

FISCAL YEAR 2018-19  
GENERAL FUND OPERATING  
SCHOOL SERVICE FUND  
CAPITAL PROJECT FUND  
BUDGETS  
NOVEMBER 19, 2018



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  
2018-19 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 2018-19.

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

- **General Fund Revenue:**
  1. Enrollment is down by a preliminary number of 42.2 FTE from the approved budget. The new blended count used for the budget is 4,023.6; this is based on the preliminary numbers from the October count. A portion of the decrease is due to the change in not being able to count and claim our international students for state aid. Due to the change, we are also down on the number of international students that we accepted and charged tuition for this resulted in an additional loss of \$54,000 of tuition.
  2. Picked up an additional \$161,000 in property taxes.
  3. Will receive \$200,000 for the sale of the cell tower that will help to offset the loss of state aid revenue.
  4. Received increase of MPERS in 147a and 147c of ~\$162,000.
  5. Received increase in indirect cost rate from Food Service and this resulted in an increase in transfer to general fund of \$60,300.

- General Fund Expenditures:
  1. Salaries and fringes were updated with current staff. We updated the workers compensation with current rates, along with health insurance, retirement, and UAAL.
  2. Removed \$100,000 that was earmarked for equity.
  3. Reduced technology by \$50,000 as we were able to purchase some of the needed items at the end of last year and therefore can reduce this year's budget.
  4. Difficulty in obtaining subs has resulted in review of rates, and based on rates paid by other Calhoun County schools, we have increased sub rates to be competitive. We increased the rate for full day from \$80 to \$100 per day and that is reflected in the amendment.
  5. \$30,000 was reduced from human resources in contracted services.
  6. The original budget contained \$50,000 for a principal mentor program; this has been removed to offset the reduction in student fte.
  7. Small increase in the transfer to athletics of ~\$4,000 to cover increase costs due to updating salaries and benefits with current staffing.
- Athletics:
  1. A fair representation of what is expected for the athletics program in 2018-19.
  2. Salaries and related benefits were updated based on current staff; this resulted in a small change of ~\$4,000 transfer from general fund to cover the increased costs.

#### **SCHOOL SERVICE FUND - Food Service**

This budget reflects:

A fair representation of what is expected for the program in 2018-19.

1. An increase in local source revenue of ~\$12,400 due to increased catering services.
2. State Revenue adjusted to 2018-19 actuals - decrease of ~\$2,200.
3. An overall decrease in Federal Reimbursement revenue of ~\$20,800 with a combination of an equipment grant and two months of actuals for the summer program coming in less than expected.
4. Salary costs increased ~\$70,800 due to staffing adjustments including actual hires, catering staff, and the change in aide coverage in the lunchrooms.
5. Benefit costs increase of ~\$41,200 in conjunction with salary costs.
6. A decrease in supply costs of ~\$48,500 primarily related to lower costs for summer food.
7. A decrease in Capital Outlay of ~\$62,000 due to overlap in grant purchases.
8. An increase in the transfer from the Food Service Fund to the General Fund for the reimbursement of indirect costs of ~\$60,300; due to the indirect rate going from 10.99% to 14.47%.

#### **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 2018-19**

RESOLVED, that this resolution shall be the general appropriations of the Lakeview School District for the fiscal year 2018-19: 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 2018-19 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	5,406,812
State	33,393,768
Federal	672,555
Incoming Transfers & Other Transactions	<u>2,153,507</u>
Total Revenue	<u>41,626,642</u>
Combined Fund Balance, July 1, 2018 (audited)	6,508,700
Less Non-spendable Fund Balance (audited)	81,574
Less Assigned Fund Balance for Subsequent Year Deficit (audited)	0
Less Assigned Fund Balance for Future Operations (audited)	0
Less Assigned Fund Balance for Technology (audited)	0
Less Assigned Fund Balance for Comp. Absences (audited)	<u>179,991</u>
Fund Balance Available to Appropriate	<u>6,247,135</u>
Total Available to Appropriate	<u><u>47,873,777</u></u>

Be it further resolved that \$41,626,773 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	20,237,254
Added Needs	5,066,758
Adult and Continuing Education	0
<i>Support Services:</i>	
Pupil Services	2,388,531
Instruction Staff Services	1,959,649
General Administration Services	498,632
School Administration Services	2,715,829
Business Services	778,439
Operation and Maintenance Services	3,371,838
Pupil Transportation Services	1,259,510
Other Supporting Services	2,534,168
<i>Community Services</i>	<u>393,434</u>
<b>TOTAL EXPENDITURES</b>	<u>41,204,042</u>
<i>Outgoing Transfers/Other Transactions</i>	<u>422,731</u>
<b>TOTAL APPROPRIATED</b>	<u><u>41,626,773</u></u>

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 19, 2018**

LAKEVIEW SCHOOL DISTRICT  
GENERAL FUND BUDGET  
FOR FISCAL YEAR ENDING  
JUNE 30, 2019

	AUDITED 2013-14	AUDITED 2014-15	AUDITED 2015-16	AUDITED 2016-17	AUDITED 2017-18	ADOPTED ORIGINAL 2018-19	PROPOSED AMEND A 2018-19	VARIANCE
<b>REVENUES:</b>								
Local Sources	5,349,091	6,424,062	6,417,245	5,977,718	4,983,901	4,697,178	5,129,841	432,663
State Sources	27,198,967	28,162,698	29,964,243	31,336,203	33,666,366	33,600,122	33,393,768	(206,354)
Federal Sources	544,145	559,730	649,946	618,364	702,680	619,255	672,555	53,300
Incoming Transfers & Other Transactions	1,642,598	1,758,689	1,572,803	1,873,664	1,825,220	1,993,946	2,153,507	159,561
<b>TOTAL REVENUES &amp; TRANSFERS</b>	<b>34,734,801</b>	<b>36,905,179</b>	<b>38,604,237</b>	<b>39,805,949</b>	<b>41,178,167</b>	<b>40,910,501</b>	<b>41,349,671</b>	<b>439,170</b>
<b>EXPENDITURES:</b>								
<b>BASIC INSTRUCTION:</b>								
Basic Programs	18,972,229	18,871,060	19,600,418	20,608,824	20,510,917	20,046,226	20,234,209	187,983
Added Needs	3,746,920	4,043,813	4,027,103	4,170,775	4,807,075	4,992,948	5,066,758	73,810
Adult and Continuing Education								
<b>SUPPORT SERVICES:</b>								
Pupil Services	1,076,612	1,304,907	1,527,212	1,784,812	1,927,686	2,288,331	2,385,531	97,200
Instruction Staff Services	1,097,527	1,649,938	1,888,257	2,039,870	1,463,214	2,057,892	1,959,649	(98,243)
General Administration Services	389,833	450,405	495,402	734,765	581,653	494,242	498,632	4,390
School Administration Services	2,335,088	2,326,745	2,494,815	2,509,994	2,576,218	2,765,227	2,715,829	(49,398)
Business Services	639,764	649,619	626,105	646,085	738,739	763,569	775,592	12,023
Operation and Maintenance Services	3,402,664	3,136,234	3,236,687	3,189,731	3,244,888	3,294,626	3,370,832	76,206
Pupil Transportation Services	1,153,371	1,000,740	1,056,382	1,101,251	1,194,299	1,208,610	1,218,089	9,479
Other Supporting Services	1,671,500	1,591,098	2,007,827	1,513,190	1,802,312	1,800,245	1,636,752	(163,493)
<b>COMMUNITY SERVICES</b>	<b>684,179</b>	<b>743,052</b>	<b>658,583</b>	<b>538,131</b>	<b>341,490</b>	<b>350,684</b>	<b>392,829</b>	<b>42,145</b>
<b>TOTAL EXPENDITURES</b>	<b>35,169,687</b>	<b>35,767,611</b>	<b>37,618,790</b>	<b>38,837,367</b>	<b>39,188,490</b>	<b>40,062,600</b>	<b>40,254,702</b>	<b>192,102</b>
<b>OUTGOING TRANSFERS/OTHER TRANSACTIONS</b>	<b>759,831</b>	<b>783,216</b>	<b>1,024,789</b>	<b>972,881</b>	<b>1,647,494</b>	<b>968,070</b>	<b>1,095,100</b>	<b>127,030</b>
<b>TOTAL APPROPRIATED</b>	<b>35,929,518</b>	<b>36,550,827</b>	<b>38,643,579</b>	<b>39,810,248</b>	<b>40,835,984</b>	<b>41,030,670</b>	<b>41,349,802</b>	<b>319,132</b>
<b>EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES</b>	<b>(1,194,717)</b>	<b>354,352</b>	<b>(39,343)</b>	<b>(4,299)</b>	<b>342,183</b>	<b>(120,169)</b>	<b>(131)</b>	
<i>Fund Balance at beginning of year</i>	6,974,331	5,779,614	6,133,965	6,094,623	6,090,324	6,432,507	6,432,507	
<i>Non-spendable Fund Balance</i>	67,234	92,197	69,361	90,831	79,585	79,585	79,585	
<i>Assigned Fund Balance</i>	971,443	350,403	822,824	189,674	179,991	179,991	179,991	
<i>Unassigned Fund Balance at end of year</i>	4,740,937	5,691,366	5,202,438	5,809,819	6,172,931	6,052,762	6,172,800	
Fund Balance as a % of Expenditures (net of Sec 147c expenses)	16.55%	17.61%	16.76%	16.36%	17.01%	16.42%	16.59%	
17% Cashflow Requirement (net of Sec 147c expenses)	5,937,833	5,922,448	6,180,077	6,329,317	6,427,379	6,543,559	6,570,516	
Amount Available for Use	(158,219)	211,517	(85,454)	(238,993)	5,128	(231,220)	(138,140)	

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 COMPARTIVE 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 2018-19 BUDGET ADOPTION RESOLUTION.

LAKEVIEW SCHOOL DISTRICT  
GENERAL FUND ATHLETICS BUDGET  
FOR FISCAL YEAR ENDING JUNE 30, 2019

	AUDITED 2013-14	AUDITED 2014-15	AUDITED 2015-16	AUDITED 2016-17	AUDITED 2017-18	ADOPTED ORIGINAL 2018-19	PROPOSED AMEND A 2018-19	VARIANCE
<b>REVENUES:</b>								
Local Sources	329,871	256,422	253,070	259,393	270,020	230,393	276,971	46,578
State Sources	0	0	0	0	0	0	0	-
Federal Sources	0	0	0	0	0	0	0	-
Incoming Transfers & Other Transactions	640,500	608,363	628,637	649,519	652,212	668,070	672,369	4,299
<b>TOTAL REVENUES &amp; TRANSFERS</b>	<b>970,371</b>	<b>864,785</b>	<b>881,707</b>	<b>908,911</b>	<b>922,233</b>	<b>898,463</b>	<b>949,340</b>	<b>50,877</b>
<b>EXPENDITURES:</b>								
Salaries	453,406	431,256	430,637	440,464	442,372	431,254	441,924	10,670
Employee Benefits	185,770	193,977	211,218	217,946	223,405	223,779	226,083	2,304
Purchased Services	125,356	63,658	62,362	81,302	87,574	86,906	81,164	(5,742)
Supplies	145,665	123,697	128,790	136,939	131,046	101,721	145,717	43,996
Capital Outlay	33,835	31,913	21,728	27,969	10,243	30,000	32,293	2,293
Dues & Fees	24,161	19,203	20,110	23,362	22,774	24,803	22,159	(2,644)
<b>TOTAL EXPENDITURES</b>	<b>968,194</b>	<b>863,704</b>	<b>874,844</b>	<b>927,982</b>	<b>917,414</b>	<b>898,463</b>	<b>949,340</b>	<b>50,877</b>
<b>OUTGOING TRANSFERS/OTHER TRANSACTIONS</b>	<b>0</b>	<b>25,180</b>	<b>25,180</b>	<b>25,180</b>	<b>700</b>	<b>0</b>	<b>0</b>	<b>-</b>
<b>TOTAL APPROPRIATED</b>	<b>968,194</b>	<b>888,884</b>	<b>900,024</b>	<b>953,162</b>	<b>918,114</b>	<b>898,463</b>	<b>949,340</b>	<b>50,877</b>
<b>EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES</b>								
	2,178	(24,099)	(18,318)	(44,251)	4,118	0	0	
<i>Fund Balance at beginning of year</i>	156,564	158,742	134,643	116,325	72,074	76,193	76,193	
<i>Non-Spendable Fund Balance</i>	6,459	6,671	4,360	3,987	1,989	1,989	1,989	
<i>Unassigned Fund Balance at end of year</i>	152,283	127,972	111,965	68,088	74,204	74,204	74,204	

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 2018-19 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, 2019**

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 2018-19 be approved as follows:

Revenue:	
Local	1,050,919
State	73,023
Federal	1,665,643
Incoming Transfers & Other Transactions	<u>76,260</u>
Total Revenue	<u>2,865,845</u>
Fund Balance, July 1, 2018 (audited)	648,250
Less Non-Spendable Fund Balance (audited)	<u>32,746</u>
Restricted Fund Balance Available to Appropriate	<u>615,504</u>
Total Available to Appropriate	<u><u>3,481,349</u></u>

BE IT FURTHER RESOLVED, that \$3,100,809 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	2,894,025
<b>TOTAL EXPENDITURES</b>	<u>2,894,025</u>
<i>Outgoing Transfers/Other Transactions</i>	<u>206,784</u>
<b>TOTAL APPROPRIATED</b>	<u><u>3,100,809</u></u>

**THIS RESOLUTION TAKES EFFECT November 19, 2018**

**LAKEVIEW SCHOOL DISTRICT  
SCHOOL SERVICE FUND FOOD SERVICE BUDGET  
FOR FISCAL YEAR ENDING JUNE 30, 2019**

	AUDITED 2013-14	AUDITED 2014-15	AUDITED 2015-16	AUDITED 2016-17	AUDITED 2017-18	ADOPTED ORIGINAL 2018-19	PROPOSED AMEND A 2018-19	VARIANCE
<b>REVENUES:</b>								
Local Sources	850,524	945,878	998,805	1,008,640	1,001,806	1,038,480	1,050,919	12,439
State Sources	58,618	67,884	68,971	72,966	74,927	75,200	73,023	(2,177)
Federal Sources	1,228,749	1,222,833	1,395,059	1,511,375	1,579,007	1,686,445	1,665,643	(20,802)
Incoming Transfers & Other Transactions	1,070	1,050	4,773	-	39,070	76,260	76,260	-
<b>TOTAL REVENUES &amp; TRANSFERS</b>	<b>2,138,961</b>	<b>2,237,645</b>	<b>2,467,609</b>	<b>2,592,981</b>	<b>2,694,810</b>	<b>2,876,385</b>	<b>2,865,845</b>	<b>(10,540)</b>
<b>EXPENDITURES:</b>								
Salaries	493,077	532,824	578,911	612,526	664,958	682,761	753,569	70,808
Employee Benefits	293,690	358,406	372,168	373,249	414,779	447,277	488,459	41,182
Purchased Services	41,375	52,494	61,780	62,340	54,713	85,771	88,980	3,209
Supplies and other Expense	1,066,972	1,037,131	1,205,416	1,250,606	1,254,383	1,383,372	1,334,903	(48,469)
Dues and Fees	13,238	11,515	12,896	13,983	12,513	13,871	13,460	(411)
Capital Outlay	10,083	50,424	67,694	129,721	161,399	276,724	214,654	(62,070)
<b>TOTAL EXPENDITURES</b>	<b>1,918,435</b>	<b>2,042,794</b>	<b>2,298,865</b>	<b>2,442,425</b>	<b>2,562,746</b>	<b>2,889,776</b>	<b>2,894,025</b>	<b>4,249</b>
<b>OUTGOING TRANSFERS/OTHER TRANSACTIONS</b>	<b>128,799</b>	<b>144,468</b>	<b>159,705</b>	<b>139,684</b>	<b>134,356</b>	<b>146,513</b>	<b>206,784</b>	<b>60,271</b>
<b>TOTAL APPROPRIATED</b>	<b>2,047,233</b>	<b>2,187,262</b>	<b>2,458,571</b>	<b>2,582,109</b>	<b>2,697,102</b>	<b>3,036,289</b>	<b>3,100,809</b>	<b>64,520</b>
<b>EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES</b>	<b>91,727</b>	<b>50,383</b>	<b>9,038</b>	<b>10,872</b>	<b>(2,292)</b>	<b>(159,904)</b>	<b>(234,964)</b>	
<i>Fund Balance at beginning of year</i>	488,522	580,249	630,631	639,669	650,542	648,250	648,250	
<i>Non-spendable Fund Balance</i>	29,281	30,156	29,456	20,065	32,746	32,746	32,746	
<i>Restricted Fund Balance at end of year</i>	550,968	600,475	610,213	630,477	615,504	455,600	380,540	



**RESOLUTION FOR ADOPTION  
BY THE BOARD OF EDUCATION OF THE  
LAKEVIEW SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
FOR FISCAL YEAR ENDING JUNE 30, 2019**

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the Capital Projects Fund of the Lakeview School District for fiscal year 2018-19 be approved as follows:

Revenue:		
	Local - PIF	600
	Other Financing Sources	
	Incoming Transfers & Other Transactions (Cap Proj - Non Bond)	<u>374,000</u>
	Total Revenue	<u>374,600</u>
	Fund Balance - Public Improvement Fund, July 1 2018 (audited)	817,052
	Fund Balance - Capital Project Fund Non-Bond, July 1 2018 (audited)	1,219,080
	Less: Committed Fund Balance - Public Improvement Fund (audited)	817,052
	Restricted Fund Balance Available to Appropriate	0
	Unassigned Fund Balance Available to Appropriate	<u>1,219,080</u>
	Total Available to Appropriate	<u><u>1,593,680</u></u>

BE IT FURTHER RESOLVED, that \$64,372 of the total to appropriate in the Capital Projects Fund and \$500 of the Committed Fund Balance is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:		
	Public Improvement Fund - General/Restricted	-
	Public Improvement Fund - Elementary Facilities	-
	Public Improvement Fund - Tennis Building	500
	Public Improvement Fund - Tennis Brick Program	-
	Public Improvement Fund - Swimming	-
	Capital Project - LMS Corridor Painting Project	<u>64,372</u>
	<b>TOTAL EXPENDITURES</b>	<u>64,872</u>
	<i>Outgoing Transfers/Other Transactions</i>	0
	<b>TOTAL APPROPRIATED</b>	<u><u>64,872</u></u>

**THIS RESOLUTION TAKES EFFECT NOVEMBER 19, 2018**