REVENUES

General Property Tax (Real Estate)

- Collections for property taxes are forecasted to decrease slightly in FY 19 and increase FY 20. The reductions in FY 21 to FY 23 were incorporated in the forecast for the 9 mil levy that will expire calendar 2020 and 5.9 mil that will expire calendar 2021. Property values appear to be stabilizing, therefore, the increases and decreases to property taxes were based the estimated collections for the voted-in millage amounts.

Tangible Personal Property Tax (Public Utility)

- These revenues have been stable for the past few years.

Unrestricted and Restricted State Grants

- A conservative approach was taken with State revenue because new Governor, a possible new budget formula and instability in student enrollment during the five year period. We have flat funded State revenue for the forecast.

Property Tax Allocations

- The increase in property tax allocations correlates to the increase in property taxes in FY 16 to FY 18. The decrease in fiscal years FY 21 and FY 22 correlates to the need for the levy passage of renewal levies.

EXPENDITURES

Salary & Benefits

- Based on negotiated agreement with NDEA and Local Teamsters 957. Conservative estimates used based on available operating funds

- Retirement cost is proportional to salaries.

- Cost of medical benefits increase at higher rate over next few years based on insurance pool action with EPC and pharmaceutical industry extreme cost increases . Dental and life cost showing slight increase from most recent projections. Classified employees insured under Michigan Conference starting January 1, 2019.

- Medicare and retirement based on salary changes with workers comp showing continued savings from self-insured workers comp programs.

Purchased Services

- Special Education services will continue to increase proportionally to need of students

- Mild temperatures and recent energy rebate checks received have offset energy costs. Some smaller annual savings in FY19-FY23 are expected.

- Community schools/tuition deduction as expenditures to offset funding revenue received versus a reduction of expenditure. FY19 showing a decrease in deduction amount due to closing of some community schools.

- Increases expected for repairs on aging buildings

- Increase in internet connectivity contract with greater bandwidth to support district one to one initiative

- Additional digital curriculum services to enhance student intervention will be added FY19-FY23

- Implementation of SRO contracts to all municipalities will result in an increase of purchased services

- Slight offset in maintenance of OFCC buildings due to 034 fund

Supplies

- Textbook and Textbook binding expense decrease due to one to one initiative, and utilization of permanent improvement funding

- Building and Grounds along with transportation fuel costs increases

- Greater expense in software licensing as we implement new programs and devices

- Educational Apps for one to one devices needed for all students K-12

- Security enhancements for classrooms planned FY19-FY23 which will result in additional expenses

- Additional graphing calculators for students required to take the ACT

Capital

- Utilization of some permanent improvement dollars to offset major capital purchases out of general fund.

- Replacement of aged maintenance vehicles complete with FY19 purchases.
- New Firewall equipment purchased in FY19 causing a need for additional spending in Capital line. New switches needed for security camera project and MS course programming changes FY19-FY21.