



Grand Haven, Michigan 49417

2023-24 PROPOSED BUDGET

June 12, 2023

Elementary Education since 1835 - High School Education Since 1871

M E M O R A N D U M

Date: June 12, 2023
To: Grand Haven Area Public Schools Board of Education
cc: Staff
From: Scott Grimes, Superintendent
Re: PROPOSED 2023-24 BUDGET

We are pleased to present the proposed 2023-24 budget for your consideration. It is important to note that this budget has been formulated during a period of unprecedented times due to COVID-19. 2023-24 will be the final fiscal year in which COVID-19 relief funds will be spent. It is also important to note that this budget along with future budgets will be heavily impacted by the declining enrollment that the district is experience. It will be important to adjust expenditures as this occurs so that the district maintains a stable budget. 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 April 2012

Term expires 12/31/24

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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 2023-24 GENERAL FUND AND SCHOOL SERVICE FUND BUDGETS, AND THE DEBT LEVY

Monday, June 12, 2023

at 6:30 p.m.

Location:
White Pines Intermediate
1400 Griffin Street
Grand Haven, MI 49417

GRAND HAVEN AREA PUBLIC SCHOOLS
2023-24 GENERAL FUND
PROPOSED BUDGET INFORMATION

ASSUMPTIONS:

- Blended pupil count (90% - 10%) is projected at 5,279. A decrease of 116 pupils from the 2022-23 blended pupil count.
- Foundation allowance per student is \$9,608 = increase of \$450 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.
- 2.0% Wage and step increases for all employees.
- This budget is based on assumptions as the State's budget has not yet been approved.
- ESSER III and Equalization used in FY 2023 and in FY 2024
- Continued increase in costs due to inflation

POTENTIAL ADDITIONAL/REDUCED REVENUES AND EXPENDITURES:

- Final State budget
- Blended pupil count
- Categorical funding
- Actual health insurance rate
- Staffing
- Supply chain

RESOLUTION FOR ADOPTION BY THE BOARD
OF EDUCATION OF GRAND HAVEN AREA PUBLIC SCHOOLS
2023-24 BUDGETS

RESOLVED, that this resolution shall be the general appropriation of the Grand Haven Area Public Schools for the fiscal year 2023-24; 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 2023-24 is as follows:

BE IT FURTHER RESOLVED, that, to support the District's proposed budget for fiscal year 2023-24, 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	19,312,000
State	50,914,500
Federal	4,595,500
Interdistrict	9,461,500
Incoming Transfers & Other Trans	<u>100,000</u>
TOTAL REVENUES	84,383,500
Fund Balance July 1, 2023	10,175,984
TOTAL AVAILABLE TO APPROPRIATE TO GENERAL FUND	<u><u>94,559,484</u></u>

BE IT FURTHER RESOLVED, that **\$84,789,000** 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	39,422,500
Added Needs	12,576,500

TOTAL INSTRUCTION	51,999,000
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Support Services

Pupil Support	7,336,500
Instruction Staff Support	4,488,000
General Administration	963,500
School Administration	4,305,000
Business Services	710,500
Operations and Maintenance	7,585,500
Transportation	2,565,500
Other Central Support	2,439,000
Athletics	1,544,000

TOTAL SUPPORT SERVICES	31,937,500
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Community Services	848,500
Outgoing Transfers and Other	4,000

TOTAL APPROPRIATED	84,789,000
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ESTIMATED FUND BALANCE June 30, 2024	9,811,483
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**GRAND HAVEN AREA PUBLIC SCHOOLS
GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 2024**

	2021-22 ACTUAL	2022-23 FINAL REVISION	2023-24 PROPOSED
REVENUES			
Local	17,406,804	18,889,500	19,312,000
State	46,893,054	52,572,000	50,914,500
Federal	5,919,675	7,501,500	4,595,500
Interdistrict	9,097,210	9,442,500	9,461,500
Incoming Transfers & Other Trans	100,000	75,000	100,000
TOTAL REVENUES	79,416,743	88,480,500	84,383,500
EXPENDITURES			
Instruction			
Basic Instruction	38,269,752	42,179,500	39,422,500
Added Needs	10,456,687	12,662,000	12,576,500
TOTAL INSTRUCTION	48,726,439	54,841,500	51,999,000
Support Services			
Pupil Support	7,206,786	7,283,000	7,336,500
Instruction Staff Support	3,317,036	4,402,000	4,488,000
General Administration	1,053,236	999,500	963,500
School Administration	4,003,523	4,754,000	4,305,000
Business Services	733,889	773,000	710,500
Operations and Maintenance	6,094,976	7,365,000	7,585,500
Transportation	2,867,234	2,971,000	2,565,500
Other Central Support	2,107,024	2,589,500	2,439,000
Athletics	1,261,347	1,802,000	1,544,000
TOTAL SUPPORT SERVICES	28,645,051	32,939,000	31,937,500
Community Services	681,376	814,000	848,500
Outgoing Transfers and Other	638,861	33,000	4,000
TOTAL APPROPRIATED	78,691,727	88,627,500	84,789,000
EXCESS REVENUE (APPROPRIATIONS)	725,016	(147,000)	(405,500)
FUND BALANCE, JULY 1	9,597,968	10,322,984	10,175,984
FUND BALANCE, JUNE 30	10,322,984	10,175,984	9,770,484
FUND BALANCE AS A PERCENT OF EXPENDITURES	13.1%	11.5%	11.5%

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 2023-24 is as follows:

Local	<u>\$ 1,150,000</u>
TOTAL REVENUES	\$ 1,150,000
Estimated Fund Balance July 1, 2023	\$ 1,048,544
TOTAL AVAILABLE TO APPROPRIATE SPECIAL REVENUE SCHOOL ACTIVITY FUND	\$ 2,198,544

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>\$ 1,150,000</u>
EXPENDITURES	\$ 1,150,000
Estimated Fund Balance June 30, 2024	\$ 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 2023-24 is as follows:

REVENUES:	
Local	885,000
State	80,000
Federal	1,225,500
Incoming Transfers & Other Trans	<u>-</u>
TOTAL REVENUES	2,190,500
Fund Balance July 1	806,024
TOTAL AVAILABLE TO APPROPRIATE	<u><u>2,996,524</u></u>

BE IT FURTHER RESOLVED, that **\$2,270,500** 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	<u>2,270,500</u>
TOTAL APPROPRIATED	2,270,500
ESTIMATED FUND BALANCE June 30, 2024	<u><u>726,024</u></u>

**GRAND HAVEN AREA PUBLIC SCHOOLS
FOOD SERVICE FUND
FOR FISCAL YEAR ENDING JUNE 30, 2024**

	2021-22 ACTUAL	2022-23 FINAL REVISION	2023-24 PROPOSED
REVENUES:			
Local	148,815	790,500	885,000
State	90,666	141,500	80,000
Federal	2,481,039	1,436,000	1,225,500
Incoming Transfers & Other Trans	-	-	-
TOTAL REVENUES	2,720,520	2,368,000	2,190,500
TOTAL EXPENDITURES			
Food Service Activities	2,180,984	2,218,500	2,270,500
TOTAL APPROPRIATED	2,180,984	2,218,500	2,270,500
EXCESS REVENUE (APPROPRIATIONS)	539,536	149,500	(80,000)
FUND BALANCE, JUNE 30	656,524	806,024	726,024

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, 2023.

Scott Grimes
Superintendent

GRAND HAVEN AREA PUBLIC SCHOOLS

2023-2024 GENERAL FUND BUDGET

JUNE 2023

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>2023-24 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 2023 – renewal in 2024
May 6, 2014	2.29 Mills – 2014 Building and Site Bonds	Not to exceed twelve years from date of issue (2014-2026)

Foundation Allowance Revenue:

Base foundation grant of \$9,608 x 5,064 students = \$48,654,900.

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 2023 will be 2.29 mills for our 2023-24 common debt retirement funds. These funds will cover the bond principal and interest payments for 2023-24.