

**MEMORANDUM**

**F.2 Approve 2021/2022 Appropriation Act for General and Cooperative Activities Funds Mr. Sederlund**

RECOMMENDED MOTION: “That the following resolution be adopted by the Chippewa Valley Schools Board of Education to approve the General Fund and new Student Intervention Program under the Cooperative Activities Fund budgets for the 2021/2022 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 2021/2022 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 2021/2022 originally adopted on June 21, 2021 and first amended on January 24, 2022 be amended as follows:

|                                       |                      |
|---------------------------------------|----------------------|
| Revenue                               |                      |
| Local                                 | \$10,696,408         |
| State                                 | 142,894,917          |
| Federal                               | 22,155,339           |
| Interdistrict                         | 2,714,785            |
| Transfers & Other                     | 2,074,530            |
| <b>Total Revenue</b>                  | <b>\$180,535,979</b> |
| <br>                                  |                      |
| Fund Balance July 1, 2021             | \$32,394,417         |
| <br>                                  |                      |
| <b>Total Available to Appropriate</b> | <b>\$212,390,396</b> |

BE IT FURTHER RESOLVED, that \$179,813,635 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 | \$87,206,949 |
| Added Needs    | 25,488,171   |

|                                |               |
|--------------------------------|---------------|
| Adult and Continuing Education | 144,744       |
| Support Services               |               |
| Pupil                          | 17,261,084    |
| Instructional Staff            | 8,924,603     |
| General Administration         | 965,368       |
| School Administration          | 10,803,115    |
| Business                       | 2,913,612     |
| Operations & Maintenance       | 12,198,196    |
| Transportation                 | 4,954,335     |
| Central                        | 4,664,424     |
| Other Support (Athletics, CTE) | 2,477,905     |
| Community Services             | 768,235       |
| Outgoing Transfers & Other     | 1,042,894     |
| <br>                           |               |
| Total Appropriated             | \$179,813,635 |

Estimated Fund Balance June 30, 2022 \$33,116,761

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 2021/2022 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 Cooperative Activities Fund Appropriation Act of Chippewa Valley Schools for fiscal year 2021/2022 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 2021/2022 originally adopted June 21, 2021 and first amended on January 24, 2022 be amended as follows:

|                                |              |
|--------------------------------|--------------|
| Revenue                        |              |
| Local                          | \$7,017,150  |
| State                          | 0            |
| Federal                        | 0            |
| Interdistrict                  | 10,381,908   |
| Fund Modifications             | 1,027,893    |
| Total Revenue                  | \$18,426,951 |
| <br>                           |              |
| Fund Balance July 1, 2021      | \$896,686    |
| <br>                           |              |
| Total Available to Appropriate | \$19,323,637 |

BE IT FURTHER RESOLVED that \$4,659,200 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                    | \$302,500    |
| Support Services                     | 334,816      |
| Payments to Other Schools            | 2,993,140    |
| Fund Modifications                   | 1,028,744    |
| Total Appropriated                   | \$4,659,200  |
| <br>                                 |              |
| Estimated Fund Balance June 30, 2022 | \$14,664,437 |

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 updated the budgets for the General Fund and Cooperative Activities Fund (which includes both the International Academy of Macomb Program and the new Student Intervention Program). Changes having the greatest impact on the General Fund are further detailed in the following summaries.

Projected revenue for the General Fund increased by just under \$1.4 million from \$179.1 million to \$180.5 million. The increase in revenue is a net result of the following updates:

- Recognizing Supplemental Elementary and Secondary School Emergency Relief - ESSER II Formula grant funds (+\$4.7 million)
- Recognizing American Rescue Plan (ARP) Elementary and Secondary Schools Emergency Relief Fund - ESSER III Formula grant funds (+\$10.5 million)
- Redistribution of local revenue sources to the Cooperative Activities Fund for the Student Intervention Program (-\$14.2 million)
- CTE Equipment grant funds (+\$79,300)
- ORS Employer Contribution Forfeiture Campaign revenue (+\$59,400)
- Review and adjustments of other revenue sources as necessary

Projected expenditures for the General Fund increased by just over \$1.2 million from \$178.6 million to \$179.8 million. Significant changes from the 1<sup>st</sup> Amended Budget mainly result from:

- Recognizing Supplemental Elementary and Secondary School Emergency Relief – ESSER II Formula grant expenditures (classroom cameras) (+\$828,000)
- CTE Equipment grant fund expenditures (+\$79,300)
- Review and adjustment of other expenditure items as appropriate

The changes identified project revenues greater than expenditures by \$722,344 in the 2nd Amended Budget. The 1<sup>st</sup> Amended Budget estimated revenues exceeding expenditures by \$531,440. The budget modifications result in a projected June 30, 2022 ending fund balance of \$33.1 million (or 18.4% of budgeted expenditures).

The Cooperative Activities Fund will now incorporate both the International Academy of Macomb Program and the new Student Intervention Program. This budget adoption is intended to align resources in support of long-term transformative impacts for students through evidence-based interventions.

CHIPPEWA VALLEY SCHOOLS  
2021-2022 2nd AMENDED  
GENERAL FUND BUDGET

|   | 2020-21               | 2021-22               | 2021-22               | 2021-22               | 2021-22 2nd Amended               |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------------------|
|   | Audited<br>Actual     | Original<br>Budget    | 1st Amended<br>Budget | 2nd Amended<br>Budget | 2021-22 1st Amended<br>Difference |
|   |                       | June 21, 2021         | January 24, 2022      | March 7, 2022         |                                   |
| Revenue   |                       |                       |                       |                       |                                   |
| Local (1)   | \$ 25,877,450         | \$ 28,078,235         | \$ 27,460,258         | \$ 10,696,408         | \$ (16,763,650)                   |
| State   | \$ 140,261,671        | \$ 137,044,096        | \$ 142,835,542        | \$ 142,894,917        | \$ 59,375                         |
| Federal   | \$ 13,110,784         | \$ 6,301,952          | \$ 6,769,873          | \$ 22,155,339         | \$ 15,385,466                     |
| Interdistrict   | \$ -                  | \$ -                  | \$ -                  | \$ 2,714,785          | \$ 2,714,785                      |
| Incoming Transfers & Other                            | \$ 920,172            | \$ 1,170,172          | \$ 2,074,530          | \$ 2,074,530          | \$ -                              |
| <b>Total Revenue</b>                                  | <b>\$ 180,170,077</b> | <b>\$ 172,594,455</b> | <b>\$ 179,140,203</b> | <b>\$ 180,535,979</b> | <b>\$ 1,395,776</b>               |
| Expenditures  |                       |                       |                       |                       |                                   |
| Basic Programs  | \$ 94,989,375         | \$ 82,883,692         | \$ 87,206,949         | \$ 87,206,949         | \$ -                              |
| Added Needs   | \$ 22,324,742         | \$ 22,535,844         | \$ 25,228,392         | \$ 25,488,171         | \$ 259,779                        |
| Adult & Community Ed                                  | \$ 166,878            | \$ 173,896            | \$ 144,244            | \$ 144,744            | \$ 500                            |
| <b>Total Instructional</b>                            | <b>\$ 117,480,995</b> | <b>\$ 105,593,432</b> | <b>\$ 112,579,585</b> | <b>\$ 112,839,864</b> | <b>\$ 260,279</b>                 |
| Pupil Services  | \$ 16,434,289         | \$ 16,284,010         | \$ 17,219,837         | \$ 17,261,084         | \$ 41,247                         |
| Instructional Staff Services                          | \$ 6,512,758          | \$ 6,669,118          | \$ 8,077,445          | \$ 8,924,603          | \$ 847,158                        |
| General Administration                                | \$ 879,669            | \$ 928,145            | \$ 965,368            | \$ 965,368            | \$ -                              |
| School Administration                                 | \$ 10,440,303         | \$ 10,355,097         | \$ 10,803,115         | \$ 10,803,115         | \$ -                              |
| Business Administration                               | \$ 2,167,253          | \$ 2,344,182          | \$ 2,913,612          | \$ 2,913,612          | \$ -                              |
| Operations & Maintenance                              | \$ 11,535,427         | \$ 11,918,995         | \$ 12,217,461         | \$ 12,198,196         | \$ (19,265)                       |
| Transportation  | \$ 4,039,266          | \$ 4,901,097          | \$ 4,954,335          | \$ 4,954,335          | \$ -                              |
| Other Central Services                                | \$ 4,072,243          | \$ 4,814,211          | \$ 4,664,424          | \$ 4,664,424          | \$ -                              |
| Other Support (Portion Athletics, CTE)                | \$ 2,170,520          | \$ 2,454,771          | \$ 2,452,452          | \$ 2,477,905          | \$ 25,453                         |
| <b>Total Supporting Services</b>                      | <b>\$ 58,251,728</b>  | <b>\$ 60,669,626</b>  | <b>\$ 64,268,049</b>  | <b>\$ 65,162,642</b>  | <b>\$ 894,593</b>                 |
| <b>Total Community Services</b>                       | <b>\$ 535,741</b>     | <b>\$ 866,340</b>     | <b>\$ 718,235</b>     | <b>\$ 768,235</b>     | <b>\$ 50,000</b>                  |
| Outgoing Transfers & Other                            | \$ 1,489,483          | \$ 1,089,085          | \$ 1,042,894          | \$ 1,042,894          | \$ -                              |
| <b>Total Expenditures</b>                             | <b>\$ 177,757,947</b> | <b>\$ 168,218,483</b> | <b>\$ 178,608,763</b> | <b>\$ 179,813,635</b> | <b>\$ 1,204,872</b>               |
| <b>Total Revenues Over/&lt;Under&gt; Expenditures</b> | <b>\$ 2,412,130</b>   | <b>\$ 4,375,972</b>   | <b>\$ 531,440</b>     | <b>\$ 722,344</b>     | <b>\$ 190,904</b>                 |
| Beginning Fund Equity                                 | \$ 29,982,287         | \$ 31,101,546         | \$ 32,394,417         | \$ 32,394,417         |                                   |
| Ending Fund Equity                                    | \$ 32,394,417         | \$ 35,477,518         | \$ 32,925,857         | \$ 33,116,761         |                                   |

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

CHIPPEWA VALLEY SCHOOLS  
 2021-2022 2nd Amended  
 COOPERATIVE ACTIVITIES FUND  
 INTERNATIONAL ACADEMY OF MACOMB & STUDENT INTERVENTION BUDGET

|   | 2020-21<br>Audited<br><u>Actual</u> | 2021-22<br>Original<br>Budget<br>June 21, 2021 | 2021-22<br>1st Amended<br>Budget<br>January 24, 2022 | 2021-22<br>2nd Amended<br>Budget<br>March 7, 2022 | 2021-22 2nd Amended<br>2021-22 1st Amended<br><u>Difference</u> |
|---|-------------------------------------|--|--|---|---|
| Revenue   |                                     |  |  |   |   |
| Local (1)   | \$ -                                | \$ -   | \$ -   | \$ 7,017,150                                      | \$ 7,017,150  |
| Interdistrict   | \$ -                                | \$ -   | \$ -   | \$ 7,220,717                                      | \$ 7,220,717  |
| Tuition Schools (2)                                   | \$ 3,378,374                        | \$ 3,378,120                                   | \$ 3,161,191   | \$ 3,161,191                                      | \$ -  |
| Fund Modifications                                    | \$ 1,030,200                        | \$ 1,030,085                                   | \$ 1,027,893   | \$ 1,027,893                                      | \$ -  |
| <b>Total Revenue</b>                                  | <b>\$ 4,408,574</b>                 | <b>\$ 4,408,205</b>                            | <b>\$ 4,189,084</b>                                  | <b>\$ 18,426,951</b>                              | <b>\$ 14,237,867</b>  |
| Expenditures  |                                     |  |  |   |   |
| Instruction   | \$ 251,312                          | \$ 241,000                                     | \$ 302,500   | \$ 302,500  | \$ -  |
| Support Services                                      | \$ 262,660                          | \$ 362,752                                     | \$ 334,816   | \$ 334,816  | \$ -  |
| Payments to Other Schools                             | \$ 2,852,360                        | \$ 2,893,136                                   | \$ 2,993,140   | \$ 2,993,140                                      | \$ -  |
| Fund Modifications                                    | \$ 920,172                          | \$ 903,953                                     | \$ 1,028,744   | \$ 1,028,744                                      | \$ -  |
| <b>Total Macomb International Academy</b>             | <b>\$ 4,286,504</b>                 | <b>\$ 4,400,841</b>                            | <b>\$ 4,659,200</b>                                  | <b>\$ 4,659,200</b>                               | <b>\$ -</b>   |
| <b>Total Revenues Over/&lt;Under&gt; Expenditures</b> | <b>\$ 122,070</b>                   | <b>\$ 7,364</b>                                | <b>\$ (470,116)</b>                                  | <b>\$ 13,767,751</b>                              | <b>\$ 14,237,867</b>  |
| Beginning Fund Equity                                 | \$ 774,616                          | \$ 781,980                                     | \$ 896,686   | \$ 896,686  |   |
| Ending Fund Equity                                    | \$ 896,686                          | \$ 789,344                                     | \$ 426,570   | \$ 14,664,437                                     |   |

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

(2) Interdistrict revenue source