

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, 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 originally adopted June 15, 2015 be amended as follows:

Revenue	
Local	\$19,483,019
State	124,828,522
Federal	5,686,974
Transfers & Others	714,066
Total Revenue	\$150,712,581
Fund Balance July 1, 2015	\$21,989,812
Total Available to Appropriate	\$172,702,393

BE IT FURTHER RESOLVED, that \$151,401,131 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	\$79,860,698
Added Needs	16,691,071
Adult and Continuing Education	197,591
Support Services	
Pupil	13,944,834
Instructional Staff	4,856,776
General Administration	748,052
School Administration	9,713,074
Business	2,169,705
Operations & Maintenance	10,793,729
Transportation	4,625,651
Central	3,535,120
Other Support (Athletics, CTE)	2,151,527
Community Services	1,135,706
Outgoing Transfers & Other	977,597
Total Appropriated	\$151,401,131

Estimated Fund Balance June 30, 2016	\$21,301,262
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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 originally adopted June 15, 2015 be amended as follows:

Revenue	
Local	\$1,959,100
State	126,000
Federal	1,790,000
Transfers & Other	0
Total Revenue	\$3,875,100
Fund Balance July 1, 2015	\$947,411
Total Available to Appropriate	\$4,822,511

BE IT FURTHER RESOLVED, that \$3,955,600 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	\$1,128,000
Employee Benefits	685,100
Food Purchases	1,550,000
Other	360,500
Capital Outlay	152,000
Outgoing Transfers	80,000
Total Appropriated	\$3,955,600
Estimated Fund Balance June 30, 2016	\$866,911

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 originally adopted June 15, 2015 be amended as follows:

Revenue	
Local	\$0
State	0
Federal	0
Incoming Transfers & Fund Modifications	\$3,987,046
Total Revenue	\$3,987,046
Fund Balance July 1, 2015	\$854,467
Total Available to Appropriate	\$4,841,513

BE IT FURTHER RESOLVED that \$4,141,770 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	2,856,304
Fund Modifications	634,066
Total Appropriated	\$4,141,770
Estimated Fund Balance June 30, 2016	\$ 699,743

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: The administration has reviewed the entire budget and updated the budgets for the General Fund, Food Service Fund, and International Academy of Macomb Fund reflecting the most current information. Changes having the greatest impact on the General Fund are further detailed in the following summaries.

Projected revenue for the General Fund increased from \$149.0 million to \$150.7 million, the majority of the increase relates to increased pupil memberships, increased special education funding based on prior year expenditures, and additional MPSERS UAAL retirement 147a and 147c cost offset monies. Total revenues increased by 1.15% of the Original Budget adopted in June 2015.

Projected General Fund expenditures increased from \$148.3 million to \$151.4 million. A significant change from the Original Budget relates to budgeting for a revenue greater than expense distribution in this budget amendment. Total budgeted distribution expense is estimated at \$2.6 million and is comprised of both wage and FICA costs. MPSERS UAAL retirement cost expense also increases in direct correlation with the offset revenue monies described above. Total expenditures increased by 2.07% of the June 2015 budget.

CHIPPEWA VALLEYS SCHOOLS
 1ST AMENDED 2015-2016
 GENERAL FUND BUDGET

	2013-14 Audited Actual	2014-15 Audited Actual	2015-16 Original Budget June 15, 2015	With R > E 2015-16 1st Amended Budget January 11, 2016	2015-16 1st Amended 2015-16 Original Difference
Revenue					
Local (1)	\$ 18,877,961	\$ 18,684,311	\$ 19,167,664	\$ 19,483,019	\$ 315,355
State	\$ 117,481,191	\$ 122,613,968	\$ 123,598,015	\$ 124,828,522	\$ 1,230,507
Federal	\$ 5,138,904	\$ 5,081,595	\$ 5,501,809	\$ 5,686,974	\$ 185,165
Incoming Transfers & Other	\$ 617,316	\$ 707,494	\$ 732,856	\$ 714,066	\$ (18,790)
Total Revenue	\$ 142,115,372	\$ 147,087,368	\$ 149,000,344	\$ 150,712,581	\$ 1,712,237
Expenditures					
Basic Programs	\$ 75,693,143	\$ 77,700,308	\$ 79,177,872	\$ 79,860,698	\$ 682,826
Added Needs	\$ 14,882,277	\$ 15,697,241	\$ 16,270,351	\$ 16,691,071	\$ 420,720
Adult & Community Ed	\$ 140,865	\$ 190,308	\$ 166,484	\$ 197,591	\$ 31,107
Total Instructional	\$ 90,716,285	\$ 93,587,857	\$ 95,614,707	\$ 96,749,360	\$ 1,134,653
Pupil Services	\$ 12,400,728	\$ 12,987,549	\$ 13,438,384	\$ 13,944,834	\$ 506,450
Instructional Staff Services	\$ 4,162,888	\$ 4,507,329	\$ 4,585,709	\$ 4,856,776	\$ 271,067
General Administration	\$ 721,875	\$ 696,175	\$ 748,866	\$ 748,052	\$ (814)
School Administration	\$ 9,003,612	\$ 9,131,072	\$ 9,369,508	\$ 9,713,074	\$ 343,566
Business Administration	\$ 2,035,382	\$ 1,902,546	\$ 2,055,309	\$ 2,169,705	\$ 114,396
Operations & Maintenance	\$ 10,037,139	\$ 9,967,193	\$ 10,515,982	\$ 10,793,729	\$ 277,747
Transportation	\$ 4,031,147	\$ 4,233,205	\$ 4,522,792	\$ 4,625,651	\$ 102,859
Other Central Services	\$ 3,242,697	\$ 3,196,801	\$ 3,302,687	\$ 3,535,120	\$ 232,433
Other Support (Portion Athletics, CTE)	\$ 2,044,061	\$ 2,080,496	\$ 2,141,806	\$ 2,151,527	\$ 9,721
Total Supporting Services	\$ 47,679,529	\$ 48,702,366	\$ 50,681,043	\$ 52,538,468	\$ 1,857,425
Total Community Services	\$ 928,893	\$ 852,242	\$ 1,013,572	\$ 1,135,706	\$ 122,134
Outgoing Transfers & Other	\$ 1,012,831	\$ 1,030,051	\$ 1,014,618	\$ 977,597	\$ (37,021)
Total Expenditures	\$ 140,337,538	\$ 144,172,516	\$ 148,323,940	\$ 151,401,131	\$ 3,077,191
Total Revenues Over/<Under>	\$ 1,777,834	\$ 2,914,852	\$ 676,404	\$ (688,550)	\$ (1,364,954)
Beginning Fund Equity	17,297,126	19,074,960	19,669,606	21,989,812	
Ending Fund Equity	\$ 19,074,960	\$ 21,989,812	\$ 20,346,010	\$ 21,301,262	

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

2015-2016 SPECIAL REVENUE FUND FOOD SERVICE 1ST AMENDED BUDGET

	2013-14	2014-15	2015-16	2015-16	2015-16 1st Amended
	Actual	Actual	Original Budget	1st Amended Budget	2015-16 Original Difference
Revenue					
Local	\$ 2,016,342	\$ 1,844,006	\$ 1,847,100	\$ 1,959,100	\$ 112,000
State	\$ 144,731	\$ 113,653	\$ 125,000	\$ 126,000	\$ 1,000
Federal	\$ 1,606,503	\$ 1,683,855	\$ 1,685,000	\$ 1,790,000	\$ 105,000
Incoming Transfers & Other	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 3,767,576	\$ 3,641,514	\$ 3,657,100	\$ 3,875,100	\$ 218,000
Expenditures					
Wages	\$ 1,040,519	\$ 1,077,466	\$ 1,116,000	\$ 1,128,000	\$ 12,000
Employee Benefits	\$ 520,297	\$ 608,881	\$ 679,000	\$ 685,100	\$ 6,100
Food Purchases	\$ 1,483,380	\$ 1,228,118	\$ 1,495,000	\$ 1,550,000	\$ 55,000
Other	\$ 363,365	\$ 471,899	\$ 345,500	\$ 360,500	\$ 15,000
Capital Outlay	\$ 1,175	\$ -	\$ 6,000	\$ 152,000	\$ 146,000
Outgoing Transfers	\$ 138,000	\$ 100,000	\$ 80,000	\$ 80,000	\$ -
Total Food Service	\$ 3,546,735	\$ 3,486,363	\$ 3,721,500	\$ 3,955,600	\$ 234,100
Total Revenues Over/<Under> Expenditures	\$ 220,841	\$ 155,151	\$ (64,400)	\$ (80,500)	
Beginning Fund Equity	\$ 571,419	\$ 792,260	\$ 736,860	\$ 947,411	
Ending Fund Equity	\$ 792,260	\$ 947,411	\$ 672,460	\$ 866,911	

2015-16 SPECIAL REVENUE FUND 1ST AMENDED MACOMB INTERNATIONAL ACADEMY BUDGET

	2013-14	2014-15	2015-16	2015-16	2015-16 1st Amended
	<u>Actual</u>	<u>Actual</u>	<u>Original</u>	<u>1st Amended</u>	<u>2015-16 Original</u>
			<u>Budget</u>	<u>Budget</u>	<u>Difference</u>
Revenue					
Tuition Schools	\$ 2,932,687	\$ 3,039,503	\$ 3,297,016	\$ 3,009,449	\$ (287,567)
Other Revenue	\$ -	\$ 4,500	\$ -	\$ -	\$ -
Fund Modifications	\$ 1,012,831	\$ 1,030,050	\$ 1,014,618	\$ 977,597	\$ (37,021)
	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 3,945,518	\$ 4,074,053	\$ 4,311,634	\$ 3,987,046	\$ (324,588)
Expenditures					
Instruction	\$ 400,750	\$ 291,811	\$ 318,000	\$ 318,000	\$ -
Support Services	\$ 260,699	\$ 272,080	\$ 333,400	\$ 333,400	\$ -
Payments to Other Schools	\$ 2,709,299	\$ 4,210,423	\$ 2,759,174	\$ 2,856,304	\$ 97,130
Fund Modifications	\$ 479,316	\$ 607,493	\$ 652,856	\$ 634,066	\$ (18,790)
	\$ -	\$ -	\$ -	\$ -	\$ -
Total Macomb International Academy	\$ 3,850,064	\$ 5,381,807	\$ 4,063,430	\$ 4,141,770	\$ 78,340
Total Revenues Over/<Under> Expenditures	\$ 95,454	\$ (1,307,754)	\$ 248,204	\$ (154,724)	
Beginning Fund Equity	\$ 2,066,767	\$ 2,162,221	\$ 821,328	\$ 854,467	
Ending Fund Equity	\$ 2,162,221	\$ 854,467	\$ 1,069,532	\$ 699,743	