

SOUTH LYON COMMUNITY SCHOOLS  
2008-2009 BUDGET AMENDMENT #2  
PRESENTED: June 15, 2009

RESOLVED: that this resolution shall be the general appropriation of South Lyon Community Schools for the fiscal year 2008-09: A resolution to make appropriations; to provide for the expenditures of the appropriations; and to provide for the disposition of all income received by South Lyon Community Schools.

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the GENERAL AND SPECIAL REVENUE FUNDS of South Lyon Community Schools for fiscal year 2008-09 is as follows:

<b>GENERAL FUND</b>	<u>Original Budget</u>	<u>Amendment #1 November 17, 2008</u>	<u>Amendment #2 June 15, 2009</u>
<i>REVENUES:</i>			
<i>General Fund</i>	58,466,620	57,921,942	58,329,640
<i>EXPENDITURES:</i>			
<i>General Fund</i>	<u>58,686,252</u>	<u>58,493,961</u>	<u>58,888,928</u>
<i>Revenues over (under) Expenditures</i>	(219,632)	(572,019)	(559,288)
<i>Fund Balance July 1, 2008</i>	<u>5,709,334</u>	<u>5,709,334</u>	<u>5,709,334</u>
<i>Estimated Fund Balance June 30, 2009</i>	<u><u>5,489,702</u></u>	<u><u>5,137,315</u></u>	<u><u>5,150,046</u></u>
 <b>SPECIAL REVENUE FUNDS</b>			
<i>REVENUES:</i>			
<i>Community Education</i>	1,522,801	1,522,801	1,252,801
<i>Food Service</i>	1,657,909	1,657,909	1,557,909
<i>Athletics</i>	344,160	344,160	389,160
<i>Total Special Revenue Funds</i>	<u>3,524,870</u>	<u>3,524,870</u>	<u>3,199,870</u>
<i>EXPENDITURES:</i>			
<i>Community Education</i>	1,507,333	1,507,333	1,267,305
<i>Food Service</i>	1,649,796	1,649,796	1,569,796
<i>Athletics</i>	<u>343,529</u>	<u>343,529</u>	<u>418,529</u>
<i>Total Special Revenue Funds</i>	<u>3,500,658</u>	<u>3,500,658</u>	<u>3,255,630</u>
<i>Revenues over (under) Expenditures</i>	24,212	24,212	(55,760)
<i>Fund Balance July 1, 2008</i>	<u>862,345</u>	<u>862,345</u>	<u>862,345</u>
<i>Estimated Fund Balance June 30, 2009</i>	<u><u>886,557</u></u>	<u><u>886,557</u></u>	<u><u>806,585</u></u>

BE IT FURTHER RESOLVED, that \$68,101,189 of the total available to appropriate in the General and Special Revenue Funds is hereby appropriated in the amounts and for the purposes set forth.

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the CAPITAL PROJECT AND DEBT FUNDS of South Lyon Community Schools for fiscal year 2008-09 is as follows:

<b>DEBT FUNDS</b>	Original Budget	Amendment #1 November 17, 2008	Amendment #2 June 1, 2009
<i>REVENUES:</i>			
<i>1998 Debt Fund</i>	1,000	1,000	1,000
<i>2000 Debt Fund Series I</i>	661,053	661,053	661,053
<i>2000 Debt Fund Series II</i>	857,598	857,598	857,598
<i>2000 Debt Fund Series III</i>	1,000	1,000	1,000
<i>2001 Refunding Debt Fund</i>	1,815,969	1,815,969	1,815,969
<i>2003 Debt Fund Series I</i>	1,033,789	1,033,789	1,033,789
<i>2003 Debt Fund Series II</i>	293,318	293,318	293,318
<i>2005 A Refunding Debt Fund</i>	3,294,911	3,294,911	3,294,911
<i>2005 B Refunding Debt Fund</i>	3,275,556	3,275,556	3,275,556
<i>2006 Refunding Debt Fund</i>	4,248,281	4,248,281	4,248,281
<i>2007 Refunding Debt Fund</i>	1,091,352	1,091,352	1,091,352
<i>Total Revenues</i>	<i>16,573,827</i>	<i>16,573,827</i>	<i>16,573,827</i>
<i>EXPENDITURES:</i>			
<i>1998 Debt Fund</i>	0	0	0
<i>2000 Debt Fund Series I</i>	656,134	656,134	656,134
<i>2000 Debt Fund Series II</i>	856,718	856,718	856,718
<i>2000 Debt Fund Series III</i>	0	0	0
<i>2001 Refunding Debt Fund</i>	1,858,188	1,858,188	1,858,188
<i>2003 Debt Fund Series I</i>	1,041,250	1,041,250	1,041,250
<i>2003 Debt Fund Series II</i>	274,563	274,563	274,563
<i>2005 A Refunding Debt Fund</i>	3,359,846	3,359,846	3,359,846
<i>2005 B Refunding Debt Fund</i>	3,323,150	3,323,150	3,323,150
<i>2006 Refunding Debt Fund</i>	4,317,038	4,317,038	4,317,038
<i>2007 Refunding Debt Fund</i>	982,050	982,050	982,050
<i>Total Expenditures</i>	<i>16,668,937</i>	<i>16,668,937</i>	<i>16,668,937</i>
<i>Revenues over (under) Expenditures</i>	<i>(95,110)</i>	<i>(95,110)</i>	<i>(95,110)</i>
<i>Fund Balance July 1, 2008</i>	<i>2,531,792</i>	<i>2,531,792</i>	<i>2,531,792</i>
<i>Estimated Fund Balance June 30, 2009</i>	<i>2,436,682</i>	<i>2,436,682</i>	<i>2,436,682</i>

<b>CAPITAL PROJECT FUNDS</b>	Original Budget	Amendment #1 November 17, 2008	Amendment #2 June 1, 2009
<i><u>REVENUES:</u></i>			
<i>2003 Bond Issue Series I</i>	0	0	0
<i>2003 Bond Issue Series II</i>	0	0	0
<i>Capital Improvements - Buildings</i>	250,000	250,000	250,000
<i>Capital Improvements - Sites</i>	50,000	50,000	50,000
<i>Bus Purchase Program</i>	610,000	610,000	610,000
<i>Total Revenues</i>	<u>910,000</u>	<u>910,000</u>	<u>910,000</u>
<i><u>EXPENDITURES:</u></i>			
<i>2003 Bond Issue Series I</i>	1,000,000	1,000,000	350,000
<i>2003 Bond Issue Series II</i>	0	0	500,000
<i>Capital Improvements - Buildings</i>	451,007	451,007	451,007
<i>Capital Improvements - Sites</i>	55,000	55,000	70,000
<i>Bus Purchase Program</i>	614,868	667,265	667,265
<i>Total Expenditures</i>	<u>2,120,875</u>	<u>2,173,272</u>	<u>2,038,272</u>
<i>Revenues over (under) Expenditures</i>	(1,210,875)	(1,263,272)	(1,128,272)
<i>Fund Balance July 1, 2008</i>	<u>2,807,816</u>	<u>2,807,816</u>	<u>2,807,816</u>
<i>Estimated Fund Balance June 30, 2009</i>	<u><u>1,596,941</u></u>	<u><u>1,544,544</u></u>	<u><u>1,679,544</u></u>

BE IT FURTHER RESOLVED, that \$22,823,435 of the total available to appropriate in the Capital Projects and Debt Funds is hereby appropriated in the amounts and for the purposes set forth.

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 hitherto adopted by the Board. Changes in the amount appropriated by the Board shall require approval by the Board.

BE IT FURTHER RESOLVED, that the Superintendent is hereby charged with the general supervision of the execution of the budget adopted by the Board and shall hold the division and department heads responsible for the performance of the responsibilities within the amounts appropriated by the Board of Education and in keeping with the budgetary policy statement hitherto by the Board.

EXPLANATION OF 2008-2009 BUDGET AMENDMENT #2

Budget Amendment #2 has a positive impact of \$12,731 on the District General Fund Budget. This amendment is the result of a thorough study of the over 800 revenues and expenditure accounts in the General and Special Revenue Funds as well as Capital and Debt Funds.

Since this is a comprehensive amendment, there are both increases and decreases of both revenues and expenditures. Attached are four levels of detail for this amendment. The first detail separates the amendment based on the long-term impact of the changes, either one-time or on-going for the General Fund. The second is a high level summary of the amendment for the General Fund. Both the first and second levels are described below. The third details each change by appropriation unit, the fourth details each line item change requested.

The impact of the Amendment on Long-Term operations:

<b>REVENUES:</b>	
One-time (OT)	398,000
Ongoing (OG)	10,000
<b>EXPENDITURES:</b>	
One-time (OT)	362,000
Ongoing (OG)	33,000
<b>TREND - Positive</b>	
	36,000

The impact of the Amendment on the temporary parameters that were established by the Board of Education that limits annual deficits to no more that 1% of revenues, with a fund balance of at least 3.5%:

<b>Annual Surplus (Deficit):</b>	
-1% of Revenues	\$ 583,296
Amended Deficit	\$ 559,288
Remainder	\$ 24,008

<b>Fund Balance:</b>	
3.5% of Fund Balance	\$ 2,047,289
Amended Fund Balance	\$ 5,150,046
Remainder	\$ 3,102,757

Account/Area	Increase (Decrease)
<b>REVENUES:</b>	
<b>Gross Per Pupil Foundation Allowance (OG)</b> At this point, the budgeted reduction of \$50 per pupil will not likely occur. The expected shortfall in State Aid will be made up by ARRA funds	
	353,000
<b>ARRA Funds (OT)</b> While the net effect on fund balance is zero, it is expected that the State Aid shortfall will be \$1,872,000 that will be received through ARRA funding	
	0
<b>Interest on Investments (OG)</b> Lower interest rates are resulting in lower earnings	
	(50,000)
<b>Special Education (OG/OT)</b> This is based on the final PA-18 distribution from Oakland Schools, a prior year adjustment for section 53 students, and State distribution of special education funding	
	170,000

<u>Grants (OT)</u> Based on awarded grants and new data.	(55,000)
<u>Other (OG)</u> Prior Year Taxes (-\$10k)	(10,000)
<b>EXPENDITURES:</b>	
<u>Employee Compensation/Contracted (OG)</u> This includes all employee compensation and contracting changes since budget amendment #2, and includes higher wage scales since the \$50 proration did not occur	347,000
<u>Utility Costs (OT)</u> Based on actual figures.	39,000
<u>Transportation Operations (OG/OT)</u> Diesel and regular fuel costs continued to trend lower than budget this spring. Additionally a routing software purchase was made.	(39,000)
<u>Tuition – International Academy (OG)</u> Based on actual enrollment with IA	30,000
<u>Environmental Services (OT/OG)</u> Additional costs have been incurred this year in maintenance, custodial and grounds due to repairs, higher contracted services, and the purchase of new and replaced equipment.	99,000
<u>Tuition – Special Education (OG)</u> Based on actual costs to date.	(65,000)
<u>Other (OT)</u> CITA SAC dollars, small additional grants, carryover dollars, and legal costs	(16,000)