

**FISCAL YEAR 2022-23
GENERAL FUND OPERATING
SCHOOL SERVICE FUND
CAPITAL PROJECT FUND
BUDGETS
AMENDMENT B
June 26, 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 3,922.96, which is up from the 3,919 amount used in the Amended A budget.
 3. MPSERS revenue has been updated to State approved budget, along with the corresponding expenses as necessary.
 4. The state included a one-time payment towards the MPSERS unfunded liability in the amount of \$2,384,861. This amount is then allocated below in the expenses.
 5. 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).
 6. 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, and ESSER).
 2. MPSERS expenses added to offset the one-time payment received are allocated in this budget. This resulted in the majority of the increases that are reflected in the variances.
 3. Added Needs – budget had planned for additional staffing costs in Special Ed and grant funds that were not used, and are adjusted to actual.
 4. Instructional Staff – budget was originally developed to cover the maximum hours that could be used by staff for training and development meetings but was not fully used, and was reduced to actual levels.
 5. School Admin Services has increased as we moved our part time principal for our Alternative School to full time this year along with the increase MPSERS.
 6. Transportation had some additional routes that were added. The buses that were ordered this year will not be delivered

before the end of the year, so these are taken out of the revised budget and will be added into the 23-24 budget. We are expecting delivery this summer.

7. Community Services is the increase for childcare including staff bonuses and items ordered from the Child Care Stabilization grant.
8. Athletics increase due to purchase of new timing equipment, prior year's athletic trainer fees that came in this year, and one-time MPSERS allocation.

SCHOOL SERVICE FUND – Food Service

This budget reflects:

A revised representation of what is expected for the program in 2022-23 based on year-to-date revenue and expenses through May and estimates for June.

1. A net increase in anticipated local revenue of ~\$48K, primarily as the result of higher than anticipated catering revenue.
2. A \$15K increase in State funding for the Food Service Program based on the May State Aid Status Report.
3. Federal Revenue has been increased by \$89K, based on the continuing results of higher Federal Reimbursement rates and better than anticipated participation levels, coupled with unanticipated snack participation.
4. Salary and benefit budgets have been reduced by nearly \$36K based on actual payrolls through June 14 plus an estimate for the June 28 payroll.
5. Purchased Service, Food and Supply Costs budgets have been reduced by approximately \$102K based on revised projections. Non-depreciable capital outlay items on the fund balance spend down plan that were not received in 2022-23 make up ~\$22K of the decrease in Supply Costs, while Food Costs primarily make up the remaining reduction.
6. Capital outlay expenditures were decreased by ~\$195K to reflect those items on the fund balance spend down plan that were originally budgeted for 2022-23, but will not be received until the 2023-24 school year.
7. Outgoing Transfers to the General Fund have decreased based on the calculation of the allowable 12.78% of Indirect Cost on final budget revision expenditures.

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. An anticipated increase in transfer from the GF of \$40K, this is in part based on the delay of receiving delivery of buses.

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

	2018-19 AUDITED	2019-20 AUDITED	2020-21 AUDITED	2021-22 AUDITED	ADOPTED 2022-23 ORIGINAL	ADOPTED 2022-23 AMEND A	PROPOSED 2022-23 AMEND B	VARIANCE
REVENUES:								
Local Sources	5,691,194	5,070,302	4,677,838	4,854,469	5,270,147	5,873,956	5,876,765	2,809
State Sources	33,722,111	33,958,920	35,316,301	36,967,388	38,164,088	40,323,636	43,252,162	2,928,526
Federal Sources	696,154	642,773	2,944,836	3,456,449	4,348,587	4,731,690	4,383,005	(348,685)
Incoming Transfers & Other Transactions	2,752,404	2,038,056	2,134,882	2,740,830	2,720,072	2,813,149	2,016,104	(797,045)
TOTAL REVENUES & TRANSFERS	42,862,463	41,710,050	45,073,857	48,019,136	50,502,894	53,742,431	55,528,036	1,785,605
EXPENDITURES:								
BASIC INSTRUCTION:								
Basic Programs	20,222,097	20,323,472	22,477,103	22,812,176	24,034,277	24,505,549	26,254,617	1,749,068
Added Needs	4,806,419	4,425,644	4,896,104	6,531,589	7,440,865	7,380,909	7,153,633	(227,276)
SUPPORT SERVICES:								
Pupil Services	2,262,601	2,108,360	2,108,520	2,444,573	2,575,717	2,493,813	2,515,465	21,652
Instruction Staff Services	1,634,571	2,068,620	1,213,629	1,921,727	2,448,717	2,534,196	2,436,325	(97,871)
General Administration Services	498,963	498,859	496,579	478,019	668,382	692,159	638,087	(54,072)
School Administration Services	2,585,154	2,731,317	2,820,904	3,097,644	3,209,835	3,302,105	3,640,411	338,306
Business Services	792,423	832,830	828,034	940,885	1,051,697	1,128,650	1,173,383	44,733
Operation and Maintenance Services	3,345,791	3,108,502	3,427,743	3,969,148	4,088,849	4,300,763	4,336,997	36,234
Pupil Transportation Services	1,164,805	1,189,300	856,003	1,107,994	1,634,698	1,557,394	1,557,394	(150,291)
Other Supporting Services	1,702,131	1,641,152	1,401,849	1,646,937	2,015,230	2,046,410	1,966,425	(79,985)
Athletics	906,445	893,604	804,032	872,275	916,313	966,313	1,055,822	89,509
COMMUNITY SERVICES	337,404	365,138	390,740	499,157	586,707	678,271	715,744	37,473
TOTAL EXPENDITURES	40,258,805	40,186,798	41,721,040	46,322,125	50,671,287	51,736,823	53,444,303	1,707,480
OUTGOING TRANSFERS/OTHER TRANSACTIONS	1,829,168	214,058	2,529,290	1,608,404	591,855	1,961,014	2,079,043	118,029
TOTAL APPROPRIATED	42,087,973	40,400,856	44,250,330	47,930,529	51,263,142	53,697,837	55,523,346	118,029
EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES	774,490	1,309,194	823,527	88,607	(760,248)	44,594	4,690	
<i>Fund Balance at beginning of year</i>								
<i>Non-spendable Fund Balance</i>	6,508,700	7,283,190	8,592,384	9,415,911	9,052,178	9,415,911	9,415,911	
<i>Assigned Fund Balance</i>	89,111	89,111	186,686	535,052	535,052	535,052	535,052	
<i>Unassigned Fund Balance at end of year</i>	60,137	60,137	59,573	798,366	38,118	38,118	38,118	
	7,133,942	8,443,136	9,169,652	8,171,100	7,718,760	8,887,335	8,847,431	
Fund Balance as a % of Expenditures (net of Sec 147c expenses)	18.49%	22.73%	22.82%	21.46%	17.41%	19.07%	18.32%	
17% Cashflow Requirement (net of Sec 147c expenses)	6,696,005	6,425,902	7,015,177	7,529,313	8,095,857	8,432,487	8,742,824	
Amount Available for Use	587,185	2,166,483	2,400,734	1,975,204	196,073	1,028,017	677,777	

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 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	5,876,765
State	43,252,162
Federal	4,383,005
Incoming Transfers & Other Transactions	2,016,104
Total Revenue	<u>55,528,036</u>
Fund Balance, July 1, 2022 (audited)	9,415,911
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>8,842,741</u>
Total Available to Appropriate	<u><u>64,370,777</u></u>

Be it further resolved that \$55,523,346 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	26,254,617
Added Needs	7,153,633
Adult and Continuing Education	0
<i>Support Services:</i>	
Pupil Services	2,515,465
Instruction Staff Services	2,436,325
General Administration Services	638,087
School Administration Services	3,640,411
Business Services	1,173,383
Operation and Maintenance Services	4,336,997
Pupil Transportation Services	1,557,394
Other Supporting Services	1,966,425
Athletics	1,055,822
<i>Community Services</i>	<u>715,744</u>
TOTAL EXPENDITURES	<u>53,444,303</u>
<i>Outgoing Transfers/Other Transactions</i>	<u>2,079,043</u>
TOTAL APPROPRIATED	<u><u>55,523,346</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 JUNE 26, 2023

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

FOR FISCAL YEAR ENDING JUNE 30, 2023

	AUDITED 2019-20	AUDITED 2020-21	AUDITED 2021-22	ADOPTED ORIGINAL 2022-23	ADOPTED AMEND A 2022-23	PROPOSED AMEND B 2022-23	VARIANCE
REVENUES:							
Local Sources	674,833	189,435	405,890	623,561	767,505	815,259	47,754
State Sources	68,663	96,812	155,198	82,843	78,139	93,127	14,988
Federal Sources	2,162,532	2,179,675	2,995,403	2,061,527	2,446,109	2,535,416	89,307
Incoming Transfers & Other Transactions	80,000	99,361	122,650	125,000	125,000	125,000	-
TOTAL REVENUES & TRANSFERS	2,986,027	2,565,283	3,679,141	2,892,931	3,416,753	3,568,802	152,049
EXPENDITURES:							
Salaries	657,228	558,430	806,143	885,757	898,231	882,943	(15,288)
Employee Benefits	459,394	412,667	544,319	622,227	645,278	631,393	(13,885)
Purchased Services	62,670	75,541	94,075	86,886	108,618	107,042	(1,576)
Food, Supplies, and Other Expenses	1,217,814	1,074,603	1,454,280	1,479,969	1,652,428	1,552,458	(99,970)
Dues and Fees	17,980	3,698	7,880	8,000	9,083	9,391	308
Capital Outlay	103,602	141,901	-	266,007	417,575	222,557	(195,018)
TOTAL EXPENDITURES	2,518,687	2,266,840	2,906,697	3,348,846	3,731,213	3,405,784	(325,429)
OUTGOING TRANSFERS/OTHER TRANSACTIONS							
TOTAL APPROPRIATED	209,620	177,999	217,508	206,562	234,277	227,687	(6,590)
	2,728,308	2,444,839	3,124,205	3,555,408	3,965,490	3,633,471	(332,019)
EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES							
	257,719	120,444	554,936	(662,477)	(548,737)	(64,669)	484,068
<i>Fund Balance at beginning of year</i>							
<i>Non-spendable Fund Balance</i>	740,247	997,963	1,118,406	1,673,342	1,673,342	1,673,342	
<i>Restricted Fund Balance at end of year</i>	50,463	32,767	46,869	46,869	46,869	46,869	
	947,500	1,085,639	1,626,473	963,996	1,077,736	1,561,804	

**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		815,259
State		93,127
Federal		2,535,416
Incoming Transfers & Other Transactions		<u>125,000</u>
Total Revenue		3,568,802
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>5,195,275</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		3,405,784
TOTAL EXPENDITURES		<u>3,405,784</u>
<i>Outgoing Transfers/Other Transactions</i>		<u>227,687</u>
TOTAL APPROPRIATED		<u><u>3,633,471</u></u>

THIS RESOLUTION TAKES EFFECT JUNE 26, 2023

**RESOLUTION FOR ADOPTION
BY THE BOARD OF EDUCATION OF THE
LAKEVIEW SCHOOL DISTRICT
AMENDMENT B
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	138,277
	Incoming Transfers & Other Transactions (Cap Proj - Non Bond)	<u>1,340,000</u>
	Total Revenue	<u>1,479,252</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>6,080,423</u></u>

BE IT FURTHER RESOLVED, that \$1,287,899 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	1,287,899
	TOTAL EXPENDITURES	1,287,899
	<i>Outgoing Transfers/Other Transactions</i>	<u>0</u>
	TOTAL APPROPRIATED	<u><u>1,287,899</u></u>

THIS RESOLUTION TAKES EFFECT JUNE 26, 2023

**RESOLUTION FOR ADOPTIOIN
BY THE BOARD OF EDUCATION OF THE
LAKEVIEW SCHOOL DISTRICT
STUDENT/SCHOOL ACTIVITY FUND
AMENDMENT B
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 Student/School Activity Fund of the Lakeview School District for fiscal year 2022-23 be approved as follows:

Revenue:		
	Beginning Cash	216,092
	Projected Income	<u>100,000</u>
	Total Revenue	316,092
	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:		<u>100,000</u>
	TOTAL EXPENDITURES	100,000
	TOTAL APPROPRIATED	<u><u>100,000</u></u>

THIS RESOLUTION TAKES EFFECT June 26, 2023