

LAKE ORION COMMUNITY SCHOOLS

Adopted Budget Information Fiscal Year 2025-26

Executive Summary & Budget Assumptions



**Lake
Orion
Community
Schools**

Lake Orion Community Schools Board of Education

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The Uniform Budgeting and Accounting Act requires the district's budget to set forth a statement of the total number of mills of ad valorem property taxes to be levied and the purpose for which the millage is levied. For fiscal year 2025-26, the school district will levy tax mills and generate estimated tax revenue as follows:

<u>Tax Base</u>	<u>Purpose</u>	<u>Mills Levied</u>	<u>Est. Tax Revenue</u>
Non-Homestead	General Operating	18.0000	\$ 12,175,100
All Properties	B&S Sinking Fund	1.8643	\$ 5,408,600
All Properties	Debt Retirement	7.4910	\$ 21,732,400

Lake Orion Community Schools Overview

Lake Orion Community Schools is one of 540 Local Educational Authorities (LEA) in the State of Michigan. LEA's are commonly referred to as local school districts. Lake Orion Community Schools covers an area of approximately 50 square miles and is located entirely in Oakland County. It is comprised of the Village of Lake Orion, a portion of the City of Auburn Hills, and the townships of Addison, Independence, Oakland, Orion, and Oxford. The district is located primarily in a residential area. The first school building to house Lake Orion students was built in 1893 and served grades K-12. The school district is currently comprised of six elementary schools, three middle schools, one high school, one community education resource center, an early childhood center and two operational support facilities serving approximately 6,900 students. Lake Orion Community Schools is an autonomous, tax-supported public school district governed by Michigan General School Law. The governing body of the district is the Board of Education. The Board of Education consists of seven elected members at large for over-lapping terms. The Board of Education is responsible for the selection and hiring of the Superintendent of Schools. It sets policy, develops long-range goals, acts upon recommendations of the Superintendent, and adopts and periodically amends the operating budget in accordance with governing laws.

Our vision

Empowered Dragons experience joy and success.

Our mission

Empowering the Dragon community to achieve excellence.

Our beliefs

We believe:

- Preparing Dragons is a collaboration of students, staff, families and community.
- We have a responsibility to provide a safe, welcoming, equitable learning environment where all individuals are respected and valued.
- In fostering an environment that cultivates each individual's maximum potential.
- Character development is an integral part of education.
- In a dynamic innovative approach to educating Dragons.

What we do

Lake Orion Community Schools provides comprehensive educational programming and services for our students including Pre-K, innovative primary and secondary, and special education programming. Additionally, the district provides comprehensive student athletic, music, band, and intramural programs.

Economic Environment & District Forward Planning

Our Board of Education and Administration considers many factors when setting the district's fiscal year 2025-26 (July 1, 2025 - June 30, 2026) budget. One of the most important factors affecting the budget is the economic condition of the State of Michigan. The fiscal year 2025-26 budgets will be adopted prior to June 30, 2025, and be in effect July 1, 2025. Budgets are based on an estimated pupil enrollment, property tax revenues, state aid funding, and grant awards. State law requires the District to amend the budget if actual District resources are not sufficient to fund original appropriations. Since the District's revenue is primarily dependent on property taxes, state funding and therefore the health of the State's School Aid Fund (SAF), the actual revenue received depends on the State's economic conditions, continued stability in the tax base and the State's ability to collect revenues to fund its appropriations to school districts. In the past, the State of Michigan has issued several executive orders, prorating, and reducing, mid-year, the State's funding commitment to Public School Districts. Our Board of Education and Administration are profoundly aware of the impact the State's economy has had on the State's School Aid Fund and consequently our District. The district's strategic planning goals direct us, in a continuously improving way, to focus on and develop new resources in a manner that directly benefits our student's educational experience.

Budget Policy, Development and Management Process

Lake Orion Community Schools' budget and fiscal planning policy directs, authorizes and holds responsible the Superintendent (and their designee) for the planning, preparation, and execution of the district's annual operating budgets. The budget documents represent the numerical representation of the district's curriculum programming and operational priorities. The Board of Education authorizes and funds the operating budgets according to approved district policies, procedures and laws of the State of Michigan. The Board of Education conducts budget hearings and a budget adoption process in accordance with State law. Changes to the original annual operating budgets shall be documented to maintain accurate working budgets and shall be presented through the budget amendment process up to three times each fiscal year for the Board of Education review and approval.

Budget Development Process

Budgeting for a public school district is the process of allocating limited resources to the various educational priorities of the district. The general appropriations act, or school board adopted budget, represents the legal authority for the school district's administration to spend the district's funds. The school board's vote to adopt the budget implies that a set of decisions has been made to allocate the district's limited resources to pay, or not pay, for a certain set of educational items or services. The Lake Orion Community Schools' budget development process operates on a continuous improvement basis. The Superintendent (or designee) annually establishes a budget development calendar. Budget documents, as released each year, include presentation and operational changes. Accordingly, the proposed new fiscal year budget documents reflect all changes made to our general ledger reporting structure done to maintain compliance with the Michigan Public Schools Accounting Manual (Bulletin 1022).

Significant Legal Requirements

The State of Michigan requires local school districts to comply with the following Public Acts and Michigan Compiled Laws:

1. Uniform Budgeting and Accounting Act – Public Act 2 of 1968
2. The General Property Tax Act - Public Act 206 of 1893 (MCL 211.24e)
3. Local Government Fiscal Responsibility - PA 72 of 1990
4. Revised Municipal Finance Act – PA34 2001
5. Budget Hearings of Local Governments – PA 43 of 1963 (MCL 141.412)
6. The Revised School Code - PA 451 of 1976
7. The State School Aid Act - PA of 1979
8. The Michigan School Accounting Manual (Bulletin 1022)

These Public Acts require school districts to prepare fund level budgets, which account for the day-to-day operations of the school district. Fiduciary funds are not required to be budgeted. The budgets are prepared in accordance with generally accepted accounting principles and a specific uniform chart of accounts established by the State of Michigan. The Michigan School Accounting Manual (Bulletin 1022) is a mandatory guide to the uniform classification and recording of accounting transactions for Michigan public school districts. Budgets must be approved and adopted no later than June 30 for the fiscal year beginning July 1 and ending June 30 of the subsequent year. Prior to adoption, the Board must conduct a public hearing and make the budget available for review as well as provide notice of the hearing in accordance with law. Formal adoption of the budget is accomplished through a general appropriations resolution approved by the Board of Education which sets forth the expenditures, presented by function, in each fund and a statement of estimated revenues.

The Michigan Public School Accounting Manual (Bulletin 1022) was adopted in 1963 with major revisions in 1976, 1988, and 2004. It conforms to the 2003 federal Financial Accounting for Local and State School Systems. The Bulletin 1022's primary purpose is to provide a standard framework for reporting financial data to the state. The following is an excerpt taken from Bulletin 1022 describing multiple expenditure function codes that create the basis of our expenditure budget.

Instruction - Instruction includes the activities dealing directly with the teaching of pupils or the interaction between teachers and pupils. Teaching may be provided for pupils in a school classroom, in another location such as in a home or hospital, and other learning situations. Included are the activities of classroom aides, teacher assistants, supplies and machines that directly aid in the instructional process.

Basic Programs - Instructional activities including enrichment designed primarily to prepare pupils for activities as citizens, family members, and workers, as contrasted with programs designed to improve or overcome physical, mental, social and/or emotional handicaps. Included is the Pre-kindergarten, Elementary, Middle-Junior High and High School programming.

Added Needs - Instructional classroom activities designed for pupils added needs. Special Education - Instructional activities designed primarily to deal with pupils having impairments requiring special accommodation. The special education programs area includes Preprimary, Elementary, Middle/Junior High, and High School services for pupils with mental, emotional, hearing, visual, speech, language, physical and other impairments and learning disabilities. Compensatory Education - Instructional activities designed to improve the achievement in basic cognitive skills of pupils who have an extraordinary need for assistance to improve their competence in such basic skills. Career and Technical Education - Instructional activities which provide laboratory, simulations or instruction offered at the secondary level, based upon individually designed learning experiences in a vocational subject preparing the pupil for competencies required in a recognized occupation coded in accordance with recognized and approved Classification of Instructional Programs (CIP) codes.

Supporting Services - Supporting Services are those services which provide administrative, technical, and logistical support to facilitate and enhance instruction and to a lesser degree, community services. Supporting Services exist as adjuncts for the fulfillment of the objectives of instruction. The Supporting Services expenditure function codes include Truancy/Absenteeism Services, Guidance Services, Health Services, Psychological Services, Speech Pathology and Audiology Services, Social Work Services, Visual Aid Services, Teacher Consultant, Other Pupil Support Services, Improvement of Instruction, Educational Media Services, Instruction Related Technology, Supervision and Direction of Instructional Staff, Academic Student Assessment, Other Instructional Staff Services, General Administration, School Administration, Business, Operations and Maintenance, Pupil Transportation Services, Central, and Other.

District Budget Management and Internal Controls

The district's budget development and management process comprise a multi-year forecast, two budget amendment cycles and a structured budget development practice focused on timeline, critical path tasks and valid data. The district maintains a system of budgetary and internal controls designed to assist management in meeting its fiduciary and reporting responsibility. Our internal control system is designed to provide reasonable assurance that assets are safeguarded, and transactions are recorded correctly and executed with management's authorization. Periodic financial information reporting packages are provided to the Board of Education throughout the course of the fiscal year. Included in the financial reporting packages are an executive summary, budget to actual revenue and expenditure reports, analysis on all budgeted funds, district cash and investment information, the district disbursements report, general fund cash flow reporting, district procurement card activity reporting, and grant summary report.

BUDGET DEVELOPMENT ASSUMPTIONS

General Fund Revenue Assumptions

Property Tax Revenues

The District's Taxable Value (TV) information, as provided by Oakland County, is based on the applicable L-4028 report. The district's "all property" tax base is \$2,901,129,874 and is comprised of an estimated 76.7% Pre-homestead TV and 23.3% non-homestead TV property. The district's "non-pre property", aka non-homestead, tax base is \$676,392,232. Lake Orion Community Schools levies 18.0 mills on the qualifying non-pre property. The per student foundation allowance amount is funded from two revenue sources, the 18 mill local property taxes and the School Aid Fund. These funds constitute the district's local funding contribution of the per student foundation allowance guarantee. State Aid funding makes up the balance of the foundation allowance guarantee. The fiscal year 2025-26 general fund budget for local property tax revenue is a product of the 18 mills times the "non-pre property" tax base and is budgeted at \$12,175,100.

State Source Revenue

The State source revenue is budgeted at \$78,120,371 million, down \$(5,654,812) over fiscal year 2024-25 revenue. This revenue source is comprised of the State Aid portion of the foundation allowance guarantee plus each fiscal year's various state aid categorical funds. The net decrease is driven by the decrease of one-time 147a4, 147c2, and 147g MPSERS funding and state categorical grants including 31aa mental health and safety, 35j professional development, and 23g summer programming. The district's per student foundation allowance is budgeted to increase \$392 per pupil from \$9,608 to \$10,000. The student count for fiscal year 2025-26, is expected to be a 90% weight placed on the October

2025 student count plus a 10% weight on the actual February 2025 student count. We are planning for a net decrease of 147 full-time equivalent (FTE) students as compared to the 2024-25 student FTE count resulting in a forecasted overall budgeted student count of 6,754 FTE. This figure includes our estimated net number of resident students “aging out”, the net change in our Schools of Choice students and Shared Time Services student population. Section 147c(1) categorical pass through funding, and corresponding expenditures, have been budgeted to increase from \$5.1 million to \$7.5 million.

Federal Source Revenue

The Federal source revenue has been budgeted at \$2.1 million representing a \$(630,000) reduction relative to the prior fiscal year’s Federal funding of \$2.7 million. Federal source revenues are comprised entirely of federally funded grants including the Individuals with Disabilities Education Act (IDEA) grant, Title series grants, Head Start and Early Head Start grants, and the remaining COVID ESSER grant.

ISD and Other Revenue

Intermediate School District (ISD) funding is primarily made up of PA-18 Special Education funding distributed to the local districts from Oakland Schools. The budgeted PA-18 amount is \$7,501,170 based on preliminary estimates provided by Oakland Schools. The Food Service and Community Service Funds all provide indirect cost recovery dollars and/or rent transfers back to the General Fund. The transfer from the Food Service fund is budgeted at \$215,000. The Community Services fund transfer has been budgeted at \$350,000.

General Fund Expenditure Assumptions

The Lake Orion Community Schools Board of Education has approved multiple revenue and expenditure adjustments that are to be implemented in fiscal year 2025-26. The following is a summary of the expenditure changes implemented:

- Schools of Choice and Shared Time Services program continuation.
- Staff changes resulting from retirements, leaves and absorptions.

Salaries and Wages

Salaries and wages comprise the single largest expenditure category for the district’s General Fund operating budget. The adopted budget wage base represents a flat budget over the prior year. The district’s proposed wage budget changes are driven by employee retirements and absorptions, employee wage schedule adjustments and employee step movement within their applicable contract or wage schedule.

MPSERS Retirement Costs

The district will pay an estimated \$29.94 in base retirement costs for every \$100 of wages paid to our employees in fiscal year 2025-26. The district's employees participate in multiple Office of Retirement Services retirement programs. The district's weighted average retirement rate expectation for the new year has been projected at 29.94%. The State Legislature continues to fund the section 147c MPSERS rate stabilization pass through categorical. The district's receives additional funding of \$7.5 million via this categorical then pays the Office of Retirement Services in a pass-through process payment structure. The revenue and expenditure budgets of the General Fund, Pine Tree Center, Community Service, Food Service, and Student Activities Funds are "grossed up" by this process and the costs are embedded at all functional levels.

FICA Costs

The district pays an additional \$7.65 in FICA payroll taxes (Medicaid 1.45% plus social security 6.2%) for every \$100 of wages paid our employees. The individual salary base upon which the Social Security element of the FICA payroll tax as levied is capped at a specific IRS determined earnings level on a calendar year basis. The calendar year 2025 social security wage cap has been increased to \$176,100. There is no cap for the Medicaid element of the payroll tax. The FICA rate expectation for fiscal year 2025-26 remains 7.65%.

Summary Employee Benefits Costs

The district incurs, with some exceptions, employee related costs that include, but are not limited to healthcare, dental, vision, long term disability, life, unemployment and workers compensation insurances. Changes included for fiscal year 2025-26 reflect the known employee benefit selection changes. We are planning on no increase in the district's healthcare cost coverage caps for FY2025-26 as listed below:

- Single Cap \$ 7,304.51
- Two Person Cap \$15,276.01
- Family Cap \$19,921.45

Other Operating Costs

The district's other operating costs, which are defined as all operating costs excluding wage and benefits related costs, include purchased services, supplies, materials, capital outlay, dues and fees and other financing uses.

Utility Costs

The district monitors electrical and natural gas consumption and expects to minimize overall consumption because of the efficiency improvements. Natural gas is budgeted at \$575,000 and electrical at \$1,325,000.

Other Included Information:

The following schedule identifies all the district's Funds for FY2025-26.

- General Fund (110 – 190)
- Community Services Special Revenue Fund (230)
- Food Services Special Revenue Fund (250)
- Student Activities Special Revenue Fund (290)
- Debt Service Funds (voted debt) (300, 310, 320, 350, 360, 390)
- Building & Site Sinking Fund (410)
- 2024 Bond Capital Projects Fund (430)
- District Capital Projects Fund (440)
- Bond 2025 Series 3A Capital Projects Fund (450)
- RISK Internal Service Fund (810)

The district uses a multi-year forecasting process modeling the General Fund's operations to improve the planning process of the district's operations. Like all forecasts, ours is designed to identify near future trends to be managed and is not an exact prediction of operational outcomes.

For the fiscal year 2025-26, all fund level budgets incorporate all the major revenue and expenditure assumptions identified herein. The fund level budgets, as incorporated into this document, were presented for approval and adoption by the Board of Education at the June 25, 2025, public meeting.

LAKE ORION COMMUNITY SCHOOLS

GENERAL FUND - (110, 120, 130, 140, 150, 170, 180, 190)

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



	FINAL ACTUAL 2023-24	FINAL BUDGET 2024-25	PROPOSED BUDGET 2025-26	Year to Year \$ Variance	Year to Year % Variance	
REVENUES						
Local Sources	12,115,526	13,460,735	14,187,760	727,025	5.4%	A
State Sources	81,755,281	83,775,183	78,120,371	(5,654,812)	-6.7%	B
Federal Sources	4,457,415	2,706,087	2,076,311	(629,776)	-23.3%	C
ISD and Other Sources	7,186,521	7,157,968	8,493,890	1,335,922	18.7%	D
Other Revenue	1,473,811	1,102,707	565,000	(537,707)	-48.8%	E
TOTAL REVENUES	106,988,554	108,202,680	103,443,332	(4,759,348)	-4.4%	
EXPENDITURES						
INSTRUCTION						
Basic Programs	48,838,224	48,439,962	47,519,493	(920,469)	-1.9%	F, G
Added Needs	15,198,103	15,290,515	14,710,223	(580,292)	-3.8%	F, H
TOTAL INSTRUCTION	64,036,327	63,730,477	62,229,716	(1,500,761)	-2.4%	
SUPPORT SERVICES						
Pupil Support Services	9,176,529	9,826,313	9,230,438	(595,875)	-6.1%	F
Instructional Staff Support Services *	4,478,600	6,230,092	4,895,294	(1,334,798)	-21.4%	F, I
General Administration	1,841,729	1,506,678	1,617,740	111,062	7.4%	F, J
School Administration	5,134,633	5,201,007	5,084,988	(116,019)	-2.2%	F
Business Services	1,439,858	1,385,700	1,485,488	99,788	7.2%	F, K
Operation and Maintenance	7,626,982	7,518,808	7,388,344	(130,464)	-1.7%	F
Transportation Services	6,429,672	6,150,521	5,520,627	(629,894)	-10.2%	F, L
Communication Services	234,689	253,251	254,974	1,723	0.7%	F
Human Resources	1,409,336	1,349,650	1,284,701	(64,949)	-4.8%	F
Technology Services	2,375,670	2,189,322	2,160,146	(29,176)	-1.3%	F
Pupil Services	256,469	253,323	284,911	31,588	12.5%	F
Athletic Activities	1,636,466	1,784,563	1,738,502	(46,061)	-2.6%	F
Community Services	194,012	258,965	246,635	(12,330)	-4.8%	F
TOTAL SUPPORT SERVICES	42,234,645	43,908,193	41,192,788	(2,715,405)	-6.2%	
OUTGOING TRANSFERS						
District Capital Projects Funds	144,885	-	-	-	-	
TOTAL TRANSFERS	144,885	-	-	-	-	
TOTAL EXPENDITURES	106,415,857	107,638,670	103,422,504	(4,216,166)	-3.9%	
Beginning Fund Balance	8,945,935	9,518,632	10,082,642	564,010	5.9%	
Revenues over/(under) Expenditures	572,697	564,010	20,828	(543,182)	-96.3%	
Ending Fund Balance	9,518,632	10,082,642	10,103,470	20,828	0.2%	

* The Instructional Staff Support Services line item has been consolidated to include the total of 1) Instruction Improvement, 2) Educational Media Services, 3) Technology Assisted Instruction and 4) Instructional Staff Supervision previously shown separately.



LAKE ORION COMMUNITY SCHOOLS

GENERAL FUND BUDGET ANALYSIS EXPLANATIONS

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

Explanations are provided below for significant prior year variances

A	<p>The net \$727,025 increase in Local Source funding is primarily comprised of:</p> <ol style="list-style-type: none"> 1) increase of \$865,000 in the local property tax revenue 2) decrease in one time grant fund of \$80,000 from the cable commission 3) decrease in medicaid funding of \$48,000
B	<p>The net \$5,654,812 decrease in State Source revenue is primarily the result of:</p> <ol style="list-style-type: none"> 1) increase of \$1,059,000 in state aid projection of \$392 per foundation allowance increase (\$10,000 per pupil) with a net decrease of 147 student FTE 2) decrease of \$3,030,000 in FY25 one-time MPSERS 147a4 funding 3) increase of 558,000 in 147a2, 147e and 147g MPSERS funding 4) increase of \$2,503,000 in 147c1 MPSERS funding from 10.58% to 15.02% (offsetting expenses) 5) decrease of \$2,081,000 in 147g and 147c2 MPSERS funding (offsetting expenses) 6) decrease of state categorical grants of \$4,269,000 consisting of special education prior year adjustment, 31aa mental health and safety, 35j professional development, 23g summer programming, 20f hold harmless, Talent Together, 31a At Risk, 104h Benchmark Assessments, GSRP, 61d Vocational Education and 27k Loan repayment program.
C	<p>The net \$629,776 decrease in Federal Source revenue reflects:</p> <ol style="list-style-type: none"> 1) decrease in ESSER III funding of \$260,400 2) decrease in Head Start funds of \$264,500 moved to Community Service fund 3) decrease in Title grants of \$43,500 based on initial grant awards not including carryover 4) a decrease in Grow Your Own funding of \$31,400
D	<p>The net \$1,335,922 increase in ISD and other sources reflects:</p> <ol style="list-style-type: none"> 1) increase of \$860,000 in projected PA-18 funding 2) increase in Administration building sale of \$700,000
E	<p>The net \$537,707 decrease in Other revenue reflects the decrease in indirect costs from Pine Tree Center programs.</p>
F	<p>Multiple functional costs have been adjusted reflecting the new fiscal years projected wages (including position absorptions), retirement and FICA expenditure changes.</p>
G	<p>The net decrease in Basic programs includes decreases in relation to the state categorical grants mentioned in explanation B above. These include \$183,000 in 35j professional development, \$427,000 in 23g summer programming, \$55,000 in talent together, \$54,000 in GSRP and \$29,000 in 27k loan repayment program.</p>
H	<p>The net decrease in Added needs includes decreases in relation to the state categorical grants mentioned in explanation B above. These include \$50,000 in 23g summer programming and \$90,000 in talent together.</p>
I	<p>The net decrease in Instructional Staff Support Services includes decreases in relation to the state categorical grants mentioned in explanation B above, which includes \$753,000 in 35j professional development.</p>
J	<p>The net increase in general administration costs includes a \$100,000 placeholder for election costs.</p>
K	<p>The net increase in business services includes an increase in tax collection costs from Orion Township.</p>
L	<p>The net decrease in transportation expenses includes a decrease in bus lease payments of \$536,000, an increase in administration staff per the transportation study and a decrease of \$100,000 in 23g summer programming grant funding.</p>

LAKE ORION COMMUNITY SCHOOLS

COMMUNITY SERVICES FUND - (230)

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



	FINAL ACTUAL 2023-24	FINAL BUDGET 2024-25	PROPOSED BUDGET 2025-26	Year to Year \$ Variance	Year to Year % Variance
REVENUES					
Community Enrichment	1,085,065	1,198,279	1,198,410	131	0.0%
Early Childhood	2,412,431	3,549,556	3,047,758	(501,798)	-14.1%
TOTAL REVENUES	3,497,496	4,747,835	4,246,168	(501,667)	-10.6%
EXPENDITURES					
Salaries	1,738,947	2,263,593	2,118,061	(145,532)	-6.4%
Benefits	1,190,212	1,584,817	1,326,416	(258,401)	-16.3%
Purchased Services	405,689	545,209	559,700	14,491	2.7%
Supplies	65,367	153,645	89,141	(64,504)	-42.0%
Capital Outlay & Other	108,970	113,025	110,525	(2,500)	-2.2%
SUB-TOTAL EXPENDITURES	3,509,185	4,660,289	4,203,843	(456,446)	-9.8%
OUTGOING TRANSFERS					
General Fund	375,000	350,000	350,000	-	0.0%
TOTAL TRANSFERS	375,000	350,000	350,000	-	0.0%
TOTAL EXPENDITURES	3,884,185	5,010,289	4,553,843	(456,446)	-9.1%
Beginning Fund Balance	1,676,504	1,289,815	1,027,361	(262,454)	-20.3%
Revenues over/(under) Expenditures	(386,689)	(262,454)	(307,675)	(45,221)	17.2%
Ending Fund Balance	1,289,815	1,027,361	719,686	(307,675)	-29.9%

LAKE ORION COMMUNITY SCHOOLS

FOOD SERVICE FUND - (250)

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



	FINAL ACTUAL 2023-24	FINAL BUDGET 2024-25	PROPOSED BUDGET 2025-26	Year to Year \$ Variance	Year to Year % Variance
REVENUES					
LOCAL SOURCES					
Food Sales	300,530	284,000	284,000	-	0.0%
Interest, Rebates & Other	93,348	88,000	88,000	-	0.0%
Catering Services	30,107	36,000	36,000	-	0.0%
STATE SOURCES	2,268,690	2,317,535	2,322,621	5,086	0.2%
FEDERAL SOURCES	1,596,530	1,249,300	1,249,300	-	0.0%
TOTAL REVENUES	4,289,205	3,974,835	3,979,921	5,086	0.1%
EXPENDITURES					
Salaries	1,060,036	1,147,238	1,215,395	68,157	5.9%
Benefits	707,331	798,380	825,340	26,960	3.4%
Purchased Services	78,525	91,556	91,841	285	0.3%
Supplies	1,558,523	1,582,500	1,582,520	20	0.0%
Capital Outlay	296,598	387,282	124,000	(263,282)	-68.0%
Other	9,631	10,400	10,500	100	1.0%
SUB-TOTAL EXPENDITURES	3,710,644	4,017,356	3,849,596	(167,760)	-4.2%
OUTGOING TRANSFERS					
General Fund	200,000	215,000	215,000	-	0.0%
TOTAL TRANSFERS	200,000	215,000	215,000	-	0.0%
TOTAL EXPENDITURES	3,910,644	4,232,356	4,064,596	(167,760)	-4.0%
Beginning Fund Balance	1,672,877	2,051,438	1,793,917	(257,521)	-12.6%
Revenues over/(under) Expenditures	378,561	(257,521)	(84,675)	172,846	67.1%
Ending Fund Balance	2,051,438	1,793,917	1,709,242	(84,675)	-4.7%

LAKE ORION COMMUNITY SCHOOLS**STUDENT ACTIVITIES FUND - (290)****FISCAL YEAR 2025-26 ADOPTED BUDGET - June 25, 2025**

	FINAL ACTUAL 2023-24	FINAL BUDGET 2024-25	PROPOSED BUDGET 2025-26	Year to Year \$ Variance	Year to Year % Variance
REVENUES					
Local Revenue	1,920,791	1,900,000	1,900,000	-	0.0%
State Sources	4,303	5,000	5,000	-	0.0%
TOTAL REVENUES	1,925,094	1,905,000	1,905,000	-	0.0%
EXPENDITURES					
Purchased Services, Supplies, Other	1,850,011	1,905,000	1,905,000	-	0.0%
SUB-TOTAL EXPENDITURES	1,850,011	1,905,000	1,905,000	-	0.0%
TOTAL EXPENDITURES	1,850,011	1,905,000	1,905,000	-	0.0%
Beginning Fund Balance	1,126,285	1,201,368	1,201,368	-	0.0%
Revenues over/(under) Expenditures	75,083	-	-	-	-
Ending Fund Balance	1,201,368	1,201,368	1,201,368	-	0.0%

LAKE ORION COMMUNITY SCHOOLS

DEBT SERVICE FUNDS - (300, 310, 320, 350, 360, 390)

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



	FINAL ACTUAL 2023-24	FINAL BUDGET 2024-25	PROPOSED BUDGET 2025-26	Year to Year \$ Variance	Year to Year % Variance
REVENUES					
LOCAL SOURCES					
Other local source	597,538	523,250	537,750	14,500	2.8%
2025 Debt	-	-	3,727,120	3,727,120	-
2016 Refunding Debt	6,120,396	6,835,700	1,030,110	(5,805,590)	-84.9%
2019 Series 1 Debt	5,638,471	5,728,600	6,187,220	458,620	8.0%
2019-B Refunding Debt	403,913	413,600	6,056,810	5,643,210	1364.4%
2021-B Refunding Debt	3,645,790	3,765,600	-	(3,765,600)	-100.0%
2022 Series 2 Debt	3,512,700	3,833,500	4,731,140	897,640	23.4%
TOTAL REVENUE	19,918,808	21,100,250	22,270,150	1,169,900	5.5%
EXPENDITURES					
Principal	13,730,000	14,205,000	13,805,000	(400,000)	-2.8%
Interest	5,952,421	5,436,023	5,646,255	210,232	3.9%
Other	47,981	82,350	167,500	85,150	103.4%
TOTAL DEBT SERVICE	19,730,402	19,723,373	19,618,755	(104,618)	-0.5%
OTHER FINANCING SOURCES (USES)					
School Bond Loan Fund Proceeds	116,201	108,450	50,000	(58,450)	-53.9%
School Bond Loan Fund Payment	-	(2,375,000)	(472,529)	1,902,471	0.0%
TOTAL OTHER FINANCING SOURCES (USES)	116,201	(2,266,550)	(422,529)	1,844,021	-81.4%
Beginning Fund Balance	685,192	989,799	100,126	(889,673)	-89.9%
Revenues over/(under) Expenditures	304,607	(889,673)	2,228,866	3,118,539	-350.5%
Ending Fund Balance	989,799	100,126	2,328,992	2,228,866	2226.1%

LAKE ORION COMMUNITY SCHOOLS
BUILDING & SITE SINKING FUND (410)

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



	FINAL ACTUAL 2023-24	FINAL BUDGET 2024-25	PROPOSED BUDGET 2025-26	Year to Year \$ Variance	Year to Year % Variance
REVENUES					
LOCAL SOURCES					
Property tax revenue	4,844,407	5,185,050	5,408,600	223,550	4.3%
Interest and other revenue	54,725	54,500	48,000	(6,500)	-11.9%
TOTAL REVENUES	4,899,132	5,239,550	5,456,600	217,050	4.1%
EXPENDITURES					
Capital Outlay	3,916,214	4,121,347	3,890,750	(230,597)	-5.6%
Principal	1,091,539	954,423	1,330,000	375,577	39.4%
Interest	24,488	93,008	171,800	78,792	84.7%
Other	11,955	18,100	39,000	20,900	115.5%
TOTAL EXPENDITURES	5,044,196	5,186,878	5,431,550	244,672	4.7%
TOTAL EXPENDITURES	5,044,196	5,186,878	5,431,550	244,672	4.7%
Beginning Fund Balance	145,064	-	52,672	52,672	-
Revenues over/(under) Expenditures	(145,064)	52,672	25,050	(27,622)	-52.4%
Total Ending Fund Balance	-	52,672	77,722	25,050	47.6%

LAKE ORION COMMUNITY SCHOOLS

2024 BOND CAPITAL PROJECTS FUND (430)

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



	FINAL ACTUAL 2023-24	FINAL BUDGET 2024-25	PROPOSED BUDGET 2025-26	Year to Year \$ Variance	Year to Year % Variance
REVENUES					
Local Sources	-	12,800	2,000	(10,800)	-84.4%
Other Financing Sources	-	3,532,098	-	(3,532,098)	-100.0%
TOTAL REVENUES	-	3,544,898	2,000	(10,800)	-0.3%
EXPENDITURES					
Capital Outlay	-	3,146,310	301,872	(2,844,438)	-90.4%
Dues & Fees	-	98,716	-	(98,716)	-100.0%
TOTAL EXPENDITURES	-	3,245,026	301,872	(2,943,154)	-90.7%
TOTAL EXPENDITURES	-	3,245,026	301,872	(2,943,154)	-90.7%
Beginning Fund Balance	-	-	299,872	299,872	-
Revenues over/(under) Expenditures	-	299,872	(299,872)	(599,744)	-200.0%
Total Ending Fund Balance	-	299,872	-	(299,872)	-100.0%

LAKE ORION COMMUNITY SCHOOLS**CAPITAL PROJECTS FUND (440)****FISCAL YEAR 2025-26 ADOPTED BUDGET - June 25, 2025**

	FINAL ACTUAL 2023-24	FINAL BUDGET 2024-25	PROPOSED BUDGET 2025-26	Year to Year \$ Variance	Year to Year % Variance
REVENUES					
Local Sources	51,700	55,000	55,000	-	0.0%
TOTAL REVENUES	51,700	55,000	55,000	-	0.0%
EXPENDITURES					
Purchased Services	50,930	55,000	55,000	-	0.0%
Principal	98,306	-	-	-	-
Interest	1,150	-	-	-	-
TOTAL EXPENDITURES	150,386	55,000	55,000	-	0.0%
Other Financing Sources					
Operating Transfer-in	144,885	-	-	-	-
TOTAL OTHER FINANCING SOURCES	144,885	-	-	-	-
TOTAL EXPENDITURES	150,386	55,000	55,000	-	0.0%
Beginning Fund Balance	10,082	56,281	56,281	-	0.0%
Revenues over/(under) Expenditures	46,199	-	-	-	-
Total Ending Fund Balance	56,281	56,281	56,281	-	0.0%

LAKE ORION COMMUNITY SCHOOLS

BOND 2025 SERIES 3A CAPITAL PROJECTS FUND (450)

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



	FINAL ACTUAL 2023-24	FINAL BUDGET 2024-25	PROPOSED BUDGET 2025-26	Year to Year \$ Variance	Year to Year % Variance
REVENUES					
Local Sources	-	9,000	235,000	226,000	2511.1%
TOTAL REVENUES	-	9,000	235,000	226,000	2511.1%
EXPENDITURES					
Capital Outlay	-	-	19,677,327	19,677,327	-
Dues and Fees	-	196,231	5,000	(191,231)	-97.5%
TOTAL EXPENDITURES	-	196,231	19,682,327	19,486,096	9930.2%
Other Financing Sources					
Face value of debt issued	-	18,595,000	-	(18,595,000)	0.0%
Premium on debt issued	-	1,474,265	-	(1,474,265)	-100.0%
TOTAL OTHER FINANCING SOURCES	-	20,069,265	-	(20,069,265)	-100.0%
TOTAL EXPENDITURES	-	196,231	19,682,327	19,486,096	9930.2%
Beginning Fund Balance	-	-	19,882,034	19,882,034	-
Revenues over/(under) Expenditures	-	19,882,034	(19,447,327)	(39,329,361)	197.8%
Total Ending Fund Balance	-	19,882,034	434,707	(19,447,327)	-97.8%

LAKE ORION COMMUNITY SCHOOLS
RISK - INTERNAL SERVICE FUND (810)

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



	FINAL ACTUAL 2023-24	FINAL BUDGET 2024-25	PROPOSED BUDGET 2025-26	Year to Year \$ Variance	Year to Year % Variance
Net Assets, Beginning of Year					
Reserve - Dental Claims	380,144	87,518	37,518	(50,000)	-57.1%
Retained Earnings	-	-	-	-	-
Total Net Assets, Beginning of Year	380,144	87,518	37,518	(50,000)	-57.1%
REVENUE					
LOCAL SOURCES					
Dental Claims Contributions	-	900,000	1,000,000	100,000	11.1%
TOTAL REVENUE	-	900,000	1,000,000	100,000	11.1%
EXPENSES					
Dental Claims	292,626	950,000	1,000,000	50,000	5.3%
TOTAL EXPENSES	292,626	950,000	1,000,000	50,000	5.3%
Revenues over/(under) Expenditures	(292,626)	(50,000)	-	50,000	-100.0%
Net Assets, End of Year					
Reserve - Dental Claims	87,518	37,518	37,518	-	0.0%
Retained Earnings	-	-	-	-	-
Total Net Assets, End of Year	87,518	37,518	37,518	-	0.0%

**Fiscal Year 2025-26 Adopted Budget Resolution
(General Appropriation Act)**

PRESENT: Members: _____

ABSENT: Members: _____

BE IT RESOLVED that the general appropriations, budgets and millage rates of the Lake Orion Community School District for the fiscal year 2025-26 for the following funds be approved as attached hereto and made a part of the official minutes of the June 25, 2025 regular meeting.

General Fund	\$	103,422,504
Community Services Special Revenue Fund	\$	4,553,843
Food Service Special Revenue Fund	\$	4,064,596
School Activities Special Revenue Fund	\$	1,905,000
Debt Service Funds	\$	20,091,284
Capital Project Funds	\$	25,470,749
Internal Services Fund	\$	1,000,000

<u>Tax Base</u>	<u>Purpose</u>	<u>No of Mills</u>	<u>Est. Tax Revenue</u>
Non-Homestead	General Operating	18.0000	\$ 12,175,100
All Properties	Building & Site Sinking Fund	1.8643	\$ 5,408,600
All Properties	Debt Retirement	7.4910	\$ 21,732,400

Nays: _____

Resolution declared adopted.

BE IT RESOLVED that the following represents the General Fund Appropriations of the Lake Orion Community School District for the fiscal year 2025-2026; A resolution to make appropriations; to provide for the expenditure of the appropriations; and to provide for the disposition of all income received by the Lake Orion Community School District.

BE IT FURTHER RESOLVED that the total revenues and unappropriated fund balance estimated to be available for appropriations in the **General Fund** of the Lake Orion Community School District for the fiscal year 2025-2026 is as follows:

REVENUES:

Local Sources	\$	14,187,760
State Sources		78,120,371
Federal Sources		2,076,311
Intermediate Sources		8,493,890
Incoming Transfers/Other		565,000
Total Revenues/Incoming Transfers/Other	\$	103,443,332

Estimated Fund Balance, July 1, 2025	\$	10,082,642	
BE IT RESOLVED that the general appropriations, budgets and millage	\$		10,082,642
Total Available to Appropriate	\$		113,525,974

BE IT FURTHER RESOLVED that **\$103,422,504** of the total available to appropriate in the ***General Fund*** is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:

Instruction:

Basic Programs	\$	47,519,493
Added Needs		14,710,223
Total Instruction	\$	62,229,716

General Fund Expenditures Continued:

Support Services:

Pupil Support Services	\$	9,230,438
Instructional Staff Support Services		4,895,294
General Administration		1,617,740
School Administration		5,084,988
Business Services		1,485,488
Operations & Maintenance		7,388,344
Transportation Services		5,520,627
Communication Services		254,974
Human Resources		1,284,701
Technology Services		2,160,146
Pupil Services		284,911
Athletics Activities		1,738,502
Community Services		246,635
 Total Support Services	 \$	 41,192,788
 Outgoing Transfers and Other	 \$	 -
 Total Expenditures/Outgoing Transfers	 \$	 103,422,504

BE IT FURTHER RESOLVED that the total revenue and unappropriated fund balance estimated to be available for appropriations in the ***Community Service Special Revenue Fund*** of the Lake Orion Community School District for fiscal year 2025-26 is as follows:

Revenues:

Local & Other Sources	\$	4,246,168
Total Revenues	\$	4,246,168
Estimated Fund Balance, July 1, 2025	\$	1,027,361
Estimated Fund Balance Available to Appropriate	\$	7,388,344
Total Available to Appropriate	\$	11,634,512

BE IT RESOLVED that the general appropriations, budgets and millage rates of the Lake Orion Community School District for the fiscal year 2025-26 for the following funds be approved as attached hereto and made a part of the official minutes of the June 25, 2025 regular meeting.

Expenditures:

Salaries	\$	2,118,061
Employee Benefits		1,326,416
Purchased Services		559,700
Supplies		89,141
Capital Outlay & Other		110,525
Outgoing Transfers		350,000
Total Expenditures	\$	4,553,843

BE IT FURTHER RESOLVED that the total revenue and unappropriated fund balance estimated to be available for appropriations in the ***Food Service Special Revenue Fund*** of the Lake Orion Community School District for fiscal year 2025-26 is as follows:

Revenues:

Local Sources	\$	408,000
State Sources		2,322,621
Federal Sources		1,249,300
Total Revenues	\$	3,979,921
Estimated Fund Balance, July 1, 2025	\$	1,793,917
Estimated Fund Balance Available to Appropriate	\$	1,793,917
Total Available to Appropriate	\$	5,773,838

BE IT FURTHER RESOLVED that **\$4,064,596** of the total available to appropriate in the ***Food Service Special Revenue Fund*** is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:

Salaries	\$	1,215,395
Employee Benefits		825,340
Purchased Services		91,841
Supplies/Materials		1,582,520
Capital Outlay		124,000
Other Expenditures		10,500
Outgoing Transfers		215,000
Total Expenditures	\$	4,064,596

BE IT FURTHER RESOLVED that the total revenue and unappropriated fund balance estimated to be available for appropriations in the ***School Activity Special Revenue Fund*** of the Lake Orion Community School District for fiscal year 2025-26 is as follows:

Revenues:

Local Sources	\$	1,905,000
Total Revenues	\$	1,905,000
Estimated Fund Balance, July 1, 2025	\$	1,201,368
Estimated Fund Balance Available to Appropriate	\$	1,201,368
Total Available to Appropriate	\$	3,106,368

BE IT FURTHER RESOLVED that **\$1,905,000** of the total available to appropriate in the ***School Activity Special Revenue Fund*** is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:

Salaries	\$	-
Employee Benefits		-
Purchased Services		-
Supplies/Materials		-
Capital Outlay		-
Other Expenditures		1,905,000
Outgoing Transfers		-
Total Expenditures	\$	1,905,000

BE IT FURTHER RESOLVED that the total revenues and unappropriated fund balance estimated to be available for appropriations in the ***Debt Service Funds*** of the Lake Orion Community School District for the fiscal year 2025-26 is as follows:

Revenues:

Local Sources		
Property Taxes	\$	21,732,400
Other		537,750
Other Financing Sources		50,000
 Total Revenues	 \$	 22,320,150
 Estimated Fund Balance, July 1, 2025	 \$	 100,126
Estimated Fund Balance Available to Appropriate	\$	100,126
 Total Available to Appropriate	 \$	 22,420,276

BE IT FURTHER RESOLVED that **\$20,091,284** of the total available to appropriate in the ***Debt Service Funds*** is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:

Redemption of Principal	\$	13,805,000
Interest on Debt		5,646,255
Other Expenses		167,500
Other Financing Uses		472,529
 Total Expenditures	 \$	 20,091,284

BE IT FURTHER RESOLVED that the total revenue and unappropriated fund balance estimated to be available for appropriations in the **District Capital Projects Fund** of the Lake Orion Community School District for fiscal year 2025-26 is as follows:

Revenues:

Local Source	\$	5,748,600
State Source		-
Incoming Transfers		-
Total Revenues	\$	5,748,600
Estimated Fund Balance, July 1, 2025	\$	20,290,859
Estimated Fund Balance Available to Appropriate	\$	20,290,859
Total Available to Appropriate	\$	26,039,459

BE IT FURTHER RESOLVED that **\$25,470,749** of the total available to appropriate in the **Capital Projects Funds** is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:

Purchased Services	\$	55,000
Capital Outlay		23,869,949
Other Expenditures		44,000
Principal		1,330,000
Interest		171,800
Total Expenditures	\$	25,470,749

BE IT FURTHER RESOLVED that the total revenue and unappropriated fund balance estimated to be available for appropriations in the **Internal Services Fund**, The Risk Fund, of the Lake Orion Community School District for fiscal year 2025-26 is as follows:

Revenues:

Local Source	\$	1,000,000
Total Revenues	\$	1,000,000
Estimated Fund Balance, July 1, 2025	\$	37,518
Estimated Fund Balance Available to Appropriate	\$	37,518
Total Available to Appropriate	\$	1,037,518

BE IT RESOLVED that the general appropriations, budgets and millage rates of the Lake Orion Community School District for the fiscal year 2025-26 for the following funds be approved as attached hereto and made a part of the official minutes of the June 25, 2025 regular meeting.

Expenditures:

Employee Benefits	\$	1,000,000
Purchased Services		-
Other Expenditures		-
Total Expenditures	\$	1,000,000

BE IT FURTHER RESOLVED that for operating purposes 18.0000 mills be levied on non-homesteads and, that 6.0000 mills be levied on applicable commercial personal property; and that 7.4910 mills be levied on all classes of property for debt retirement purposes; and that 1.8643 mills be levied on all classes of property for the building & site sinking fund.

BE IT FURTHER RESOLVED that no Board of Education member or employee of the school shall expend any funds or oblige the expenditure of any funds except pursuant to appropriations made by the Board of Education 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 budget adopted by the Board and shall hold the Principals and District Administrators responsible for performance of their responsibilities with the amount appropriated by the Board of Education in keeping with the budgetary policy statement hitherto adopted by the Board.

This Appropriation Resolution shall take effect immediately.

Susan Flaherty
Secretary, Board of Education

BE IT RESOLVED that the general appropriations, budgets and millage rates of the Lake Orion Community School District for the fiscal year 2025-26 for the following funds be approved as attached hereto and made a part of the official minutes of the June 25, 2025 regular meeting.

Susan Flaherty
Secretary, Board of Education