

WEST BLOOMFIELD SCHOOL DISTRICT

WILLIAM D. MULL
ASSISTANT SUPERINTENDENT FOR
BUSINESS AND OPERATIONS



MEMORANDUM

June 20, 2016

TO: Superintendent Hill & Board of Education

FROM: William Mull, Asst. Superintendent for Business

RE: June 20, 2016 Board Meeting Agenda Item:
2015-16 Budget Amendment # 2
General Fund
Special Education Center Program Fund
Community Service Fund
Debt Retirement Fund
Building & Site Sinking Fund

The administration presents the second budget amendment for 2015-16 for Board approval this evening. Amendments are proposed to five funds.

GENERAL FUND	<u>Amend #2</u>	<u>Change</u>	<u>Amend #1</u>
Beginning Fund Balance	\$ 1,021,604	-	\$ 1,021,604
Revenue	64,815,303	373,502	64,441,801
Expenditures	<u>(61,777,715)</u>	<u>128,619</u>	<u>(61,649,096)</u>
Surplus (Deficit)	3,037,588	244,883	2,792,705
Ending Fund Balance	\$ 4,059,192	244,883	\$ 3,814,309
Ending Fund Balance as % of Expenditures	6.26%		5.92%

All revenue and expenditure line items have been analyzed and updated to reflect the revised forecast for 2015-16. To summarize the major component changes for the amended budget:

	Amend #2 2015-16	
CHANGES In REVENUES		
Adjustment in Net Foundation Allowance Revenue	\$ 129,249	Projected actual
Adjustments in Special Education Funding Sources	\$ 65,781	Projected actual
Adjustments in Miscellaneous Local Revenues -multiple accounts (net)	\$ 52,313	Projected actual
Adjustment to Transfer in from Food Service Fund	\$ 46,440	Projected actual
Adjustments to Grant-funded Programs Revenue	\$ 79,719	offsetting
Sub-total Amend #2 Changes in Revenues	\$ 373,502	
CHANGES In EXPENDITURES		
Adjustments to Grant-funded Programs Expenditures	\$ 86,804	offsetting
Refund to ISD for Ealy Special Ed Facility Investment	\$ 35,786	one-time expense
Neola Board Policy Consulting Services	\$ 23,400	one-time expense
Clerical Substitutes/Overtime	\$ 17,238	adjust to forecasted actual
Supplemental pay	\$ 3,591	Fine Arts district stipend
Utilities Expenditures	\$ (3,200)	adjust to forecasted actual
District-wide Unemployment Compensation	\$ (35,000)	projected actual
Sub-total Amend #2 Changes in Expenditures	\$ 128,619	

SPECIAL EDUCATION CENTER PROGRAM FUND

	<u>Amend #2</u>	<u>Change</u>	<u>Original</u>
Beginning Fund Balance	\$ - 0 -	-	\$ - 0 -
Revenue	671,018	(6,607)	677,625
Expenditures	(671,018)	(6,607)	(677,625)
Surplus (Deficit)	- 0 -	- 0 -	- 0 -
Ending Fund Balance	\$ - 0 -	-	\$ - 0 -

The Special Education enter Program Fund is fully funded via a combination of State and Local (Oakland Schools ISD and Tuition) revenue. Revenues and Expenditures have been adjusted equally to reflect the revised forecasted operating results for the school fiscal year ending 6.30.16.

COMMUNITY SERVICE FUND	<u>Amend #2</u>	<u>Change</u>	<u>Original</u>
Beginning Fund Balance	- 0 -	-	- 0 -
Revenue	\$1,916,249	(145,385)	\$2,061,634
Expenditures	<u>(1,916,249)</u>	<u>(145,385)</u>	<u>(2,061,634)</u>
Surplus (Deficit)	- 0 -	-	- 0 -
Ending Fund Balance	- 0 -	-	- 0 -

Revenues and Expenditures are both being adjusted equally to better reflect the revised forecasted operating results for the school fiscal year ending 6.30.16. Within Expenditures, it should be noted that the net transfer out to the General Fund is budgeted at \$40,000.

DEBT RETIREMENT FUND	<u>Amend #2</u>	<u>Change</u>	<u>Original</u>
Beginning Fund Balance	\$ 1,035,102	-	\$ 1,035,102
Revenue	23,067,509	9,411,308	13,656,201
Expenditures	<u>(23,047,688)</u>	<u>9,419,243</u>	<u>(13,628,445)</u>
Surplus (Deficit)	19,821	(7,935)	27,756
Ending Fund Balance	\$ 1,054,923	(7,935)	\$ 1,062,858

Revenues and Expenditures are both being adjusted to better reflect the revised forecasted operating results for the school fiscal year ending 6.30.16.

A bond refunding occurred during 2015-16 that will save taxpayers approximately \$1 million in taxes over the life of the remaining debt service schedule. This one-time transaction had the effect of increasing both revenues and expenditures by approximately \$9.4 million for this school fiscal year only.

BUILDING & SITE SINKING FUND	<u>Amend #2</u>	<u>Change</u>	<u>Original</u>
Beginning Fund Balance	\$ 341,262	-	\$ 341,262
Revenue	2,121,234	1,932	2,119,302
Expenditures	<u>(2,429,380)</u>	<u>95,948</u>	<u>(2,333,432)</u>
Surplus (Deficit)	(308,146)	(94,016)	(214,130)
Ending Fund Balance	\$ 33,116	(94,016)	\$ 127,132

Revenues and Expenditures are both being adjusted to better reflect the revised forecasted operating results for the school fiscal year ending 6.30.16 based on sinking fund projects approved and/or in progress. With the school fiscal year being July 1 through June 30, Sinking Fund individual project appropriations are often expended and completed over a two-year period.

RECOMMENDATION:

The administration recommends that the Board of Education approve the enclosed resolutions in order to amend the 2015-16 budgets for the General Fund, Special Education Center Program Fund, Community Service Fund, Debt Retirement Fund, and Building & Site Sinking Fund.