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Lapeer Community Schools

Board Presentation

For year ended June 30, 2016

Governmental Funds - Balance Sheet

June 30, 2016

	General Fund	Nonmajor Governmental Funds
	<u> </u>	<u> </u>
Assets:		
Cash and cash equivalents	\$ 5,007,934	\$ 1,507,554
Receivables	7,930,754	134,132
Inventories	38,586	-
Due from other funds	125,049	2,000
Prepaid costs	237,969	-
Restricted assets	-	1,398,205
Total assets	<u>13,340,292</u>	<u>3,041,891</u>
Liabilities:		
Payables and other	\$ 1,873,243	\$ 104,265
Payroll	4,044,758	-
Due to other funds	2,000	116,656
Notes payable	4,475,152	-
Total liabilities	<u>10,395,153</u>	<u>220,921</u>
Fund balance	<u>2,945,139</u>	<u>2,820,970</u>
Total liabilities and fund balance	<u><u>\$ 13,340,292</u></u>	<u><u>\$ 3,041,891</u></u>

Governmental Funds – Statement of Revenue and Expenditures

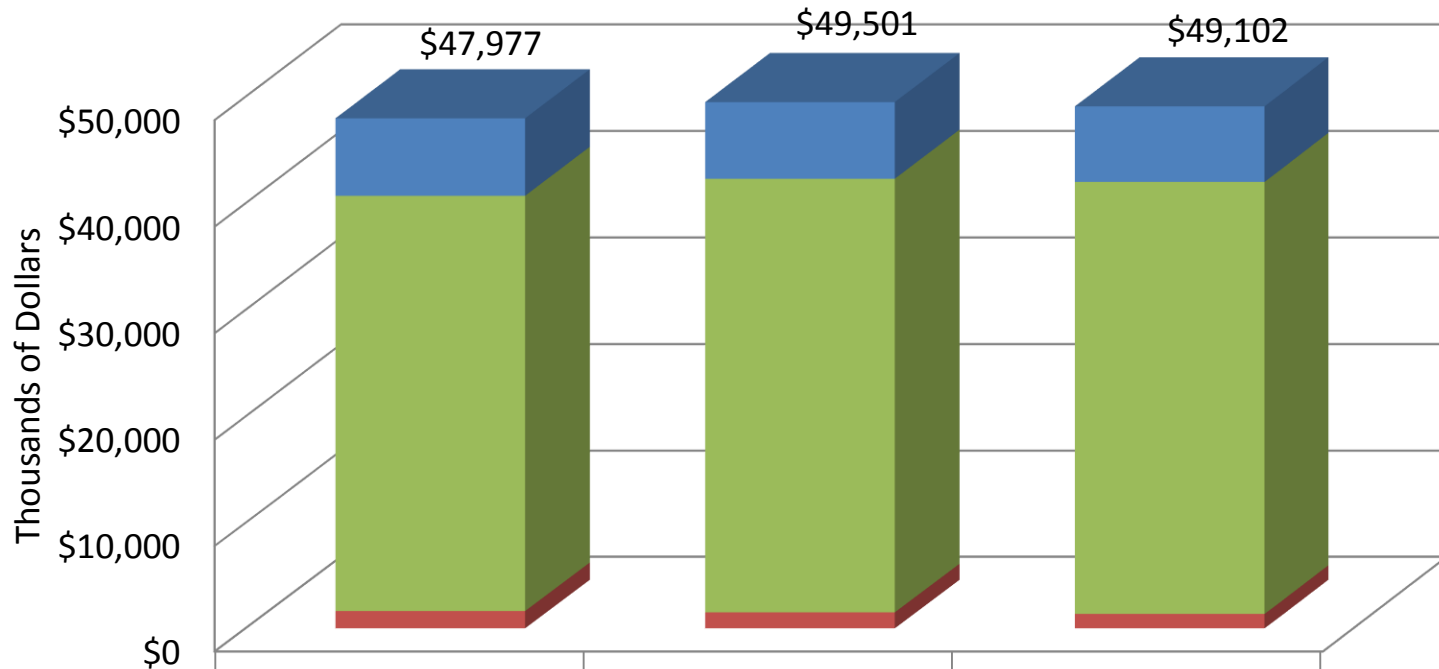
June 30, 2016

	General Fund	Nonmajor Governmental Funds
	<u> </u>	<u> </u>
Revenue:		
Local	\$ 7,090,487	\$ 4,794,098
State	40,640,725	133,758
Federal	1,370,430	1,743,201
Total revenue	<u>49,101,642</u>	<u>6,671,057</u>
Expenditures:		
Instruction	31,033,894	-
Support services	15,888,915	30,610
Community services	447,581	-
Food services	-	2,453,535
Athletics	922,460	-
Debt service	-	4,245,659
Capital outlay	296,067	777,249
Transfers and other	29,615	-
Total expenditures	<u>48,618,532</u>	<u>7,507,053</u>
Excess of revenue over expenditures	<u>483,110</u>	<u>(835,996)</u>
Other Financing Sources (Uses)		
Proceeds from sale of capital assets	17,069	-
Payment to escrow agent	-	(47,272,693)
Transfers in	92,823	219,212
Transfers out	(127,212)	(184,823)
Face value of debt issued	-	41,070,000
Premium on debt issued	-	7,419,618
Total other financing sources	<u>(17,320)</u>	<u>1,251,314</u>
Net Change in Fund Balance	465,790	415,318
Fund balance - beginning of year	2,479,349	2,405,652
Fund balance - end of year	<u>\$ 2,945,139</u>	<u>\$ 2,820,970</u>

Statement of Net Position

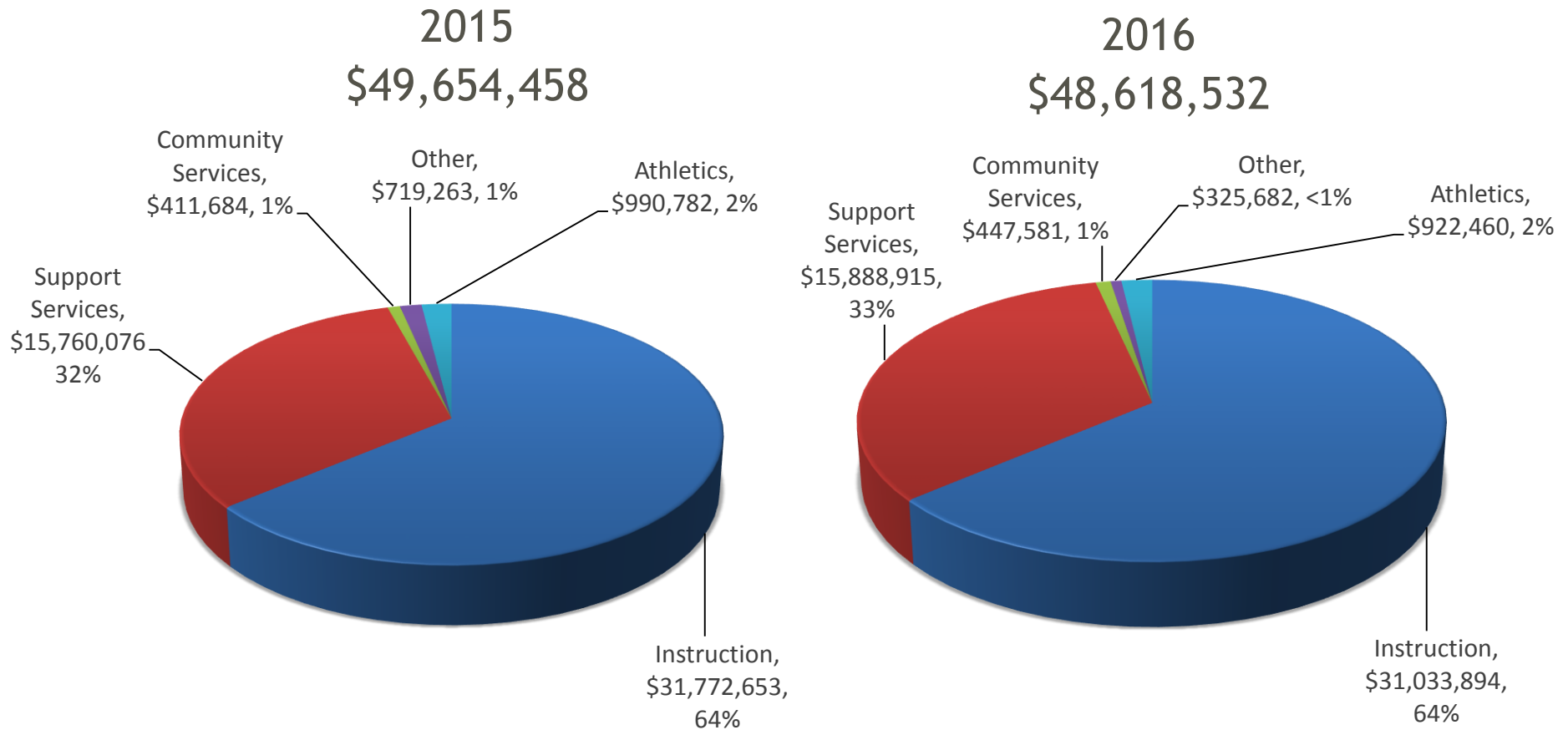
	Governmental Activities	
	2016	2015
Assets:		
Cash and cash equivalents	\$ 7,913,693	\$ 7,612,600
Receivables	8,064,886	7,677,431
Inventory and Prepaid costs	276,555	202,100
Capital assets - Net	66,111,862	68,100,755
Total assets	82,366,996	83,592,886
Deferred Outflows of Resources	10,176,581	4,506,127
Total assets and deferred outflows of resources	92,543,577	88,099,013
Liabilities:		
Payables and other	2,269,941	2,037,028
Payroll	4,044,758	4,488,517
Notes payable	4,475,152	4,485,528
Long-term liabilities	53,574,918	51,584,483
Pension liability	75,884,606	68,803,150
Total liabilities	140,249,375	131,398,706
Deferred Inflows of Resources	2,635,928	5,068,719
Total liabilities and deferred inflows of resources	142,885,303	136,467,425
Net Position (Deficit):		
Net investment in capital assets	15,814,814	17,504,772
Restricted	1,105,050	1,476,720
Unrestricted	(67,261,590)	(67,349,904)
Total net position (Deficit)	\$ (50,341,726)	\$ (48,368,412)

General Fund Revenue Three-Year Comparison June 30, 2016



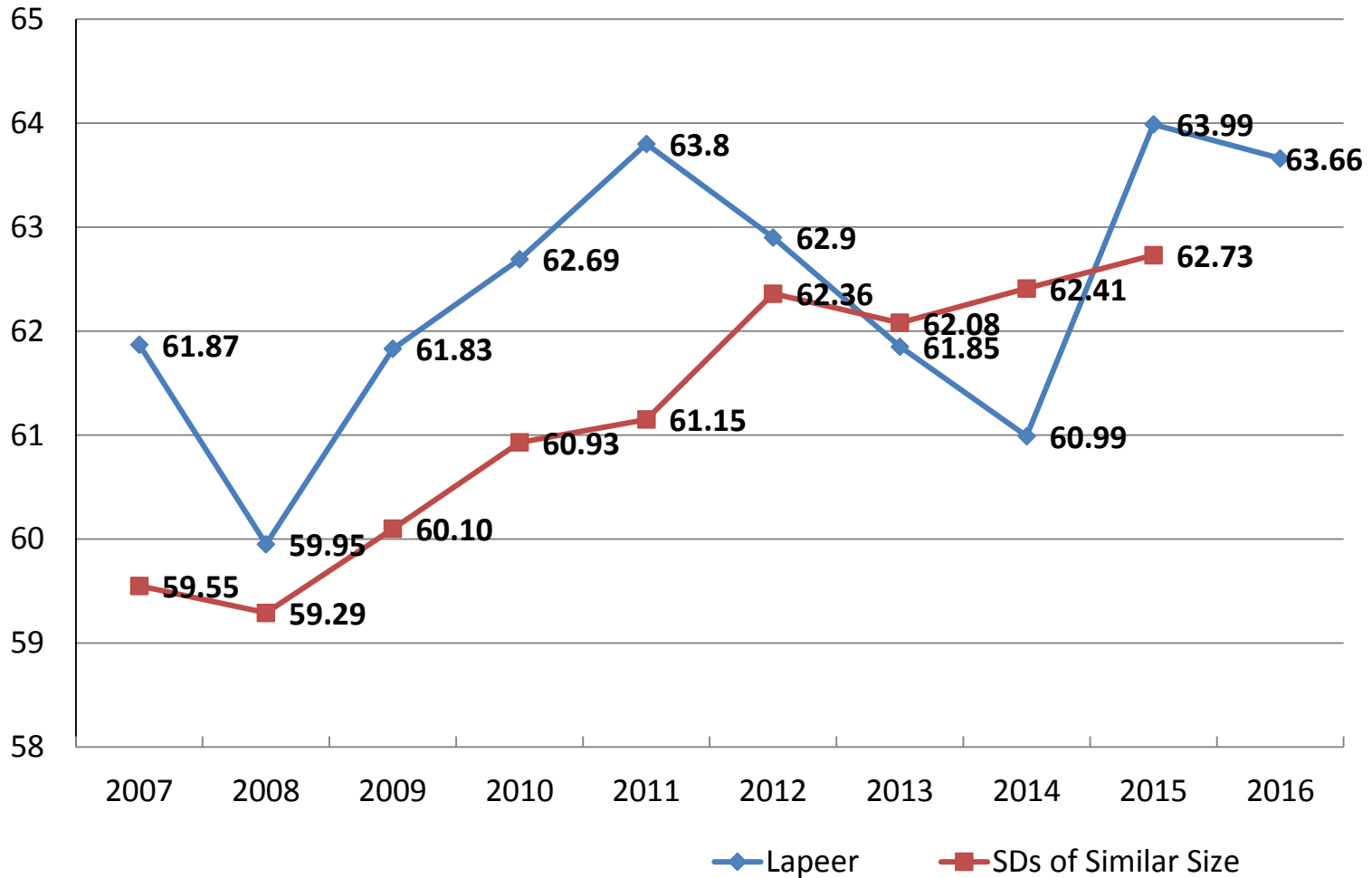
Local	\$7,269	\$7,190	\$7,091
State	\$39,069	\$40,791	\$40,641
Federal and Other	\$1,639	\$1,520	\$1,370

General Fund Expenditures June 30, 2016

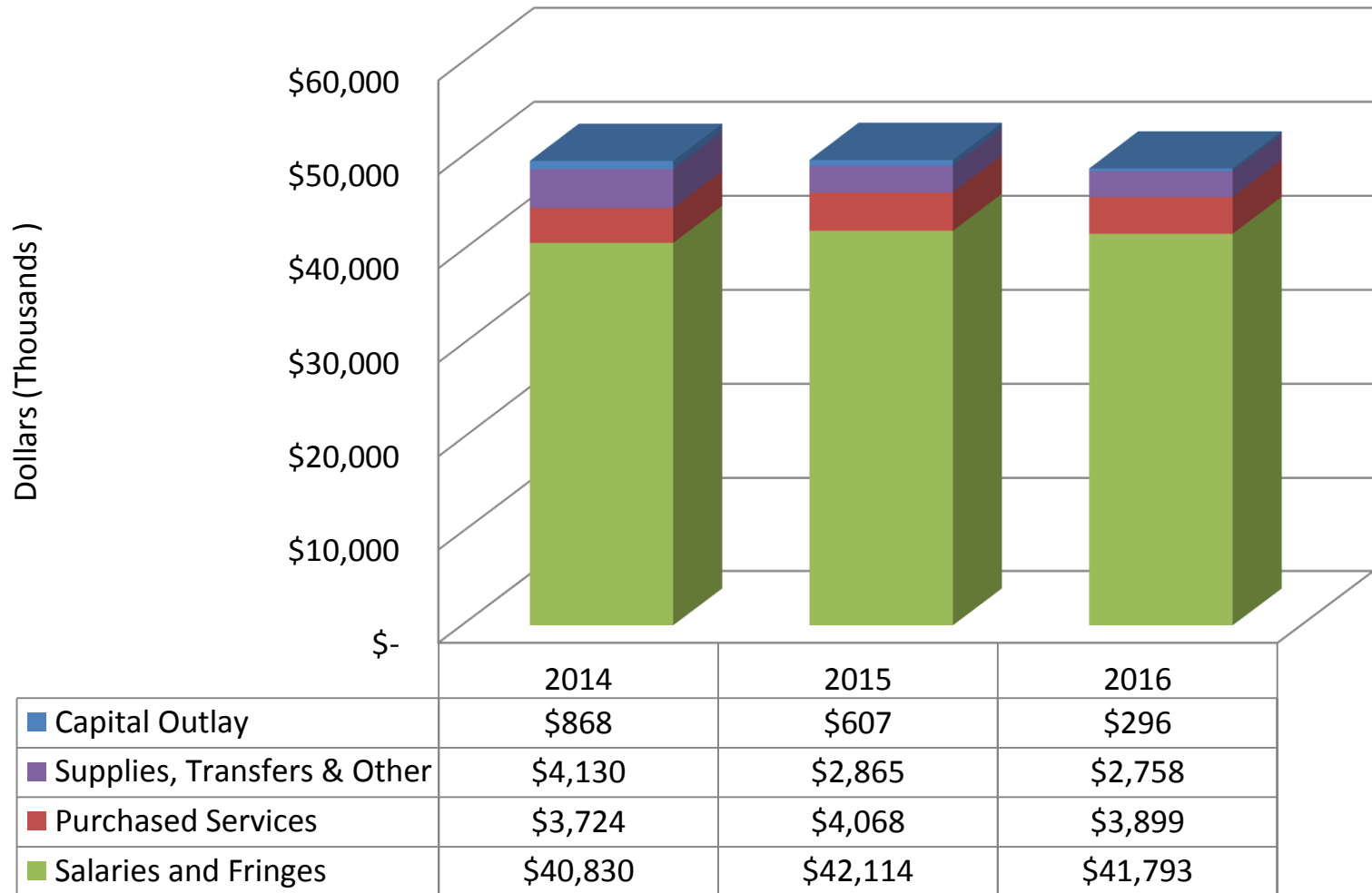


Instructional Expenditures Compared to Average Group D Schools

June 30, 2016



Analysis of General Fund Expenditures (including Transfers) Three-year comparison June 30, 2016



General Fund Balance as a Percentage of Actual Expenditures - Three-year comparison

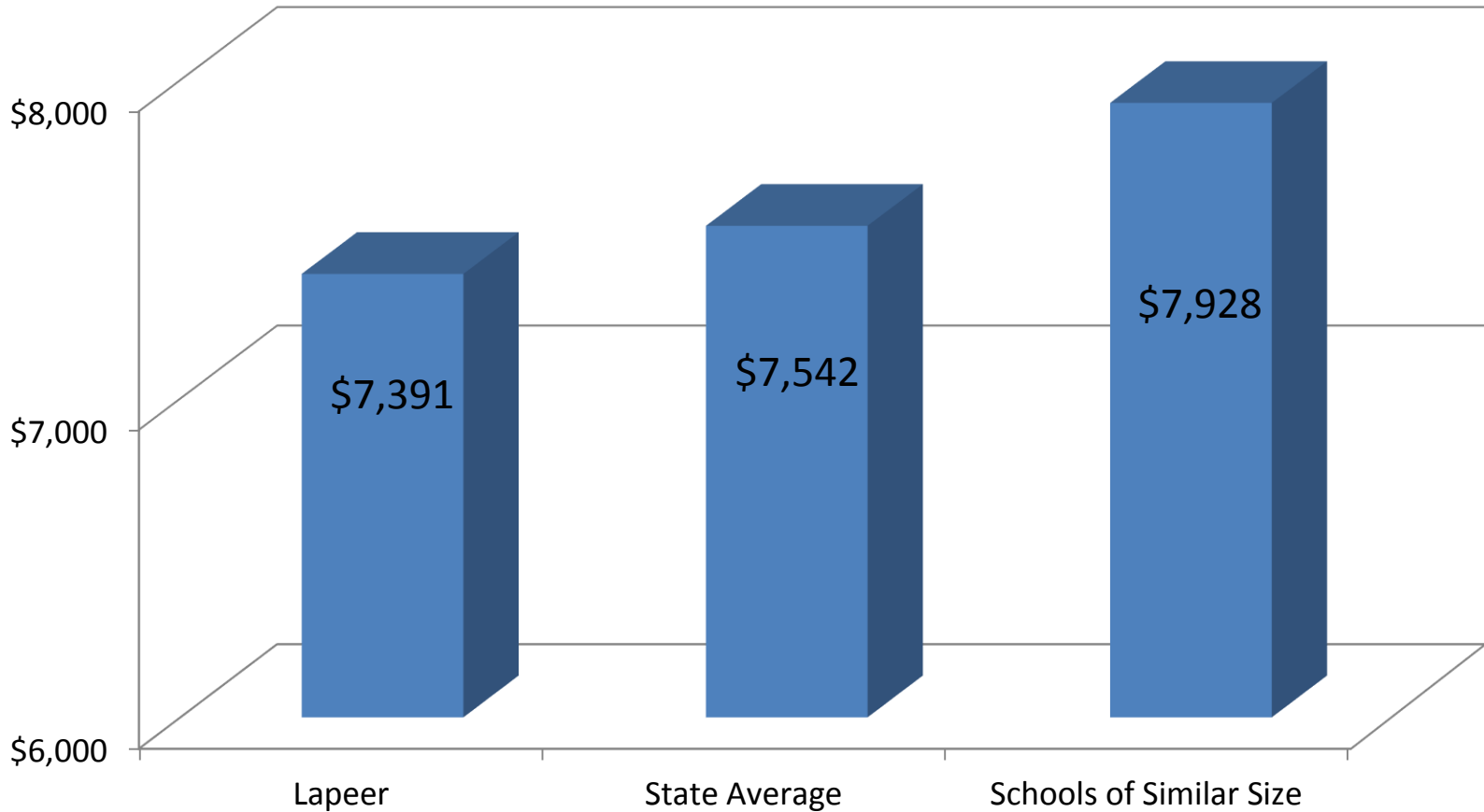
June 30, 2016

		Lapeer	Board Goal	Statewide Average*
Fund Balance/Expenditures	2016	6.06%	10%	
Fund Balance/Expenditures	2015	4.99%	10%	9.83%
Fund Balance/Expenditures	2014	5.31%	10%	9.45%

* Excluding Detroit Public Schools

Foundation Allowance Analysis and Comparison

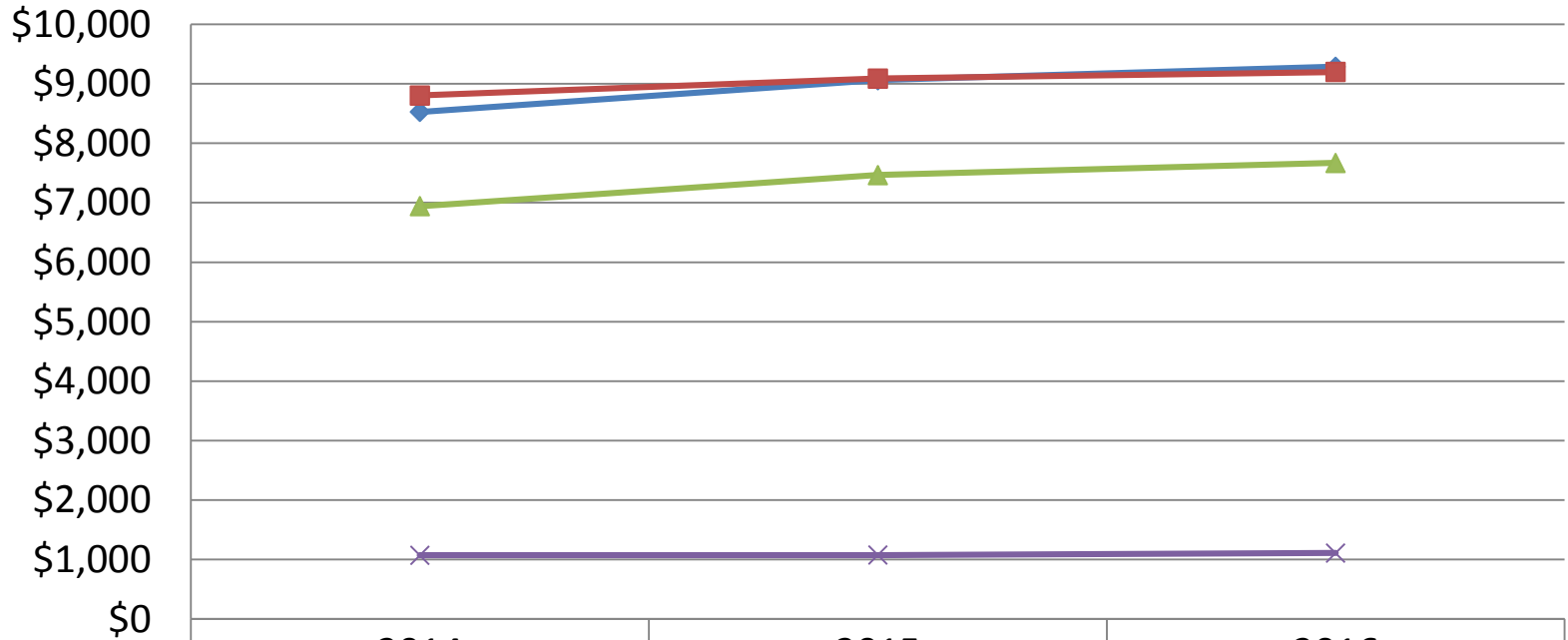
June 30, 2016



(Potential Impact on Lapeer's Foundation - \$800,199)

(Potential Impact on Lapeer's Foundation - \$2,845,740)

General Fund Revenue and Expenditures Per-Pupil Analysis June 30, 2016



	2014	2015	2016
◆ Revenue	\$8,526	\$9,061	\$9,286
■ Expenitures	\$8,803	\$9,089	\$9,198
▲ State Aid	\$6,941	\$7,467	\$7,669
× Property Tax	\$1,073	\$1,075	\$1,110

Future Uncertainties – School Funding

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- New approach to school funding by Governor/Legislature
- Statewide enrollment levels
- Interest rates and return
- Limits on property assessments
- Foundation allowance level and best practices
- Dependence upon state and national economy
- Future retirement system contribution rates and health care costs
- Locally developed and generated revenue sources



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Thank you.