

MEMORANDUM

I.4. Approve 2012/2013 Appropriation Act Amendment for General, Food Service, and Macomb International Academy Funds Mr. Sederlund

RECOMMENDED MOTION: “That the following resolution be adopted by the Board of Education to approve the General Fund, Food Service Fund, and Macomb International Academy budgets for the 2012/2013 fiscal year. Further request that the reading of the resolution be waived.”

RESOLVED, that this resolution shall be the General Fund Appropriation Act of Chippewa Valley Schools for fiscal year 2012/2013 to provide for the expenditure of the appropriation; and to provide for the disposition of income received by Chippewa Valley Schools.

BE IT FURTHER RESOLVED that the total revenues and fund balance estimated to be available for appropriations in the General Fund of the Chippewa Valley Schools for the fiscal year 2012/2013 originally adopted June 18, 2012 be amended as follows:

Revenue	
Local	\$19,276,709
State	110,992,695
Federal	5,764,010
Transfers & Others	796,761
Total Revenue	\$136,830,175
Fund Balance July 1, 2012	\$16,744,098
Total Available to Appropriate	\$153,574,273

BE IT FURTHER RESOLVED, that \$136,391,600 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		\$73,544,836
Added Needs		14,317,397
Adult and Continuing Education		164,073
Support Services		
Pupil		12,295,640
Instructional Staff		3,737,851
General Administration		738,977
School Administration		8,801,707
Business		2,409,401
Operations & Maintenance		9,450,355
Transportation		4,060,556
Central		2,756,292
Other Support (Athletics, CTE)		2,043,183
Community Services		1,076,591
Outgoing Transfers & Other		994,741
	Total Appropriated	\$136,391,600
	Estimated Fund Balance June 30, 2013	\$17,182,673

BE IT FURTHER RESOLVED, that the revenue from the millage levy of 18.000 mills on non-homestead and non-qualified agricultural property be certified and be used towards the District's 2012/2013 operating expenditures. As provided by in the Act related to the Michigan Business Tax, Personal Industrial Property is exempt from the 18 mills and Personal Commercial Property is exempt from 12 of the 18 mills.

RESOLVED, that this resolution shall be the Food Service Appropriation Act of Chippewa Valley Schools for fiscal year 2012/2013 to provide for the expenditure of the appropriation; and to provide for the disposition of income received by Chippewa Valley Schools.

BE IT FURTHER RESOLVED that the total revenues and fund balance estimated to be available for appropriations in the Food Service Fund of the Chippewa Valley Schools for the fiscal year 2012/2013 originally adopted June 18, 2012 be amended as follows:

Revenue	
Local	\$1,995,100
State	145,000
Federal	1,665,000
Transfers & Other	0
Total Revenue	\$3,805,100
Fund Balance July 1, 2012	\$632,562
Total Available to Appropriate	\$4,437,662

BE IT FURTHER RESOLVED, that \$3,996,420 of the total available to appropriate in the Food Service Fund is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures	
Wages	\$1,142,500
Employee Benefits	513,920
Food Purchases	1,691,000
Other	385,000
Capital Outlay	74,000
Outgoing Transfers	190,000
Total Appropriated	\$3,996,420
Estimated Fund Balance June 30, 2013	\$441,242

RESOLVED, that this resolution shall be the International Academy of Macomb Fund Appropriation Act of Chippewa Valley Schools for fiscal year 2012/2013 to provide for the expenditure of the appropriation; and to provide for the disposition of income received by Chippewa Valley Schools.

BE IT FURTHER RESOLVED that the total revenues and fund balance estimated to be available for appropriations in the International Academy of Macomb Fund of the Chippewa Valley Schools for the fiscal year 2012/2013 originally adopted June 20, 2012 be amended as follows:

Revenue	
Local	\$0
State	0
Federal	0
Incoming Transfers & Fund Modifications	\$3,914,098
Total Revenue	\$3,914,098
Fund Balance July 1, 2012	\$1,868,337
Total Available to Appropriate	\$5,782,435

BE IT FURTHER RESOLVED that \$3,744,298 of the total available to appropriate in the International Academy of Macomb Fund is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures	
Basic Instruction	\$297,000
Support Services	244,950
Payments to Other Schools	2,595,587
Fund Modifications	606,761
Total Appropriated	\$3,744,298
Estimated Fund Balance June 30, 2013	\$2,038,137

BE IT FURTHER RESOLVED, that no Board of Education member or employee of the school district shall expend any funds or obligate the expenditure of any funds except pursuant to appropriations made by the Board of Education and 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 and his designee are hereby charged with general supervision of the execution of the budget adopted by the Board and shall hold the department heads responsible for performance of their responsibilities within the amount appropriated by the Board of Education and in keeping with the budgetary policy statement hitherto adopted by the Board.

This appropriation act resolution is to take effect on approval by Board of Education.

Rationale: In preparing the 1st amended budget, the administration has reviewed the entire budget and updated the budget to reflect current information. Projected revenue increases from \$134.7 million to \$136.8 million dollars while projected expenditures decrease from \$137.8 million to \$136.4 million. The changes result in revenues exceeding expenditures by \$0.4 million compared to expenditures exceeding revenue by \$3.0 million in “Original Budget” and a \$3.4 million positive budget impact.

Three major changes to the budget accounted for the vast majority of the \$3.4 million positive variance:

- Blended enrollment 124.43 FTE higher than original budget (+\$867,000)
- Health/Dental insurance better than current illustrative rates (-\$1,411,241)
- Retirement composite rate reduced from 26.78% to 24.56% (-\$1,760,656)

All other net revenue and expenditure changes were a net negative variance total of \$500,283.

CHIPPEWA VALLEYS SCHOOLS
 1ST AMENDED 2012-2013
 GENERAL FUND BUDGET

	2010-11 Audited <u>Actual</u>	2011-12 Audited <u>Actual</u>	2012-13 Original <u>Budget</u>	2012-13 1st Amended <u>Budget</u>	2012-13 1st Amended 2012-13 Original <u>Difference</u>
Revenue			June 18, 2012	January 14, 2013	
Local (1)	\$ 21,545,302	\$ 20,696,892	\$ 18,863,280	\$ 19,276,709	\$ 413,429
State	\$ 102,315,156	\$ 105,213,652	\$ 109,227,545	\$ 110,992,695	\$ 1,765,150
Federal	\$ 11,761,923	\$ 5,145,219	\$ 5,564,090	\$ 5,764,010	\$ 199,920
Incoming Transfers & Other	\$ 743,514	\$ 748,436	\$ 1,082,290	\$ 796,761	\$ (285,529)
Total Revenue	\$ 136,365,895	\$ 131,804,199	\$ 134,737,205	\$ 136,830,175	\$ 2,092,970
Expenditures					
Basic Programs	\$ 71,650,927	\$ 71,530,798	\$ 74,591,084	\$ 73,544,836	\$ (1,046,248)
Added Needs	\$ 13,589,745	\$ 13,970,751	\$ 14,587,134	\$ 14,317,397	\$ (269,737)
Adult & Community Ed	\$ 195,122	\$ 157,991	\$ 160,641	\$ 164,073	\$ 3,432
Total Instructional	\$ 85,435,795	\$ 85,659,540	\$ 89,338,859	\$ 88,026,306	\$ (1,312,553)
Pupil Services	\$ 12,031,805	\$ 12,342,156	\$ 12,672,148	\$ 12,295,640	\$ (376,508)
Instructional Staff Services	\$ 4,039,572	\$ 3,329,411	\$ 3,598,574	\$ 3,737,851	\$ 139,277
General Administration	\$ 691,785	\$ 622,509	\$ 670,508	\$ 738,977	\$ 68,469
School Administration	\$ 8,179,737	\$ 8,202,940	\$ 9,165,241	\$ 8,801,707	\$ (363,534)
Business Administration	\$ 1,934,373	\$ 2,592,842	\$ 1,915,547	\$ 2,409,401	\$ 493,854
Operations & Maintenance	\$ 9,890,450	\$ 9,093,931	\$ 9,488,168	\$ 9,450,355	\$ (37,813)
Transportation	\$ 4,231,715	\$ 3,919,292	\$ 4,128,616	\$ 4,060,556	\$ (68,060)
Other Central Services	\$ 2,452,178	\$ 2,370,717	\$ 2,647,832	\$ 2,756,292	\$ 108,460
Other Support (Portion Athletics, CTE)	\$ 1,969,402	\$ 1,956,651	\$ 2,101,337	\$ 2,043,183	\$ (58,154)
Total Supporting Services	\$ 45,421,016	\$ 44,430,450	\$ 46,387,971	\$ 46,293,962	\$ (94,009)
Total Community Services	\$ 939,396	\$ 907,026	\$ 1,035,666	\$ 1,076,591	\$ 40,925
Outgoing Transfers & Other	\$ 782,839	\$ 1,007,358	\$ 994,748	\$ 994,741	\$ (7)
Total Expenditures	\$ 132,579,046	\$ 132,004,374	\$ 137,757,244	\$ 136,391,600	\$ (1,365,644)
Total Revenues Over/<Under>	\$ 3,786,849	\$ (200,175)	\$ (3,020,039)	\$ 438,575	\$ 3,458,614
Beginning Fund Equity	13,157,424	16,944,273	15,918,088	16,744,098	
Ending Fund Equity	\$ 16,944,273	\$ 16,744,098	\$ 12,898,049	\$ 17,182,673	

(1) Includes 18.00 Mill Non-Homestead Property Tax Levy for operational purposes.

2012-2013 SPECIAL REVENUE FUND FOOD SERVICE 1ST AMENDED BUDGET

	2010-11	2011-12	2012-13	2012-13	2012-13 1st Amended
	Actual	Actual	Original Budget	1st Amended Budget	2012-13 Original Difference
Revenue					
Local	\$ 2,048,861	\$ 2,091,472	\$ 2,139,500	\$ 1,995,100	\$ (144,400)
State	\$ 140,338	\$ 148,457	\$ 145,000	\$ 145,000	\$ -
Federal	\$ 1,445,741	\$ 1,562,304	\$ 1,650,000	\$ 1,665,000	\$ 15,000
Incoming Transfers & Other	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 3,634,940	\$ 3,802,234	\$ 3,934,500	\$ 3,805,100	\$ (129,400)
Expenditures					
Wages	\$ 1,213,321	\$ 1,105,724	\$ 1,121,500	\$ 1,142,500	\$ 21,000
Employee Benefits	\$ 481,002	\$ 457,893	\$ 542,500	\$ 513,920	\$ (28,580)
Food Purchases	\$ 1,507,503	\$ 1,604,025	\$ 1,826,000	\$ 1,691,000	\$ (135,000)
Other	\$ 228,041	\$ 300,546	\$ 317,000	\$ 385,000	\$ 68,000
Capital Outlay	\$ -	\$ 2,435	\$ 64,000	\$ 74,000	\$ 10,000
Outgoing Transfers	\$ 260,000	\$ 230,000	\$ 230,000	\$ 190,000	\$ (40,000)
Total Food Service	\$ 3,689,867	\$ 3,700,622	\$ 4,101,000	\$ 3,996,420	\$ (104,580)
Total Revenues Over/<Under> Expenditures	\$ (54,927)	\$ 101,612	\$ (166,500)	\$ (191,320)	
Beginning Fund Equity	\$ 585,877	\$ 530,950	\$ 530,950	\$ 632,562	
Ending Fund Equity	\$ 530,950	\$ 632,562	\$ 364,450	\$ 441,242	

2012-13 SPECIAL REVENUE FUND 1ST AMENDED MACOMB INTERNATIONAL ACADEMY BUDGET

	2010-11	2011-12	2012-13	2012-13	2012-13 1st Amended
	<u>Actual</u>	<u>Actual</u>	<u>Original</u>	<u>1st Amended</u>	<u>2012-13 Original</u>
			<u>Budget</u>	<u>Budget</u>	<u>Difference</u>
Revenue					
Tuition Schools	\$ 2,147,899	\$ 2,735,074	\$ 2,876,993	\$ 2,919,357	\$ 42,364
Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Modifications	\$ 782,839	\$ 1,007,358	\$ 994,748	\$ 994,741	\$ (7)
	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 2,930,738	\$ 3,742,432	\$ 3,871,741	\$ 3,914,098	\$ 42,357
Expenditures					
Instruction	\$ 305,345	\$ 297,460	\$ 297,000	\$ 297,000	\$ -
Support Services	\$ 397,783	\$ 435,325	\$ 243,600	\$ 244,950	\$ 1,350
Payments to Other Schools	\$ 1,667,991	\$ 2,371,182	\$ 2,417,884	\$ 2,595,587	\$ 177,703
Fund Modifications	\$ 483,514	\$ 518,436	\$ 852,290	\$ 606,761	\$ (245,529)
	\$ -	\$ -	\$ -	\$ -	\$ -
Total Macomb International Academy	\$ 2,854,633	\$ 3,622,402	\$ 3,810,774	\$ 3,744,298	\$ (66,476)
Total Revenues Over/<Under> Expenditures	\$ 76,105	\$ 120,030	\$ 60,967	\$ 169,800	
Beginning Fund Equity	\$ 1,672,202	\$ 1,748,307	\$ 1,823,924	\$ 1,868,337	
Ending Fund Equity	\$ 1,748,307	\$ 1,868,337	\$ 1,884,891	\$ 2,038,137	