

MEMORANDUM

F.2 Approve 2022/2023 Appropriation Act for General and Special Revenue Funds Mr. Sederlund

RECOMMENDED MOTION: "That the following resolution be adopted by the Chippewa Valley Schools Board of Education to approve the General Fund, Food Service Fund, Community Services Childcare Fund, and Cooperative Activities Fund budgets for the 2022/2023 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 2022/2023 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 2022/2023, originally adopted on June 20, 2022, be amended as follows:

Revenue	
Local	\$19,267,798
State	162,965,294
Federal	8,617,807
Interdistrict	11,090,793
Transfers & Others	1,517,532
Total Revenue	\$203,459,224
Fund Balance July 1, 2022	\$32,978,867
Total Available to Appropriate	\$236,438,091

BE IT FURTHER RESOLVED, that \$198,599,167 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	\$92,663,041
Added Needs	30,628,999
Adult and Continuing Education	118,067
Support Services	
Pupil	19,001,199
Instructional Staff	8,437,985
General Administration	998,495
School Administration	11,775,593
Business	2,726,461
Operations & Maintenance	14,574,061
Transportation	5,865,791
Central	5,088,584
Other Support (Athletics, CTE)	2,589,232
Community Services	986,119
Outgoing Transfers & Other	3,145,540
Total Appropriated	\$198,599,167
Estimated Fund Balance June 30, 2023	\$37,838,924

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 2022/2023 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 2022/2023 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 2022/2023, originally adopted on June 20, 2022, be amended as follows:

Revenue	
Local	\$2,254,500
State	94,138
Federal	3,329,734
Transfers & Other	0
Total Revenue	\$5,678,372
Fund Balance July 1, 2022	\$3,282,110
Total Available to Appropriate	\$8,960,482

BE IT FURTHER RESOLVED, that \$5,737,980 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	\$1,462,400
Employee Benefits	914,817
Food Purchases	2,388,863
Other	321,900
Capital Outlay	400,000
Outgoing Transfers	250,000
Total Appropriated	\$5,737,980
Estimated Fund Balance June 30, 2023	\$3,222,502

RESOLVED, that this resolution shall be the Community Services Childcare Fund Appropriation Act of Chippewa Valley Schools for fiscal year 2022/2023 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 2022/2023, originally adopted on June 20, 2022, be amended as follows:

Revenue	
Local	\$1,112,466
State	0
Federal	\$614,125
Transfers & Other	0
Total Revenue	\$1,726,591
Fund Balance July 1, 2022	\$702,461
Total Available to Appropriate	\$2,429,052

BE IT FURTHER RESOLVED that \$1,504,354 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	\$1,279,984
Outgoing Transfers	\$224,370
Total Appropriated	\$1,504,354
Estimated Fund Balance June 30, 2023	\$924,698

RESOLVED, that this resolution shall be the Cooperative Activities Fund Appropriation Act of Chippewa Valley Schools for fiscal year 2022/2023 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 Cooperative Activities Fund which incorporates the IAM and Student Intervention Program of the Chippewa Valley Schools for the fiscal year 2022/2023, originally adopted June 20, 2022, be amended as follows:

Revenue	
Local	\$369,000
State	0
Federal	0
Interdistrict	\$3,254,419
Incoming Transfers & Fund Modifications	\$1,130,540
Total Revenue	\$4,753,959
Fund Balance July 1, 2022	\$19,715,479
Total Available to Appropriate	\$24,469,438

BE IT FURTHER RESOLVED that \$5,712,356 of the total available to appropriate in the Cooperative Activities Fund is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures	
Basic Instruction	\$1,142,700
Support Services	\$392,708
Payments to Other Schools	\$3,133,786
Fund Modifications	\$1,043,162
Total Appropriated	\$5,712,356
Estimated Fund Balance June 30, 2023	\$18,757,082

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, Community Services Childcare Fund, and the Cooperative Activities 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.

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

- An increased enrollment count of 249 FTE higher than initially budgeted (+\$2,278,000)
- Special Education membership and funding reimbursement formula increase at 75% of Special Education FTE (+\$3,061,000)
- An increased amount of expected interest income based on interest rate fluctuations (+\$531,000)
- Increase in MPSERS with 147c/c(2) offset revenues (+\$8,498,000)
- UAAL retirement revenue alignment (+1,593,000)
- Grant revenue increases beyond knowns reflected in Original Budget (+\$3,125,000)
- Review and adjustments of other revenue sources as appropriate

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

- Net staffing wage changes including known leaves, retirements, vacancies (+307,000)
- Fund modification contributing to capital projects (+\$2,000,000)
- Grant expenditure increases beyond knowns reflected in Original Budget (+\$3,125,000)
- Increase in MPSERS 147c/c(2) offset expenditures (+\$8,498,000)
- Increased contracted costs associated with labor shortages (+\$1,039,000)
- Net impact of health insurance rates and hard cap limit under PA 152 for health insurance benefits and cash in lieu of health (-\$286,000)
- Review and adjustments of other expenditure items as appropriate

In summary, we have projected revenues of \$203,459,224 and projected expenditures of \$198,599,167. Projected revenues exceed expenditures by \$4,860,057, increasing fund balance to \$37,838,924 (or 19.1% of budgeted expenditures).

CHIPPEWA VALLEY SCHOOLS
2022-2023 1ST AMENDED
GENERAL FUND BUDGET

	2020-21 Audited Actual	2021-22 Audited Actual	2022-23 Original Budget June 20, 2022	2022-23 1st Amended Budget February 13, 2023	2022-23 1st Amended 2022-23 Original Difference
Revenue					
Local (1)	\$ 25,877,450	\$ 5,505,571	\$ 18,456,441	\$ 19,267,798	\$ 811,357
State	\$ 140,261,671	\$ 141,969,980	\$ 145,877,703	\$ 162,965,294	\$ 17,087,591
Federal	\$ 13,110,784	\$ 27,306,639	\$ 7,040,238	\$ 8,617,807	\$ 1,577,569
Interdistrict	\$ -	\$ 3,138,539	\$ 10,893,895	\$ 11,090,793	\$ 196,898
Incoming Transfers & Other	\$ 920,172	\$ 2,307,916	\$ 1,503,115	\$ 1,517,532	\$ 14,417
Total Revenue	\$ 180,170,077	\$ 180,227,645	\$ 183,771,392	\$ 203,459,224	\$ 19,687,832
Expenditures					
Basic Programs	\$ 94,989,375	\$ 87,807,175	\$ 88,881,716	\$ 92,663,041	\$ 3,781,325
Added Needs	\$ 22,324,742	\$ 24,025,395	\$ 26,220,364	\$ 30,628,999	\$ 4,408,635
Adult & Community Ed	\$ 166,878	\$ 147,103	\$ 155,846	\$ 118,067	\$ (37,779)
Total Instructional	\$ 117,480,995	\$ 111,979,673	\$ 115,257,926	\$ 123,410,107	\$ 8,152,181
Pupil Services	\$ 16,434,289	\$ 17,334,151	\$ 17,591,291	\$ 19,001,199	\$ 1,409,908
Instructional Staff Services	\$ 6,512,758	\$ 8,356,403	\$ 8,072,443	\$ 8,437,985	\$ 365,542
General Administration	\$ 879,669	\$ 837,836	\$ 930,098	\$ 998,495	\$ 68,397
School Administration	\$ 10,440,303	\$ 11,106,334	\$ 11,059,080	\$ 11,775,593	\$ 716,513
Business Administration	\$ 2,167,253	\$ 2,844,482	\$ 2,981,476	\$ 2,726,461	\$ (255,015)
Operations & Maintenance	\$ 11,535,427	\$ 12,520,211	\$ 13,845,284	\$ 14,574,061	\$ 728,777
Transportation	\$ 4,039,266	\$ 4,975,929	\$ 5,400,408	\$ 5,865,791	\$ 465,383
Other Central Services	\$ 4,072,243	\$ 4,448,518	\$ 4,747,905	\$ 5,088,584	\$ 340,679
Other Support (Portion Athletics, CTE)	\$ 2,170,520	\$ 2,513,434	\$ 2,541,448	\$ 2,589,232	\$ 47,784
Total Supporting Services	\$ 58,251,728	\$ 64,937,298	\$ 67,169,433	\$ 71,057,401	\$ 3,887,968
Total Community Services	\$ 535,741	\$ 697,177	\$ 808,806	\$ 986,119	\$ 177,313
Outgoing Transfers & Other	\$ 1,489,483	\$ 2,029,047	\$ 1,042,894	\$ 3,145,540	\$ 2,102,646
Total Expenditures	\$ 177,757,947	\$ 179,643,195	\$ 184,279,059	\$ 198,599,167	\$ 14,320,108
Total Revenues Over/<Under> Expenditures	\$ 2,412,130	\$ 584,450	\$ (507,667)	\$ 4,860,057	\$ 5,367,724
Beginning Fund Equity	\$ 29,982,287	\$ 32,394,417	\$ 31,926,744	\$ 32,978,867	
Ending Fund Equity	\$ 32,394,417	\$ 32,978,867	\$ 31,419,077	\$ 37,838,924	

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

CHIPPEWA VALLEY SCHOOLS
 2022-2023 1ST AMENDED
 SPECIAL REVENUE FUND
 FOOD SERVICES BUDGET

	2020-21 Audited Actual	2021-22 Audited Actual	2022-23 Original Budget June 20, 2022	2022-23 1st Amended Budget February 13, 2023	2022-23 1st Amended 2022-23 Original Difference
Revenue					
Local	\$ 162,127	\$ 740,007	\$ 2,165,000	\$ 2,254,500	\$ 89,500
State	\$ 123,094	\$ 134,269	\$ 125,011	\$ 94,138	\$ (30,873)
Federal	\$ 2,164,110	\$ 6,951,669	\$ 2,559,043	\$ 3,329,734	\$ 770,691
Incoming Transfers & Other	\$ 170,000	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 2,619,331	\$ 7,825,945	\$ 4,849,054	\$ 5,678,372	\$ 829,318
Expenditures					
Wages	\$ 1,129,171	\$ 1,428,407	\$ 1,428,825	\$ 1,462,400	\$ 33,575
Employee Benefits	\$ 699,488	\$ 830,810	\$ 903,479	\$ 914,817	\$ 11,338
Food Purchases	\$ 830,595	\$ 2,588,821	\$ 2,273,660	\$ 2,388,863	\$ 115,203
Other	\$ 164,350	\$ 295,810	\$ 310,000	\$ 321,900	\$ 11,900
Capital Outlay	\$ -	\$ 86,228	\$ -	\$ 400,000	\$ 400,000
Outgoing Transfers	\$ -	\$ 250,000	\$ 250,000	\$ 250,000	\$ -
Total Food Service	\$ 2,823,604	\$ 5,480,076	\$ 5,165,964	\$ 5,737,980	\$ 572,016
Total Revenues Over/<Under> Expenditures	\$ (204,273)	\$ 2,345,869	\$ (316,910)	\$ (59,608)	\$ 257,302
Beginning Fund Equity	\$ 1,140,514	\$ 936,241	\$ 2,397,390	\$ 3,282,110	
Ending Fund Equity	\$ 936,241	\$ 3,282,110	\$ 2,080,480	\$ 3,222,502	

CHIPPEWA VALLEY SCHOOLS
 2022-2023 1ST AMENDED
 SPECIAL REVENUE FUND
 COMMUNITY SERVICES CHILDCARE BUDGET

	2020-21 Audited <u>Actual</u>	2021-22 Audited <u>Actual</u>	2022-23 Original <u>Budget</u> June 20, 2022	2022-23 1st Amended <u>Budget</u> February 13, 2023	2022-23 1st Amended 2022-23 Original <u>Difference</u>
Revenue					
Local	\$ 199,464	\$ 872,218	\$ 825,415	\$ 1,112,466	\$ 287,051
Federal	\$ -	\$ 1,845,571	\$ 1,121,301	\$ 614,125	\$ (507,176)
Incoming Transfers & Other	\$ 250,303	\$ -	\$ -		\$ -
Total Revenue	\$ 449,767	\$ 2,717,789	\$ 1,946,716	\$ 1,726,591	\$ (220,125)
Expenditures					
Wages/Purchased Services/Supplies,Materials	\$ 449,767	\$ 995,169	\$ 961,568	\$ 1,279,984	\$ 318,416
	\$ 449,767	\$ 995,169	\$ 961,568	\$ 1,279,984	\$ 318,416
Outgoing Transfers & Other	\$ -	\$ 1,020,159	\$ 224,370	\$ 224,370	\$ -
Total Expenditures	\$ 449,767	\$ 2,015,328	\$ 1,185,938	\$ 1,504,354	\$ 318,416
Total Revenues Over/<Under> Expenditures	\$ -	\$ 702,461	\$ 760,778	\$ 222,237	\$ (538,541)
Beginning Fund Equity	\$ -	\$ -	\$ 635,272	\$ 702,461	
Ending Fund Equity	\$ -	\$ 702,461	\$ 1,396,050	\$ 924,698	

CHIPPEWA VALLEY SCHOOLS
 2022-2023 1ST AMENDED
 COOPERATIVE ACTIVITIES FUND
 INTERNATIONAL ACADEMY OF MACOMB & STUDENT INTERVENTION BUDGET

	2020-21 Audited <u>Actual</u>	2021-22 Audited <u>Actual</u>	2022-23 Original <u>Budget</u> June 20, 2022	2022-23 1st Amended <u>Budget</u> February 13, 2023	2022-23 1st Amended 2022-23 Original <u>Difference</u>
Revenue					
Local (1)	\$ -	\$ 12,010,387	\$ -	\$ 369,000	\$ 369,000
Interdistrict	\$ -	\$ 7,387,217	\$ -	\$ -	\$ -
Tuition Schools (2)	\$ 3,378,374	\$ 3,164,842	\$ 3,161,191	\$ 3,254,419	\$ 93,228
Fund Modifications	\$ 1,030,200	\$ 1,029,047	\$ 1,027,893	\$ 1,130,540	\$ 102,647
Total Revenue	\$ 4,408,574	\$ 23,591,493	\$ 4,189,084	\$ 4,753,959	\$ 564,875
Expenditures					
Instruction	\$ 251,312	\$ 371,974	\$ 1,401,284	\$ 1,142,700	\$ (258,584)
Support Services	\$ 262,660	\$ 337,218	\$ 341,334	\$ 392,708	\$ 51,374
Payments to Other Schools	\$ 2,852,360	\$ 3,025,751	\$ 2,993,140	\$ 3,133,786	\$ 140,646
Fund Modifications	\$ 920,172	\$ 1,037,757	\$ 1,028,744	\$ 1,043,162	\$ 14,418
Total Expenditures	\$ 4,286,504	\$ 4,772,700	\$ 5,764,502	\$ 5,712,356	\$ (52,146)
Total Revenues Over/<Under> Expenditures	\$ 122,070	\$ 18,818,793	\$ (1,575,418)	\$ (958,397)	\$ 617,021
Beginning Fund Equity	\$ 774,616	\$ 896,686	\$ 19,355,055	\$ 19,715,479	
Ending Fund Equity	\$ 896,686	\$ 19,715,479	\$ 17,779,637	\$ 18,757,082	

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

(2) Interdistrict revenue source