

Budget Hearing
Monday, September 14, 2020 7:10 PM

Boone Central Middle School Library
203 Widaman
Petersburg, NE 68652

Agenda

1. Opening Budget Hearing
2. Welcome Guests
3. 2020-21 Budget Presentation
4. Public Comment
5. Adjournment

BOONE CENTRAL SCHOOL DISTRICT

2020-21 BUDGET AND TAX DETAIL

The budgetary documents in this packet are not final 2020-21 budget numbers, but rather preliminary information for the Boone Central Board of Education to discuss and make recommendations to the Superintendent for adoption.

Budget Hearing

September 14, 2020 @ 7:10 p.m.

Boone Central Middle School

Tax Request Hearing

September 14, 2020 @ 7:20 p.m.

Boone Central Middle School

Regular Board of Education Meeting

September 14, 2020 @ 7:30 p.m.

Boone Central Middle School

CERTIFICATION OF TAXABLE VALUE

Assessed Valuation – includes all real, personal and centrally assessed valuation in the school district. The assessed valuations are certified by the county assessor and provided to the school on or before August 20th each year. The assessed value is used to calculate the levy and request using the following formulas:

$$\begin{aligned} &(\text{Property Tax Request}/\text{Assessed Valuation}) \times 100 = \text{Property Tax Levy} \\ &(\text{Assessed Valuation} \times \text{Property Tax Levy})/100 = \text{Property Tax Request} \end{aligned}$$

10 Year History – The assessed valuation for the Boone Central School District has increased \$780,902,771 (122%) over the last 10 years.

The Boone Central School District has land in both Boone and Antelope County. The valuations below are a combined total of assessed values.

	Total Valuation	Dollar Change	Percent of Change
2020-21	\$1,422,281,407	(\$48,730,011)	-3.31%
2019-20	\$1,471,001,418	\$10,402,895	0.71%
2018-19	\$1,460,598,523	\$9,000,722	0.62%
2017-18	\$1,451,597,801	(\$10,945,189)	-0.75%
2016-17	\$1,462,542,990	\$149,133,021	11.35%
2015-16	\$1,313,409,969	\$174,495,241	15.32%
2014-15	\$1,138,914,728	\$217,786,455	23.64%
2013-14	\$921,128,273	\$180,736,829	24.41%
2012-13	\$740,391,444	\$61,862,360	9.12%
2011-12	\$678,529,084	\$37,150,448	5.79%
2010-11	\$641,378,636	\$76,021,775	13.45%

*Levy limitations apply to the General Fund, the Special Building Fund, and portions of the Qualified Capital Purpose Undertaking Fund.

*The statutory maximum levy for school fiscal year 2019/20 is \$1.05 plus exclusions per \$100 of taxable valuation for school districts.

GENERAL FUND BUDGET OF DISBURSEMENTS

The General Fund finances all facets of services rendered by the school district. General Fund receipts are classified according to source while its expenditures are classified according to specific functions. General Fund expenditures are limited by statute. The tax levy for this fund is restricted.

General Fund Budget of Disbursements and Transfers – the total amount of disbursement the school estimates spending during the school year. The school district may not exceed this total amount.

Necessary Cash Reserve – an amount of budgeted funds to provide a stable cash flow during a school fiscal year. The Necessary Cash Reserve is limited by the Applicable Allowable Reserve Percentage or by 50% of the total expenditures in a budgeted fund less capital outlay.

	TOTAL BUDGET DISBURSEMENTS AND TRANSFERS	TOTAL SPECIAL EDUCATION DISBURSEMENTS	TOTAL NON-SPECIAL EDUCATION DISBURSEMENTS AND TRANSFERS	NECESSARY CASH RESERVE	TOTAL REQUIREMENTS	CHANGE FROM PRIOR YEAR	PERCENT OF CHANGE FROM PRIOR YEAR
2020-21	\$10,742,282	\$1,513,920	\$9,228,362	\$1,425,000	\$12,167,282	(\$8,660)	-0.07%
2019-20	\$10,475,942	\$1,331,500	\$9,144,442	\$1,700,000	\$12,175,942	\$337,711	2.85%
2018-19	\$10,138,231	\$1,057,100	\$9,081,131	\$1,700,000	\$11,838,231	\$26,302	0.22%
2017-18	\$9,957,929	\$1,205,700	\$8,752,229	\$1,854,000	\$11,811,929	\$87,238	0.74%
2016-17	\$9,590,516	\$1,152,650	\$8,437,866	\$2,134,175	\$11,724,691	\$246,473	2.15%
2015-16	\$9,392,346	\$1,089,550	\$8,302,796	\$2,085,872	\$11,478,218	\$320,745	2.87%
2014-15	\$8,946,585	\$925,000	\$8,021,585	\$2,210,888	\$11,157,473	\$700,741	6.70%
2013-14	\$8,802,245	\$958,444	\$7,843,801	\$1,654,487	\$10,456,732	\$228,074	2.23%
2012-13	\$8,428,658	\$915,500	\$7,513,158	\$1,800,000	\$10,228,658	\$440,203	4.50%
2011-12	\$8,375,558	\$910,500	\$7,465,058	\$1,412,897	\$9,788,455	\$1,080,995	12.41%
2010-11	\$7,707,500	\$1,100,000	\$6,607,500	\$1,000,000	\$8,707,500	\$521,000	6.36%

2020-21 General Fund Budget of Disbursements Explanation of Changes:

The proposed budget of disbursements is a 2.54% increase from the prior year. This increase is primarily the result of increased insurance rates and staff salaries.

10 Year History – The General Fund Budget of Disbursements and Transfers has increased \$3,034,782 (39%) over the last 10 years. The General Fund Budget of Disbursements and Transfers including the Necessary Cash Reserve has increased \$3,459,782 (40%) over the last 10 years.

DEPRECIATION FUND

A depreciation fund may be established by a school district in order to facilitate the eventual purchase of costly capital outlay by reserving such monies from the General Fund. To allocate monies from the General Fund, a school district will show the movement of monies as an expense from the General Fund and the Depreciation Fund will show the revenue as a transfer from the General Fund. The purpose of the Depreciation Fund is to spread replacement costs over a period of years in order to avoid a disproportionate tax effort in a single year to meet such an expense. The Depreciation Fund is considered a component of the General Fund and is restricted by statute as part of the Allowable Reserve limitation.

Allowable Reserve Limitation – as determined by State Statue 79-1027. The percentage is based on the average daily membership of the school district and places a limitation on the amount of funds that may be budgeted as necessary cash reserves in the General Fund and Employee Benefit Fund and the total requirements in the Depreciation Fund. This percentage is applied in the LC-2 to the 2020/21 General Fund Budget of Disbursements and Transfers to determine the maximum dollar amount of allowable reserves.

Boone Central School District Average Daily Membership (Fall 2019) = 628

Allowable Reserve Percentage = 35%

Current Depreciation Fund Balance	Year-End Transfer from General Fund	2020/21 Beginning Balance (September 1, 2020)	Total Allowable Reserve Limitation (35% of GF Budget of Disbursements and Transfers)	Proposed 2020/21 General Fund Necessary Cash Reserve	2020/21 Total Reserves
\$1,122,865	\$235,000	\$1,357,865	\$3,765,177	\$1,425,000	\$2,782,865

2020/21 Anticipated Expenditures:

- 1100 Regular Instruction – Expenditures for replacement of educational related furniture, equipment, and technology.
- 2610 Operations of Buildings and Grounds – Expenditures for replacement of equipment used to operate and maintain the facilities. Expenditures for renovation, replacement, repair, and remodel of school facilities and grounds.
- 2710 Vehicle Operation and Purchasing – Expenditures for bus and vehicle replacement needs.

The Depreciation Fund includes funds being held for future anticipated expenditures including (but not limited to) the cost of replacing the rubber surface and turf at the sports complex, roof replacements, gym floor renovations and replacements, facility renovations, etc.

BOND FUND

The Bond Fund is used to record tax receipts, investment interest, and the payment of bond principal, interest, and other related costs. The tax levy for this fund is restricted for expenditures other than principal and interest on bonds.

	2020/21		2021/22		2022/23		2023/24 and thereafter	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
Bond Series 2020 \$9,395,000 (Refunded Series 2015 - \$10,000)	\$0	\$284,423	\$150,000	\$283,706	\$555,000	\$288,928	\$8,855,000	\$1,835,325
Bond Series 2016 (\$2,990,000)	\$560,000	\$14,100	\$425,000	\$4,250	\$0	\$0	\$0	\$0
TOTAL	\$560,000	\$298,523	\$575,000	\$287,956	\$555,000	\$288,928	\$8,855,000	\$1,835,325

The Bond Fund has a current balance of \$725,104
Principal and interest payments for 2020/21 = \$858,523

The proposed Bond Fund Tax Request is \$858,00,000. The total Personal and Real Property Tax Requirement with the County Treasurer's Commission of 1% is \$866,667.

In June 2020, the Series 2015 bonds (\$10,000,000) were refunded. The refunding resulted in an overall savings of \$882,800. The annual savings on the bond payments will be approximately \$30,000 this year and next year. Starting in 2022/23 the annual savings on the bond payments will be approximately \$60,000.

As of September 1, 2020 the district has the following dept outstanding:

- Principal = \$10,545,000
- Interest = \$2,695,732
- Total = \$13,240,732

The final bond payments are scheduled for:

- Series 2020 - December, 2035
- Series 2016 - December, 2021

SPECIAL BUILDING FUND

A Special Building Fund shall be established when a school board decides to acquire or improve sites and/or to erect, alter or improve buildings. The sale of bonds, the sale of property, or tax receipts will be the primary sources of revenue for the Special Building Fund. Regardless of the source of money to be used for building construction and related costs, all income for the purposes of this fund shall be accountable through this fund.

The tax levy for this fund is restricted to 14 cents with local board approval or 17.5 cents following a vote of the people for a term not to exceed ten years.

The Special Building Fund has a current balance of \$253,980. These funds are reserved for disbursements associated with current construction costs and associated fees and materials.

The proposed 2020/21 Special Building Fund tax request is specifically focused on the middle school construction project and associated costs.

	Total Tax Request (including 1% County Treasurer's Commission)	Tax Levy
2020/21	\$454,545	\$0.0320
2019/20	\$323,232	\$0.0220
2018/19	\$202,020	\$0.0138
2017/18	\$0	\$0
2016/17	\$292,515	\$0.0200
2015/16	\$202,020	\$0.0154
2014/15	\$1,590,909	\$0.1397
2013/14	\$1,288,888	\$0.1399
2012/13	\$1,036,364	\$0.1399
2011/12	\$305,338	\$0.0450
2010/11	\$202,034	\$0.0315

TOTAL TAX REQUEST

	General Fund (Includes 1% County Treasurer's Commission)	Bond Fund (Includes 1% County Treasurer's Commission)	Special Building (Includes 1% County Treasurer's Commission)	Total Tax Request	Dollar Change	Percent of Change
2020/21	\$7,384,553	\$866,667	\$454,545	\$8,705,765	\$82,355	0.9950%
2019/20	\$7,421,390	\$878,788	\$323,232	\$8,623,410	\$316,262	3.8071%
2018/19	\$7,231,391	\$873,737	\$202,020	\$8,307,148	\$301,979	3.7723%
2017/18	\$7,131,432	\$873,737	\$0	\$8,005,169	\$246,693	3.1797%
2016/17	\$6,546,770	\$919,191	\$292,515	\$7,758,476	\$222,739	2.9558%
2015/16	\$6,424,627	\$909,090	\$202,020	\$7,535,737	(\$12,736)	-0.1687%
2014/15	\$5,957,564	\$0	\$1,590,909	\$7,548,473	\$302,021	4.1678%
2013/14	\$5,957,564	\$0	\$1,288,888	\$7,246,452	\$252,524	3.6106%
2012/13	\$5,957,564	\$0	\$1,036,364	\$6,993,928	\$526,868	8.1469%
2011/12	\$6,161,722	\$0	\$305,338	\$6,467,060	(\$97,099)	-1.4792%
2010/11	\$6,316,588	\$45,537	\$202,034	\$6,564,159	\$553,830	9.2146%

	General Fund	Bond Fund	Special Building	Total Levy
2020/21	\$0.5191	\$0.0609	\$0.0320	\$0.6121
2019/20	\$0.5045	\$0.0597	\$0.0220	\$0.5862
2018/19	\$0.4951	\$0.0598	\$0.0138	\$0.5687
2017/18	\$0.4913	\$0.0602	\$0.0000	\$0.5515
2016/17	\$0.4476	\$0.0628	\$0.0200	\$0.5304
2015/16	\$0.4892	\$0.0691	\$0.0154	\$0.5737
2014/15	\$0.5230	\$0.0000	\$0.1397	\$0.6627
2013/14	\$0.6468	\$0.0000	\$0.1399	\$0.7867
2012/13	\$0.8047	\$0.0000	\$0.1399	\$0.9446
2011/12	\$0.9081	\$0.0000	\$0.0450	\$0.9531
2010/11	\$0.9849	\$0.0071	\$0.0315	\$1.0235

NOTICE OF BUDGET HEARING AND BUDGET SUMMARY

Boone Central School District (06-0001) in Boone County, Nebraska

PUBLIC NOTICE is hereby given, in compliance with the provisions of State Statute Sections 13-501 to 13-513, that the governing body will meet on the 14th day of September, 2020 at 7:10 o'clock, P.M., at Boone Central Middle School Library for the purpose of hearing support, opposition, criticism, suggestions or observations of taxpayers relating to the following proposed budget and to consider amendments relative thereto. The budget detail is available at the office of the Clerk/Secretary during regular business hours.

FUNDS	Actual Disbursements & Transfers	Actual/Estimated Disbursements & Transfers	Budgeted Disbursements & Transfers	Necessary Cash Reserve (4)	Total Available Resources Before Property Taxes (5)	Total Personal and Real Property Tax Requirement (7)
	2018-2019 (1)	2019-2020 (2)	2020-2021 (3)			
General	\$ 9,513,522.00	\$ 8,827,392.00	\$ 10,742,282.00	\$ 1,425,000.00	\$ 4,856,574.00	\$ 7,384,553.00
Depreciation	\$ 274,814.00	\$ 392,133.00	\$ 1,377,865.00		\$ 1,377,865.00	
Employee Benefit	\$ -	\$ -	\$ -	\$ -	\$ -	
Contingency	\$ -	\$ -	\$ -		\$ -	
Activities	\$ 712,366.00	\$ 563,456.00	\$ 1,019,435.00	\$ -	\$ 1,019,435.00	
School Nutrition	\$ 408,651.00	\$ 428,553.00	\$ 488,500.00	\$ -	\$ 488,500.00	
Bond	\$ 889,376.00	\$ 888,488.00	\$ 1,748,636.00	\$ -	\$ 890,636.00	\$ 866,667.00
Special Building	\$ 361,518.00	\$ 419,594.00	\$ 4,863,940.00		\$ 4,413,940.00	\$ 454,545.00
Qualified Capital Purpose Undertaking	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cooperative	\$ -	\$ -	\$ -	\$ -	\$ -	
Student Fee	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTALS	\$ 12,160,247.00	\$ 11,519,616.00	\$ 20,240,658.00	\$ 1,425,000.00	\$ 13,046,950.00	\$ 8,705,765.00