

MEMORANDUM

G.6 Approve 2023/2024 Appropriation Act for General and Special Revenue Fund

Mr. Sederlund

RECOMMENDED MOTION: “That the following resolution be adopted by the Chippewa Valley Schools Board of Education to approve the General Fund and Food Service Fund budgets for the 2023/2024 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 2023/2024 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 2023/2024, originally adopted on June 19, 2023, and amended on February 12, 2024, be amended as follows:

Revenue	
Local	\$21,060,450
State	173,437,364
Federal	8,472,242
Interdistrict	11,088,710
Transfers & Others	1,761,026
Total Revenue	\$215,819,792
Fund Balance July 1, 2023	\$36,810,366
Total Available to Appropriate	\$252,630,158

BE IT FURTHER RESOLVED, that \$213,365,751 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	\$93,523,418
Added Needs	33,612,654
Adult and Continuing Education	150,159
Support Services	
Pupil	20,797,754
Instructional Staff	9,183,344
General Administration	1,297,260
School Administration	12,169,675
Business	2,612,544
Operations & Maintenance	17,904,267
Transportation	7,042,557
Central	5,515,638
Other Support (Athletics, CTE)	2,611,576
Community Services	1,052,111
Outgoing Transfers & Other	5,892,794
Total Appropriated	\$213,365,751
Estimated Fund Balance June 30, 2024	\$39,264,407

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 2023/2024 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 2023/2024 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 2023/2024, originally adopted on June 19, 2023, and amended on February 12, 2024, be amended as follows:

Revenue	
Local	\$704,150
State	3,412,399
Federal	5,067,845
Transfers & Other	0
Total Revenue	\$9,184,394
Fund Balance July 1, 2023	\$3,779,356
Total Available to Appropriate	\$12,963,750

BE IT FURTHER RESOLVED, that \$9,373,804 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	\$2,461,748
Employee Benefits	1,224,353
Food Purchases	3,965,608
Other	597,095
Capital Outlay	725,000
Outgoing Transfers	400,000
Total Appropriated	\$9,373,804
Estimated Fund Balance June 30, 2024	\$3,589,946

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 and Food Service 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.

Projected revenue for the General Fund increased by just over \$960,000, from the 1st Amended Budget. The increase in revenue is a result of the following updates:

- An increased enrollment count of 9.5 FTE for Section 25 students (+\$91,000)
- An increased amount of expected fees for services (preschool, community ed., gate receipts) (+\$355,000)
- Net change in MPERS with 147c/c(2) offset revenues (+\$144,900)
- Net increase in revenue from various grant funding sources (+\$322,800)
- Review and adjustments of other revenue sources as appropriate

Projected expenditures for the General Fund increased only \$22,000, bringing the updated figure to just under \$213.4 million. Significant changes from the 1st Amended Budget resulted from:

- Net staffing wage and benefit changes including known leaves, retirements, vacancies, and new staff (+\$27,000)
- Net change in MPERS 147c/c(2) offset expenditures (+\$144,900)
- Increase in grant funded expenditures (+\$322,800)
- Net change in contracted services (-\$372,300)
- Removal of millage election costs to occur in 2024/2025 (-\$175,000)
- Review and adjustments of other expenditure items as appropriate

Total expenditures increased by .01% from the 1st Amended Budget adopted on February 12, 2024. The changes identified produced revenues exceeding expenditures by a little less than \$2.5 million. The 1st Amended Budget estimated revenue exceeding expenditures by just over \$1.5 million. The budget modifications presented above result in a projected June 30, 2024 ending fund balance of \$39.3 million (or 18.4% of budgeted expenditures)

CHIPPEWA VALLEY SCHOOLS
 2023-2024 2nd AMENDED
 GENERAL FUND BUDGET

	2022-23 Audited <u>Actual</u>	2023-24 Original <u>Budget</u> June 19, 2023	2023-24 1st Amended <u>Budget</u> February 12, 2024	2023-24 2nd Amended <u>Budget</u> May 20, 2024	2023-24 2nd Amended 2023-24 1st Amended <u>Difference</u>
Revenue					
Local (1)	\$ 19,561,324	\$ 20,715,813	\$ 20,664,450	\$ 21,060,450	\$ 396,000
State	\$ 161,923,115	\$ 165,234,478	\$ 172,958,354	\$ 173,437,364	\$ 479,010
Federal	\$ 8,318,909	\$ 7,312,791	\$ 8,384,679	\$ 8,472,242	\$ 87,563
Interdistrict	\$ 11,113,849	\$ 11,754,547	\$ 11,088,710	\$ 11,088,710	\$ -
Incoming Transfers & Other	\$ 1,560,109	\$ 1,559,129	\$ 1,761,026	\$ 1,761,026	\$ -
Total Revenue	\$ 202,477,306	\$ 206,576,758	\$ 214,857,219	\$ 215,819,792	\$ 962,573
Expenditures					
Basic Programs	\$ 94,062,227	\$ 94,363,911	\$ 93,531,701	\$ 93,523,418	\$ (8,283)
Added Needs	\$ 29,084,312	\$ 31,986,160	\$ 33,853,878	\$ 33,612,654	\$ (241,224)
Adult & Community Ed	\$ 106,140	\$ 120,101	\$ 149,169	\$ 150,159	\$ 990
Total Instructional	\$ 123,252,679	\$ 126,470,172	\$ 127,534,748	\$ 127,286,231	\$ (248,517)
Pupil Services	\$ 19,448,803	\$ 19,823,346	\$ 21,127,517	\$ 20,797,754	\$ (329,763)
Instructional Staff Services	\$ 8,167,131	\$ 8,862,164	\$ 9,421,382	\$ 9,183,344	\$ (238,038)
General Administration	\$ 965,926	\$ 1,070,847	\$ 1,437,976	\$ 1,297,260	\$ (140,716)
School Administration	\$ 12,070,482	\$ 11,976,221	\$ 12,043,241	\$ 12,169,675	\$ 126,434
Business Administration	\$ 2,574,176	\$ 2,713,224	\$ 2,629,443	\$ 2,612,544	\$ (16,899)
Operations & Maintenance	\$ 14,823,211	\$ 15,253,352	\$ 17,200,789	\$ 17,904,267	\$ 703,478
Transportation	\$ 5,842,068	\$ 6,048,064	\$ 6,862,262	\$ 7,042,557	\$ 180,295
Other Central Services	\$ 4,831,741	\$ 5,093,672	\$ 5,525,447	\$ 5,515,638	\$ (9,809)
Other Support (Portion Athletics, CTE)	\$ 2,689,208	\$ 2,529,112	\$ 2,626,672	\$ 2,611,576	\$ (15,096)
Total Supporting Services	\$ 71,412,746	\$ 73,370,002	\$ 78,874,729	\$ 79,134,615	\$ 259,886
Total Community Services	\$ 834,831	\$ 972,427	\$ 1,041,841	\$ 1,052,111	\$ 10,270
Outgoing Transfers & Other	\$ 3,145,551	\$ 3,145,540	\$ 5,892,794	\$ 5,892,794	\$ -
Total Expenditures	\$ 198,645,807	\$ 203,958,141	\$ 213,344,112	\$ 213,365,751	\$ 21,639
Total Revenues Over/<Under> Expenditures	\$ 3,831,499	\$ 2,618,617	\$ 1,513,107	\$ 2,454,041	\$ 940,934
Beginning Fund Equity	\$ 32,978,867	\$ 35,046,399	\$ 36,810,366	\$ 36,810,366	
Ending Fund Equity	\$ 36,810,366	\$ 37,665,016	\$ 38,323,473	\$ 39,264,407	

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

CHIPPEWA VALLEY SCHOOLS
 2023-2024 2nd AMENDED
 SPECIAL REVENUE FUND
 FOOD SERVICES BUDGET

	2022-23 Audited Actual	2023-24 Original Budget June 19, 2023	2023-24 1st Amended Budget February 12, 2024	2023-24 2nd Amended Budget May 20, 2024	2023-24 2nd Amended 2023-24 1st Amended Difference
Revenue					
Local	\$ 2,273,401	\$ 2,200,600	\$ 804,594	\$ 704,150	\$ (100,444)
State	\$ 334,672	\$ 200,000	\$ 3,473,783	\$ 3,412,399	\$ (61,384)
Federal	\$ 3,668,621	\$ 3,231,850	\$ 5,109,478	\$ 5,067,845	\$ (41,633)
Incoming Transfers & Other	\$ -	\$ -			\$ -
Total Revenue	\$ 6,276,694	\$ 5,632,450	\$ 9,387,855	\$ 9,184,394	\$ (203,461)
Expenditures					
Wages	\$ 1,542,520	\$ 1,552,012	\$ 2,429,793	\$ 2,461,748	\$ 31,955
Employee Benefits	\$ 922,398	\$ 999,922	\$ 1,205,777	\$ 1,224,353	\$ 18,576
Food Purchases	\$ 2,388,307	\$ 2,500,113	\$ 4,129,825	\$ 3,965,608	\$ (164,217)
Other	\$ 364,399	\$ 326,900	\$ 481,695	\$ 597,095	\$ 115,400
Capital Outlay	\$ 311,824	\$ 1,000,000	\$ 1,000,000	\$ 725,000	\$ (275,000)
Outgoing Transfers	\$ 250,000	\$ 250,000	\$ 400,000	\$ 400,000	\$ -
Total Expenditures	\$ 5,779,448	\$ 6,628,947	\$ 9,647,090	\$ 9,373,804	\$ (273,286)
Total Revenues Over/<Under> Expenditures	\$ 497,246	\$ (996,497)	\$ (259,235)	\$ (189,410)	\$ 69,825
Beginning Fund Equity	\$ 3,282,110	\$ 3,500,603	\$ 3,779,356	\$ 3,779,356	
Ending Fund Equity	\$ 3,779,356	\$ 2,504,106	\$ 3,520,121	\$ 3,589,946	