

MEMORANDUM

G4. Approve 2017/2018 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, Food Service Fund, and Macomb International Academy budgets for the 2017/2018 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 2017/2018 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 2017/2018 originally adopted June 19, 2017 and amended on January 8, 2018 be amended as follows:

Revenue	
Local	\$19,118,881
State	132,519,373
Federal	5,417,228
Transfers & Others	1,033,448
Total Revenue	\$158,088,930
Fund Balance July 1, 2017	\$26,542,240
Total Available to Appropriate	\$184,631,170

BE IT FURTHER RESOLVED, that \$157,917,155 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	\$80,635,277
Added Needs	17,703,368
Adult and Continuing Education	163,435
Support Services	
Pupil	15,125,658

Instructional Staff	6,143,382
General Administration	970,616
School Administration	9,858,194
Business	2,202,908
Operations & Maintenance	11,693,811
Transportation	4,730,383
Central	4,250,897
Other Support (Athletics, CTE)	2,293,118
Community Services	1,184,116
Outgoing Transfers & Other	961,992
Total Appropriated	\$157,917,155
Estimated Fund Balance June 30, 2018	\$26,714,015

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 2017/2018 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.

BE IT FURTHER RESOLVED, that 8.64 mills be certified for levy on all property in the district for the purpose of retiring principal and interest on the voted debt of the district.

This appropriation act resolution is to take effect upon approval.

RATIONALE:

The administration reviews the budget 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 2017-2018 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 grants and the Uniform Budgeting and Accounting Act are as follows:

- Decrease of grant revenues received during the school year totaling about \$200,000 along with the corresponding decrease in budgeted expenditure offset.
- Adjustments in various purchased service areas including the following:
 - Increase in the legal expense budget of approximately \$175,000.
 - Increase in the contracted staff services by \$78,000.
 - Increase in pool repairs of \$63,000.

These changes decreased projected revenue greater than expenditures from \$498,857 in the 1st Amended Budget to \$171,775 in the 2nd Amended Budget.

CHIPPEWA VALLEYS SCHOOLS
 2017-2018 2ND AMENDED BUDGET
 GENERAL FUND BUDGET

	2015-16 Audited Actual	2016-17 Audited Actual	2017-18 Original Budget June 19, 2017	2017-18 1st Amended Budget January 8, 2018	2017-18 2nd Amended Budget May 21, 2018	2017-18 2nd Amended 2017-18 1st Amended Difference
Revenue						
Local (1)	\$ 19,277,701	\$ 18,831,467	\$ 19,199,990	\$ 19,312,516	\$ 19,118,881	\$ (193,635)
State	\$ 124,960,120	\$ 126,481,193	\$ 127,186,093	\$ 132,153,202	\$ 132,519,373	\$ 366,171
Federal	\$ 5,156,197	\$ 5,519,015	\$ 5,893,108	\$ 5,596,274	\$ 5,417,228	\$ (179,046)
Incoming Transfers & Other	\$ 798,755	\$ 1,024,304	\$ 1,007,548	\$ 1,033,448	\$ 1,033,448	\$ -
Total Revenue	\$ 150,192,773	\$ 151,855,979	\$ 153,286,739	\$ 158,095,440	\$ 158,088,930	\$ (6,510)
Expenditures						
Basic Programs	\$ 78,692,379	\$ 80,665,139	\$ 79,725,541	\$ 80,808,087	\$ 80,635,277	\$ (172,810)
Added Needs	\$ 15,808,118	\$ 16,290,150	\$ 16,982,649	\$ 17,640,251	\$ 17,703,368	\$ 63,117
Adult & Community Ed	\$ 157,255	\$ 161,356	\$ 174,510	\$ 163,643	\$ 163,435	\$ (208)
Total Instructional	\$ 94,657,752	\$ 97,116,645	\$ 96,882,700	\$ 98,611,981	\$ 98,502,080	\$ (109,901)
Pupil Services	\$ 13,473,154	\$ 13,873,997	\$ 14,355,977	\$ 15,080,658	\$ 15,125,658	\$ 45,000
Instructional Staff Services	\$ 4,494,092	\$ 5,001,950	\$ 5,304,987	\$ 6,274,194	\$ 6,143,382	\$ (130,812)
General Administration	\$ 675,642	\$ 784,285	\$ 779,495	\$ 795,616	\$ 970,616	\$ 175,000
School Administration	\$ 9,432,244	\$ 9,462,959	\$ 9,686,859	\$ 9,827,387	\$ 9,858,194	\$ 30,807
Business Administration	\$ 2,042,816	\$ 1,986,161	\$ 2,157,005	\$ 2,164,108	\$ 2,202,908	\$ 38,800
Operations & Maintenance	\$ 10,297,829	\$ 10,759,290	\$ 11,698,703	\$ 11,527,127	\$ 11,693,811	\$ 166,684
Transportation	\$ 4,239,423	\$ 4,289,685	\$ 4,577,981	\$ 4,719,592	\$ 4,730,383	\$ 10,791
Other Central Services	\$ 3,262,139	\$ 3,507,565	\$ 3,828,273	\$ 4,222,832	\$ 4,250,897	\$ 28,065
Other Support (Portion Athletics, CTE)	\$ 2,156,020	\$ 2,131,894	\$ 2,221,176	\$ 2,293,118	\$ 2,293,118	\$ -
Total Supporting Services	\$ 50,073,359	\$ 51,797,786	\$ 54,610,456	\$ 56,904,632	\$ 57,268,967	\$ 364,335
Total Community Services	\$ 974,322	\$ 973,759	\$ 1,106,565	\$ 1,117,978	\$ 1,184,116	\$ 66,138
Outgoing Transfers & Other	\$ 977,627	\$ 925,074	\$ 944,592	\$ 961,992	\$ 961,992	\$ -
Total Expenditures	\$ 146,683,060	\$ 150,813,264	\$ 153,544,313	\$ 157,596,583	\$ 157,917,155	\$ 320,572
Total Revenues Over/<Under> Expenditures	\$ 3,509,713	\$ 1,042,715	\$ (257,574)	\$ 498,857	\$ 171,775	\$ (327,082)
Beginning Fund Equity	21,989,812	25,499,525	25,076,686	26,542,240	26,542,240	
Ending Fund Equity	\$ 25,499,525	\$ 26,542,240	\$ 24,819,112	\$ 27,041,097	\$ 26,714,015	

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