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Lapeer Community Schools

Board Presentation

For year ended June 30, 2018



Governmental Funds - Balance Sheet

June 30, 2018

	<u>Combined General Fund</u>	<u>Non-major Funds</u>
Assets:		
Cash and cash equivalents	\$ 8,214,454	\$ 620,096
Receivables	7,429,371	114,121
Due from other funds	202,973	-
Inventory	12,379	-
Prepaid expenses	191,882	-
Restricted assets	-	1,867,341
Total assets	<u>\$ 16,051,059</u>	<u>\$ 2,601,558</u>
Liabilities:		
Accounts payable	\$ 258,039	\$ -
Due to other governmental units	761,886	-
Due to other funds	-	203,491
Accrued liabilities and other	4,450,487	-
State aid anticipation note	6,500,000	-
Unearned revenue	407,263	-
Total liabilities	<u>12,377,675</u>	<u>203,491</u>
Fund balance	<u>3,673,384</u>	<u>2,398,067</u>
Total liabilities and fund balance	<u>\$ 16,051,059</u>	<u>\$ 2,601,558</u>



Governmental Funds – Statement of Revenue and Expenditures

June 30, 2018

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>
Revenue:		
Local	\$ 7,400,657	\$ 4,360,978
State	40,266,866	76,502
Federal	1,578,130	1,712,127
Total revenue	<u>49,245,653</u>	<u>6,149,607</u>
Expenditures:		
Instruction	28,961,590	-
Support services	18,213,958	-
Community services	599,760	-
Food services	-	2,399,829
Athletics	737,588	-
Debt service	-	3,766,016
Capital outlay	405,577	11,861
Total expenditures	<u>48,918,473</u>	<u>6,177,706</u>
Excess of revenue over expenditures	<u>327,180</u>	<u>(28,099)</u>
Other Financing Sources (Uses)		
Proceeds from sale of capital assets	11,925	-
Transfers in	82,621	206,974
Transfers out	(206,974)	(82,621)
Total other financing sources	<u>(112,428)</u>	<u>124,353</u>
Net Change in Fund Balance	214,752	96,254
Fund balance - Beginning of year	3,458,632	2,301,813
Fund balance - End of year	<u>\$ 3,673,384</u>	<u>\$ 2,398,067</u>



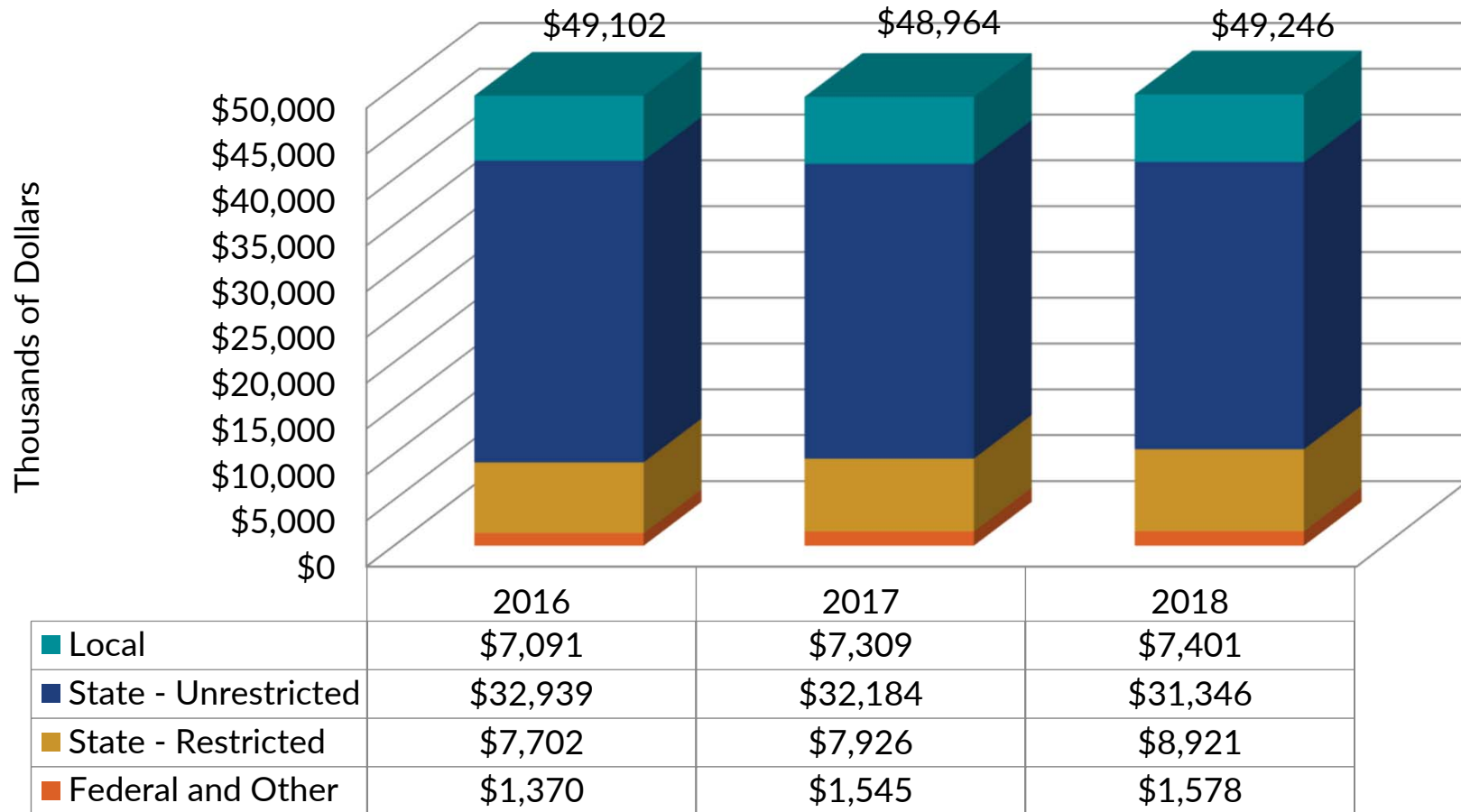
Statement of Net Position

	Governmental Activities	
	2018	2017
Assets:		
Cash and cash equivalents	\$ 8,834,550	\$ 4,416,429
Receivables	7,543,492	7,579,944
Inventory and Prepaid costs	204,261	156,509
Restricted assets	1,867,341	1,722,285
Capital assets - Net	62,286,701	64,829,265
Total assets	\$ 80,736,345	\$ 78,704,432
Deferred Outflows of Resources	\$ 19,072,077	\$ 11,449,611
Liabilities:		
Accounts payable	258,557	866,081
Due to other governmental units	761,886	581,799
Accrued liabilities and other	4,725,374	4,174,723
State aid anticipation note	6,500,000	2,480,516
Unearned revenue	407,263	299,771
Long-term liabilities	49,770,488	51,626,203
Net Pension liability	77,567,596	76,130,317
Net OPEB liability	26,471,730	-
Total liabilities	\$ 166,462,894	\$ 136,159,410
Deferred Inflows of Resources	\$ 10,073,419	\$ 3,847,452
Net Position (Deficit):		
Net investment in capital assets	15,732,467	16,366,124
Restricted	1,592,481	1,434,537
Unrestricted	(94,052,839)	(67,653,480)
Total net position (Deficit)	\$ (76,727,891)	\$ (49,852,819)



General Fund Revenue Three-Year Comparison

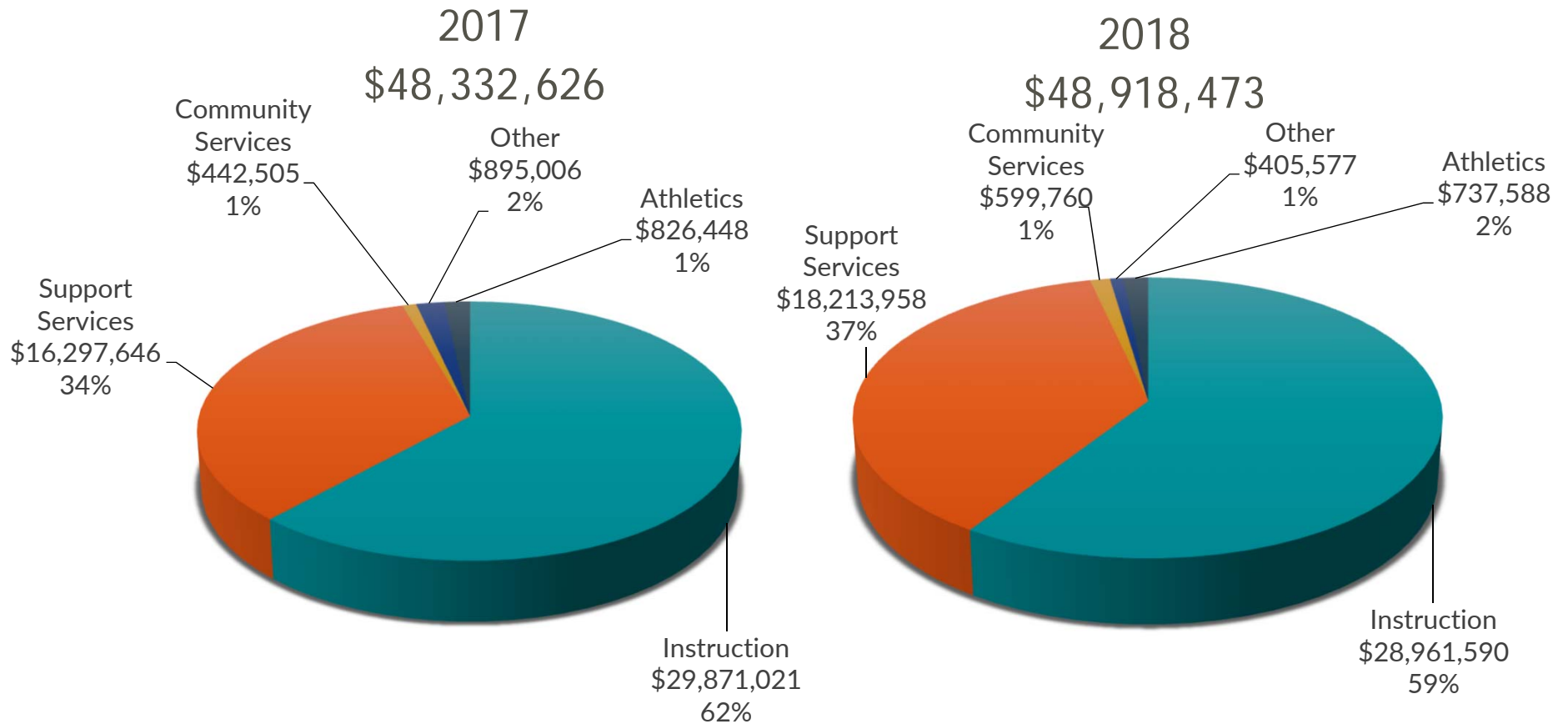
June 30, 2018





General Fund Expenditures

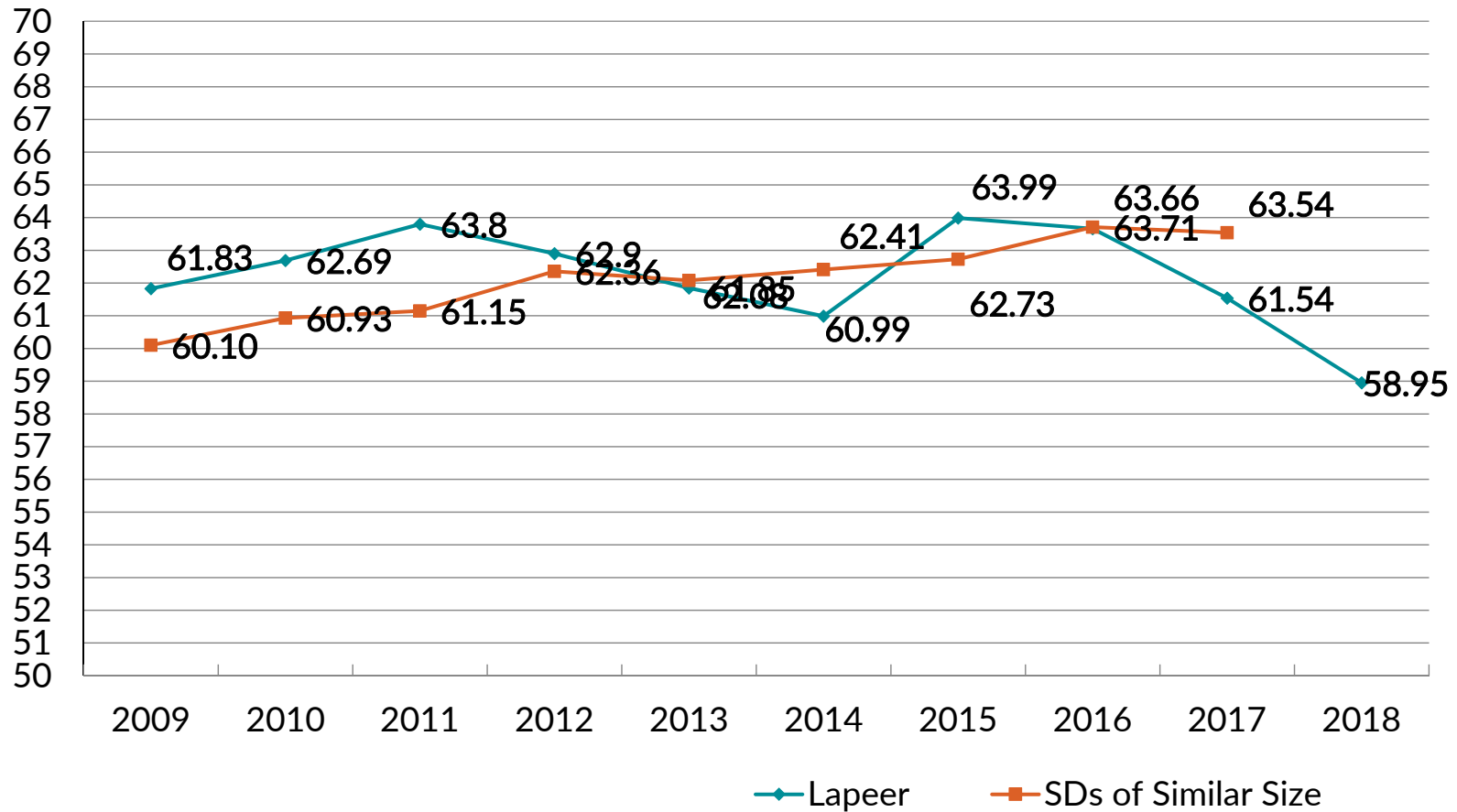
June 30, 2018





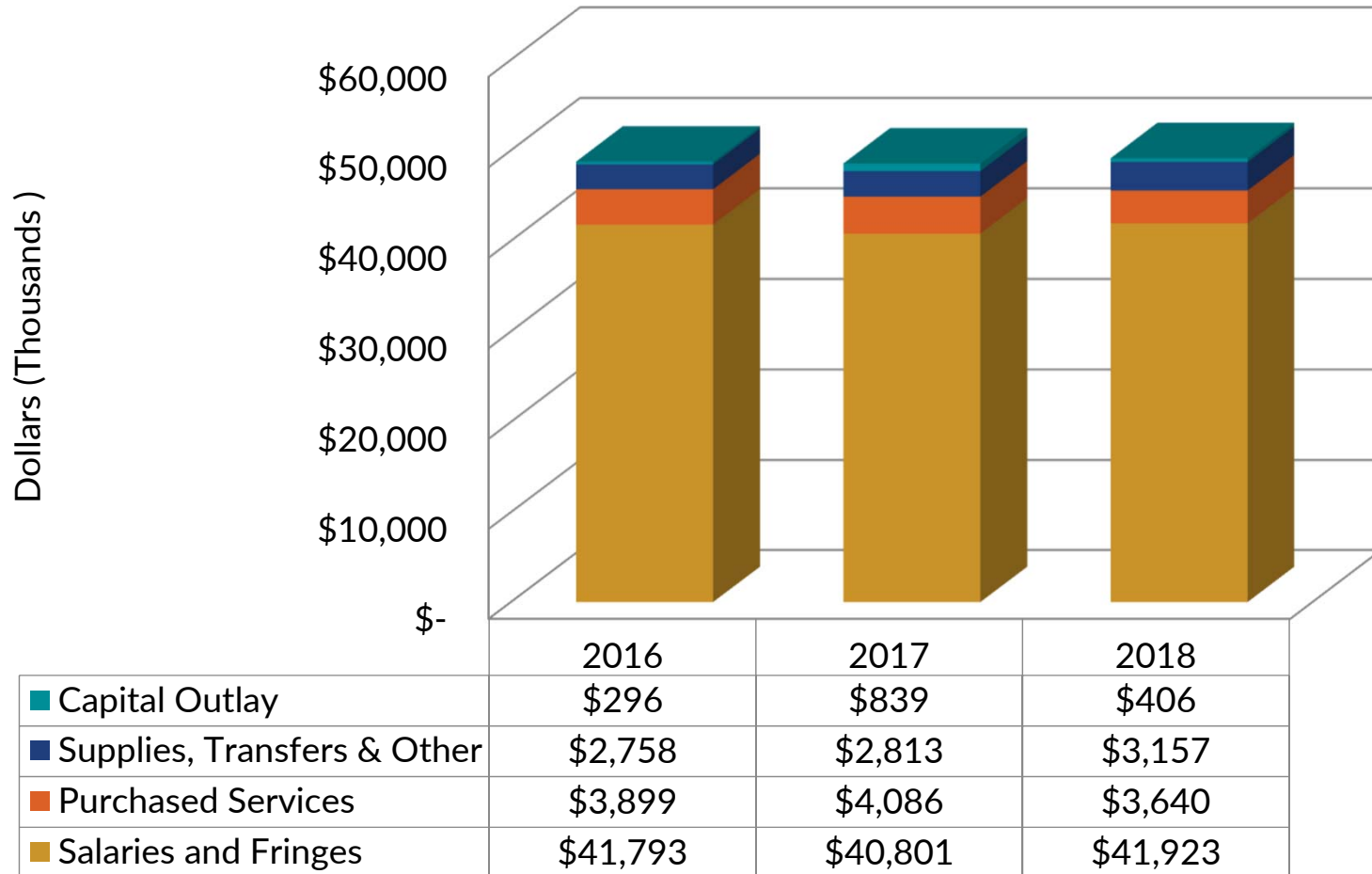
Instructional Expenditures Compared to Average Group D Schools

June 30, 2018





Analysis of General Fund Expenditures (including Transfers) Three-year comparison June 30, 2018





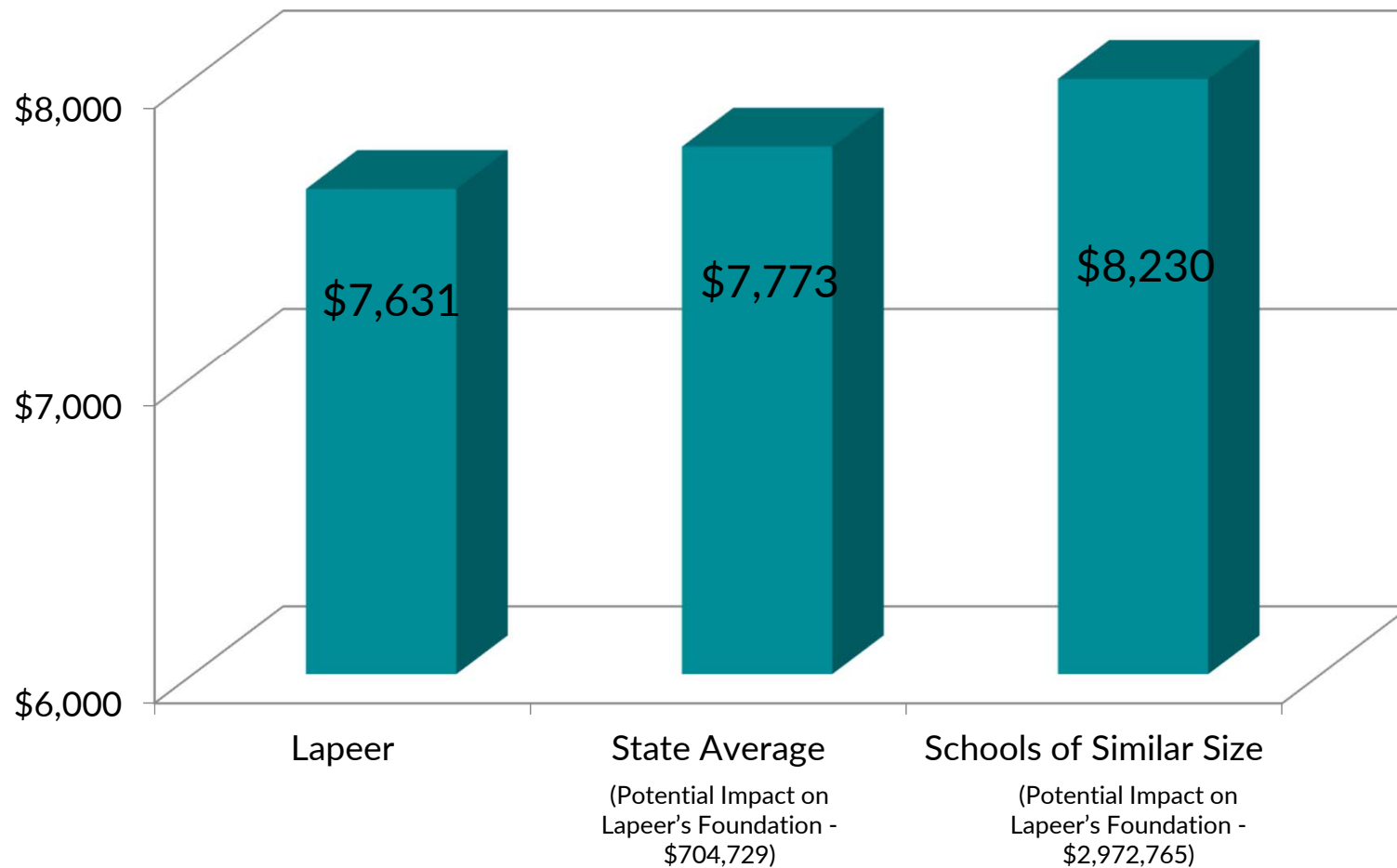
General Fund Balance Analysis

June 30, 2018

Metric	FY	Lapeer	Board Goal	Statewide Average
Fund Balance/Expenditures	2018	7.51%	10%	
Fund Balance/Expenditures	2017	7.16%	10%	12.79%
Fund Balance/Expenditures	2016	6.06%	10%	11.37%
Early Warning Metrics				
Fund Balance/Unrestricted Revenues	2018	9.5%	N/A	N/A
Fund Balance/Unrestricted Revenues	2017	8.7%	N/A	N/A



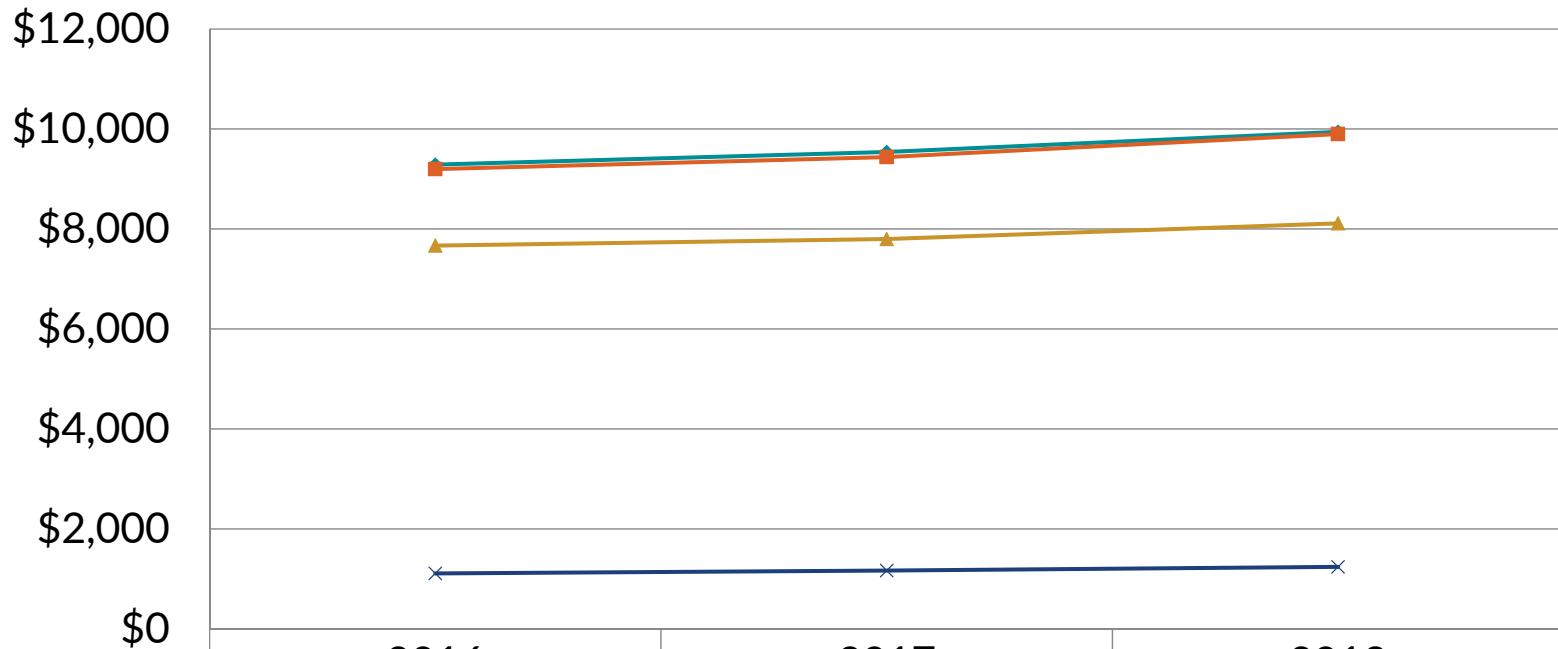
Foundation Allowance Analysis and Comparison June 30, 2018





General Fund Revenue and Expenditures Per-Pupil Analysis

June 30, 2018



	2016	2017	2018
◆ Revenue	\$9,286	\$9,539	\$9,942
■ Expenitures	\$9,198	\$9,439	\$9,899
▲ State Aid	\$7,669	\$7,800	\$8,114
× Property Tax	\$1,110	\$1,168	\$1,241



Future Uncertainties – School Funding

- New approach to school funding by Governor/Legislature
- Statewide enrollment levels
- Interest rates and return
- Limited revenue alternatives
- Foundation allowance level
- Dependence upon state and national economy
- Future retirement system contribution rates and health care costs
- Locally developed and generated revenue sources
- Capital improvements needed and their potential funding sources



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Thank you.