

**FISCAL YEAR 2024-25
GENERAL FUND OPERATING
SCHOOL SERVICE FUND
BUDGETS
AMENDMENT A
JANUARY 27, 2025**



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 2024-25 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 \$9,608 per blended FTE has been used. The original had assumed a 3% increase to foundation that unfortunately we did not receive. This reflects a \$288 decrease per FTE.
 2. The blended FTE used for the original budget was 3,765 and the current blended FTE of 3,700.57 is reflected in the budget. This equates to a 64.43 decrease in FTE.
 3. MPSERS revenue has been updated to State approved budget, along with the corresponding expenses as necessary. We did receive one time MPSERS offset 147a(4) of \$1,367,347 that has been included.
 4. 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).
 5. Notable Changes from the Original Budget:
 - Local Sources – Donations along with local grants are included. Tax revenue has increased.
 - State Sources -See notes above on Foundation, MPSERS, and student count.
 - Received \$242,124 in Enrollment Stabilization payment that were not factored into the original.
 - Federal Sources – Remainder of ESSER funds are included along with increases in Title funding we received.
 - Other Transactions – Increase in Special Ed Funding from ISD to correspond with the increase of expenditures in Special Ed.
- 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, ESSER III).
 2. Staffing based on current staffing models with the negotiated contract costs. MSPSERS UAAL reduction included. The original

was estimated on 16% of salaries and current reimbursement equates to 8.82%.

3. Added Needs - reflective of the increase in Special Education staffing.
4. Pupil Support – Increase of an additional Special Ed Teacher Consultant position.
5. Operations – Removed the funds that were carried forward in error in the original for HVAC work at the HS that is completed.
6. Transportation – Original had funds for expenses from a Homeless grant we had prior but no longer have for this year, so these costs were removed.
7. Other Supporting Services – Moved costs for Tri-Share into the department budgets from the Human Resources budget. There was a keying error in the original and reduced \$150,000.
8. Community Services – Increase in Title grants

SCHOOL SERVICE FUND – Food Service

This budget reflects:

A fair representation of what is expected for the program in 2024-25.

1. Modified local revenue based on actuals through 12/31/24 and projected forward using "like months."
2. Pennfield revenue modified to actual. End of contract.
3. Added new Federal reimbursement rates and projected reimbursement forward using previous months with "like number of days."
4. Budgeted for projected actuals in State Aid reimbursement as of 01/20/2025.
5. Updates to staffing costs based on current expenses and projections moving forward.
6. Revised MPSERS UAAL rate to 8.82% based on total payroll divided by State Aid 147c(1).
7. Grocery and supply costs updated based upon actuals. Assumed same % increase for expenses from prior year.
8. No quotes for sound-proofing project received yet. Increased capital projects budget by \$20k as there is plenty of room budgeted. Will modify to actual with subsequent revision.
9. Outgoing Transfers to the General Fund based on the calculation of the allowable 15.00% of Indirect Cost on revised budget expenditures.

**LAKEVIEW SCHOOL DISTRICT
APPROPRIATIONS RESOLUTION FOR ADOPTION BY THE BOARD OF EDUCATION
FISCAL YEAR 2024-25**

RESOLVED, that this resolution shall be the general appropriations of the Lakeview School District for the fiscal year 2024-25: 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 2024-25 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	6,111,069
State	42,595,199
Federal	1,860,861
Incoming Transfers & Other Transactions	4,118,796
Total Revenue	<u>54,685,925</u>
Fund Balance, July 1, 2024 (audited)	11,606,567
Less Non-spendable Fund Balance (audited)	179,945
Less Assigned Fund Balance for Subsequent Year Deficit (estimated)	1,732,793
Less Assigned Fund Balance for Future Operations (audited)	590,330
Less Assigned Fund Balance for Technology (audited)	0
Less Assigned Fund Balance for Comp. Absences (audited)	<u>26,170</u>
Fund Balance Available to Appropriate	<u>9,077,329</u>
Total Available to Appropriate	<u><u>63,763,254</u></u>

Be it further resolved that \$55,655,004 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	23,961,052
Added Needs	9,553,801
Adult and Continuing Education	0
<i>Support Services:</i>	
Pupil Services	2,828,023
Instruction Staff Services	3,315,654
General Administration Services	704,331
School Administration Services	3,578,309
Business Services	1,156,732
Operation and Maintenance Services	4,726,677
Pupil Transportation Services	1,765,757
Other Supporting Services	2,402,996
Athletics	1,170,450
<i>Community Services</i>	<u>491,222</u>
TOTAL EXPENDITURES	<u>55,655,004</u>
<i>Outgoing Transfers/Other Transactions</i>	<u>0</u>
TOTAL APPROPRIATED	<u><u>55,655,004</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 JANUARY 27, 2025

LAKEVIEW SCHOOL DISTRICT
GENERAL FUND BUDGET
ORIGINAL

FOR FISCAL YEAR ENDING JUNE 30, 2025

	2020-21 AUDITED	2021-22 AUDITED	2022-23 AUDITED	2023-24 AUDITED	ADOPTED 2024-25 ORIGINAL	PROPOSED 2024-25 AMEND A	VARIANCE
REVENUES:							
Local Sources	4,677,838	4,854,469	5,504,250	6,369,172	5,519,258	6,111,069	591,811
State Sources	35,316,301	36,967,388	43,455,913	43,838,647	44,711,681	42,595,199	(2,116,482)
Federal Sources	2,944,836	3,456,449	3,542,340	3,787,616	1,162,275	1,860,861	698,586
Incoming Transfers & Other Transactions	2,134,882	2,740,830	2,090,217	2,274,732	2,815,599	4,118,796	1,303,197
TOTAL REVENUES & TRANSFERS	45,073,857	48,019,136	54,592,721	56,270,166	54,208,813	54,685,925	477,112
EXPENDITURES:							
BASIC INSTRUCTION:							
Basic Programs	22,477,103	22,812,176	25,235,282	23,888,562	24,423,042	23,961,052	(461,990)
Added Needs	4,896,104	6,531,589	6,915,948	7,588,382	8,296,477	9,553,801	1,257,324
Adult and Continuing Education	-	-	-	-	-	-	-
SUPPORT SERVICES:							
Pupil Services	2,108,520	2,444,573	2,504,289	2,430,344	2,728,981	2,828,023	99,042
Instruction Staff Services	1,213,629	1,921,727	2,215,981	2,336,937	2,973,696	3,315,654	341,958
General Administration Services	496,579	478,019	591,040	627,140	735,780	704,331	(31,449)
School Administration Services	2,820,904	3,097,644	3,585,024	3,571,498	3,593,690	3,578,309	(15,381)
Business Services	828,034	940,885	1,140,154	1,067,874	1,166,005	1,156,732	(9,273)
Operation and Maintenance Services	3,427,743	3,969,148	3,940,826	4,346,845	4,777,216	4,726,677	(50,539)
Pupil Transportation Services	856,003	1,107,994	1,382,105	1,704,163	1,904,817	1,765,757	(139,060)
Other Supporting Services	1,401,649	1,646,937	1,828,101	2,338,368	2,673,070	2,402,996	(270,074)
Athletics	804,032	872,275	975,322	998,770	1,223,971	1,170,450	(53,521)
COMMUNITY SERVICES	390,740	499,157	681,676	504,092	472,193	491,222	19,029
TOTAL EXPENDITURES	41,721,040	46,322,125	50,995,748	51,382,974	54,988,938	55,655,004	686,066
OUTGOING TRANSFERS/OTHER TRANSACTIONS							
TOTAL APPROPRIATED	2,529,290	1,608,404	3,594,783	2,787,332	451,307	763,714	312,407
	44,250,330	47,930,529	54,590,531	54,170,307	55,420,245	56,418,718	1,249,938
EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES							
	823,527	88,607	2,190	2,099,860	(1,211,432)	(1,732,793)	
<i>Fund Balance at beginning of year</i>	8,592,384	9,415,911	9,504,517	9,506,708	11,606,567	11,606,567	
<i>Non-spendable Fund Balance</i>	186,886	535,052	392,844	179,945	179,945	179,945	
<i>Assigned Fund Balance</i>	59,573	38,118	25,221	616,500	616,500	616,500	
<i>Unassigned Fund Balance at end of year</i>	9,169,652	8,931,348	9,088,643	10,810,122	9,598,690	9,077,329	
Fund Balance as a % of Expenditures (net of Sec 147c expenses)	22.82%	21.46%	18.83%	23.18%	20.44%	18.32%	
17% Cashflow Requirement (net of Sec 147c expenses)	7,015,177	7,529,313	8,584,245	8,512,807	8,647,166	9,163,659	
Amount Available for Use	2,400,734	1,975,204	922,462	3,093,760	1,747,970	710,115	

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 COMPARITIVE PURPOSES THE PORTION ASSOCIATED WITH ATHLETICS WILL BE ELIMINATED AGAINST THE INCOMING TRANSFERS WHEN COMBINED WITH THE ACTIVITY OF THE ATHLETIC FUND FC PURPOSES OF THE 2018-19 BUDGET ADOPTION RESOLUTION.

**LAKEVIEW SCHOOL DISTRICT
RESOLUTION FOR ADOPTION SCHOOL SERVICE FUND
FOR FISCAL YEAR ENDED JUNE 30, 2025**

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 2024-25 be amended and approved as follows:

Revenue:		
	Local	788,154
	State	583,589
	Federal	2,724,002
	Incoming Transfers & Other Transactions	<u>67,625</u>
	Total Revenue	<u>4,163,370</u>
Fund Balance, July 1, 2024 (Actual)	1,547,988	
Less Non-Spendable Fund Balance (Actual)	41,788	
Less Assigned Fund Balance for Future Operations (estimated)	<u>536,911</u>	
Restricted Fund Balance Available to Appropriate		<u>969,289</u>
Total Available to Appropriate		<u><u>5,132,659</u></u>

BE IT FURTHER RESOLVED, that \$4,700,780 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	4,378,823
TOTAL EXPENDITURES		<u>4,378,823</u>
<i>Outgoing Transfers/Other Transactions</i>		<u>321,957</u>
TOTAL APPROPRIATED		<u><u>4,700,780</u></u>

THIS RESOLUTION TAKES EFFECT JULY 1, 2024

**LAKEVIEW SCHOOL DISTRICT
SCHOOL SERVICE FUND FOOD SERVICE BUDGET
ORIGINAL**

FOR FISCAL YEAR ENDING JUNE 30, 2025

	AUDITED 2020-21	AUDITED 2021-22	AUDITED 2022-23	AUDITED 2023-24	ADOPTED ORIGINAL 2024-25	PROPOSED AMEND A 2024-25	VARIANCE
REVENUES:							
Local Sources	189,435	405,890	821,287	743,371	788,454	788,154	(300)
State Sources	96,812	155,198	108,150	572,301	576,057	583,589	7,532
Federal Sources	2,179,675	2,995,403	2,544,319	2,641,588	2,480,811	2,724,002	243,191
Incoming Transfers & Other Transactions	99,361	122,650	125,000	133,704	53,000	67,625	14,625
TOTAL REVENUES & TRANSFERS	2,565,283	3,679,141	3,598,756	4,090,964	3,898,322	4,163,370	265,048
EXPENDITURES:							
Salaries	558,430	806,143	881,930	1,017,972	1,080,545	1,137,378	56,833
Employee Benefits	412,667	544,319	619,507	776,982	796,091	777,593	(18,498)
Purchased Services	75,541	94,075	106,924	56,020	71,554	69,237	(2,317)
Food, Supplies, and Other Expenses	1,074,603	1,454,280	1,562,110	1,804,570	1,862,733	1,943,905	81,172
Dues and Fees	3,698	7,880	7,759	13,611	9,621	12,211	2,590
Capital Outlay	141,901	-	222,558	221,126	418,323	438,000	19,677
TOTAL EXPENDITURES	2,266,840	2,906,697	3,400,788	3,890,281	4,238,867	4,378,324	139,457
OUTGOING TRANSFERS/OTHER TRANSACTIONS	177,999	217,508	224,073	299,057	319,797	321,957	2,160
TOTAL APPROPRIATED	2,444,839	3,124,205	3,624,861	4,189,338	4,558,664	4,700,281	141,617
EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES	120,444	554,936	(26,105)	(98,374)	(660,342)	(536,911)	484,068
<i>Fund Balance at beginning of year</i>	997,963	1,118,406	1,673,342	1,594,415	1,563,212	1,547,988	(15,224)
<i>Non-spendable Fund Balance</i>	32,767	46,869	52,822	41,788	52,822	41,788	(11,034)
<i>Restricted Fund Balance at end of year</i>	1,085,639	1,626,473	1,594,415	1,547,988	850,048	969,289	119,242