

MEMORANDUM

F.10 Approve 2021/2022 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, Community Services Childcare Fund, and 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 amended on January 24, 2022 and March 7, 2022, be amended as follows:

Revenue	
Local	\$5,783,453
State	142,496,980
Federal	28,843,992
Interdistrict	3,187,785
Transfers & Others	2,298,904
Total Revenue	\$182,611,114
Fund Balance July 1, 2021	\$32,394,417
Total Available to Appropriate	\$215,005,531

BE IT FURTHER RESOLVED, that \$183,078,787 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	\$87,803,478
Added Needs	25,560,534
Adult and Continuing Education	149,394

Support Services	
Pupil	17,619,754
Instructional Staff	9,053,636
General Administration	910,657
School Administration	11,002,774
Business	2,980,886
Operations & Maintenance	12,840,032
Transportation	5,209,377
Central	4,557,671
Other Support (Athletics, CTE)	2,510,310
Community Services	837,390
Outgoing Transfers & Other	2,042,894
Total Appropriated	\$183,078,787

Estimated Fund Balance June 30, 2022 \$31,926,744

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 Food Service 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 Food Service Fund of the Chippewa Valley Schools for the fiscal year 2021/2022, originally adopted on June 21, 2021, and amended on January 24, 2022, be amended as follows:

Revenue	
Local	\$713,000
State	125,011
Federal	6,710,413
Transfers & Other	0
Total Revenue	\$7,548,424
Fund Balance July 1, 2021	\$936,241
Total Available to Appropriate	\$8,484,665

BE IT FURTHER RESOLVED, that \$6,087,275 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	\$1,403,300
Employee Benefits	833,672
Food Purchases	2,913,903
Other	310,000
Capital Outlay	376,400
Outgoing Transfers	250,000
Total Appropriated	\$6,087,275
Estimated Fund Balance June 30, 2022	\$2,397,390

RESOLVED, that this resolution shall be the Community Services Childcare 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 Community Services Childcare Fund of the Chippewa Valley Schools for the fiscal year 2021/2022, originally adopted June 21, 2021, and amended on January 24, 2022, be amended as follows:

Revenue	
Local	\$825,415
State	0
Federal	1,758,801
Transfers & Other	0
Total Revenue	\$2,584,216
Fund Balance July 1, 2021	\$0
Total Available to Appropriate	\$2,584,216

BE IT FURTHER RESOLVED that \$1,948,944 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	\$928,785
Outgoing Transfers	\$1,020,159
Total Appropriated	\$1,948,944
Estimated Fund Balance June 30, 2022	\$635,272

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 amended on January 24, 2022 and March 7, 2022, be amended as follows:

Revenue	
Local	\$11,961,605
State	0
Federal	0
Interdistrict	\$10,505,476
Incoming Transfers & Fund Modifications	\$1,027,893
Total Revenue	\$23,494,974
Fund Balance July 1, 2021	\$896,686
Total Available to Appropriate	\$24,391,660

BE IT FURTHER RESOLVED that \$5,036,605 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	\$673,500
Support Services	341,221
Payments to Other Schools	2,993,140
Fund Modifications	1,028,744
Total Appropriated	\$5,036,605
Estimated Fund Balance June 30, 2022	\$19,355,055

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 Cooperative Activities Fund (which includes both the International Academy of Macomb and the Student Intervention Program) 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 just under \$2.1 million. The increase in revenue is a result of the following updates:

- Transfer of local property tax revenue to the Cooperative Activities Fund in support of the Student Intervention Program (-\$4,944,000)
- Special Education millage increase (+\$473,000)
- MISD Enhancement millage increase (+\$166,000)
- Recognizing ESSER III – Section 11t Equalization grant funds (+\$5,079,000)
- Increase in various other grant funding sources (+\$1,607,000)
- Review and adjustments of other revenue sources as necessary

Projected expenditures for the General Fund increased by just under \$3.3 million from \$179.8 million to \$183.1 million. Significant changes from the 2nd Amended Budget resulted from:

- Net cost increases due to wage adjustments (+\$2,200,000)
- Fund modification contributing to capital projects (+1,000,000)
- Review and adjustments of other expenditure items as appropriate

Total expenditures increased by 1.8% from the 2nd Amended Budget adopted on March 7, 2022. The changes identified produce expenditures exceeding revenue by just over (\$467,000) in the 3rd Amended Budget. The 2nd Amended Budget estimated revenue exceeding expenditures by just over \$722,000. The budget modifications presented above result in a projected June 30, 2022 ending fund balance of \$31.9 million (or 17.4% of budgeted expenditures).

CHIPPEWA VALLEY SCHOOLS
2021-2022 3rd AMENDED
GENERAL FUND BUDGET

	2020-21 Audited Actual	2021-22 Original Budget	2021-22 1st Amended Budget	2021-22 2nd Amended Budget	2021-22 3rd Amended Budget	2021-22 3rd Amended 2021-22 2nd Amended Difference
		June 21, 2021	January 24, 2022	March 7, 2022	June 6, 2022	
Revenue						
Local (1)	\$ 25,877,450	\$ 28,078,235	\$ 27,460,258	\$ 10,696,408	\$ 5,783,453	\$ (4,912,955)
State	\$ 140,261,671	\$ 137,044,096	\$ 142,835,542	\$ 142,894,917	\$ 142,496,980	\$ (397,937)
Federal	\$ 13,110,784	\$ 6,301,952	\$ 6,769,873	\$ 22,155,339	\$ 28,843,992	\$ 6,688,653
Interdistrict	\$ -	\$ -	\$ -	\$ 2,714,785	\$ 3,187,785	\$ 473,000
Incoming Transfers & Other	\$ 920,172	\$ 1,170,172	\$ 2,074,530	\$ 2,074,530	\$ 2,298,904	\$ 224,374
Total Revenue	\$ 180,170,077	\$ 172,594,455	\$ 179,140,203	\$ 180,535,979	\$ 182,611,114	\$ 2,075,135
Expenditures						
Basic Programs	\$ 94,989,375	\$ 82,883,692	\$ 87,206,949	\$ 87,206,949	\$ 87,803,478	\$ 596,529
Added Needs	\$ 22,324,742	\$ 22,535,844	\$ 25,228,392	\$ 25,488,171	\$ 25,560,534	\$ 72,363
Adult & Community Ed	\$ 166,878	\$ 173,896	\$ 144,244	\$ 144,744	\$ 149,394	\$ 4,650
Total Instructional	\$ 117,480,995	\$ 105,593,432	\$ 112,579,585	\$ 112,839,864	\$ 113,513,406	\$ 673,542
Pupil Services	\$ 16,434,289	\$ 16,284,010	\$ 17,219,837	\$ 17,261,084	\$ 17,619,754	\$ 358,670
Instructional Staff Services	\$ 6,512,758	\$ 6,669,118	\$ 8,077,445	\$ 8,924,603	\$ 9,053,636	\$ 129,033
General Administration	\$ 879,669	\$ 928,145	\$ 965,368	\$ 965,368	\$ 910,657	\$ (54,711)
School Administration	\$ 10,440,303	\$ 10,355,097	\$ 10,803,115	\$ 10,803,115	\$ 11,002,774	\$ 199,659
Business Administration	\$ 2,167,253	\$ 2,344,182	\$ 2,913,612	\$ 2,913,612	\$ 2,980,886	\$ 67,274
Operations & Maintenance	\$ 11,535,427	\$ 11,918,995	\$ 12,217,461	\$ 12,198,196	\$ 12,840,032	\$ 641,836
Transportation	\$ 4,039,266	\$ 4,901,097	\$ 4,954,335	\$ 4,954,335	\$ 5,209,377	\$ 255,042
Other Central Services	\$ 4,072,243	\$ 4,814,211	\$ 4,664,424	\$ 4,664,424	\$ 4,557,671	\$ (106,753)
Other Support (Portion Athletics, CTE)	\$ 2,170,520	\$ 2,454,771	\$ 2,452,452	\$ 2,477,905	\$ 2,510,310	\$ 32,405
Total Supporting Services	\$ 58,251,728	\$ 60,669,626	\$ 64,268,049	\$ 65,162,642	\$ 66,685,097	\$ 1,522,455
Total Community Services	\$ 535,741	\$ 866,340	\$ 718,235	\$ 768,235	\$ 837,390	\$ 69,155
Outgoing Transfers & Other	\$ 1,489,483	\$ 1,089,085	\$ 1,042,894	\$ 1,042,894	\$ 2,042,894	\$ 1,000,000
Total Expenditures	\$ 177,757,947	\$ 168,218,483	\$ 178,608,763	\$ 179,813,635	\$ 183,078,787	\$ 3,265,152
Total Revenues Over/<Under> Expenditures	\$ 2,412,130	\$ 4,375,972	\$ 531,440	\$ 722,344	\$ (467,673)	\$ (1,190,017)
Beginning Fund Equity	\$ 29,982,287	\$ 31,101,546	\$ 32,394,417	\$ 32,394,417	\$ 32,394,417	
Ending Fund Equity	\$ 32,394,417	\$ 35,477,518	\$ 32,925,857	\$ 33,116,761	\$ 31,926,744	

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

CHIPPEWA VALLEY SCHOOLS
 2021-2022 3rd AMENDED
 SPECIAL REVENUE FUND
 FOOD SERVICES BUDGET

	2020-21 Audited Actual	2021-22 Original Budget June 21, 2021	2021-22 1st Amended Budget January 24, 2022	2021-22 3rd Amended Budget June 6, 2022	2021-22 3rd Amended 2021-22 1st Amended Difference
Revenue					
Local	\$ 162,127	\$ 701,900	\$ 713,000	\$ 713,000	\$ -
State	\$ 123,094	\$ 132,550	\$ 125,011	\$ 125,011	\$ -
Federal	\$ 2,164,110	\$ 4,343,900	\$ 6,088,338	\$ 6,710,413	\$ 622,075
Incoming Transfers & Other	\$ 170,000	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 2,619,331	\$ 5,178,350	\$ 6,926,349	\$ 7,548,424	\$ 622,075
Expenditures					
Wages	\$ 1,129,171	\$ 1,235,914	\$ 1,350,686	\$ 1,403,300	\$ 52,614
Employee Benefits	\$ 699,488	\$ 784,962	\$ 839,061	\$ 833,672	\$ (5,389)
Food Purchases	\$ 830,595	\$ 2,213,980	\$ 2,973,664	\$ 2,913,903	\$ (59,761)
Other	\$ 164,350	\$ 298,000	\$ 309,000	\$ 310,000	\$ 1,000
Capital Outlay	\$ -	\$ 28,000	\$ 50,000	\$ 376,400	\$ 326,400
Outgoing Transfers	\$ -	\$ 250,000	\$ 250,000	\$ 250,000	\$ -
Total Food Service	\$ 2,823,604	\$ 4,810,856	\$ 5,772,411	\$ 6,087,275	\$ 314,864
Total Revenues Over/<Under> Expenditures	\$ (204,273)	\$ 367,494	\$ 1,153,938	\$ 1,461,149	\$ 307,211
Beginning Fund Equity	\$ 1,140,514	\$ 936,241	\$ 936,241	\$ 936,241	
Ending Fund Equity	\$ 936,241	\$ 1,303,735	\$ 2,090,179	\$ 2,397,390	

CHIPPEWA VALLEY SCHOOLS
 2021-2022 3rd AMENDED
 SPECIAL REVENUE FUND
 COMMUNITY SERVICES CHILDCARE BUDGET

	2020-21 Audited <u>Actual</u>	2021-22 Original <u>Budget</u> June 21, 2021	2021-22 1st Amended <u>Budget</u> January 24, 2022	2021-22 3rd Amended <u>Budget</u> June 6, 2022	2021-22 3rd Amended 2020-21 1st Amended <u>Difference</u>
Revenue					
Local	\$ 199,464	\$ 997,750	\$ 790,390	\$ 825,415	\$ 35,025
Federal	\$ -	\$ -	\$ 1,399,301	\$ 1,758,801	\$ 359,500
Incoming Transfers & Other	\$ 250,303	\$ -	\$ -		\$ -
Total Revenue	\$ 449,767	\$ 997,750	\$ 2,189,691	\$ 2,584,216	\$ 394,525
Expenditures					
Wages/Purchased Services/Supplies,Materials	\$ 449,767	\$ 997,750	\$ 1,393,906	\$ 928,785	\$ (465,121)
	\$ 449,767	\$ 997,750	\$ 1,393,906	\$ 928,785	\$ (465,121)
Outgoing Transfers & Other	\$ -	\$ -	\$ 795,785	\$ 1,020,159	\$ 224,374
Total Expenditures	\$ 449,767	\$ 997,750	\$ 2,189,691	\$ 1,948,944	\$ 224,374
Total Revenues Over/<Under> Expenditures	\$ -	\$ -	\$ -	\$ 635,272	\$ 635,272
Beginning Fund Equity	\$ -	\$ -	\$ -	\$ -	
Ending Fund Equity	\$ -	\$ -	\$ -	\$ 635,272	

CHIPPEWA VALLEY SCHOOLS
 2021-2022 3rd AMENDED
 COOPERATIVE ACTIVITIES FUND
 INTERNATIONAL ACADEMY OF MACOMB & STUDENT INTERVENTION BUDGET

	2020-21 Audited <u>Actual</u>	2021-22 Original <u>Budget</u> June 21, 2021	2021-22 1st Amended <u>Budget</u> January 24, 2022	2021-22 2nd Amended <u>Budget</u> March 7, 2022	2021-22 3rd Amended <u>Budget</u> June 6, 2022	2021-22 3rd Amended 2021-22 2nd Amended <u>Difference</u>
Revenue						
Local (1)	\$ -	\$ -	\$ -	\$ 7,017,150	\$ 11,961,605	\$ 4,944,455
Interdistrict	\$ -	\$ -	\$ -	\$ 7,220,717	\$ 7,344,285	\$ 123,568
Tuition Schools (2)	\$ 3,378,374	\$ 3,378,120	\$ 3,161,191	\$ 3,161,191	\$ 3,161,191	\$ -
Fund Modifications	\$ 1,030,200	\$ 1,030,085	\$ 1,027,893	\$ 1,027,893	\$ 1,027,893	\$ -
Total Revenue	\$ 4,408,574	\$ 4,408,205	\$ 4,189,084	\$ 18,426,951	\$ 23,494,974	\$ 5,068,023
Expenditures						
Instruction	\$ 251,312	\$ 241,000	\$ 302,500	\$ 302,500	\$ 673,500	\$ 371,000
Support Services	\$ 262,660	\$ 362,752	\$ 334,816	\$ 334,816	\$ 341,221	\$ 6,405
Payments to Other Schools	\$ 2,852,360	\$ 2,893,136	\$ 2,993,140	\$ 2,993,140	\$ 2,993,140	\$ -
Fund Modifications	\$ 920,172	\$ 903,953	\$ 1,028,744	\$ 1,028,744	\$ 1,028,744	\$ -
Total Macomb International Academy	\$ 4,286,504	\$ 4,400,841	\$ 4,659,200	\$ 4,659,200	\$ 5,036,605	\$ 377,405
Total Revenues Over/<Under> Expenditures	\$ 122,070	\$ 7,364	\$ (470,116)	\$ 13,767,751	\$ 18,458,369	\$ 4,690,618
Beginning Fund Equity	\$ 774,616	\$ 781,980	\$ 896,686	\$ 896,686	\$ 896,686	
Ending Fund Equity	\$ 896,686	\$ 789,344	\$ 426,570	\$ 14,664,437	\$ 19,355,055	

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

(2) Interdistrict revenue source