OTSEGO FINANCIAL UPDATE

NEWSLETTER

SEPTEMBER 2024

Big News This Month

This month we made our final payment on our Elementary School. While this is built into our forecast, we are grateful to have the payments completed. The school was finished in 2010, and we have been making payments annually since then. Thanks to our very dedicated custodial staff, the building is in great shape. We have had to make a couple investments, such as a new chiller, but the building always looks very clean and is a great space for our students.

Year Over Year Comparisons of Revenue and Expenses

****A school's Fiscal Year runs July 1st through June 30th. we are currently in Fiscal Year 25 (FY25)****

	FY24 Total	FY24 To Date (July 1st, 2023-End of August 2023)	FY25 To Date (July 1st, 2024-End of August 2024)	Change
Revenue	$18,7941,136	$5,086,914	$5,890,843	$803,929
Expenses	$19,406,126	$3,235,169	$3,963,729	$728,559
Excess Revenue	-$611,990	$1,851,744	$1,927,115	$75,370

We analyze our financial year in many ways. Comparing our receipts and expenses to previous years helps us evaluate the trajectory of each item. Last year we deficit spent, forcing the district to make cuts in many areas. So far this year, we have seen an increase in revenue, but also in expenses. Our revenue is up this year as we saw an increase in our first of four income tax payments, and the effect of the real estate tax increases. A couple big things we are watching: our October Income Tax payment, the impact of the Lucas County real estate re-appraisal, and changes to state funding.

It's very important to note the timing of our revenue. Our monthly revenue and expenses are not evenly spready out over the year. We collect much more money at the beginning of the year than at the end. We have to plan our fiscal year like people have to do with their households. Similar to a household, we have to take our revenue and make it last for a time period to cover the expenses we have. Just like last year's excess at this time of 1.8 million, we will not have an excess of 1.9 million by the end of the year. We are working extremely hard to manage our expenses, our current forecast has us with an excess of 162k.

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TREASURER COMMUNITY ENGAGEMENT

The Treasurer's Office will be offering community engagement opportunities to increase transparency and local involvement. These sessions are available to the public to bring any questions concerning public finance, specific Otsego financial questions, or anything else. There will not be an agenda or presentation, just an opportunity to come and ask questions.

Otsego Financial Quick Facts:

- Otsego built a new high school with a bond issue that passed in 2004, the bond will be paid off in 2032, lowering residents' taxes.
- Otsego is on the 20 mil floor, making it one of the most affordable places to live in our area in terms of property tax.

UPCOMING EVENTS.

- 9/26- 6:00 -Board Meeting At Otsego High School Library
- 10/7- 12:00 and 5:00 - Treasurer Community Engagement at Weston Public Library
- 10/9 - 12:00 and 5:00 - Treasurer Community Engagement at Grand Rapids Library
- October 30th - Otsego receives 2nd of 4th Income Tax Payment, biggest financial unknown currently
- November 21st - Forecast presented at Board Meeting

HELPFUL LINKS.

- Otsego School Website
- Otsego's Treasurer Website
- Community Engagement Calendar
- Current Board Approved 5 Year Forecast

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