

MIDLAND PUBLIC SCHOOLS

2016-17 Budget Revision 1

March 20, 2017

Timeline

- **Mid-Year 2016-17 Budget Revision – March 20**
- Board 2017-18 Budget Workshop – April 17
- Proposed 2017-18 Budget to Board and Public Hearing – June 12
- Board Action (Approval of Final 2016-17 Budget and Adoption of 2017-18 Budget) – June 26

Major Factors Typically Effecting Budget Adjustments:

- Student enrollment (budgeted for 7685 students; blended count 7692– up 7)
- Volatility and timing in state funding (for 16-17 information was available at initial budget adoption)
- Local Revenue Factors (PPT, development zones i.e. Brownfields, tax appeals---some is offset by increased State funding)
- Changes in special services (revenue and expenses) including funding from ESA budget
- Budget Variance (district will still have end of year variance)

Major Revenue Changes

Source		Amount
State funding increase beyond local offset (student enrollment, sections 22a, 22b, 20f, Ren. Zone-brownfields)		\$660,000
Medicaid reimbursement reduction		(\$171,000)
35A (5) Early Literacy Grant (C)		\$83,000
Section 24 Court Placed State Aid		\$107,000
Federal Grants (C)		\$154,000
TRIG Incentive Grant (C)		\$78,000
Special education State Aid adjustment		(\$124,000)
147c MPSERS Rate Cap (C)		\$400,000
STEM Grants (reservation in fund balance at 6/30)		\$277,000

Total all revenue changes \$1,339,210

C – associated cost in expenditure budget

Major Expense Changes

Source	Reductions in Expenses	Additional Expenses
Staff related (salaries and benefits)	\$394,700	
Property/Liability insurance savings	\$31,500	
Reduction in retirement budget (due to salaries/changes in 147C)	\$250,000	
Federal Grants (C)		\$154,000
147c MPSERS Rate Cap (C)		\$550,000
Taxable value changes (paybacks)		\$221,000
Special education billing from the ESA	\$184,000	
Health insurance costs (HSA additional contribution)		\$322,500
Total all expense changes (net) \$1,322,199		

2016-17 General Fund Snapshot

	2016-17 (Original-June 2016)	2016-17 (Revised- March 2017)	Change
2016-17 Budgeted Revenues	78,736,798	80,076,008	+1,339,210
2016-17 Budgeted Expenditures	77,675,967	78,998,166	+1,322,199
Surplus (at time of budget adoption)	1,060,831	1,077,842	
Expected budget variance (1%)	+776,760	+789,982	
Anticipated Surplus (Shortfall)	1,837,591	1,867,823	
Anticipated Fund Balance on 6/30/17	10,422,299	11,588,958	
% of expenditures	13.4%	14.7%	

Looking Ahead--Key Budget Drivers:

- “Balance our Budget” Process
- Student enrollment
- State funding (Foundation Allowance and Categorical Aid, possible 31A)
- Personnel costs (Staffing Levels, Salaries, Steps, Categories, Retirement, Medical)
- MCESA transfers (Act 18, Medicare, Enhancement millage)
- Available fund balance

QUESTIONS?

This presentation and a copy of the budget will be available on our website at www.midlandps.org