

Hartland Consolidated Schools

District Wide Budgetary Information

Fiscal Year Ending

June 30, 2024

(7/1/2023 – 6/30/2024)



Table of Contents

Budget Development Assumptions

Revenues	2
Expenditures	4
Fund Balance Assumptions	7

General Fund

Descriptions of General Fund Expenditure Categories	9
General Fund Budget Projection with explanations	11-13
General Fund Budget Projection by program	14-16
Athletics Fund Budget Projection with explanations	17-18
Cafeteria Fund Budget Projection with explanations	19-20
Student Activity Fund Budget Projection with explanations	21-22
Debt Fund Budget Projection with explanations	23-24
Capital Projects Fund - Sinking Fund Budget Projection with explanations	25-26
Capital Projects Fund – 2020 Bond Budget Projection with explanations	27-28
Capital Projects Fund – Set Aside	29-30
Capital Projects Fund – 2010 Bond Budget Projection with explanations	31-32
General Fund Budget Projection 2023/24 through 2025/26	33

**HARTLAND CONSOLIDATED SCHOOLS - BUDGET DEVELOPMENT ASSUMPTIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Revenue Assumptions & Proposed Budgets

Property Tax Revenue

Property tax revenue was increased in 2022/23 due to an increase in the District's 2023 calculated taxable value. The District's tax base is comprised of approximately 80% homestead and 20% non-homestead properties. Below are the property tax revenue expectations by fund for fiscal year ending June 30:

	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
General Fund	5,111,383	5,177,383	66,000
Debt Service Fund	14,899,724	15,900,146	1,000,422
Capital Projects - Sinking Fund	<u>757,562</u>	<u>816,314</u>	<u>58,752</u>
	20,768,669	21,893,843	1,125,174

Other Local Revenue

In addition to property taxes, local revenue consists of all operating revenue received from sources other than the state, federal government, or the ISD. This includes revenue from community education programs, and rental of school facilities (General Fund), breakfast and lunch sales (Cafeteria Fund), admissions to athletic events and pay to participate fees (Athletics Fund), and interest earnings. For more specific detail, please review the individual fund budget documents.

State Revenue

For the fifth year in a row, the state has not yet adopted its School Aid budget in time for the District to use an exact foundation allowance when preparing the initial General Fund budget. Therefore, assumptions were made using the best information available. Currently, we have contemplated a foundation allowance increase of \$458 per pupil and a decrease of 75.5 FTE's based on an our most recent enrollment projection. Categorical funding was estimated based on the various legislative budget proposals.

Athletics Fund state revenue represents state categorical funding for UAAL retirement costs. Cafeteria Fund state revenue represents the categorical funding allocated to districts for providing breakfast and lunch programs, as well as for state categorical funding for UAAL retirement costs. Debt Service Fund state revenue represents expected reimbursement from the Small Taxpayer Exemption Loss. Revenue budget adjustments will be made after adoption reflecting final state budget figures via the amendment process. The chart below identifies in dollars, by fund, the expectations contained in this budget document:

	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
General Fund	48,341,462	50,427,738	2,086,276
Athletics Fund	49,973	49,973	-
Cafeteria Fund	271,387	209,752	(61,635)
Debt Service Fund	<u>56,976</u>	<u>56,976</u>	<u>-</u>
	48,719,798	50,744,439	2,024,641

Federal Revenue

Federal revenue has been adjusted to reflect our expected grant awards in 2023/24. The decrease in General Fund federal revenues is due to the reduction in COVID-relief funding expected in 2023/24. The decrease in Cafeteria Fund federal revenues is due to the elimination of one-time grants received in 2022/23. Revenue budget adjustments will be made after adoption reflecting final federal budget figures via the amendment process. The chart below identifies in dollars, by fund, the expectations contained in this budget document:

	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
General Fund	3,670,074	1,649,778	(2,020,296)
Cafeteria Fund	973,258	851,035	(122,223)
Debt Service Fund	<u>666,173</u>	<u>666,173</u>	<u>-</u>
	5,309,505	3,166,986	(2,142,519)

Other Revenue

Other revenue consists of ISD Revenue, Other Revenue, and Other Financing Sources.

ISD Revenue received from Livingston Educational Service Agency (“LESA”) includes operating support and Medicaid funding for special education programs as well as funding for vocational education programs. The decrease in revenues from LESA is due to one-time grant funds received in 2022/23 that were eliminated in 2023/24.

Other Revenue represents transfers received from entities within the district not separately identified in the funds (i.e., the Senior Center and Trust & Activity accounts).

	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
General Fund - LESA	2,938,774	2,739,702	(199,072)
General Fund - Other	<u>65,931</u>	<u>65,931</u>	<u>-</u>
	3,004,705	2,805,633	(199,072)

Other financing source revenue is presented in the following table and represents the “non-operating” revenue of the district.

The General Fund other financing sources consist of the operating transfer received from the Cafeteria Fund to cover a portion of overhead costs, as well as proceeds from the sale of school equipment and vehicles.

Athletics Fund other financing sources represents the transfer received from the General Fund to support operations. The Cafeteria Fund other financing sources represents the contribution from the General Fund to cover uncollectible delinquent lunch balances. The Capital Projects Fund – 2020 Bond Fund other financing sources consisted of proceeds from the sale of bonds in the 2022/23 fiscal year and was removed from the 2023/24 budget.

	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
General Fund	255,448	104,093	(151,355)
Athletics Fund	550,535	590,560	40,025
Cafeteria Fund	52	52	-
Capital Projects Fund - 2020 Bond	<u>21,858,024</u>	<u>-</u>	<u>(21,858,024)</u>
	22,664,059	694,705	(21,969,354)

Expenditure Assumptions & Proposed Budgets

Salaries

Salaries represent the single largest expenditure category for the district. Salaries have been adjusted to account for staffing changes and any new contract terms that will take effect beginning in the 2023/24 school year, including wage increases and the cost of steps, lane adjustments, and longevity. Salary budget adjustments will be made after adoption reflecting the final staffing roster and will be addressed through the budget amendment process.

	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
General Fund	29,452,493	31,575,950	2,123,457
Athletics Fund	299,385	306,844	7,459
Cafeteria Fund	<u>655,153</u>	<u>667,272</u>	<u>12,119</u>
	30,407,031	32,550,066	2,143,035

Staffing Changes

The proposed budget contemplates 1 less teaching position and 1 additional support staff position. Staffing levels are determined based on several factors including enrollment as well as an analysis of district-wide needs and building needs.

MPERS Retirement Costs

The district pays, with some exceptions, an estimated \$29 in base retirement costs for every \$100 of wages paid to our employees. The average retirement rate budgeted for fiscal year 2023/24 is 30.56%, which is an increase from the 2022/23 average rate of 28.23%. The increase in the MPERS rate has been reflected in the district's fiscal year 2023/24 operating costs.

For fiscal year 2023/24, it is anticipated that the Legislature will continue funding the section 147c MPERS rate stabilization categorical ("UAAL"). The district receives revenue from this categorical and then immediately remits the amount to the Office of Retirement Services in a pass-through process. The revenue and expenditure budgets of the General Fund, Athletics Fund, and Cafeteria Fund are "grossed up" by this process and the costs are embedded at all functional levels. During 2022/23, an additional one-time deposit for UAAL above and beyond the regular 147c categorical in the amount of \$2.8M was reported in the financial statements in both revenue and expense. This amount was removed from the 2023/24 budget. The effective UAAL rate, without contemplating the 2022/23 one-time deposit is 15.26% of salaries in 2023/24, compared to 16.33% in 2022/23.

FICA Costs

The district pays \$7.65 in FICA payroll taxes (Medicaid of 1.45% plus social security of 6.2%) for every \$100 of wages paid to our employees. The individual applicable salary base upon which the Social Security

element of the FICA payroll tax is levied is capped at a specific IRS determined earnings level on a calendar year basis. The calendar year 2023 wage cap is \$160,200. The budgeted FICA rate remains at 7.65% for 2023/24.

Summary Employee Benefits Costs

The district incurs fringe benefits costs which include MPSERS retirement (including UAAL), FICA, healthcare, dental, vision, long term disability, life, unemployment and workers compensation insurances. Employees are also required to contribute towards healthcare, retirement, and FICA. As noted under the “MPSERS Retirement Costs” section above, UAAL costs are offset by state categorical revenue, and the reduction in fringe benefit costs in the General Fund is due to the elimination of the one-time UAAL expense in 2022/23. Below is a summary chart depicting the district’s share of these fringe benefit costs:

	FY 2022-23	FY 2023-24	Change
General Fund	22,716,710	21,662,649	(1,054,061)
Athletics Fund	158,544	166,427	7,883
Cafeteria Fund	409,140	428,440	19,300
	23,284,394	22,257,516	(1,026,878)

Purchased Services/Supplies

The district has budgeted inflationary increases for its various contracted services and supplies accounts. For more specific detail, please reference the individual proposed budget documents.

Capital Outlay

The district’s budgeted capital outlay is outlined in the table below. Resources are needed within the General, Athletics, and Cafeteria Funds to upgrade facilities and equipment that are not covered by the Sinking Fund or the 2020 Bond program.

The Capital Projects Fund – 2020 Bond and Sinking Fund expenditures represent estimated costs for the projects planned in the 2023/24 fiscal year.

There are no expenses in the Capital Projects Fund – 2010 Bond or the Capital Projects Fund – Set Aside since those funds are being held to supplement purchases not covered or cost overruns in the 2020 Bond Program.

	FY 2022-23	FY 2023-24	Change
General Fund - Facilities	885,000	1,360,000	475,000
General Fund - Equipment	1,170,503	366,424	(804,079)
Cafeteria Fund	335,000	100,000	(235,000)
Capital Projects Fund - 2020 Bond	12,551,426	9,989,591	(2,561,835)
Capital Projects Fund - Sinking Fund	922,210	361,700	(560,510)
	15,864,139	12,177,715	(3,686,424)

Other Financing Uses

Other financing uses, which is outlined in the following chart, represents the “non-operating” expenditures of the district. General Fund other financing uses represents the transfer made to the Athletics Fund to cover operations. Cafeteria Fund other financing uses represents the transfer made to the General Fund to cover indirect costs. Capital Projects Fund – 2020 Bond other financing sources in 2022/23 represented closing costs associated with the series II bond sale and has been removed from the 2023/24 budget.

	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
General Fund	550,535	590,560	40,025
Cafeteria Fund	225,000	84,145	(140,855)
Capital Projects Fund - 2020 Bond	<u>210,626</u>	<u>-</u>	<u>(210,626)</u>
	986,161	674,705	(311,456)

Debt Service Expenditures

General Fund debt service consists of principal and interest payments owed on the district’s various bus loans. For Debt Service Fund details please reference the specific fund budget documents. Below are the combined debt service budgeted expenditures:

	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
General Fund - Principal	179,157	156,250	(22,907)
General Fund - Interest	10,865	5,282	(5,583)
Debt Service Fund - Principal	10,420,000	11,225,000	805,000
Debt Service Fund - Interest	<u>4,298,903</u>	<u>4,389,826</u>	<u>90,923</u>
	14,908,925	15,776,358	867,433

Fund Balance Assumptions

The comparative fund equity schedules of the various funds of the district are highlighted below based on our assumptions for fiscal years 2022/23 and 2023/24:

<u>General Fund</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
Beginning fund balance	12,869,292	15,160,519	2,291,227
Operating surplus/(deficit)	<u>2,291,227</u>	<u>(1,017,724)</u>	<u>(3,308,951)</u>
Ending fund balance	15,160,519	14,142,795	(1,017,724)
Fund balance as a % of expenditures	22.43%	20.58%	
<u>Athletics Fund</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
Beginning fund balance	205,235	205,235	-
Operating surplus/(deficit)	<u>-</u>	<u>-</u>	<u>-</u>
Ending fund balance	205,235	205,235	-
<u>Cafeteria Fund</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
Beginning fund balance	1,007,233	735,411	(271,822)
Operating surplus/(deficit)	<u>(271,822)</u>	<u>(94,154)</u>	<u>177,668</u>
Ending fund balance	735,411	641,257	(94,154)
<u>Student Activity Fund</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
Beginning fund balance	1,458,969	1,805,376	346,407
Operating surplus/(deficit)	<u>346,407</u>	<u>(412,122)</u>	<u>(758,529)</u>
Ending fund balance	1,805,376	1,393,254	(412,122)
<u>Debt Service Fund</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
Beginning fund balance	9,486,487	10,770,609	1,284,122
Operating surplus/(deficit)	<u>1,284,122</u>	<u>1,388,621</u>	<u>104,499</u>
Ending fund balance	10,770,609	12,159,230	1,388,621
<u>Capital Projects Fund - Sinking Fund</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
Beginning fund balance	1,255,377	1,116,522	(138,855)
Operating surplus/(deficit)	<u>(138,855)</u>	<u>441,472</u>	<u>580,327</u>
Ending fund balance	1,116,522	1,557,994	441,472

Fund Balance Assumptions, continued

<u>Capital Projects Fund - 2020 Bond</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>Change</u>
Beginning fund balance	10,515,192	19,111,597	8,596,405
Operating surplus/(deficit)	<u>8,596,405</u>	<u>(10,090,705)</u>	<u>(18,687,110)</u>
Ending fund balance	19,111,597	9,020,892	(10,090,705)
 <u>Capital Projects Fund - Set Aside</u>	 <u>FY 2022-23</u>	 <u>FY 2023-24</u>	 <u>Change</u>
Beginning fund balance	4,977,537	5,026,837	49,300
Operating surplus/(deficit)	<u>49,300</u>	<u>49,300</u>	<u>-</u>
Ending fund balance	5,026,837	5,076,137	49,300
 <u>Capital Projects Fund - 2010 Bond</u>	 <u>FY 2022-23</u>	 <u>FY 2023-24</u>	 <u>Change</u>
Beginning fund balance	175,387	177,647	2,260
Operating surplus/(deficit)	<u>2,260</u>	<u>2,260</u>	<u>-</u>
Ending fund balance	177,647	179,907	2,260

The fiscal year 2023/24 General Fund, Athletics Fund, Cafeteria Fund, Student Activity Fund, Debt Service Fund, Capital Projects Fund – 2010 Bond, 2020 Bond, Set Aside & Sinking Fund budgets incorporate all the major revenue and expenditure assumptions identified by the district. The fund level budgets, as incorporated into this document, are presented for approval and adoption to the Hartland Consolidated Schools Board of Education at the June 26, 2023 public meeting.

Hartland Consolidated Schools
Descriptions of General Fund Financial Statement Expenditure Categories

Financial Statement Category	Description
Basic Program	Instructional activities dealing directly with teaching pupils. Includes elementary, middle-junior high, and high school activities.
Added Needs	Instructional activities designed for the added needs of pupils in the district, including special education, compensatory education, and career/technical education.
Pupil	Activities designed to assess and improve the well-being of pupils. Includes guidance, health, and teacher consultant services.
Instructional Staff	Activities associated with assisting the instructional staff with the content and process of providing learning experience to pupils. Includes the curriculum department, ICT, instructional technology and media staff and materials.
General Administration	Activities associated with oversight of the district as a whole.
School Administration	Activities associated with oversight of a single school building.
Business	Includes services concerned with the fiscal operations of the district, including budgeting, receiving and disbursing, financial accounting, and payroll.
Operation & Maintenance	Activities related to operating the district's buildings. Includes heating and lighting, as well as repairs and maintenance of equipment, property and liability insurance, and janitorial and grounds maintenance costs.
Pupil Transportation	Includes services associated with the transportation of pupils to and from school.
Central Support	Activities that support each of the other instructional and support service programs. Includes data processing oversight and equipment.
Other	Includes those supporting service expenditures which cannot be classified above.
Community Services	Activities that are not directly related to providing education to pupils in the district. Includes community education programs as well as the senior center.
Debt Service	Represents principal and interest payments owed during the current fiscal year on installment purchase obligations.
Capital Outlay	Includes site acquisition and facilities improvement.
Transfers	Includes transfers to other funds.

this page intentionally left blank

HARTLAND CONSOLIDATED SCHOOLS
GENERAL FUND
PROPOSED BUDGET
FISCAL YEAR ENDING JUNE 30, 2024

	ACTUAL 2021-22	BUDGETED 2022-23	ESTIMATED 2023-24	NET CHANGE PERCENT	NET CHANGE DOLLARS
REVENUES:					
LOCAL SOURCES	\$ 8,334,580	\$ 8,662,097	\$ 8,728,097	0.76%	66,000
STATE SOURCES	48,351,029	54,299,768	54,430,025	0.24%	130,257 A
FEDERAL SOURCES	3,137,698	3,670,074	1,649,778	-55.05%	(2,020,296) B
TOTAL REVENUES	59,823,307	66,631,939	64,807,900	-2.74%	(1,824,039)
INCOMING TRANSFERS AND OTHER	2,868,736	3,260,153	2,909,726	-10.75%	(350,427) C
TOTAL REVENUES, INCOMING TRANSFERS AND OTHER	\$ 62,692,043	\$ 69,892,092	\$ 67,717,626	-3.11%	\$ (2,174,466)
EXPENDITURES:					
INSTRUCTION:					
BASIC PROGRAMS	28,343,630	31,369,022	32,594,723	3.91%	1,225,701 D
ADDED NEEDS	6,789,086	8,181,108	8,169,785	-0.14%	(11,323) D
SUPPORT SERVICES:					
PUPIL SERVICES	1,730,828	2,113,915	2,127,172	0.63%	13,257 D
INSTRUCTIONAL SERVICES	1,623,770	1,886,102	1,824,313	-3.28%	(61,789) D
GENERAL ADMINISTRATION	1,479,467	1,803,712	1,687,797	-6.43%	(115,915) E
SCHOOL ADMINISTRATION	3,682,281	4,085,222	4,297,020	5.18%	211,798 D
BUSINESS SERVICES	531,167	628,625	645,401	2.67%	16,776
OPERATIONS & MAINTENANCE	5,937,958	7,182,602	8,049,946	12.08%	867,344 F
TRANSPORTATION	2,742,206	3,112,324	3,150,886	1.24%	38,562
CENTRAL SERVICES	571,418	1,065,097	514,550	-51.69%	(550,547) G
OTHER	155,856	187,813	185,243	-1.37%	(2,570)
COMMUNITY SERVICES	3,680,835	4,359,766	3,376,422	-22.55%	(983,344) H
DEBT SERVICE	271,217	190,022	161,532	-14.99%	(28,490) I
CAPITAL OUTLAY	238,164	885,000	1,360,000	53.67%	475,000 J
TOTAL EXPENDITURES	57,777,883	67,050,330	68,144,790	1.63%	1,094,460
OUTGOING TRANSFERS	5,551,007	550,535	590,560	7.27%	40,025 K
TOTAL APPROPRIATED	\$ 63,328,890	\$ 67,600,865	\$ 68,735,350	1.68%	\$ 1,134,485
EXCESS REVENUES(APPROPRIATION)	\$ (636,847)	\$ 2,291,227	\$ (1,017,724)	-144.42%	\$ (3,308,951)
FUND BALANCE, JULY 1	13,506,139	12,869,292	15,160,519	17.80%	2,291,227
FUND BALANCE, JUNE 30	\$ 12,869,292	\$ 15,160,519	\$ 14,142,795	-6.71%	\$ (1,017,724)
FUND BALANCE AS A % OF EXPENDITURES	20.32%	22.43%	20.58%		

Hartland Consolidated Schools
General Fund – Proposed Budget Explanations
June 30, 2024

A	State Sources	State revenue assumes a \$458 increase in foundation allowance, which is our best estimate at this time, given the state legislature has not yet finalized its budget. The budget also assumes a reduction of 75.5 FTE's, based on our most recent enrollment projection. In addition, the \$2.8M one-time UAAL deposit was removed from both revenues and expenditures. Remaining categorical funding was estimated based on the various state budget proposals.
B	Federal Sources	Amount has been updated to reflect the change in federal COVID-relief funds. Approximately \$1.4M in COVID-relief funding is expected for 2023/24.
C	Incoming Transfers and Other	Amount was reduced for one-time CTE equipment grant received in 2022/23, as well as for the additional one-time transfer from the Cafeteria Fund in 2022/23.
D	Instruction; Pupil Services; Instructional Services; School Administration	The net change is a culmination of several adjustments made to the various expense categories. Salaries and fringe benefits have been increased for the cost of steps, lanes, longevity and contractual. Fringe benefits were also increased for the expected increase in healthcare and retirement rates. These increases were partially offset by the elimination of the one-time UAAL deposit referenced in item A .
E	General Administration	Most of the decrease was related to the elimination of the one-time UAAL deposit referenced in item A .
F	Operations & Maintenance	Salaries and fringe benefits have been adjusted for maintenance union contract terms effective in 2023/24. Fringe benefit costs have also been increased accordingly. In addition, reductions made in the prior year for staffing vacancies/overtime and contract custodial were restored to regular levels. Utilities were also adjusted to account for expected inflationary/cost increases. These increases were partially offset by the elimination of the one-time UAAL deposit referenced in item A .
G	Central Services	Most of the decrease is due to the elimination of one-time capital purchases in 2022/23, including computer equipment purchased with ESSER funds and district-wide copiers.
H	Community Services	Most of the decrease is due to removing the expenditures related to one-time childcare grants received in 2022/23, as well as the elimination of the one-time UAAL deposit referenced in item A .
I	Debt Service	Principal and interest expenditures for bus loans have been adjusted in accordance with amounts due per the 2023/24 amortization schedules.

J	Capital Outlay	Amount was increased to account for the capital purchases planned from 2022/23 that have been deferred to 2023/24 due to timing and availability of products and contractors.
K	Outgoing Transfers	The transfer to Athletics has increased due to inflationary increases in operating costs within the Athletics Fund.

**HARTLAND CONSOLIDATED SCHOOLS
BUDGET SUMMARY
GENERAL FUND**

	ACTUAL 2021/22	AMENDED 2022/23	PROJECTION 2023/24	CHANGE FROM 2022/23
INSTRUCTION:				
BASIC PROGRAMS				
Salaries	\$ 15,988,281	\$ 16,569,282	\$ 18,296,536	\$ 1,727,254
Fringes	10,717,332	13,073,268	12,626,146	(447,122)
Purchased services	1,346,247	1,196,885	1,019,209	(177,676)
Supplies	260,997	491,867	645,112	153,245
Capital outlay & other	30,773	37,720	7,720	(30,000)
ADDED NEEDS				
Salaries	3,769,745	4,205,591	4,468,540	262,949
Fringes	2,570,334	3,311,264	3,130,237	(181,027)
Purchased services	302,606	321,521	403,348	81,827
Supplies	146,401	167,660	167,660	-
Capital outlay & other	-	175,072	-	(175,072)
TOTAL INSTRUCTION	35,132,716	39,550,130	40,764,508	1,214,378
SUPPORT SERVICES:				
PUPIL SERVICES				
Salaries	964,838	1,103,056	1,174,827	71,771
Fringes	656,296	888,359	838,845	(49,514)
Purchased services	102,327	106,500	106,500	-
Supplies	7,367	16,000	7,000	(9,000)
Capital outlay & other	-	-	-	-
INSTRUCTIONAL SERVICES				
Salaries	817,477	909,240	951,426	42,186
Fringes	497,965	660,747	608,644	(52,103)
Purchased services	133,713	158,515	153,419	(5,096)
Supplies	174,615	157,600	110,824	(46,776)
Capital outlay & other	-	-	-	-

HARTLAND CONSOLIDATED SCHOOLS
BUDGET SUMMARY
GENERAL FUND

continued

	ACTUAL 2021/22	AMENDED 2022/23	PROJECTION 2023/24	CHANGE FROM 2022/23
GENERAL ADMINISTRATION				
Salaries	753,431	794,943	809,949	15,006
Fringes	490,101	595,094	546,028	(49,066)
Purchased services	210,576	383,675	301,820	(81,855)
Supplies	8,094	10,000	10,000	-
Capital outlay & other	17,265	20,000	20,000	-
SCHOOL ADMINISTRATION				
Salaries	2,191,207	2,264,664	2,531,354	266,690
Fringes	1,391,554	1,728,486	1,672,226	(56,260)
Purchased services	91,561	81,000	82,368	1,368
Supplies	7,959	11,072	11,072	-
Capital outlay & other	-	-	-	-
BUSINESS SERVICES				
Salaries	253,967	291,795	318,972	27,177
Fringes	149,579	218,615	208,214	(10,401)
Purchased services	28,772	4,640	4,640	-
Supplies	-	-	-	-
Capital outlay & other	98,849	113,575	113,575	-
OPERATIONS & MAINTENANCE				
Salaries	752,326	893,532	924,035	30,503
Fringes	611,602	779,227	736,526	(42,701)
Purchased services	2,912,864	3,522,064	4,069,672	547,608
Supplies	1,574,047	1,803,200	1,950,937	147,737
Capital outlay & other	87,119	184,579	368,776	184,197
TRANSPORTATION				
Salaries	526,672	541,802	557,816	16,014
Fringes	340,182	401,271	373,819	(27,452)
Purchased services	1,769,671	2,038,311	2,088,311	50,000
Supplies	105,200	130,700	130,700	-
Capital outlay & other	481	240	240	-
CENTRAL SERVICES				
Salaries	168,886	170,321	172,327	2,006
Fringes	131,818	146,913	136,790	(10,123)
Purchased services	246,003	213,335	202,835	(10,500)
Supplies	345	2,598	2,598	-
Capital outlay & other	24,366	531,930	-	(531,930)

HARTLAND CONSOLIDATED SCHOOLS
BUDGET SUMMARY
GENERAL FUND

continued

	ACTUAL 2021/22	AMENDED 2022/23	PROJECTION 2023/24	CHANGE FROM 2022/23
OTHER				
Salaries	77,871	90,000	94,500	4,500
Fringes	43,000	57,466	50,396	(7,070)
Purchased services	18,933	18,933	18,933	-
Supplies	16,052	21,414	21,414	-
Capital outlay & other	-	-	-	-
TOTAL SUPPORT SERVICES	18,454,951	22,065,412	22,482,328	416,916
COMMUNITY SERVICES				
Salaries	1,484,115	1,618,257	1,275,668	(342,589)
Fringes	711,576	856,000	734,778	(121,222)
Purchased services	882,757	1,166,908	1,124,556	(42,352)
Supplies	377,968	361,597	231,772	(129,825)
Capital outlay & other	224,419	357,004	9,648	(347,356)
CAPITAL OUTLAY - Facilities	238,164	885,000	1,360,000	475,000
DEBT SERVICE	271,217	190,022	161,532	(28,490)
TRANSFERS & OTHER	5,551,007	550,535	590,560	40,025
TOTAL EXPENDITURES	\$ 63,328,890	\$ 67,600,865	\$ 68,735,350	\$ 1,134,485

Salaries	\$ 27,748,816	\$ 29,452,483	\$ 31,575,950	\$ 2,123,467
Fringes	18,311,339	22,716,710	21,662,649	(1,054,061)
Purchased services	8,046,030	9,212,287	9,575,611	363,324
Supplies	2,679,045	3,173,708	3,289,089	115,381
Capital outlay & other	483,272	1,420,120	519,959	(900,161)
Capital outlay - Facilities	238,164	885,000	1,360,000	475,000
Debt service	271,217	190,022	161,532	(28,490)
Transfers	5,551,007	550,535	590,560	40,025
	\$ 63,328,890	\$ 67,600,865	\$ 68,735,350	\$ 1,134,485

Salaries	43.82%	43.57%	45.94%
Fringes	28.91%	33.60%	31.52%
Purchased services	12.71%	13.63%	13.93%
Supplies	4.23%	4.69%	4.79%
Capital outlay & other	0.76%	2.10%	0.76%
Capital outlay - Facilities	0.38%	1.31%	1.98%
Debt service	0.43%	0.28%	0.24%
Transfers & other	8.77%	0.81%	0.86%

HARTLAND CONSOLIDATED SCHOOLS
PROPOSED BUDGET
ATHLETICS FUND
FISCAL YEAR ENDING JUNE 30, 2024

	ACTUAL 2021-22	BUDGETED 2022-23	ESTIMATED 2023-24	NET CHANGE PERCENT	NET CHANGE DOLLARS
REVENUES:					
LOCAL SOURCES (GATE)	\$ 140,063	\$ 149,880	\$ 145,711	-2.78%	\$ (4,169)
OTHER LOCAL SOURCES	307,954	333,472	333,472	0.00%	-
STATE SOURCES	<u>-</u>	<u>49,973</u>	<u>49,973</u>	0.00%	<u>-</u>
TOTAL REVENUE	448,017	533,325	529,156	-0.78%	(4,169)
INCOMING TRANSFERS	<u>551,007</u>	<u>550,535</u>	<u>590,560</u>	7.27%	<u>40,025</u> A
TOTAL REVENUE & INCOMING TRANSFERS	999,024	1,083,860	1,119,716	3.31%	35,856
EXPENDITURES:					
SALARIES	295,746	299,385	306,844	2.49%	7,459 B
EMPLOYEE BENEFITS	128,949	158,544	166,427	4.97%	7,883 B
CONTRACTED SERVICES/SUPPLIES	478,421	502,691	523,205	4.08%	20,514 C
EQUIPMENT	24,392	26,967	26,967	0.00%	-
OFFICIALS	46,516	48,773	48,773	0.00%	-
TRANSPORTATION	<u>25,000</u>	<u>47,500</u>	<u>47,500</u>	0.00%	<u>-</u>
TOTAL APPROPRIATED	999,024	1,083,860	1,119,716	3.31%	35,856
EXCESS REVENUE (APPROPRIATION)	-	-	-	-	-
FUND BALANCE, JULY 1	205,235	205,235	205,235	0.00%	-
FUND BALANCE, JUNE 30	\$ 205,235	\$ 205,235	\$ 205,235	0.00%	\$ -

Hartland Consolidated Schools
Athletics Fund – Proposed Budget Explanations
June 30, 2024

A	Incoming Transfers	Amount represents the contribution from the General Fund. The amount was increased to accommodate the increase in operating expenditures, which are explained in more detail below.
B	Salaries/Employee Benefits	Salaries and fringe benefits were increased to account for step and contractual increases for athletic department staff and coaches.
C	Contract Services/Supplies	Contracted coaches were increased to account for contractual and step increases. In addition, the contract for athletic training services was adjusted to reflect the cost increase within the renewal agreement.

HARTLAND CONSOLIDATED SCHOOLS
PROPOSED BUDGET
CAFETERIA FUND
FISCAL YEAR ENDING JUNE 30, 2024

	ACTUAL 2021-22	BUDGETED 2022-23	ESTIMATED 2023-24	NET CHANGE PERCENT	NET CHANGE DOLLARS
REVENUES:					
LOCAL SOURCES	\$ 241,530	\$ 1,131,409	\$ 1,131,409	0.00%	\$ -
STATE SOURCES	96,100	271,387	209,752	-22.71%	(61,635) A
FEDERAL SOURCES	2,671,867	973,258	851,035	-12.56%	(122,223) B
INCOMING TRANSFERS	67	52	52	0.00%	-
TOTAL REVENUE	3,009,564	2,376,106	2,192,248	-7.74%	(183,858)
EXPENDITURES:					
SALARIES	666,309	655,153	667,272	1.85%	12,119 C
EMPLOYEE BENEFITS	345,131	409,140	428,440	4.72%	19,300 C
FOOD	1,059,025	867,195	867,195	0.00%	-
SUPPLIES & OTHER	154,838	156,440	139,350	-10.92%	(17,090) D
CAPITAL OUTLAY	24,606	335,000	100,000	-70.15%	(235,000) E
TOTAL EXPENDITURES	2,249,909	2,422,928	2,202,257	-9.11%	(220,671)
OUTGOING TRANSFERS	19,160	225,000	84,145	-62.60%	(140,855) F
TOTAL APPROPRIATED	2,269,069	2,647,928	2,286,402	-13.65%	(361,526)
EXCESS REVENUE (APPROPRIATION)	740,495	(271,822)	(94,154)	-65.36%	177,668
FUND BALANCE, JULY 1	266,738	1,007,233	735,411	-26.99%	(271,822)
FUND BALANCE, JUNE 30	\$ 1,007,233	\$ 735,411	\$ 641,257	-12.80%	\$ (94,154)

Hartland Consolidated Schools
 Cafeteria Fund – Proposed Budget Explanations
 June 30, 2024

A	State Sources	State revenues were increased to account for a larger anticipated breakfast reimbursement, due to the significant increase in breakfasts served in 2021/22. The reimbursement is determined based on prior year servings.
B	Federal Sources	Amount was reduced to eliminate one-time Federal grants received in 2022/23.
C	Salaries/ Fringe Benefits	Salaries and fringe benefits were adjusted to account for contractual increases as well as steps, lanes and longevity increases for Student Nutrition staff. Fringe benefits have been also been adjusted to reflect increased health care hard cap costs and an increased retirement rate.
D	Supplies and Other	Supplies were reduced for one-time small wares purchases made in 2022/23.
E	Capital Outlay	Capital outlay was adjusted for current year planned expenditures, which include walk in coolers at Creekside and the High School.
F	Outgoing Transfers	Amount represents the transfer to the General Fund for indirect costs. Amount was reduced to normal levels in 2023/24, after an increase made in 2022/23 to maintain fund balance within federal mandated levels.

HARTLAND CONSOLIDATED SCHOOLS
PROPOSED BUDGET
STUDENT ACTIVITIES FUND
FISCAL YEAR ENDING JUNE 30, 2024

	ACTUAL 2021-22	BUDGETED 2022-23	ESTIMATED 2022-23	NET CHANGE PERCENT	NET CHANGE DOLLARS
REVENUES:					
OTHER LOCAL REVENUE	\$ 1,585,502	\$ 2,008,102	\$ 1,753,807	-12.66%	\$ (254,295) A
EXPENDITURES:					
MISCELLANEOUS EXPENSE	<u>1,412,789</u>	<u>1,661,695</u>	<u>2,165,929</u>	30.34%	<u>504,234</u> B
TOTAL APPROPRIATED	1,412,789	1,661,695	2,165,929	30.34%	504,234
EXCESS REVENUE (APPROPRIATION)	172,713	346,407	(412,122)	-218.97%	(758,529)
FUND BALANCE, JULY 1	1,286,256	1,458,969	1,805,376	23.74%	346,407
FUND BALANCE, JUNE 30	\$ 1,458,969	\$ 1,805,376	\$ 1,393,254	-22.83%	\$ (412,122)

Hartland Consolidated Schools
Student Activities Fund – Proposed Budget Explanations
June 30, 2024

A	Other Local Revenue	Amounts were reduced in 2023/24 to account for one-time revenues received in 2022/23 and expenditures from 2021/22.
B	Miscellaneous Expense	Amount was increased to reflect expected expenditures from funds collected in 2022/23.

HARTLAND CONSOLIDATED SCHOOLS
PROPOSED BUDGET
DEBT SERVICE FUND
FISCAL YEAR ENDING JUNE 30, 2024

	ACTUAL 2021-22	BUDGETED 2022-23	ESTIMATED 2023-24	NET CHANGE PERCENT	NET CHANGE DOLLARS	
REVENUES:						
PROPERTY TAX LEVY	\$ 14,071,241	\$ 14,899,724	\$ 15,900,146	6.71%	\$ 1,000,422	A
OTHER LOCAL REVENUE	<u>2,118</u>	<u>410,052</u>	<u>410,052</u>	0.00%	<u>-</u>	
TOTAL LOCAL REVENUE	14,073,359	15,309,776	16,310,198	6.53%	1,000,422	
STATE REVENUE	56,363	56,976	56,976	0.00%	-	
FEDERAL REVENUE	<u>666,173</u>	<u>666,173</u>	<u>666,173</u>	0.00%	<u>-</u>	
TOTAL REVENUE & OTHER PROCEEDS	14,795,895	16,032,925	17,033,347	6.24%	1,000,422	
EXPENDITURES:						
REDEMPTION OF PRINCIPAL	10,401,149	10,420,000	11,225,000	7.73%	805,000	B
INTEREST ON DEBT	3,936,160	4,298,903	4,389,826	2.12%	90,923	B
MISCELLANEOUS EXPENSE	<u>547,156</u>	<u>29,900</u>	<u>29,900</u>	0.00%	<u>-</u>	
TOTAL EXPENDITURES	14,884,465	14,748,803	15,644,726	6.07%	895,923	
TOTAL APPROPRIATED	14,884,465	14,748,803	15,644,726	6.07%	895,923	
EXCESS REVENUE (APPROPRIATION)	(88,571)	1,284,122	1,388,621	8.14%	104,499	
FUND BALANCE, JULY 1	9,575,058	9,486,487	10,770,609	13.54%	1,284,122	
FUND BALANCE, JUNE 30	\$ 9,486,487	\$ 10,770,609	\$ 12,159,230	12.89%	\$ 1,388,621	C

Hartland Consolidated Schools
Debt Service Fund – Proposed Budget Explanations
June 30, 2024

A	Property Tax Levy	The property tax levy is calculated based on 9.49 mills and 2023 taxable value. Taxable value increased by approximately 7% from prior year.
B	Redemption of Principal/Interest on Debt	Principal and interest expenditures have been updated for 2023/24 debt service requirements based on the long-term debt schedules.
C	Fund Balance	Fund balance in continues to grow due to the payment structure of the 2010 QSCB debt. Each year, the district is required to deposit “set-aside” funds into an investment account so that when the bonds mature, the principal is paid in one lump sum from the proceeds of the investment account. The total lump sum principal payment is \$12.1M and is scheduled to be paid in the 2026/27 school year.

HARTLAND CONSOLIDATED SCHOOLS
PROPOSED BUDGET
CAPITAL PROJECTS FUND - SINKING FUND
FISCAL YEAR ENDING JUNE 30, 2024

	ACTUAL 2021-22	BUDGETED 2022-23	ESTIMATED 2023-24	NET CHANGE PERCENT	NET CHANGE DOLLARS
REVENUES:					
PROPERTY TAX LEVY	\$ 720,608	\$ 757,562	\$ 816,314	7.76%	\$ 58,752 A
INTEREST	429	12,500	12,500	0.00%	-
MISC INCOME	-	54,200	-	-100.00%	(54,200) B
TOTAL REVENUE	721,037	824,262	828,814	0.55%	4,552
EXPENDITURES:					
REMODELING, RENNOVATION & NEW CONSTRUCTION	558,441	858,640	361,700	-57.88%	(496,940) C
EQUIPMENT	112,469	63,570	-	-100.00%	(63,570) C
MISC (ARCHITECT, CONSTRUCTION MGR, OTHER)	41,306	40,907	25,642	-37.32%	(15,265) C
TOTAL APPROPRIATED	712,216	963,117	387,342	-59.78%	(575,775)
EXCESS REVENUE (APPROPRIATION)	8,821	(138,855)	441,472	-417.94%	580,327
FUND BALANCE, JULY 1	1,246,556	1,255,377	1,116,522	-11.06%	(138,855)
FUND BALANCE, JUNE 30	\$ 1,255,377	\$ 1,116,522	\$ 1,557,994	39.54%	\$ 441,472

Hartland Consolidated Schools
Capital Projects Fund – Sinking Fund – Proposed Budget Explanations
June 30, 2024

A	Property Tax Levy	Amount was calculated based on .4823 mills and 2023 taxable value. The tax base was subject to a Headlee rollback in tax years 2022, 2021, 2020, 2019, and 2018 and therefore, the full .5 mills cannot be levied.
B	Misc. Income	One-time revenue sources from 2022/23 were removed.
C	Remodeling, Renovation & New Construction/ Equipment/ MISC	Amount represents projects planned and the portion of construction to be completed by June 30, 2024. Major items include pool renovations, signage, and the construction of a press box at the soccer field.

HARTLAND CONSOLIDATED SCHOOLS
PROPOSED BUDGET
CAPITAL PROJECTS FUND - 2020 BOND
FISCAL YEAR ENDING JUNE 30, 2024

	ACTUAL 2021-22	BUDGETED 2022-23	ESTIMATED 2023-24	NET CHANGE PERCENT	NET CHANGE DOLLARS
REVENUES:					
BOND PROCEEDS	\$ -	\$ 20,705,000	\$ -	-100.00%	\$ (20,705,000) A
PREMIUM ON BOND ISSUE	-	1,153,024	-	-100.00%	(1,153,024) A
INTEREST & OTHER	179,539	819,952	819,952	0.00%	-
TOTAL REVENUE	179,539	22,677,976	819,952	-96.38%	(21,858,024)
EXPENDITURES:					
CONSTRUCTION/RENOVATION	6,779,166	9,134,915	7,542,618	-17.43%	(1,592,297) B
TECHNOLOGY INFRASTRUCTURE/EQUIPMENT	1,455,881	824,473	946,973	14.86%	122,500 B
FURNITURE, FIXTURES, & EQUIPMENT	261,678	888,753	900,000	1.27%	11,247 B
SCHOOL BUSES	1,125	1,703,285	600,000	-64.77%	(1,103,285) B
CONSTRUCTION MANAGER/ARCHITECT/OTHER	1,716,221	1,319,519	921,066	-30.20%	(398,453) B
TOTAL EXPENDITURES	10,214,071	13,870,945	10,910,657	-21.34%	(2,960,288)
OTHER FINANCING USES:					
COSTS OF ISSUANCE	-	210,626	-	-100.00%	(210,626) A
TOTAL APPROPRIATED	10,214,071	14,081,571	10,910,657	-22.52%	(3,170,914)
EXCESS REVENUE (APPROPRIATION)	(10,034,532)	8,596,405	(10,090,705)	-217.38%	(18,687,110)
FUND BALANCE, JULY 1	20,549,724	10,515,192	19,111,597	81.75%	8,596,405
FUND BALANCE, JUNE 30	\$ 10,515,192	\$ 19,111,597	\$ 9,020,892	-52.80%	\$ (10,090,705)

Hartland Consolidated Schools
Capital Projects Fund – 2020 Bond – Proposed Budget Explanations
June 30, 2024

A	Bond Proceeds/Interest/ Cost of Issuance	Amounts have been updated to remove the series II bond sale that occurred in 2022/23.
B	Construction/ Renovation, Technology Infrastructure & Equipment/ FFE/ School Busses/ Other	Amount represents projects planned and construction to be completed by June 30, 2024. Major purchases/projects include the completion of the Middle School and Farms Intermediate collaboration spaces, High School HVAC work and other renovations, athletic complex renovations, furniture, and busses.

HARTLAND CONSOLIDATED SCHOOLS
 PROPOSED BUDGET
 CAPITAL PROJECTS FUND - SET ASIDE
 FISCAL YEAR ENDING JUNE 30, 2024

	ACTUAL 2021-22	BUDGETED 2022-23	ESTIMATED 2023-24	NET CHANGE PERCENT	NET CHANGE DOLLARS
REVENUES:					
INTEREST	\$ -	\$ 52,000	\$ 52,000	0.00%	\$ -
TRANSFER IN	<u>5,000,000</u>	<u>-</u>	<u>-</u>	-	<u>-</u>
TOTAL REVENUE	5,000,000	52,000	52,000	0.00%	-
EXPENDITURES:	<u>22,463</u>	<u>2,700</u>	<u>2,700</u>	0.00%	<u>-</u>
TOTAL APPROPRIATED	22,463	2,700	2,700	0.00%	-
EXCESS REVENUE (APPROPRIATION)	4,977,537	49,300	49,300	0.00%	-
FUND BALANCE, JULY 1	-	4,977,537	5,026,837	0.99%	49,300
FUND BALANCE, JUNE 30	\$ 4,977,537	\$ 5,026,837	\$ 5,076,137	0.98%	\$ 49,300

Hartland Consolidated Schools
Capital Projects Fund – Set Aside
June 30, 2024

GENERAL COMMENTS:

<p>Funds are being held in reserve until the end of the 2020 Bond program (anticipated 2024/25) in order to address the escalating costs of the bond program, or to address other capital needs not covered by the bond or sinking fund. After the summer 2023 construction season, remaining bond projects and estimated costs will be evaluated to determine the best use of these set-aside funds. Revenues have been estimated for anticipated interest earnings and expenditures have been estimated for anticipated banking fees on investment accounts.</p>
--

HARTLAND CONSOLIDATED SCHOOLS
 PROPOSED BUDGET
 CAPITAL PROJECTS FUND - 2010 BOND
 FISCAL YEAR ENDING JUNE 30, 2024

	ACTUAL 2021-22	BUDGETED 2022-23	ESTIMATED 2023-24	NET CHANGE PERCENT	NET CHANGE DOLLARS
REVENUES:					
INTEREST	\$ 57	\$ 2,260	\$ 2,260	0.00%	\$ -
TOTAL REVENUE	57	2,260	2,260	0.00%	-
EXPENDITURES:					
MISC	-	-	-	-	-
TOTAL APPROPRIATED	-	-	-	-	-
EXCESS REVENUE (APPROPRIATION)	57	2,260	2,260	0.00%	-
FUND BALANCE, JULY 1	175,330	175,387	177,647	1.29%	2,260
FUND BALANCE, JUNE 30	\$ 175,387	\$ 177,647	\$ 179,907	1.27%	\$ 2,260

Hartland Consolidated Schools
Capital Projects Fund – 2010 Bond – Proposed Budget Explanations
June 30, 2024

GENERAL COMMENTS:
Remaining proceeds from the 2010 Bond are being held to provide upgrades to District technology not covered by the 2020 Bond program. Needs will be assessed toward the end of the 2020 bond program.

HARTLAND CONSOLIDATED SCHOOLS
General Fund Revenue and Expenditure Projection

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Revenue	61,788,611	62,692,043	69,892,092	67,717,626	66,664,984	67,710,085
Expenditures	55,715,695	63,328,890	67,600,865	68,735,350	68,086,110	69,686,143
Excess Revenue /(Expenditures)	6,072,916	(636,847)	2,291,227	(1,017,724)	(1,421,126)	(1,976,058)
Fund Balance July 1	7,433,223	13,506,139	12,869,292	15,160,519	14,142,795	12,721,669
Fund Balance June 30	13,506,139	12,869,292	15,160,519	14,142,795	12,721,669	10,745,612
Fund Balance Percent	24.24%	20.32%	22.43%	20.58%	18.68%	15.42%
Revenue increase	9.99%	1.46%	11.48%	-3.11%	-1.55%	1.57%
Expenditure increase	0.82%	13.66%	6.75%	1.68%	-0.94%	2.35%
Contractual increase (Teacher)	0.0000%	2.0000%	2.0000%	5.0000%	2.0000%	2.0000%
Retirement rate	28.03%	28.23%	28.23%	30.56%	31.53%	31.78%
Foundation allowance	\$ 8,111	\$ 8,700	\$ 9,150	\$ 9,608	\$ 9,908	\$ 10,208
Foundation allowance increase	\$ 175	\$ 589	\$ 450	\$ 458	\$ 300	\$ 300
Blended count @ 10%/90%	5,424.03	5,229.90	5,159.90	5,084.43	5,039.48	5,004.78
Enrollment change (blended count)	(44.14)	(194.12)	(70.00)	(75.47)	(44.95)	(34.70)
Enrollment change (October count)	(198.49)	(51.32)	(64.89)	(80.52)	(41.00)	(34.00)
Off-schedule payment per contract	101,323	-	-	-	-	-
Off-schedule bonus pool	321,877	-	-	-	-	-