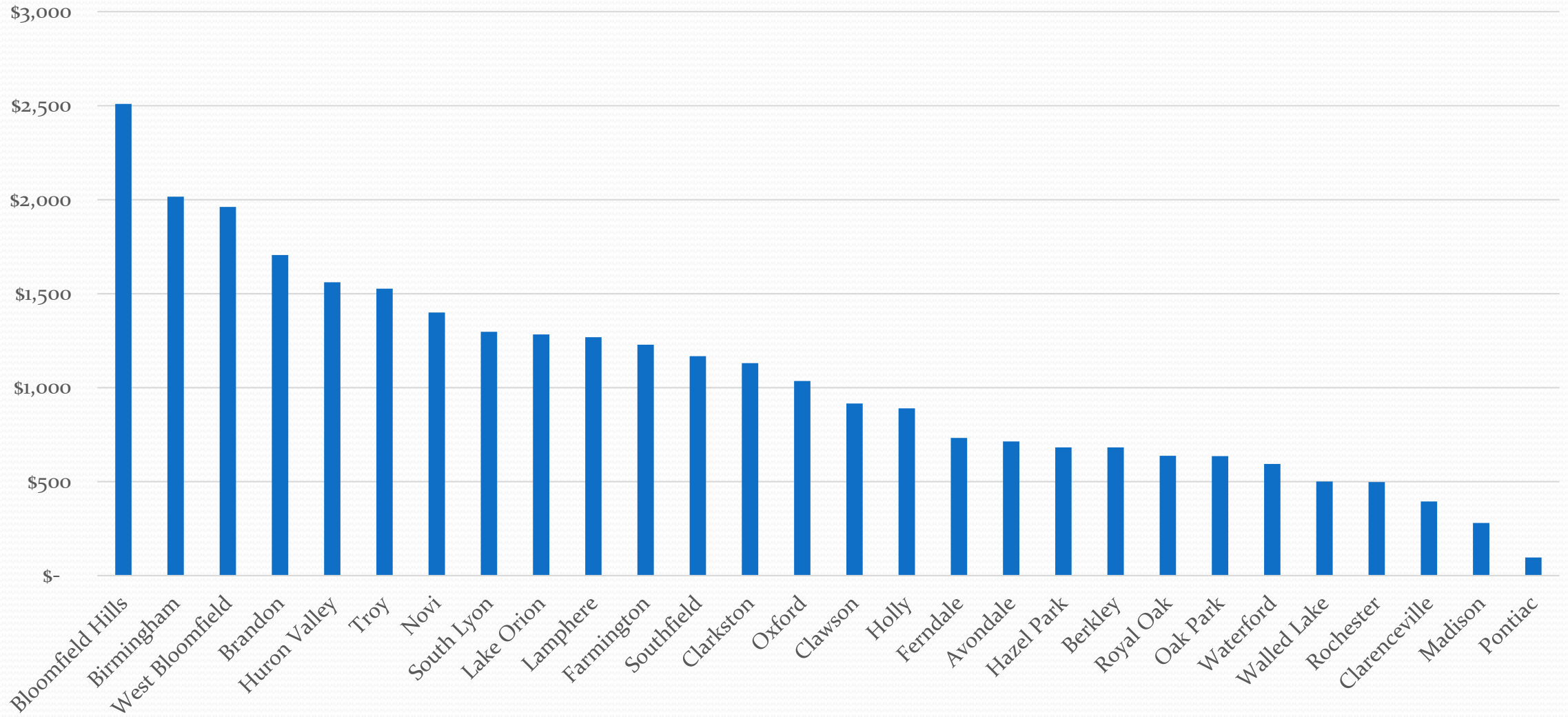
All of these rates are the same as in FY2023



Homestead Millage Rates 2021-22 (Oakland County)



Avg. Homeowner School Tax Bill By Community*



*2020 Taxable Values with 2022 Tax Rates

Next Steps

June 5, 2023: 1st Reading (Public Hearing)

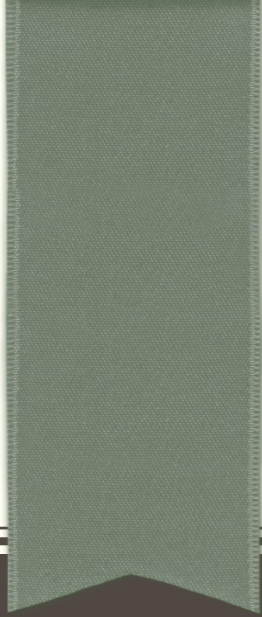
June 19, 2023: Adoption

Oct 2023: Audit Results for FY2023

Dec 2023: First Amendment FY2024
(including audit results)

May/June 2024: Second Amendment
FY2024





PUBLIC COMMENTS?