

MEMORANDUM**H.10. Approve 2021/2022 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, Community Services Childcare Fund, International Academy of Macomb Fund, and Student/School Activity Fund budgets for the 2021/2022 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 2021/2022 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 2021/2022 be adopted as follows:

Revenue	
Local	\$28,078,235
State	137,044,096
Federal	6,301,952
Transfers & Others	1,170,172
Total Revenue	\$172,594,455
Estimated Fund Balance July 1, 2021	\$31,101,546
Total Available to Appropriate	\$203,696,001

BE IT FURTHER RESOLVED, that \$168,218,483 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	\$82,883,692
Added Needs	22,535,844
Adult and Continuing Education	173,896

Support Services	
Pupil	16,284,010
Instructional Staff	6,669,118
General Administration	928,145
School Administration	10,355,097
Business	2,344,182
Operations & Maintenance	11,918,995
Transportation	4,901,097
Central	4,814,211
Other Support (Athletics, CTE)	2,454,771
Community Services	866,340
Outgoing Transfers & Other	1,089,085
Total Appropriated	\$168,218,483

Estimated Fund Balance June 30, 2022 \$35,477,518

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 2021/2022 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 2021/2022 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 2021/2022 be adopted as follows:

Revenue	
Local	\$701,900
State	132,550
Federal	4,343,900
Transfers & Other	0
Total Revenue	\$5,178,350

Estimated Fund Balance July 1, 2021 \$944,062

Total Available to Appropriate \$6,122,412

BE IT FURTHER RESOLVED, that \$4,810,856 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	\$1,235,914
Employee Benefits	784,962
Food Purchases	2,213,980
Other	298,000
Capital Outlay	28,000
Outgoing Transfers	250,000
Total Appropriated	\$4,810,856
Estimated Fund Balance June 30, 2022	\$1,311,556

RESOLVED, that this resolution shall be the Community Services Childcare Fund Appropriation Act of Chippewa Valley Schools for fiscal year 2021/2022 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 2021/2022 be adopted as follows:

Revenue	
Local	\$997,750
State	0
Federal	0
Transfers & Other	0
Total Revenue	\$997,750
Estimated Fund Balance July 1, 2021	\$0
Total Available to Appropriate	\$997,750

BE IT FURTHER RESOLVED that \$997,750 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	\$997,750
Total Appropriated	\$997,750
Estimated Fund Balance June 30, 2022	\$0

RESOLVED, that this resolution shall be the International Academy of Macomb Fund Appropriation Act of Chippewa Valley Schools for fiscal year 2021/2022 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 2021/2022 be adopted as follows:

Revenue	
Local	\$0
State	0
Federal	0
Incoming Transfers & Fund Modifications	\$4,408,205
Total Revenue	\$4,408,205
Estimated Fund Balance July 1, 2021	\$781,980
Total Available to Appropriate	\$5,190,185

BE IT FURTHER RESOLVED that \$4,400,841 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	\$241,000
Support Services	362,752
Payments to Other Schools	2,893,136
Fund Modifications	903,953
Total Appropriated	\$4,400,841
Estimated Fund Balance June 30, 2022	\$789,344

RESOLVED, that this resolution shall be the Student/School Activity Fund Appropriation Act of Chippewa Valley Schools for fiscal year 2021/2022 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 Student/School Activity Fund of the Chippewa Valley Schools for the fiscal year 2021/2022 be adopted as follows:

Revenue	
Revenue	\$4,400,000
Total Revenue	\$4,400,000
Estimated Fund Balance July 1, 2021	\$1,817,309
Total Available to Appropriate	\$6,217,309

BE IT FURTHER RESOLVED that \$4,400,000 of the total available to appropriate in the Student/School Activity Fund is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures	
Expenditures	\$4,400,000
Total Appropriated	\$4,400,000
Estimated Fund Balance June 30, 2022	\$1,817,309

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 on July 1, 2021.

RATIONALE: The Uniform Budgeting and Accounting Act requires that governmental units including school districts adopt a budget prior to the start of the fiscal year. The 2021-22 budgets for the General Fund, Food Service Fund, Community Services Childcare Fund, International Academy of Macomb Fund and the Student/School Activity Fund have been prepared by the administration.

The revenue budget for the General Fund has been developed using major factors including:

- A decreased enrollment projection of 104 FTE based upon the current staffing model
- Anticipated School Aid increase of \$164 per pupil (\$8,275 per pupil)
- Decrease of 2020-21 ESSER Funds of about \$10 million used in the 2020-21 school year
- Retirement cost offset revenue funds of an additional \$1,500,000
- Review and adjustments of other revenue sources as appropriate

The expenditure budget for the General Fund has been developed using major factors including:

- Assumes no increases for employee groups beyond the 2020-21 school year
- Decrease in net staffing wage changes of \$3,643,077, mainly due to retirements at the end of 2020-21
- Retirement cost offset expenditure funding of \$1,500,000
- Retirement rate is increased from 28.21% to 28.23%
- Decrease of 2020-21 ESSER Funds of about \$10 million, used in the 2021-21 school year
- Impact of increased health insurance rates and increased hard cap limit under PA 152 for health insurance benefits and cash in lieu of health
- Review and adjustments of other expenditure items as appropriate

In summary, we have projected revenues of \$172,594,455 and projected expenditures of \$168,218,483 for a budgeted operating surplus of \$4,375,972 and an increase to the fund balance.

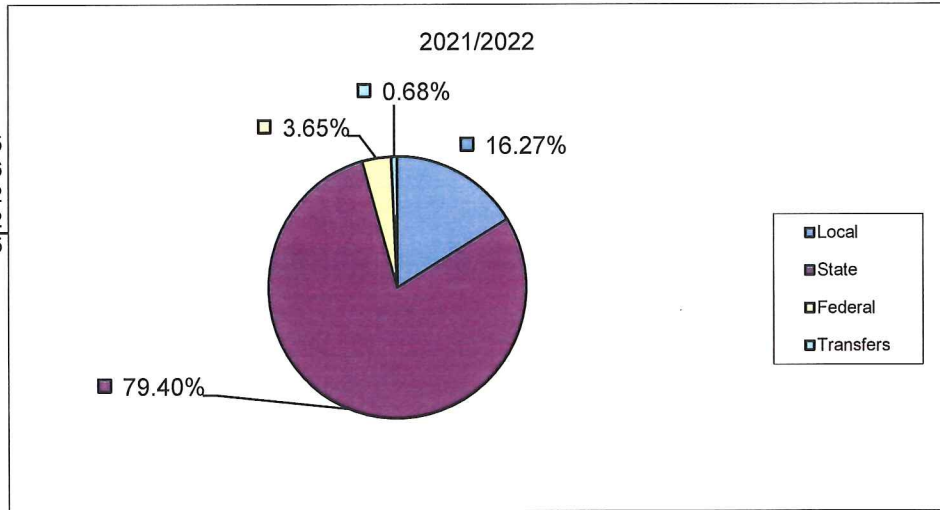
CHIPPEWA VALLEY SCHOOLS
2021-2022 ORIGINAL
GENERAL FUND BUDGET

	2019-20 Audited <u>Actual</u>	2020-21 2nd Amended <u>Budget</u> May 17, 2021	2021-22 Original <u>Budget</u> June 21, 2021	2021-22 Original 2020-21 2nd Amended <u>Difference</u>
Revenue				
Local (1)	\$ 19,475,737	\$ 25,640,192	\$ 28,078,235	\$ 2,438,043
State	\$ 134,499,345	\$ 140,591,168	\$ 137,044,096	\$ (3,547,072)
Federal	\$ 5,367,258	\$ 14,104,507	\$ 6,301,952	\$ (7,802,555)
Incoming Transfers & Other	\$ 1,107,673	\$ 903,953	\$ 1,170,172	\$ 266,219
Total Revenue	\$ 160,450,013	\$ 181,239,820	\$ 172,594,455	\$ (8,645,365)
Expenditures				
Basic Programs	\$ 81,063,105	\$ 94,617,693	\$ 82,883,692	\$ (11,734,001)
Added Needs	\$ 20,540,511	\$ 23,164,995	\$ 22,535,844	\$ (629,151)
Adult & Community Ed	\$ 153,328	\$ 170,082	\$ 173,896	\$ 3,814
Total Instructional	\$ 101,756,944	\$ 117,952,770	\$ 105,593,432	\$ (12,359,338)
Pupil Services	\$ 16,108,756	\$ 16,722,037	\$ 16,284,010	\$ (438,027)
Instructional Staff Services	\$ 5,914,331	\$ 7,049,220	\$ 6,669,118	\$ (380,102)
General Administration	\$ 753,945	\$ 932,373	\$ 928,145	\$ (4,228)
School Administration	\$ 10,038,633	\$ 10,317,361	\$ 10,355,097	\$ 37,736
Business Administration	\$ 2,187,290	\$ 2,300,057	\$ 2,344,182	\$ 44,125
Operations & Maintenance	\$ 11,110,694	\$ 11,749,228	\$ 11,918,995	\$ 169,767
Transportation	\$ 4,562,237	\$ 4,244,465	\$ 4,901,097	\$ 656,632
Other Central Services	\$ 3,809,642	\$ 4,162,117	\$ 4,814,211	\$ 652,094
Other Support (Portion Athletics, CTE)	\$ 2,123,416	\$ 2,329,413	\$ 2,454,771	\$ 125,358
Total Supporting Services	\$ 56,608,944	\$ 59,806,271	\$ 60,669,626	\$ 863,355
Total Community Services	\$ 782,844	\$ 550,335	\$ 866,340	\$ 316,005
Outgoing Transfers & Other	\$ 1,025,979	\$ 1,811,185	\$ 1,089,085	\$ (722,100)
Total Expenditures	\$ 160,174,711	\$ 180,120,561	\$ 168,218,483	\$ (11,902,078)
Total Revenues Over/<Under> Expenditures	\$ 275,302	\$ 1,119,259	\$ 4,375,972	\$ 3,256,713
Beginning Fund Equity	\$ 29,706,985	\$ 29,982,287	\$ 31,101,546	
Ending Fund Equity	\$ 29,982,287	\$ 31,101,546	\$ 35,477,518	

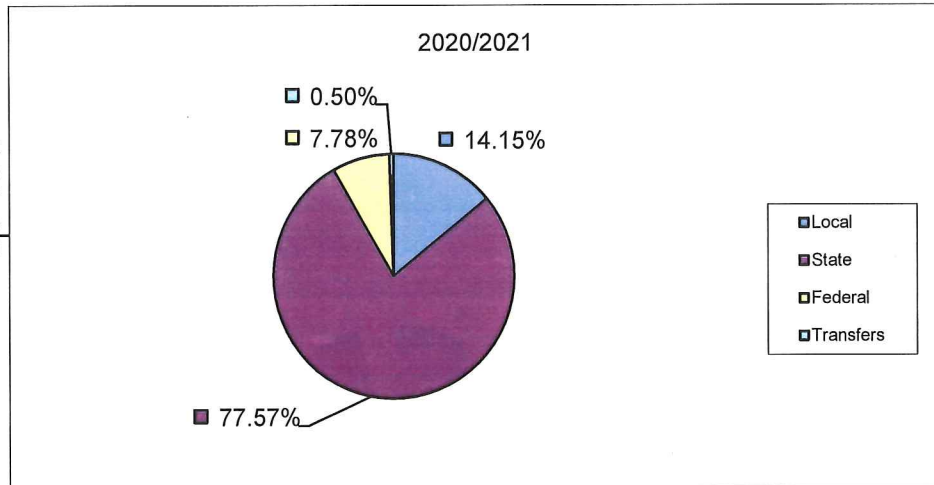
(1) Includes 18.00 Mill Non-Homestead Property Tax Levy for operational purposes.

**Chippewa Valley Schools
Revenue Comparison**

	Original 2021/2022	
Local	\$	28,078,235
State	\$	137,044,096
Federal	\$	6,301,952
Transfers	\$	1,170,172
	\$	<u>172,594,455</u>

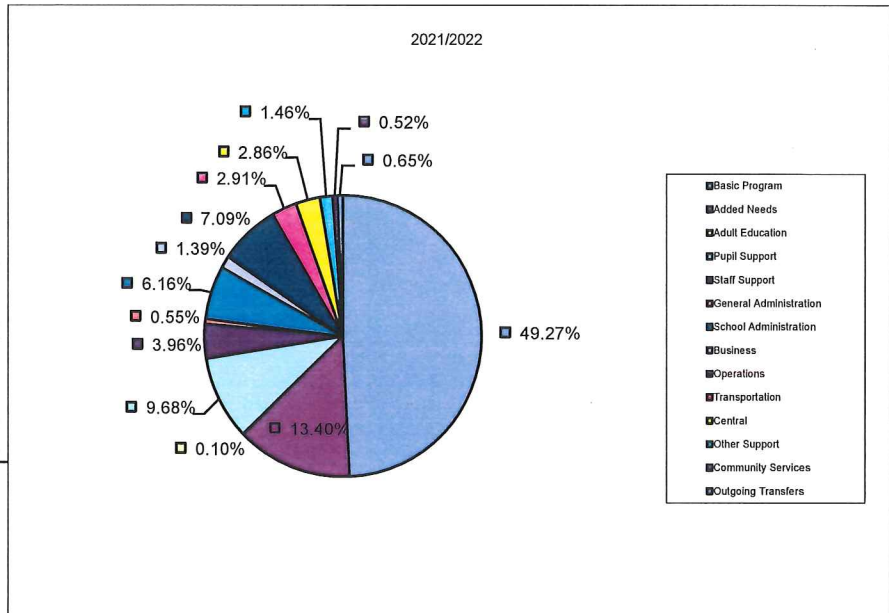


	Final Amended 2020/2021	
Local	\$	25,640,192
State	\$	140,591,168
Federal	\$	14,104,507
Transfers	\$	903,953
	\$	<u>181,239,820</u>

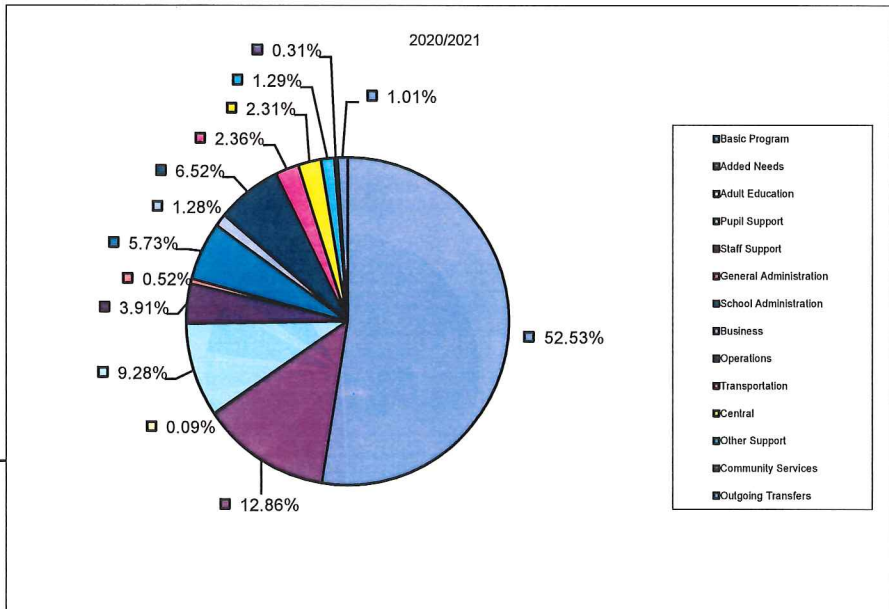


**Chippewa Valley Schools
Expenditure Comparison by Function**

	Original 2021/2022
Basic Program	\$ 82,883,692
Added Needs	\$ 22,535,844
Adult Education	\$ 173,896
Pupil Support	\$ 16,284,010
Staff Support	\$ 6,669,118
General Administration	\$ 928,145
School Administration	\$ 10,355,097
Business	\$ 2,344,182
Operations	\$ 11,918,995
Transportation	\$ 4,901,097
Central	\$ 4,814,211
Other Support	\$ 2,454,771
Community Services	\$ 866,340
Outgoing Transfers	\$ 1,089,085
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	\$ 168,218,483



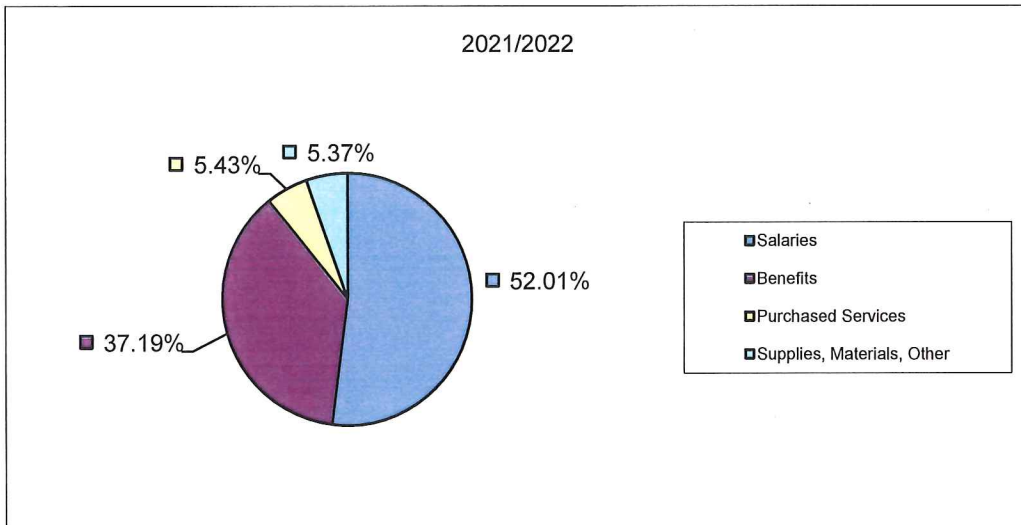
	Final Amended 2020/2021
Basic Program	\$ 94,617,693
Added Needs	\$ 23,164,995
Adult Education	\$ 170,082
Pupil Support	\$ 16,722,037
Staff Support	\$ 7,049,220
General Administration	\$ 932,373
School Administration	\$ 10,317,361
Business	\$ 2,300,057
Operations	\$ 11,749,228
Transportation	\$ 4,244,465
Central	\$ 4,162,117
Other Support	\$ 2,329,413
Community Services	\$ 550,335
Outgoing Transfers	\$ 1,811,185
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	\$ 180,120,561



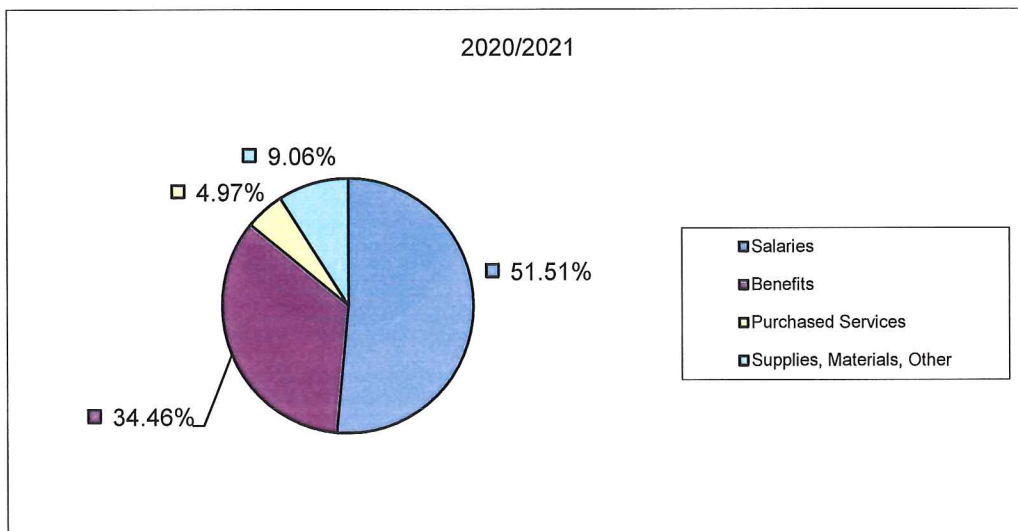
Note: Other Support Includes Athletics and CTE

**Chippewa Valley Schools
Expenditure Comparison by Object**

	Original 2021/2022
Salaries	\$ 87,492,201
Benefits	\$ 62,555,497
Purchased Services	\$ 9,138,664
Supplies, Materials, Other	\$ 9,032,121
	<u>\$ 168,218,483</u>



	Final Amended 2020/2021
Salaries	\$ 92,772,128
Benefits	\$ 62,066,537
Purchased Services	\$ 8,960,740
Supplies, Materials, Other	\$ 16,321,156
	<u>\$ 180,120,561</u>



CHIPPEWA VALLEY SCHOOLS
 2021-2022 ORIGINAL
 SPECIAL REVENUE FUND
 FOOD SERVICES BUDGET

	2019-20 Audited Actual	2020-21 2nd Amended Budget May 17, 2021	2021-22 Original Budget June 21, 2021	2021-22 Original 2020-21 2nd Amended Difference
Revenue				
Local	\$ 1,481,440	\$ 114,150	\$ 701,900	\$ 587,750
State	\$ 135,907	\$ 132,550	\$ 132,550	\$ -
Federal	\$ 2,047,023	\$ 2,076,680	\$ 4,343,900	\$ 2,267,220
Incoming Transfers & Other		\$ 450,000	\$ -	\$ (450,000)
Total Revenue	\$ 3,664,370	\$ 2,773,380	\$ 5,178,350	\$ 2,404,970
Expenditures				
Wages	\$ 1,294,922	\$ 1,211,311	\$ 1,235,914	\$ 24,603
Employee Benefits	\$ 756,168	\$ 743,521	\$ 784,962	\$ 41,441
Food Purchases	\$ 1,436,461	\$ 830,000	\$ 2,213,980	\$ 1,383,980
Other	\$ 226,609	\$ 185,000	\$ 298,000	\$ 113,000
Capital Outlay	\$ 84,710	\$ -	\$ 28,000	\$ 28,000
Outgoing Transfers	\$ 250,000	\$ -	\$ 250,000	\$ 250,000
Total Food Service	\$ 4,048,870	\$ 2,969,832	\$ 4,810,856	\$ 1,841,024
Total Revenues Over/<Under> Expenditures	\$ (384,500)	\$ (196,452)	\$ 367,494	\$ 563,946
Beginning Fund Equity	\$ 1,525,014	\$ 1,140,514	\$ 944,062	
Ending Fund Equity	\$ 1,140,514	\$ 944,062	\$ 1,311,556	

CHIPPEWA VALLEY SCHOOLS
 2021-2022 ORIGINAL
 SPECIAL REVENUE FUND
 COMMUNITY SERVICES CHILDCARE BUDGET
 (FORMERLY BUILDING ACTIVITIES)

See 1 & 2 below

	2019-20 Audited <u>Actual</u>	2020-21 2nd Amended <u>Budget</u> May 17, 2021	2021-22 Original <u>Budget</u> June 21, 2021	2021-22 Original 2020-21 2nd Amended <u>Difference</u>
Revenue				
Local	\$ 1,167,087	\$ 96,550	\$ 997,750	\$ 901,200
Incoming Transfers & Other	\$ 59,819	\$ 272,100	\$ -	\$ (272,100)
Total Revenue	\$ 1,226,906	\$ 368,650	\$ 997,750	\$ 629,100
Expenditures				
Wages/Purchased Services/Supplies,Materials	\$ 1,218,283	\$ 368,650	\$ 997,750	\$ 629,100
	\$ 1,218,283	\$ 368,650	\$ 997,750	\$ 629,100
Outgoing Transfers & Other	\$ 447,477	\$ -	\$ -	\$ -
Total Expenditures	\$ 1,665,760	\$ 368,650	\$ 997,750	\$ 629,100
Total Revenues Over/<Under> Expenditures	\$ (438,854)	\$ -	\$ -	\$ -
Beginning Fund Equity	\$ 438,854	\$ -	\$ -	
Ending Fund Equity	\$ -	\$ -	\$ -	

Footnote 1 Includes only Childcare, beginning in 2019-20 and future years

Footnote 2 Outgoing transfer of \$447,477 in 2019-20 relates to GASB 84 implementation

CHIPPEWA VALLEY SCHOOLS
 2021-2022 ORIGINAL
 SPECIAL REVENUE FUND
 INTERNATIONAL ACADEMY OF MACOMB BUDGET

	2019-20 Audited <u>Actual</u>	2020-21 1st Amended <u>Budget</u> January 11, 2021	2021-22 Original <u>Budget</u> June 21, 2021	2021-22 Original 2020-21 1st Amended <u>Difference</u>
Revenue				
Tuition Schools	\$ 3,120,791	\$ 3,378,120	\$ 3,378,120	\$ -
Other Revenue	\$ -	\$ -	\$ -	\$ -
Fund Modifications	\$ 966,160	\$ 1,030,085	\$ 1,030,085	\$ -
	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 4,086,951	\$ 4,408,205	\$ 4,408,205	\$ -
Expenditures				
Instruction	\$ 210,852	\$ 241,000	\$ 241,000	\$ -
Support Services	\$ 268,362	\$ 362,752	\$ 362,752	\$ -
Payments to Other Schools	\$ 2,798,107	\$ 2,893,136	\$ 2,893,136	\$ -
Fund Modifications	\$ 857,673	\$ 903,953	\$ 903,953	\$ -
	\$ -	\$ -	\$ -	\$ -
Total Macomb International Academy	\$ 4,134,994	\$ 4,400,841	\$ 4,400,841	\$ -
Total Revenues Over/<Under> Expenditures	\$ (48,043)	\$ 7,364	\$ 7,364	\$ -
Beginning Fund Equity	\$ 822,659	\$ 774,616	\$ 781,980	
Ending Fund Equity	\$ 774,616	\$ 781,980	\$ 789,344	

CHIPPEWA VALLEY SCHOOLS
 2021-2022 ORIGINAL
 SPECIAL REVENUE FUND
 STUDENT/SCHOOL ACTIVITY BUDGET

See 1 & 2 Below

	2019-20 Audited <u>Actual</u>	2020-21 1st Amended <u>Budget</u> January 11, 2021	2021-2022 Original <u>Budget</u> June 21, 2021	2021-22 Original 2020-21 1st Amended <u>Difference</u>
Revenue				
Local	\$ 4,474,417	\$ 3,000,000	\$ 4,400,000	\$ 1,400,000
Incoming Transfers & Other	\$ 447,477	\$ -	\$ -	\$ -
Total Revenue	\$ 4,921,894	\$ 3,000,000	\$ 4,400,000	\$ 1,400,000
Expenditures				
Wages/Purchased Services/Supplies,Materials	\$ 4,368,630	\$ 3,500,000	\$ 4,400,000	\$ 900,000
Total Expenditures	\$ 4,368,630	\$ 3,500,000	\$ 4,400,000	\$ 900,000
Total Revenues Over/<Under> Expenditures	\$ 553,264	\$ (500,000)	\$ -	\$ 500,000
Beginning Fund Equity	\$ 1,764,045	\$ 2,317,309	\$ 1,817,309	
Ending Fund Equity	\$ 2,317,309	\$ 1,817,309	\$ 1,817,309	

Footnote 1

Includes what was previously district building activities and fiduciary accounts, beginning in 2019-20 and future years

Footnote 2

Incoming transfer of \$447,477 in 2019-20 relates to GASB 84 implementation