

**MEMORANDUM****I.4. Approve 2014/2015 Appropriation Act Amendment for the General Fund Budget  
Mr. Sederlund**

RECOMMENDED MOTION: "That the following resolution be adopted by the Board of Education to approve the General Fund budget for the 2014/2015 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 2014/2015 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 2014/2015 originally adopted June 16, 2014 and amended on January 12, 2015 be amended as follows:

Revenue	
Local	\$18,664,332
State	122,613,376
Federal	5,568,717
Transfers & Others	748,811
 Total Revenue	 \$147,595,236
 Fund Balance July 1, 2014	 \$19,074,956
 Total Available to Appropriate	 \$166,670,192

BE IT FURTHER RESOLVED, that \$147,000,590 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	\$78,541,239
Added Needs	16,001,231
Adult and Continuing Education	191,434

Support Services

Pupil	13,133,427
Instructional Staff	4,770,934
General Administration	741,415
School Administration	9,195,678
Business	2,054,001
Operations & Maintenance	10,389,652
Transportation	4,411,467
Central	3,415,032
Other Support (Athletics, CTE)	2,111,575
Community Services	1,013,498
Outgoing Transfers & Other	1,030,007

Total Appropriated \$147,000,590

Estimated Fund Balance June 30, 2015 \$19,669,602

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 2014/2015 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.

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.

This appropriation act resolution is to take effect upon adoption by Board of Education.

**RATIONALE:** Each fiscal year, a second amendment to General Fund Budget and other budgets is done, if needed, in May or June.

The second amendment is done primarily to have the adopted District budgets for Federal Grants correspond to the Federal Grants budgets filed with the Michigan Department of Education. Other types of adjustments made include those necessary to be in compliance with Uniform Budgeting and Accounting Act, adjustments to property tax revenue and state aid revenue resulting from changes in property values that have occurred during the year, adjustments related to staffing changes, and changes in other budget areas which would be considered major.

For the 2014-15 school year, there were three major adjustments which are included in the second amendment for the purpose of complying with the Uniform Budgeting and Accounting Act:

- A reduction in property tax revenue with an associated increase in state aid revenue.
- A reduction of over \$900,000 in the one-time revenue source from the State of Michigan related to reducing the amount of Unfunded Accrued Liability in the Public School Employees Retirement System and the corresponding equal reduction of retirement expense.
- A reduction in the Property Tax Refund budget of \$100,000 due to continued decrease in tax tribunals' activity.

Aside from the \$900,000 retirement change, all other revenues increased by \$65,000 and all other expenditures increased by \$87,000. These changes reduced projected revenues greater than expenditures from \$617,000 in the first amended budget to \$595,000 in the second amended budget resulting in a projected fund balance of \$19,670,000.

CHIPPEWA VALLEYS SCHOOLS  
2ND AMENDED 2014 2015  
GENERAL FUND BUDGET

	2013-14 Audited <u>Actual</u>	2014-15 Original <u>Budget</u> June 16, 2014	2014-15 1st Amended <u>Budget</u> January 12, 2015	2014-15 2nd Amended <u>Budget</u> May 18, 2015	2014-15 2nd Amended 2014-15 1st Amended <u>Difference</u>
Revenue					
Local (1)	\$ 18,877,954	\$ 18,989,361	\$ 19,063,873	\$ 18,664,332	\$ (399,541)
State	\$ 117,481,185	\$ 121,877,572	\$ 123,048,504	\$ 122,613,376	\$ (435,128)
Federal	\$ 5,138,904	\$ 5,954,300	\$ 5,568,717	\$ 5,568,717	\$ -
Incoming Transfers & Other	\$ 617,316	\$ 592,008	\$ 748,811	\$ 748,811	\$ -
<b>Total Revenue</b>	<b>\$ 142,115,359</b>	<b>\$ 147,413,241</b>	<b>\$ 148,429,905</b>	<b>\$ 147,595,236</b>	<b>\$ (834,669)</b>
Expenditures					
Basic Programs	\$ 75,693,149	\$ 78,643,144	\$ 79,431,648	\$ 78,541,239	\$ (890,409)
Added Needs	\$ 14,882,378	\$ 15,540,915	\$ 15,956,458	\$ 16,001,231	\$ 44,773
Adult & Community Ed	\$ 140,863	\$ 165,882	\$ 196,584	\$ 191,434	\$ (5,150)
<b>Total Instructional</b>	<b>\$ 90,716,390</b>	<b>\$ 94,349,941</b>	<b>\$ 95,584,690</b>	<b>\$ 94,733,904</b>	<b>\$ (850,786)</b>
Pupil Services	\$ 12,402,247	\$ 12,962,685	\$ 13,063,981	\$ 13,133,427	\$ 69,446
Instructional Staff Services	\$ 4,162,787	\$ 4,602,565	\$ 4,701,409	\$ 4,770,934	\$ 69,525
General Administration	\$ 721,875	\$ 754,436	\$ 732,184	\$ 741,415	\$ 9,231
School Administration	\$ 9,003,607	\$ 9,495,454	\$ 9,265,512	\$ 9,195,678	\$ (69,834)
Business Administration	\$ 2,035,381	\$ 2,125,505	\$ 2,161,893	\$ 2,054,001	\$ (107,892)
Operations & Maintenance	\$ 10,037,130	\$ 10,350,039	\$ 10,380,274	\$ 10,389,652	\$ 9,378
Transportation	\$ 4,031,149	\$ 4,330,608	\$ 4,421,982	\$ 4,411,467	\$ (10,515)
Other Central Services	\$ 3,241,179	\$ 3,207,294	\$ 3,380,976	\$ 3,415,032	\$ 34,056
Other Support (Portion Athletics, CTE)	\$ 2,044,059	\$ 2,201,909	\$ 2,115,445	\$ 2,111,575	\$ (3,870)
<b>Total Supporting Services</b>	<b>\$ 47,679,414</b>	<b>\$ 50,030,495</b>	<b>\$ 50,223,656</b>	<b>\$ 50,223,181</b>	<b>\$ (475)</b>
<b>Total Community Services</b>	<b>\$ 928,894</b>	<b>\$ 1,041,643</b>	<b>\$ 974,515</b>	<b>\$ 1,013,498</b>	<b>\$ 38,983</b>
Outgoing Transfers & Other	\$ 1,012,831	\$ 999,552	\$ 1,030,007	\$ 1,030,007	\$ -
<b>Total Expenditures</b>	<b>\$ 140,337,529</b>	<b>\$ 146,421,631</b>	<b>\$ 147,812,868</b>	<b>\$ 147,000,590</b>	<b>\$ (812,278)</b>
<b>Total Revenues Over/&lt;Under&gt;</b>	<b>\$ 1,777,830</b>	<b>\$ 991,610</b>	<b>\$ 617,037</b>	<b>\$ 594,646</b>	<b>\$ (22,391)</b>
Beginning Fund Equity	17,297,126	17,768,900	19,074,956	19,074,956	
Ending Fund Equity	\$ 19,074,956	\$ 18,760,510	\$ 19,691,993	\$ 19,669,602	

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