

Allendale Public Schools

2013 - 14 Public Budget/

Truth in Taxation Hearing

June 10, 2013



General Fund vs. Debt Fund



Differences Between Funds

General Fund

- Accounts for instructional and related activities
- Funded by state aid
 - State-levied 6 mills on homestead property
 - District-levied 18 mills on non-homestead property

Debt Fund

- Accounts for repayment of voter-approved bonds
 - When bonds are approved, voters agree to tax themselves enough to repay debt over a prescribed number of years



General Fund

2013-14 Budget Overview



School Funding vs...

Roads

- Governor continues to desire \$1.2 billion to repair Michigan's roads
- \$350 million allocated for 2013-14



School Funding vs...

MPERS Retirement System

- Future unfunded costs in the amount of \$48.3 billion per House Fiscal Agency report
- Legislature continues to seek ways to deal with the growing unfunded liability
- \$274.6 million directed towards pre-funding this liability in 2013-14



State Aid Bill Impact

	12/13	13/14
Retirement Rate Increase	n/a	-\$21
MPSERS Relief/Offset	\$94	\$61
Foundation Grant	n/a	\$60
FG Equity Payment	n/a	\$50
	\$94	\$150

+\$56 per pupil over prior year =
\$139,800



Changes For 2013-14

Revenues

- Increased per-pupil funding from State
- Projected student enrollment increase of 50 FTE

Expenditures

- Inflationary cost increases
- Additional staffing needs to serve growing student population
- Additional capital project/repair needs at High School site
- Payment on loan for 2013 school bus purchase



Allendale Revenues/Expenditures

	2013-14
Revenues	
Local Sources	\$ 2,966,500
State Sources	16,678,100
Federal Sources	625,400
Other Sources	2,123,800
Total Revenues	\$ 22,393,800
Expenditures	
Instruction	\$ 13,403,300
Supporting Services	8,549,000
Community Services/Other Financing Uses	441,500
Total Expenditures	\$ 22,393,800



Allendale Fund Balance

Estimated 6/30/13 Fund Balance	\$677,800	3.02%
Projected 2013-14 Surplus (Shortfall)	-0-	---
Projected 6/30/14 Fund Balance	\$677,800	3.02%



Debt Fund

Proposed Tax Levy



Projected vs Actual Taxable Values

Tax Levy Year	Per 2007 Projections		Actual		Variance From Projected Fav (Unfav)
	Taxable Value	Growth Rate %	Taxable Value	Growth Rate %	
2006	305,364,553		302,446,646		(2,917,907)
2007	354,307,281	16.03	341,346,776	12.86	(12,960,505)
2008	392,070,491	10.66	371,612,371	8.87	(20,458,120)
2009	433,858,625	10.66	394,208,193	6.08	(39,650,432)
2010	480,100,674	10.66	385,726,100	(2.15)	(94,374,574)
2011	531,271,348	10.66	376,417,159	(2.41)	(154,854,189)
2012	587,895,958	10.66	379,131,330	0.72	(208,764,628)
2013	605,532,836	3.00	389,068,451	2.62	(216,464,385)



School Bond Loan Fund

- Statewide program often utilized by schools when constructing/renovating facilities or buying buses/technology
- The program was originally designed to stabilize the debt millages levied over the years of the bond repayment
- In 2007, voters approved the bond issue to build the Oakwood and Middle School facilities
- As with any school bond approval, voters agree to tax themselves enough to repay debt



School Bond Loan Fund

- Allendale must pay off their obligation by 2043
- Allendale taxable values are trending *significantly* below the 2007 projections
- In December 2012, the legislature changed the “rules” of the program
- Participant districts must annually recalculate their debt millages beginning October 2013



Proposed 2013 Debt Millage

Based on the December 2012 legislative changes to the state-wide School Bond Loan Fund program, the Finance Committee recommends to the School Board that the 2013 debt millage be set at 10.59 mills.



2012 Regional Millage Ranking

Total Residential Tax Levy (in mills)

City of Holland - Holland PS	39.24
City of Coopersville - Coopersville PS	39.07
Laketown Township - Holland PS	30.02
MEDIAN	29.77
City of Ferrysburg - Grand Haven PS	29.48
Allendale Township - Allendale PS (2013)	29.21
Robinson Township - Grand Haven PS	22.92
Port Sheldon Township - Grand Haven PS	21.89



Questions?

Contact Scott Powers, Chief Financial Officer
Allendale Public Schools
616-892-5572

