

Livonia Public Schools

Business Services Office

Date: March 28, 2013

To: Randy Liepa, Ph.D., Superintendent

From: Lisa Abbey, Director of Business Services

Re: Review of 2012-2013 Second Budget Amendment

Each year we amend the budget to reflect the most current information available. We have reviewed the projected revenues and expenditures for the year, and made adjustments on various line items. The budget book includes a summary of the major changes made to the budget.

Revenues in the General Fund increased by just under \$1.2 million. This is primarily because of an increase in state aid of \$1.3 million as a result of changes in property tax assessments from the prior year. This revenue increase is offset by an increase in expenditures (see paragraph below). There were other adjustments to anticipated revenue including a reduction of approximately \$80,000 for the Medicaid Fee for Service program and adjustments to other local revenues.

Expenditures in the General Fund are greater than projected by just over \$1.2 million. This is primarily a result of an increase to property tax refunds required for this fiscal year (offset by increased State Aid). Generally, these refunds occur as a result of decisions made by the Michigan Tax Tribunal for changes to assessed property values. We also increased anticipated expenditures for security costs by approximately \$200,000. As always there were adjustments to numerous other line items throughout the budget to update the anticipated expenditures with the most accurate projections to date.

We will continue to monitor the budget throughout the year. As we do each year, our final budget amendment will be in June. Please let me know if there are any questions or concerns.

LA/kp

Attachment: 2012-13 Summary General Fund Budget
2012-13 Second Budget Amendment

**2012-2013 SUMMARY
GENERAL FUND
BUDGET**

A	B	C	D	E
GENERAL FUND	2012-2013 Proposed Budget	1st Amended Budget	2nd Amended Budget	Increase (decrease)
Fund balance 7/01/12	6,658,404	8,422,895	8,422,895	-
Revenues	138,281,796	139,235,611	140,413,208	1,177,597
Expenditures	143,239,521	143,559,965	144,780,038	1,220,073
Surplus (Deficit)	(4,957,725)	(4,324,354)	(4,366,830)	(42,476)
Fund Balance:				
Assigned	0	0	0	0
Unassigned	1,700,679	4,098,541	4,056,065	(42,476)
Total Fund balance 6/30/13	1,700,679	4,098,541	4,056,065	(42,476)