

**GROSSE POINTE PUBLIC SCHOOL SYSTEM
BUDGET DEVELOPMENT**

Beginning Revenue (17/18 Amendment #3)		105,310,712	ASSUMPTIONS - ESTIMATES
Changes to Revenue			
	Total Foundation Change (\$207,988)		
	State Aid: Foundation allowance increase	890,252	\$120 per student FTE (7,419)
	State Aid: Enrollment Decline	(890,000)	(110) net foundation (\$9,984-\$1,893)
	Local Property Taxes: Hold harmless Taxes	(208,240)	Decrease of enrollment (\$1,893 * 110 FTE)
Added	State Categorical	75,000	\$25 per high school student
	State Categorical Revenue	(130,705)	One-time revenue received in 2017/18
	Delinquent Taxes	(487,000)	One-time revenue received in 2017/18
	Act 18 Revenue decreased	(287,000)	County revenue decreased for prior year payments
Added	Other one-time revenues	(373,708)	One-time revenues -17/18 Amendment #3
Net Change in Revenues		(1,411,401)	
Projected Revenue		103,899,311	
Beginning Expenditures (17/18 Amendment #3)		103,212,158	
Changes to Expenditures			
Revised	Savings in staff costs - retirements	(800,000)	15 retired and replaced - savings \$40,000 per + F&R
	Savings in staff costs - declining enrollment	(929,000)	9 staff reduced - \$70,000 per + F&R & health care
	Savings in staff costs - balancing elementary enrollment	(412,000)	4 staff reduced - K-5 enrollment
	Current financing of equipment expiring	(500,000)	Partial computer and copier financing complete
	FICA on 3% refund	(280,000)	One-time payment 2017/18
	FICA	45,000	Adjustment
	Staffing costs 2018/19	40,000	Adjustment from 1x payment and step from 1718
	Staff added for Young 5	103,000	1 classroom added - offset by increase in state aid
Revised	Health care	750,000	~ 8 % increase in costs (estimate)
	Retirement rate	310,000	From 25.56% to 26.18 % of wages
	Other personnel costs	28,000	Other personnel costs - 5%
	Variable cost increase	350,000	Increase of 2% plus Comcast (\$60k)
Added	One-time budget adjustments	185,883	One -time budget reductions in 17/18 Amendement #3
Added	Curriculum	350,000	Update Science, English Language, Math over two years
Net change in expenditures		(759,117)	
Projected Expenditures		102,453,041	Fund Balance of 9% ~ \$9.2m
Projected Surplus (Deficit)		1,446,270	
Change in Fund Balance			
Revised	Beginning Fund Balance - July 1, 2018	8,955,099	
	Surplus (deficit)	1,446,270	
	Ending Fund Balance - June 30, 2019	10,401,369	
	Percentage of Fund Balance	10.15%	
	Target FB	9.00%	
Change needed to meet FB Target		(1,180,596)	No adjustment need to meet FB target