



Budget Adjustment Planning

September 9, 2020

Current Budget

2020-2021 Adopted Budget

Hastings ISD # 200		2020-2021		Adopted		
		Un-Audited				
		Balance 6/30/20	Revenues	Expenditures	Net Budget	Balance 6/30/21
1/10/11/12	GENERAL FUND					
422	UNASSIGNED	13,592,128.81	49,715,387.38	51,396,995.01	(1,681,607.63)	11,910,521.18

Fund Balances Policy #714

The School Board further believes that it is financially responsible to prepare balanced budgets (Revenues=Expenditures) on a yearly basis. However, because of the reasons outlined above, a balanced budget may not always be possible. If an imbalanced budget is approved, the administration will be directed to develop a financial plan which includes the measures necessary to provide balanced budgets in the future.

Ending Fund Balance: Unassigned

Actual: 18-19	\$13,543,177	
Projected 19-20 (revised budget)	\$13,592,129	\$48,952
Projected 20-21 (adopted budet)	\$11,910,521	\$-1,681,608

*Policy states 2 months operating expenses (approximately \$8,778,000)



Purpose of Fund Balance

Fund balance is in place to protect educational opportunities in the event of some type of financial disruption. It's important to maintain adequate fund balances in order to:

- Provide sufficient cash flow for daily needs
- Insulate against revenue loss and instability
- Provide funds for unforeseen expenditures and planned future major expenditures

Uncertainties affecting the fund balance can be less revenue and/or additional expenses.



Key Trends

Student Enrollment:

	18-19 Actual	19-20 Actual	20-21 Projection	21-22 Projection
PreK-12 Adjusted Pupil Units	4,779.41	4,738.33	4,710.02	4,690.51
Decrease		41.08	28.31	19.51

Staffing FTE's:

	18-19 Actual	19-20 Actual	20-21 Projection*	
Total FTE's	291.3551	297.2150	302.3520	
Increase		5.8599	5.1370	

* Does not include COVID related staffing additions as they will be coded to CARES funding

20-21 Average FTE Cost = \$99,928



Considerations

- Costs increase yearly for Steps/Lanes/Benefits/Operational Costs approximately \$1,200,000
- Anticipate no change from the state in the formula allowance
- 21-22 enrollment loss is approximately \$190,000



If we make no budget adjustments?

2021-2022 Budget would be deficit spending by:

$\$1,681,608 + \$1,200,000 + \$190,000 = \$3,071,608$

AND we would be at our fund balance policy minimum

