

**FISCAL YEAR 2022-23
GENERAL FUND OPERATING
SCHOOL SERVICE FUND
CAPITAL PROJECT FUND
BUDGETS
AMENDMENT A
FEBRUARY 27, 2023**



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 develops knowledgeable, healthy, socially responsible citizens in the global community.

15 Arbor Street
Battle Creek, MI 49015

LAKEVIEW SCHOOL DISTRICT 2022-23 AMENDMENT A BUDGET 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 Public Improvement Fund (a type of Capital Project 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. Additionally, we have brought the Capital Project Non-Bond Fund to the Board in transparency of the shift of the planned transfer from the General Fund to the Capital Project-Non Bond Fund to allow greater flexibility for the dollars designed to be allocated for future building improvement needs.

In January 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying and reporting fiduciary activities for all state and local governments. This statement is effective for fiscal years beginning after Dec. 15, 2018.

The first three fiduciary funds are existing fund types, as defined by GASB Statement 34. The custodial fund category is new, and replaces what are currently known as agency funds. It's important to note that the criteria for custodial funds is different from the former agency funds, due to GASB's new definition of a fiduciary activity; therefore, some former agency activities will no longer qualify as fiduciary activities.

The financial statement reporting requirements for all of these fund types under GASB 84 will include the following:

- Statement of Fiduciary Net Position – This statement will present assets, deferred outflows, liabilities, deferred inflows, and net position of fiduciary activities.
- Statement of Changes in Fiduciary Net Position – This statement will present activity as additions and deductions to net position.

After the implementation of GASB 84, the custodial funds will - for the first time - report a statement of changes. In addition, while the former agency fund type resulted in a balance sheet where assets always equaled liabilities, in custodial funds, this will not be the default reporting; there could be net position reported within a custodial fund.

Below are the assumptions and rationale that were used in the development of each of the budgets for the other three funds:

GENERAL FUND – Includes Athletics as required under GASB 54

This budget reflects:

- For the General Fund portion of the 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.
- General Fund Revenue:
 - State, Federal and other Sources
 1. A State Foundation Grant of \$9,150 per blended FTE has been used.
 2. The blended FTE used for the budget is 3,919, which is up from the 3,900 amount used in the original.
 3. MPSERS revenue has been updated to State approved budget, along with the corresponding expenses as necessary.
 4. All Federal and State Grant funded program revenues to match expenditures for these programs based on projected funding (i.e. Title I, Title II, Title III, At-Risk).
 5. ESSER grants totaling \$3,002,050 are built into the budget along with offsetting costs; these are one-time funds to help with the learning loss experienced due to COVID.
 6. Additional funds were received for Risk Assessment, Critical Mapping and Child Care. These also one-time funds have corresponding offsetting costs included.
 7. Special Education revenue is based on projected budget and expected approved staffing.
 8. Food Service Indirect cost revenue has been updated according to the formula based on projected food service budget.
- General Fund Expenses:
 1. All Federal and State Grant funded program revenues to match expenditures based on projected funding (i.e. Title I, Title II, Title III, At-Risk).
 2. ESSER II and III funds are budgeted towards staffing and technology to mediate the learning loss that occurred during COVID.
 3. Staffing costs are updated based on current staffing.
 4. The Operations line includes security that includes funds for critical mapping and risk assessment form grants mentioned above. Also added funds for additional supplies and maintenance costs.
 5. Transportation has increase for cost of buses that were ordered and increased route.

6. Community Services is the increase for childcare including staff bonuses and items ordered from the Child Care Stabilization grant included above.
7. Capital Transfer has been included for 1.3M. This will be amended in final based on the ending funds available

SCHOOL SERVICE FUND – Food Service

This budget reflects:

A revised representation of what is expected for the program in 2022-23.

1. A net increase in anticipated local revenue of ~\$144K. \$24K relates to increased interest income; \$9K in paid lunch revenue, \$67K in Ala Carte and vending revenue; \$40K in catering revenue and \$8K in rebates.
2. A \$5K decrease in State funding for the Food Service Program based on the February State Aid Status Report.
3. A \$385K increase in Federal Revenue. Higher Federal Reimbursement rates than assumed in the original budget as well better than anticipated participation levels at WL and LHS account for \$332K of that increase. Summer Feeding revenue is expected to be \$80K less based on a return to a pre-COVID program model. The district received a second Supply Chain Assistance Grant for \$87K and another EBT Grant of \$3K. Additionally, Commodity allocations increased \$41K over the prior year.
4. Salary and benefit budgets were increased by a total of \$36K to reflect current staffing, hours and insurance elections.
5. Purchased services were increased by ~\$22K to accommodate a pre-COVID professional development budget and to include the appropriate budget for the annual power-washing of the kitchens and hood inspections.
6. The \$172K increase in Food/Supplies and Other Expenses is primarily comprised of a \$107K increase in food costs based on projected usage and costs (since participation is higher than originally anticipated), the reciprocal commodity cost increase of \$41K to offset the increase in commodity allocation and a \$28K increase in non-depreciable capital outlay to reflect the most up-to-date fund balance spend down plan.
7. Capital outlay expenditures were increased by ~\$150K to reflect those items that were ordered in FY 21-22 but did not arrive until after June 30th as well as to reflect all of the items in the most current fund balance spend down plan with the State of Michigan.
8. An increase in the Indirect Cost transfer to the General Fund of \$28K based on the revised budget eligible cost base.

PUBLIC IMPROVEMENT FUND/CAPITAL PROJECT NON-BOND FUND

This budget reflects:

1. A fair representation of what is expected for the Public Improvement Fund Interest Income in 2022-23.
2. The inclusion of the following approved projects/purchases in the Capital Project Non-Bond Fund:

- a. AV Systems for the Gyms and tables for MB, RS & WL funded by Federal Child Care Grant Revenue totaling ~\$137K
 - b. LHS Forum paint & carpet ~\$17K
 - c. Bobcat purchase - ~\$51K (included in original budget)
 - d. LHS Fire Alarm System - ~\$934K
 - e. LHS Chilled Water Replacement - \$75K
 - f. LHS security camera upgrades & add'l cameras - ~\$21K
 - g. Furniture for SE & Enrollment Secretaries at TT - ~\$5K
3. An anticipated transfer from the GF in the amount of \$1.3M

**LAKEVIEW SCHOOL DISTRICT
GENERAL FUND BUDGET
AMENDMENT A
FOR FISCAL YEAR ENDING JUNE 30, 2023**

	2017-18 AUDITED	2018-19 AUDITED	2019-20 AUDITED	2020-21 AUDITED	2021-22 AUDITED	ADOPTED 2022-23 ORIGINAL	PROPOSED 2022-23 AMEND A	VARIANCE
REVENUES:								
Local Sources	4,983,901	5,691,194	5,070,302	4,677,838	4,854,469	5,270,147	5,873,956	603,809
State Sources	33,666,366	33,722,111	33,958,920	35,316,301	36,967,388	38,164,088	40,323,636	2,159,548
Federal Sources	702,680	696,754	642,773	2,944,836	3,456,449	4,348,587	4,731,690	383,103
Incoming Transfers & Other Transactions	1,825,220	2,752,404	2,038,056	2,134,882	2,740,830	2,720,072	2,813,149	93,077
TOTAL REVENUES & TRANSFERS	41,178,167	42,862,463	41,710,050	45,073,857	48,019,136	50,502,894	53,742,431	3,239,537
EXPENDITURES:								
BASIC INSTRUCTION:								
Basic Programs	20,510,917	20,222,097	20,323,472	22,477,103	22,812,176	24,034,277	24,505,549	471,272
Added Needs	4,807,075	4,806,419	4,425,644	4,896,104	6,531,589	7,440,865	7,380,909	(59,956)
Adult and Continuing Education	-	-	-	-	-	-	-	-
SUPPORT SERVICES:								
Pupil Services	1,927,686	2,262,601	2,108,360	2,108,520	2,444,573	2,575,717	2,493,813	(81,904)
Instruction Staff Services	1,463,214	1,634,571	2,088,620	1,213,629	1,921,727	2,448,717	2,534,196	85,479
General Administration Services	581,653	498,963	498,859	496,579	478,019	668,382	692,159	23,777
School Administration Services	2,576,218	2,585,154	2,731,317	2,820,904	3,097,644	3,209,835	3,302,105	92,270
Business Services	738,739	792,423	832,830	828,034	940,885	1,051,697	1,128,650	76,953
Operation and Maintenance Services	3,244,888	3,345,791	3,108,502	3,427,743	3,969,148	4,088,849	4,300,763	211,914
Pupil Transportation Services	1,194,299	1,164,805	1,189,300	856,003	1,107,994	1,634,698	1,707,685	72,987
Other Supporting Services	1,802,312	1,702,131	1,641,152	1,401,649	1,646,937	2,015,230	2,046,410	31,180
Athletics	-	906,445	893,604	804,032	872,275	916,313	966,313	50,000
COMMUNITY SERVICES	341,490	337,404	365,138	390,740	499,157	586,707	678,271	91,564
TOTAL EXPENDITURES	39,188,491	40,258,805	40,186,798	41,721,040	46,322,125	50,671,287	51,736,823	1,065,536
OUTGOING TRANSFERS/OTHER TRANSACTIONS	1,647,494	1,829,188	214,058	2,529,290	1,608,404	591,855	1,961,014	1,369,159
TOTAL APPROPRIATED	40,835,984	42,087,973	40,400,856	44,250,330	47,930,529	51,263,142	53,697,837	1,369,159
EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES	342,183	774,490	1,309,194	823,527	88,607	(760,248)	44,594	
<i>Fund Balance at beginning of year</i>	6,090,324	6,508,700	7,283,190	8,592,384	9,415,911	9,052,178	9,052,178	
<i>Non-spendable Fund Balance</i>	79,585	89,111	89,111	186,686	535,052	535,052	535,052	
<i>Assigned Fund Balance</i>	179,991	60,137	60,137	59,573	798,366	38,118	38,118	
<i>Unassigned Fund Balance at end of year</i>	6,172,931	7,133,942	8,443,136	9,169,652	8,171,100	7,718,760	8,523,602	
Fund Balance as a % of Expenditures (net of Sec 147c expenses)	17.01%	18.49%	22.73%	22.82%	21.46%	17.41%	18.34%	
17% Cashflow Requirement (net of Sec 147c expenses)	6,427,379	6,696,005	6,425,902	7,015,177	7,529,313	8,095,857	8,432,487	
Amount Available for Use	5,128	587,185	2,166,483	2,400,734	1,975,204	196,073	664,284	

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 COMPARITIVE 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
APPROPRIATIONS RESOLUTION FOR ADOPTION BY THE BOARD OF EDUCATION
FISCAL YEAR 2022-23**

RESOLVED, that this resolution shall be the general appropriations of the Lakeview School District for the fiscal year 2022-23: 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 2022-23 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 amended and approved as follows:

Revenue:	
Local	5,873,956
State	40,323,636
Federal	4,731,690
Incoming Transfers & Other Transactions	2,813,149
Total Revenue	<u>53,742,431</u>
Fund Balance, July 1, 2022 (audited)	9,052,178
Less Non-spendable Fund Balance (audited)	535,052
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>38,118</u>
Fund Balance Available to Appropriate	<u>8,479,008</u>
Total Available to Appropriate	<u><u>62,221,439</u></u>

Be it further resolved that \$53,697,837 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	24,505,549
Added Needs	7,380,909
Adult and Continuing Education	0
<i>Support Services:</i>	
Pupil Services	2,493,813
Instruction Staff Services	2,534,196
General Administration Services	692,159
School Administration Services	3,302,105
Business Services	1,128,650
Operation and Maintenance Services	4,300,763
Pupil Transportation Services	1,707,685
Other Supporting Services	2,046,410
Athletics	966,313
<i>Community Services</i>	<u>678,271</u>
TOTAL EXPENDITURES	<u>51,736,823</u>
<i>Outgoing Transfers/Other Transactions</i>	<u>1,961,014</u>
TOTAL APPROPRIATED	<u><u>53,697,837</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 FEBRUARY 27, 2023

**LAKEVIEW SCHOOL DISTRICT
SCHOOL SERVICE FUND FOOD SERVICE BUDGET
AMENDMENT A**

FOR FISCAL YEAR ENDING JUNE 30, 2023

	AUDITED 2017-18	AUDITED 2018-19	AUDITED 2019-20	AUDITED 2020-21	AUDITED 2021-22	ADOPTED ORIGINAL 2022-23	PROPOSED AMEND A 2022-23	VARIANCE
REVENUES:								
Local Sources	1,001,806	944,065	674,833	189,435	405,890	623,561	767,505	143,944
State Sources	74,927	75,190	68,663	96,812	155,198	82,843	78,139	(4,704)
Federal Sources	1,579,007	1,790,869	2,162,532	2,179,675	2,995,403	2,061,527	2,446,109	384,582
Incoming Transfers & Other Transactions	39,070	76,750	80,000	99,361	122,650	125,000	125,000	-
TOTAL REVENUES & TRANSFERS	2,694,810	2,886,875	2,986,027	2,565,283	3,679,141	2,892,931	3,416,753	523,822
EXPENDITURES:								
Salaries	664,958	732,801	657,228	558,430	806,143	885,757	898,231	12,474
Employee Benefits	414,779	480,550	459,394	412,667	544,319	622,227	645,278	23,051
Purchased Services	54,713	53,242	62,670	75,541	94,075	86,886	108,618	21,732
Food, Supplies, and Other Expenses	1,254,383	1,194,827	1,217,814	1,074,603	1,454,280	1,479,969	1,652,428	172,459
Dues and Fees	12,513	14,324	17,980	3,698	7,880	8,000	9,083	1,083
Capital Outlay	161,399	123,411	103,602	141,901	-	266,007	417,575	151,568
TOTAL EXPENDITURES	2,562,746	2,599,156	2,518,687	2,266,840	2,906,697	3,348,846	3,731,213	382,367
OUTGOING TRANSFERS/OTHER TRANSACTIONS	134,356	195,721	209,620	177,999	217,508	206,562	234,277	27,715
TOTAL APPROPRIATED	2,697,102	2,794,877	2,728,308	2,444,839	3,124,205	3,555,408	3,965,490	410,082
EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES	(2,292)	91,997	257,719	120,444	554,936	(662,477)	(548,737)	113,740
<i>Fund Balance at beginning of year</i>								
<i>Non-spendable Fund Balance</i>	650,542	648,250	740,247	997,963	1,118,406	1,673,342	1,673,342	
<i>Restricted Fund Balance at end of year</i>	32,746	24,381	50,463	32,767	46,869	46,869	46,869	
	615,504	715,866	947,500	1,085,639	1,626,473	963,996	1,077,736	

**LAKEVIEW SCHOOL DISTRICT
RESOLUTION FOR ADOPTION SCHOOL SERVICE FUND
FOR FISCAL YEAR ENDED JUNE 30, 2023**

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 2022-23 be amended and approved as follows:

Revenue:	
Local	767,505
State	78,139
Federal	2,446,109
Incoming Transfers & Other Transactions	125,000
Total Revenue	<u>3,416,753</u>
Fund Balance, July 1, 2022 (audited)	1,673,342
Less Non-Spendable Fund Balance (estimated)	<u>46,869</u>
Restricted Fund Balance Available to Appropriate	<u>1,626,473</u>
Total Available to Appropriate	<u><u>5,043,226</u></u>

BE IT FURTHER RESOLVED, that \$3,965,490 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	3,731,213
TOTAL EXPENDITURES	<u>3,731,213</u>
<i>Outgoing Transfers/Other Transactions</i>	234,277
TOTAL APPROPRIATED	<u><u>3,965,490</u></u>

THIS RESOLUTION TAKES EFFECT FEBRUARY 27, 2023

**RESOLUTION FOR ADOPTION
BY THE BOARD OF EDUCATION OF THE
LAKEVIEW SCHOOL DISTRICT
CAPITAL PROJECTS FUND
FOR FISCAL YEAR ENDING JUNE 30, 2023**

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the Public Improvement and Capital Project Non-Bond Funds of the Lakeview School District for fiscal year 2022-23 be amended and approved as follows:

Revenue:		
	Local - PIF	975
	Federal - Cap Proj - Non Bond	137,423
	Incoming Transfers & Other Transactions (Cap Proj - Non Bond)	<u>1,300,000</u>
	Total Revenue	<u>1,438,398</u>
	Fund Balance - Public Improvement Fund, July 1 2022 (audited)	480,261
	Fund Balance - Capital Project Fund Non-Bond, July 1 2022 (audited)	4,328,886
	Less: Committed Fund Balance - Public Improvement Fund (audited)	207,976
	Restricted Fund Balance Available to Appropriate - PIF	272,285
	Assigned Fund Balance Available to Appropriate - Cap Proj Non-Bond	<u>4,328,886</u>
	Total Available to Appropriate	<u><u>6,039,569</u></u>

BE IT FURTHER RESOLVED, that \$1,251,701 of the total available to appropriate in the PIF and Capital Project Non-Bond Funds and \$0 of the Committed Funds are 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 Brick Program	-
	Capital Project Non-Bond	1,251,701
TOTAL EXPENDITURES		1,251,701
	<i>Outgoing Transfers/Other Transactions</i>	0
	TOTAL APPROPRIATED	<u><u>1,251,701</u></u>

THIS RESOLUTION TAKES EFFECT FEBRUARY 27, 2023