

2021/22 Budget Amendments
Prepared by: Rachel Bois
June 27, 2022

I am pleased to present budget amendments for the following school district funds:

General Fund	Debt Fund
Athletic Fund	Capital Projects Fund – 2020 Bond Fund
Cafeteria Fund	Capital Projects Fund – Sinking Fund
Student Activity Fund	Capital Projects Fund – Set Aside (Initial Budget)

These are the second amendments of the fiscal year ending June 30, 2022 for the General, Athletic, Cafeteria, and Capital Projects Fund – 2020 Bond Funds. These funds were first amended at the February 14, 2022 School Board meeting. These are the first and only amendments for the Debt, Capital Projects – Sinking Fund, and Student Activity Funds. The Capital Projects – Set Aside is being presented for initial adoption.

Adjustments have been made at this point based on a thorough review of all accounts. Please remember that by law, amendments are made to change what we originally adopted to where we believe we are now. The most significant adjustment in the General Fund is the addition of another \$1.8M in federal COVID-relief funding that was awarded after the February amendment. Additionally, the Cafeteria Fund is projected to perform significantly better than expected since the February amendment. This is largely in part to a significant boost in participation towards the latter part of the year in combination with significant one-time Federal funding. Throughout the remaining funds, there have been several adjustments that ultimately played into the 2021/22 budgeted amounts and are referenced in detail throughout the following pages.

Based upon what we know as of today, I am confident these amended budgets have been reviewed appropriately and accurately represent how the 2021/22 fiscal year should finish. Please feel free to contact me if you have any questions.

HARTLAND CONSOLIDATED SCHOOLS
BUDGET AMENDMENT
GENERAL FUND
JUNE 30, 2022

	LAST APPROVED 2/14/2022	AS AMENDED 6/27/2022	RECOMMENDED AMENDMENTS	NET CHANGE PERCENT
REVENUES:				
LOCAL SOURCES	\$ 8,108,048	\$ 8,231,445	\$ 123,397	1.5%
STATE SOURCES	48,214,691	48,341,462	126,771	0.3%
FEDERAL SOURCES	<u>1,214,321</u>	<u>3,037,504</u>	<u>1,823,183</u>	60.0% A
TOTAL REVENUES	57,537,060	59,610,411	2,073,351	3.5%
INCOMING TRANSFERS AND OTHER	<u>2,910,870</u>	<u>2,863,259</u>	<u>(47,611)</u>	-1.7%
TOTAL REVENUES, INCOMING TRANSFERS AND OTHER	\$ 60,447,930	\$ 62,473,670	\$ 2,025,740	3.2%
EXPENDITURES:				
INSTRUCTION:				
BASIC PROGRAMS	28,617,852	28,487,000	(130,852)	-0.5% B
ADDED NEEDS	6,893,846	6,819,863	(73,983)	-1.1% B
SUPPORT SERVICES:				
PUPIL SERVICES	1,723,095	1,740,647	17,552	1.0% B
INSTRUCTIONAL SERVICES	1,632,689	1,672,987	40,298	2.4% B
GENERAL ADMINISTRATION	1,501,789	1,514,165	12,376	0.8%
SCHOOL ADMINISTRATION	3,659,882	3,705,582	45,700	1.2%
BUSINESS SERVICES	539,678	544,656	4,978	0.9%
OPERATIONS & MAINTENANCE	6,144,032	5,959,536	(184,496)	-3.1% C
TRANSPORTATION	2,885,733	2,842,605	(43,128)	-1.5%
CENTRAL SERVICES	667,584	597,222	(70,362)	-11.8% D
OTHER	162,086	166,238	4,152	2.5%
COMMUNITY SERVICES	2,962,286	3,698,675	736,389	19.9% E
DEBT SERVICE	271,218	271,218	-	0.0%
CAPITAL OUTLAY	<u>310,000</u>	<u>310,000</u>	<u>-</u>	0.0%
TOTAL EXPENDITURES	57,971,770	58,330,394	358,624	0.6%
OUTGOING TRANSFERS	<u>5,594,800</u>	<u>5,571,092</u>	<u>(23,708)</u>	-0.4%
TOTAL APPROPRIATED	\$ 63,566,570	\$ 63,901,486	\$ 334,916	0.5%
EXCESS REVENUES(APPROPRIATION)	\$ (3,118,640)	\$ (1,427,816)	\$ 1,690,824	
FUND BALANCE, JULY 1	13,506,139	13,506,139	-	
FUND BALANCE, JUNE 30	\$ 10,387,499	\$ 12,078,323	\$ 1,690,824	
FUND BALANCE AS A % OF EXPENDITURES	16.34%	18.90%		

REVENUE:		
A	Federal Sources	Increase is due to additional COVID-relief and federal childcare funding that was awarded after the February budget amendment.

EXPENDITURES:		
	General Comments:	<p>District-wide, expenditures increased by \$335K from the February budget amendment. Most of this increase was due to programming expenditures for the various childcare grants that were awarded after the February budget amendment. These expenditures are mostly accounted for in the "Community Services" line item.</p> <p>Please refer to the individual line-item explanations for more detail.</p>
B	Basic Programs/ Added Needs/ Pupil Services/ Instructional Services	In total, expenditures between the basic programs, added needs, pupil services, and instructional services categories decreased by \$147K, which was primarily a result of various mid-year staffing vacancies/leaves of absence. Additionally, curriculum and curriculum change dollars were reduced by \$23K since not all initiatives that were planned for the year were implemented. The remaining variance is the result of minor reductions in a number of accounts within this budget category.
C	Operations & Maintenance	Approximately \$90K of the decrease relates to staffing vacancies/leaves of absence that occurred during the year. Additionally, utilities were reduced by \$91K to be in line with expected usage.
D	Central Services	Decrease is due to a long-term leave of absence that occurred during the year.
E	Community Services	Expenditures were increased by \$471K to account for the various childcare grants that were awarded after the February amendment. Offsetting revenues are accounted for in the "federal programs" line item. Another \$70K was added to account for the purchase of the senior center bus, which was funded by a federal grant. Additionally, approximately \$40K of the "board appreciation bonus" awarded in May was allocated to staff in community education programs. The remaining difference was due to increased costs to account for an increase in programming. This increase in cost has been offset by a similar increase in revenues.

Hartland Consolidated Schools
Descriptions of General Fund Financial Statement Expenditure Categories for Reference

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.

HARTLAND CONSOLIDATED SCHOOLS
 BUDGET AMENDMENT
 ATHLETICS FUND
 FISCAL YEAR ENDING JUNE 30, 2022

	LAST APPROVED 2/14/2022	AS AMENDED 6/27/2022	RECOMMENDED AMENDMENTS	NET CHANGE PERCENT
REVENUES:				
LOCAL REVENUE (GATE)	\$ 145,380	\$ 136,655	\$ (8,725)	-6.0% A
OTHER LOCAL REVENUE	<u>302,000</u>	<u>303,271</u>	<u>1,271</u>	0.4%
TOTAL REVENUE	447,380	439,926	(7,454)	-1.7%
INCOMING TRANSFERS	<u>594,800</u>	<u>571,092</u>	<u>(23,708)</u>	-4.0% B
TOTAL REVENUE & INCOMING TRANSFERS	1,042,180	1,011,018	(31,162)	-3.0%
EXPENDITURES:				
SALARIES	299,424	303,015	3,591	1.2%
EMPLOYEE BENEFITS	137,790	132,208	(5,582)	-4.1% C
CONTRACTED SERVICES/SUPPLIES	484,644	481,818	(2,826)	-0.6%
EQUIPMENT	26,567	21,569	(4,998)	-18.8% D
OFFICIALS	46,255	47,408	1,153	2.5%
TRANSPORTATION	47,500	25,000	(22,500)	-47.4% E
CAPITAL OUTLAY	<u>-</u>	<u>-</u>	<u>-</u>	-
TOTAL APPROPRIATED	1,042,180	1,011,018	(31,162)	-3.0%
EXCESS REVENUE (APPROPRIATION)	-	-	-	-
FUND BALANCE, JULY 1	205,235	205,235	-	0.0%
FUND BALANCE, JUNE 30	\$ 205,235	\$ 205,235	\$ -	0.0%

EXPLANATIONS:		
A	Local Revenue (Gate)	Gate revenue was decreased due to lower attendance than expected at spring events, mostly because of the poor weather conditions.
B	Incoming Transfers	The transfer from the General Fund was decreased due to the better financial outcome anticipated for the Athletic Fund, largely in part to the reduction in transportation expenditures.
C	Employee Benefits	Retirement expenditures were reduced to be more in line with expected results.
D	Equipment	Equipment was reduced to be more in line with expected results. Not all teams utilize their full equipment allocation.
E	Transportation	Transportation was reduced due to the lack of bus drivers available to transport to athletic events.

HARTLAND CONSOLIDATED SCHOOLS
 BUDGET AMENDMENT
 CAFETERIA FUND
 FISCAL YEAR ENDING JUNE 30, 2022

	LAST APPROVED 2/14/2022	AS AMENDED 6/27/2022	RECOMMENDED AMENDMENTS	NET CHANGE PERCENT
REVENUES:				
LOCAL REVENUE	\$ 214,609	\$ 236,251	\$ 21,642	10.1% A
STATE REVENUE	71,401	96,203	24,802	34.7% B
FEDERAL REVENUE	2,242,971	2,657,711	414,740	18.5% A
INCOMING TRANSFERS	67	67	-	0.0%
TOTAL REVENUE	2,529,048	2,990,232	461,184	18.2%
EXPENDITURES:				
SALARIES	650,951	667,115	16,164	2.5% C
EMPLOYEE BENEFITS	363,449	346,694	(16,755)	-4.6% C
FOOD	1,018,507	1,081,775	63,268	6.2% D
SUPPLIES & OTHER	174,130	172,191	(1,939)	-1.1%
CAPITAL OUTLAY	54,300	46,606	(7,694)	-14.2% E
TOTAL EXPENDITURES	2,261,337	2,314,381	53,044	2.3%
OUTGOING TRANSFERS	24,239	19,160	(5,079)	-21.0% F
TOTAL APPROPRIATED	2,285,576	2,333,541	47,965	2.1%
EXCESS REVENUE (APPROPRIATION)	243,472	656,691	413,219	169.7%
FUND BALANCE, JULY 1	266,738	266,738	-	0.0%
FUND BALANCE, JUNE 30	\$ 510,210	\$ 923,429	\$ 413,219	81.0%

LINE-ITEM SPECIFIC COMMENTS:		
A	Local Revenue, Federal Revenue	Local and Federal Revenues were updated to reflect the increase in sales for the remainder of the year, which are trending much higher than expected at the time of the February amendment. In addition, Federal Revenues were increased to account for a \$94K grant received to assist with supply chain issues.
B	State Revenue	State Revenues were updated to account for a higher state breakfast/lunch reimbursement than was originally expected. The state reimbursement is not known until the spring.
C	Salaries/ Fringe Benefits	Salaries and fringe benefits were increased to account for the increased labor needed to fulfill the increase in sales. At the same time, healthcare expenditures were reduced since not all employees that were expected to take insurance benefits elected them.
D	Food	Food costs were increased to account for the increase in sales.
E	Capital Outlay	Capital outlay was decreased to account for current year purchases. Some of the equipment originally planned has been delayed due to supply chain issues. These items will be accounted for in the next budget cycle.
F	Outgoing transfers	This line item represents the amount transferred to the General Fund for indirect costs. The amount was decreased due to the increase in UAAL retirement costs allocated to the Cafeteria Fund. These costs are reimbursed by the General Fund.

HARTLAND CONSOLIDATED SCHOOLS
 BUDGET AMENDMENT
 DEBT SERVICE FUND
 FISCAL YEAR ENDING JUNE 30, 2022

	LAST APPROVED 6/28/2021	AS AMENDED 6/27/2022	RECOMMENDED AMENDMENTS	NET CHANGE PERCENT
REVENUES:				
PROPERTY TAX LEVY	\$ 14,112,706	\$ 14,069,724	\$ (42,982)	-0.30%
OTHER LOCAL REVENUE	<u>111</u>	<u>1,144</u>	<u>1,033</u>	930.63% A
TOTAL LOCAL REVENUE	14,112,817	14,070,868	(41,949)	-0.30%
STATE REVENUE	48,285	56,362	8,077	16.73% B
FEDERAL REVENUE	670,830	666,173	(4,657)	-0.69%
SBLF PROCEEDS	1,563,094	-	(1,563,094)	-100.00% C
REFUNDING PROCEEDS & OTHER	<u>-</u>	<u>-</u>	<u>-</u>	-
TOTAL REVENUE	16,395,026	14,793,403	(1,601,623)	-9.77%
EXPENDITURES:				
REDEMPTION OF PRINCIPAL	9,125,000	10,401,149	1,276,149	13.99% D
INTEREST ON DEBT	3,936,160	3,936,160	-	0.00%
REFUNDING PRINCIPAL AND COSTS	-	-	-	-
MISCELLANEOUS EXPENSE	<u>188,320</u>	<u>187,320</u>	<u>(1,000)</u>	-0.53%
TOTAL EXPENDITURES	13,249,480	14,524,629	1,275,149	9.62%
TOTAL APPROPRIATED	13,249,480	14,524,629	1,275,149	9.62%
EXCESS REVENUE (APPROPRIATION)	3,145,546	268,774	(2,876,772)	-91.46%
FUND BALANCE, JULY 1	9,549,958	9,575,058	25,100	0.26%
FUND BALANCE, JUNE 30	\$ 12,695,504	\$ 9,843,832	\$ (2,851,672)	-22.46%

LINE-ITEM SPECIFIC COMMENTS:		
A	Other Local Revenue	Increase is due to higher expected interest earnings.
B	State Revenue	Amount was increased to reflect the actual reimbursement received from the state for the small taxpayer exemption loss.
C	SBLF Proceeds	Amount was eliminated since there was no current year borrowing from the School Bond Loan Fund. Instead, the District was required to begin repayment to the fund. This amount was budgeted on the "Redemption of Principal" line item. This item is difficult to budget since it depends largely on the timing of property tax collections.
D	Redemption of Principal	Amount was increased to account for the repayment made to the School Bond Loan Fund in the current year.

HARTLAND CONSOLIDATED SCHOOLS
 BUDGET AMENDMENT
 CAPITAL PROJECTS FUND - SINKING FUND
 FISCAL YEAR ENDING JUNE 30, 2022

	LAST APPROVED 6/28/2021	AS AMENDED 6/27/2022	RECOMMENDED AMENDMENTS	NET CHANGE PERCENT
REVENUES:				
PROPERTY TAX LEVY	\$ 722,646	\$ 720,525	\$ (2,121)	-0.29%
INTEREST	-	125	125	-
TOTAL REVENUE	722,646	720,650	(1,996)	-0.28%
EXPENDITURES:				
REMODELING, RENNOVATION & NEW CONSTRUCTION	558,310	1,036,943	478,633	85.73% A
EQUIPMENT	100,000	182,803	82,803	82.80% A
MISC (ARCHITECT, CONSTRUCTION MGR, OTHER)	250	37,610	37,360	14944.00% A
TOTAL APPROPRIATED	658,560	1,257,356	598,796	90.93%
EXCESS REVENUE (APPROPRIATION)	64,086	(536,706)	(600,792)	-937.48%
FUND BALANCE, JULY 1	1,162,230	1,246,556	84,326	7.26%
FUND BALANCE, JUNE 30	\$ 1,226,316	\$ 709,850	\$ (516,466)	-42.12%

LINE-ITEM SPECIFIC COMMENTS:		
A	Remodeling, Renovation & New Construction/ MISC	Expenditures have been adjusted to reflect projects that took place during the fiscal year. Expenditures have been increased to account for year 4 projects that were not completed by June 30, 2021. Additionally, expenditures were increased for year 5 projects that are slated to begin prior to the end of the fiscal year.

HARTLAND CONSOLIDATED SCHOOLS
 BUDGET AMENDMENT
 CAPITAL PROJECTS FUND - 2020 BOND
 FISCAL YEAR ENDING JUNE 30, 2022

	LAST APPROVED 2/14/2022	AS AMENDED 6/27/2022	RECOMMENDED AMENDMENTS	NET CHANGE PERCENT
REVENUES:				
BOND PROCEEDS	\$ -	\$ -	\$ -	-
PREMIUM ON BOND ISSUE	-	-	-	-
INTEREST & OTHER	10,000	166,968	156,968	1569.68% A
TRANSFERS	<u>5,000,000</u>	<u>-</u>	<u>(5,000,000)</u>	-100.00% B
TOTAL REVENUE	5,010,000	166,968	(4,843,032)	-96.67%
EXPENDITURES:				
CONSTRUCTION/RENOVATION	7,588,827	7,696,429	107,602	1.42% C
TECHNOLOGY INFRASTRUCTURE/EQUIPMENT	1,957,379	2,077,681	120,302	6.15% C
FURNITURE, FIXTURES, & EQUIPMENT	1,068,000	1,068,000	-	0.00% C
SCHOOL BUSES	976,631	1,125	(975,506)	-99.88% D
CONSTRUCTION MANAGER/ARCHITECT/OTHER	<u>1,395,281</u>	<u>1,283,590</u>	<u>(111,691)</u>	-8.00% C
TOTAL APPROPRIATED	12,986,118	12,126,825	(859,293)	-6.62%
EXCESS REVENUE (APPROPRIATION)	(7,976,118)	(11,959,857)	(3,983,739)	49.95%
FUND BALANCE, JULY 1	20,549,724	20,549,724	-	0.00%
FUND BALANCE, JUNE 30	\$ 12,573,606	\$ 8,589,867	\$ (3,983,739)	-31.68%

LINE-ITEM SPECIFIC COMMENTS:		
A	Interest & Other	Line item has been updated to account for the E-rate reimbursement expected on the various technology infrastructure projects completed.
B	Transfer in	During the February budget amendment, a one-time transfer of \$5M from the General Fund was authorized to help support the increasing cost of bond projects. This amount was budgeted as revenue in the Capital Projects – 2020 Bond Fund. However, this amount should be designated in its own fund. Transfer has been removed and added to the Capital Projects Fund – Set Aside.
C	Construction/ Renovation, Technology Infrastructure/ Equipment, FFE	Original budget was prepared using the cash flow estimate prepared by the construction manager as a guide. Expenditures have been adjusted to reflect projects that are expected to be completed by June 30.
D	School Busses	The school busses ordered and planned during the 2021/22 fiscal year have been delayed due to supply chain issues. Busses are expected to arrive in the fall of 2022 and will be budgeted in the 2022/23 fiscal year.

HARTLAND CONSOLIDATED SCHOOLS
 PROPOSED BUDGET
 CAPITAL PROJECTS FUND - SET ASIDE
 FISCAL YEAR ENDING JUNE 30, 2022

	ACTUAL 2019-20	BUDGETED 2020-21	ESTIMATED 2021-22	NET CHANGE PERCENT	NET CHANGE DOLLARS
REVENUES:					
INTEREST	\$ -	\$ -	\$ 1,000	-	\$ 1,000
TRANSFER IN	-	-	5,000,000	-	5,000,000
TOTAL REVENUE	-	-	5,001,000	-	5,001,000
EXPENDITURES:	-	-	-	-	-
TOTAL APPROPRIATED	-	-	-	-	-
EXCESS REVENUE (APPROPRIATION)	-	-	5,001,000	-	5,001,000
FUND BALANCE, JULY 1	-	-	-	-	-
FUND BALANCE, JUNE 30	\$ -	\$ -	\$ 5,001,000	-	\$ 5,001,000

GENERAL COMMENTS:

The Capital Projects – Set Aside Fund is being presented for initial adoption. During the February budget amendment, a one-time transfer of \$5M from the General Fund was authorized to help support the increasing cost of bond projects. This amount was budgeted as revenue in the Capital Projects – 2020 Bond Fund. However, this amount should be designated in its own fund. Therefore, the initial budget is being presented for the newly created Capital Projects - Set Aside Fund. The \$5M transfer has been removed from the Capital Projects – 2020 Bond Fund during the final budget amendment.

HARTLAND CONSOLIDATED SCHOOLS
 BUDGET AMENDMENT
 STUDENT ACTIVITIES FUND
 FISCAL YEAR ENDING JUNE 30, 2022

	LAST APPROVED 6/28/2021	AS AMENDED 6/27/2022	NET CHANGE DOLLARS	NET CHANGE PERCENT
REVENUES:				
OTHER LOCAL REVENUE	\$ 1,726,737	\$ 1,511,338	\$ (215,399)	-12.47% A
EXPENDITURES:				
MISCELLANEOUS EXPENSE	<u>1,800,354</u>	<u>1,438,741</u>	<u>(361,613)</u>	-20.09% A
TOTAL APPROPRIATED	1,800,354	1,438,741	(361,613)	-20.09%
EXCESS REVENUE (APPROPRIATION)	(73,617)	72,597	146,214	-198.61%
FUND BALANCE, JULY 1	1,268,056	1,286,256	18,200	1.44%
FUND BALANCE, JUNE 30	\$ 1,194,439	\$ 1,358,853	\$ 164,414	13.76%

LINE-ITEM SPECIFIC COMMENTS:		
A	Other Local Revenue/ Miscellaneous Expense	Revenues and expenditures have been adjusted for current year expected results. Original budget assumed an increase in activities from the 2020/21 fiscal year given fewer COVID-19 restrictions expected during the 2021/22 fiscal year. Actual revenues and expenditures, while still higher than 2020/21, are expected to be less than originally budgeted.