

FISCAL YEAR 2017-2018
GENERAL FUND OPERATING
SCHOOL SERVICE FUND
AMENDMENT A
BUDGETS
NOVEMBER 20, 2017



The purpose of the Lakeview School District Board of Education is to represent the public's interest in providing educational programs in a safe learning environment that develop knowledgeable, healthy, socially responsible citizens in the global community.

15 Arbor Street
Battle Creek, MI 49015

**LAKEVIEW SCHOOL DISTRICT
2017-18 BUDGET AMENDMENT A ASSUMPTIONS**

A budget is both a legal requirement and an operational document. It is based upon best assumptions and related estimates for both revenues and expenditures. It provides parameters for the expenditure of funds relating to operating the District's instructional programs and support functions. As data relating to assumptions and estimates is clarified, the budget can and will be revised appropriately.

Four separate funds are now required to account for the ongoing activities of the school district. Board approval is not required for the Debt Retirement Fund or Capital Project Funds under the Uniform Budgeting and Accounting Act (MCL 141.422a), however, we bring the budget for the Capital Project Non-Bond Fund to the Board because of the nature of the expenditures and the restrictions the Board and administration have placed on portions of the fund balances within this fund. Below are the assumptions and rationale that were used in the development of each of the budgets:

COMBINED GENERAL FUND - Includes Athletics as required under GASB 54

This budget reflects:

- For the General Fund portion of the Combined General Fund, the base of the budget is made up of State Aid Foundation allowance, along with property tax revenue and State and Federal grants. A fair representation of what is expected for the program in 2017-18

Highlights of the changes from the adopted budget are as follows:

- General Fund Revenue:
 1. Enrollment based on blended count of 4,124.98 this is an increase of 11.28 FTE of 4113.7 that was used in the approved budget.
 2. Received MPERS 147a (2) of \$129,426.13 that was not expected when approved budget was prepared.
 3. Additional \$25 per FTE for High School Students has been included.
 4. Reduction in transfers due to change in accounting for athletic costs, see note in athletic budget.
 5. Reduction of local funds reflects that the original budget had grants and payments of camp and these are only now reflecting the amounts that have been received as some grants and contributions are not ongoing. This will be adjusted with the related expenses in future revision as they are received.

- General Fund Expenses:
 1. Superintendent and Finance Director in collaboration with department heads reviewed budgets. Areas were reduced where appropriate, then funds were reallocated to areas based on priorities set by the Superintendent. This has resulted in some reallocation of funds within function codes.
 2. Added funding for equity contract.
 3. Added back the assumed savings for utilities for Minges and Prairieview with the consensus being that the savings for heat would be offset with additional cooling costs.
 4. The original budget was based on 2016-17 budget with factors for steps and contract changes, this reflects the salaries and benefit with current staff and staffing plans.
 5. Reduced overtime budgets.
 6. Added funds for system improvements for tracking professional development and the hiring process.
 7. Additional funds to support marching band due to staffing changes.

- Athletics:
 1. A fair representation of what is expected for the athletics program in 2017-18.
 2. Revenues and expenses were adjusted based on actuals for fall sports.
 3. Revenue and expenses reflect changes in the way costs and revenues were booked based on past agreements that caused some transfers to and from general fund. These have been simplified to show all the costs of athletics within the athletics fund and we no longer show the fund balance for athletics as assigned.

SCHOOL SERVICE FUND - Food Service

This budget reflects:

A fair representation of what is expected for the program in 2017-18.

This budget reflects:

1. The assumption that revenue will stay the same course as expected with the original budget.
2. Salary and benefits adjusted to more accurate costs with the final decision of the Assistant Food Service Director and also reducing the Summer Feeding Program overtime.
3. A reduction in Professional Development, due to the Food Service Director was not able to attend the October conference.
4. An increase in Capital Outlay, addition a replacement oven for the Middle School, oven racks and storage racks at Minges Brook and Prairieview.
5. Adjusted indirect cost to actual indirect cost rate for the 2017-18 year.

PUBLIC IMPROVEMENT FUND/CAPITAL PROJECTS NON-BOND FUND

No changes were made for this amendment.

**LAKEVIEW SCHOOL DISTRICT
 APPROPRIATIONS RESOLUTION FOR ADOPTION BY THE BOARD OF EDUCATION
 FISCAL YEAR 2017-18**

RESOLVED, that this resolution shall be the general appropriations of the Lakeview School District for the fiscal year 2017-18: A resolution to make appropriations; to provide for the expenditure of the appropriations; and to provide for the disposition of all income received by the Lakeview School District.

Be it further resolved that the total revenues and unappropriated fund balance estimated to be available for appropriations in the General Fund of the Lakeview School District for the fiscal year 2017-18 which includes 18 mills of ad valorem taxes to be levied on non-homestead and non-qualified agricultural property to be used for operating purposes be approved as follows:

Revenue:	
Local	5,003,527
State	32,964,881
Federal	811,200
Incoming Transfers & Other Transactions	1,951,987
Total Revenue	40,731,595
Combined Fund Balance, July 1, 2017	6,162,398
Less Non-spendable Fund Balance (projected)	94,818
Less Assigned Fund Balance for Subsequent Year Deficit (projected)	0
Less Assigned Fund Balance for Future Operations (projected)	0
Less Assigned Fund Balance for Technology (projected)	0
Less Assigned Fund Balance for Comp. Absences (projected)	97,537
	5,970,043
Fund Balance Available to Appropriate	
	46,701,638

Be it further resolved that \$40,725,645 of the total available to appropriate in the General Fund is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:	
<i>Basic Instruction:</i>	
Basic Programs	20,542,752
Added Needs	5,011,338
Adult and Continuing Education	0
<i>Support Services:</i>	
Pupil Services	1,991,408
Instruction Staff Services	1,648,508
General Administration Services	544,652
School Administration Services	2,612,383
Business Services	766,502
Operation and Maintenance Services	3,211,690
Pupil Transportation Services	1,180,369
Other Supporting Services	2,535,967
<i>Community Services</i>	365,303
TOTAL EXPENDITURES	40,410,872
<i>Outgoing Transfers/Other Transactions</i>	314,773
TOTAL APPROPRIATED	40,725,645

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 of the Board.

THIS RESOLUTION TAKES EFFECT NOVEMBER 20, 2017

LAKEVIEW SCHOOL DISTRICT
GENERAL FUND BUDGET
FOR FISCAL YEAR ENDING
JUNE 30, 2018

	AUDITED 2012-13	AUDITED 2013-14	AUDITED 2014-15	AUDITED 2015-16	AUDITED 2016-17	ADOPTED 2017-18	PROPOSED AMENDMENT A 2017-18	VARIANCE
REVENUES:								
Local Sources	5,251,864	5,349,091	6,424,062	6,417,245	5,977,718	4,844,341	4,759,170	(85,171)
State Sources	26,379,067	27,198,967	28,162,698	29,964,243	31,336,203	32,693,750	32,964,881	271,131
Federal Sources	559,643	544,145	559,730	649,946	618,364	726,468	811,200	84,732
Incoming Transfers & Other Transactions	1,414,971	1,642,598	1,758,689	1,572,803	1,873,664	2,019,093	1,951,987	(67,106)
TOTAL REVENUES & TRANSFERS	33,605,545	34,734,801	36,905,179	38,604,237	39,805,949	40,283,652	40,487,238	203,586
EXPENDITURES:								
BASIC INSTRUCTION:								
Basic Programs	17,911,134	18,972,229	18,871,060	19,600,418	20,608,824	20,768,545	20,539,752	(228,793)
Added Needs	3,595,810	3,746,920	4,043,813	4,027,103	4,170,775	4,510,869	5,011,338	500,469
Adult and Continuing Education								
SUPPORT SERVICES:								
Pupil Services	1,037,101	1,076,612	1,304,907	1,527,212	1,784,812	1,948,230	1,988,408	40,178
Instruction Staff Services	988,035	1,097,527	1,649,938	1,888,257	2,039,870	2,119,697	1,648,508	(471,189)
General Administration Services	365,601	389,833	450,405	495,402	734,765	467,851	544,652	76,801
School Administration Services	2,219,137	2,335,088	2,326,745	2,494,815	2,509,934	2,522,912	2,612,383	89,471
Business Services	789,859	639,764	649,619	626,105	646,085	722,147	763,540	41,393
Operation and Maintenance Services	3,275,080	3,402,664	3,136,234	3,236,687	3,189,731	3,213,308	3,211,548	(1,760)
Pupil Transportation Services	1,048,942	1,153,371	1,000,740	1,056,882	1,101,251	1,146,932	1,140,437	(6,495)
Other Supporting Services	1,501,593	1,671,500	1,591,098	2,007,827	1,513,190	1,590,819	1,704,061	113,242
COMMUNITY SERVICES	741,421	684,179	743,052	658,583	538,131	399,077	355,157	(43,920)
TOTAL EXPENDITURES	33,473,713	35,169,687	35,767,611	37,618,790	38,837,367	39,410,387	39,519,784	109,397
OUTGOING TRANSFERS/OTHER TRANSACTIONS	693,400	759,831	783,216	1,024,789	972,881	958,552	953,483	(5,069)
TOTAL APPROPRIATED	34,167,113	35,929,518	36,550,827	38,643,579	39,810,248	40,368,939	40,473,267	104,328
EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES	(561,568)	(1,194,717)	354,352	(39,343)	(4,299)	(85,287)	13,971	
<i>Fund Balance at beginning of year</i>	7,535,899	6,974,331	5,779,614	6,133,965	6,094,623	6,090,324	6,090,324	
<i>Non-spendable Fund Balance</i>	102,090	67,234	92,197	69,361	90,831	90,831	37,010	
<i>Assigned Fund Balance</i>	1,520,721	971,443	350,403	822,824	189,674	189,674	97,537	
<i>Unassigned Fund Balance at end of year</i>	5,351,520	4,740,937	5,691,366	5,202,438	5,809,819	5,724,532	5,969,748	
Fund Balance as a % of Expenditures (net of Sec 147c expenses)	20.63%	16.55%	17.61%	16.76%	16.36%	15.89%	16.11%	
17% Cashflow Requirement (net of Sec 147c expenses)	5,746,155	5,937,833	5,922,448	6,180,077	6,329,317	6,424,295	6,442,031	
Amount Available for Use	1,228,176	(158,219)	211,517	(85,454)	(238,993)	(419,258)	(337,736)	

PLEASE NOTE: EFFECTIVE WITH THE 2010-11 BUDGET YEAR, THE COMBINED FINANCIAL ACTIVITY FOR THE GENERAL FUND WILL ALSO INCLUDE THE FINANCIAL ACTIVITY ASSOCIATED WITH THE DISTRICT'S ATHLETIC ACTIVITIES IN ACCORDANCE WITH GASB 54. WHILE OUTGOING TRANSFERS ARE SHOWN HERE FOR COMPARATIVE PURPOSES, THE PORTION ASSOCIATED WITH ATHLETICS WILL BE ELIMINATED AGAINST THE INCOMING TRANSFERS WHEN COMBINED WITH THE ACTIVITY OF THE ATHLETIC FUND FOR PURPOSES OF THE 2017-18 BUDGET ADOPTION RESOLUTION.

LAKEVIEW SCHOOL DISTRICT
GENERAL FUND ATHLETICS BUDGET
FOR FISCAL YEAR ENDING JUNE 30, 2018

	AUDITED 2012-13	AUDITED 2013-14	AUDITED 2014-15	AUDITED 2015-16	AUDITED 2016-17	ADOPTED 2017-18	PROPOSED AMENDMENT A 2017-18	VARIANCE
REVENUES:								
Local Sources	294,528	329,871	256,422	253,070	259,393	248,065	244,357	(3,708)
State Sources		0	0	0	0	0		-
Federal Sources		0	0	0	0	0		-
Incoming Transfers & Other Transfers	636,387	640,500	608,363	628,637	649,519	637,337	638,710	1,373
TOTAL REVENUES & TRANSFERS	930,915	970,371	864,785	881,707	908,911	885,402	883,067	(2,335)
EXPENDITURES:								
Salaries	406,234	453,406	431,256	430,637	440,464	443,211	435,564	(7,647)
Employee Benefits	152,638	185,770	193,977	211,218	217,946	226,821	225,247	(1,574)
Purchased Services	157,251	125,356	63,658	62,362	81,302	91,103	87,658	(3,445)
Supplies	159,165	145,665	123,697	128,790	136,939	74,002	111,920	37,918
Capital Outlay	12,078	33,835	31,913	21,728	27,969	8,992	7,738	(1,254)
Dues & Fees	24,570	24,161	19,203	20,110	23,362	22,943	22,961	18
TOTAL EXPENDITURES	911,936	968,194	863,704	874,844	927,982	867,072	891,088	24,016
OUTGOING TRANSFERS/OTHER TRANSACTIONS								
TOTAL APPROPRIATED	911,936	968,194	888,884	900,024	953,162	892,252	891,088	(25,180)
EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES								
	18,979	2,178	(24,099)	(18,318)	(44,251)	(6,850)	(8,021)	
<i>Fund Balance at beginning of year</i>	137,586	156,564	158,742	134,643	116,325	72,074	72,074	
<i>Non-Spendable Fund Balance</i>	2,159	6,459	6,671	4,360	3,987	3,987	8,431	
<i>Unassigned Fund Balance at end of year</i>	154,405	152,283	127,972	111,965	68,088	61,238	55,623	

PLEASE NOTE: EFFECTIVE WITH THE 2010-11 BUDGET YEAR, THE FINANCIAL ACTIVITY ASSOCIATED WITH ATHLETIC ACTIVITIES IS REQUIRED TO BE REPORTED AS PART OF THE GENERAL FUND AS THE ATHLETIC FUND IS NO LONGER CONSIDERED TO BE A SPECIAL REVENUE FUND IN ACCORDANCE WITH GASB 54. WHILE INCOMING TRANSFERS ARE SHOWN HERE FOR COMPARATIVE PURPOSES, THEY WILL BE ELIMINATED AGAINST OUTGOING TRANSFERS WHEN COMBINED WITH THE GENERAL FUND ACTIVITY FOR PURPOSES OF THE 2017-18 BUDGET ADOPTION RESOLUTION FOR THE GENERAL FUND. FUND BALANCE ATTRIBUTABLE TO THE ATHLETIC FUND WILL BE RECORDED AS AN ASSIGNED FUND BALANCE WITHIN THE GENERAL FUND.

**LAKEVIEW SCHOOL DISTRICT
RESOLUTION FOR ADOPTION SCHOOL SERVICE FUND
FOR FISCAL YEAR ENDED JUNE 30, 2018**

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the School Service Fund of the Lakeview School District for fiscal year 2017-18 be approved as follows:

Revenue:	
Local	1,015,653
State	72,966
Federal	1,486,947
Incoming Transfers & Other Transactions	<u>1,260</u>
Total Revenue	<u>2,576,826</u>
Fund Balance, July 1, 2017 (audited)	650,540
Less Non-Spendable Fund Balance (estimated)	<u>20,065</u>
Restricted Fund Balance Available to appropriate	<u>630,475</u>
Total Available to appropriate	<u><u>3,207,301</u></u>

BE IT FURTHER RESOLVED, that \$2,841,776 of the total to appropriate in the School Service Fund is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:	
Food Service	2,708,677
TOTAL EXPENDITURES	<u>2,708,677</u>
<i>Outgoing Transfers/Other Transactions</i>	<u>133,099</u>
TOTAL APPROPRIATED	<u><u>2,841,776</u></u>

THIS RESOLUTION TAKES EFFECT NOVEMBER 20, 2017

**LAKEVIEW SCHOOL DISTRICT
SCHOOL SERVICE FUND FOOD SERVICE BUDGET
FOR FISCAL YEAR ENDING JUNE 30, 2018**

	AUDITED 2012-13	AUDITED 2013-14	AUDITED 2014-15	AUDITED 2015-16	AUDITED 2016-17	ADOPTED ORIGINAL 2017-18	PROPOSED AMEND A 2017-18	VARIANCE
REVENUES:								
Local Sources	862,531	850,524	945,878	998,805	1,008,640	1,015,163	1,015,653	490
State Sources	78,418	58,618	67,884	68,971	72,966	72,966	72,966	-
Federal Sources	1,156,711	1,228,749	1,222,833	1,395,059	1,510,115	1,486,947	1,486,947	-
Incoming Transfers & Other Transactions	900	1,070	1,050	4,773	1,260	1,260	1,260	-
TOTAL REVENUES & TRANSFERS	2,098,560	2,138,961	2,237,645	2,467,609	2,592,981	2,576,336	2,576,826	490
EXPENDITURES:								
Salaries	464,834	493,077	532,824	578,911	612,527	657,448	647,483	(9,965)
Employee Benefits	274,099	293,690	358,406	372,168	373,249	423,953	429,579	5,626
Purchased Services	41,874	41,375	52,494	61,780	62,340	65,373	68,519	3,146
Supplies and other Expense	1,008,639	1,066,972	1,037,131	1,205,416	1,250,606	1,296,470	1,295,828	(642)
Dues and Fees	45,766	13,238	11,515	12,896	13,983	19,158	19,178	20
Capital Outlay	10,502	10,083	50,424	67,694	129,721	174,800	248,090	73,290
TOTAL EXPENDITURES	1,845,714	1,918,435	2,042,794	2,298,865	2,442,426	2,637,202	2,708,677	71,475
OUTGOING TRANSFERS/OTHER TRANSACTIONS								
TOTAL APPROPRIATED	121,475	128,799	144,468	159,705	139,684	155,068	133,099	(21,969)
	1,967,189	2,047,233	2,187,262	2,458,571	2,582,110	2,792,270	2,841,776	49,506
EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES								
	131,371	91,727	50,383	9,038	10,871	(215,934)	(264,950)	
<i>Fund Balance at beginning of year</i>	357,151	488,522	580,249	630,631	639,669	650,540	650,540	
<i>Non-Spendable Fund Balance</i>	24,353	29,281	30,156	29,456	20,065	20,065	20,065	
<i>Restricted Fund Balance at end of year</i>	464,169	550,968	600,475	610,213	630,475	414,541	365,525	