

Midland Public Schools

2017-18 BUDGET

JUNE 12, 2017

Timeline

Board Budget Workshop – April 18

**Proposed 2017-18 Budget to Board and
Public Hearing – June 12**

Board Action (Adoption of 2017-18 Budget
and approval of final 2016-17 Budget) – June
26

Millage Rates

18 mills on non-homestead property

1.7100 mills on homestead and qualified agricultural property (hold-harmless)

2.72 mills on all properties for the 2017 School Building and Site Bonds

State Funding

Unlike the previous 3 years, the State Aid Budget is not settled.

The proposed closure of the MPSERS retirement system to new teachers appears to be the block between Governor and Legislature in establishing State education funding.

There has been movement in the last five days both on the budget and on a possible compromise on the MPSERS question.

State Funding

The main differences for MPS between the three proposals is the dollar increase per pupil and how much 31a money the district will receive.

While not finalized, the joint House-Senate committee has reached some general agreement.

What that means for MPS Revenue

State Aid Assumptions:

2X formula---\$60 per pupil foundation increase (\$8411).

Latest projection for 31a money---\$525,000 [will be added at adjustment time, revenue = expenditures].

Maintains MPSERS Cost Offset (147a) and UAAL rate stabilization (147c).

Major revenue assumptions

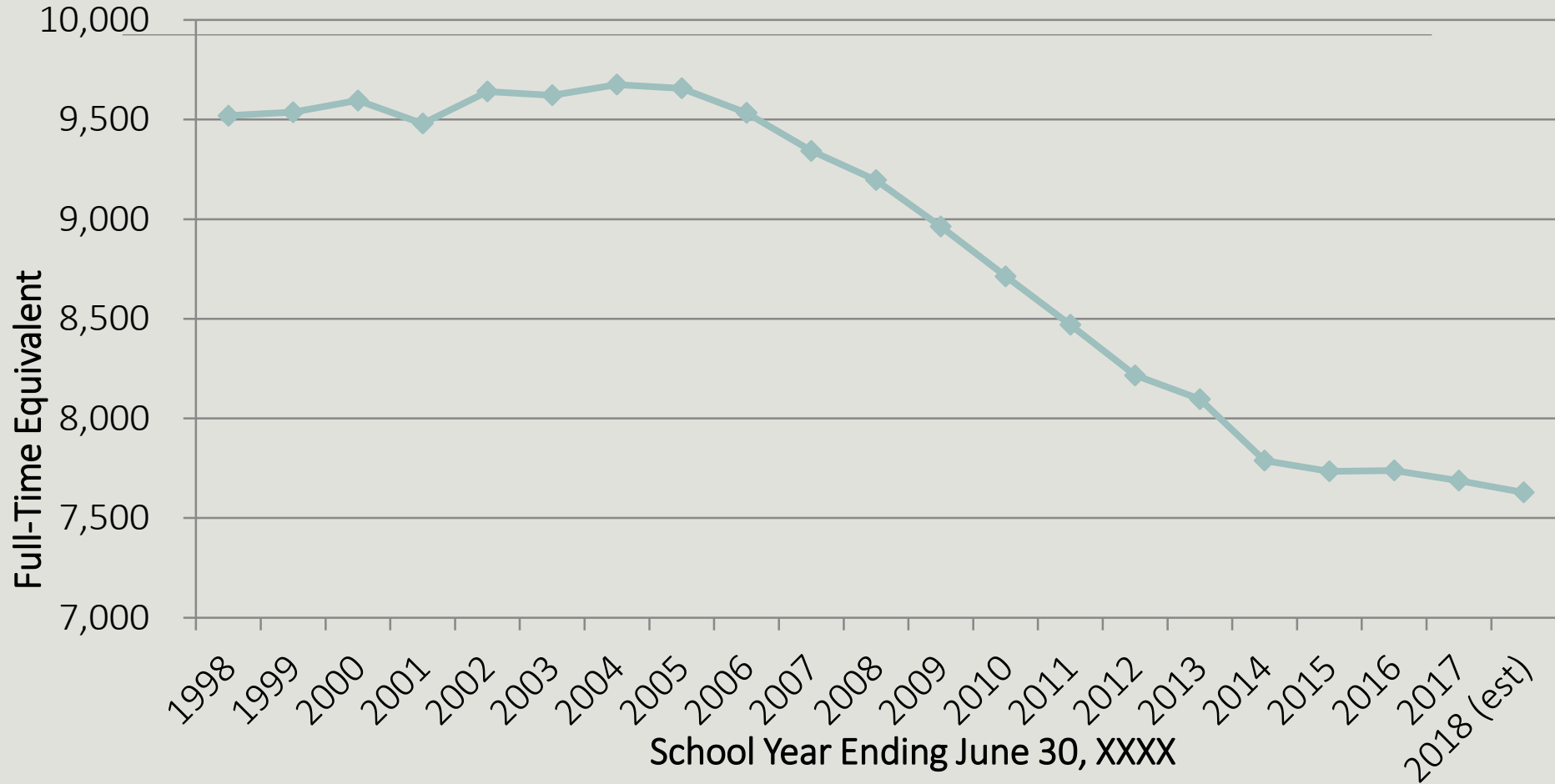
MPS:

- Enrollment -63 students (Blended Count--7629).
- Reduction in Federal programs (\$325,800).
- Reduction in ESA special education (\$161,000).
- TRIG Technology grant is completed (\$139,221).
- IDEA Flow-through for parochial services \$66,000.

Enrollment

<i>Enrollment (FTE)</i>	<i>2008-09</i>	<i>2015-16</i>	<i>2016-17</i>	<i>2017-18 (estimate)</i>
Elementary (K-5)	3,615	3176	3,223	3,225
Secondary (6-12)	4,846	4191	4,090	4,052
Special Education	464	385	377	368
Total Enrollment	8,925	7,752	7,690	7,645
Blended Count Enrollment	8,963	7,739	7,688	7,629
<i>% change since 2008-09</i>		<i>-13.7%</i>	<i>-14.2%</i>	<i>-14.9%</i>

MPS enrollment (blended count) 1997-1998 to 2017-2018

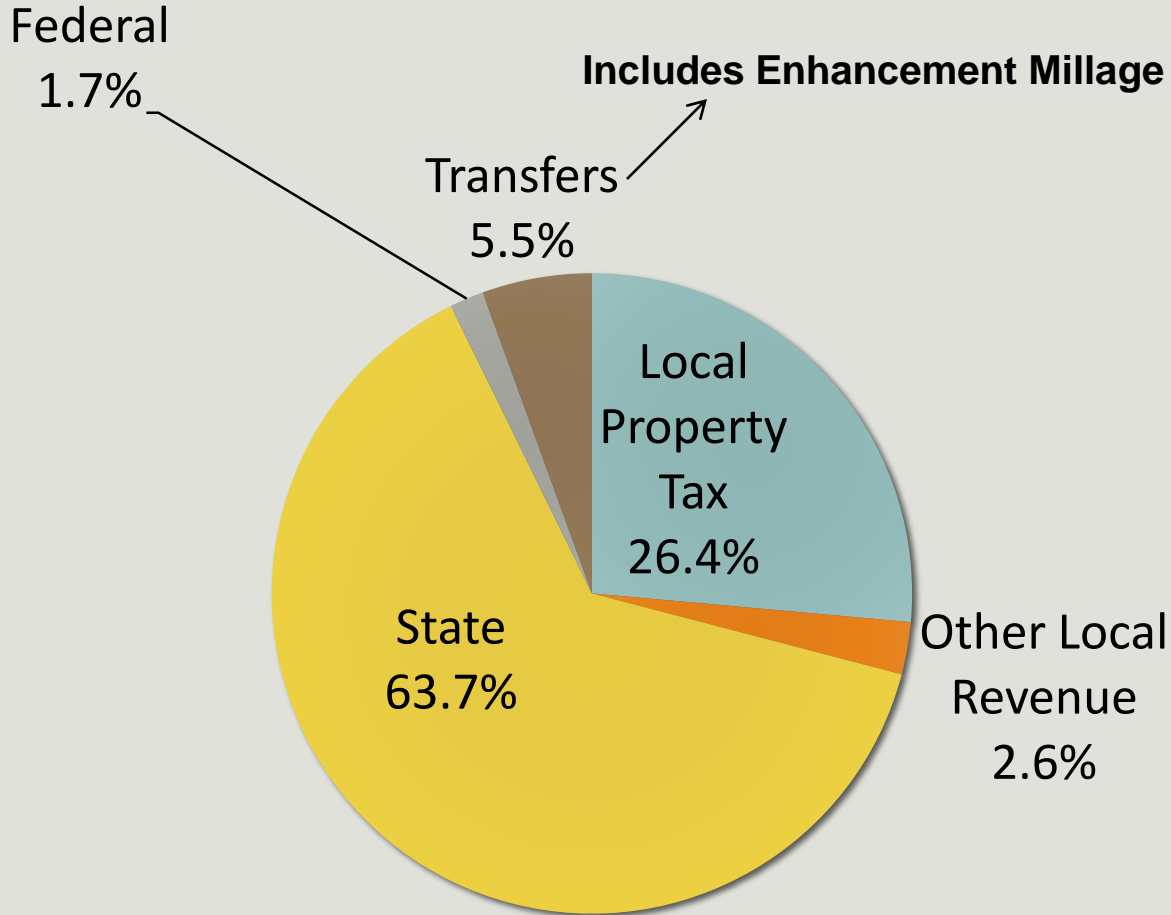


Per Pupil Foundation Allowance Revenue Sources

	<i>2008-09</i>	<i>2015-16</i>	<i>2016-17</i>	<i>2017-18</i>
Foundation Allowance	\$8,904	\$8,291	\$8,351	\$8,411
Local Millage (Hold- Harmless)	415.31	415.31	415.31	415.31
Local Millage (Non-Homestead)	1,962.06	2,491.95	2,3246.84	2,617.17
<i>% of funding Local</i>	26.7%	34.9%	33.1%	36.1%
State Aid Payment	\$6,233.63	\$5,383.74	\$5,588.85	\$5,378.52
Section 20(j) Payment	293.31			
<i>% of funding State</i>	73.3%	64.7%	66.9%	63.9%

2017-18 General Fund Revenue

\$79,128,914



Major Expenditure Assumptions

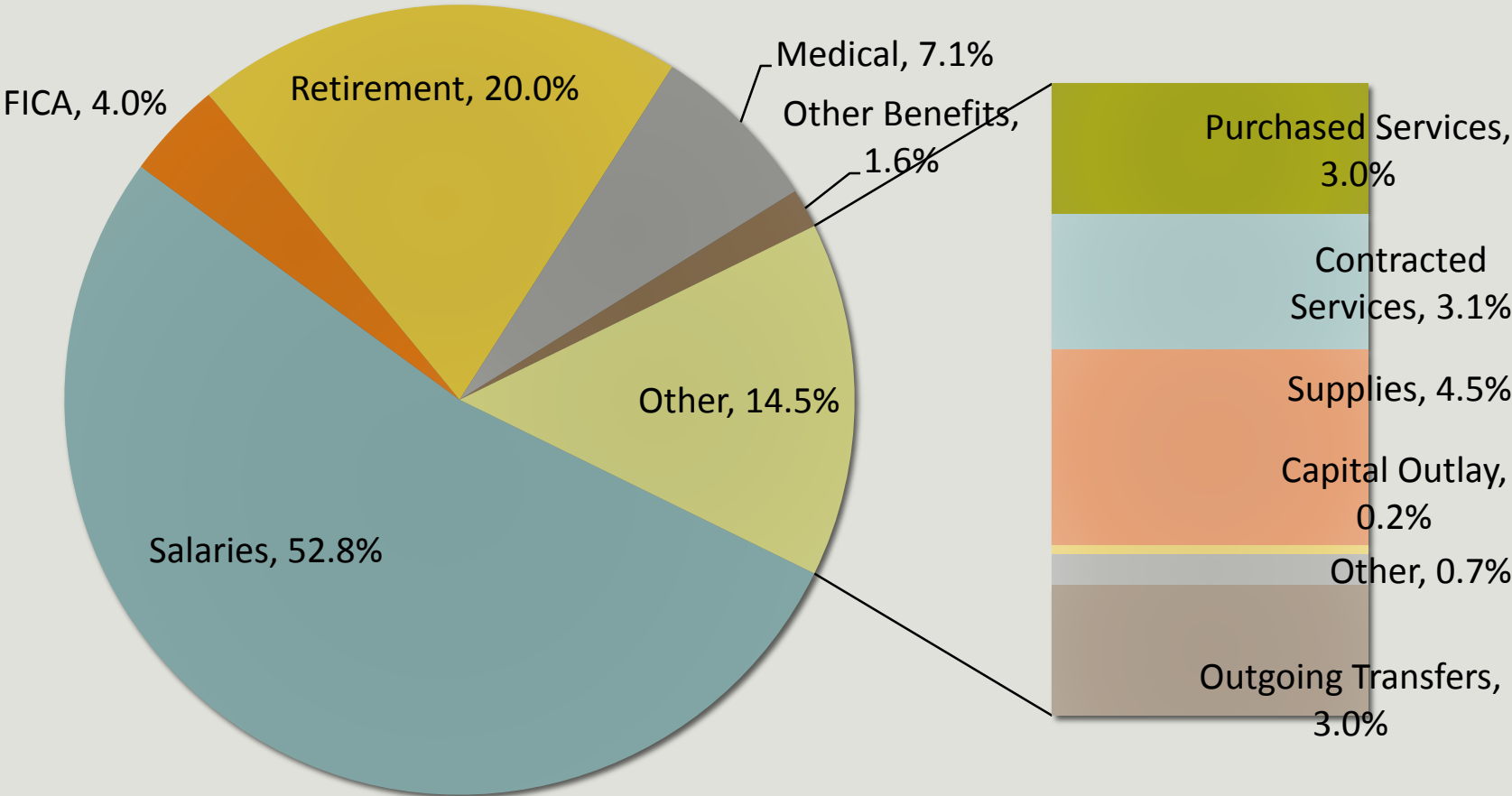
- Continued use of the “Balance our Budget” process maintaining building and department expenditures close to the levels of the 2016-17 school year.
- Ending of some of the employee groups’ concessions from the past 2 years. Payment of one-time budget surplus protection stipends. Steps reinstated.
- Approximate 1% salary increase for employees.
- Increase in medical premiums of 8%.
- Decrease in the district’s funding of Health saving accounts.
- Reduction in Federal program expenses (\$325,800 matches decrease in revenues).
- Staffing patterns reflect the continuous process of evaluating vacancies for replacement, reduction or additional.

Proposed Expenditure Changes

	2016-17 AMOUNT (ESTIMATE) MARCH 2017	2017-18 AMOUNT (ESTIMATE) JUNE 2017	CHANGE FROM PRIOR YEAR
SALARIES	\$ 40,734,201	\$ 41,326,032	\$ 591,831
BENEFITS	\$ 26,565,461	\$ 25,571,628	\$ (993,533)
PURCHASED SERVICES	\$ 2,200,819	\$ 2,325,957	\$ 125,138
CONTRACTED SERVICES	\$ 2,344,353	\$ 2,415,543	\$ 71,190
SUPPLIES AND MATERIALS	\$ 3,625,147	\$ 3,505,573	\$ (119,574)
CAPITAL OUTLAY	\$ 372,474	\$ 175,895	\$ (196,579)
OTHER (LEASES AND GIFTS)	\$ 913,071	\$ 543,023	\$ (370,048)
OUTGOING TRANSFERS	\$ 2,242,640	\$ 2,351,864	\$ 109,224
TOTAL GENERAL FUND EXPENDITURES	\$ 78,998,166	\$ 78,222,048	\$ (776,118)

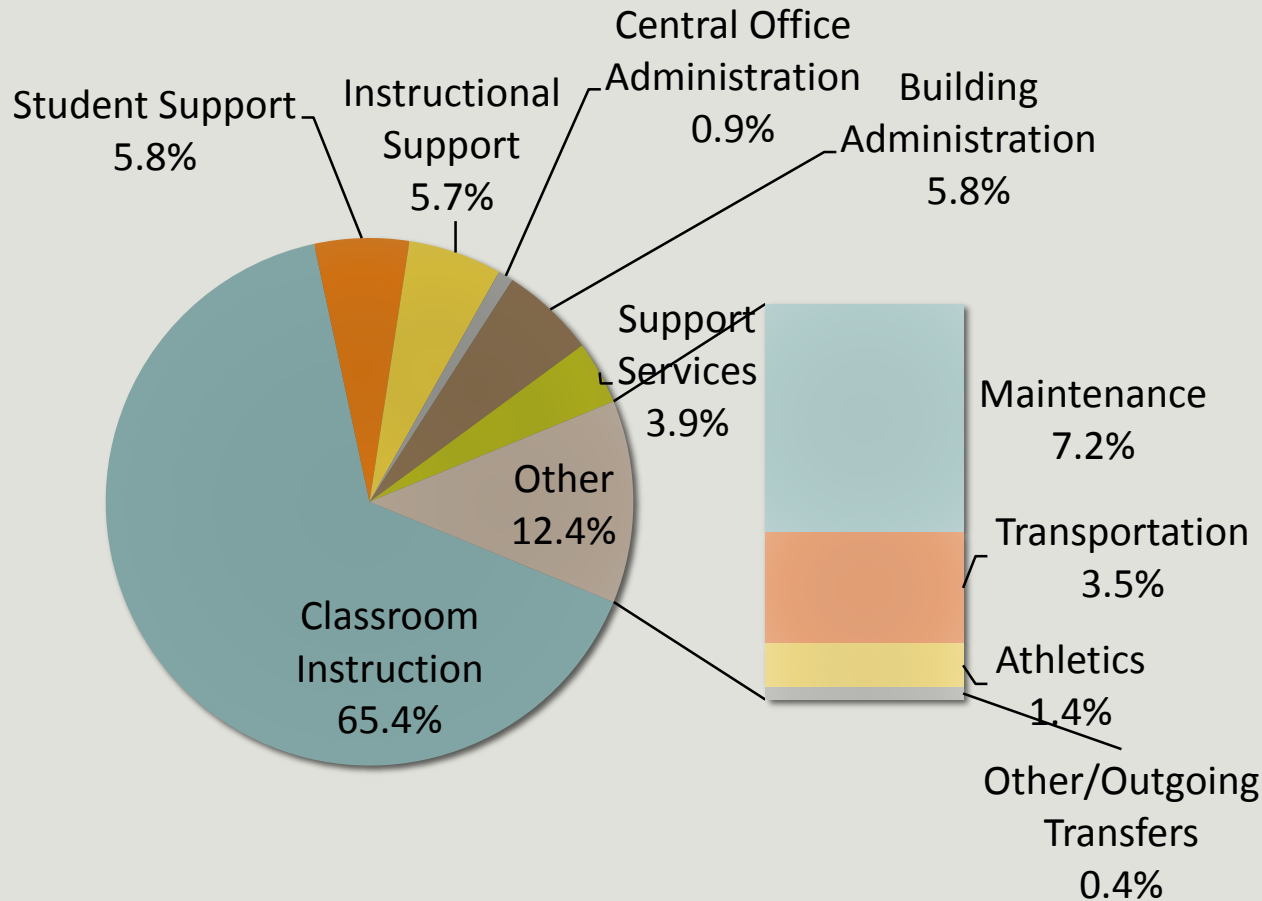
General Fund Expenditures (by account)

\$78,222,048



General Fund Expenditures (by function)

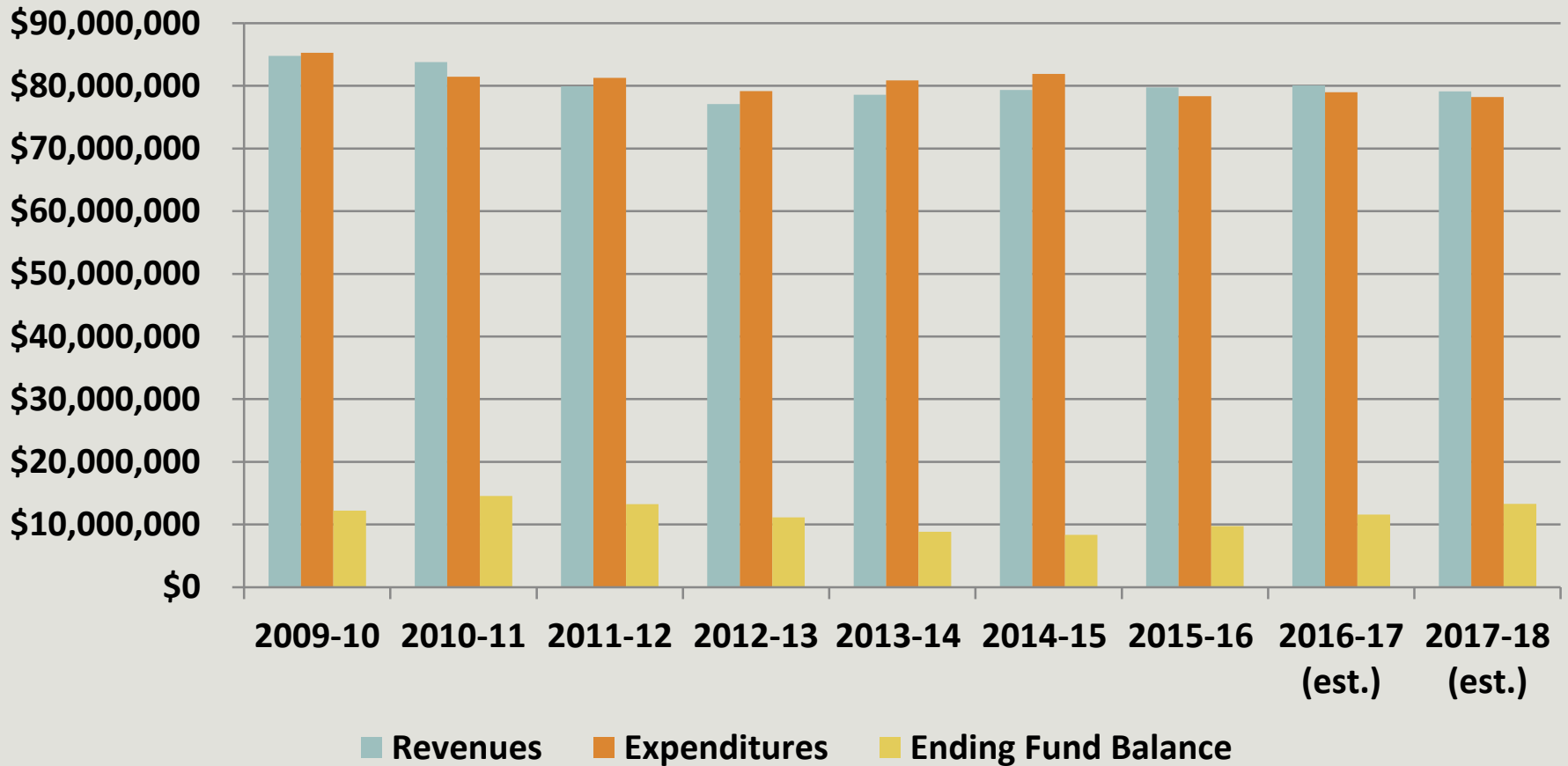
\$78,222,048



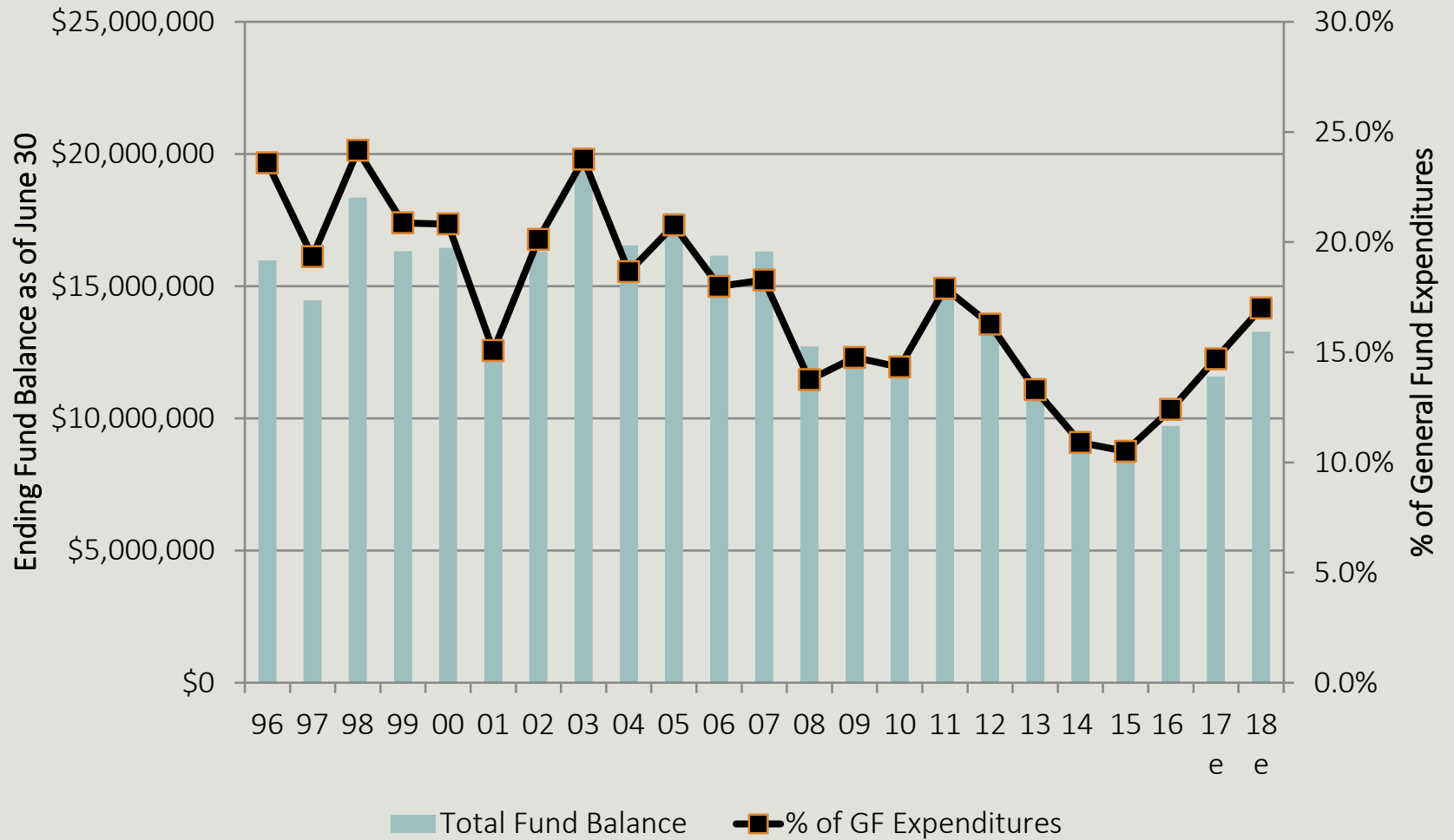
General Fund Snapshot

	2016-17 March (Estimate)	2017-18 June (Original)	Change
Budgeted Revenues	\$80,076,008	\$79,128,914	(\$947,626)
Budgeted Expenditures	\$78,998,166	\$78,222,048	(\$776,818)
Excess Revenue/(Appropriation)	\$1,077,842	\$906,866	
Expected Budget Variance 1%/Historical 2% to 3%	\$789,982	\$782,220	Either increase in rev. or decrease in exp.
Anticipated Surplus (Shortfall)	\$1,867,823	\$1,689,086	
Anticipated Unrestricted Fund Balance on June 30	\$10,055,626	\$11,859,045	
% of expenditures	12.7%	15.2%	

General Fund History



Fund Balance History



Questions?

THIS PRESENTATION AND A COPY OF THE BUDGET
WILL BE AVAILABLE ON OUR WEBSITE AT
WWW.MIDLANDPS.ORG