

MEMORANDUM

I.4. Approve 2010/2011 Appropriation Act Amendment 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, Building Activities Fund, and Macomb International Academy amended budgets for the 2010/2011 fiscal year. It is further requested 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 2010/2011 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 2010/2011 originally adopted June 21, 2010 be amended as follows:

| | |
|--------------------------------|---------------|
| Revenue | |
| Local | \$21,126,193 |
| State | 102,206,802 |
| Federal | 12,499,153 |
| Transfers & Others | 744,241 |
| | |
| Total Revenue | \$136,576,389 |
| | |
| Fund Balance July 1, 2010 | \$13,157,424 |
| | |
| Total Available to Appropriate | \$149,733,813 |

BE IT FURTHER RESOLVED, that \$136,424,916 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 | \$72,898,393 |
| Added Needs | 14,286,715 |
| Adult and Continuing Education | 213,085 |
| Support Services | |
| Pupil | 12,151,028 |
| Instructional Staff | 4,292,691 |
| General Administration | 778,791 |
| School Administration | 8,262,819 |
| Business | 1,975,767 |
| Operations & Maintenance | 10,638,094 |
| Transportation | 4,417,918 |
| Central | 2,622,450 |
| Other Support | 2,100,128 |
| Community Services | 1,004,037 |
| Outgoing Transfers & Other | 783,000 |
| Total Appropriated | \$136,424,916 |
| Estimated Fund Balance June 30, 2011 | \$13,308,897 |

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 2010/2011 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 2010/2011 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 2010/2011 originally adopted June 21, 2010 be amended as follows:

| | |
|--------------------------------|-------------|
| Revenue | |
| Local | \$2,033,000 |
| State | 132,000 |
| Federal | 1,522,000 |
| Transfers & Other | 0 |
| | |
| Total Revenue | \$3,687,000 |
| | |
| Fund Balance July 1, 2010 | \$585,877 |
| | |
| Total Available to Appropriate | \$4,272,877 |

BE IT FURTHER RESOLVED, that \$3,837,500 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 | \$1,250,000 |
| Employee Benefits | 528,500 |
| Food Purchases | 1,525,000 |
| Other | 257,000 |
| Capital Outlay | 17,000 |
| Outgoing Transfers | 260,000 |
| | |
| Total Appropriated | \$3,837,500 |
| | |
| Estimated Fund Balance June 30, 2011 | \$435,377 |

RESOLVED, that this resolution shall be the International Academy of Macomb Fund Appropriation Act of Chippewa Valley Schools for fiscal year 2010/2011 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 2010/2011 originally adopted June 21, 2010 be amended as follows:

| | |
|--|-------------|
| Revenue | |
| Local | \$0 |
| State | 0 |
| Federal | 0 |
| Incoming Transfers & Interdistrict Sources | \$2,913,225 |
| | |
| Total Revenue | \$2,913,225 |
| | |
| Fund Balance July 1, 2010 | \$1,672,202 |
| | |
| Total Available to Appropriate | \$4,585,427 |

BE IT FURTHER RESOLVED that \$2,883,755 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 | \$326,000 |
| Support Services | 408,573 |
| Payments to Other Schools | 1,665,341 |
| Fund Modifications | 484,241 |
| | |
| Total Appropriated | \$2,883,755 |
| | |
| Estimated Fund Balance June 30, 2011 | \$1,701,672 |

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 7.65 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 of resolution.

Rationale: The 2010/2011 amended budget for the General Fund (includes Athletics and CTE), Food Service Fund, and Macomb International Academy Fund has been prepared by the Administration and reviewed with the Board of Education Finance Committee. The June 2010 adopted General Fund budget had expenditures exceeding revenues by \$2,918,452. This budget amendment will have revenues exceeding expenditures by \$151,473, an improvement of \$3,069,925. This improvement is primarily attributable to two major developments that have occurred since the start of the fiscal year. The first is the one-time federal Edujobs program that provides the district with \$222 per pupil which increases revenue by \$3,573,614 and the second is the increase in the retirement contribution rate from 19.41% to 20.66 % which increases expenditures by \$544,516. Together, the net results of these two major factors resulted in an overall improvement of \$3,029,098. The remaining difference in the improvement (\$40,827) was the impact of reviewing and updating all revenue and expenditure categories.

CHIPPEWA VALLEYS SCHOOLS
 1ST AMENDED 2010-2011
 GENERAL FUND BUDGET

| | 2008-09 Audited Actual | 2009-10 Audited Actual | 2010-11 Original Budget | 2010-11 1st Amended Budget | 2010-11 Original 2010-11 1st Amended Difference | |
|--|------------------------------|------------------------------|--|--|---|---|
| Revenue | | | June 21, 2010 Excludes Athletics & CTE | December 13, 2010 Includes Athletics & CTE | | |
| Local (1) | \$ 21,484,329 | \$ 21,055,944 | \$ 20,523,340 | \$ 21,126,193 | \$ 602,853 | Includes \$522,000 Athletics; \$206,000 CTE |
| State | \$ 97,254,367 | \$ 97,994,090 | \$ 101,345,863 | \$ 102,206,802 | \$ 860,939 | |
| Federal | \$ 9,696,229 | \$ 10,308,295 | \$ 8,564,438 | \$ 12,499,153 | \$ 3,934,715 | |
| Incoming Transfers & Other | \$ 376,116 | \$ 648,879 | \$ 635,000 | \$ 744,241 | \$ 109,241 | |
| Total Revenue | \$ 128,811,041 | \$ 130,007,208 | \$ 131,068,641 | \$ 136,576,389 | \$ 5,507,748 | |
| Expenditures | | | | | | |
| Basic Programs | \$ 67,669,948 | \$ 71,243,530 | \$ 72,465,695 | \$ 72,898,393 | \$ 432,698 | |
| Added Needs | \$ 12,653,132 | \$ 13,773,388 | \$ 14,126,533 | \$ 14,286,715 | \$ 160,182 | |
| Adult & Community Ed | \$ 261,017 | \$ 247,647 | \$ 300,526 | \$ 213,085 | \$ (87,441) | |
| Total Instructional | \$ 80,584,097 | \$ 85,264,565 | \$ 86,892,754 | \$ 87,398,193 | \$ 505,439 | |
| Pupil Services | \$ 10,926,088 | \$ 11,228,325 | \$ 11,443,149 | \$ 12,151,028 | \$ 707,879 | |
| Instructional Staff Services | \$ 4,624,286 | \$ 4,472,042 | \$ 4,269,176 | \$ 4,292,691 | \$ 23,515 | |
| General Administration | \$ 842,887 | \$ 731,374 | \$ 766,004 | \$ 778,791 | \$ 12,787 | |
| School Administration | \$ 8,053,550 | \$ 8,344,803 | \$ 8,269,421 | \$ 8,262,819 | \$ (6,602) | |
| Business Administration | \$ 2,091,907 | \$ 2,028,547 | \$ 1,979,178 | \$ 1,975,767 | \$ (3,411) | |
| Operations & Maintenance | \$ 11,637,176 | \$ 11,147,566 | \$ 10,286,579 | \$ 10,638,094 | \$ 351,515 | |
| Transportation | \$ 4,209,067 | \$ 4,288,758 | \$ 4,373,255 | \$ 4,417,918 | \$ 44,663 | |
| Other Central Services | \$ 3,594,590 | \$ 3,168,355 | \$ 2,589,309 | \$ 2,622,450 | \$ 33,141 | |
| Other Support (Portion Athletics, CTE) | \$ - | \$ - | \$ - | \$ 2,100,128 | \$ 2,100,128 | Includes \$1,924,330 Athletics; \$176,798 CTE |
| Total Supporting Services | \$ 45,979,550 | \$ 45,409,770 | \$ 43,976,071 | \$ 47,239,686 | \$ 3,263,615 | |
| Total Community Services | \$ 796,833 | \$ 891,544 | \$ 977,268 | \$ 1,004,037 | \$ 26,769 | |
| Outgoing Transfers & Other | \$ 1,540,482 | \$ 1,638,421 | \$ 2,141,000 | \$ 783,000 | \$ (1,358,000) | Excludes \$1,440,000 Athletics |
| Total Expenditures | \$ 128,900,961 | \$ 133,204,300 | \$ 133,987,093 | \$ 136,424,916 | \$ 2,437,823 | |
| Total Revenues Over/<Under> | \$ (89,921) | \$ (3,197,092) | \$ (2,918,452) | \$ 151,473 | | |
| Beginning Fund Equity | \$ 16,444,438 | \$ 16,354,516 | \$ 11,815,534 | \$ 13,157,424 | | |
| Ending Fund Equity | \$ 16,354,516 | \$ 13,157,424 | \$ 8,897,082 | \$ 13,308,897 | | |

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

2010-2011 SPECIAL REVENUE FUND FOOD SERVICE 1ST AMENDED BUDGET

| | 2008-09 | 2009-10 | 2010-11 | 2010-11 | 2010-11 Original |
|--|--------------|--------------|-----------------|--------------------|--------------------------------|
| | Actual | Actual | Original Budget | 1st Amended Budget | 2010-11 1st Amended Difference |
| Revenue | | | | | |
| Local | \$ 2,226,540 | \$ 2,045,093 | \$ 2,107,000 | \$ 2,033,000 | \$ (74,000) |
| State | \$ 151,110 | \$ 142,040 | \$ 132,000 | \$ 132,000 | \$ - |
| Federal | \$ 1,103,756 | \$ 1,342,323 | \$ 1,375,000 | \$ 1,522,000 | \$ 147,000 |
| Incoming Transfers & Other | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Revenue | \$ 3,481,406 | \$ 3,529,456 | \$ 3,614,000 | \$ 3,687,000 | \$ 73,000 |
| Expenditures | | | | | |
| Wages | \$ 1,214,079 | \$ 1,228,456 | \$ 1,276,000 | \$ 1,250,000 | \$ (26,000) |
| Employee Benefits | \$ 414,027 | \$ 450,371 | \$ 504,500 | \$ 528,500 | \$ 24,000 |
| Food Purchases | \$ 1,447,341 | \$ 1,477,059 | \$ 1,470,000 | \$ 1,525,000 | \$ 55,000 |
| Other | \$ 243,824 | \$ 222,504 | \$ 258,000 | \$ 257,000 | \$ (1,000) |
| Capital Outlay | \$ 3,721 | \$ 10,247 | \$ 17,000 | \$ 17,000 | \$ - |
| Outgoing Transfers | \$ - | \$ 218,000 | \$ 260,000 | \$ 260,000 | \$ - |
| Total Food Service | \$ 3,322,992 | \$ 3,606,637 | \$ 3,785,500 | \$ 3,837,500 | \$ 52,000 |
| Total Revenues Over/<Under> Expenditures | \$ 158,414 | \$ (77,181) | \$ (171,500) | \$ (150,500) | |
| Beginning Fund Equity | \$ 504,644 | \$ 663,058 | \$ 484,978 | \$ 585,877 | |
| Ending Fund Equity | \$ 663,058 | \$ 585,877 | \$ 313,478 | \$ 435,377 | |

2010-2011 SPECIAL REVENUE FUND 1ST AMENDED MACOMB INTERNATIONAL ACADEMY

| | 2008-09 | 2009-10 | 2010-11 | 2010-11 | 2010-11 Original |
|--|---------------|---------------|---------------|---------------------------|--|
| | <u>Actual</u> | <u>Actual</u> | <u>Budget</u> | <u>1st Amended Budget</u> | <u>2010-11 Original 2010-11 1st Amended Difference</u> |
| Revenue | | | | | |
| Tuition Schools | \$ 936,875 | \$ 1,925,145 | \$ 2,895,158 | \$ 2,913,225 | \$ 18,067 |
| Other Revenue | \$ 1,030,570 | \$ 1,500,000 | \$ 123,232 | \$ - | \$ (123,232) |
| | \$ - | \$ - | \$ - | \$ - | \$ - |
| | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Revenue | \$ 1,967,445 | \$ 3,425,145 | \$ 3,018,390 | \$ 2,913,225 | \$ (105,165) |
| Expenditures | | | | | |
| Instruction | \$ 395,556 | \$ 362,138 | \$ 326,000 | \$ 326,000 | \$ - |
| Support Services | \$ 367,507 | \$ 382,286 | \$ 412,573 | \$ 408,173 | \$ (4,400) |
| Payments to Other Schools | \$ 461,700 | \$ 1,036,508 | \$ 1,834,883 | \$ 1,665,341 | \$ (169,542) |
| Fund Modifications | \$ 376,116 | \$ 338,576 | \$ 444,934 | \$ 484,241 | \$ 39,307 |
| | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Macomb International Academy | \$ 1,600,879 | \$ 2,119,508 | \$ 3,018,390 | \$ 2,883,755 | \$ (134,635) |
| Total Revenues Over/<Under> Expenditures | \$ 366,566 | \$ 1,305,637 | \$ - | \$ 29,470 | |
| Beginning Fund Equity | \$ - | \$ 366,566 | \$ 1,672,202 | \$ 1,672,202 | |
| Ending Fund Equity | \$ 366,566 | \$ 1,672,202 | \$ 1,672,202 | \$ 1,701,672 | |

Note: 2008-09 was the first year of operation of the Macomb International Academy