LAKEVIEW SCHOOL DISTRICT

FISCAL YEAR 2026-27 BUDGET

GENERAL FUND OPERATING
SCHOOL SERVICE FUND
CAPITAL PROJECT FUND
ORIGINAL BUDGET

JUNE 22, 2026

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

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LAKEVIEW SCHOOL DISTRICT

2026-27 ORIGINAL BUDGET ASSUMPTIONS

A school district budget is both a legal requirement and a financial plan based on the best available assumptions and related estimates for both revenues and expenditures. It sets the financial framework for delivering instructional programs and support services. As new data becomes available, adjustments are made through budget amendments to ensure accuracy and fiscal responsibility.

Under the Uniform Budgeting and Accounting Act (MCL 141.422a), four separate funds are used to manage district operations. While Board approval is not required for the Debt Retirement or Capital Project Funds, Lakeview brings forward both the Public Improvement Fund and the Capital Project Non-Bond Fund for Board approval to maintain transparency and ensure oversight of building improvement allocations.

Pursuant to GASB 84, fiduciary activities are now reported under revised guidelines, with custodial funds replacing former agency funds. These fiduciary funds must include both a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position, recognizing potential net positions within custodial funds, unlike the previously balanced agency funds.

GENERAL FUND – Includes Athletics (as required under GASB 54)

This fund reflects the district's operational priorities and is primarily supported by the State Aid Foundation Allowance, local property taxes, and state and federal grants.

At the time this budget was developed, the State of Michigan has not approved the 2026-27 budget. The following assumptions were used to prepare this budget:

Revenues

- Foundation Allowance: $10,300 per blended FTE. This is an anticipated $250 increase in the foundation allowance.
- Enrollment assumptions reflect a projected decline of 50 blended FTE based on historical enrollment trends and five-year average.

- Federal and State Grant Programs: Revenues aligned with projected expenditures for categorical grants (Title I, II, III, At-Risk).
- **Headlee Rollback:** The operating millage rate decreased from **18.0000 mills to 17.7434 mills** due to the Headlee Amendment rollback, which reduces millage rates as taxable property values increase faster than inflation, resulting in lower local revenue than would be generated at 18 mills.
- State Sources : Have not included Educator Compensation (487k)- If we do receive this next year it will be added along with the corresponding expenses.
- MPSERS UAAL revenue decreased approximately $225k due to the reduction in the reimbursement rate to 13.51%: corresponding expenditures were reduced accordingly as this pass-through funding.
- Incoming transfers and other transactions reflect anticipate increases in Special Education funding with additional Special Ed classrooms next year.

Expenditures

- Payroll assumptions include updated MPSERS rates, Workers' Compensation rates, health insurance costs based on Hard Cap limits, retirement rates, negotiated contract step increases, and projected salary schedule adjustments tied to the foundation allowance increase. Staffing allocations were aligned based on projected enrollment.
- The 2025-26 budget included approximately $478,000 of one-time Educator Compensation funding and a one-time $300,000 LEA payment that are not included in 2026-27.
- Updated based on building and department request, along with increases in utilities.
- Pupil Transportation expenditures are projected lower due to budgeting for one bus purchase in 2026-27 compared with two bus purchases in 2025-26.

Food Service

This fund is structured to reflect the continuation of current meal service operations with sensitivity to shifting policy at the state and federal levels.

Key Assumptions

1. **Local Revenue**: Applied a conservative increase from FY26 to FY27 in alignment with prior year trends.

2. **Federal/State Reimbursements**: Projecting a minimal increase to claim data and applied a 2.5% increase to reimbursement rates. Backing out one-time monies (Section 27l) contributes to a decrease to state revenue, but we still expect to see an overall increase to total revenue.
3. **Staffing**: Projection based on current known staffing and benefit selections, including contractual step and foundation formula increases, as well as the minimum wage increase on January 1 that will impact a handful of staff.
4. **Purchased Services**: Due to the abnormally high vehicle repair cost in FY26, we expect to see a bit of a decrease to purchased services that better aligns with prior year trends.
5. **Food & Supplies**: Calculated with a 5% cost increase from FY26.
6. **Capital Outlay**: Budgeting for expected new and replacement equipment needs.
7. **Indirect Costs**: Outgoing transfers to the General Fund reflect a 15% indirect cost rate applied to the Original Budget of all allowable expenditures.

CAPITAL PROJECT FUND / PUBLIC IMPROVEMENT FUND / NON-BOND FUND

This fund includes long-term facility improvements and infrastructure maintenance projects. Transfers from the General Fund to the Capital Project – Non-Bond Fund are preserved to allow flexible planning for future building needs. The Board continues to review and approve activity in this fund for transparency, even though not legally required.

This document reflects the most accurate information available as of the development of the original 2026-27 budget and will be updated through formal amendments as new financial, legislative, and programmatic information becomes available.

LAKEVIEW SCHOOL DISTRICT
APPROPRIATIONS RESOLUTION FOR ADOPTION BY THE BOARD OF EDUCATION
FISCAL YEAR 2026-27

RESOLVED, that this resolution shall be the general appropriations of the Lakeview School District for the fiscal year 2026-27: 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 2026-27 which includes 17.7534 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		6,058,894
State		44,298,219
Federal		851,978
Incoming Transfers & Other Transactions		4,368,614
Total Revenue		55,577,705
Fund Balance, July 1, 2026 (estimated)	11,976,725	
Less Non-spendable Fund Balance (estimated)	174,195	
Less Assigned Fund Balance for Subsequent Year Deficit (estimated)	1,015,541	
Less Assigned Fund Balance for Future Operations		
Less Assigned Fund Balance for Technology	0	
Less Assigned Fund Balance for Comp. Absences (estimated)	26,170	
Fund Balance Available to Appropriate		10,760,819
Total Available to Appropriate		66,338,524

Be it further resolved that $56,421,042 of the total available to appropriate in the General Fund is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:	
Basic Instruction:	
Basic Programs	23,583,639
Added Needs	10,214,986
Adult and Continuing Education	0
Support Services:	
Pupil Services	2,671,787
Instruction Staff Services	2,794,206
General Administration Services	704,559
School Administration Services	3,785,286
Business Services	1,138,347
Operation and Maintenance Services	5,693,498
Pupil Transportation Services	1,812,970
Other Supporting Services	2,163,105
Athletics	1,127,995
Community Services	458,665
TOTAL EXPENDITURES	56,149,043
Outgoing Transfers/Other Transactions	444,203
TOTAL APPROPRIATED	56,593,246

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 22, 2026

LAKEVIEW SCHOOL DISTRICT
GENERAL FUND BUDGET
ORIGINAL
FOR FISCAL YEAR ENDING JUNE 30, 2027

	2022-23 AUDITED	2023-24 AUDITED	2024-25 AUDITED	ADOPTED 2025-26 ORIGINAL	ADOPTED 2025-26 AMEND A	PROPOSED 2025-26 AMEND B	PROPOSED 2025-26 ORIGINAL	VARIANCE
REVENUES:								
Local Sources	5,504,250	6,369,172	6,138,772	6,453,679	6,234,921	6,106,565	6,058,894	(47,671)
State Sources	43,455,913	43,838,647	44,355,241	43,985,109	44,055,081	46,222,104	44,298,219	(1,923,885)
Federal Sources	3,542,340	3,787,616	1,809,666	961,622	783,034	1,078,630	851,978	(226,652)
Incoming Transfers & Other Transactions	2,090,217	2,274,732	3,769,588	4,340,695	5,031,170	3,837,399	4,368,614	531,215
TOTAL REVENUES & TRANSFERS	54,592,721	56,270,166	56,073,266	55,741,105	56,104,206	57,244,698	55,577,705	(1,666,993)
EXPENDITURES:								
BASIC INSTRUCTION:								
Basic Programs	25,235,282	23,868,562	23,874,855	23,577,653	23,744,543	23,660,005	23,583,639	(76,366)
Added Needs	6,915,948	7,588,382	9,444,852	9,937,661	9,502,054	9,777,161	10,214,986	437,825
Adult and Continuing Education	-							-
SUPPORT SERVICES:								
Pupil Services	2,504,289	2,430,344	2,814,911	2,831,387	2,890,329	2,910,145	2,671,787	(238,358)
Instruction Staff Services	2,215,981	2,336,937	3,003,517	3,105,384	3,351,524	3,355,826	2,794,206	(561,620)
General Administration Services	591,040	627,140	587,799	674,383	694,632	717,482	704,559	(12,923)
School Administration Services	3,585,024	3,571,498	3,691,884	3,669,604	3,797,094	3,756,319	3,785,286	28,967
Business Services	1,140,154	1,067,874	1,066,210	1,170,735	1,132,965	1,092,261	1,138,347	46,086
Operation and Maintenance Services	3,940,826	4,346,845	4,352,788	5,237,304	5,557,548	5,804,948	5,693,498	(111,450)
Pupil Transportation Services	1,382,105	1,704,163	1,579,770	1,621,289	1,888,682	1,936,595	1,812,970	(123,625)
Other Supporting Services	1,828,101	2,338,368	2,243,112	2,204,155	2,263,010	2,284,575	2,163,105	(121,470)
Athletics	975,322	998,770	1,126,238	1,092,665	1,103,052	1,103,626	1,127,995	24,369
COMMUNITY SERVICES	681,676	504,092	444,911	505,839	495,609	488,131	458,665	(29,466)
TOTAL EXPENDITURES	50,995,748	51,382,974	54,230,848	55,628,059	56,421,042	56,887,074	56,149,043	(738,031)
OUTGOING TRANSFERS/OTHER TRANSACTIONS	3,594,783	2,787,332	1,072,662	509,637	579,057	757,221	444,203	(313,018)
TOTAL APPROPRIATED	54,590,531	54,170,307	55,303,510	56,137,696	57,000,099	57,644,295	56,593,246	(1,051,049)
EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES	2,190	2,099,860	769,756	(396,591)	(895,893)	(399,597)	(1,015,541)	
Fund Balance at beginning of year	9,504,516	9,506,706	11,606,566	12,376,322	12,376,322	12,376,322	11,976,725	
Non-spendable Fund Balance	392,844	179,945	174,195	174,195	174,195	174,195	174,195	
Assigned Fund Balance	135,732	1,827,932	768,175	371,584	371,584	371,584	26,170	
Unassigned Fund Balance at end of year	8,978,130	9,598,689	11,433,952	11,433,952	10,934,650	11,430,946	10,760,819	
Fund Balance as a % of Expenditures (net of Sec 147c expenses)	18.83%	23.18%	23.45%	23.01%	21.66%	22.32%	20.75%	
17% Cashflow Requirement (net of Sec 147c expenses)	8,584,245	8,512,807	8,974,074	8,851,988	9,011,707	9,121,220	8,980,687	
Amount Available for Use	922,461	3,093,759	3,402,248	3,127,743	2,468,722	2,855,504	1,980,497	

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 FOR PURPOSES OF THE 2018-19 BUDGET ADOPTION RESOLUTION.

LAKEVIEW SCHOOL DISTRICT
RESOLUTION FOR ADOPTION SCHOOL SERVICE FUND
FOR FISCAL YEAR ENDED JUNE 30, 2027

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 2026-27 be approved as follows:

Revenue:		
Local		776,322
State		527,251
Federal		2,796,512
Incoming Transfers & Other Transactions		
Total Revenue		4,100,085
Fund Balance, July 1, 2026 (estimated)	842,679	
Less Non-Spendable Fund Balance (estimated)	49,010	
Less Assigned Fund Balance for Future Operations (estimated)	417,089	
Restricted Fund Balance Available to Appropriate		376,580
Total Available to Appropriate		4,476,665

BE IT FURTHER RESOLVED, that $4,442,369 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	4,184,206
TOTAL EXPENDITURES	4,184,206
Outgoing Transfers/Other Transactions	332,968
TOTAL APPROPRIATED	4,517,174

THIS RESOLUTION TAKES EFFECT JUNE 22, 2026

LAKEVIEW SCHOOL DISTRICT
SCHOOL SERVICE FUND FOOD SERVICE BUDGET
ORIGINAL
FOR FISCAL YEAR ENDING JUNE 30, 2027

	AUDITED 2022-23	AUDITED 2023-24	AUDITED 2024-25	ADOPTED ORIGINAL 2025-26	ADOPTED AMEND A 2025-26	PROPOSED AMEND B 2025-26	PROPOSED ORIGINAL 2026-27	VARIANCE
REVENUES:								
Local Sources	821,287	743,371	714,683	706,815	767,511	753,826	776,322	22,496
State Sources	108,150	572,301	556,014	557,806	570,481	595,407	527,251	(68,156)
Federal Sources	2,544,319	2,641,588	2,640,587	2,631,302	2,704,718	2,701,365	2,796,512	95,147
Incoming Transfers & Other Transactions	125,000	133,704	67,625	-	-	-	-	-
TOTAL REVENUES & TRANSFERS	3,598,756	4,090,964	3,978,909	3,895,923	4,042,710	4,050,598	4,100,085	49,487
EXPENDITURES:								
Salaries	881,930	1,017,972	1,128,801	1,123,744	1,180,035	1,190,241	1,205,363	15,122
Employee Benefits	619,507	776,982	751,458	759,691	753,707	783,183	795,719	12,536
Purchased Services	106,924	56,020	67,438	77,288	76,715	92,862	80,179	(12,683)
Food, Supplies, and Other Expenses	1,562,110	1,804,570	1,734,905	1,873,776	1,775,835	1,835,918	1,913,243	77,325
Dues and Fees	7,759	13,611	13,528	13,521	13,548	14,002	14,702	700
Capital Outlay	222,558	221,126	263,387	125,000	163,443	163,569	175,000	11,431
TOTAL EXPENDITURES	3,400,788	3,890,281	3,959,517	3,973,020	3,963,283	4,079,775	4,184,206	104,431
OUTGOING TRANSFERS/OTHER TRANSACTIONS	224,073	299,057	316,433	314,982	347,619	330,081	332,968	2,887
TOTAL APPROPRIATED	3,624,861	4,189,338	4,275,950	4,288,002	4,310,902	4,409,856	4,517,174	107,318
EXCESS REVENUE OVER EXPENDITURES AND OTHER SOURCES	(26,105)	(98,374)	(297,041)	(392,079)	(268,192)	(359,258)	(417,089)	(57,831)
Fund Balance at beginning of year	1,673,342	1,594,415	1,547,988	1,250,947	1,250,947	1,250,947	842,679	
Non-spendable Fund Balance	52,822	41,788	49,010	41,788	49,010	49,010	49,010	
Restricted Fund Balance at end of year	1,594,415	1,547,988	1,250,947	817,080	933,745	842,679	376,580	