

FISCAL YEAR 2013-14
GENERAL FUND OPERATING
SCHOOL SERVICE FUND &
CAPITAL PROJECT FUND &
ENTERPRISE FUND
BUDGET AMENDMENTS
JUNE 23, 2014



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
2013-14 BUDGET AMENDMENT B 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.

Five separate funds are required to account for the ongoing activities of the school district. Board approval for the budget of the Debt Retirement Fund, however, is no longer required by the Michigan Department of Education. Below are the assumptions and rationale that were used in the development of each of the budgets for the other four funds:

COMBINED GENERAL FUND - Includes Athletics as required under GASB 54

This budget reflects:

1. A final blended enrollment of 3,886.91 which is a .48 FTE decrease from our March amendment and reflects the net impact of Section 25 funding (related to students who change districts between count days) in the current year.
2. A downward adjustment of approximately \$106,000 in Special Education State revenue based on the June State Aid Status report as a result of finalize reimbursement calculations and costs from the prior year, including a \$53,000 negative adjustment for the prior year.
3. A net increase of \$14,000 in our CISD 85% Special Education cost reimbursement as a result of decreased State funding and lower than originally anticipated expenditures by not filling the Elementary TC position second semester this year.
4. The addition of approximately \$60,000 to cover operations/maintenance budget overages.
5. The addition of approximately \$40,000 to the transportation budget to cover increased fuel costs as a result of the harsh winter and unanticipated repair and maintenance expenses.
6. The utilization of \$1,640,250 of fund balance to cover current year expenditures in excess of current year revenues.
7. A fair representation of what is expected for the athletics program in 2013-14.
8. The deferral of the purchase of a second new replacement vehicle to 2014-15.

SCHOOL SERVICE FUND - Food Service

This budget reflects:

1. A fair representation of what is expected for the program in 2013-14.
2. A decrease in local source revenue projections of ~\$37,000 based on the ytd actual revenues generated from paid lunch revenue and ala carte sales, vending sales and on-line payment fees.
3. A \$21,000 decrease in State sources of revenue, primarily related to the discontinuation of an At-Risk allocation of revenue to FS for the breakfast program of nearly \$16,000.

During our on-site review this year, we were informed that going forward, revenue could not be transferred unless the breakfast program was shown to be operating in a loss position. Since this is not currently the case for Lakeview, we will not be making that transfer this year.

4. The shift of 75% of LMS lunchroom supervision costs from the GF as they are an allowable direct cost to the Food Service Fund totaling approximately \$12,000 plus benefits.
5. A \$15,000 decrease in employment costs, primarily in benefit costs as a result of actual expenditures and projection of costs in the current year.
6. An increase in the budget for food costs of ~\$21,000 based on price increases and usage in the current year.
7. A \$10,365 decrease in the transfer from the Food Service Fund to the General Fund for the reimbursement of indirect costs based on the final revised budget, reflecting a 100% reimbursement level of allowable indirect costs again for 2013-14; the fifth consecutive year.
8. A \$20,830 decrease in the capital outlay section of the budget based on project completion in the current year.

CAPITAL PROJECTS FUND

This budget reflects:

1. A fair representation of what is expected for the Public Improvement Fund in 2013-14.
2. An adjustment in the funds transfer for the tennis building based on pledges actually received in the current year.

ENTERPRISE FUND

An Enterprise Fund is used to report business-type activities - fees charged to customers or organizations to cover the costs of services provided. Typically municipalities use this type of fund for water and sewer departments and parking facilities. Lakeview School District will be using this fund for management services and associated expenses rendered to the Battle Creek Area Learning Center (BCALC).

According to the agreement with the BCALC Board of Directors, Lakeview will be providing all employees and services. Lakeview School District will be reimbursed 100% for these services. All revenue for this fund will be shown as Local Revenue, Fees for Service, as required by the Michigan Department of Education. The expenditures associated with the BCALC will be recorded in this fund to ensure that Lakeview is reimbursed for expenses incurred.

This budget reflects the anticipated expenditures for the Calhoun Community High School for 2013-14.

**LAKEVIEW SCHOOL DISTRICT
 APPROPRIATIONS RESOLUTION FOR ADOPTION BY THE BOARD OF EDUCATION
 FISCAL YEAR 2013-14**

RESOLVED, that this resolution shall be the general appropriations of the Lakeview School District for the fiscal year 2013-2014: 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 2013-14 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	5,688,763
State	27,227,903
Federal	566,628
Incoming Transfers & Other Transactions	<u>1,590,445</u>
Total Revenue	35,073,739
Combined Fund Balance, July 1, 2013	7,130,893
Less Non-spendable Fund Balance	104,249
Less Assigned Fund Balance for Athletics	154,405
Less Assigned Fund Balance for Subsequent Year Deficit	1,016,370
Less Assigned Fund Balance for Future Operations	36,626
Less Assigned Fund Balance for Technology	207,166
Less Assigned Fund Balance for Child Care	127,100
Less Assigned Fund Balance for Comp. Absences	<u>133,460</u>
Fund Balance Available to Appropriate	<u>5,351,517</u>
Total Available to Appropriate	<u><u>40,425,256</u></u>

Be it further resolved that \$36,713,733 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	19,060,874
Added Needs	3,792,611
Adult and Continuing Education	
<i>Support Services:</i>	
Pupil Services	1,151,939
Instruction Staff Services	1,139,569
General Administration Services	398,895
School Administration Services	2,391,437
Business Services	684,675
Operation and Maintenance Services	3,408,170
Pupil Transportation Services	1,207,440
Other Supporting Services	2,648,452
<i>Community Services</i>	<u>700,782</u>
TOTAL EXPENDITURES	<u>36,584,844</u>
<i>Outgoing Transfers/Other Transactions</i>	125,119
TOTAL APPROPRIATED	<u><u>36,709,963</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 23, 2014

**LAKEVIEW SCHOOL DISTRICT
GENERAL FUND BUDGET
FOR FISCAL YEAR ENDING
JUNE 30, 2014**

	AUDITED 2007-08	AUDITED 2008-09	AUDITED 2009-10	AUDITED 2010-11	AUDITED 2011-12	AUDITED 2012-13	ADOPTED 2013-14	ADOPTED AMENDED 2012-13	PROPOSED AMENDED A 2013-14	PROPOSED AMENDED B 2013-14	VARIANCE
REVENUES:											
Local Sources	5,734,131	5,398,776	5,361,749	5,294,122	5,441,028	5,251,864	5,297,518	5,455,631	5,344,264	5,344,363	99
State Sources	25,462,197	24,082,333	23,573,927	24,966,446	25,597,693	26,379,067	26,462,076	25,728,205	27,317,906	27,227,903	(90,003)
Federal Sources	379,815	1,981,411	1,837,418	1,141,277	1,339,126	559,643	601,704	601,704	566,688	566,628	(60)
Incoming Transfers & Other Transactions	1,029,294	1,165,058	1,545,709	1,789,610	1,698,950	1,414,971	1,386,396	1,388,132	1,572,753	1,587,945	15,192
TOTAL REVENUES & TRANSFERS	32,605,437	32,627,578	32,318,803	33,191,455	34,076,797	33,605,545	33,747,694	33,173,672	34,801,611	34,726,839	(74,772)
EXPENDITURES:											
BASIC INSTRUCTION:											
Basic Programs	15,491,381	16,285,972	16,585,745	16,572,468	17,814,809	17,911,134	17,987,139	17,747,216	19,067,843	19,068,537	(9,306)
Added Needs	2,470,694	2,786,514	2,997,988	3,147,362	3,371,635	3,595,810	3,649,618	3,603,945	3,781,206	3,792,611	11,405
SUPPORT SERVICES:											
Pupil Services	963,923	1,206,622	1,216,189	983,973	1,025,876	1,037,101	1,149,191	1,136,331	1,177,427	1,149,413	(28,014)
Instruction Staff Services	1,375,876	1,525,395	1,421,458	1,475,548	908,713	988,035	1,031,238	1,023,248	1,144,242	1,139,569	(4,673)
General Administration Services	404,371	409,389	347,603	433,610	358,770	365,601	362,288	358,380	398,895	398,895	-
School Administration Services	2,049,445	2,066,366	1,982,930	2,075,191	2,108,638	2,219,137	2,222,294	2,196,885	2,396,340	2,391,437	(6,903)
Business Services	536,519	482,163	434,223	493,489	515,982	789,859	804,208	617,020	660,200	647,547	(12,653)
Operation and Maintenance Services	3,867,578	3,926,842	3,567,847	3,698,308	3,632,813	3,275,080	3,330,873	3,315,103	3,334,184	3,408,170	73,986
Pupil Transportation Services	1,039,832	830,489	761,467	895,527	972,732	1,048,942	1,052,202	1,042,754	1,112,010	1,153,447	41,437
Other Supporting Services	1,252,594	1,414,665	1,284,217	1,294,639	1,698,794	1,501,593	1,675,388	1,657,957	1,770,926	1,809,209	36,283
COMMUNITY SERVICES	897,643	850,717	704,498	708,421	760,201	741,421	791,006	782,174	663,811	684,198	387
TOTAL EXPENDITURES	30,349,856	31,785,134	31,304,165	31,778,546	33,168,763	33,473,713	34,055,455	33,480,813	35,509,084	35,613,033	103,949
OUTGOING TRANSFERS/OTHER TRANSACTIONS	1,102,306	915,396	694,783	687,709	764,738	693,400	678,609	680,967	784,573	754,056	(30,517)
TOTAL APPROPRIATED	31,452,162	32,700,530	31,998,948	32,476,255	33,933,501	34,167,113	34,734,064	34,161,780	36,293,657	36,367,089	73,432
EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES	1,153,275	(72,952)	319,855	715,200	143,296	(561,568)	(986,370)	(988,108)	(1,492,046)	(1,640,250)	
<i>Fund Balance at beginning of year</i>	5,277,225	6,430,500	6,357,548	6,677,403	7,392,603	7,535,899	6,974,331	6,974,331	6,974,331	6,974,331	
<i>Non-spendable Fund Balance</i>	26,670	59,294	57,810	70,089	78,310	102,090	102,090	102,090	102,090	102,090	
<i>Assigned Fund Balance</i>	696,251	337,942	326,108	1,904,046	741,351	1,520,721	1,520,721	1,520,721	1,520,721	1,520,721	
<i>Unassigned Fund Balance at end of year</i>	5,707,579	5,960,312	6,283,485	5,418,468	6,716,238	5,351,520	4,365,150	4,363,412	3,859,474	3,711,270	
Effective Date June 23, 2014											
Fund Balance as a % of Expenditures (net of Sec 147c expenses)						20.63%	17.42%	17.52%	15.53%	15.08%	
17% Cashflow Requirement (net of Sec 147c expenses)						5,746,155	5,842,552	5,807,503	6,000,604	6,013,088	
Amount Available for Use						1,228,176	145,409	178,720	(518,319)	(679,007)	

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 2013-14 BUDGET ADOPTION RESOLUTION.

LAKEVIEW SCHOOL DISTRICT
GENERAL FUND ATHLETICS BUDGET
FOR FISCAL YEAR ENDING JUNE 30, 2014

	AUDITED 2007-08	AUDITED 2008-09	AUDITED 2009-10	AUDITED 2010-11	AUDITED 2011-12	AUDITED 2012-13	ADOPTED 2013-14	ADOPTED AMEND A 2013-14	PROPOSED AMEND B 2013-14	VARIANCE
REVENUES:										
Local Sources	343,233	295,058	293,615	272,674	285,453	294,528	231,246	312,941	344,400	31,459
State Sources	0	0	0	0	0	0	0	0	0	-
Federal Sources	0	0	0	0	0	0	0	0	0	-
Incoming Transfers & Other Transactions	571,153	581,921	570,081	605,780	612,549	636,387	647,078	642,264	631,437	(10,827)
TOTAL REVENUES & TRANSFERS	914,386	876,979	863,696	878,454	898,002	930,915	878,324	955,205	975,837	20,632
EXPENDITURES:										
Salaries	386,087	384,960	372,612	374,250	375,631	406,234	454,817	462,018	457,946	(4,072)
Employee Benefits	117,788	116,598	112,874	126,695	142,510	152,638	179,134	190,542	189,253	(1,289)
Purchased Services	154,229	177,786	191,889	194,618	199,755	157,251	95,865	124,294	125,408	1,114
Supplies	178,092	155,143	148,910	137,878	135,862	159,165	107,253	122,075	141,218	19,143
Capital Outlay	8,013	4,858	6,185	23,013	22,994	12,078	46,170	57,700	33,835	(23,865)
Dues & Fees	19,209	21,412	23,045	25,408	24,531	24,570	25,085	24,791	24,151	(640)
TOTAL EXPENDITURES	863,418	860,757	855,515	881,862	901,283	911,936	908,324	981,420	971,811	(9,609)
OUTGOING TRANSFERS/OTHER TRANSACTIONS										
TOTAL APPROPRIATED	863,418	860,757	855,515	881,862	901,283	911,936	908,324	981,420	971,811	(9,609)
EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES										
<i>Fund Balance at beginning of year</i>	50,968	16,222	8,181	(3,408)	(3,281)	18,979	(30,000)	(26,215)	4,026	
<i>Non-Spendable Fund Balance</i>	68,904	119,872	136,094	144,275	140,867	140,867	159,845	159,845	159,845	
<i>Assigned Fund Balance at end of year</i>	119,872	136,094	142,745	140,867	136,899	157,686	127,686	131,471	161,712	

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 2013-14 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, 2014**

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 2013-2014 be amended and approved as follows:

Revenue:	
Local	837,194
State	58,617
Federal	1,218,195
Incoming Transfers & Other Transactions	1,070
Total Revenue	<u>2,115,076</u>
Fund Balance, July 1, 2013	488,522
Less Non-Spendable Fund Balance	<u>24,353</u>
Restricted Fund Balance Available to Appropriate	<u>464,169</u>
Total Available to Appropriate	<u><u>2,579,245</u></u>

BE IT FURTHER RESOLVED, that \$2,049,111 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	1,920,745
TOTAL EXPENDITURES	<u>1,920,745</u>
<i>Outgoing Transfers/Other Transactions</i>	<u>128,366</u>
TOTAL APPROPRIATED	<u><u>2,049,111</u></u>

THIS RESOLUTION TAKES EFFECT JUNE 23, 2014

LAKEVIEW SCHOOL DISTRICT
SCHOOL SERVICE FUND FOOD SERVICE BUDGET
FOR FISCAL YEAR ENDING JUNE 30, 2014

REVENUES:	AUDITED 2007-08	AUDITED 2008-09	AUDITED 2009-10	AUDITED 2010-11	AUDITED 2011-12	AUDITED 2012-13	ADOPTED 2013-14	ADOPTED AMEND A 2013-14	PROPOSED AMEND B 2013-14	VARIANCE
Local Sources	871,189	912,686	919,104	1,002,765	913,439	862,531	856,211	874,384	837,194	(37,190)
State Sources	42,423	51,770	63,915	80,306	91,582	78,418	79,237	79,237	58,617	(20,620)
Federal Sources	588,245	734,383	885,439	1,000,863	1,120,004	1,156,711	1,121,279	1,221,159	1,218,195	(2,964)
Incoming Transfers & Other Transactions	20,000		650	960	1,040	900	1,070	1,070	1,070	-
TOTAL REVENUES & TRANSFERS	1,521,857	1,698,839	1,869,108	2,084,894	2,126,065	2,098,560	2,057,797	2,175,850	2,115,076	(60,774)
EXPENDITURES:										
Salaries	365,816	392,615	410,098	462,538	465,113	464,834	471,288	490,294	487,397	(2,897)
Employee Benefits	257,241	266,412	269,872	293,597	293,647	274,099	274,458	305,444	293,280	(12,164)
Purchased Services	55,867	33,394	35,216	110,027	59,695	41,874	44,153	47,601	44,181	(3,420)
Supplies and other Expense	785,885	836,674	836,006	973,025	993,790	1,008,639	986,235	1,051,196	1,072,639	21,443
Dues and Fees	5,610	8,362	14,449	12,606	12,538	45,766	10,625	12,976	13,228	252
Capital Outlay	63,548	21,022	116,208	57,899	21,348	10,502	20,500	30,850	10,020	(20,830)
TOTAL EXPENDITURES	1,533,967	1,558,479	1,681,849	1,909,692	1,846,131	1,845,714	1,807,259	1,938,361	1,920,745	(17,616)
OUTGOING TRANSFERS/OTHER TRANSACTIONS	9,700	60,000	117,478	148,891	129,297	121,475	129,339	138,731	128,366	(10,365)
TOTAL APPROPRIATED	1,543,667	1,618,479	1,799,327	2,058,583	1,975,428	1,967,189	1,936,598	2,077,092	2,049,111	(27,981)
EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES	(21,810)	80,360	69,781	26,311	150,637	131,371	121,199	98,758	65,965	
<i>Fund Balance at beginning of year</i>	51,872	30,062	110,422	180,203	206,514	357,151	488,522	488,522	488,522	
<i>Non-spendable Fund Balance</i>	20,392	19,403	19,434	19,817	19,599	24,353	24,353	24,353	24,353	
<i>Restricted Fund Balance at end of year</i>	9,670	91,019	160,769	186,697	337,552	464,169	585,368	562,927	530,134	

**RESOLUTION FOR ADOPTION
BY THE BOARD OF EDUCATION OF THE
LAKEVIEW SCHOOL DISTRICT
CAPITAL PROJECTS FUND
FOR FISCAL YEAR ENDING JUNE 30, 2014**

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 2013-2014 be amended and approved as follows:

Revenue:		
	Local	515
	Other Financing Sources	
	Incoming Transfers & Other Transactions	76,000
	Total Revenue	<u>76,515</u>
	Fund Balance, July 1, 2013	522,229
	Less: Committed Fund Balance - Public Improvement Fund	<u>492,173</u>
	Restricted Fund Balance Available to appropriate	<u>30,056</u>
	Total Available to appropriate	<u><u>106,571</u></u>

BE IT FURTHER RESOLVED, that \$21,278 of the total to appropriate in the Capital Projects Fund and \$3,205 of the Committed Fund Balance is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:		
	Public Improvement Fund - General/Restricted	21,278
	Public Improvement Fund - Elementary Facilities	-
	Public Improvement Fund - Tennis Building	-
	Public Improvement Fund - Tennis Brick Program	-
	Public Improvement Fund - Swimming	3,205
	Capital Project	0
	TOTAL EXPENDITURES	<u>24,483</u>
	<i>Outgoing Transfers/Other Transactions</i>	<u>0</u>
	TOTAL APPROPRIATED	<u><u>24,483</u></u>

THIS RESOLUTION TAKES EFFECT JUNE 23, 2014

**LAKEVIEW SCHOOL DISTRICT
 APPROPRIATIONS RESOLUTION FOR ADOPTION BY THE BOARD OF EDUCATION
 ENTERPRISE FUND
 FISCAL YEAR 2013-14**

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the Enterprise Fund of the Lakeview School District for the fiscal year 2013-14 be amended and approved as follows:

Revenue:	
Local	1,354,892
State	0
Federal	0
Incoming Transfers & Other Transactions	0
Total Revenue	1,354,892
Fund Balance, July 1, 2013	0
Less Non-Spendable Fund Balance	0
Unreserved Retained Earnings Available to appropriate	0
Total Available to appropriate	1,354,892

BE IT FURTHER RESOLVED, that \$1,354,892 of the total available to appropriate in the Enterprise Fund is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:	
<i>Basic Instruction:</i>	
Basic Programs	756,298
Added Needs	118,587
<i>Support Services:</i>	
Pupil Services	160,418
Instruction Staff Services	20,966
School Administration Services	180,497
Business Services	33,376
Operation and Maintenance Services	68,214
Pupil Transportation Services	1,500
Other Supporting Services	15,036
TOTAL EXPENDITURES	1,354,892
<i>Outgoing Transfers/Other Transactions</i>	0
TOTAL APPROPRIATED	1,354,892

THIS RESOLUTION TAKES EFFECT JUNE 23, 2014