

MEMORANDUM**X.X. Approve 2019/2020 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 Community Services Childcare Fund budgets for the 2019/2020 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 2019/2020 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 2019/2020 originally adopted on June 17, 2019 and amended on January 13, 2020 be amended as follows:

Revenue	
Local	\$19,900,902
State	127,321,659
Federal	6,417,308
Transfers & Others	1,108,715
Total Revenue	\$154,748,584
Fund Balance July 1, 2019	\$29,706,985
Total Available to Appropriate	\$184,455,569

BE IT FURTHER RESOLVED, that \$163,506,347 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	\$81,313,931
Added Needs	21,088,894
Adult and Continuing Education	147,618
Support Services	
Pupil	16,318,173

Instructional Staff	6,795,791
General Administration	837,676
School Administration	10,190,263
Business	2,251,735
Operations & Maintenance	11,291,435
Transportation	4,881,603
Central	3,950,140
Other Support (Athletics, CTE)	2,307,334
Community Services	1,012,596
Outgoing Transfers & Other	1,119,158
Total Appropriated	\$163,506,347

Estimated Fund Balance June 30, 2020 \$20,949,222

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 2019/2020 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 2019/2020 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 2019/2020 originally adopted on June 17, 2019 and amended on January 13, 2020 be amended as follows:

Revenue	
Local	\$1,473,600
State	130,850
Federal	1,961,000
Transfers & Other	0
Total Revenue	\$3,565,450
Fund Balance July 1, 2019	\$1,525,014
Total Available to Appropriate	\$5,090,464

BE IT FURTHER RESOLVED, that \$4,366,281 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	\$1,385,881
Employee Benefits	818,800
Food Purchases	1,511,000

Other	308,000
Capital Outlay	92,600
Outgoing Transfers	250,000
Total Appropriated	\$4,366,281

Estimated Fund Balance June 30, 2020 \$724,183

RESOLVED, that this resolution shall be the Community Services Childcare Fund Appropriation Act of Chippewa Valley Schools for fiscal year 2019/2020 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 Community Services Childcare Fund of the Chippewa Valley Schools for the fiscal year 2019/2020 originally adopted June 17, 2019 be amended as follows:

Revenue	
Local	\$1,160,000
State	0
Federal	0
Transfers & Other	\$40,000
Total Revenue	\$1,200,800
Fund Balance July 1, 2019	\$0
Total Available to Appropriate	\$1,200,800

BE IT FURTHER RESOLVED that \$1,200,800 of the total available to appropriate in the Community Services Childcare Fund is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures	
Childcare	\$1,200,800
Total Appropriated	\$1,200,800

Estimated Fund Balance June 30, 2020 \$0

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 has reviewed the entire budget and updated the budgets for the General Fund, Food Service Fund, and Community Services Childcare Fund reflecting the most current information. 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. Changes having the greatest impact on the General Fund are further detailed in the following summaries.

Projected revenue for the General Fund decreased by just under \$11 million from \$165.7 million to \$154.7 million. The decrease in revenue is a net result of the following updates:

- Anticipated School Aid proration of \$650 per pupil for a decrease in revenue of (\$9.9 million)
- Decreased revenues from Athletics, Community Education and Little Turtle activities of (\$1 million)
- Review and adjustments of other revenue sources as necessary

Projected expenditures for the General Fund decreased by just under \$2.5 million from \$166 million to \$163.5 million. Significant changes from the 1st Amended Budget mainly result from lower one-time operational costs due to the unanticipated school closure:

- Lower costs associated with contracted staff (\$418,000)
- Adjustments for lower fuel costs (\$195,000)
- Net utility adjustments for lower utilization of natural gas (\$93,000), electric (\$255,000), water/sewer (\$48,000)
- Net wage adjustments of (\$212,000) and associated adjustments for FICA/retirement costs of (\$141,000)
- Net adjustments to other benefit costs due to underutilization (\$296,000)
- Review and adjustment of building and department purchased service and supply costs as appropriate due to closure

The changes identified project revenues underfunding expenditures by (\$8,757,763) in the 2nd Amended Budget. The 1st Amended Budget estimated revenues underfunding expenditures by (\$323,205). The budget modifications result in a projected June 30, 2020 ending fund balance of \$20.9 million (or 12.8% of budgeted expenditures).

CHIPPEWA VALLEYS SCHOOLS
2019-2020 2nd AMENDED
GENERAL FUND BUDGET

	2018-19 Audited Actual	2019-20 Original Budget June 17, 2019	2019-20 1st Amended Budget January 13, 2020	2019-20 2nd Amended Budget June 1, 2020	2019-20 2nd Amended 2019-20 1st Amended Difference
Revenue					
Local (1)	\$ 24,089,131	\$ 21,149,752	\$ 21,022,590	\$ 19,900,902	\$ (1,121,688)
State	\$ 133,965,950	\$ 136,742,474	\$ 137,280,253	\$ 127,321,659	\$ (9,958,594)
Federal	\$ 5,189,709	\$ 6,173,561	\$ 6,303,440	\$ 6,417,308	\$ 113,868
Incoming Transfers & Other	\$ 1,185,623	\$ 1,232,924	\$ 1,108,715	\$ 1,108,715	\$ -
Total Revenue	\$ 164,430,413	\$ 165,298,711	\$ 165,714,998	\$ 154,748,584	\$ (10,966,414)
Expenditures					
Basic Programs	\$ 81,389,727	\$ 84,309,315	\$ 81,884,995	\$ 81,313,931	\$ (571,064)
Added Needs	\$ 18,784,438	\$ 20,004,756	\$ 21,427,119	\$ 21,088,894	\$ (338,225)
Adult & Community Ed	\$ 176,862	\$ 189,260	\$ 197,118	\$ 147,618	\$ (49,500)
Total Instructional	\$ 100,351,027	\$ 104,503,331	\$ 103,509,232	\$ 102,550,443	\$ (958,789)
Pupil Services	\$ 15,928,258	\$ 16,479,015	\$ 16,340,090	\$ 16,318,173	\$ (21,917)
Instructional Staff Services	\$ 5,566,243	\$ 7,110,212	\$ 6,860,379	\$ 6,795,791	\$ (64,588)
General Administration	\$ 799,346	\$ 903,082	\$ 886,908	\$ 837,676	\$ (49,232)
School Administration	\$ 9,908,537	\$ 10,304,024	\$ 10,301,505	\$ 10,190,263	\$ (111,242)
Business Administration	\$ 2,321,741	\$ 2,344,412	\$ 2,306,451	\$ 2,251,735	\$ (54,716)
Operations & Maintenance	\$ 11,338,714	\$ 12,187,126	\$ 12,085,969	\$ 11,291,435	\$ (794,534)
Transportation	\$ 4,728,457	\$ 5,104,354	\$ 5,167,631	\$ 4,881,603	\$ (286,028)
Other Central Services	\$ 3,880,453	\$ 4,026,649	\$ 4,155,228	\$ 3,950,140	\$ (205,088)
Other Support (Portion Athletics, CTE)	\$ 2,320,002	\$ 2,358,622	\$ 2,368,497	\$ 2,307,334	\$ (61,163)
Total Supporting Services	\$ 56,791,751	\$ 60,817,496	\$ 60,472,658	\$ 58,824,150	\$ (1,648,508)
Total Community Services	\$ 902,397	\$ 1,157,482	\$ 974,155	\$ 1,012,596	\$ 38,441
Outgoing Transfers & Other	\$ 5,155,517	\$ 1,267,853	\$ 1,082,158	\$ 1,119,158	\$ 37,000
Total Expenditures	\$ 163,200,692	\$ 167,746,162	\$ 166,038,203	\$ 163,506,347	\$ (2,531,856)
Total Revenues Over/<Under> Expenditures	\$ 1,229,721	\$ (2,447,451)	\$ (323,205)	\$ (8,757,763)	\$ (8,434,558)
Beginning Fund Equity	\$ 28,477,264	\$ 27,141,910	\$ 29,706,985	\$ 29,706,985	
Ending Fund Equity	\$ 29,706,985	\$ 24,694,459	\$ 29,383,780	\$ 20,949,222	

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

CHIPPEWA VALLEY SCHOOLS
 2019-2020 2ND AMENDED
 SPECIAL REVENUE FUND
 FOOD SERVICES BUDGET

	2018-19 Audited Actual	2019-2020 Original Budget June 17, 2019	2019-2020 1st Amended Budget January 13, 2020	2019-2020 2nd Amended Budget June 1, 2020	2019-20 2nd Amended 2019-20 1st Amended Difference
Revenue					
Local	\$ 2,167,203	\$ 2,166,100	\$ 2,166,100	\$ 1,473,600	\$ (692,500)
State	\$ 139,029	\$ 125,000	\$ 130,850	\$ 130,850	\$ -
Federal	\$ 2,116,183	\$ 2,179,000	\$ 2,170,000	\$ 1,961,000	\$ (209,000)
Incoming Transfers & Other	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 4,422,415	\$ 4,470,100	\$ 4,466,950	\$ 3,565,450	\$ (901,500)
Expenditures					
Wages	\$ 1,265,139	\$ 1,352,140	\$ 1,359,785	\$ 1,385,881	\$ 26,096
Employee Benefits	\$ 726,842	\$ 824,500	\$ 824,950	\$ 818,800	\$ (6,150)
Food Purchases	\$ 1,773,498	\$ 1,806,000	\$ 1,806,000	\$ 1,511,000	\$ (295,000)
Other	\$ 287,240	\$ 389,000	\$ 389,000	\$ 308,000	\$ (81,000)
Capital Outlay	\$ 54,523	\$ 150,000	\$ 150,000	\$ 92,600	\$ (57,400)
Outgoing Transfers	\$ 220,000	\$ 220,000	\$ 250,000	\$ 250,000	\$ -
Total Food Service	\$ 4,327,242	\$ 4,741,640	\$ 4,779,735	\$ 4,366,281	\$ (413,454)
Total Revenues Over/<Under> Expenditures	\$ 95,173	\$ (271,540)	\$ (312,785)	\$ (800,831)	\$ (488,046)
Beginning Fund Equity	\$ 1,429,841	\$ 1,246,441	\$ 1,525,014	\$ 1,525,014	
Ending Fund Equity	\$ 1,525,014	\$ 974,901	\$ 1,212,229	\$ 724,183	

CHIPPEWA VALLEY SCHOOLS
 2019-2020 2ND AMENDED
 SPECIAL REVENUE FUND COMMUNITY
 SERVICES CHILDCARE BUDGET
 (FORMERLY BUILDING ACTIVITIES)

	See 1 below 2018-19 Audited <u>Actual</u>	See 2 below 2019-20 Original <u>Budget</u> June 17, 2020	2019-20 2nd Amended <u>Budget</u> June 1, 2020	2019-20 2nd Amended 2019-2020 Original <u>Difference</u>
Revenue				
Local	\$ 1,837,652	\$ 1,249,000	\$ 1,160,800	\$ (88,200)
Incoming Transfers & Other	\$ -	\$ -	\$ 40,000	\$ 40,000
Total Revenue	\$ 1,837,652	\$ 1,249,000	\$ 1,200,800	\$ (48,200)
Expenditures				
Wages/Purchased Services/Supplies,Materials	\$ 1,863,219	\$ 1,249,000	\$ 1,200,800	\$ (48,200)
Total Expenditures	\$ 1,863,219	\$ 1,249,000	\$ 1,200,800	\$ (48,200)
Total Revenues Over/<Under> Expenditures	\$ (25,567)	\$ -	\$ -	\$ -
Beginning Fund Equity	\$ 464,421	\$ -	\$ -	
Ending Fund Equity	\$ 438,854	\$ -	\$ -	

Footnote 1 Includes both Childcare and District Building Activities (District Building Activities included in Student/School Activity Fund in 2019-20)

Footnote 2 Includes only Childcare