

“TRUTH IN BUDGET & TAXATION” HEARING

Purpose of the Hearing:

1. Lake Orion Community Schools is conducting this hearing to comply with existing law and provide our community an opportunity to express their thoughts on our proposed Draft fiscal year 2025-26 General Fund budget and the underlying tax levy (L-4029) supporting it.
2. Compliance with “The General Property Tax Act”
 - a. Public Act 206 of 1893
 - i. Section 211.24e(3) “Truth In Taxation”
3. Compliance with the “Uniform Budgeting and Accounting Act”
 - a. Public Act 2 of 1968
 - i. **141.436 General Appropriations Act; requirements; etc.**
 1. Section 16 – “The Truth In Budgeting Act”
4. We are proposing a tax levy (L-4029) to be applied on all applicable qualifying property as of July 1, 2025. The levy with the estimated tax revenue is:

a. General Fund Revenue Est:	18.0 mills	\$12,175,100
b. Building & Site Sinking Fund Est:	1.8643 mills (All TV)	5,408,600
c. <u>Debt Service Fund(s) Revenue Est.:</u>	<u>7.491 mills (All TV)</u>	<u>21,732,400</u>
d. Estimated Total Tax Levy:		\$39,316,100

 - e. Revenues are based on Oakland County provided taxable values for:
 - i. “ALL Properties” valued at \$2,901,129,874.
 - ii. “Non-homestead Properties” valued at \$676,392,232.
5. 1 mill of tax levy on a parcel of property with a taxable value of \$100,000 will produce \$100 of tax revenue.

LAKE ORION COMMUNITY SCHOOLS



GENERAL FUND

FISCAL YEAR 2025-26 DRAFT ADOPTED BUDGET - June 25, 2025

	FINAL ACTUAL 2023-24	AMENDMENT 1 BUDGET 2024-25	DRAFT BUDGET 2025-26
REVENUES			
Local Sources	\$ 12,115,526	\$ 13,583,579	\$ 14,729,170
State Sources	81,755,281	80,454,214	79,863,843
Federal Sources	4,457,415	2,681,769	2,416,274
ISD and Medicaid Sources	7,186,521	6,936,853	7,346,127
Other Revenue	1,473,811	874,015	565,000
TOTAL REVENUES	\$ 106,988,554	\$ 104,530,430	\$ 104,920,414
EXPENDITURES			
INSTRUCTION			
Basic Programs	\$ 48,838,224	\$ 46,732,796	\$ 48,052,400
Added Needs	15,198,103	14,829,977	15,224,600
TOTAL INSTRUCTION	\$ 64,036,327	\$ 61,562,773	\$ 63,277,000
SUPPORT SERVICES			
Pupil Support Services	\$ 9,176,529	\$ 9,454,213	\$ 9,458,450
Instructional Staff Support Services:			
Instruction Improvement	2,086,481	3,387,638	2,624,900
Educational Media Services	1,471,698	1,421,209	1,593,000
Technology Assisted Instruction	41,114	45,080	48,400
Instructional Staff Supervision	879,307	1,032,213	866,650
General Administration	1,841,729	1,434,096	1,521,100
School Administration	5,134,633	5,050,322	5,106,000
Business Services	1,439,858	1,417,726	1,470,700
Operation and Maintenance	7,626,982	7,464,197	7,373,200
Transportation Services	6,429,672	6,092,459	5,541,794
Communication Services	234,689	242,346	253,330
Human Resources	1,409,336	1,308,950	1,300,800
Technology Services	2,375,670	2,156,864	2,160,600
Pupil Services	256,469	245,165	285,000
Athletic Activities	1,636,466	1,821,375	1,775,000
Community Services	194,012	248,642	245,000
TOTAL SUPPORT SERVICES	\$ 42,234,645	\$ 42,822,495	\$ 41,623,924
OUTGOING TRANSFERS			
District Debt Service Funds	144,885	-	-
TOTAL TRANSFERS	\$ 144,885	\$ -	\$ -
TOTAL EXPENDITURES	\$ 106,415,857	\$ 104,385,268	\$ 104,900,924
Beginning Fund Balance	\$ 8,945,935	\$ 9,518,632	\$ 9,663,794
Revenues over/(under) Expenditures	572,697	145,162	19,490
Ending Fund Balance	\$ 9,518,632	\$ 9,663,794	\$ 9,683,284



Memorandum

To: Heidi Mercer, Superintendent
CC: Shannon Hojna, Director of Business & Finance
From: Andrea Curtis, Assistant Superintendent of Business & Finance
Date: May 28, 2025
Re: General Fund Operating, Debt Retirement and Sinking Fund Millage Rates

The District annually completes the Tax Rate Request Form (Form L-4029). This form is filed with the Oakland County Clerk's Office, the Oakland County Equalization Department and all the taxed municipalities. The L-4029 is attached for your review and approval.

Millage Reduction Fraction

Each year the district's General Fund operating and Building & Site Sinking Fund millage rates have the potential to be reduced by the "Headlee" Millage Reduction Fraction (MRF). Simply put, if the taxable value of a district's tax base has increased, in part because of inflation, the authorized millage rate is reduced by the MRF to remove the effects of inflation on the tax revenue yield. Districts are allowed to have their community authorize a millage rate greater than the District's maximum legally allowable levy of 18 mills. This is commonly referred to as a "Headlee Override" millage authorization. Our community authorized a General Fund Operating Millage of 21.00 mills on February 27, 2024. This millage levy authorization expires June 30, 2034. For our fiscal year 2024-25 our Millage Reduction Fraction (MRF) is 0.9869.

General Fund Operating Millage Rate

Included in the L-4029 form is the General Fund operating millage rate that we are requesting the municipalities levy on the District's qualifying Non-Homestead tax base. The collection of this levy produces our General Fund operating tax revenue. Our fiscal year 2024-25 "Headlee" adjusted authorized millage rate was 20.9538 mills. Our fiscal year 2025-26 "Headlee" adjusted authorized operating millage rate, after application of this year's MRF is 20.6793 mills. Legally, school districts can only levy up to 18.00 mills for operating revenue therefore our fiscal year 2025-26 actual levy will be 18.0 mills in the July levy.

Lake Orion Community Schools

Administration Building
315 N. Lapeer Street, Lake Orion, MI 48362

Phone: 248•693•5400

Fax: 248•693•5464

Debt Retirement Millage Rate

The L-4029 includes the millage rate for our Debt Service Funds that we are requesting the municipalities to levy on all properties comprising our tax base. The voted debt millage is exempt from the “Headlee” MRF adjustment. Our total voted debt fund authorized and allowable limit is 7.4910 mills. This amount is allocated to our eligible debt service funds based on a calculation of funds available and debt service funding requirements for the year. Our debt service payments will be fully funded by the debt millage levy. The District will not be borrowing from the School Loan Revolving Fund in fiscal year 2025-26. We are requesting to levy 7.4910 mills in the July levy.

Building & Site Sinking Fund Millage Rate

The L-4029 includes the millage rate for our Building & Site Sinking Fund that we are requesting the municipalities to levy on all properties comprising our tax base. Our fiscal year 2024-25 “Headlee” adjusted authorized millage rate was 1.8794 mills. Our fiscal year 2025-26 “Headlee” adjusted authorized operating millage rate, after application of this year’s MRF is 1.8643 mills. We are requesting to levy 1.8643 mills in the July levy.

2025 Tax Rate Request (This form must be completed and submitted on or before September 30, 2025)

MILLAGE REQUEST REPORT TO COUNTY BOARD OF COMMISSIONERS

This form is issued under authority of MCL Sections 211.24e, 211.34 and 211.34d. Filing is mandatory; Penalty applies.

Carefully read the instructions on page 2.

County(ies) Where the Local Government Unit Levies Taxes Oakland	2025 Taxable Value of ALL Properties in the Unit as of 05-27-2025 2,901,129,874
Local Government Unit Requesting Millage Levy Lake Orion Community Schools (63230)	For LOCAL School Districts: 2025 Taxable Value excluding Principal Residence, Qualified Agricultural, Qualified Forest, Industrial Personal and Commercial Personal Properties. 676,392,232

This form must be completed for each unit of government for which a property tax is levied. Penalty for non-filing is provided under MCL Sec 211.119. The following tax rates have been authorized for levy on the 2025 tax roll.

(1) Source	(2) Purpose of Millage	(3) Date of Election	(4) Original Millage Authorized by Election Charter, etc.	(5) ** 2024 Millage Rate Permanently Reduced by MCL 211.34d "Headlee"	(6) 2025 Current Year "Headlee" Millage Reduction Fraction	(7) 2025 Millage Rate Permanently Reduced by MCL 211.34d "Headlee"	(8) Sec. 211.34 Truth in Assessing or Equalization Millage Rollback Fraction	(9) Maximum Allowable Millage Levy *	(10) Millage Requested to be Levied July 1	(11) Millage Requested to be Levied Dec. 1	(12) Expiration Date of Millage Authorized
Voted	NH Oper	2/27/24	21.0000	20.9538	.9869	20.6793	1.0000	20.6793	18.0000	0.0000	6/2034
Voted	Debt-Ref	2/2/16	Unlimited	N/A	1.0000	N/A	1.0000	0.3551	0.3551	0.0000	N/A
Voted	Debt	11/6/18	Unlimited	N/A	1.0000	N/A	1.0000	2.1327	2.1327	0.0000	N/A
Voted	Debt-Ref	11/5/19	Unlimited	N/A	1.0000	N/A	1.0000	2.0877	2.0877	0.0000	N/A
Voted	Debt	11/6/18	Unlimited	N/A	1.0000	N/A	1.0000	1.2847	1.2847	0.0000	N/A
Voted	Debt	11/6/18	Unlimited	N/A	1.0000	N/A	1.0000	1.6308	1.6308	0.0000	N/A
Voted	Sinking	2/27/24	1.8862	1.8794	.9920	1.8643	1.0000	1.8643	1.8643	0.0000	6/2034

Prepared by Shannon Hojna	Telephone Number (248) 693-5415	Title of Preparer Director of Business & Finance	Date 05/28/2025
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CERTIFICATION: As the representatives for the local government unit named above, we certify that these requested tax levy rates have been reduced, if necessary to comply with the state constitution (Article 9, Section 31), and that the requested levy rates have also been reduced, if necessary, to comply with MCL Sections 211.24e, 211.34 and, for LOCAL school districts which levy a Supplemental (Hold Harmless) Millage, 380.1211(3).

<input type="checkbox"/> Clerk	Signature	Print Name	Date
<input checked="" type="checkbox"/> Secretary		Susan Flaherty	05/28/2025
<input type="checkbox"/> Chairperson	Signature	Print Name	Date
<input checked="" type="checkbox"/> President		Danielle Bresett	05/28/2025

* Under Truth in Taxation, MCL Section 211.24e, the governing body may decide to levy a rate which will not exceed the maximum authorized rate allowed in column 9. The requirements of MCL 211.24e must be met prior to levying an operating levy which is larger than the base tax rate but not larger than the rate in column 9.

**** IMPORTANT:** See instructions on page 2 regarding where to find the millage rate used in column (5).

Local School District Use Only. Complete if requesting millage to be levied. See STC Bulletin 2 of 2025 for instructions on completing this section.

Total School District Operating Rates to be Levied (HH/Supp and NH Oper ONLY)	Rate
For Principal Residence, Qualified Ag., Qualified Forest and Industrial Personal	
For Commercial Personal	6.0000
For all Other	18.0000