

**FISCAL YEAR 2023-24  
GENERAL FUND OPERATING  
SCHOOL SERVICE FUND  
CAPITAL PROJECT FUND  
STUDENT/SCHOOL ACTIVITY FUND  
BUDGETS  
ORIGINAL  
JULY 1, 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 2023-24 ORIGINAL 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 \$9,608 per blended FTE has been used. The State has yet to adopt a budget; this is a 5% increase or \$458 per student, this is based on the Governor's budget and should be a safe assumption for the budget. This will be updated once the state adopts a budget in an upcoming amendment.
    2. The blended FTE used for the budget is 3,900, which is down from where we were in the 22-23 final as we are losing a larger High School class than we project in for Kindergarten. This will be adjusted based on actual in the first revision.
    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, ESSER III).
    5. Notable Changes from prior year
      - Local Sources -reduction of E-rate funding from prior year (\$522K)
      - State Sources -Not expecting One Time Offset of MPSERS received in 22-23 of (\$2.3 million)
      - Federal Sources - Reduction of Federal Grants
      - Incoming Transfers & Other Transactions – Increase in Special Ed Funding from ISD as increase of expenditures in Special Ed. Increase in the Food Service transfer.
- 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, ESSER III).
  2. Contractual step and foundation formula increases are included in staffing. The formula increase is based on the expectation of receiving \$458 increase in the per pupil. MSPERS rates were also adjusted to reflect the new rates for this year.



3. A new Safety Resource Officer has been included. We received a grant that has been included in the revenue that will cover half of the cost of the new officer.
4. Transportation costs are up in the budget due to several things.
  - o The bus order that was placed in the 21-22 year will not be here before June 30, and therefore is included in this year along with routine replacement of two buses for this year. The cost for the two bus ordered in 22-23 that are not included in this year is \$232,142
5. Included \$100,000 for book purchases for the Middle School Media Center.
6. No transfers to capital funds have been included in this budget; we will add them in the revision if there appear to be surplus funds available to transfer.
7. Notable Changes from prior year
  - One Time Offset of MPSERS in all areas
  - Basic Program – Prior year had ESSER expenditures for technology not included this year
  - Community Services – prior year had higher expenditures due to grants received

#### **SCHOOL SERVICE FUND – Food Service**

This budget reflects:

A fair representation of what is expected for the program in 2023-24.

1. A 2% increase in local revenue is due to the price increase of \$0.10 per meal.
2. Included a 2% projected increase in Federal reimbursement rates. This is offset by a loss of prior year one-time Supply Chain Assistance grants in the amount of \$173K.
3. Changes in Federal free and reduced meal funding are expected in two of our buildings, but with so much uncertainty, the revenue model is staying the same at this time. Once changes are known, they will be built into the mid-year revision.
4. The decrease in Purchased Services is due to bringing our catering manager back in house, previously a contracted employee.
5. Contractual step and foundation formula increases are included in staffing.
6. Grocery and supply costs were calculated with a 3% cost increase with the exception of meat costs, these were calculated with a 6% increase.
7. Capital outlay expenditures carried over from the 2022-23 spend down plan are the result of purchases that will be received in 2023-24.
8. An increase in Outgoing Transfers to the General Fund based on the calculation of the allowable 15.00% of Indirect Cost on original budget expenditures.

### **PUBLIC IMPROVEMENT FUND/CAPITAL PROJECTS NON-BOND FUND**

This budget reflects:

1. A fair representation of what is expected for the Public Improvement Fund and Capital Projects Non-Bond Fund in 2023-24.

### **STUDENT/SCHOOL ACTIVITY FUND**

This budget reflects the change due to GASB 84 mentioned above. The fund will start with the ending balance of the current Trust and Agency accounts from the prior year. The revenue and expenses are based on the projected activity for the accounts this year.

LAKEVIEW SCHOOL DISTRICT  
GENERAL FUND BUDGET  
ORIGINAL

FOR FISCAL YEAR ENDING JUNE 30, 2024

	2020-21 AUDITED	2021-22 AUDITED	ADOPTED 2022-23 ORIGINAL	ADOPTED 2022-23 AMEND A	PROPOSED 2022-23 AMEND B	PROPOSED 2023-24 ORIGINAL	VARIANCE
<b>REVENUES:</b>							
Local Sources	4,677,838	4,854,469	5,270,147	5,873,956	5,876,765	5,149,426	(727,339)
State Sources	35,316,301	36,967,388	38,164,088	40,323,636	43,252,162	41,367,731	(1,884,431)
Federal Sources	2,944,836	3,456,449	4,348,587	4,731,690	4,383,005	2,550,515	(1,832,490)
Incoming Transfers & Other Transactions	2,134,882	2,740,830	2,720,072	2,813,149	2,016,104	2,704,985	688,881
<b>TOTAL REVENUES &amp; TRANSFERS</b>	<b>45,073,857</b>	<b>48,019,136</b>	<b>50,502,894</b>	<b>53,742,431</b>	<b>55,528,036</b>	<b>51,772,657</b>	<b>(3,755,379)</b>
<b>EXPENDITURES:</b>							
<b>BASIC INSTRUCTION:</b>							
Basic Programs	22,477,103	22,812,176	24,034,277	24,505,549	26,254,617	23,377,772	(2,876,845)
Added Needs	4,896,104	6,531,589	7,440,865	7,380,909	7,153,633	7,260,825	107,192
Adult and Continuing Education	-	-	-	-	-	-	-
<b>SUPPORT SERVICES:</b>							
Pupil Services	2,108,520	2,444,573	2,575,717	2,493,813	2,515,465	2,827,241	311,776
Instruction Staff Services	1,213,629	1,921,727	2,448,717	2,534,196	2,436,325	2,670,295	233,970
General Administration Services	496,579	478,019	668,382	692,159	638,087	700,625	62,538
School Administration Services	2,820,904	3,097,644	3,209,835	3,302,105	3,640,411	3,491,889	(148,522)
Business Services	828,034	940,885	1,051,697	1,128,650	1,173,383	1,151,627	(21,756)
Operation and Maintenance Services	3,427,743	3,969,148	4,088,849	4,300,763	4,336,997	4,258,585	(78,412)
Pupil Transportation Services	856,003	1,107,994	1,634,698	1,707,685	1,557,394	1,736,365	178,971
Other Supporting Services	1,401,649	1,646,937	2,015,230	2,046,410	1,966,425	2,233,216	266,791
Athletics	804,032	872,275	916,313	966,313	1,055,822	990,347	(65,475)
<b>COMMUNITY SERVICES</b>	<b>390,740</b>	<b>499,157</b>	<b>586,707</b>	<b>678,271</b>	<b>715,744</b>	<b>567,629</b>	<b>(148,115)</b>
<b>TOTAL EXPENDITURES</b>	<b>41,721,040</b>	<b>46,322,125</b>	<b>50,671,287</b>	<b>51,736,823</b>	<b>53,444,303</b>	<b>51,266,416</b>	<b>(2,177,887)</b>
<b>OUTGOING TRANSFERS/OTHER TRANSACTIONS</b>							
	2,529,290	1,608,404	591,855	1,961,014	2,079,043	616,752	(1,462,291)
<b>TOTAL APPROPRIATED</b>	<b>44,250,330</b>	<b>47,930,529</b>	<b>51,263,142</b>	<b>53,697,837</b>	<b>55,523,346</b>	<b>51,883,168</b>	<b>(3,640,178)</b>
<b>EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES</b>							
	823,527	88,607	(760,248)	44,594	4,690	(110,511)	
<i>Fund Balance at beginning of year</i>							
<i>Non-spendable Fund Balance</i>	8,592,384	9,415,911	9,052,178	9,415,911	9,504,517	9,509,207	
<i>Assigned Fund Balance</i>	186,686	535,052	535,052	535,052	535,052	535,052	
<i>Unassigned Fund Balance at end of year</i>	59,573	798,366	38,118	38,118	38,118	38,118	
	9,169,652	8,171,100	7,718,760	8,887,335	8,936,038	8,825,527	
Fund Balance as a % of Expenditures (net of Sec 147c expenses)	22.82%	21.46%	17.41%	19.07%	18.49%	19.67%	
17% Cashflow Requirement (net of Sec 147c expenses)	7,015,177	7,529,313	8,095,857	8,432,487	8,742,824	8,123,994	
Amount Available for Use	2,400,734	1,975,204	196,073	1,028,017	766,383	1,274,703	

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 2023-24**

RESOLVED, that this resolution shall be the general appropriations of the Lakeview School District for the fiscal year 2023-24: 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 2023-24 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	5,149,426
State	41,367,731
Federal	2,550,515
Incoming Transfers & Other Transactions	2,704,985
Total Revenue	<u>51,772,657</u>
Fund Balance, July 1, 2023 (estimated)	9,509,207
Less Non-spendable Fund Balance (estimated)	535,052
Less Assigned Fund Balance for Subsequent Year Deficit (estimated)	0
Less Assigned Fund Balance for Future Operations (estimated)	0
Less Assigned Fund Balance for Technology (estimated)	0
Less Assigned Fund Balance for Comp. Absences (estimated)	<u>38,118</u>
Fund Balance Available to Appropriate	<u>8,936,038</u>
Total Available to Appropriate	<u><u>60,708,695</u></u>

Be it further resolved that \$51,883,168 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	23,377,772
Added Needs	7,260,825
Adult and Continuing Education	0
<i>Support Services:</i>	
Pupil Services	2,827,241
Instruction Staff Services	2,670,295
General Administration Services	700,625
School Administration Services	3,491,889
Business Services	1,151,627
Operation and Maintenance Services	4,258,585
Pupil Transportation Services	1,736,365
Other Supporting Services	2,233,216
Athletics	990,347
<i>Community Services</i>	567,629
<b>TOTAL EXPENDITURES</b>	<u>51,266,416</u>
<i>Outgoing Transfers/Other Transactions</i>	616,752
<b>TOTAL APPROPRIATED</b>	<u><u>51,883,168</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 JULY 1, 2023**

**LAKEVIEW SCHOOL DISTRICT  
SCHOOL SERVICE FUND FOOD SERVICE BUDGET  
ORIGINAL**

**FOR FISCAL YEAR ENDING JUNE 30, 2024**

	AUDITED 2019-20	AUDITED 2020-21	AUDITED 2021-22	ADOPTED ORIGINAL 2022-23	ADOPTED AMEND A 2022-23	PROPOSED AMEND B 2022-23	PROPOSED ORIGINAL 2023-24	VARIANCE
<b>REVENUES:</b>								
Local Sources	674,833	189,435	405,890	623,561	767,505	815,259	822,467	7,208
State Sources	68,663	96,812	155,198	82,843	78,139	93,127	93,127	-
Federal Sources	2,162,532	2,179,675	2,995,403	2,061,527	2,446,109	2,535,416	2,444,549	(90,867)
Incoming Transfers & Other Transactions	80,000	99,361	122,650	125,000	125,000	125,000	131,250	6,250
<b>TOTAL REVENUES &amp; TRANSFERS</b>	<b>2,986,027</b>	<b>2,565,283</b>	<b>3,679,141</b>	<b>2,892,931</b>	<b>3,416,753</b>	<b>3,568,802</b>	<b>3,491,393</b>	<b>(77,409)</b>
<b>EXPENDITURES:</b>								
Salaries	657,228	558,430	806,143	885,757	898,231	882,943	1,007,766	124,823
Employee Benefits	459,394	412,667	544,319	622,227	645,278	631,393	719,450	88,057
Purchased Services	62,670	75,541	94,075	86,886	108,618	107,042	72,093	(34,949)
Food, Supplies, and Other Expenses	1,217,814	1,074,603	1,454,280	1,479,969	1,652,428	1,552,458	1,601,454	48,996
Dues and Fees	17,980	3,698	7,880	8,000	9,083	9,391	9,391	-
Capital Outlay	103,602	141,901	-	266,007	417,575	222,557	432,056	209,499
<b>TOTAL EXPENDITURES</b>	<b>2,518,687</b>	<b>2,266,840</b>	<b>2,906,697</b>	<b>3,348,846</b>	<b>3,731,213</b>	<b>3,405,784</b>	<b>3,842,210</b>	<b>436,426</b>
<b>OUTGOING TRANSFERS/OTHER TRANSACTIONS</b>	<b>209,620</b>	<b>177,999</b>	<b>217,508</b>	<b>206,562</b>	<b>234,277</b>	<b>227,687</b>	<b>294,860</b>	<b>67,173</b>
<b>TOTAL APPROPRIATED</b>	<b>2,728,308</b>	<b>2,444,839</b>	<b>3,124,205</b>	<b>3,555,408</b>	<b>3,965,490</b>	<b>3,633,471</b>	<b>4,137,070</b>	<b>503,599</b>
<b>EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES</b>	<b>257,719</b>	<b>120,444</b>	<b>554,936</b>	<b>(662,477)</b>	<b>(548,737)</b>	<b>(64,669)</b>	<b>(645,677)</b>	<b>484,068</b>
<i>Fund Balance at beginning of year</i>	740,247	997,963	1,118,406	1,673,342	1,673,342	1,673,342	1,673,342	
<i>Non-spendable Fund Balance</i>	50,463	32,767	46,869	46,869	46,869	46,869	46,869	
<i>Restricted Fund Balance at end of year</i>	947,500	1,085,639	1,626,473	963,996	1,077,736	1,561,804	980,796	



**LAKEVIEW SCHOOL DISTRICT  
RESOLUTION FOR ADOPTION SCHOOL SERVICE FUND  
FOR FISCAL YEAR ENDED JUNE 30, 2024**

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 2023-24 be amended and approved as follows:

Revenue:	
Local	822,467
State	93,127
Federal	2,444,549
Incoming Transfers & Other Transactions	131,250
Total Revenue	<u>3,491,393</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>5,117,866</u></u>

BE IT FURTHER RESOLVED, that \$4,137,070 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	3,842,210
<b>TOTAL EXPENDITURES</b>	<u>3,842,210</u>
Outgoing Transfers/Other Transactions	294,860
<b>TOTAL APPROPRIATED</b>	<u><u>4,137,070</u></u>

**THIS RESOLUTION TAKES EFFECT JULY 1, 2023**

**RESOLUTION FOR ADOPTION  
BY THE BOARD OF EDUCATION OF THE  
LAKEVIEW SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
FOR FISCAL YEAR ENDING JUNE 30, 2024**

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 2023-24 be amended and approved as follows:

Revenue:		
	Local - PIF	975
	Federal - Cap Proj - Non Bond	
	Incoming Transfers & Other Transactions (Cap Proj - Non Bond)	
	Total Revenue	<u>975</u>
Fund Balance - Public Improvement Fund, July 1 2023 (estimated)	480,261	
Fund Balance - Capital Project Fund Non-Bond, July 1 2023 (estimated)	4,926,536	
Less: Committed Fund Balance - Public Improvement Fund (estimated)	207,976	
Restricted Fund Balance Available to Appropriate - PIF		272,285
Assigned Fund Balance Available to Appropriate - Cap Proj Non-Bond		<u>4,926,536</u>
Total Available to Appropriate		<u><u>5,199,796</u></u>

BE IT FURTHER RESOLVED, that \$50,000 of the total available to appropriate in the PIF and Capital Project Non-Bond Funds and \$0 of the Committed Funds 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 - High School AV upgrades	50,000
<b>TOTAL EXPENDITURES</b>		50,000
<i>Outgoing Transfers/Other Transactions</i>		<u>0</u>
<b>TOTAL APPROPRIATED</b>		<u><u>50,000</u></u>

**THIS RESOLUTION TAKES EFFECT JULY 1, 2023**

**RESOLUTION FOR ADOPTIOIN  
BY THE BOARD OF EDUCATION OF THE  
LAKEVIEW SCHOOL DISTRICT  
STUDENT/SCHOOL ACTIVITY FUND  
FOR FISCAL YEAR ENDING JUNE 30,2024**

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the Student/School Activity Fund of the Lakeview School District for fiscal year 2023-24 be approved as follows:

Revenue:		
	Beginning Cash	216,092
	Projected Income	100,000
	Total Revenue	<u>316,092</u>
	Total Available to Appropriate	<u><u>316,092</u></u>

BE IT FURTHER RESOLVED, that \$100,000 of the total to appropriate in the Student/Activity Fund is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:		100,000
	<b>TOTAL EXPENDITURES</b>	<u>100,000</u>
	<b>TOTAL APPROPRIATED</b>	<u><u>100,000</u></u>

**THIS RESOLUTION TAKES EFFECT JULY 1, 2023**