

Grass Lake Community Schools

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Grass Lake Community Schools Board of Education Budget Hearing

Monday, June 13, 2011
6:30 p.m.

Grass Lake High School
Library/Media Center

I. Call to Order

President Waskiewicz called the Budget Hearing to order at 6:33 p.m.

II. Review of Proposed Millage Rates for 2011-2012

Mr. Hamilton reminded the board that this has to be done every year. He also reminded them that the non-homestead millage expires in 2014. The non-homestead millage generates just over \$1 million for the district every year.

At the Regular Meeting, the board will have to vote to approve the millage rates and the debt retirement rates: 2000 voted, 2000 voted, 2005 voted and 2010 voted, for a total of 7 mills.

Mr. Hamilton read recent e-mail correspondence from Kelly Lambrix of the district's financial advisors, PFM. She recommended raising the debt mills in the near future, to avoid a huge deficit at the end of the loan term in 2032. Mr. Hamilton suggested that either Kelly or Carrie Blanchett from PFM be invited to a board meeting within the next year.

III. Preliminary 2011-2012 General Budget

Mr. Hamilton informed the board that the preliminary General Budget for 2011-2012 would have to be voted on in the Regular Meeting. The budget includes the \$274,000 one-time Jobs Fund money. The budget calls for taking \$650,852 out of the fund balance (6.2% of the budget) to balance the budget. No pending healthcare reform or retirement rate changes were included.

Mr. Hamilton's goal was to try to balance the budget with a minimal amount of cuts. He reported that eliminating a deficit was achieved by cuts for one-third of the amount, another one-third through cost savings and the last third coming from the fund equity.

The good news is that there is money in the fund equity to take out. He warned the board that there are only so many times that money can be used out of fund equity before it is gone.

Three things have to be voted on in the regular meeting: Non Homestead, debt repayment and the preliminary budget for next school year.

IV. Adjournment

The Budget Hearing was adjourned at 6:59 p.m.