

WEST BLOOMFIELD SCHOOL DISTRICT

WILLIAM D. MULL
ASSISTANT SUPERINTENDENT FOR
BUSINESS AND OPERATIONS

MEMORANDUM
June 24, 2019



TO: Superintendent Hill & Board of Education
FROM: William Mull, Asst. Superintendent for Business
RE: June 24, 2019 Board Meeting Agenda Item:
2018-19 Budget Amendment # 2:
▪ General Fund
▪ Building & Site Sinking Fund

The administration presents the second budget amendment for 2019-20 for Board approval this evening. Amendments are proposed to two funds. Revenue and Expenditure line item budgets have been adjusted based on final expected grant award amounts and/or updated fiscal year end projections. The proposed budget adjustments are for the most part nominal. Additional detail can be found in the 2019-20 Budget Book.

GENERAL FUND

Revenue and Expenditure accounts in grant-funded programs have been adjusted to reflect final grant awards for 2019-20; as well as other miscellaneous adjustments.

	Amendment #2 6/24/19	Amendment #2 Change	Amendment #1 2/24/19	Original Budget 6/18/18	Actual 2017-18
Beginning Fund Balance, July 1	\$ 9,883,941	\$ -	\$ 9,883,941	\$ 9,883,941	\$ 8,309,261
REVENUES	65,669,989	368,759	65,301,230	64,102,507	64,609,291
EXPENDITURES	66,220,124	(341,568)	66,561,692	65,615,538	63,034,614
OPERATING SURPLUS (DEFICIT)	(550,135)	710,327	(1,260,462)	(1,513,031)	1,574,677
Ending Fund Balance, June 30	\$ 9,333,806	\$ 710,327	\$ 8,623,479	\$ 8,370,910	\$ 9,883,941
Ending Fund Balance as % of Revenues	14.2%	1.0%	13.2%	13.1%	15.3%

CHANGES TO REVENUES:

Adjust Grant Funded Programs to Actual Awards	98,526
Adjust Foundation Allowance Revenue	163,483
for Actual Tax Collections and State June State Aid Status Report	
Other Miscellaneous Adjustments	106,750
Sub-total Revenue Adjustments	368,759

CHANGES TO EXPENDITURES:

Adjust Grant Funded Programs to Actual Awards	98,526
Adjust Salary and Benefits Accounts for Balance of Contract analysis	(440,094)
Sub-total Expenditure Adjustments	(341,568)

BUILDING & SITE SINKING FUND

Revenues and Expenditures are both being adjusted to better reflect the revised forecasted operating results for the school fiscal year end 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. Revenue is being adjusted for the one-time proceeds from the \$5 million 2019 Building and Site Sinking Fund Term Bond.

	PROPOSED BUDGET 2019-20	INCREASE (DECREASE) 2019-20	AMEND 2 BUDGET 2018-19	AMEND 2 CHANGE 2018-19	AMEND 1 BUDGET 2018-19	ACTUAL 2017-18
BEGINNING FUND BALANCE	\$ 4,302,431	\$ 4,925,483	\$ (623,052)	\$ -	\$ (623,052)	\$ 155,372
REVENUES						
Millage Levy: 1.1941	2,299,703	82,440	2,217,263	0	2,217,263	2,176,671
One-time Bond Proceeds	-	(5,000,000)	5,000,000	5,000,000		
SUB-TOTAL REVENUES	2,299,703	(4,917,560)	7,217,263	5,000,000	2,217,263	2,176,671
EXPENDITURES						
General Repairs district-wide (annual)	200,000	(50,000)	250,000	63,628	186,372	166,273
District-wide concrete "flags" (annual)	60,000	(8,628)	68,628	-	68,628	57,699
WBHS Stadium Track & Field Turf Replacement		-		-		1,067,230
WBHS Roofing project	682,670	677,270	5,400	(627,170)	632,570	682,838
Doherty Asphalt reconstruction project		-		-		
WBHS Concrete driveway entrances		-		-		
Shelko Roof Replacement	468,710	468,710	-	(376,500)	376,500	
District-wide HVAC/Energy Conservation Improvements:		-		-		
Boiler Replacement Roosevelt Elementary		-		-		
Boiler Replacement Shelko Elementary		-		-		
Boiler Addition WBHS Pool		-		-		
Chiller Replacement Scotch Elementary		-		-		
District HVAC Controls upgrades		-		-		
WBHS Ph I+Ph II HVAC project (w/ bond)	39,601	(364,457)	404,058	(34,853)	438,911	364,556
Shelko Pre-Purchase plus HVAC project (w/ bond)	169,534	(178,355)	347,889	(162,146)	510,035	421,889
Doherty Pre-Purchase plus HVAC project (w/ bond)	-	(793,479)	793,479	50,493	742,986	101,415
Transportation building HVAC upgrades renovation (w/ bond)	-	(162,089)	162,089	0	162,089	74,757
Gretchko HVAC project Phase II (w/ bond)	345,885	300,623	45,262	(315,617)	360,879	6,000
Scotch HVAC project Phase II (w/ bond)	776,871	660,181	116,690	(700,519)	817,209	5,778
Roosevelt HVAC project (w/ bond)		-		-		
Special Consultants (CM Pre-Constr Svcs Bond work Ph II)	-	(19,966)	19,966	(13,494)	33,460	
Special Consultants (district roof consultant)	-	(37,659)	37,659	19,319	18,340	3,960
Special Consultants (HVAC commissioning)	36,340	(1,320)	37,660	(36,340)	74,000	
Taxes Abated	3,000	-	3,000	-	3,000	2,701
Advertising Expense		-		-		
2019 \$5m Bond Principal/Interest Payments	690,389	690,389		-		
Prior Year Expenditures		-		-		
SUB-TOTAL EXPENDITURES	3,473,000	1,181,220	2,291,780	(2,133,199)	4,424,979	2,955,095
OPERATING SURPLUS (DEFICIT)	(1,173,297)	(6,098,779)	4,925,483	7,133,199	(2,207,716)	(778,424)
ENDING FUND BALANCE	\$ 3,129,135	\$ (1,173,297)	\$ 4,302,431	\$ 7,133,199	\$ (2,830,768)	\$ (623,052)

RECOMMENDATION:

The administration recommends that the Board of Education approve the enclosed resolutions in order to amend the 2019-20 budgets for the General Fund, and Building & Site Sinking Fund.

**RESOLUTION FOR BUDGET AMENDMENT
TO BE ADOPTED BY
THE BOARD OF EDUCATION OF
WEST BLOOMFIELD SCHOOL DISTRICT**

RESOLVED, that this resolution is to amend the general appropriations of the West Bloomfield School District for the fiscal year 2018-19, an act to make appropriations; to provide for the expenditure of the appropriations; and to provide for the disposition of all income received by the West Bloomfield 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 West Bloomfield School District for the fiscal year 2018-19 is as follows:

REVENUE:

Local Sources	\$12,226,839
State Sources	46,848,678
Federal Sources	2,460,534
Other LEA's/ISD's/Sale of Property	4,073,938
Transfers In from Other Funds	<u>60,000</u>

TOTAL REVENUE	\$65,669,989
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Fund Balance, July 1, 2018	\$9,883,942
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Fund Balance Available to Appropriate	<u>9,883,942</u>
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TOTAL AVAILABLE TO APPROPRIATE	<u>\$75,553,931</u>
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BE IT FURTHER RESOLVED, that \$66,220,124 of the total available to appropriate in the **GENERAL FUND** is hereby appropriated in the amounts and for the purposes set forth below.

EXPENDITURES:

Instruction	\$39,390,615
Supporting Services	26,431,913
Community Services	324,858
Payments to Other Govt. Agencies	-0-
Other Financing Uses-Debt Service Principal/Interest	72,738
Transfers Out	<u>-0-</u>

TOTAL APPROPRIATED	<u>\$66,220,124</u>
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PURPOSE OF AMENDMENT:

These amendments to the General Fund require an increase in revenues of \$368,759 and a decrease in appropriations of \$341,568.

The budgeted ending fund balance in the General Fund as a result of this amendment for fiscal year 2018-19 is \$9,333,807.

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the **SINKING FUND** of the West Bloomfield School District for the fiscal year 2018-19 is as follows:

REVENUE:

Local	\$2,217,263
Incoming-Bond Loan Proceeds	<u>5,000,000</u>
TOTAL REVENUE	\$7,217,263
Fund Balance, July 1, 2018	\$(623,052)
Fund Balance Available to Appropriate	<u>(623,052)</u>
TOTAL AVAILABLE TO APPROPRIATE	<u>\$6,594,211</u>

BE IT FURTHER RESOLVED, that \$2,291,780 in the **SINKING FUND** is hereby appropriated in the amounts and for the purposes set forth below.

EXPENDITURES:

Purchased Services	\$ 0
District Repairs	250,000
Capital Outlay - Building/Site Renovations	2,038,780
Other Expenditures	<u>3,000</u>
TOTAL APPROPRIATED	<u>\$2,291,780</u>

PURPOSE OF AMENDMENT:

These amendments to the Sinking Fund require an increase/decrease in revenues of \$5,000,000 and a decrease in appropriations of \$2,133,200.

The budgeted ending fund balance in the Sinking Fund as a result of this amendment for fiscal year 2018-19 is \$4,302,431.

This resolution shall take effect on June 24, 2019.