

MEMORANDUM

G.1 Approve 2011/2012 2nd Amended Appropriation Act for General and Special Revenue Funds Mr. Sederlund

RECOMMENDED MOTION: "That the Chippewa Valley Schools Board of Education adopt the following resolution to approve the General Fund and Macomb International Academy 2nd amended budgets for the 2011/2012 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 2011/2012 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 2011/2012 originally adopted June 20, 2011 and amended on December 19, 2011 be amended as follows:

Revenue	
Local	\$20,767,353
State	105,427,335
Federal	5,839,282
Transfers & Others	748,436
Total Revenue	\$132,782,406
Fund Balance July 1, 2011	\$16,944,274
Total Available to Appropriate	\$149,726,680

BE IT FURTHER RESOLVED, that \$133,808,592 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	\$71,707,895
Added Needs	14,311,609
Adult and Continuing Education	158,810

Support Services	
Pupil	12,600,184
Instructional Staff	3,532,908
General Administration	635,917
School Administration	8,235,121
Business	2,635,328
Operations & Maintenance	9,315,190
Transportation	4,040,097
Central	2,472,821
Other Support (Athletics, CTE)	2,062,923
Community Services	1,093,179
Outgoing Transfers & Other	1,006,610
Total Appropriated	\$133,808,592
Estimated Fund Balance June 30, 2012	\$15,918,088

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 2011/2012 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 International Academy of Macomb Fund Appropriation Act of Chippewa Valley Schools for fiscal year 2011/2012 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 2011/2012 originally adopted June 20, 2011 and amended on December 19, 2011 be amended as follows:

Revenue	
Local	\$0
State	0
Federal	0
Incoming Transfers & Fund Modifications	\$3,742,433
Total Revenue	\$3,742,433
Fund Balance July 1, 2011	\$1,790,458
Total Available to Appropriate	\$5,532,891

BE IT FURTHER RESOLVED that \$3,666,816 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	\$341,000
Support Services	436,198
Payments to Other Schools	2,371,182
Fund Modifications	518,436

Total Appropriated \$3,666,816

Estimated Fund Balance June 30, 2012 \$1,823,924

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 7.65 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 on approval by Board of Education.

RATIONALE: The 201/12012 2nd amended budget for the General Fund and the Macomb International Academy Fund has been prepared by the Administration. The primary focus of the 2nd amended budget is to update grant related revenue and expenditures to correspond to grant budgets submitted to State. Non grant revenue and expenditures categories are also reviewed and adjusted for significant changes (schedules have been prepared showing adjustments).

With this amendment, General Fund expenditures are projected to exceed General Fund revenue by \$1,026,186 (in the previous December amendment, expenditures exceeded revenue by \$2,537,604).

As with the first amendment of this school year, the second amended budget is primarily attributable to changes in revenues. With the second amended budget, revenues improved by about \$1.6 million due mainly to grant funds (\$700,000), Medicaid payment from the ISD (\$330,000), DTE rebate payment (\$120,000), delinquent property taxes (\$170,000), and miscellaneous other revenue changes (\$300,000).

On the expenditure side, total expenditures increased by a net of only about \$100,000. A decrease in expenditures from health and dental insurance (-\$400,000) and utilities (-\$220,000) was offset by increases in substitute costs (+\$300,000), property tax refunds (+\$375,000) and grant expenditure increases (+\$400,000). All other General Fund expenditures decreased by about \$300,000.

CHIPPEWA VALLEYS SCHOOLS
2ND AMENDED- 2011-2012
GENERAL FUND BUDGET

	2009-10 Audited <u>Actual</u>	2010-11 Audited <u>Actual</u>	2011-12 Original <u>Budget</u>	2011-12 1st Amended <u>Budget</u>	2011-12 2nd Amended <u>Budget</u>	2011-12 2nd Amended 11-12 1st Amended Budget <u>Difference</u>
Revenue		Includes Athletics & CTE	June 20, 2011 Includes Athletics & CTE	December 19, 2011 Includes Athletics & CTE	June 4, 2012 Includes Athletics & CTE	
Local (1)	\$ 21,055,944	\$ 21,545,302	\$ 19,878,500	\$ 20,121,595	\$ 20,767,353	\$ 645,758
State	\$ 97,994,090	\$ 102,315,156	\$ 103,666,024	\$ 104,916,935	\$ 105,427,335	\$ 510,400
Federal	\$ 10,308,295	\$ 11,761,923	\$ 5,198,590	\$ 5,382,613	\$ 5,839,282	\$ 456,669
Incoming Transfers & Other	\$ 648,879	\$ 743,514	\$ 744,241	\$ 725,871	\$ 748,436	\$ 22,565
Total Revenue	\$ 130,007,208	\$ 136,365,895	\$ 129,487,355	\$ 131,147,014	\$ 132,782,406	\$ 1,635,392
Expenditures						
Basic Programs	\$ 71,243,530	\$ 71,650,927	\$ 71,451,193	\$ 71,900,277	\$ 71,707,895	\$ (192,382)
Added Needs	\$ 13,773,388	\$ 13,589,745	\$ 13,930,597	\$ 13,992,050	\$ 14,311,609	\$ 319,559
Adult & Community Ed	\$ 247,647	\$ 195,122	\$ 215,469	\$ 125,381	\$ 158,810	\$ 33,429
Total Instructional	\$ 85,264,565	\$ 85,435,795	\$ 85,597,259	\$ 86,017,708	\$ 86,178,314	\$ 160,606
Pupil Services	\$ 11,228,325	\$ 12,031,805	\$ 12,038,401	\$ 12,619,802	\$ 12,600,184	\$ (19,618)
Instructional Staff Services	\$ 4,472,042	\$ 4,039,572	\$ 4,206,809	\$ 3,761,701	\$ 3,532,908	\$ (228,793)
General Administration	\$ 731,374	\$ 691,785	\$ 788,816	\$ 663,856	\$ 635,917	\$ (27,939)
School Administration	\$ 8,344,803	\$ 8,179,737	\$ 8,169,918	\$ 8,216,655	\$ 8,235,121	\$ 18,466
Business Administration	\$ 2,028,547	\$ 1,934,373	\$ 1,939,477	\$ 2,226,352	\$ 2,635,328	\$ 408,976
Operations & Maintenance	\$ 11,147,566	\$ 9,890,450	\$ 10,149,926	\$ 9,528,672	\$ 9,315,190	\$ (213,482)
Transportation	\$ 4,288,758	\$ 4,231,715	\$ 4,364,328	\$ 4,074,016	\$ 4,040,097	\$ (33,919)
Other Central Services	\$ 3,168,355	\$ 2,452,178	\$ 2,555,361	\$ 2,429,906	\$ 2,472,821	\$ 42,915
Other Support (Portion Athletics, CTE)	\$ -	\$ 1,969,402	\$ 2,064,632	\$ 2,103,655	\$ 2,062,923	\$ (40,732)
Total Supporting Services	\$ 45,409,770	\$ 45,421,016	\$ 46,277,668	\$ 45,624,615	\$ 45,530,489	\$ (94,126)
Total Community Services	\$ 891,544	\$ 939,396	\$ 1,054,261	\$ 1,034,295	\$ 1,093,179	\$ 58,884
Outgoing Transfers & Other	\$ 1,638,421	\$ 782,839	\$ 780,651	\$ 1,008,000	\$ 1,006,610	\$ (1,390)
Total Expenditures	\$ 133,204,300	\$ 132,579,046	\$ 133,709,839	\$ 133,684,618	\$ 133,808,592	\$ 123,974
Total Revenues Over/<Under>	\$ (3,197,092)	\$ 3,786,849	\$ (4,222,484)	\$ (2,537,604)	\$ (1,026,186)	
Beginning Fund Equity	16,354,516	13,157,424	15,728,005	16,944,274	16,944,274	
Ending Fund Equity	\$ 13,157,424	\$ 16,944,274	\$ 11,505,521	\$ 14,406,670	\$ 15,918,088	

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

2011-12 SPECIAL REVENUE FUND 2ND AMENDED MACOMB INTERNATIONAL ACADEMY BUDGET

	2009-10	2010-11	2011-12	2011-12	2011-12	2011-12 2nd Amended
	<u>Actual</u>	<u>Actual</u>	<u>Original</u> <u>Budget</u>	<u>1st Amended</u> <u>Budget</u>	<u>2nd Amended</u> <u>Budget</u>	<u>2011-12 1st Amended</u> <u>Difference</u>
Revenue						
Tuition Schools	\$ 1,925,145	\$ 2,147,899	\$ 2,699,926	\$ 2,734,841	\$ 2,735,075	\$ 234
Other Revenue	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Modifications	\$ -	\$ 782,839	\$ 986,440	\$ 1,007,418	\$ 1,007,358	\$ (60)
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 3,425,145	\$ 2,930,738	\$ 3,686,366	\$ 3,742,259	\$ 3,742,433	\$ 174
Expenditures						
Instruction	\$ 362,138	\$ 305,345	\$ 326,000	\$ 341,000	\$ 341,000	\$ -
Support Services	\$ 382,286	\$ 397,783	\$ 408,173	\$ 436,198	\$ 436,198	\$ -
Payments to Other Schools	\$ 1,036,508	\$ 1,667,991	\$ 2,394,290	\$ 2,344,774	\$ 2,371,182	\$ 26,408
Fund Modifications	\$ 338,576	\$ 483,514	\$ 483,152	\$ 495,871	\$ 518,436	\$ 22,565
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Macomb International Academy	\$ 2,119,508	\$ 2,854,633	\$ 3,611,615	\$ 3,617,843	\$ 3,666,816	\$ 48,973
Total Revenues Over/<Under> Expenditures	\$ 1,305,637	\$ 76,105	\$ 74,751	\$ 124,416	\$ 75,617	
Beginning Fund Equity	\$ 366,566	\$ 1,672,202	\$ 1,715,707	\$ 1,748,307	\$ 1,748,307	
Ending Fund Equity	\$ 1,672,202	\$ 1,748,307	\$ 1,790,458	\$ 1,872,723	\$ 1,823,924	