

**GENERAL APPROPRIATIONS ACT RESOLUTION
FOR FISCAL YEAR 2021-22**

A regular meeting of the Board of Education of Houghton Lake Community Schools was held in the Houghton Lake High School Board Room on June 28, 2021, at 6:30 p.m.

PRESENT: Members _____

ABSENT: Members _____

The Superintendent raised for the Board's consideration and review the proposed budgets for the General Operating, Food Service, and Student/School Activity Funds for fiscal year 2021-22 as well as the property tax millage rates which must be levied to provide the funds for each budget.

Following such consideration and review and the holding of a public hearing June 28, 2021 as required under Act No. 43 of the Public Acts of Michigan of 1963, as amended, the following resolution was made by Member _____ supported by Member _____:

RESOLVED, that

1. The proposed budgets for the General Operating, Food Service, and Student Activity Funds for fiscal year 2021-22 as attached to and incorporated into this Resolution are hereby approved and adopted.

General Fund Revenues for fiscal year 2020-21 totaling **\$14,974,706** are adopted at the function level. Estimated General Fund Expenditures for the fiscal year 2021-22 totaling **\$14,677,868** are adopted at the function level.

Food Service Fund Revenues for fiscal year 2021-22 totaling **\$867,789** are adopted at the function level. Estimated Food Service Fund Expenditures for fiscal year 2021-22 totaling **\$945,231** are adopted at the function level.

Student/School Activity Fund Revenues for fiscal year 2021-22 totaling **\$90,000** are adopted at the function level. Estimated Student/School Activity Fund Expenditures for fiscal year 2021-22 totaling **\$90,000** are adopted at the function level.

2. All amounts necessary to defray the expenses and liabilities of the School District for the 2021-22 fiscal year as set forth in the Budgets are hereby appropriated and the expenditures of such amounts as provided in the Budgets is hereby approved.
3. It is hereby determined that the amounts of money to be raised by taxation necessary to defray the expenses and liabilities of the School district are hereby appropriated and the expenditures of such amounts as provided in the Budgets are hereby approved.
4. The Board of Education will levy 17.8002 mills of ad valorem property tax against all non-homestead taxable property, 6 mills on commercial personal property, and 0.55 mills of voted debt retirement tax for the purpose of capital projects.
5. Appropriations will be deemed maximum authorizations to incur expenditures. The superintendent shall exercise supervision and control to ensure that expenditures are within

appropriations, and shall not issue a purchase order for expenditures that exceed appropriations.

6. Limit on Obligations and Payments – No obligation shall be incurred against, and no payment shall be made from any appropriation account unless there is a sufficient unencumbered balance in the appropriation and sufficient funds are or will be available to meet the obligation.
7. Whenever it appears to the Superintendent that the actual and probable revenues in any fund will be less than the estimated revenues upon which appropriations from which they were based, or when it appears that expenditures shall exceed an appropriation, the Superintendent shall present to the Board recommendations to prevent expenditures from exceeding available revenues or appropriations for the current fiscal year. Such recommendations shall include proposals for reducing appropriations, increasing revenues, or both.

Ayes:

Nays:

The Resolution is declared ADOPTED.

Kelly Christian, Secretary
Board of Education

CERTIFICATION

I hereby certify that the foregoing is a true and exact copy of the Resolution duly made, supported and approved by the Board of Education of Houghton Lake Community Schools, held on the 28th day of June, 2021, that the meeting was duly, legally and properly called and held, that all of the members of the School Board named as being present at the above meeting were in fact present at the meeting (such members constituting a quorum of the Board of Education) at the time the motions were considered and voted upon, and that public notice of meeting was given pursuant to and in compliance with Act No. 267, Public Acts of Michigan 1976, as amended.

Kelly Christian, Secretary
Board of Education

**HOUGHTON LAKE COMMUNITY SCHOOLS
REGULAR BOARD OF EDUCATION MEETING**

June 28, 2021

FOR ACTION: GENERAL FUND, FOOD SERVICE & STUDENT ACTIVITY BUDGETS

As you know, each year the Board approves a general fund, food service and student activity budget for the next fiscal year.

The proposed general fund budget includes an estimated \$150 per pupil increase to the foundation allowance along with an estimated increase of ten students.

For the General Fund Budget, we were able to update the following:

- Adjustments in Local, State and Federal Revenue
- Decrease basic program expenditures due to retirements and resignations
- Increase in mental health support
- Increase in transportation costs

This budget shows that the district is on the right track with expenditures compared to revenues.

For food service, it is recommended at this time to adopt the 2021-2022 budget exactly as it was amended. Overall, we are in good shape with our food service fund.

RECOMMENDATION:

The administration is recommending that the Board approve the General Fund Budget, Food Service Budget and Student Activity Budget for 2021-2022 fiscal year as presented.

HOUGHTON LAKE COMMUNITY SCHOOL DISTRICT BUDGET DEFINITIONS

REVENUE

Local – Income from investments, tuition, facility rentals, insurance refunds, fees, and any other local revenue. Includes property taxes levied for school purposes by a school district on the assessed valuation of real and personal property located within the district

Other, interest, transfers - Cash or receivables from a source that decreases an asset or increases a liability of another governmental unit. The most common examples are transfers from another school district or transfers from another fund (i.e., food service).

State Sources - Revenues received such as the foundation allowance and other grants by the school district which can be used for any legal purposes desired by the school system without restriction or so designated by grants.

Federal Sources - Revenues received directly or through the state from the federal government, which may include appropriations of state funds.

EXPENDITURES

11* Basic Programs - Instructional activities including enrichment designed primarily to prepare pupils for activities as citizens, family members, and workers, as contrasted with programs designed to improve or overcome physical, mental, social and/or emotional handicaps. Includes Pre-Kindergarten, Elementary, Middle-Junior High, and High School.

12* Added Needs - Instructional Classroom Activities designed for pupils added needs including special education, compensatory education (Title One, At Risk, Bilingual), career technical education, both regular and summer programs

13* Adult/Continuing Education - Learning experiences designed to develop knowledge and skills to meet educational objectives of adults.

21* Pupil Services – Consist of those activities that are designed to assess and improve the wellbeing of pupils and to supplement the teaching process such as counseling, social workers, school nurse, psychological and occupational therapist services, speech therapist, special education teacher consultants, recess and hall monitors.

22* Instructional Staff Services – Consist of activities associated with assisting the instructional staff with the content and process of providing learning experiences for pupils including curriculum development, techniques of instruction, child development and understanding, staff training, media services, curriculum, and assessment.

23* General Administration - Consist of those activities concerned with establishing policy, operating schools and the school system, and providing the essential facilities and services for the staff and pupils including elections, legal services, audit, Superintendent's office, and general responsibility for the entire school system.

24* School Administration – Activities performed by the principal, assistant principal and other assistants in the general supervision of the operations of school buildings, evaluation of staff members of the schools. Supervision and maintenance of school records are included under this function along with clerical staff for these activities.

25* Fiscal Services - Consists of those activities concerned with the fiscal operations of the school system. These services include budgeting, receiving and disbursing, financial accounting, payroll, inventory control and internal auditing. The interest on short-term loans is included under this function as well as duplicating, printing and postage for the entire school system.

26* Operations/Maintenance – Activities concerned with keeping the buildings open, clean and ready for daily use. They include heating, lighting, and ventilation systems and the repair of facilities and equipment. Property and liability insurance and custodial and ground maintenance costs, operating building leases, property and liability insurance are also included.

27* Pupil Transportation - Consists of those activities concerned with the transporting of pupils to and from school, as provided by state law. It includes trips between home and school and also trips to school-related activities. All other direct costs related to pupil transportation should be included such as physical exams, uniforms, school bus driver licenses, awards, and bus monitors.

28*, 29* Central Services & Athletics – Consists of those activities other than general administration that support each of the other instructional and supporting service programs. It includes such activities as recruiting and placement, staff transfers, negotiations, communications, training for non-instructional staff, and pupil accounting. District-wide activities associated with technology support such as repair and maintenance of equipment, data processing and internet services are also included. Consist of those activities concerned with financing the interscholastic athletic programs that are under the supervision of the school.

30* Community Services - Consists of those activities that are not directly related to providing education for pupils in a school system. These include services provided by the school district to non-public schools, community recreation programs, civic activities, public libraries, and parental activities.

Long-Term Debt, Transfers – Issued debt for buses in 2019-20; Payments for QZAB Bonds are complete.

Houghton Lake Community Schools
General Fund Budget
For the Fiscal Year Ended June 20, 2022

	2019-2020 Audited	2020-2021 June Amendment	2021-2022 Proposed Budget	Difference from June 2021 to Proposed 2021-2022	Notes
Revenues:					
Local Property Taxes	7,966,091	8,246,353	8,233,396	(12,957)	
Other, interest, transfers	370,917	253,237	150,000	(103,237)	1
State Sources	4,817,643	4,248,411	3,997,664	(250,747)	2
Federal Sources	1,410,040	2,106,499	2,593,646	487,147	3
Total Revenue	14,564,691	14,854,500	14,974,706	120,206	
Expenditures:					
Instruction					
11* Basic Programs	5,998,661	6,490,379	5,814,035	(676,345)	4
12* Added Needs	2,110,389	1,561,881	1,927,349	365,468	5
13* Adult/Continuing Ed	109,144	80,560	56,542	(24,018)	6
	8,218,194	8,132,820	7,797,925	(334,895)	
Support Services					
21* Pupil Support	795,754	613,480	703,329	89,849	7
22* Instructional Staff Support	447,589	674,301	575,740	(98,561)	8
23* General Administration	407,387	331,653	318,636	(13,017)	
24* School Administration	1,277,017	995,626	961,794	(33,832)	9
25* Business Services	411,751	354,626	318,933	(35,693)	10
26* Operations and Maintenance	1,819,225	1,406,354	2,047,062	640,708	11
27* Transportation	1,086,443	1,146,607	1,190,075	43,468	12
28* 29* Other Central Support	691,367	705,880	701,704	(4,176)	
Total	6,936,533	6,241,527	6,817,272	575,746	
30* Community Services	211,133	55,160	28,123	(27,037)	13
51* Other Financing Uses		34,549	34,547	(2)	
Total Expenses	15,365,860	14,451,056	14,677,868	226,812	
Revenue over Expenses	(801,169)	403,444	296,838	(106,606)	
Issuance of Long-Term Debt	191,086	-	-	-	
63* Transfers to Other Funds	(66,094)	-	-	-	
Total Other Finance Uses	124,992	-	0	-	
Net Change in Fund Balance	(676,177)	403,444	296,838	(106,606)	
FUND EQUITY, Beginning	365,914	(310,263)	93,181	(217,082)	
FUND EQUITY, Ending	(310,263)	93,181	390,019	296,838	

2021-2022 Budget to be Adopted by the Board of Education June 28, 2021

The 21-22 General Fund Budget includes the District levying 17.8002 mills for ad valorem taxes to be levied on non-homestead and non-qualified agricultural property to be used for operating expenses as listed above

1. Decrease in tax penalties & interest, transportation fees and miscellaneous revenue
2. Decrease in State revenue, exclusion of GSRP funds
3. Increase in Federal revenue due to grant adjustments
4. Decrease in basic program expenditures due to retirements and resignations
5. Increase in added needs, majority of at risk funds expensed here
6. Decrease due to Section 107 grant adjustment
7. Increase in mental health support
8. Grant expenses removed from function code
9. Reduction in total administrative costs after staff transition
10. Executive Assistant split between three function codes instead of two
11. Added ESSER II expenses
12. Increased transportation costs
13. Adjusted per Title I grant

Houghton Lake Community Schools
 Food Service Budget
 For the Fiscal Year Ended June 20, 2022

	2019-2020 Audited	2020-2021 Original Budget	2020-2021 Amended Budget	2021-2022 Proposed Budget	Difference from June Amended	Notes
Revenues:						
Local	61,786	51,236	46,000	46,000	0	
State	22,253	22,253	41,000	41,000	0	
Federal	981,680	902,789	780,789	780,789	0	
Incoming Transfers/Other					0	
Total Revenues	1,065,719	976,278	867,789	867,789	0	
Total Available to Appropriate	1,065,719	976,278	867,789	867,789	0	
Expenditures:						
Food Service Activities	917,261	1,029,303	875,231	875,231	0	
Capital Outlay		-	70,000	70,000	0	
Central Services	-	-	-	-	0	
Total Expenses	917,261	1,029,303	945,231	945,231	0	
Revenue over Expenses	148,458	(53,025)	(77,442)	(77,442)	0	
Transfers Out					0	
Net Change in Fund Balance	148,458	(53,025)	(77,442)	(77,442)	0	
Fund Equity Beginning	209,066	357,524	357,524	280,082	(77,442)	
Fund Equity Ending	357,524	304,499	280,082	202,640	(77,442)	

2021-2022 Proposed Budget to be Adopted by the Board of Education June 28, 2021

HOUGHTON LAKE COMMUNITY SCHOOLS
 Student/School Activity Fund Budget
 For the Fiscal Year Ended June 20, 2022

	2020-2021 Approved Budget	2021-2022 Proposed Budget	
Revenues:			
Local	120,000	90,000	1
Total Revenues	120,000	90,000	
Restricted Fund Balance	-		
Total Revenue	120,000		
Expenditures:			
Student Activities	108,000	90,000	2
Revenue over Expenses	12,000	0	
Fund Equity Beginning	157,818	169,818	
Fund Equity Ending	157,818	169,818	

1. Clubs, class accounts and sports fundraising
2. Various expenditures for student activity