



OXFORD COMMUNITY SCHOOLS

BUDGET AMENDMENT-1

FISCAL YEAR 2024-25

Effective February 11, 2025



Oxford Community Schools Board of Education

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OXFORD COMMUNITY SCHOOLS

Budget Amendment 1 - Fiscal Year 2024-25

EXECUTIVE SUMMARY

(As Presented by Fund)

FUNDING SOURCE OVERVIEW INFORMATION:

Operational funding for Oxford Community Schools is categorized into five broad revenue sources. The five types of revenue sources are local source, state source, federal source, payments from other public schools and other financing source revenues. Local source revenues include locally levied property taxes, program-based fees, and investment revenues. State source revenues include state aid foundation allowance funds, state categorical funding, and other state funded grants. Federal source revenues are comprised of federally issued grants. Payments from other public schools & governmental entities include public school tuition, ISD collected millage passthrough taxes, and Medicaid related revenue. Other financing source revenue examples include operating transfers between funds, indirect revenues, bond proceeds and fund modifications.

EXPENDITURE OVERVIEW INFORMATION:

Operational expenditures fall into three broad function-based categories as defined by the Michigan Public School Accounting Manual. The first category is Instruction. Instruction includes the activities dealing directly with the teaching of pupils or the interaction between teacher and pupil. The second category is Support Services. Support Services are services which provide administrative, technical (such as guidance and health), and logistical support to facilitate and enhance instruction and to a lesser degree community service. Support services exist as adjuncts for the fulfillment of the objectives of instruction. The third category is Community Services. Community Services consist of those activities that are not directly related to providing education for pupils in a school system. Examples would include services provided by the school system for the community as a whole or some segment of the community, such as community recreation programs, civic activities, public libraries, and programs of custody and care of children, and community welfare activities. Each category of function-based expenditure is further broken down into seven additional cost pools. These include salary & wages, fringe benefits, purchased services, supplies & materials, capital outlay, other expenditures, and outgoing transfers.

WHAT'S NEW?

The "What's New?" section of this document highlights significant additions, reductions or other changes pertaining to budgetary, financial, and operational structural changes for the district. The following pages will include but are not limited to, fund specific information and data related to the following:

- State aid categorical section 147c (1) revenue and offsetting expenditure budgets have been adjusted reflecting this year's district allocation of \$4,935,622. The adopted budget for section 147c (1) was based on the prior year's funding level. Offsetting section 147c (1) MPERS expenditures have been adjusted in multiple functional expenditure budgets. Salary and wage expenditures drive the allocation of the offsetting expenditure. Larger allocations of this cost are recognized in the "Basic Programs and Added Needs" functions because of the concentrations of professional salaries contained in these areas.
- "One-time" state aid categorical section 147c (2) revenue and offsetting expenditure budgets have been added reflecting this year's "one-time" district allocation of \$1,121,886. Salary and wage expenditures drive the allocation of the offsetting expenditure. Larger allocations of this cost are recognized in the "Basic Programs and Added Needs" functions because of the concentrations of professional salaries contained in these areas.
- The General Fund's budgeted operating surplus decreases by \$(438,451) to \$157,819. The General Fund's fund balance is budgeted to be 16.8% of total budgeted expenditures.
- This amendment adjusts multiple funds' operating revenue and expenditure budgets including the General Fund, Community Services Fund, Food Service Fund, Capital Projects Fund.

FUND BALANCE BUDGET CHANGES:

The budgeted fiscal year 2023-24 ending fund balance has been adjusted to reflect the operational revenue and expenditure budget changes included in this document.

General Fund:

The amended budget establishes an operating surplus of \$157,819 which is a decrease of \$(438,451) from the adopted budget. The Fund Balance chart below depicts the change process in this amendment. The amendment-1 projected total fund balance represents 16.8% of total budgeted gross expenditures. The total amended ending fund balance is budgeted at \$17,351,357.

	<u>Adopted Budget</u>	<u>Amend-1 Budget</u>
Beginning Fund Balance:	\$17,350,867	\$17,193,538
Change in Fund Balance:	<u>\$596,270</u>	<u>\$157,819</u>
Total Fund Balance:	\$17,947,137	\$17,351,357

REVENUE BUDGET CHANGES:

During the course of any fiscal year, the district’s funds will experience several revenue budget changes. With respect to this “Executive Summary” document and the analysis that has gone into it, we will be presenting discussion on the “significant” budget changes. We continue to define “significant” to mean a change in the revenue line-item total of \$100,000 or more. In addition to the “significant” budget changes, items of particular interest may also be presented regardless of the magnitude of the change.

General Fund (11 – 19):

The General Fund revenue budget decreased by a net \$(2,749,717) or (2.59) %. The new total revenue budget is \$103,244,272. The following information represents the breakdown of the significant changes by revenue source for the General Fund.

Local Sources:

Local Source revenue has increased by a net \$33,817 to \$6,851,406. Local Source revenue represents 6.64% of the total General Fund revenue.

State Sources:

State Source revenue has decreased by a net \$(2,634,357) to \$86,657,040. State Source revenue represents 83.93% of the total General Fund revenue. The net decrease of \$(2,969,917) in foundation allowance reflecting the \$0 per pupil increase and pupil count changes, a decrease in the 147c pass through funding of \$(3,045,055) and changes of multiple categoricals.

Federal Sources:

Federal Source revenue has decreased by a net \$(306,750) to \$3,038,783. Federal Source revenue represents 2.94% of General Fund revenue. The net decrease is due to final spend-out of grants such as ESSER and AEAP and change in multiple other federal grant revenue sources.

Other Sources:

Other Source revenues have increased by a net \$157,393 from the adopted budget to \$6,697,043. Other Source revenue represents 6.49% of the total General Fund revenue. The net increase in the revenue budgets primarily reflects an increase of \$173,236 in the estimated PA-18 Allocation

EXPENDITURE BUDGET CHANGES:

During the course of any fiscal year the district's funds will experience several expenditure budget changes. With respect to this "Executive Summary" document and the analysis that has gone into it, we will be presenting discussion on the "significant" budget changes. We continue to define "significant" to mean a change in the revenue line-item total of \$100,000 or more. In addition to the "significant" budget changes, items of particular interest may also be presented regardless of the magnitude of the change.

General Fund (11 – 19):

Total budgeted expenditures and operating transfers have decreased by a net \$(2,296,266) to a new total budget of \$103,086,453. The following information represents the breakdown of significant expenditure budget changes for the General Fund. Included in all the district's operating budgets is a prorated share of the section 147c MPSERS rate stabilization pass through revenue and corresponding expenditure budgets. The General Fund budget contains about 96% of the section 147c budgets. The district's section 147c revenue and expenditure decrease over the prior year level is \$(3,045,055). Our total General Fund portion of the section 147c pass through revenue and expenditure for FY2025 is now \$5,815,207 and \$6,057,508 in total district wide. Salary and wage expenditures drive the allocation of the offsetting costs. Larger allocations of this cost are recognized in the "Basic Programs and Added Needs" functions because of the concentrations of professional salaries contained in these areas.

Instruction – Basic Programs & Added Needs:

The Instruction Basic Programs & Added Needs functional expenditure budgets have decreased by a net \$(741,083) to \$62,845,969. State Aid Categorical section 147c revenue and offsetting expenditure budgets have been adjusted reflecting this year's district allocation of \$6,057,058. The adopted budget for section 147c was based on the prior year's funding level. Offsetting section 147c MPSERS expenditures have been adjusted in multiple functional expenditure budgets.

Support Services – Pupil Support Services:

The Pupil Support Services functional expenditure budgets have decreased by a net \$(497,073) to \$8,806,873. The net decrease primarily reflects staffing changes and cost adjustments including section 147c changes; Net wage, retirement and FICA changes reflecting district midyear adjustments; and re-allocated grant funded expenditures plus multiple other expenditure line-item minor adjustments.

Support Services – Instruction Staff Support Services:

The Instruction Staff Support Services functional expenditure budgets have decreased by a net \$(900,969) to \$4,525,456. The net increase primarily reflects staffing changes and cost adjustments including section 147c changes; Net wage, retirement and FICA changes reflecting district midyear adjustments; and re-allocated grant funded expenditures plus multiple other expenditure line-item minor adjustments.

General Administration:

The General Administration functional expenditure budgets have increased by a net \$180,036 to \$1,493,241. The net increase in the expenditure budget primarily reflects changes to purchased services, including but not limited to, legal and auditing services.

School Administration:

The School Administration functional expenditure budgets have decreased by a net \$(412,540) to \$5,598,124. The net decrease primarily reflects staffing changes and cost adjustments including section 147c changes; Net wage, retirement and FICA changes reflecting district midyear adjustments; and re-allocated grant funded expenditures plus multiple other expenditure line-item minor adjustments.

Operations & Maintenance:

The Operations & Maintenance functional expenditure budgets have decreased by a net \$(41,615) to \$8,569,970.

Transportation Services:

The Transportation Services functional expenditure budgets have increased by a net \$93,371 to \$3,444,445.

Central Services:

The Central Services functional expenditure budgets have decreased by a net \$(331,173) to \$4,138,858. The net decrease in the expenditure budget primarily reflects staffing changes and cost adjustments including section 147c changes, multiple other expenditure line-item adjustments.

Other District Funds in this Amendment:

The following District funds' revenue and expenditure budgets have been adjusted to reflect year-end final expectations:

- Community Services Special Revenue Fund – 23
 - Revenue increased by \$317,067 to a revised budget of \$2,599,518.
 - Expenditures increased by \$191,649 to a revised budget of \$2,523,504.
 - The Community Services Fund revenue and expenditure budgets have been adjusted to reflect our current expectations.
- Food Service Special Revenue Fund – 25
 - Revenue increased by \$35,228 to a revised budget of \$3,443,523
 - Expenditures increased by \$518,800 to a revised budget of \$4,479,477.
 - The Food Service Fund revenue and expenditure budgets have been adjusted to reflect our current expectations.
- Capital Projects Fund – 41
 - Revenue increased by \$555,000 to a revised budget of \$556,000
 - Expenditures increased by \$92,164 to a revised budget of \$2,629,172.
 - The Capital Projects Fund revenue and expenditure budgets have been adjusted to reflect our current expectations.

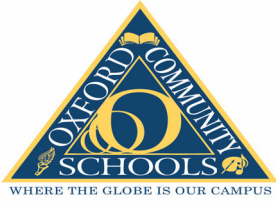


Oxford Community Schools General Fund (11 - 16)

Fiscal Year 2024-25 Budget Amendment 1 - February 11, 2025

	<u>Adopted Budget</u>	<u>Proposed Amendments</u>	<u>Amended Budget</u>	<u>% Chg</u>	<u>Explanations</u>
REVENUE					
Local Revenue	\$ 6,817,589	33,817	\$ 6,851,406	0.50%	
State Revenue	89,291,397	(2,634,357)	86,657,040	-2.95%	A
Federal Revenue	3,345,353	(306,570)	3,038,783	-9.16%	B
Other Revenue	6,539,650	157,393	6,697,043	2.41%	C
TOTAL REVENUE	<u>105,993,989</u>	<u>(2,749,717)</u>	<u>103,244,272</u>	<u>-2.59%</u>	
EXPENDITURES					
<u>Instruction</u>					
Basic Programs	\$ 52,793,757	(1,065,377)	\$ 51,728,380	-2.02%	D, E
Added Needs	10,793,295	324,294	11,117,589	3.00%	D, E, F
SUB TOTAL	63,587,052	(741,083)	62,845,969	-1.17%	
<u>Support Services</u>					
Pupil Support Services	\$ 9,303,946	(497,073)	\$ 8,806,873	-5.34%	D, E
Instructional Staff Support Services:	5,426,425	(900,969)	4,525,456	-16.60%	D, E
General Administration	1,313,205	180,036	1,493,241	13.71%	D, E, G
School Administration	6,010,664	(412,540)	5,598,124	-6.86%	D, E
Business Services	1,112,813	77,523	1,190,336	6.97%	
Operations and Maintenance	8,611,585	(41,615)	8,569,970	-0.48%	D, E
Transportation Services	3,351,074	93,371	3,444,445	2.79%	D, E
Central	4,470,031	(331,173)	4,138,858	-7.41%	D, E
Athletic Activities	1,481,731	(49,860)	1,431,871	-3.36%	
Other Support Services	262,708	52,866	315,574	20.12%	
Community Services	127,685	48,051	175,736	37.63%	
SUB TOTAL	41,471,867	(1,781,383)	39,690,484	-4.30%	
OPERATING TRANSFERS-OUT					
Transfers In	(146,447)	(128,553)	(275,000)	87.78%	H
Transfers Out	485,247	339,753	825,000	70.02%	H
TOTAL TRANSFERS	338,800	211,200	550,000	62.34%	
TOTAL EXPENDITURES	<u>105,397,719</u>	<u>(2,311,266)</u>	<u>103,086,453</u>	<u>-2.19%</u>	
Revenues Over/(Under) Expenditures	<u>596,270</u>	<u>(438,451)</u>	<u>157,819</u>	<u>-73.53%</u>	
Beginning Fund Balance	17,350,867	(157,329)	17,193,538	-0.91%	I
Ending Fund Balance	<u>17,947,137</u>	<u>(595,780)</u>	<u>17,351,357</u>	<u>-3.32%</u>	
Fund Balance as a % of Expenditures	<u>17.0%</u>		<u>16.8%</u>		

Explanations for amendments greater than \$100,000 are on attached sheet



Oxford Community Schools General Fund (11 - 16)

Fiscal Year 2024-25 Budget Amendment 1 - February 11, 2025

Explanations are provided below for amendments by function resulting in a net increase or decrease of \$100,000.

A	The net decrease of \$(2,634,357) in the State Source revenue budget primarily reflects 1) Original budget projected a foundation allowance of \$253 per pupil, in FY25 we recognized a \$0 per pupil increase in FA; 2) Fluctuation in the General Fund's section 147c pass through revenue of \$(3,045,055); 3) Fluctuation in the General Fund's categorical revenue sources
B	The net decrease of (\$306,570) in the Federal Source revenue budget primarily reflects 1) Final spend out of ESSER/AEAP grants in FY25; 2) fluctuation in final allocation of federal grants.
C	The net increase of \$157,393 in the Local Source revenue budget primarily reflects an increase of \$173,236 in the PA-18 allocation.
D	Included in all of the district's operating budgets is a prorated share of the section 147c MPERS rate stabilization pass through revenue and corresponding expenditure budgets. The General Fund budget contains about 96% of the section 147c budgets. The District's section 147c revenue and expenditure decrease from the prior year level is (\$3,045,055). Our total General Fund portion of the section 147c pass through revenue and expenditure for FY2025 is now \$5,815,207 and \$6,057,058 in total. Multiple revenue and expenditure budgets have been revised.
E	The net change in the expenditure budgets reflects 1) the decrease in the section 147c MPERS rate stabilization expenditure; 2) Net wage, retirement and FICA changes reflecting district mid year adjustments; 3) Re-allocated grant funded expenditures plus multiple other expenditure line item minor adjustments.
F	The net increase of \$324,294 in the Added Needs expenditure budgets reflects increase in special education costs based on student needs.
G	The net increase of \$180,036 in the General Administration primarily reflects increases in purchased services, including but not limited to, legal and auditing services.
H	The net change in Transfers In/Out reflect fluctuation in 1) Transfers in from Food Services and Child Care Fund; 2) Transfers out to Capital Projects Fund.
I	The change of \$(157,329) in the beginning fund balance line reflects the final audited fund balance as of June 30, 2024.
General Note	Included in the General Fund budget, impacting multiple functional expenditure budgets, are the corresponding section 147c state pass-through categorical changes expenditures. Those functional budgets with higher concentrations of wages will carry a larger amount of the 147c corresponding expenditure changes.



Oxford Community Schools Community Services Fund (23)

Fiscal Year 2024-25 Budget Amendment 1 - February 11, 2025

	<u>Adopted Budget</u>	<u>Proposed Amendments</u>	<u>Amended Budget</u>	<u>% Chg</u>	<u>Explanations</u>
REVENUE					
Local Sources	1,580,800	(379,800)	1,201,000	-24.03%	A
State Sources	701,651	696,867	1,398,518	99.32%	B
Federal Sources	-	-	-	0.00%	
TOTAL REVENUE	<u>2,282,451</u>	<u>317,067</u>	<u>2,599,518</u>	<u>13.89%</u>	
EXPENDITURES					
Salaries	1,317,827	129,064	1,446,891	9.79%	C
Benefits	892,789	(51,226)	841,563	-5.74%	
Purchased Services	50,559	3,822	54,381	7.56%	
Supplies	29,480	56,222	85,702	190.71%	
Capital Outlay and Other	41,200	53,767	94,967	130.50%	
TOTAL EXPENDITURES	<u>2,331,855</u>	<u>191,649</u>	<u>2,523,504</u>	<u>8.22%</u>	
OUTGOING TRANSFERS					
General Fund - Indirect Costs	-	150,000	150,000	100.00%	D
TOTAL TRANSFERS	<u>-</u>	<u>150,000</u>	<u>150,000</u>	<u>100.00%</u>	
TOTAL EXPENDITURES	<u>2,331,855</u>	<u>341,649</u>	<u>2,673,504</u>	<u>14.65%</u>	
Revenues Over/(Under) Expenditures	<u>(49,404)</u>	<u>(24,582)</u>	<u>(73,986)</u>	<u>49.76%</u>	
Beginning Fund Balance	<u>640,517</u>	<u>(166,772)</u>	<u>473,745</u>	<u>-26.04%</u>	E
Ending Fund Balance	<u>591,113</u>	<u>(191,354)</u>	<u>399,759</u>	<u>-32.37%</u>	



Oxford Community Schools Community Services Fund (23)

Fiscal Year 2024-25 Budget Amendment 1 - February 11, 2025

Explanations are provided below for any significant amendments

A	The net decrease of \$(379,800) in the Local Source revenue budget primarily reflects the decrease in expected tuition revenue based on the changes for families that qualify for GSRP
B	The net increase of \$696,867 in the State Source revenue budget primarily reflects the increase in GSRP funding received based on the changes for families that qualify for GSRP
C	The net increase of \$129,604 in the salary expenditures primarily reflects the increased staffing needs based on the changes for families that qualify for GSRP
D	The net increase of \$150,000 in Operating Transfers reflects an increased amount budgeted in the General Fund to be transferred from Child Care Fund to cover indirect costs.
E	The net change of \$(166,772) in the beginning fund balance line reflects the final audited fund balance as of June 30, 2024



Oxford Community Schools Food Service Fund (25)

Fiscal Year 2024-25 Budget Amendment 1 - February 11, 2025

	<u>Adopted Budget</u>	<u>Proposed Amendments</u>	<u>Amended Budget</u>	<u>% Chg</u>	<u>Explanations</u>
REVENUE					
LOCAL SOURCES	1,258,480	(782,180)	476,300	-62.15%	A
STATE SOURCES	476,300	1,232,443	1,708,743	258.75%	A
FEDERAL SOURCES	1,673,515	(415,035)	1,258,480	-24.80%	A
TOTAL REVENUE	<u>3,408,295</u>	<u>35,228</u>	<u>3,443,523</u>	<u>1.03%</u>	
EXPENDITURES					
Salaries	768,147	-	768,147	0.00%	
Benefits	460,030	-	460,030	0.00%	
Purchased Services	62,000	55,000	117,000	88.71%	
Supplies	2,111,800	-	2,111,800	0.00%	
Capital Outlay	490,000	400,000	890,000	81.63%	B
Other	7,500	-	7,500	0.00%	
TOTAL FOOD SERVICE	<u>3,899,477</u>	<u>455,000</u>	<u>4,354,477</u>	<u>11.67%</u>	
OUTGOING TRANSFERS					
General Fund	61,200	63,800	125,000	104.25%	
TOTAL TRANSFERS	<u>61,200</u>	<u>63,800</u>	<u>125,000</u>	<u>104.25%</u>	
TOTAL EXPENDITURES	<u>3,960,677</u>	<u>518,800</u>	<u>4,479,477</u>	<u>13.10%</u>	
Revenues Over/(Under) Expenditures	<u>(552,382)</u>	<u>(483,572)</u>	<u>(1,035,954)</u>	N/A	
Beginning Fund Balance	<u>1,440,592</u>	<u>(83,870)</u>	<u>1,356,722</u>	<u>-5.82%</u>	
Ending Fund Balance	<u>888,210</u>	<u>(567,442)</u>	<u>320,768</u>	<u>-63.89%</u>	



Oxford Community Schools Food Service Fund (25)

Fiscal Year 2024-25 Budget Amendment 1 - February 11, 2025

Explanations are provided below for any significant amendments

A	The net change in revenue is due to clerical error when presenting original budget. Net change in revenue over all 3 sources is \$35,228, however, original budget reflected the amounts in the incorrect lines.
B	The net increase in Capital Outlay is due estimated cost associated with the kitchen renovation project at OEIC.



Oxford Community Schools Capital Projects Fund (41)

Fiscal Year 2024-25 Budget Amendment 1 - February 11, 2025

	<u>Adopted Budget</u>	<u>Proposed Amendments</u>	<u>Final Budget</u>	<u>% Chg</u>	<u>Explanations</u>
REVENUE					
Local Sources	1,000	555,000	556,000	99.82%	A
Total Revenues	<u>1,000</u>	<u>555,000</u>	<u>556,000</u>	0.00%	
EXPENDITURES					
Purchased Services	93,013	-	93,013	0.00%	
Capital Outlay	2,536,995	92,164	2,629,159	3.51%	
Dues and Fees	-	-	-	0.00%	
Other	-	-	-	0.00%	
TOTAL EXPENDITURES	<u>2,630,008</u>	<u>92,164</u>	<u>2,722,172</u>	<u>100.00%</u>	
OPERATING TRANSFERS					
Transfers In	400,000	425,000	825,000	51.52%	B
TOTAL OTHER FINANCING SOURCES (USES)					
	<u>400,000</u>	<u>425,000</u>	<u>825,000</u>	<u>100.00%</u>	
Revenues Over/(Under) Expenditures	<u>(2,229,008)</u>	<u>887,836</u>	<u>(1,341,172)</u>	<u>-66.20%</u>	
Beginning Fund Balance	<u>2,961,830</u>	<u>(1,267,250)</u>	<u>1,694,580</u>	<u>0.00%</u>	C
Ending Total Fund Balance	<u>732,822</u>	<u>(379,414)</u>	<u>353,408</u>	<u>-107.36%</u>	



Oxford Community Schools Capital Projects Fund (41)

Fiscal Year 2024-25 Budget Amendment 1 - February 11, 2025

Explanations are provided below for any significant amendments

A	The net increase of \$555,000 reflects receipt of insurance settlement for fire at OEIC in April 2024
B	The net increase of \$425,000 in Operating Transfers reflects an increased amount budgeted in the General Fund to be transferred into Capital Project to fund ongoing district needs
C	The net change of (\$1,267,250) in the beginning fund balance line reflects the final audited fund balance as of June 30, 2024.