



Grand Haven, Michigan 49417

2024-25 PROPOSED BUDGET

June 10, 2024

Elementary Education since 1835 - High School Education Since 1871

MEMORANDUM

Date: June 10, 2024
To: Grand Haven Area Public Schools Board of Education
cc: Staff
From: Scott Grimes, Superintendent
Re: PROPOSED 2024-25 BUDGET

We are pleased to present the proposed 2024-25 budget for your consideration. It is important to note that this budget along with future budgets will be heavily impacted by the declining enrollment that the district is experiencing. It will be important to adjust expenditures as this occurs so that the district maintains a stable budget. The district also faces facilities with an average age greater than 60 years old. It will be important to maintain the aging facilities as well as provide the best education for our students. Guiding principles for the development of this budget include:

- Comprehensive K-12 program necessary to support an exceptional educational experience.
- Providing the highest quality curriculum and instruction in a safe and supported environment for students and staff.
- Assuring the support necessary to allow for intentional, continuous improvement.
- Stewardship of resources to maintain a reasonable fund balance now and in the future.

To this end, budget assumptions have been kept at the most realistic and accurate level given the current information available (i.e., enrollment).

It should be noted that the state does not have an approved budget for next year. Despite these unknowns, our budget adheres to the board and administration's goal of maintaining a reasonable financial position, with the continuation of a quality program structure.

As has been our practice, we plan to provide two amendments during the coming year (January and June) to adjust and refine the budget as key revenue and expenditure factors come more clearly into focus throughout the fiscal year.

BOARD OF EDUCATION

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Member since July 2017

Term expires 12/31/24

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Scott Grimes

Superintendent

EDUCATION SERVICE CENTER

1415 S. Beechtree Street

Grand Haven, MI 49417

(616) 850-5000

GRAND HAVEN AREA PUBLIC SCHOOLS

Ottawa and Muskegon Counties, Michigan

PUBLIC HEARING FOR
ADOPTION OF THE 2024-25 GENERAL FUND
AND SCHOOL SERVICE FUND BUDGETS,
AND THE DEBT LEVY

Monday, June 10, 2024

at 6:30 p.m.

Location:
Grand Haven High School
17001 Ferris Street
Grand Haven, MI 49417

GRAND HAVEN AREA PUBLIC SCHOOLS
2024-25 GENERAL FUND
PROPOSED BUDGET INFORMATION

ASSUMPTIONS:

- Blended pupil count (90% - 10%) is projected at 5,266. A decrease of 39 pupils from the 2023-24 blended pupil count.
- Foundation allowance per student is \$9,908 = increase of \$300 per pupil.
- Retirement is budgeted at an average of 48.23% to include the State Unfunded Actuarial Accrued Liability. This UAAL retirement rate is 16.89%, which is state funded.
- Health insurance is budgeted with an 7.0% increase in premiums and employees continue paying 20% of their insurance.
- 4.0% Wage and step increases for all employees.
- This budget is based on assumptions as the State's budget has not yet been approved.
- Continued increase in costs due to inflation
- Wage reduction based on current amounts

POTENTIAL ADDITIONAL/REDUCED REVENUES AND EXPENDITURES:

- Final State budget
- Actual blended pupil count
- Categorical funding
- Actual health insurance rate
- Final wage reduction
- Supply chain

RESOLUTION FOR ADOPTION BY THE BOARD
 OF EDUCATION OF GRAND HAVEN AREA PUBLIC SCHOOLS
 2024-25 BUDGETS

RESOLVED, that this resolution shall be the general appropriation of the Grand Haven Area Public Schools for the fiscal year 2024-25; a resolution to make appropriations; and to provide for the disposition of all income received by Grand Haven Area Public Schools.

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriation in the GENERAL FUND of Grand Haven Area Public Schools, for fiscal year 2024-25 is as follows:

BE IT FURTHER RESOLVED, that, to support the District's proposed budget for fiscal year 2024-25, the Grand Haven Area Public Schools shall levy its authorized millage rate of eighteen (18) mills of ad valorem property taxes on all property (excluding principal residence property and other property exempt by law) in order to generate the local revenue prescribed below; and that such millage, together with the district's other revenues, shall be used to support the expenditures prescribed below.

REVENUES	
Local	20,551,000
State	54,759,500
Federal	2,428,500
Interdistrict	10,116,000
Incoming Transfers & Other Trans	115,000
TOTAL REVENUES	87,970,000
Est. Fund Balance July 1, 2024	9,974,850
TOTAL AVAILABLE TO APPROPRIATE TO GENERAL FUND	97,944,850

BE IT FURTHER RESOLVED, that **\$88,721,700** of the total available to appropriate in the GENERAL FUND hereby appropriated in the amount and for the purposes set forth below:

EXPENDITURES	
Instruction	
Basic Instruction	41,078,800
Added Needs	12,577,700
TOTAL INSTRUCTION	53,656,500
Support Services	
Pupil Support	7,975,900
Instruction Staff Support	4,328,500
General Administration	1,062,300
School Administration	4,822,900
Business Services	802,400
Operations and Maintenance	7,545,300
Transportation	2,935,600
Other Central Support	2,795,400
Athletics	1,833,800
Community Services	933,100
Outgoing Transfers and Other	30,000
TOTAL APPROPRIATED	88,721,700
ESTIMATED FUND BALANCE June 30, 2025	9,223,150

**GRAND HAVEN AREA PUBLIC SCHOOLS
GENERAL FUND
OPERATING BUDGET
FOR FISCAL YEAR ENDING JUNE 30, 2025**

	2022-23 ACTUAL	2023-24 AMENDMENT	2024-25 PROPOSED
REVENUES			
Local	19,210,127	19,706,500	20,551,000
State	52,071,638	54,144,000	54,759,500
Federal	7,388,671	4,743,500	2,428,500
Interdistrict	9,495,319	9,623,500	10,116,000
Incoming Transfers & Other Trans	75,000	115,000	115,000
TOTAL REVENUES	88,240,755	88,332,500	87,970,000
EXPENDITURES			
Instruction			
Basic Instruction	42,097,064	40,963,500	41,078,800
Added Needs	12,492,308	13,269,500	12,577,700
TOTAL INSTRUCTION	54,589,372	54,233,000	53,656,500
Support Services			
Pupil Support	7,272,692	7,940,000	7,975,900
Instruction Staff Support	4,381,309	4,382,000	4,328,500
General Administration	973,964	1,017,000	1,062,300
School Administration	4,741,033	4,597,500	4,822,900
Business Services	774,252	844,000	802,400
Operations and Maintenance	7,355,276	7,708,000	7,545,300
Transportation	2,919,978	2,743,500	2,935,600
Other Central Support	2,593,918	2,564,000	2,795,400
Athletics	1,807,571	1,743,500	1,833,800
TOTAL SUPPORT SERVICES	32,819,993	33,539,500	34,102,100
Community Services	823,474	865,000	933,100
Outgoing Transfers and Other	32,550	18,500	30,000
TOTAL APPROPRIATED	88,265,389	88,656,000	88,721,700
EXCESS REVENUE (APPROPRIATIONS)	(24,634)	(323,500)	(751,700)
FUND BALANCE, JULY 1	10,322,984	10,298,350	9,974,850
FUND BALANCE, JUNE 30	10,298,350	9,974,850	9,223,150
FUND BALANCE AS A PERCENT OF EXPENDITURES	11.7%	11.3%	10.4%

SPECIAL REVENUE SCHOOL ACITIVITY FUND

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriation in the SPECIAL REVENUE SCHOOL ACTIVITY FUND of Grand Haven Area Public Schools, for the fiscal year 2024-25 is as follows:

Local	<u>\$ 1,400,000</u>
TOTAL REVENUES	\$ 1,400,000
Estimated Fund Balance July 1, 2024	\$ 1,048,544
TOTAL AVAILABLE TO APPROPRIATE SPECIAL REVENUE SCHOOL ACTIVITY FUND	\$ 2,448,544

BE IT FURTHER RESOLVED, that \$1,150,000 of the total available to appropriate in the SPECIAL REVENUE SCHOOL ACTIVITY FUND is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures	<u>\$ 1,400,000</u>
EXPENDITURES	\$ 1,400,000
Estimated Fund Balance June 30, 2025	\$ 1,048,544

SPECIAL REVENUE FOOD SERVICE FUND

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriation in the SPECIAL REVENUE FOOD SERVICE FUND of Grand Haven Area Public Schools, for the fiscal year 2024-25 is as follows:

REVENUES:	
Local	211,500
State	1,078,400
Federal	1,417,900
Incoming Transfers & Other Trans	-
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TOTAL REVENUES	2,707,800
Estimated Fund Balance July 1	761,646
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TOTAL AVAILABLE TO APPROPRIATE	3,469,446
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BE IT FURTHER RESOLVED, that **\$2,845,820** of the total available to appropriate in the SPECIAL REVENUE FOOD SERVICE FUND is hereby appropriated in the amounts and for the purposes set forth below:

TOTAL EXPENDITURES	
Food Service Activities	2,845,820
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TOTAL APPROPRIATED	2,845,820
ESTIMATED FUND BALANCE June 30, 2025	623,626
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**GRAND HAVEN AREA PUBLIC SCHOOLS
FOOD SERVICE FUND
FOR FISCAL YEAR ENDING JUNE 30, 2025**

	2022-23 ACTUAL	2023-24 AMENDMENT	2024-25 PROPOSED
REVENUES:			
Local	871,100	188,400	211,500
State	155,000	718,400	1,078,400
Federal	1,452,800	1,309,400	1,417,900
Incoming Transfers & Other Trans	-	-	-
TOTAL REVENUES	2,478,900	2,216,200	2,707,800
TOTAL EXPENDITURES			
Food Service Activities	2,186,600	2,403,500	2,845,820
TOTAL APPROPRIATED	2,186,600	2,403,500	2,845,820
EXCESS REVENUE (APPROPRIATIONS)	292,300	(187,300)	(138,020)
FUND BALANCE, JUNE 30	806,024	761,646	623,626

FURTHER RESOLVED, that no Board of Education member or employee of the School District shall expend any funds or obligate the expenditures of any funds except pursuant to appropriations made by the Board of Education and in keeping with the budgetary policy statement hitherto adopted by the Board.

Changes in the amount appropriated by the Board shall require approval by the Board.

BE IT FURTHER RESOLVED, that the Superintendent is hereby charged with general supervision of the execution of the budgets adopted by the Board and shall hold the Principals, Directors, Supervisors and Department Heads accountable for the performance of their responsibilities within the amounts appropriated by the Board of Education and in keeping with the budgetary policy statement hitherto adopted by the Board.

BE IT FURTHER RESOLVED, that, for purposes of meeting emergency needs of the school district, changes in appropriations may be made upon the written authorization of the Superintendent. When the Superintendent makes a change in appropriations as permitted by this resolution, such change shall be presented to the Board of Education in the form of an appropriations act amendment, which shall be adopted by the Board of Education at a regularly scheduled meeting.

This appropriation resolution is to take effect July 1, 2024.

Scott Grimes
Superintendent

GRAND HAVEN AREA PUBLIC SCHOOLS

2024-2025 GENERAL FUND BUDGET

JUNE 2024

REVENUES

The general appropriations act shall set forth the total number of mills of ad valorem property taxes to be levied and the purposes for which that millage is to be levied as follows:

<u>Date of Election</u>	<u>2024-25 Levy</u>	<u>Length of Time Authorized</u>
	6 Mills – Principal Residence and Other Property Taxable by Law	Unlimited
May 2, 2023	18 Mills – Non-Principal Residence and Other Property Taxable by Law	One Year – expires 2024 – renewal in 2025
May 6, 2014	0.33 Mills – 2014 Building and Site Bonds	Not to exceed twelve years from date of issue (2014-2026)

Foundation Allowance Revenue:

Base foundation grant of \$9,908 x 5,025 students = \$49,787,700.

Federal Revenue:

IDEA and Title revenues are budgeted at estimated levels. These grants will be adjusted as the new grants are approved.

ALL PROPERTY EXCLUDING PRINCIPAL RESIDENCE AND PROPERTY EXEMPT BY LAW MILLS

– A school district may levy with voter approval up to 18 mills or the number of local school operating mills levied in 1993, whichever is less, on all property excluding principal residence and property exempt by law only. These funds are retained by the local school district to fund a portion of the foundation allowance.

FOUNDATION GRANT – The foundation allowance is a per pupil revenue amount that a district may receive. It is calculated for each district based on a formula in the School Aid Act. In general, the starting point is the amount of eligible base revenue that a district received per pupil in the 1993-94 school year. The base amount is adjusted each year according to an index of per pupil revenue growth (or decline) in the State School Aid Fund. This foundation allowance is multiplied by the blended pupil count to total the foundation grant. This foundation allowance is estimated at \$9,135 per pupil.

The foundation grant is funded from a combination of State Aid and local property tax revenue. In order to receive the full foundation grant, a district must levy local school operating millage as described above.

EXPENDITURES:

Instruction: This area includes all classroom expenses K-12, including added needs and continuing education.

Supporting Services

Pupil Support: These specialized support services include; truancy/absenteeism, guidance, health, psychological, speech pathology, social work, and visual aid services.

Instructional Staff Support: These specialized support services include improvement of instruction, educational media services, educational television, technology assisted instruction, supervision and direction of instructional staff, and academic student assessment.

General Administration: This area includes expenses budgeted for the executive administration wages and supplies, and also the Board of Education expenses.

School Administration: Principals' and school secretaries' wages and items needed for the building administration (supplies and maintenance of equipment) are budgeted in this area.

Business Services: Activities concerned with purchasing, paying, transporting, exchanging and maintaining goods and services for the school district are included here.

Operations and Maintenance: Activities concerned with keeping the physical plant open, clean, and ready for daily use. Also, activities concerned with maintaining order and safety in school building, on the grounds and in the vicinity of schools at all times.

Transportation: Activities concerned with the conveyance of pupils to and from school as provided by state law.

Other Central Services: Activities other than general administration that support each of the other instructional and supporting service programs. Communications, human resources, information management, support services technology and pupil accounting are included.

Support Services, Other: This area includes costs of maintaining the performing arts centers.

Athletic Activities: This area consists of those activities concerned with financing the interscholastic athletic programs that are under the supervision of the school.

Community Services: This area includes the aquatics and childcare programs of the district. Also included is shared staff: music, physical education, art instruction, and media services for parochial schools.

Facilities Improvement and Land Acquisition: The purchase of land connected to Grand Haven High School.

Financing Uses: Payments and interest due on land purchase.

Transfers: Payments to other funds

SCHOOL SERVICE FUNDS

SCHOOL ACTIVITY FUND – Established to direct and account for monies used to support co-curricular and extra-curricular student and school activities.

FOOD SERVICE FUND – Chartwells manages the Grand Haven Area Public Schools Food Service program.

DEBT RETIREMENT FUNDS

The debt millage levy for 2024 will be 0.33 mills for our 2024-25 common debt retirement funds. These funds will cover the bond principal and interest payments for 2024-25.