

## MEMORANDUM

**X.X. Approve 2020/2021 Appropriation Act for General and Special Revenue Funds**  
**Mr. Sederlund**

RECOMMENDED MOTION: “That the following resolution be adopted by the Chippewa Valley Board of Education to approve the General Fund, Food Service Fund, and Community Services Childcare Fund budgets for the 2020/2021 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 2020/2021 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 2020/2021 originally adopted on June 15, 2020 be amended as follows:

Revenue	
Local	\$25,640,192
State	140,591,168
Federal	14,104,507
Transfers & Others	903,953
Total Revenue	\$181,239,820
Fund Balance July 1, 2020	\$29,982,287
Total Available to Appropriate	\$211,222,107

BE IT FURTHER RESOLVED, that \$180,120,561 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	\$94,617,693
Added Needs	23,164,995
Adult and Continuing Education	170,082
Support Services	

Pupil	16,722,037
Instructional Staff	7,049,220
General Administration	932,373
School Administration	10,317,361
Business	2,300,057
Operations & Maintenance	11,749,228
Transportation	4,244,465
Central	4,162,117
Other Support (Athletics, CTE)	2,329,413
Community Services	550,335
Outgoing Transfers & Other	1,811,185
<b>Total Appropriated</b>	<b>\$180,120,561</b>

Estimated Fund Balance June 30, 2021 \$31,101,546

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 2020/2021 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 2020/2021 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 2020/2021 originally adopted June 15, 2020 be amended as follows:

Revenue	
Local	\$114,150
State	132,550
Federal	2,076,680
Transfers & Other	450,000
<b>Total Revenue</b>	<b>\$2,773,380</b>
Fund Balance July 1, 2020	\$1,140,514
<b>Total Available to Appropriate</b>	<b>\$3,913,894</b>

BE IT FURTHER RESOLVED, that \$2,969,832 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	\$1,211,311

Employee Benefits	743,521
Food Purchases	830,000
Other	185,000
Capital Outlay	0
Outgoing Transfers	0
Total Appropriated	\$2,969,832
Estimated Fund Balance June 30, 2021	\$944,062

RESOLVED, that this resolution shall be the Community Services Childcare Fund Appropriation Act of Chippewa Valley Schools for fiscal year 2020/2021 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 2020/2021 originally adopted June 15, 2020 be amended as follows:

Revenue	
Local	\$96,550
State	0
Federal	0
Transfers & Other	\$272,100
Total Revenue	\$368,650
Fund Balance July 1, 2020	\$0
Total Available to Appropriate	\$368,650

BE IT FURTHER RESOLVED that \$368,650 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	\$368,650
Total Appropriated	\$368,650
Estimated Fund Balance June 30, 2021	\$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 increased by over \$2.3 million from \$178.9 million to \$181.2 million. The increase in revenue is a net result of the following updates:

- Increase in grant fund revenue through State Aid Coronavirus Response and Relief Supplemental Appropriations (+\$2.3 million)
- Decreased revenues from Athletics, Community Education and Little Turtle activities of (-\$329,000)
- Review and adjustments of other revenue sources as necessary

Projected expenditures for the General Fund increased by over \$1.3 million from \$178.8 million to \$180.1 million. Significant changes from the Original Budget mainly result from lower operational costs due to the unanticipated school closure:

- Increase in grant expenditures associated State Aid Coronavirus Response and Relief Supplemental Appropriations (+\$2.3 million)
- Net decrease in transfers to Special Revenue Funds (-\$472,000)
- Net increase in cost associated with contracted staff (+\$216,000)
- Net wage adjustments of (-\$559,000) and associated adjustments for FICA/retirement costs of (-\$281,000)
- Review and adjustment of other purchased service and supply costs as appropriate due to varied operational expenditures

The changes identified project revenues greater than expenditures by \$1,119,259 in the 2nd Amended Budget. The 1<sup>st</sup> Amended Budget estimated revenues exceeding expenditures by \$93,925. The budget modifications result in a projected June 30, 2021 ending fund balance of \$31.1 million (or 17.3% of budgeted expenditures).

CHIPPEWA VALLEY SCHOOLS  
2020-2021 2nd AMENDED  
GENERAL FUND BUDGET

	2019-20 Audited <u>Actual</u>	2020-21 Original <u>Budget</u> June 15, 2020	2020-21 1st Amended <u>Budget</u> January 11, 2021	2020-21 2nd Amended <u>Budget</u> May 17, 2021	2020-21 2nd Amended 2020-21 1st Amended <u>Difference</u>
Revenue					
Local (1)	\$ 19,475,737	\$ 28,066,776	\$ 25,997,267	\$ 25,640,192	\$ (357,075)
State	\$ 134,499,345	\$ 126,583,579	\$ 138,009,548	\$ 140,591,168	\$ 2,581,620
Federal	\$ 5,367,258	\$ 7,061,342	\$ 13,942,529	\$ 14,104,507	\$ 161,978
Incoming Transfers & Other	\$ 1,107,673	\$ 1,108,715	\$ 903,953	\$ 903,953	\$ -
<b>Total Revenue</b>	<b>\$ 160,450,013</b>	<b>\$ 162,820,412</b>	<b>\$ 178,853,297</b>	<b>\$ 181,239,820</b>	<b>\$ 2,386,523</b>
Expenditures					
Basic Programs	\$ 81,063,105	\$ 81,814,095	\$ 85,322,629	\$ 94,617,693	\$ 9,295,064
Added Needs	\$ 20,540,511	\$ 21,447,950	\$ 22,893,600	\$ 23,164,995	\$ 271,395
Adult & Community Ed	\$ 153,328	\$ 178,222	\$ 168,672	\$ 170,082	\$ 1,410
<b>Total Instructional</b>	<b>\$ 101,756,944</b>	<b>\$ 103,440,267</b>	<b>\$ 108,384,901</b>	<b>\$ 117,952,770</b>	<b>\$ 9,567,869</b>
Pupil Services	\$ 16,108,756	\$ 16,501,536	\$ 16,707,004	\$ 16,722,037	\$ 15,033
Instructional Staff Services	\$ 5,914,331	\$ 6,923,417	\$ 14,288,801	\$ 7,049,220	\$ (7,239,581)
General Administration	\$ 753,945	\$ 855,199	\$ 889,652	\$ 932,373	\$ 42,721
School Administration	\$ 10,038,633	\$ 10,290,500	\$ 10,350,450	\$ 10,317,361	\$ (33,089)
Business Administration	\$ 2,187,290	\$ 2,290,750	\$ 2,402,477	\$ 2,300,057	\$ (102,420)
Operations & Maintenance	\$ 11,110,694	\$ 12,193,044	\$ 11,827,812	\$ 11,749,228	\$ (78,584)
Transportation	\$ 4,562,237	\$ 5,131,338	\$ 4,409,019	\$ 4,244,465	\$ (164,554)
Other Central Services	\$ 3,809,642	\$ 4,004,509	\$ 4,240,198	\$ 4,162,117	\$ (78,081)
Other Support (Portion Athletics, CTE)	\$ 2,123,416	\$ 2,389,534	\$ 2,342,218	\$ 2,329,413	\$ (12,805)
<b>Total Supporting Services</b>	<b>\$ 56,608,944</b>	<b>\$ 60,579,827</b>	<b>\$ 67,457,631</b>	<b>\$ 59,806,271</b>	<b>\$ (7,651,360)</b>
<b>Total Community Services</b>	<b>\$ 782,844</b>	<b>\$ 1,001,586</b>	<b>\$ 638,259</b>	<b>\$ 550,335</b>	<b>\$ (87,924)</b>
Outgoing Transfers & Other	\$ 1,025,979	\$ 1,082,158	\$ 2,278,581	\$ 1,811,185	\$ (467,396)
<b>Total Expenditures</b>	<b>\$ 160,174,711</b>	<b>\$ 166,103,838</b>	<b>\$ 178,759,372</b>	<b>\$ 180,120,561</b>	<b>\$ 1,361,189</b>
<b>Total Revenues Over/&lt;Under&gt; Expenditures</b>	<b>\$ 275,302</b>	<b>\$ (3,283,426)</b>	<b>\$ 93,925</b>	<b>\$ 1,119,259</b>	<b>\$ 1,025,334</b>
Beginning Fund Equity	\$ 29,706,985	\$ 29,982,287	\$ 29,982,287	\$ 29,982,287	
Ending Fund Equity	\$ 29,982,287	\$ 26,698,861	\$ 30,076,212	\$ 31,101,546	

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

CHIPPEWA VALLEY SCHOOLS  
 2020-2021 2nd AMENDED  
 SPECIAL REVENUE FUND  
 FOOD SERVICES BUDGET

	2019-20 Audited Actual	2020-21 Original Budget June 15, 2020	2020-21 1st Amended Budget January 11, 2021	2020-21 2nd Amended Budget May 17, 2021	2020-21 2nd Amended 2020-21 1st Amended Difference
Revenue					
Local	\$ 1,481,440	\$ 2,166,100	\$ 227,900	\$ 114,150	\$ (113,750)
State	\$ 135,907	\$ 130,850	\$ 132,550	\$ 132,550	\$ -
Federal	\$ 2,047,023	\$ 2,170,000	\$ 1,668,325	\$ 2,076,680	\$ 408,355
Incoming Transfers & Other			\$ 870,896	\$ 450,000	\$ (420,896)
Total Revenue	\$ 3,664,370	\$ 4,466,950	\$ 2,899,671	\$ 2,773,380	\$ (126,291)
Expenditures					
Wages	\$ 1,294,922	\$ 1,359,785	\$ 1,264,553	\$ 1,211,311	\$ (53,242)
Employee Benefits	\$ 756,168	\$ 854,935	\$ 629,118	\$ 743,521	\$ 114,403
Food Purchases	\$ 1,436,461	\$ 1,806,000	\$ 775,000	\$ 830,000	\$ 55,000
Other	\$ 226,609	\$ 389,000	\$ 231,000	\$ 185,000	\$ (46,000)
Capital Outlay	\$ 84,710	\$ -	\$ -	\$ -	\$ -
Outgoing Transfers	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -
Total Food Service	\$ 4,048,870	\$ 4,659,720	\$ 2,899,671	\$ 2,969,832	\$ 70,161
Total Revenues Over/<Under> Expenditures	\$ (384,500)	\$ (192,770)	\$ -	\$ (196,452)	\$ (196,452)
Beginning Fund Equity	\$ 1,525,014	\$ 724,183	\$ 1,140,514	\$ 1,140,514	
Ending Fund Equity	\$ 1,140,514	\$ 531,413	\$ 1,140,514	\$ 944,062	

CHIPPEWA VALLEY SCHOOLS  
 2020-2021 2nd AMENDED  
 SPECIAL REVENUE FUND  
 COMMUNITY SERVICES CHILDCARE  
 BUDGET (FORMERLY BUILDING  
 ACTIVITIES)

	See 1 & 2 below				2020-21 2nd Amended 2020-21 1st Amended <u>Difference</u>
	2019-20 Audited <u>Actual</u>	2020-21 Original <u>Budget</u> June 15, 2020	2020-21 1st Amended <u>Budget</u> January 11, 2021	2020-21 2nd Amended <u>Budget</u> May 17, 2021	
Revenue					
Local	\$ 1,167,087	\$ 1,249,000	\$ 93,020	\$ 96,550	\$ 3,530
Incoming Transfers & Other	\$ 59,819	\$ -	\$ 323,600	\$ 272,100	\$ (51,500)
Total Revenue	\$ 1,226,906	\$ 1,249,000	\$ 416,620	\$ 368,650	\$ (47,970)
Expenditures					
Wages/Purchased Services/Supplies,Materials	\$ 1,218,283	\$ 1,249,000	\$ 416,620	\$ 368,650	\$ (47,970)
	\$ 1,218,283	\$ 1,249,000	\$ 416,620	\$ 368,650	\$ (47,970)
Outgoing Transfers & Other	\$ 447,477	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 1,665,760	\$ 1,249,000	\$ 416,620	\$ 368,650	\$ (47,970)
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