

# **Livonia Public Schools**

## ***Assistant Superintendent of Business Services***

---

Date: May 17, 2016

To: Andrea Oquist, Superintendent

From: Lisa Abbey, Assistant Superintendent of Business Services

Re: 2015-2016 Final Budget Amendments

As you know, we amend our budgets several times throughout the year to update the Board on the most recent projections. In an effort to keep the Board of Education informed as to our financial position, we would like to discuss the 2015-16 final budget amendment at the Finance Committee meeting on Monday, May 23, 2016.

Attached please find the Summary General Fund Budget 2015/2016 Final Amendment. We are projecting a fund balance at June 30, 2016 of \$5.5 million, an increase of \$1.4 million from the prior amended budget.

Revenues increased by approximately \$500,000 from several revenue sources. Overall estimates for local revenues are decreased by \$375,000. This reduction is primarily due to a property tax decrease of approximately \$605,000 that is offset by an increase for the same amount in state aid. Other changes to local revenues include a change in the estimate for Medicaid reimbursements of \$100,000. Estimates for the Jackson Center program and other local revenues are increased by \$130,000. Revenues for state aid increased by just under \$725,000 primarily as a result of the increase in foundation allowance of over 600,000, from the property tax change. Special education estimates for this year and other miscellaneous items increased by \$125,000. Other revenue changes of \$158,000 include an increase in anticipated revenue from tuition from other local districts.

Projections for expenditures are decreased by \$914,000, primarily as a result of adjustments to salaries and benefits of approximately \$856,000. Salary adjustments of \$300,000 represent final estimates for all line items and savings from several unfilled positions during the year. Estimate changes in employee benefits of \$556,000 reflect savings in several areas including payroll costs, employee benefits and UAAL retirement costs.

The budget book provided in the board packet this week will provide additional detailed information for the final budget amendment. Included in the budget book is the summary of major adjustments for revenue and expenditures and updated graphs. The budget by object detail and budget by function detail are also included for the general fund. The budget book also includes the updated budgets for all other funds of the district. As always, please let me know if there are any questions. Thank you.

LA/kp

Attachment:

2015/16 Summary Final Budget Amendment

2015/16 Final Amendment Budget Book