

MEMORANDUM

G.2. Approve 2016/2017 Appropriation Act for General and Special Revenue Funds
Mr. Sederlund

RECOMMENDED MOTION: “That the following resolution be adopted by the Board of Education to approve the General Fund budget for the 2016/2017 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 2016/2017 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 2016/2017 originally adopted on June 20, 2016 and amended on December 19, 2017 be amended as follows:

Revenue	
Local	\$18,703,988
State	127,017,218
Federal	5,876,138
Transfers & Others	994,775
Total Revenue	\$152,592,119
Fund Balance July 1, 2016	\$25,499,525
Total Available to Appropriate	\$178,091,644

BE IT FURTHER RESOLVED, that \$153,014,958 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	\$80,793,279
Added Needs	16,883,659
Adult and Continuing Education	163,821

Support Services	
Pupil	13,999,409
Instructional Staff	5,259,327
General Administration	868,460
School Administration	9,470,525
Business	2,103,567
Operations & Maintenance	11,112,361
Transportation	4,413,796
Central	3,685,573
Other Support (Athletics, CTE)	2,213,201
Community Services	1,107,993
Outgoing Transfers & Other	939,987
Total Appropriated	\$153,014,958
Estimated Fund Balance June 30, 2017	\$25,076,686

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 2016/2017 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.

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 upon approval.

RATIONALE: The administration reviews the budgets and prepares a second amended budget to the General Fund and other funds in May or June. The General Fund is the only fund budget being adjusted in the second amendment for the 2016-2017 school year. The second amendment is done primarily to have the adopted District budgets for Federal and State grants correspond to the Federal and State grant budgets filed with the Michigan Department of Education. Other types of adjustments are often needed to be in compliance with

the Uniform Budgeting and Accounting Act which governs the budget process and prohibits deviations exceeding adopted appropriations.

The major adjustments included in this second amendment for the purposes of compliance with the Uniform Budgeting and Accounting Act are as follows:

- Decrease in budgeted expenditures for textbooks by \$325,000, based on actual curriculum costs.
- Increase of Federal grant revenues received during the school year totaling just under \$100,000 along with corresponding increased budgeted expenditure offset.
- Adjustments in various purchased service areas including the following:
 - Increase in the technology repair budget of approximately \$80,000.
 - Decrease in contracted staff services by just under \$150,000.
 - Increase property insurance deductible costs of \$50,000 due to an unusually high number of weather related repair claims.

These changes decreased projected expenditures greater than revenues from a negative (\$1,023,175) in the 1st Amended Budget to a negative (\$422,839) in the 2nd Amended Budget.

CHIPPEWA VALLEYS SCHOOLS
2016-2017 2ND AMENDED
GENERAL FUND BUDGET

	2014-15 Audited Actual	2015-16 Audited Actual	2016-17 Original Budget June 20, 2016	2016-17 1st Amended Budget December 19, 2016	2016-17 2nd Amended Budget May 15, 2017	2016-17 2nd Amended 2016-17 1st Amended Difference
Revenue						
Local (1)	\$ 18,684,311	\$ 19,277,701	\$ 19,118,731	\$ 18,978,588	\$ 18,703,988	\$ (274,600)
State	\$ 122,613,968	\$ 124,960,120	\$ 126,445,842	\$ 126,539,534	\$ 127,017,218	\$ 477,684
Federal	\$ 5,081,595	\$ 5,156,197	\$ 5,581,207	\$ 5,778,230	\$ 5,876,138	\$ 97,908
Incoming Transfers & Other	\$ 707,494	\$ 798,755	\$ 751,776	\$ 994,775	\$ 994,775	\$ -
Total Revenue	\$ 147,087,368	\$ 150,192,773	\$ 151,897,556	\$ 152,291,127	\$ 152,592,119	\$ 300,992
Expenditures						
Basic Programs	\$ 77,700,308	\$ 78,692,379	\$ 82,089,492	\$ 81,340,530	\$ 80,793,279	\$ (547,251)
Added Needs	\$ 15,697,241	\$ 15,808,118	\$ 16,982,982	\$ 16,743,941	\$ 16,883,659	\$ 139,718
Adult & Community Ed	\$ 190,308	\$ 157,255	\$ 183,808	\$ 174,825	\$ 163,821	\$ (11,004)
Total Instructional	\$ 93,587,857	\$ 94,657,752	\$ 99,256,282	\$ 98,259,296	\$ 97,840,759	\$ (418,537)
Pupil Services	\$ 12,987,549	\$ 13,473,154	\$ 13,971,392	\$ 13,990,644	\$ 13,999,409	\$ 8,765
Instructional Staff Services	\$ 4,507,329	\$ 4,494,092	\$ 4,839,672	\$ 5,063,662	\$ 5,259,327	\$ 195,665
General Administration	\$ 696,175	\$ 675,642	\$ 776,639	\$ 868,180	\$ 868,460	\$ 280
School Administration	\$ 9,131,072	\$ 9,432,244	\$ 9,595,753	\$ 9,461,103	\$ 9,470,525	\$ 9,422
Business Administration	\$ 1,902,546	\$ 2,042,816	\$ 2,068,752	\$ 2,124,127	\$ 2,103,567	\$ (20,560)
Operations & Maintenance	\$ 9,967,193	\$ 10,297,829	\$ 10,925,982	\$ 11,161,511	\$ 11,112,361	\$ (49,150)
Transportation	\$ 4,233,205	\$ 4,239,423	\$ 4,569,843	\$ 4,445,817	\$ 4,413,796	\$ (32,021)
Other Central Services	\$ 3,196,801	\$ 3,262,139	\$ 3,574,841	\$ 3,702,203	\$ 3,685,573	\$ (16,630)
Other Support (Portion Athletics, CTE)	\$ 2,080,496	\$ 2,156,020	\$ 2,223,172	\$ 2,220,541	\$ 2,213,201	\$ (7,340)
Total Supporting Services	\$ 48,702,366	\$ 50,073,359	\$ 52,546,046	\$ 53,037,788	\$ 53,126,219	\$ 88,431
Total Community Services	\$ 852,242	\$ 974,322	\$ 1,129,085	\$ 1,077,231	\$ 1,107,993	\$ 30,762
Outgoing Transfers & Other	\$ 1,030,051	\$ 977,627	\$ 955,433	\$ 939,987	\$ 939,987	\$ -
Total Expenditures	\$ 144,172,516	\$ 146,683,060	\$ 153,886,846	\$ 153,314,302	\$ 153,014,958	\$ (299,344)
Total Revenues Over/<Under>	\$ 2,914,852	\$ 3,509,713	\$ (1,989,290)	\$ (1,023,175)	\$ (422,839)	\$ 600,336
Beginning Fund Equity	19,074,960	21,989,812	24,239,726	25,499,525	25,499,525	
Ending Fund Equity	\$ 21,989,812	\$ 25,499,525	\$ 22,250,436	\$ 24,476,350	\$ 25,076,686	

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