

MEMORANDUM**I.4. Approve 2015/2016 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, Building Activities Fund, and Macomb International Academy budgets for the 2015/2016 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 2015/2016 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 2015/2016 be adopted as follows:

Revenue	
Local	\$19,167,664
State	123,598,015
Federal	5,501,809
Transfers & Others	732,856
 Total Revenue	 \$149,000,344
 Estimated Fund Balance July 1, 2015	 \$19,669,602
 Total Available to Appropriate	 \$168,669,946

BE IT FURTHER RESOLVED, that \$148,323,940 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	\$79,177,872
Added Needs	16,270,351
Adult and Continuing Education	166,484
Support Services	
Pupil	13,438,384
Instructional Staff	4,585,709
General Administration	748,866
School Administration	9,369,508
Business	2,055,309
Operations & Maintenance	10,515,982
Transportation	4,522,792
Central	3,302,687
Other Support (Athletics, CTE)	2,141,806
Community Services	1,013,572
Outgoing Transfers & Other	1,014,618
Total Appropriated	\$148,323,940

Estimated Fund Balance June 30, 2016	\$20,346,006
--------------------------------------	--------------

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 2015/2016 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 2015/2016 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 2015/2016 be as follows:

Revenue	
Local	\$1,847,100
State	125,000
Federal	1,685,000
Transfers & Other	0
Total Revenue	\$3,657,100
Estimated Fund Balance July 1, 2015	\$736,860
Total Available to Appropriate	\$4,393,960

BE IT FURTHER RESOLVED, that \$3,721,500 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	\$1,116,000
Employee Benefits	679,000
Food Purchases	1,495,000
Other	345,500
Capital Outlay	6,000
Outgoing Transfers	80,000
Total Appropriated	\$3,721,500
Estimated Fund Balance June 30, 2016	\$672,460

RESOLVED, that this resolution shall be the Building Activities Fund Appropriation Act of Chippewa Valley Schools for fiscal year 2015/2016 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 Building Activities Fund of the Chippewa Valley Schools for the fiscal year 2015/2016 be adopted as follows:

Revenue	
Local	\$2,010,000
State	0
Federal	0
Transfers & Other	0
Total Revenue	\$2,010,000
Estimated Fund Balance July 1, 2015	\$374,886
Total Available to Appropriate	\$2,384,886

BE IT FURTHER RESOLVED that \$2,010,000 of the total available to appropriate in the Building Activities Fund is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures	
Building Activities	\$2,010,000
Total Appropriated	2,010,000
Estimated Fund Balance June 30, 2016	\$374,886

RESOLVED, that this resolution shall be the International Academy of Macomb Fund Appropriation Act of Chippewa Valley Schools for fiscal year 2015/2016 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 2015/2016 be adopted as follows:

Revenue	
Local	\$0
State	0
Federal	0
Incoming Transfers & Fund Modifications	\$4,311,634
Total Revenue	\$4,311,634
Estimated Fund Balance July 1, 2015	\$821,328
Total Available to Appropriate	\$5,132,962

BE IT FURTHER RESOLVED that \$4,063,430 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	\$318,000
Support Services	333,400
Payments to Other Schools	2,759,174
Fund Modifications	652,856
Total Appropriated	\$4,063,430
Estimated Fund Balance June 30, 2016	\$ 1,069,532

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, 2015.

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 2015-16 budgets for the General Fund, Food Service Fund, Building Activities Fund, and the Macomb International Academy Fund have been prepared by the administration.

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

1. a decreased enrollment projection of 100 pupils,
2. a foundation allowance of \$7,391 per pupil (net increase of \$50 per pupil) shown as follows:
 - a. increase of \$140 per pupil in the foundation allowance,
 - b. the equity payment now factored in as a part of the foundation allowance,
 - c. discontinued best practice funding of \$50 per pupil,
 - d. discontinued student performance funding of \$40 per pupil,
3. an increase in At-Risk funding by approximately \$27 more per pupil,
4. a continuation of MPSERS Cost Offset funding, section 147a,
5. recording of retirement offset revenue funding – section 147c funding increasing from 7.63% to 10.53%, and
6. review and adjustment of other items as appropriate

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

1. the impact of settled employee group contracts with the exception of any revenue over expenditure distribution as provided in the labor agreements,
2. the impact of increased hard cap limit under PA 152 for health insurance benefits and cash in lieu of health,
3. the impact of increased health insurance benefits due to employees qualifying and enrolling under the Affordable Care Act,

4. recording of retirement offset expenditure funding – section 147c funding increasing from 7.63% to 10.53%, and
5. review and adjustment of other items as appropriate.

In summary, we have General Fund projected revenues of \$149,000,344 and projected expenditures of \$148,323,940 for an operating surplus of \$676,404.

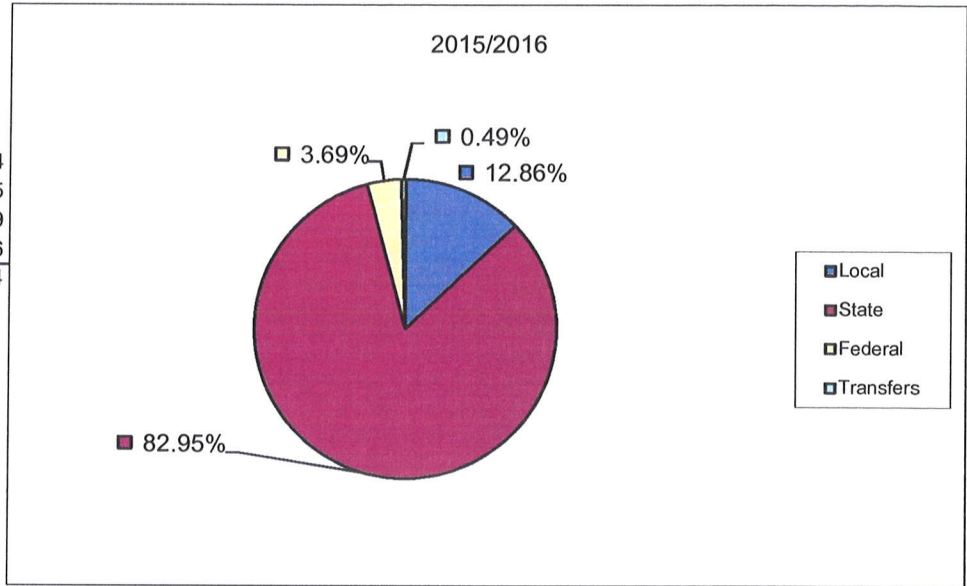
CHIPPEWA VALLEYS SCHOOLS
ORIGINAL 2015-2016
GENERAL FUND BUDGET

	2013-14 Audited <u>Actual</u>	2014-15 2nd Amended <u>Budget</u> May 18, 2015	2015-16 Original <u>Budget</u> June 15, 2015	2015-16 Original 2014-15 2nd Amended <u>Difference</u>
Revenue				
Local (1)	\$ 18,877,954	\$ 18,664,332	\$ 19,167,664	\$ 503,332
State	\$ 117,481,185	\$ 122,613,376	\$ 123,598,015	\$ 984,639
Federal	\$ 5,138,904	\$ 5,568,717	\$ 5,501,809	\$ (66,908)
Incoming Transfers & Other	\$ 617,316	\$ 748,811	\$ 732,856	\$ (15,955)
Total Revenue	\$ 142,115,359	\$ 147,595,236	\$ 149,000,344	\$ 1,405,108
Expenditures				
Basic Programs	\$ 75,693,149	\$ 78,541,239	\$ 79,177,872	\$ 636,633
Added Needs	\$ 14,882,378	\$ 16,001,231	\$ 16,270,351	\$ 269,120
Adult & Community Ed	\$ 140,863	\$ 191,434	\$ 166,484	\$ (24,950)
Total Instructional	\$ 90,716,390	\$ 94,733,904	\$ 95,614,707	\$ 880,803
Pupil Services	\$ 12,402,247	\$ 13,133,427	\$ 13,438,384	\$ 304,957
Instructional Staff Services	\$ 4,162,787	\$ 4,770,934	\$ 4,585,709	\$ (185,225)
General Administration	\$ 721,875	\$ 741,415	\$ 748,866	\$ 7,451
School Administration	\$ 9,003,607	\$ 9,195,678	\$ 9,369,508	\$ 173,830
Business Administration	\$ 2,035,381	\$ 2,054,001	\$ 2,055,309	\$ 1,308
Operations & Maintenance	\$ 10,037,130	\$ 10,389,652	\$ 10,515,982	\$ 126,330
Transportation	\$ 4,031,149	\$ 4,411,467	\$ 4,522,792	\$ 111,325
Other Central Services	\$ 3,241,179	\$ 3,415,032	\$ 3,302,687	\$ (112,345)
Other Support (Portion Athletics, CTE)	\$ 2,044,059	\$ 2,111,575	\$ 2,141,806	\$ 30,231
Total Supporting Services	\$ 47,679,414	\$ 50,223,181	\$ 50,681,043	\$ 457,862
Total Community Services	\$ 928,894	\$ 1,013,498	\$ 1,013,572	\$ 74
Outgoing Transfers & Other	\$ 1,012,831	\$ 1,030,007	\$ 1,014,618	\$ (15,389)
Total Expenditures	\$ 140,337,529	\$ 147,000,590	\$ 148,323,940	\$ 1,323,350
Total Revenues Over/<Under> Expenditures	\$ 1,777,830	\$ 594,646	\$ 676,404	\$ 81,758
Beginning Fund Equity	17,297,126	19,074,956	19,669,602	
Ending Fund Equity	\$ 19,074,956	\$ 19,669,602	\$ 20,346,006	

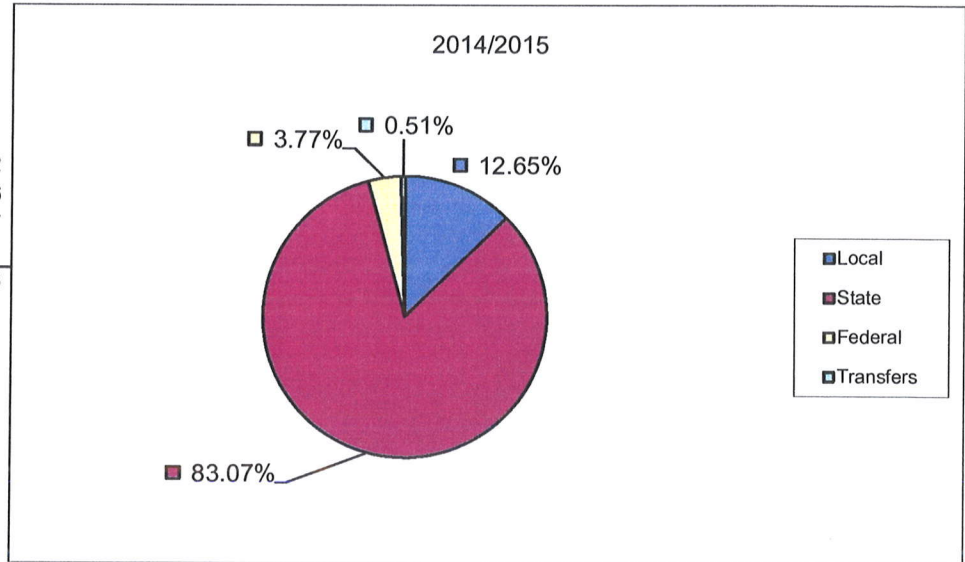
(1) Includes 18.00 Mill Non-Homestead Property Tax Levy for operational purposes.

**Chippewa Valley Schools
Revenue Comparison**

	Original 2015/2016	
Local	\$	19,167,664
State	\$	123,598,015
Federal	\$	5,501,809
Transfers	\$	732,856
	\$	<u>149,000,344</u>

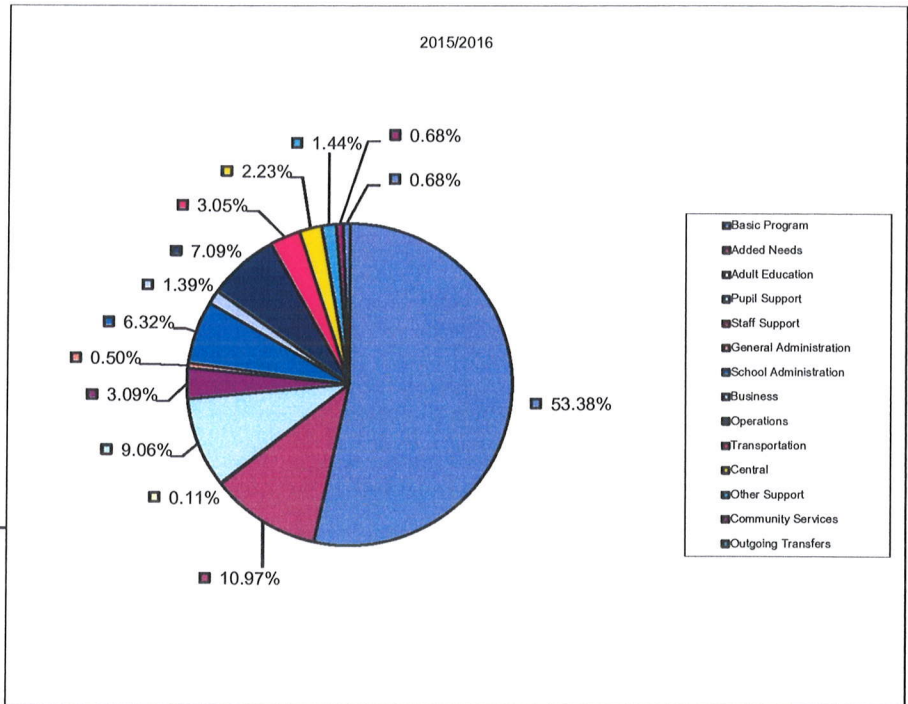


	Final Amended 2014/2015	
Local	\$	18,664,332
State	\$	122,613,376
Federal	\$	5,568,717
Transfers	\$	748,811
	\$	<u>147,595,236</u>

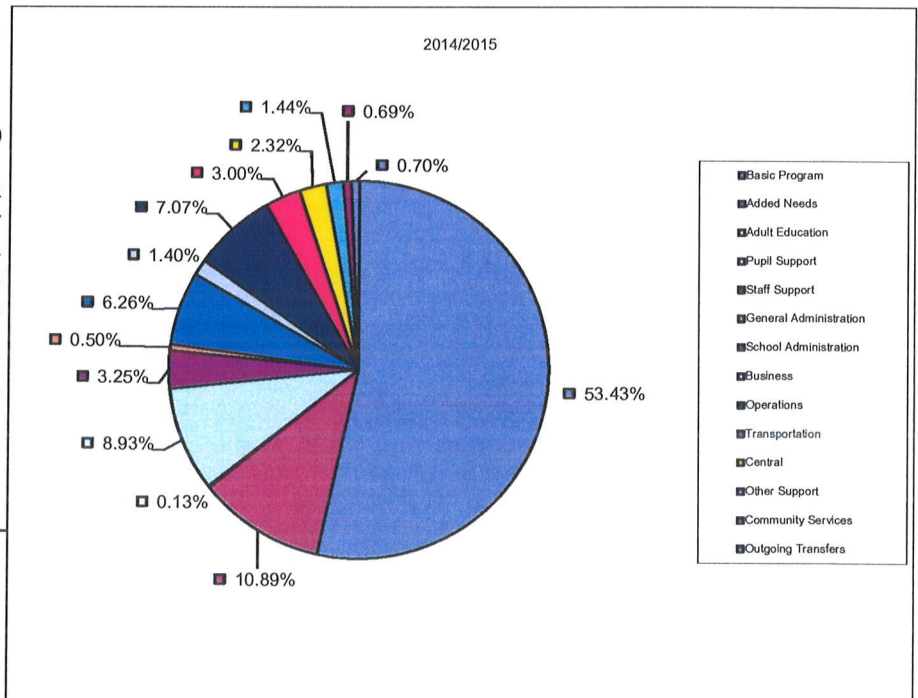


**Chippewa Valley Schools
Expenditure Comparison by Function**

	Original	2015/2016
Basic Program	\$	79,177,872
Added Needs	\$	16,270,351
Adult Education	\$	166,484
Pupil Support	\$	13,438,384
Staff Support	\$	4,585,709
General Administration	\$	748,866
School Administration	\$	9,369,508
Business	\$	2,055,309
Operations	\$	10,515,982
Transportation	\$	4,522,792
Central	\$	3,302,687
Other Support	\$	2,141,806
Community Services	\$	1,013,572
Outgoing Transfers	\$	1,014,618
	\$	148,323,940



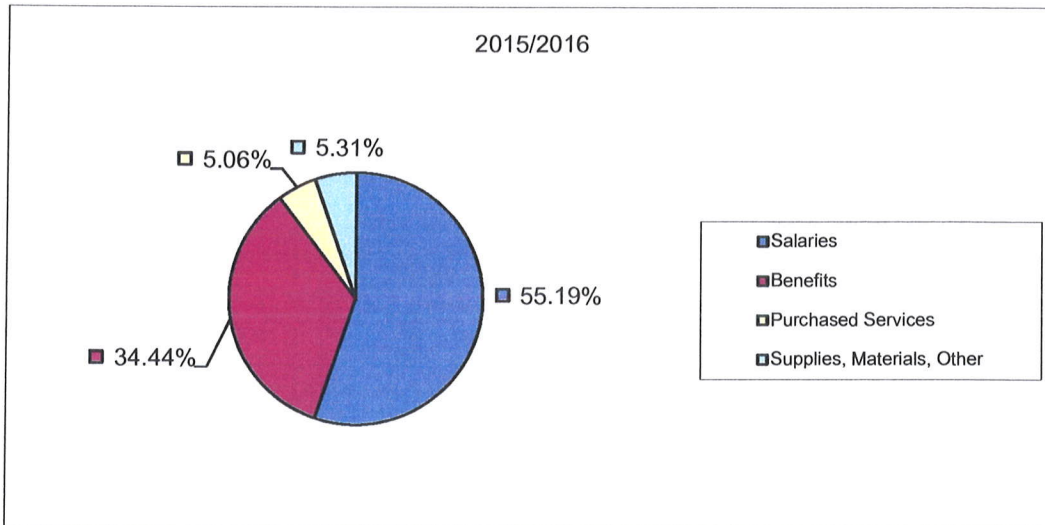
	Final	Amended	2014/2015
Basic Program	\$	78,541,239	
Added Needs	\$	16,001,231	
Adult Education	\$	191,434	
Pupil Support	\$	13,133,427	
Staff Support	\$	4,770,934	
General Administration	\$	741,415	
School Administration	\$	9,195,678	
Business	\$	2,054,001	
Operations	\$	10,389,652	
Transportation	\$	4,411,467	
Central	\$	3,415,032	
Other Support	\$	2,111,575	
Community Services	\$	1,013,498	
Outgoing Transfers	\$	1,030,007	
	\$	147,000,590	



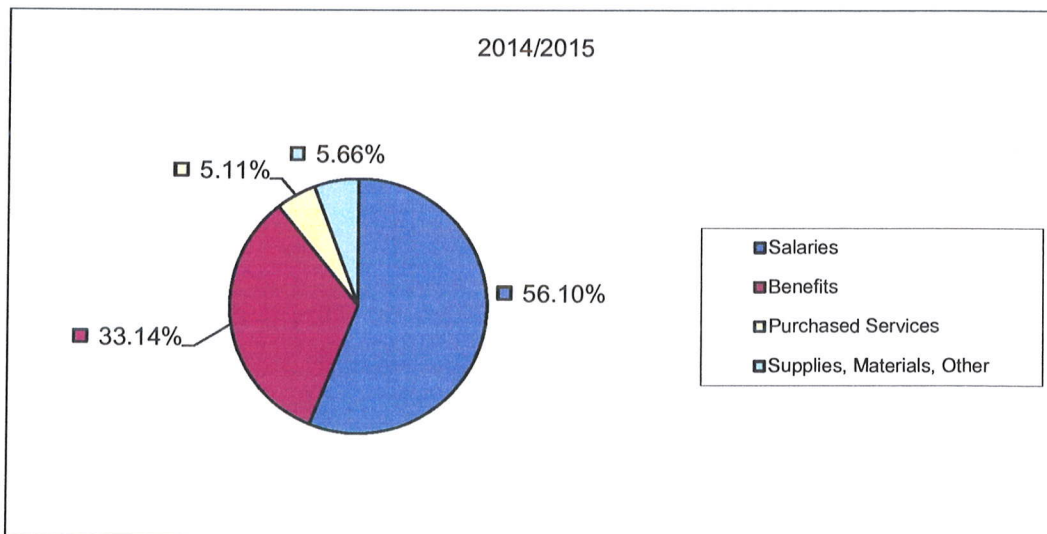
Note: Other Support Includes Athletics and CTE

**Chippewa Valley Schools
Expenditure Comparison by Object**

	Original 2015/2016
Salaries	\$ 81,860,169
Benefits	\$ 51,080,277
Purchased Services	\$ 7,511,451
Supplies, Materials, Other	\$ 7,872,043
	<u>\$ 148,323,940</u>



	Final Amended 2014/2015
Salaries	\$ 82,465,210
Benefits	\$ 48,711,157
Purchased Services	\$ 7,510,696
Supplies, Materials, Other	\$ 8,313,527
	<u>\$ 147,000,590</u>



2015-2016 SPECIAL REVENUE FUND FOOD SERVICE ORIGINAL BUDGET

	2013-14 Actual	2014-15 1st Amended Budget	2015-16 Original Budget	2015-16 Original 2014-15 1st Amended Difference
Revenue				
Local	\$ 2,016,342	\$ 1,766,100	\$ 1,847,100	\$ 81,000
State	\$ 144,731	\$ 145,000	\$ 125,000	\$ (20,000)
Federal	\$ 1,606,503	\$ 1,635,000	\$ 1,685,000	\$ 50,000
Incoming Transfers & Other	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 3,767,576	\$ 3,546,100	\$ 3,657,100	\$ 111,000
Expenditures				
Wages	\$ 1,040,519	\$ 1,091,000	\$ 1,116,000	\$ 25,000
Employee Benefits	\$ 520,297	\$ 644,000	\$ 679,000	\$ 35,000
Food Purchases	\$ 1,483,380	\$ 1,415,000	\$ 1,495,000	\$ 80,000
Other	\$ 363,365	\$ 345,500	\$ 345,500	\$ -
Capital Outlay	\$ 1,175	\$ 6,000	\$ 6,000	\$ -
Outgoing Transfers	\$ 138,000	\$ 100,000	\$ 80,000	\$ (20,000)
Total Food Service	\$ 3,546,735	\$ 3,601,500	\$ 3,721,500	\$ 120,000
Total Revenues Over/<Under> Expenditures	\$ 220,841	\$ (55,400)	\$ (64,400)	
Beginning Fund Equity	\$ 571,419	\$ 792,260	\$ 736,860	
Ending Fund Equity	\$ 792,260	\$ 736,860	\$ 672,460	

2015-16 ORIGINAL SPECIAL
REVENUE FUND BUILDING
ACTIVITIES BUDGET

	2013-14	2014-15	2015-16	2015-16 Original
	<u>Actual</u>	<u>Original</u>	<u>Original</u>	<u>2014-15 Original</u>
		<u>Budget</u>	<u>Budget</u>	<u>Difference</u>
Revenue				
Local	\$ 1,443,541	\$ 2,010,000	\$ 2,010,000	\$ -
Total Revenue	\$ 1,443,541	\$ 2,010,000	\$ 2,010,000	\$ -
Expenditures				
Wages/Purchased Services/Supplies,Material:	\$ 1,503,552	\$ 2,010,000	\$ 2,010,000	\$ -
Total Expenditures	\$ 1,503,552	\$ 2,010,000	\$ 2,010,000	\$ -
Total Revenues Over/<Under> Expenditures	\$ (60,011)	\$ -	\$ -	
Beginning Fund Equity	\$ 434,897	\$ 374,886	\$ 374,886	
Ending Fund Equity	\$ 374,886	\$ 374,886	\$ 374,886	

2015-16 SPECIAL REVENUE FUND ORIGINAL MACOMB INTERNATIONAL ACADEMY BUDGET

	2013-14 <u>Actual</u>	2014-15 1st Amended <u>Budget</u>	2015-16 Original <u>Budget</u>	2015-16 Original 2014-15 1st Amended <u>Difference</u>
Revenue				
Tuition Schools	\$ 2,932,687	\$ 3,036,794	\$ 3,297,016	\$ 260,222
Other Revenue	\$ -	\$ -	\$ -	\$ -
Fund Modifications	\$ 1,012,831	\$ 1,030,007	\$ 1,014,618	\$ (15,389)
	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 3,945,518	\$ 4,066,801	\$ 4,311,634	\$ 244,833
Expenditures				
Instruction	\$ 400,750	\$ 311,000	\$ 318,000	\$ 7,000
Support Services	\$ 260,699	\$ 273,800	\$ 333,400	\$ 59,600
Payments to Other Schools	\$ 2,709,299	\$ 4,174,083	\$ 2,759,174	\$ (1,414,909)
Fund Modifications	\$ 479,316	\$ 648,811	\$ 652,856	\$ 4,045
	\$ -	\$ -	\$ -	\$ -
Total Macomb International Academy	\$ 3,850,064	\$ 5,407,694	\$ 4,063,430	\$ (1,344,264)
Total Revenues Over/<Under> Expenditures	\$ 95,454	\$ (1,340,893)	\$ 248,204	
Beginning Fund Equity	\$ 2,066,767	\$ 2,162,221	\$ 821,328	
Ending Fund Equity	\$ 2,162,221	\$ 821,328	\$ 1,069,532	