

School District of the City of Pontiac

APPROVED

2nd Budget Amendment 2024-
2025

Presented June 9, 2025



2024-25 Budget Amendment #2

- The General Fund Revenues increased by \$9,018,824
- Major G/F revenue changes from the Amended Budget:
 - \$580k increase in MPSERS Reimbursement
 - \$200k increase in expected interest earnings
 - \$120k increase in Lease Receipts
 - \$125k increase in Misc. Revenues
 - \$9.18M increase for Bus Rebate Program
 - \$2.7M increase for Grant Deferral Revenues (One-time)
 - \$1.0M increase for State Special Education Reimbursement
 - \$430k decrease in projected property tax revenues (due to adjusted taxable values)
 - \$2.5M decrease in TAN borrowing (One-time)
 - \$1.99M decrease in Fund 110 Transfers to Funds 150 and 170

2024-25 Budget Amendment #2

- The General Fund Expenditures increased by \$6,502,591
- Major G/F Expenditure changes from Adopted Budget:
 - \$760k increase for one-time MPSERS pass through
 - \$100k increase in Professional Services
 - \$8.7M increase for Electric Bus Purchases
 - \$960k decrease due to lower MPSERS UAAL Rate
 - \$1.99M decrease in Fund 110 Transfers to Funds 150 and 170
 - \$100k decrease in net staffing and contracted costs

2024-25 Budget Amendment #2

- One time Grant deferred revenue is being used to reduce the TAN, basically an offset (Great use of one-time money, TAN borrowing could even go lower if things look better in mid June)
- The \$2.5 million budget improvement are basically due to three items:
 - \$1.0 million more in expected Special Education State Reimbursements (\$536,000 of this is for prior year, and therefore, one-time)
 - \$500,000 which represents the cost of electric charging stations paid last year, that were reimbursed this year
 - \$1.0 million for reduced UAAL rate, which is expected to go up next year

G/F Revenue Changes by Class

- **LOCAL- Small Variances**

- Less than \$8k

- **STATE- \$1.59M Increase**

- Section 147 MPSERS Reimbursements-\$2.35M decrease

- Section 53 Special Ed Reimbursements-\$91k decrease

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- **FEDERAL-\$2.7M Decrease**

- Deferred one-time revenues of \$4.05M in FY25, reduced by \$1.3 expected FY26

- Other grant impact unknown due to Grants Budget not included at this time

- **OTHER FINANCING SOURCES-\$9.1M Decrease**

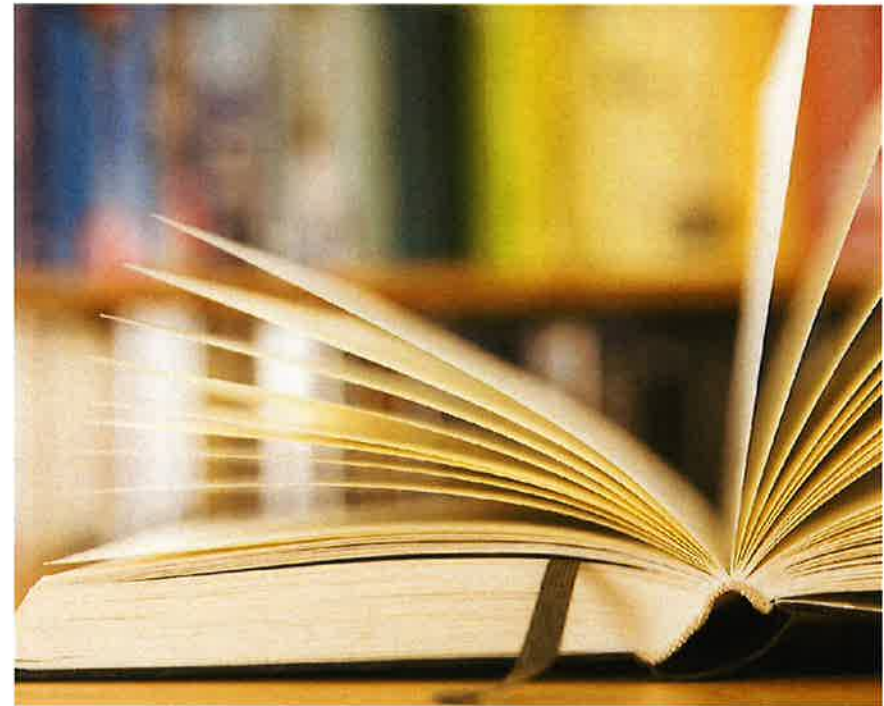
- Bus rebate program of \$9.2M in FY25, not FY26

DRAFT

PUBLIC HEARING

2025-26 PROPOSED BUDGET

June 9, 2025



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 2025-2026 Budget, the underlying tax levy supporting it, and to comply with existing law.

The Board may not adopt its Proposed 2025-2026 budget until after the Public Hearing



Outline

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

Budget & Audit Cycle



2025-2026 Budget Process & Timeline

Jan	1 st State Revenue Consensus Meeting
Feb	Governor's Budget Released
Mar/April	Meeting budget information to dept. heads / principals
April	Est. tax revenues, update wages and benefits
May	Receive new staffing and program requests, receive dept budgets
May	Budget meetings with Superintendent/Admin Team
May	Prepare Draft Budget and present at Board Retreat
May	Update Budget based on Board retreat, other meetings, and new information, finalize tax rates
June 9	Public Hearing on Budget and Tax Rates, adopt Tax Rates after Hearing
June 23	Board to adopt Proposed Budget



Account Code Structure

Appendix – Definitions of Account Codes

CODING STRUCTURE

BALANCE SHEET

Fund	Transaction Code	Major Class	Suffix	Not Used
XX	X	XXX	XXXX	XXXX - XXXX - XXXX - XXXX

REVENUES

Fund	Transaction	Major Class	Suffix		Grant	Other
XX	X	XXX	XXXX	XXX	XXXX	XXXXX-XXXX

EXPENDITURES

Fund	Transaction	Function	Object	Program	Grant	Facility /School	Other
XX	X	XXX	XXXX	XXX	XXXX	XXXXX	XXXX

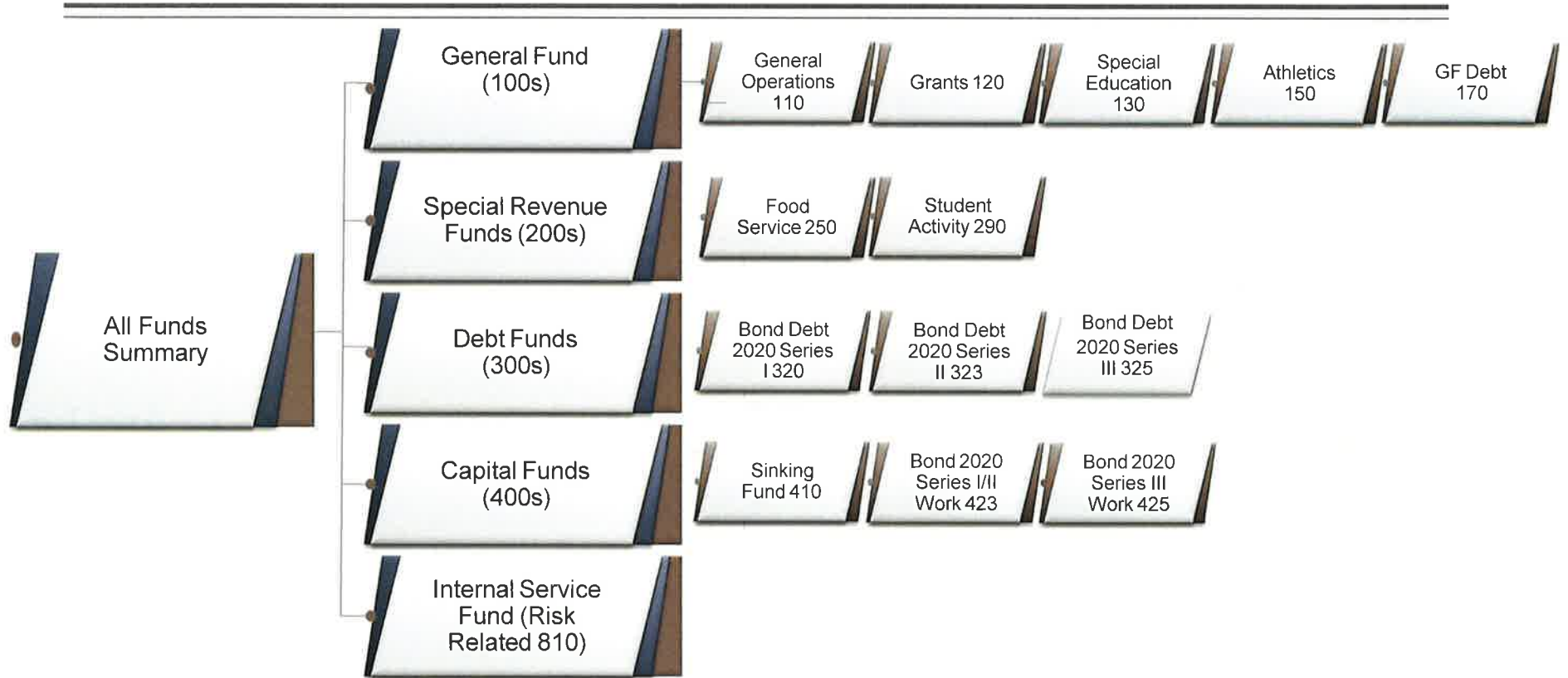
Fund Options

Appendix – Definitions of Account Codes – Fund Codes

Account Code	Fund Type	Fund Name
11	General Fund (1)	General Fund
21	Special Revenue (2)	Athletic Fund
22	Special Revenue (2)	* Special Education Fund
23	Special Revenue (2)	Community Service Fund
24	Special Revenue (2)	Bookstore Fund
25	Special Revenue (2)	Food Service Fund
26	Special Revenue (2)	* Vocational Education Fund
27	Special Revenue (2)	Cooperative Activities Fund
28	Special Revenue (2)	Public Purpose Trust Fund
29	Special Revenue (2)	Student/School Activity Fund
31 - 39	Debt Service Funds (3)	Debt Service Funds
41 - 49	Capital Projects Fund (4)	Capital Projects Funds
51 - 59	Trust Funds (5)	Trust Funds
61 - 69	Fiduciary Funds (6)	Fiduciary Funds
71 - 79	Enterprise (7)	Enterprise
81 - 89	Internal Service (8)	Internal Service
91 - 99	District Wide Reporting (9)	District Wide Reporting
91	District Wide Reporting (9)	Capital Asset Accounts
92	District Wide Reporting (9)	Long Term Liability Accounts

* These funds may only be used by intermediate school district and center programs.

District Fund Structure



STATE OF MICHIGAN
2024-2025 State Aid Financial Status Report
Payment Dated: 04/21/2025

April State Aid Payment

District: 63030 ISD: 63
 Pontiac City School District

FY 2025 Foundation	9,608.00
FY 1995 Foundation	5,383.71

State Aid Membership	3,788.93
General ED K-12 (23a: 2.17)	3,444.94
Supplemental 2024	3,397.48
Fall 2024	3,447.80
Special ED K-12 Sec 52	323.99
Supplemental 2024	321.71
Fall 2024	324.24
Special ED K-12 Sec 53	0.00
Supplemental 2024	0.00
Fall 2024	0.00

	Amount	Mills	Revenue
Non-Pre TV	2,329,412,888	18.000	41,929,432
Comm PP TV	265,675,085	6.000	1,533,451
Assumed Local Revenue			43,482,683
Local Revenue Per GE			12,616.44
Local Revenue Per Membership			11,631.89

Special Ed. Costs	11,540,692.00
Special Ed. Transp. Costs	1,709,911.00

CURRENT YEAR ALLOWANCES		Amount	Pct to Date	Previous Amts	Current Amt
51c	SPEC ED HEADLEE OBLIGATION	4,506,347.24	63.63%	2,457,761.78	409,626.97
22b/51e	DISCRETIONARY PAYMENT	3,112,895.92	63.63%	1,700,445.94	280,289.73
31a	AT RISK	4,467,682.96	63.63%	2,431,209.38	405,201.56
61d	CTE PER PUPIL INCENTIVE	28,618.64	63.63%	14,617.81	2,419.63
22	DISTRICT TRANSPORTATION COSTS	295,743.76	63.63%	161,298.85	26,883.10
35a(5)	EARLY LITERACY TARGETED INSTRUCTIO	73,186.00	63.63%	39,916.64	6,852.61
99h	FIRST ROBOTICS	12,742.50	100.00%	12,742.50	0.00
22c	FOUNDATION EQUITY PAYMENT	589,084.74	63.63%	321,878.11	52,956.51
162a	HEADLEE OBLIGATION FOR DATA COLLEC	110,717.53	63.63%	60,492.50	9,957.06
20f	HOLD HARMLESS GUARANTEE	14,510.38	63.63%	7,928.34	1,304.61
31aa	MENTAL HEALTH GRANT - PER PUPIL	429,632.00	63.63%	39,120.54	234,254.30
147a(1)	MPSERS COST OFFSET	382,194.45	63.63%	187,540.85	32,923.48
147a(4)	MPSERS COST OFFSET - REDUCED UAAL	1,817,821.44	63.63%	991,439.81	165,239.97
147g	MPSERS EMP HEALTHCARE REMB	547,971.95	63.63%	288,863.90	48,810.65
147a(2)	MPSERS NORMAL COST OFFSET	604,674.90	100.00%	604,674.90	0.00
147c(2)	MPSERS ONE TIME DEPOSIT	759,959.79	63.63%	414,481.52	69,080.26
147e	MPSERS REFORMS - DEFINED CONTRIBUT	119,294.95	100.00%	119,294.95	0.00
147c(1)	MPSERS UAAL RATE STABILIZATION	3,343,359.24	63.63%	1,823,468.13	303,911.35
21h	PARTNERSHIP MODEL DISTRICTS	549,873.00	100.00%	549,873.00	0.00
26a	RENAISSANCE ZONE	43,271.10	63.63%	23,600.06	3,933.34
31d	SCHOOL LUNCH	102,769.46	63.63%	56,049.92	9,341.65
61a(2)	VOC. ED. ADMINISTRATION	6,252.00	63.63%	3,409.64	568.31
61a(1)	VOCATIONAL EDUCATION	25,620.02	63.63%	13,973.16	2,328.88
		<u>\$21,912,201.97</u>		<u>\$12,343,981.23</u>	<u>\$2,066,683.95</u>

Note: Payments under Section 147c should be forwarded to ORS upon receiving an invoice notice.



School District of the City of Pontiac

General Fund Budget Summary by Function
FY 2025-2026 Proposed Budget

	2023-24 Actual	2024-25 Amendment #2	2025-26 Proposed Budget
REVENUE			
Local	\$ 41,992,645	\$ 46,535,086	\$ 47,376,531
State	24,493,203	33,585,737	31,167,338
Federal	17,895,555	32,136,105	29,436,105
County & Interdistrict			
Other Financing Sources	30,290,099	19,473,722	10,375,413
TOTAL REVENUE	\$ 114,671,502	\$ 131,730,650	\$ 118,355,387
EXPENDITURES			
<u>Instructional Services</u>			
Basic Programs	\$ 23,331,629	\$ 31,247,511	\$ 28,130,372
Added Needs	15,258,229	18,226,130	18,997,121
Adult & Continuing Education	69,535	51,334	51,334
<u>Supporting Services</u>			
Pupil Services	7,296,836	9,822,802	9,935,878
Instructional Staff Support Services	4,384,539	6,001,958	6,012,842
General Administration	1,789,741	2,762,080	1,897,973
School Administration	4,280,222	4,350,569	4,301,858
Business Support	2,336,989	1,356,032	1,418,467
Operations/Maintenance & Security	10,573,140	12,674,485	12,792,727
Transportation	5,337,673	20,859,503	12,325,794
Central Support	11,256,442	4,277,944	4,364,231
Other	608,248	797,526	796,128
<u>Community Services</u>	496,701	927,018	942,518
<u>Debt Service</u>	19,695,169	1,247,539	1,249,356
<u>Capital/ Building Improvements</u>	686,179	9,325,000	9,325,000
<u>Other Financing</u>	8,500,000	7,083,094	4,518,346
<u>Fund Modifications</u>	76,345	419,215	419,215
TOTAL EXPENDITURES	\$ 115,977,617	\$ 131,429,740	\$ 117,479,160
Net Surplus (Shortfall) - Current Year	\$ (1,306,115)	\$ 300,910	\$ 876,227
Beginning Fund Balance	\$ 18,031,086	\$ 16,724,971	\$ 17,025,881
Projected Ending Fund Balance	\$ 16,724,971	\$ 17,025,881	\$ 17,902,109



School District Of The City Of Pontiac

Truth in Budget & Taxation Hearing

Purpose of the Hearing:

1. 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 2026 General Fund Budget, the underlying tax levy (L-4029) supporting it and to comply with existing law.
2. Compliance with “The General Property Tax Act”
 - a. Public Act 206 of 1893
 - i. Section 211.24e(3) “Truth in Taxation”
3. Compliance with the “Uniform Budgeting and Accounting Act”
 - a. Public Act 2 of 1968
 - i. 141.436 General Appropriations Act; requirements; etc.
 1. Section 16 – “The Truth in Budgeting Act”
4. We are proposing a tax levy (L-4029) to be applied on all applicable qualifying property as of July 1, 2025. Levy with the estimated tax revenue is:

a. General Fund Revenue Estimate:	18.0000 mills	\$44,395,973
b. Sinking Fund Revenue estimate:	0.7980 mills	\$ 2,944,135
c. Bond 2020 Debt	2,0000 mills	\$ 7,378,785
5. 1 mill of tax levy on a parcel of property with a taxable value of \$100,000 will produce \$100 of tax revenue.

General Fund FY2026 Budget Assumptions

Revenue	Expenditures
Local Revenue-40.0%	Wages
8.13% Increase in 24 TV	0.07% Wage Formula increase +
\$900k Interest Income	Step Increases of approx 1.30%
\$948K Local Grants	Only included for ratified contracts
State Revenue 26.3%	Benefits
MPSERS (Retirement) \$7.1 million	MPSERS Rates-30.27%/13.91%
At Risk \$9.1 million	New PA152 caps not included
GSRP \$3.1 million	
Special Education \$7.5 million	Purchased Services
Federal Revenue 24.9%	Contracted staffing and services-3% inflationary increases
ESSERIII-\$10.6M	Supplies
Title I-IV \$8.5 million	0% same level as FY25
IDEA \$1.2 million	Capital Outlay
21 st Century \$1.05million	0% same level as FY25
Other Financing / Other Revenue 8.8%	Debt Service
TAN \$7.0 million (down from \$8.5 million)	TAN \$4.5 million-reduction from \$7.0M in PY
PA 18 County \$4.9 million	

Staffing Changes

Due to Budget Constraints, no new positions are included in the Proposed Budget, except for 2 teaching positions for a budgeted growth of 50 students



Staffing Changes

VACANCY BUDGET

\$.98M for G/F

FTE's (Full Time Equivalent)

Reg Ed Teachers – 9.00

- Budget impact 4.5 due to est. cost avoidance

Specials Teachers – 23.00

- Budget impact 5.8 due to est. cost avoidance

Spec Ed Teachers – 30.00

- Budget impact 7.5 due to est. cost avoidance



Big Picture Budget Items / Changes

- Budgeted 6/30/26 G/F Fund Balance is \$17.6M/15% of G/F expenses
- State revenues based primarily on Governor's Budget proposal, final State Aid Budget unlikely until July/August
- Largest Budget Savings
 - Freezing all discretionary non-people costs
 - No additional staff positions, except for 2 teachers for student growth
 - Savings of over \$500k for one-time contracts, staff costs, and consultants
 - Budget includes \$2 million in cost reductions that will be made up of moving long term subs to contracted, move in-house custodians to the GRBS company, and various eliminations of positions

Big Picture Budget Items / Changes

- Due to most contracts not being ratified, the related wage and step increases are not included in the budget (impact would be approx. \$500k)
- 0.07% increase in wages for all staff with ratified contracts, plus applicable step increases
- Interest income budgeted to decrease \$500k due to lower interest rates expected
- Bus Rebate program (\$9 million) was in FY2025, this is primary reasons for overall reductions in revenues and expenditures – New bus program not included in budget but should be added when finalized
- Expected decrease in State's reimbursement of MPSERS costs

Food Service FY2026 Budget Assumptions

Revenue \$4.116 million	Expenditures \$4.082 million
Local Revenue \$17k	Wages \$1.059 million
Catering, Adult Meals	Benefits \$684k
State Revenue \$298k	Purchased Services \$603k
State reimbursements	Supplies \$1.420 million
Federal Revenue \$3.80 million	Food cost \$1.373 million
Breakfast program	Transfer to General Fund \$100k
Lunch program	
Child care	
Fruit & vegetable	
Summer school	

Food Service Fund FY2026 Summary by Function

	2023-24 Actual	2024-25 Amendment #2	2025-26 Proposed Budget	Variance
<u>Revenues</u>				
Local Sources	\$ 74,446	\$ 17,000	\$ 17,000	\$ -
State Sources	136,576	289,446	298,129	8,683
Federal Sources	3,284,385	3,689,291	3,799,970	110,679
Other Financing Sources	-	-	-	-
	\$ 3,495,407	\$ 3,995,737	\$ 4,115,099	\$ 119,362
<u>Expenditures</u>				
Staff Support Services	\$ 1,017	\$ 300	\$ 300	\$ -
School Administration	-	-	-	-
Food Services	3,520,312	3,882,394	3,978,570	96,176
Capital Outlay	-	-	-	-
Transfer to General Fund	-	100,000	103,000	-
	\$ 3,521,329	\$ 3,982,694	\$ 4,081,870	\$ 96,176
Net Surplus (Shortfall) - Current Year	\$ (25,922)	\$ 13,043	\$ 33,229	
Beginning Fund Balance	25,922	-	13,043	
Projected Ending Fund Balance	\$ -	\$ 13,043	\$ 46,272	

Student Activity FY2026 Budget Assumptions

Revenue \$97,000

Local Revenue \$97K

19 student activity accounts, mostly in school buildings

Expenditures \$97,000

Mostly supplies, purchased services

Spent on student needs
Largest activity fund is the ITA robotics

Student Activity Fund FY2026 Summary by Function

	<u>2023-24</u> <u>Actual</u>	<u>2024-25</u> <u>Amendment #2</u>	<u>2025-26</u> <u>Proposed Budget</u>	<u>Variance</u>
<u>REVENUE</u>				
Local	\$ 96,258	\$ 97,000	\$ 97,000	\$ -
State	-	-	-	-
Federal	-	-	-	-
County & Interdistrict	-	-	-	-
Other Financing Sources	-	-	-	-
TOTAL REVENUE	\$ 96,258	\$ 97,000	\$ 97,000	\$ -
<u>EXPENDITURES</u>				
<u>Instructional Services</u>				
Basic Programs	\$ 98,463	\$ 121,750	\$ 97,000	\$ (24,750)
TOTAL EXPENDITURES	\$ 98,463	\$ 121,750	\$ 97,000	\$ (24,750)
Net Surplus (Shortfall) - Current Year	\$ (2,205)	\$ (24,750)	\$ -	
Beginning Fund Balance	\$ 177,163	\$ 174,958	\$ 174,958	
Projected Ending Fund Balance	\$ 174,958	\$ 150,208	\$ 174,958	

Bond 2020 Series I Debt Fund FY2026 Budget Assumptions

Revenue \$4.59 million

Local Revenue

Property tax levy of \$4.5 million
Interest of \$60k

Tax levy of 1.22 mills

Total of 2.00 mills for Series I, II and III

Expenditures \$4.591 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 \$1.24 million
Interest payment \$3.36 million

Debt payments made in November and May

Bond 2020 Series I Debt Fund FY2026 Summary By Function

	2023-24 Actual	2024-25 Amendment #2	2025-26 Proposed Budget	Variance
<u>REVENUE</u>				
Local	\$ 5,777,137	\$ 5,980,000	\$ 4,561,059	\$ (1,418,941)
State	-	-	-	-
Federal	-	-	-	-
County & Interdistrict	-	-	-	-
Other Financing Sources	-	-	-	-
TOTAL REVENUE	\$ 5,777,137	\$ 5,980,000	\$ 4,561,059	\$ (1,418,941)
<u>EXPENDITURES</u>				
<u>Supporting Services</u>				
Bond and note redemption	\$ 2,390,000	\$ 2,720,000	\$ 1,235,000	\$ (1,485,000)
Bond and note interest	3,611,750	3,492,250	3,356,250	(136,000)
Debt Defeasement / Other	-	-	-	-
TOTAL EXPENDITURES	\$ 6,001,750	\$ 6,212,250	\$ 4,591,250	\$ (1,621,000)
Net Surplus (Shortfall) - Current Year	\$ (224,613)	\$ (232,250)	\$ (30,191)	
Beginning Fund Balance	1,177,089	952,476	720,226	
Projected Ending Fund Balance	\$ 952,476	\$ 720,226	\$ 690,035	

Bond 2020 Series II Debt Fund FY2026 Budget Assumptions

Revenue \$1.513 million

Local Revenue

Property tax levy of \$1.5 million
Interest of \$10k

Tax levy of 0.41 mills

Total of 2.00 mills for Series I, II and III

Expenditures \$1.557 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 \$1.56 million

Debt payments made in November and May

Bond 2020 Series II Debt Fund FY2026 Summary By Function

	2023-24 Actual	2024-25 Amendment #2	2025-26 Proposed Budget	Variance
<u>REVENUE</u>				
Local	\$ 1,125,064	\$ 1,515,000	\$ 1,522,651	\$ 7,651
State	-	-	-	-
Federal	-	-	-	-
County & Interdistrict	-	-	-	-
Other Financing Sources	-	-	-	-
TOTAL REVENUE	\$ 1,125,064	\$ 1,515,000	\$ 1,522,651	\$ 7,651
<u>EXPENDITURES</u>				
<u>Supporting Services</u>				
Bond and note redemption	\$ -	\$ -	\$ -	\$ -
Bond and note interest	1,042,193	1,136,938	1,556,938	420,000
Debt Defeasement / Other	-	-	-	-
TOTAL EXPENDITURES	\$ 1,042,193	\$ 1,136,938	\$ 1,556,938	\$ 420,000
Net Surplus (Shortfall) - Current Year	\$ 82,871	\$ 378,062	\$ (34,287)	
Beginning Fund Balance	-	82,871	460,933	
Projected Ending Fund Balance	\$ 82,871	\$ 460,933	\$ 426,646	

Bond 2020 Series III Debt Fund FY2026 Budget Assumptions

Revenue \$1.375 million

Local Revenue

Bonds to be sold in June 2025

Property tax levy of \$1.365 million
Interest of \$10k

Tax levy of 0.37 mills

Total of 2.00 mills for Series I, II, and III

Expenditures \$1.136 million

Payments to pay debt associated with the third series of bonds (\$17.9 million) in support of the \$147 million voted bond issue

Principal payment \$0 million
Est. Interest of \$1.312 million

Debt payments made in November and May

Bond 2020 Series III Debt Fund FY2026 Summary By Function

	2023-24 Actual	2024-25 Amendment #2	2025-26 Proposed Budget	Variance
<u>REVENUE</u>				
Local	\$ -	\$ -	\$ 1,375,075	\$ 1,375,075
State	-	-	-	-
Federal	-	-	-	-
County & Interdistrict	-	-	-	-
Other Financing Sources	-	-	-	-
TOTAL REVENUE	\$ -	\$ -	\$ 1,375,075	\$ 1,375,075
<u>EXPENDITURES</u>				
<u>Supporting Services</u>				
Bond and note redemption	\$ -	\$ -	\$ -	\$ -
Bond and note interest	-	-	1,311,646	1,311,646
Debt Defeasement / Other	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ 1,311,646	\$ 1,311,646
Net Surplus (Shortfall) - Current Year	\$ -	\$ -	\$ 63,429	
Beginning Fund Balance	-	-	-	
Projected Ending Fund Balance	\$ -	\$ -	\$ 63,429	

Sinking Fund FY2024 Budget Assumptions

Revenue \$3.16 million

Local Revenue

Property tax levy of \$3.099 million

- Est. collections of \$2.944 million

Interest of \$200k

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

FY2026 is year 5 of the 5 year voted millage

****LAST YEAR OF MILLAGE**

Expenditures \$7.019 million

\$6.5 M projects to be determined

\$500k set aside for repairs

Sinking Fund FY2026 Summary By Function

	2023-24 Actual	2024-25 Amendment #2	2025-26 Proposed Budget	Variance
REVENUE				
Local	\$ 3,242,066	\$ 3,340,000	\$ 3,164,135	\$ (175,865)
State	-	-	-	-
Federal	-	-	-	-
County & Interdistrict	-	-	-	-
Other Financing Sources	-	-	-	-
TOTAL REVENUE	\$ 3,242,066	\$ 3,340,000	\$ 3,164,135	\$ (175,865)
EXPENDITURES				
<u>Supporting Services</u>				
Other Business Services	\$ 15,183	\$ 15,000	\$ 15,000	\$ -
Professional Services	17,262	4,000	4,000	-
Infrastructure Technology	-	-	-	-
Site Improvements	-	-	-	-
Building Improvements	1,559,205	5,200,000	7,000,000	1,800,000
Retainage	-	-	-	-
TOTAL EXPENDITURES	\$ 1,591,650	\$ 5,219,000	\$ 7,019,000	\$ (5,219,000)
Net Surplus (Shortfall) - Current Year	\$ 1,650,416	\$ (1,879,000)	\$ (3,854,865)	
Beginning Fund Balance	5,933,978	7,584,394	5,705,394	
Projected Ending Fund Balance	\$ 7,584,394	\$ 5,705,394	\$ 1,850,529	

Bond 2020 Series I Capital Fund FY2026 Budget Assumptions

Revenue \$0

Fund estimated to be closed out at end of FY25

Expenditures \$0

Fund estimated to be closed out at end of FY25

Bond 2020 Series I/II Capital Fund FY2026 Summary By Function

	2023-24 Actual	2024-25 Amendment #2	2025-26 Proposed Budget	Variance
REVENUE				
Local	\$ 876,749	\$ 700,004	\$ -	\$ -
State	-	-	-	-
Federal	-	-	-	-
County & Interdistrict	-	-	-	-
Other Financing Sources	-	-	-	-
TOTAL REVENUE	\$ 876,749	\$ 700,004	\$ -	\$ -
EXPENDITURES				
<u>Supporting Services</u>				
Building Improvements	\$ 11,904,093	\$ 7,398,505	\$ -	\$ (2,398,505)
Instructional Technology	629,452	750,000	-	(750,000)
Furniture & Equipment	697,299	355,000	-	(355,000)
Site Improvements	-	-	-	-
Professional Fees	1,649,864	2,603,000	-	(1,053,000)
Other	145,174	-	-	-
TOTAL EXPENDITURES	\$ 15,025,882	\$ 11,106,505	\$ -	\$ (4,556,505)
Net Surplus (Shortfall) - Current Year	\$ (14,149,133)	\$ (10,406,501)	\$ -	
Beginning Fund Balance	24,555,634	10,406,501	-	
Projected Ending Fund Balance	10,406,501	-	-	

Bond 2020 Series III Capital Fund FY2026 Budget Assumptions

Revenue \$360K

Local Revenue

Interest earnings \$360k
(Bond Proceeds FY25 \$17.9M)

Expenditures \$10.0 million

FY26 Funded projects:

To Be Determined

Bond 2020 Series III Capital Fund FY2026 Summary By Function

	2023-24 Actual	2024-25 Amendment #2	2025-26 Proposed Budget	Variance
REVENUE				
Local	\$ -	\$ 17,900,000	\$ 360,000	\$ (17,540,000)
State	-	-	-	-
Federal	-	-	-	-
County & Interdistrict	-	-	-	-
Other Financing Sources	-	-	-	-
TOTAL REVENUE	\$ -	\$ 17,900,000	\$ 360,000	\$ (17,540,000)
EXPENDITURES				
<u>Supporting Services</u>				
Building Improvements	\$ -	\$ -	\$ 10,000,000	\$ 10,000,000
Instructional Technology	-	-	-	-
Furniture & Equipment	-	-	-	-
Site Improvements	-	-	-	-
Professional Fees	-	-	-	-
Other	-	138,950	-	-
TOTAL EXPENDITURES	\$ -	\$ 138,950	\$ 10,000,000	\$ 10,000,000
Net Surplus (Shortfall) - Current Year	\$ -	\$ 17,761,050	\$ (9,640,000)	
Beginning Fund Balance	-	-	17,761,050	
Projected Ending Fund Balance	-	17,761,050	8,121,050	

Risk Related Fund FY2026 Budget Assumptions

Revenue \$1.231M

Transfer

From General Fund for self-insurance expense

Expenditures \$1.355M

Covered Costs:

General Liability Insurance
Deductibles
Workers' Compensation Costs
Unemployment Costs
(Increased by \$250,000)

Risk Related Fund FY2026 Summary By Function

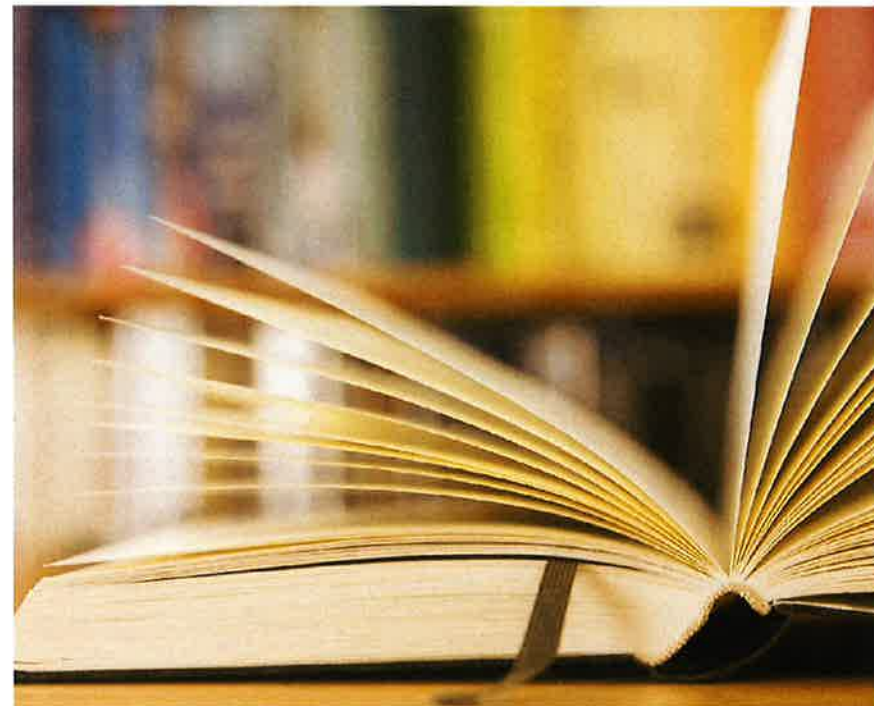
	2023-24 Actual	2024-25 Amendment #2	2025-26 Proposed Budget	Variance
REVENUE				
Local	\$ -	\$ 1,161,406	\$ 1,231,406	\$ 70,000
State	-	-	-	-
Federal	-	-	-	-
County & Interdistrict	-	-	-	-
Other Financing Sources	-	-	-	-
TOTAL REVENUE	\$ -	\$ 1,161,406	\$ 1,231,406	\$ 70,000
EXPENDITURES				
<u>Insurance Program</u>				
Workers Compensation	\$ 72,047	\$ 335,000	\$ 335,000	\$ -
Unemployment	-	50,000	300,000	250,000
Property & Casualty Insurance	576,330	720,000	720,000	-
TOTAL EXPENDITURES	\$ 648,377	\$ 1,105,000	\$ 1,355,000	\$ 250,000
Net Surplus (Shortfall) - Current Year	\$ (648,377)	\$ 56,406	\$ (123,594)	
Beginning Fund Balance	856,409	208,032	264,438	
Projected Ending Fund Balance	\$ 208,032	\$ 264,438	\$ 140,844	

APPROVED

PUBLIC HEARING

2025-26 PROPOSED TAX RATES

June 9, 2025



FY 2026 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 2026 Truth in Budgeting Public Hearing

For FY2026, 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 G/F tax revenue of \$44.4 million

The Proposed budget also includes a 00.7980 Sinking Fund millage (rolled back from 00.8000 mills) that will generate \$2.9 million.

The Proposed budget also includes a 2.00 Debt Fund Millage in support of the Bond 2020 Series I and Series II totaling \$7.4M

All of these rates are the same as in FY2025



L-4029 Snapshot

Michigan Department of Treasury
814 (Rev. 02-25)

ORIGINAL TO: County Clerk(s)
COPY TO: Equalization Department(s)
COPY TO: Each township or city clerk

L-4029

2025 Tax Rate Request (This form must be completed and submitted on or before September 30, 2025)

MILLAGE REQUEST REPORT TO COUNTY BOARD OF COMMISSIONERS

This form is issued under authority of MCL Sections 211.24e, 211.34 and 211.34d. Filing is mandatory. Penalty applies.

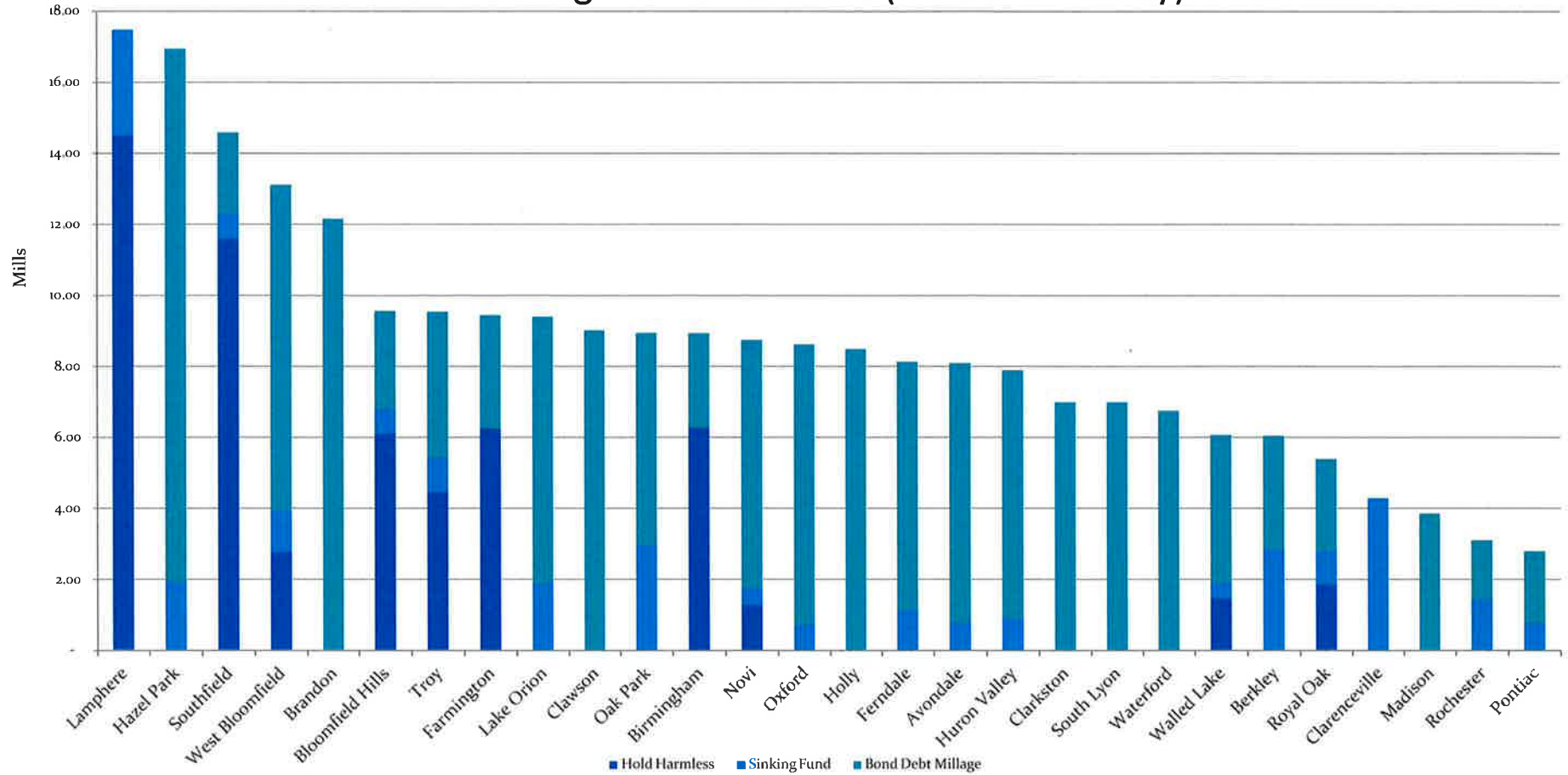
Carefully read the instructions on page 2.

County(ies) Where the Local Government Unit Levies Taxes Oakland	2025 Taxable Value of ALL Properties in the Unit as of 05-27-2025 \$3,883,571,284
Local Government Unit Requesting Millage Levy School District of the City of Pontiac	For LOCAL School Districts: 2025 Taxable Value excluding Principal Residence, Qualified Agricultural, Qualified Forest, Industrial Personal and Commercial Personal Properties. \$2,511,068,350

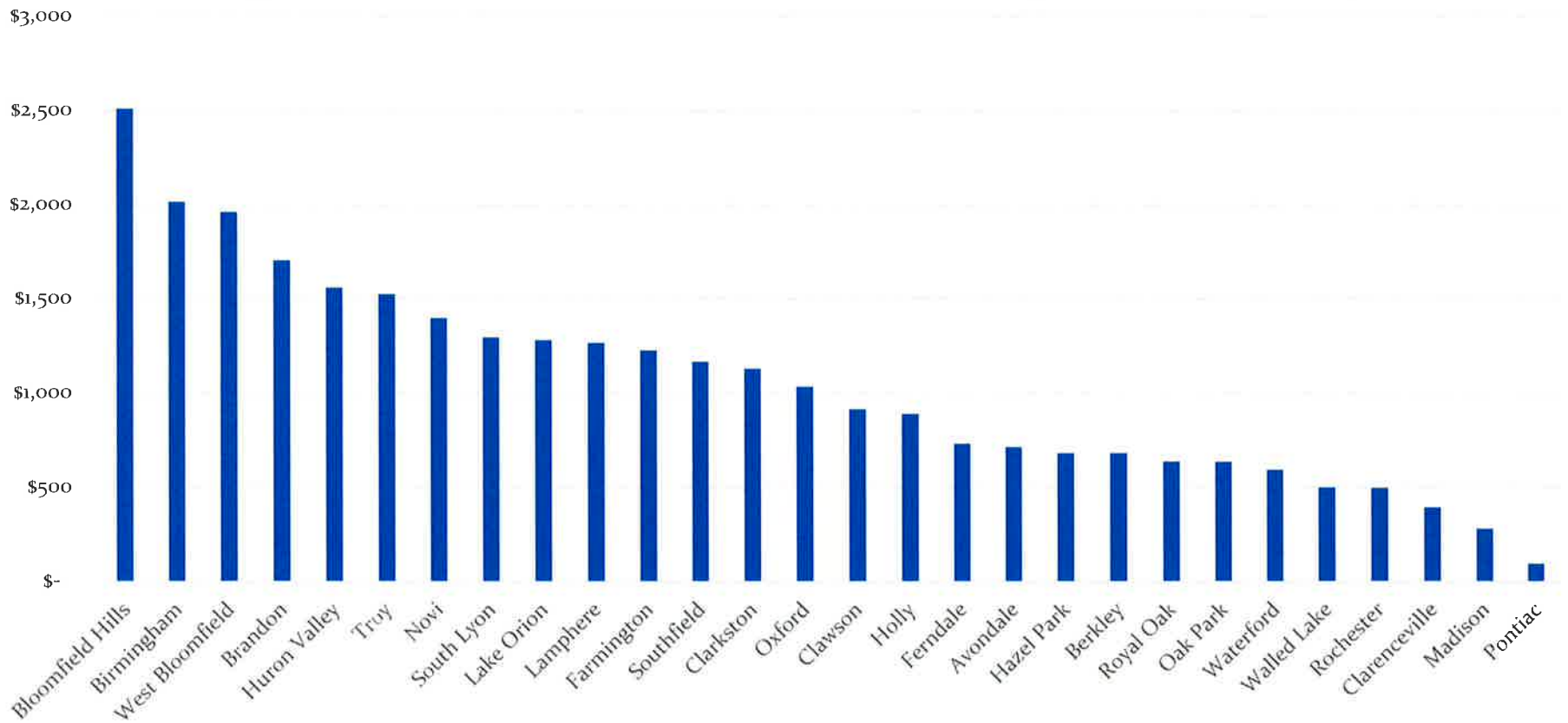
This form must be completed for each unit of government for which a property tax is levied. Penalty for non-filing is provided under MCL Sec 211.119. The following tax rates have been authorized for levy on the 2025 tax roll.

(1) Source	(2) Purpose of Millage	(3) Date of Election	(4) Original Millage Authorized by Charter, etc.	(5) ** 2024 Millage Rate Permanently Reduced by MCL 211.34d "Headlee"	(6) 2025 Current Year "Headlee" Millage Reduction Fraction	(7) 2025 Millage Rate Permanently Reduced by MCL 211.34d "Headlee"	(8) Sec. 211.34 Truth in Assessing or Equalization Millage Rollback Fraction	(9) Maximum Allowable Millage Levy *	(10) Millage Requested to be Levied July 1	(11) Millage Requested to be Levied Dec. 1	(12) Expiration Date of Millage Authorized
Voted	Operating Non Home	3/2016	18.0000	17.4060	1.0000	17.4060	1.0000	17.4060	17.4060		12/2036
Voted	Operating Non Home	3/2016	00.5000	00.4832	1.0000	00.4832	1.0000	00.4832	00.4832		12/2036
Voted	Operating Non Home	8/2022	02.0000	02.0000	1.0000	02.0000	1.0000	00.1108	00.1108		12/2036
Voted	Operating All Sinking	3/2020	00.8000	00.7980	1.0000	00.7980	1.0000	00.7980	00.7980		12/2025
Voted	Debt All	3/2020	N/A	N/A	1.0000	N/A	1.0000	N/A	02.0000		12/2050

Homestead Millage Rates 2022-23 (Oakland County)



Avg. Homeowner School Tax Bill By Community*



*2022 Taxable Values with 2023 Tax Rates

Next Steps

June 9, 2025: Public Hearing &
Budget Adoption for Fiscal Year 2026

November 2025: Audit Results for
FY2025

January 2026: First Amendment
FY2026 (including audit results)

June 2026: Second Amendment for
FY2026





PUBLIC COMMENTS?