

Budget Hearing
Monday, September 9, 2019 7:10 PM

Boone Central Middle School Library
203 Widaman
Petersburg, NE 68652

Agenda

1. Call Budget Hearing to Order
2. Hearing on 2019/20 Budget
3. Close Budget Hearing

2019/20 BUDGET AUTHORITY AND ALLOWABLE RESERVE PERCENTAGE CERTIFICATION

COUNTY: BOONE
COUNTY-DISTRICT NUMBER: 06-0001-000
DISTRICT NAME: BOONE CENTRAL SCHOOLS

Certified Budget Authority	\$8,404,385	Budget Based
Allowable Reserve Percentage	35 %	
Access to Prior Year's Unused Budget Authority	\$0	

Certified Budget Authority:

Certified Budget Authority is calculated three ways. The greater of the Budget Based Calculation, the Student Growth Adjustment Calculation, or the Formula Needs Calculation becomes a district's Certified Budget Authority.

Budget Based Calculation: $((GFBE - SGF - SPED - GFLE) \times 1.02)$

Student Growth Adjustment Calculation: $((GFBE - SGF - SPED - GFLE) + (SGA +/- SGACORR))$

Formula Needs Calculation: $((FN \times 1.10) - (SPED \times 1.02))$

		Data Source
GFBE	2018/19 General Fund Budget	2018/19 LC-2 Line B-100
SGF	2018/19 Special Grant Funds	2018/19 LC-2 Line B-110
SPED	2018/19 Special Education Budget	2018/19 LC-2 Line B-120
GFLE	2018/19 General Fund Lid Exclusions (Schedule A)	2018/19 LC-2 Line B-130
SGA	2019/20 Student Growth Adjustment	2019/20 State Aid
SGACORR	2019/20 Student Growth Correction	2019/20 State Aid
FN	2019/20 Formula Needs	2019/20 State Aid

2019/20 Basic Allowable Growth Rate (BAGR) is 2%.

Access to Prior Year's Unused Budget Authority:

This amount is equal to the lesser of 2% of 2018/19 adjusted expenditures (2% of LC-2 Line B-140) or 2018/19 Total Unused Budget Authority (LC-2 Line B-175) *if the district has Unused Budget Authority available.*

Please Note: *To access this additional budget growth, the amount must be manually entered on Line A-355 of the 2019/20 LC-2.*

For further clarification of Certified Budget Authority, see the Budget Text available at the link listed below. Any questions about this information or how it is to be used in meeting the budgeting requirements of state law can also be directed to School Finance at the Nebraska Department of Education, 301 Centennial Mall South, Box 94987, Lincoln, NE 68509-4987, or by calling (402)471-2248 or (402)471-0526.

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 9th day of September, 2019 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)
	2017-2018 (1)	2018-2019 (2)	2019-2020 (3)			
General	\$ 9,288,383.00	\$ 9,551,985.00	\$ 10,475,942.00	\$ 1,700,000.00	\$ 4,828,766.00	\$ 7,421,390.00
Depreciation	\$ 395,273.00	\$ 284,000.00	\$ 1,465,316.00		\$ 1,465,316.00	
Employee Benefit	\$ -	\$ -	\$ -	\$ -	\$ -	
Contingency	\$ -	\$ -	\$ -		\$ -	
Activities	\$ 794,371.00	\$ 632,885.00	\$ 990,000.00	\$ -	\$ 990,000.00	
School Nutrition	\$ 410,534.00	\$ 374,367.00	\$ 430,000.00	\$ -	\$ 430,000.00	
Bond	\$ 883,976.00	\$ 885,000.00	\$ 1,638,208.00	\$ -	\$ 768,208.00	\$ 878,788.00
Special Building	\$ 2,959,339.00	\$ 362,496.00	\$ 4,687,439.00		\$ 4,367,439.00	\$ 323,232.00
Qualified Capital Purpose Undertaking	\$ 66,210.00	\$ -	\$ -	\$ -	\$ -	\$ -
Cooperative	\$ -	\$ -	\$ -	\$ -	\$ -	
Student Fee	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTALS	\$ 14,798,086.00	\$ 12,090,733.00	\$ 19,686,905.00	\$ 1,700,000.00	\$ 12,849,729.00	\$ 8,623,410.00

BOONE CENTRAL SCHOOL DISTRICT

2019-20 BUDGET AND TAX DETAIL

The budgetary documents in this packet are not final 2019-20 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 9, 2019 @ 7:10 p.m.

Boone Central Middle School

Tax Request Hearing

September 9, 2019 @ 7:20 p.m.

Boone Central Middle School

Regular Board of Education Meeting

September 9, 2019 @ 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 \$905,644,557 (160%) 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
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%
2009-10	\$565,356,861	\$49,305,305	9.55%

*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
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%
2009-10	\$7,086,500	\$950,000	\$6,136,500	\$1,100,000	\$8,186,500	\$541,500	7.08%

2019/20 General Fund Budget of Disbursements Explanation of Changes:

The proposed budget includes an increase in Special Education funding of \$274,400. This increase is directly related to anticipated cost of Special Education contracted services required for children birth to age 2, preschool age students, and school age students living in the district. The total non-special education budget of disbursements increased \$63,311. This change is primarily related to the increased cost of salaries and benefits.

10 Year History – The General Fund Budget of Disbursements and Transfers has increased \$3,372,442 (48%) over the last 10 years. The General Fund Budget of Disbursements and Transfers including the Necessary Cash Reserve has increased \$3,972,442 (49%) 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 Statute 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 2019/20 General Fund Budget of Disbursements and Transfers to determine the maximum dollar amount of allowable reserves.

Boone Central School District Average Daily Membership (Fall 2018) = 540

Allowable Reserve Percentage = 35%

Current Depreciation Fund Balance	Year-End Transfer from Depreciation Fund	2019/20 Beginning Balance (September 1, 2019)	Total Allowable Reserve Limitation (35% of GF Budget of Disbursements and Transfers)	Proposed 2019/20 General Fund Necessary Cash Reserve	2019/20 Total Reserves
\$1,188,710	\$300,000	\$1,488,710	\$3,666,580	\$1,700,000	\$3,188,710

2019/20 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.

	2019/20		2020/21		2021/22		2022/23 and thereafter		Total	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
Bond Series 2015 (\$10,000)	\$0	\$312,476	\$0	\$312,476	\$150,000	\$310,977	\$9,850,000	\$2,493,782	\$10,000,000	\$3,429,711
Bond Series 2016 (\$2,990,000)	\$550,000	\$25,200	\$560,000	\$14,100	\$425,000	\$4,250	\$0	\$0	\$1,535,000	\$43,550
TOTAL	\$550,000	\$337,676	\$560,000	\$326,576	\$575,000	\$315,227	\$9,850,000	\$2,493,782	\$11,535,000	\$3,473,261

The Bond Fund has a current balance of \$674,912
Principal and interest payments for 2019/20 = \$887,676

The proposed Bond Fund Tax Request is \$870,000. The total Personal and Real Property Tax Requirement with the County Treasurer's Commission of 1% is \$878,788.

As of September 1, 2019 the district has the following dept outstanding:

- Principal = \$11,535,000
- Interest = \$3,473,261
- Total = \$15,008,261

The final bond payments are scheduled for:

- Series 2015 – 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 \$368,417. These funds are reserved for disbursements associated with current construction costs and associated fees and materials.

The proposed 2019/20 Special Building Fund tax request is for site preparation, land acquisition, preconstruction and construction costs associated with the upcoming facilities project.

	Total Tax Request (including 1% County Treasurer's Commission)	Tax Levy
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
2009/10	\$202,000	\$0.0357

BUDGET HEARING NOTICE

The Notice of Budget Hearing form must be published in a newspaper of general circulation in the school district notifying the public of the time, day, and place of hearing on the ensuing school fiscal year budget. This notice must detail the total receipts, expenditures, cash reserves, and property tax request for the school district.

PROPERTY TAX REQUEST HEARING & RESOLUTION

Notice of Special Hearing to Set Final Tax Request Required Information:

- *Prior year's property tax request and levy
- *Levy rate to fund prior year's property tax request applied to the current valuation
- *Operating budget for each taxing fund for the prior school year (2018/19)
- *Operating budget for each taxing fund for the current school year (2019/20)
- *Certified Taxable Valuation for the prior school year (2018/19)
- *Certified Taxable Valuation for the current school year (2019/20)
- *Percentage increase or decrease in levy from prior year to current school year
- *Percentage increase or decrease in total operating budget from prior year to current school year

The resolution setting a property tax request shall be certified and forwarded to the county clerk on or before October 13th of the year for which the tax request is to apply. A copy of the resolution should also be submitted to the Auditor of Public Accounts and the Department of Education.

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
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%
2009/10	\$5,626,529	\$181,800	\$202,000	\$6,010,329	\$570,641	10.4903%

	General Fund	Bond Fund	Special Building	Total Levy
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-/4	\$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
2009/10	\$0.9952	\$0.0435	\$0.0357	\$1.0744

*****Request for Retirement Contribution Increase Expenditure Exclusion Sample Letter*****

6/18/2019

Nebraska Department of Education
 School Finance & Organization Services
 PO Box 94987
 Lincoln, NE 68509

RE: 2019/20 Retirement Contribution Increase
Boone Central Schools 06-0001

The school district is seeking approval from the State Board of Education for the Retirement Contribution Increase Expenditure Exclusion. The estimated increase in expenditures for the 2019/20 school fiscal year is shown below.

I understand if the State Board of Education approves the request, the school district will report the amount on Schedule A of the 2019/20 School District Budget Form. I also understand the approved amount will be part of the total amount from Schedule A that will be reported by the school district on Line B-130 of the 2019/20 LC-2.

Round to the Nearest Dollar		
2019/20 Staff Salaries Subject to Retirement	1.10	5,100,000
Retirement Contribution Increase at 9.88% <i>[Multiply amount on Line 1.10 by .0988]</i>	1.20	503,880
Retirement Contribution Increase at 7.35% ** <i>[Multiply amount on Line 1.10 by .0735]</i>	1.30	374,850
Requested Retirement Contribution Increase Expenditure Exclusion <i>[Subtract amount on Line 1.30 from amount on Line 1.20]</i>	1.40	129,030

*** This percentage is stated in state statute §79-958.*

Please feel free to contact me if you have any questions related to this request.

Sincerely,

Nicole Hardwick

Email the completed template to bill.biven@nebraska.gov for State Board Approval.

NEBRASKA DEPARTMENT OF EDUCATION
SCHOOL FINANCE & ORGANIZATION SERVICES
2019/20 STATE AID CERTIFICATION

BOONE CENTRAL SCHOOLS (06-0001-000)

FORMULA STUDENTS CALCULATION

(Fall Membership	x	ADM/FM Ratio)	+	Contracted Out	=	Formula Students
(557	x	1.0017082524)	+	1	=	558.95
KDG Adjustment		(0 students	x .5)		times ADM Factor	=	0.00
Early Childhood (002)		(31 students	x 465.0 hours / 1,032 hours	x .6)		=	8.38
<i>Total Formula Students</i>							567.33

FORMULA NEEDS CALCULATION

Basic Funding	6,861,306.00
Poverty Allowance	0.00
Limited English Proficiency Allowance	0.00
Focus School & Program Allowance	0.00
Summer School Allowance	239.00
Special Receipts Allowance	395,897.00
Transportation Allowance	273,272.00
Elementary Site Allowance	0.00
Distance Education & Telecommunications Allowance	0.00
Averaging Adjustment	0.00
New School Adjustment	0.00
Student Growth Adjustment	0.00
Community Achievement Plan Adjustment	0.00
Limited English Proficiency Allowance Correction	0.00
Student Growth Adjustment Correction	0.00
Poverty Allowance Correction	-59,518.00
Non Qualified LEP Adjustment	0.00
Total Calculated Formula Needs	7,471,196.00
Formula Needs Stabilization	0.00
Total Formula Needs	7,471,196.00

FORMULA RESOURCES CALCULATION

Yield From Local Effort Rate	1,472,951,583 / 100 x 1.0000000000	14,729,516.00
Net Option Funding		313,510.00
Allocated Income Tax Funds		86,934.00
Other Actual Receipts		1,496,257.00
Community Achievement Plan Aid		0.00
Total Formula Resources		16,626,217.00

Some numbers may be rounded for presentation. For further information, see the "Tax Equity and Educational Opportunities Support Act, May 2017" document available on the FOS/State Aid website at <http://www.education.ne.gov/FOS/SchoolFinance/StateAid/> For questions, contact (402) 471-3323 or (402) 471-4320.

NEBRASKA DEPARTMENT OF EDUCATION
SCHOOL FINANCE & ORGANIZATION SERVICES
2019/20 STATE AID CERTIFICATION

BOONE CENTRAL SCHOOLS (06-0001-000)

STATE AID CALCULATION

Equalization Aid	0.00
Net Option Funding	313,510.00
Allocated Income Tax Funds	86,934.00
Community Achievement Plan Aid	0.00
Total State Aid Calculated	400,444.00
Prior Year (2018/19) State Aid Correction	1,326.00
Total State Aid	401,770.00
Carryover Adjustment from years prior to 2018/19	0.00
