

**GROSSE POINTE PUBLIC SCHOOL SYSTEM
BUDGET DEVELOPMENT
2019/2020**

Beginning Revenue (18/19 Amendment #3)	104,859,462	ASSUMPTIONS - ESTIMATES
Changes to Revenue		
Updated State Aid: Foundation allowance increase	860,040	\$120 per student FTE
State Aid: Enrollment Decline	(1,515,600)	(150) net foundation
Updated State Categorical and Wayne RESA payments	(903,001)	One-time revenue received in 2018/19
New Transfer from School Service Fund	300,000	One-time transfer from Fund Balance of SSF
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Net Change in Revenues	(1,258,561)	
Projected Revenue	103,600,901	
Beginning Expenditures (18/19 Amendment #3)	102,678,943	
Changes to Expenditures		
Savings in staff costs - retirements	(802,980)	15 retired and replaced - savings \$40,000 per + F&R
Savings in staff costs - declining enrollment	(829,448)	8 staff reduced - \$70,000 per + F&R & health care
Steps	853,613	Step increases teachers and other staff - no other increases
Employee benefits / Health care	500,000	~ 5 % increase in costs (estimate)
Curriculum	717,000	Reserved from 1819 plus \$100,000
New Instrument replacement	100,000	Critical needs for instrument replacement is \$300,000
Other personnel costs	25,000	Other personnel costs
Variable cost increase	152,000	Increase of 1.0%
Updated Changes amendment #3	997,314	One time changes amendment #3
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Net change in expenditures	1,712,499	
Projected Expenditures	104,391,442	
Projected Surplus (Deficit)	(790,541)	
Change in Fund Balance		
Beginning Fund Balance - July 1, 2019	12,725,172	Total fund balance - \$617,000 reserved for curriculum
Surplus (deficit)	(790,541)	
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Ending Fund Balance - June 30, 2020	11,934,631	
Percentage of Fund Balance	11.43%	
Target FB percentage	10.00%	