

2023-24 PUBLIC BUDGET /
TRUTH-IN-TAXATION HEARING

Spring Lake Public Schools

WRAPPING UP THE 2022-23 SCHOOL YEAR

- Updating the current year budget
 - A factor that sheds light on the upcoming year
- Slightly unfavorable changes from January amendment inclusive of:
 - Staffing and other compensation adjustments
 - Expanded summer school programming
 - Additional State funding for specific programs
- While the fund balance is growing, a significant portion of the growth is due to one-time funding sources

2022-23 Budget Update

	Current Budget	Proposed Amendment
Revenues	34,892,000	37,051,600
Expenditures	33,283,700	35,624,700
Excess Revenues – <i>non-recurring</i>	1,307,800	909,800
Excess Revenues – <i>recurring</i>	<u>300,500</u>	<u>517,100</u>
Net Excess Revenues (Expenditures)	1,608,300	1,426,900
Actual 7/1/22 Fund Balance	5,193,644	5,193,644
Projected 6/30/23 Fund Balance	6,801,944	6,620,544
Fund Balance Percentage	20.44%	18.58%

2023-24 REVENUE ASSUMPTIONS

- BLENDED ENROLLMENT OF 2,344 STUDENT FTE, SAME AS THE CURRENT YEAR BLENDED COUNT
- FOUNDATION ALLOWANCE INCREASE OF \$458/PUPIL AND INCREASES TO SPECIAL EDUCATION AND AT-RISK FUNDING
 - CONSERVATIVE ESTIMATE BASED ON ANALYSIS OF SCHOOL AID PROPOSALS FROM GOVERNOR'S OFFICE
 - COVID-RELATED GRANT FUNDING ESTIMATED AT \$1,612,000
 - BASED ON AMOUNT EXPECTED TO BE EXPENDED IN FY24
- ENHANCEMENT MILLAGE FUNDING ESTIMATED AT \$696,000
 - YEAR 5 OF 10

2023-24 REVENUE ASSUMPTIONS - CONTINUED

- STATE FUNDING FOR SCHOOL HEALTH PROFESSIONALS
 - YEAR 3 OF 3
- INDIRECT COST SUBSIDY AS FOLLOWS:
 - FOOD SERVICE - \$65,000

2023-24 EXPENDITURE ASSUMPTIONS

- EMPLOYEE COMPENSATION ASSUMPTIONS:
 - WAGES PER NEGOTIATED CONTRACTS OR OTHER EMPLOYMENT AGREEMENTS
 - EMPLOYER RETIREMENT CONTRIBUTION RATE OF 31.34% EFFECTIVE OCTOBER 2023
 - HEALTH INSURANCE STATE HARD CAP INCREASE OF 4.10%
- IMPACT OF STAFF RETIREMENTS/RESIGNATIONS AND REPLACEMENTS
- PORTION OF YEAR 5 ENHANCEMENT MILLAGE FUNDING EARMARKED FOR CAPITAL NEEDS
- INFLATIONARY INCREASES TO UTILITIES, FUEL, SUPPLIES/MATERIALS AND CONTRACTED SERVICES

2023-24 General Fund Proposed Budget

	2022-23 Final Amended Budget	Proposed 2023-24 Budget
Revenues	37,051,600	36,569,900
Expenditures	35,624,700	35,213,200
Excess Revenues – <i>non-recurring</i>	909,800	1,234,800
Excess Revenues – <i>recurring</i>	<u>517,100</u>	<u>121,900</u>
Net Excess Revenues (Expenditures)	1,426,900	1,356,700
Projected Beginning Fund Balance	5,193,644	6,620,544
Projected Ending Fund Balance	6,620,544	7,977,244
Fund Balance Percentage	18.58%	22.65%

2023 PROPOSED OPERATING TAX LEVY

VOTERS APPROVED AN 18.50-MILL LEVY FOR OPERATIONS IN NOVEMBER 2022. THE .50 MILLS IN EXCESS OF THE 18-MILL CAP ON OPERATIONAL LEVIES WAS APPROVED AS A HEDGE AGAINST POTENTIAL HEADLEE ROLLBACKS. WITH THE ADDITIONAL APPROVED MILLAGE, SPRING LAKE PUBLIC SCHOOLS WILL BE LEVYING THE FULL 18.00 MILLS ON NON-HOMESTEAD PROPERTIES FOR THE UPCOMING YEAR.

2023 PROPOSED DEBT TAX LEVY

WHEN BONDS ARE APPROVED, VOTERS AGREE TO TAX THEMSELVES ENOUGH TO REPAY THE DEBT OVER A PRESCRIBED NUMBER OF YEARS.

IN ORDER TO MEET THE PRINCIPAL AND INTEREST OBLIGATION ON VOTER-APPROVED BONDS, THE DISTRICT WILL LEVY 7.00 MILLS FOR THE UPCOMING YEAR.

NEXT STEPS

AT ITS REGULAR MEETING TONIGHT, THE BOARD WILL TAKE ACTION ON:

- 2023-24 BUDGET RESOLUTION
- 2023 OPERATING TAX LEVY
- 2023 DEBT TAX LEVY

THIS PRESENTATION WILL BE AVAILABLE ON THE DISTRICT'S WEBSITE BEGINNING JUNE 21