

The School District of The City of Wyandotte



Final Budget Revision 2015-16 SY

Proposed Budgets 2016-17 SY

Final Budget Revision 2015-16

Revised General Fund Revenue

March Revision Compared to Final

The final changes to the estimated revenue and expenses in the General Fund were relatively small. Here are a couple of the more significant adjustments that occurred:

Revenue decreased by \$32,973.

- Local revenue increased by \$311,957. Improved local property tax collections and the success of the Early Childhood Center program accounted for a majority of the additional revenue.
- State revenue increased by \$698,070. A correction to a State report (SE-4096) filed in 2012-13, required a one-time reimbursement back to Wyandotte.
- Transfers and Other was reduced by over \$1M. This adjustment is specific to the Center Program operation. If you recall, last year it was determined that the center program costs were less than the funds distributed to us by Wayne RESA (Act 18). We anticipate the same situation for 2015-16.

Revised General Fund Expenditures March Revision Compared To Final

Expenditures increased by \$437,555.

As with most final revisions, many of the budget changes occurred within the wage and benefit areas of the budget.

Other notable changes are:

- Contracted service allocations (PESG) was increased by approximately \$140,000. This was due to two specific items; the 2% wage adjustment approved for all non-bargaining unit staff and the increasing need for substitute staffing.
- The curriculum budget increased by \$128,180. The kickoff of the Wyandotte Reads summer program and other instructional initiatives were funded.
- Transportation services increased by \$130,834. Special transportation for out of district special education programs and homeless transportation continue to be an issue.

Revenue And Expenditures

% Difference - March Revision Compared To Final

	March Revision	Final Revision	Change	% Change
Local Sources	\$ 4,136,700	\$ 4,583,657	\$ 446,957	10.8%
State Sources	\$32,387,531	\$ 33,085,601	\$ 698,070	2.2%
Federal Sources	\$ 40,000	\$ 25,000	(\$ 15,000)	-37.5%
Incoming Transfers & Other Transactions	\$ 1,763,000	\$ 600,000	(\$ 1,163,000)	-66.0%
Total Revenue	\$38,327,231	\$ 38,294,258	(\$ 32,973)	-.0009%

	March Revision	Final Revision	Change	% Change
Instruction	\$22,434,732	\$22,399,404	(\$ 35,328)	-.0015%
District Support Services	\$12,891,015	\$13,350,898	\$ 459,883	3.6%
Other	\$ 932,041	\$ 945,041	\$ 13,000	1.3%
Total Expenses	\$36,257,788	\$36,695,343	\$ 437,555	1.2%

Revenue And Expenditures

% Difference - Original Budget Compared To Final

	Original Budget	Final Revision	Change	% Change
Local Sources	\$ 3,989,600	\$ 4,583,657	\$ 594,057	14.8%
State Sources	\$ 29,897,627	\$ 33,085,601	\$ 3,187,974	10.6%
Federal Sources	\$ 45,000	\$ 25,000	(\$ 20,000)	-44.5%
Incoming Transfers & Other Transactions	\$ 1,748,000	\$ 600,000	(\$ 1,148,000)	-66.0%
Total Revenue	\$ 35,680,227	\$ 38,294,258	\$ 2,614,031	7.3%

	Original Budget	Final Revision	Change	% Change
Instruction	\$ 22,498,368	\$22,399,404	(\$ 98,964)	-.44%
District Support Services	\$ 12,578,401	\$13,350,898	\$ 772,497	6.1%
Other	\$ 997,553	\$ 945,041	(\$ 52,512)	-5.2%
Total Expenses	\$ 36,074,322	\$36,695,343	\$ 621,021	1.7%

Fund Balance – All Funds

June 30, 2016

School District of The City of Wyandotte
Fund Balance Summary
Final Revision 2015-16 SY

	GENERAL FUND	DEBT FUND	CAPITAL PROJECTS	CAFETERIA FUND
Beginning Fund Balance	\$ 4,440,622	\$ 258,328	\$ 22,376	\$ 621,273
Revenue	\$ 38,294,258	\$ 3,556,102	\$ 239,621	\$ 1,519,000
Expenses	\$ (36,695,343)	\$ (3,485,858)	\$ (261,997)	\$ (1,631,297)
Ending Fund Balance	<u>\$ 6,039,537</u>	<u>\$ 328,572</u>	<u>\$ 0</u>	<u>\$ 508,976</u>
Change	<u>\$ 1,598,915</u>	<u>\$ 70,244</u>	<u>\$ (22,376)</u>	<u>\$ (112,297)</u>
Fund Balance as A Percentage of Total Expenditures	16.45%	9.43%	0%	31.20%

Proposed Budgets 2016-17

Here Is What We Know

- The pupil membership blend is 90% of the fall count and 10% of the spring count, of the prior school year. No change.
- A \$120 per pupil increase in the foundation. The new Min. =\$7,511, Max. =\$8,299.
- Sec. 22j Technology Infrastructure Grant is eliminated. \$26K for WPS.
- Section 31a, At Risk funding will be maintained. \$1.3M for WPS.
- Section 32d Great Start Readiness Program will be maintained. \$390K for WPS.
- MPSERS Sec. 147a, Sec.147c continues to be funded. These sections of funding are set aside to address the unfunded, accrued liability that exists in the public school retirement system. \$4.07M for WPS.

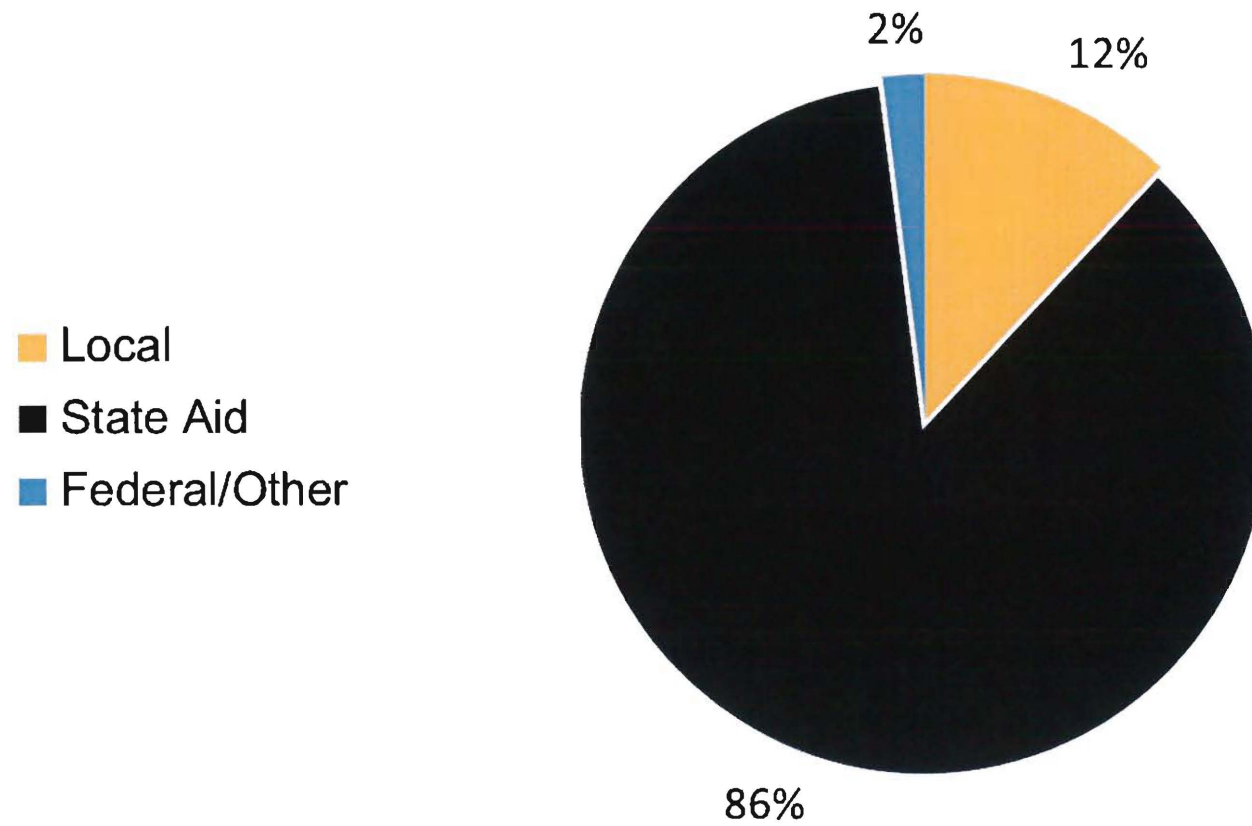
Revenue Assumptions

- Levy of the full 18.00 mills for non-homestead properties.
- A loss of 100 student FTE's.
- A base foundation per pupil amount of \$7,511. (+ \$120)
- Center Program (Act 18) transfer will be maintained at \$600K, a reduction of \$1M.

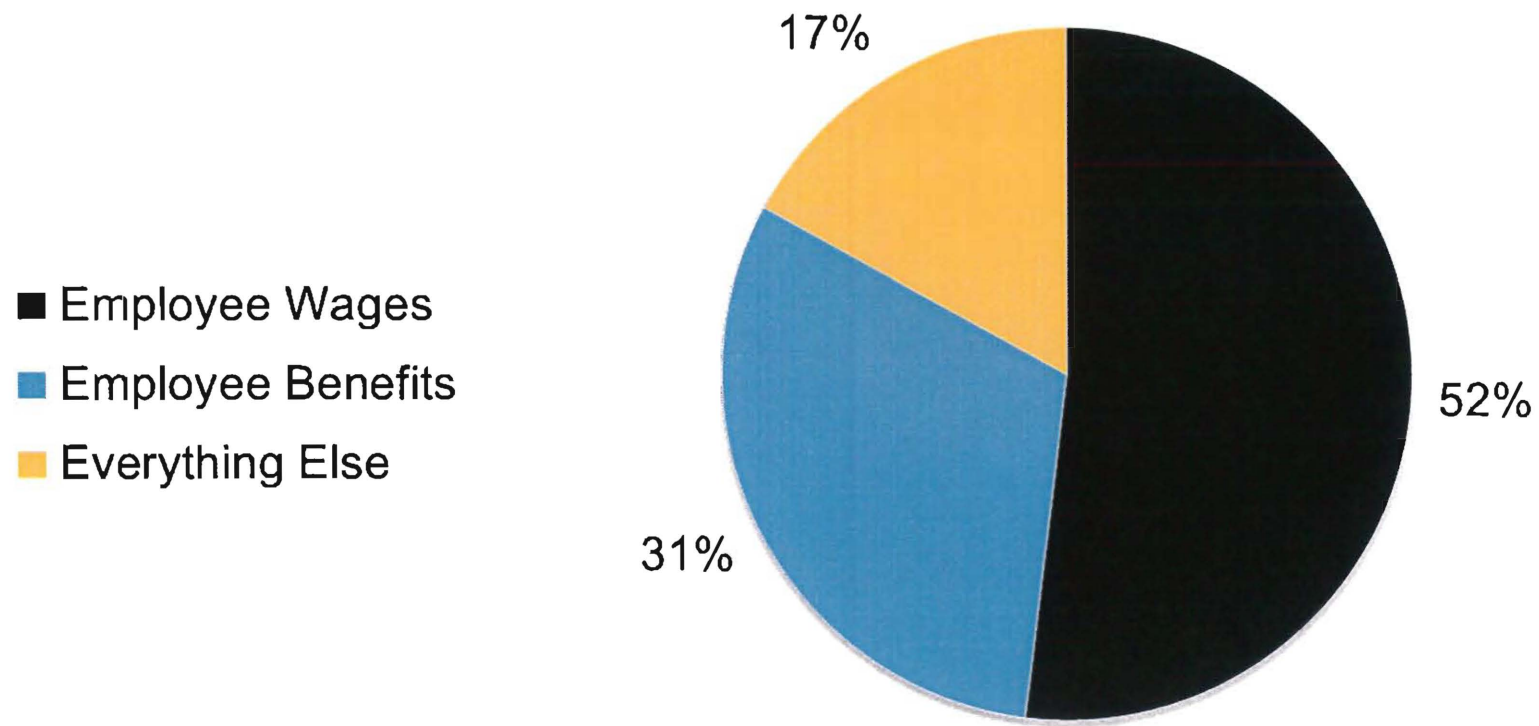
What Is Included In Our Budget Plan

- Employee costs for wage and benefit changes have been adjusted to reflect existing contract agreements. MPSERS retirement rate of 37% (+.5%)
- Student instructional achievement initiatives.
- Replacement of musical instruments at RHS.
- Heating system correction at Washington El.
- Two additional custodial positions.
- Replacement of diving blocks at RHS pool.
- New visual projection units for the RHS planetarium complex.
- Document scanning and record management system.

Our Sources of Revenue



How Our General Fund Budget Of \$37.8M Is Allocated



Revenue And Expenditures

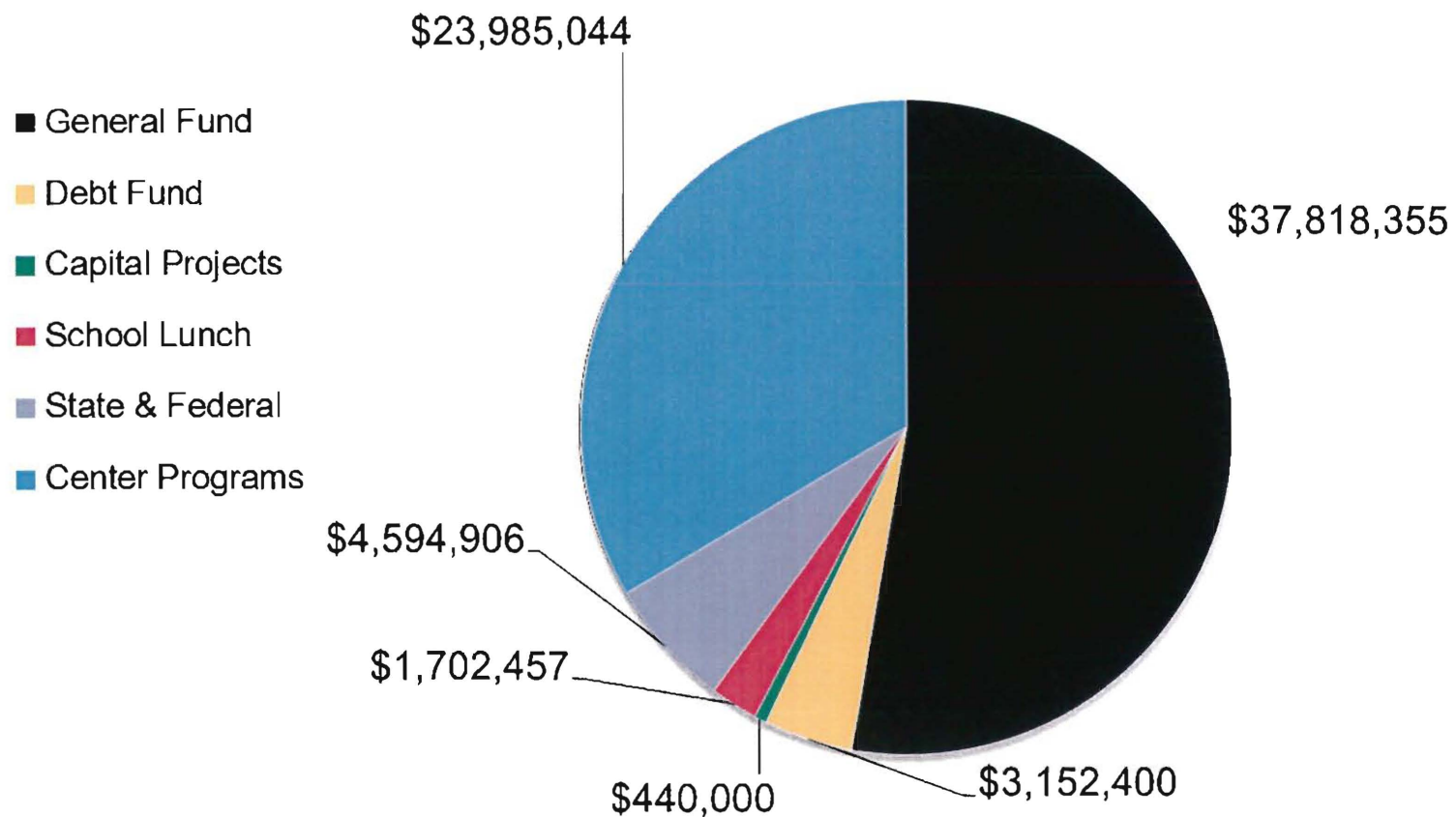
2016-17 SY

	Final Revision 2015-16	Proposed 2016-17	Change	% Change
Local Sources	\$ 4,583,657	\$ 4,441,100	(\$ 142,557)	-3.1%
State Sources	\$ 33,085,601	\$31,683,074	(\$1,402,527)	-4.2%
Federal Sources	\$ 25,000	\$ 25,000	\$ 0	0%
Incoming Transfers & Other Transactions	\$ 600,000	\$ 600,000	\$ 0	0%
Total Revenue	\$ 38,294,258	\$36,749,174	(\$ 1,545,084)	-4.03%

	Final Revision 2015-16	Proposed 2016-17	Change	% Change
Instruction	\$22,399,404	\$23,064,413	\$ 665,009	2.3%
District Support Services	\$13,350,898	\$13,613,901	\$ 263,003	2.0%
Other	\$ 945,041	\$ 1,140,041	\$ 195,000	21.0%
Total Expenses	\$36,695,343	\$37,818,355	\$ 1,123,012	3.1%

Board Of Education Budget Responsibility

\$71,693,162



All Funds – Estimated Fund Balances June 30, 2017

School District of The City of Wyandotte
Fund Balance Summary
Proposed 2016-17 SY

	GENERAL FUND	DEBT FUND	CAPITAL PROJECTS	CAFETERIA FUND
Beginning Fund Balance	\$ 6,039,537	\$ 328,572	\$ 0	\$ 508,976
Revenue	\$ 36,749,174	\$ 3,600,500	\$ 440,000	\$ 1,519,000
Expenses	\$ (37,818,355)	\$ (3,152,400)	\$ (440,000)	\$ (1,702,457)
Ending Fund Balance	<u>\$ 4,970,356</u>	<u>\$ 776,672</u>	<u>\$ -</u>	<u>\$ 325,519</u>
Change	<u>\$ (1,069,181)</u>	<u>\$ 448,100</u>	<u>\$ (22,376)</u>	<u>\$ (183,457)</u>
Fund Balance as A Percentage of Total Expenditures	13.14%	24.63%	0.000%	19.12%

The Dilemma of Fund Balance

How Much Is Enough?

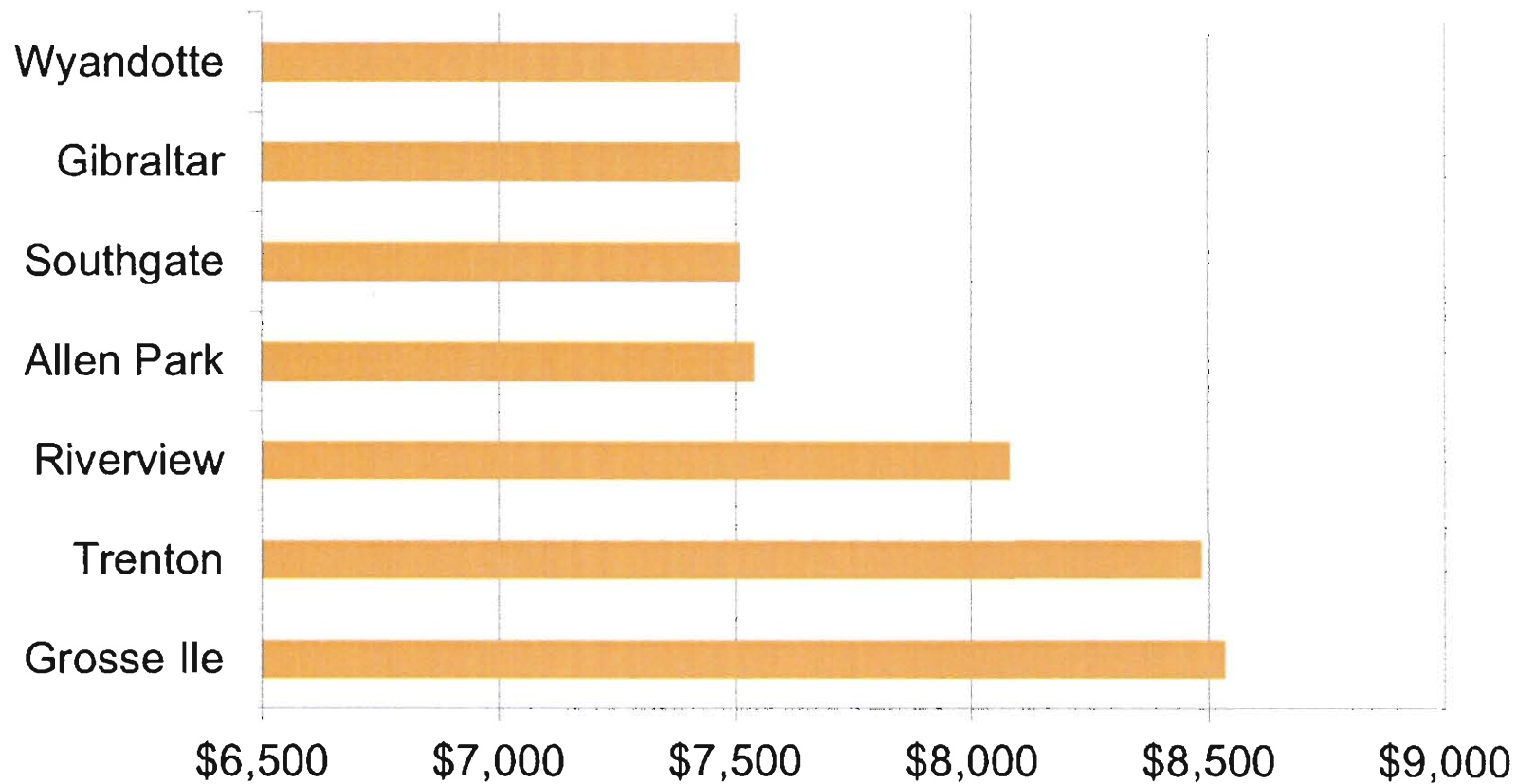
- The Government Finance Officers Association (GFOA) recently updated its best practice on unreserved general fund balances to recommend that general purpose governments maintain at a minimum an unrestricted general fund balance of no less than 2 months of regular general fund operating revenues or regular general fund operating expenditures.
- Wyandotte's operating expenses for a two month period, average \$7.4M (19.57%).

The Advantages of Maintaining A Fund Balance

Is Being Fiscally Responsible Such A Bad Thing?

- Provides adequate cash reserves, which reduces the cost of annual cash flow borrowing.
- Provides a safety net of funds that the district can use to address revenue shortfalls (declining enrollment, a reduction in State funding) or unanticipated expenditures (facility needs, legal settlements, weather challenges).
- Provides the District the resources to respond to specific instructional and operational needs of the district, without philosophical “give and take”.
- Affords the district adequate resources to manage its workforce cost, allowing us the ability to continue to provide reasonable and affordable employee wages and benefits.
- The viability of The City of Wyandotte depends upon the instructional and fiscal success of its community school district.

Proposed Per Pupil Foundation Comparison 2016-17 SY



As We Move Forward

- ▶ Student Enrollment / Choice Sustainability.
- ▶ State of Michigan- Continued Economic Growth.
- ▶ State SAF Funding. Why Do We Continue To Feel Uneasy?
- ▶ Preservation of a minimum 10% Fund Balance Level.
- ▶ Budget Planning For 2017-18.

Where To Get Additional Budget Information

- www.wyandotte.org

