

West Bloomfield School District

Kyle Anderson
Assistant Superintendent for Business and Operations



**WEST BLOOMFIELD
SCHOOL DISTRICT**

*Educating Students to be their
Best IN and FOR the World!*

MEMORANDUM
2/17/2021

TO: Superintendent Hill & Board of Education
FROM: Kyle Anderson, Asst. Superintendent
RE: 2020-21 General Fund Amendment #1

As reviewed with the Board of Education in its February 8, 2021 meeting, the attached amendment for the General Fund is being presented to the Board for its consideration and approval.

WEST BLOOMFIELD SCHOOL DISTRICT					
2020-21 Amendment #1 Executive Summary					
Budget Summary	Actual	Actual	Original Budget	Amendment #1	Increase
	2018-19	2019-20	2020-21	2020-21	(Decrease)
Beginning Fund Balance, July 1	\$ 9,883,942	\$ 11,108,208	\$ 11,076,427	\$ 11,076,427	\$ -
REVENUES	65,818,973	65,572,893	61,478,545	69,082,196	7,603,651
EXPENDITURES	64,594,707	65,604,674	65,226,159	68,492,513	3,266,354
OPERATING SURPLUS (DEFICIT)	1,224,266	(31,781)	(3,747,614)	589,683	4,337,297
Ending Fund Balance, June 30	\$ 11,108,208	\$ 11,076,427	\$ 7,328,813	\$ 11,666,110	\$ 4,337,297
Ending Fund Balance as % of Revenues	16.9%	16.9%	11.9%	16.9%	5.0%

The 2020-2021 General Fund Budget is being adjusted to account for known factors such as enrollment, foundation allowance, grant allocations, staffing changes, and overall adjustments to better reflect new information since the original budget was developed. Overall, the amendment adjusts the General Fund positively by \$4,337,297, with the main adjustments coming from state aid revenue and federal COVID-related funding sources. Assuming zero budget variance, the forecasted fund balance on June 30 is \$11.6 million or 16.9% of budgeted revenues. It is likely that there will be a budget variance based on year-end audit results that would directly affect this forecast.

Below is a summary of the major adjustments compared to the budget assumptions used in the development of our General Fund original budget:

FY2020-21 Original Budget Major Assumptions:		
Foundation decrease \$600 per pupil	\$	(4,647,141)
Student enrollment decrease of 200		
ESSER I, one-time FY20 only	\$	(291,009)
COVID-related Funding was unknown at time of Original Budget development		
Staff Contract Settlements unknown at time of Original Budget development		
FY2020-21 Amendment #1 Changes		
Adjusted Foundation Allowance to Actual	\$	4,368,214
Adjusted Enrollment to Actual		
Included COVID-related Funding	\$	3,050,460
Included Staff Contract Settlements	\$	1,909,190

State aid funding is being positively adjusted to capture the true foundation allowance of \$9,156 per pupil and the funded pupil count of 5,396 FTE's. Note that our district's foundation allowance remains the same as last school year. As discussed in our last review, the pupil count uses a one-time unique calculation referred to as the "super-blend" that effectively lower the actual pupil decline of 140 FTE compared to the previous school year. We will be paying particular attention to how this nuance in our funding calculation will be addressed in next year's state budget process.

Also included in this proposed amendment is a positive adjustment in revenues of \$3,050,460 to account for COVID-related funding sources received this school year to address pandemic learning, but also to offset the fact that our district's foundation allowance remains unchanged from last school year. These revenue sources are one-time and are not expected to continue into future years.

RECOMMENDATION:

The recommendation is to approve the attached resolution amending the General Fund Budget for the 2020-2021 fiscal year.

**RESOLUTION FOR ADOPTION BY THE BOARD OF EDUCATION
WEST BLOOMFIELD SCHOOL DISTRICT**

RESOLVED, that this resolution is to amend the the general appropriations of the West Bloomfield School District for the fiscal year 2020-2021.
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 2020-2021 is as follows:

REVENUE		
Local Sources		\$12,709,098
State Sources		46,583,857
Federal Sources		5,125,948
Other LEA's/ISD's/Sale of Property		4,618,293
Transfers in from Other Funds		45,000
TOTAL REVENUE		\$69,082,196
Fund Balance, July 1, 2020	\$11,076,427	
Fund Balance Available to Appropriate		11,076,427
TOTAL AVAILABLE TO APPROPRIATE		\$80,158,623

BE IT FURTHER RESOLVED, that **\$68,492,513** 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		\$40,971,031
Supporting Services		27,100,177
Community Services		348,567
Payments to Other Govt. Agencies		0
Other Financing Uses-Debt Service Principal/Interest		72,738
Transfers Out		0
TOTAL APPROPRIATED		\$68,492,513

Budgeted Ending Fund Balance in the General Fund for Fiscal Year 2020-2021 is \$11,666,110.