

Budget Hearing
Monday, September 13, 2021 7:10 PM

Boone Central School
605 S. 6th Street
Albion, Nebraska 68620

Agenda

1. Open Budget Hearing
2. 2021-22 Budget Hearing Discussion
3. Public Comment
4. Close Budget Hearing

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 13th day of September, 2021 at 7:10 o'clock, P.M., at Boone Central High School 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. For more information on statewide receipts and expenditures, and to compare cost per pupil and performance to other school districts, go to: <https://nep.education.ne.gov>

FUNDS	Actual Disbursements & Transfers	Actual/Estimated Disbursements & Transfers	Budgeted Disbursements & Transfers	Necessary Cash Reserve	Total Available Resources Before Property Taxes	Total Personal and Real Property Tax Requirement
	2019-2020 (1)	2020-2021 (2)	2021-2022 (3)			
General	\$ 8,825,976.00	\$ 9,771,500.00	\$ 10,876,607.00	\$ 1,500,000.00	\$ 5,676,646.00	\$ 6,767,637.00
Depreciation	\$ 392,134.00	\$ 320,833.00	\$ 1,635,474.00		\$ 1,635,474.00	
Employee Benefit	\$ -	\$ -	\$ -	\$ -	\$ -	
Contingency	\$ -	\$ -	\$ -		\$ -	
Activities	\$ 600,099.00	\$ 619,835.00	\$ 900,000.00	\$ -	\$ 900,000.00	
School Nutrition	\$ 475,630.00	\$ 459,367.00	\$ 650,000.00	\$ -	\$ 650,000.00	
Bond	\$ 10,883,269.00	\$ 859,524.00	\$ 1,894,372.00	\$ -	\$ 1,024,372.00	\$ 878,788.00
Special Building	\$ 419,594.00	\$ 3,409,292.00	\$ 2,261,552.00		\$ 1,476,552.00	\$ 792,929.00
Qualified Capital Purpose Undertaking	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cooperative	\$ -	\$ -	\$ -	\$ -	\$ -	
Student Fee	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTALS	\$ 21,596,702.00	\$ 15,440,351.00	\$ 18,218,005.00	\$ 1,500,000.00	\$ 11,363,044.00	\$ 8,439,354.00

BOONE CENTRAL SCHOOL DISTRICT

2021-22 BUDGET AND TAX DETAIL

The budgetary documents in this packet are not final 2021-22 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 13, 2021 @ 7:10 p.m.
Boone Central High School

Tax Request Hearing

September 13, 2021 @ 7:20 p.m.
Boone Central High School

Regular Board of Education Meeting

September 13, 2021 @ 7:30 p.m.
Boone Central High 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:

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

10 Year History – The assessed valuation for the Boone Central School District has increased \$739,764,405 (109%) 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
2021-22	\$1,418,293,489	(\$3,987,918)	-0.28%
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%

*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 2021-22 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 OF DISBURSEMENTS AND TRANSFERS	TOTAL SPECIAL EDUCATION DISBURSEMENTS	TOTAL NON-SPECIAL EDUCATION DISBURSEMENTS AND TRANSFERS	CHANGE FROM PRIOR YEAR	PERCENT OF CHANGE TO BUDGET OF DISBURSEMENTS	NECESSARY CASH RESERVE	TOTAL REQUIREMENTS	CHANGE FROM PRIOR YEAR	% OF CHANGE FROM PRIOR YEAR
21-22	\$10,876,607	\$1,539,200	\$9,337,407	\$134,325	1.25%	\$1,500,000	\$12,376,607	\$209,325	1.72%
20-21	\$10,742,282	\$1,513,920	\$9,228,362	\$266,340	2.54%	\$1,425,000	\$12,167,282	(\$8,660)	-0.07%
19-20	\$10,475,942	\$1,331,500	\$9,144,442	\$337,711	3.33%	\$1,700,000	\$12,175,942	\$337,711	2.85%
18-19	\$10,138,231	\$1,057,100	\$9,081,131	\$180,302	1.81%	\$1,700,000	\$11,838,231	\$26,302	0.22%
17-18	\$9,957,929	\$1,205,700	\$8,752,229	\$367,413	3.83%	\$1,854,000	\$11,811,929	\$87,238	0.74%
16-17	\$9,590,516	\$1,152,650	\$8,437,866	\$198,170	2.11%	\$2,134,175	\$11,724,691	\$246,473	2.15%
15-16	\$9,392,346	\$1,089,550	\$8,302,796	\$445,761	4.98%	\$2,085,872	\$11,478,218	\$320,745	2.87%
14-15	\$8,946,585	\$925,000	\$8,021,585	\$144,340	1.64%	\$2,210,888	\$11,157,473	\$700,741	6.70%
13-14	\$8,802,245	\$958,444	\$7,843,801	\$373,587	4.43%	\$1,654,487	\$10,456,732	\$228,074	2.23%
12-13	\$8,428,658	\$915,500	\$7,513,158	\$53,100	.063%	\$1,800,000	\$10,228,658	\$440,203	4.50%
11-12	\$8,375,558	\$910,500	\$7,465,058	\$668,058	8.67%	\$1,412,897	\$9,788,455	\$1,080,995	12.41%

2021-22 General Fund Budget of Disbursements Explanation of Changes:

The proposed budget of disbursements is a 1.25% 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 \$2,501,049 (30%) over the last 10 years. The General Fund Budget of Disbursements and Transfers including the Necessary Cash Reserve has increased \$2,588,152 (26%) 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 2021-22 General Fund Budget of Disbursements and Transfers to determine the maximum dollar amount of allowable reserves.

Boone Central School District Average Daily Membership (Fall 2020) = 582

Allowable Reserve Percentage = 35%

August Depreciation Fund Balance	Year-End Transfer from General Fund	2021-22 Beginning Balance (September 1, 2021)	Allowable Reserve Limitation	Proposed 2021-22 General Fund Necessary Cash Reserve	2021-22 Total Reserves
\$1,221,353	\$175,000	\$1,396,353	\$3,796,242	\$1,500,000	\$2,842,224

2021-22 Anticipated Expenditures:

- Regular Instruction – Expenditures for replacement of educational related furniture, equipment, and technology.
- 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.
- 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, playground equipment, buses, vehicles, HVAC replacements, 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.

	2021-22		2022-23		2023-24		2024 AND BEYOND	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
Bond Series 2020 \$9,395,000 (Refunded Series 2015 - \$10,000)	\$150,000	\$283,709	\$555,000	\$273,928	\$565,000	\$257,175	\$8,290,000	\$1,835,325
Bond Series 2016 (\$2,990,000)	\$425,000	\$4,250	-	-	-	-	-	-
TOTAL PAYMENT	\$862,956		\$828,928		\$822,175		\$10,125,325	

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

- Principal = \$9,985,000
- Interest = \$2,654,384
- Total = \$12,639,384

The Bond Fund has a current balance of \$957,312
Principal and interest payments for 2021-22 = \$862,956

The proposed Bond Fund Tax Request is \$870,00,000. The total Personal and Real Property Tax Requirement with the County Treasurer's Commission of 1% is \$878,788.

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 totaled approximately \$30,000 last year and this year. Starting in 2022-23 the annual savings on the bond payments will be approximately \$60,000.

The final bond payments are scheduled for:

- Series 2016 – December 2021
- Series 2020 – December 2035



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 \$1,389,886. These funds are reserved for remaining payments to WA Klinger for the middle school construction project totaling approximately \$890,000, 2021-22 Cornerstone Bank Lease Purchase principal and interest payments for the middle school project totaling \$601,460, and completion of the playground renovation.

The Special Building Fund property tax request increase is a shift from the general fund efficiencies from the closure of the Petersburg campus. The general fund tax request was decreased by \$684,592 which is a combination of available federal funds and Petersburg campus efficiencies. Of this \$684,592, \$338,384 was shifted to the Special Building Fund property tax request for payments on the middle school construction project. The lease purchase payments on the middle school will be approximately \$600,000/year with the final payment scheduled for December 2027.

	Total Tax Request (including 1% County Treasurer's Commission)	Tax Levy
2021-22	\$686,869	\$0.0484
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



TOTAL TAX REQUEST

	<u>General Fund</u> (Includes 1% County Treasurer's Commission)	<u>Bond Fund</u> (Includes 1% County Treasurer's Commission)	<u>Special Building</u> (Includes 1% County Treasurer's Commission)	<u>Total Tax Request</u>	<u>Dollar Change</u>	<u>Percent of Change</u>
2021-22	\$6,699,961	\$878,788	\$792,929	\$8,371,678	(\$334,087)	-3.8375%
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%

	<u>General Fund</u>	<u>Bond Fund</u>	<u>Special Building</u>	<u>Total Levy</u>	<u>Levy Change</u>	<u>Percent of Change</u>
2021-22	\$0.4772	\$0.0620	\$0.0560	\$0.5952	-\$0.0169	-2.7610%
2020-21	\$0.5191	\$0.0609	\$0.0320	\$0.6121	\$0.0259	4.4183%
2019-20	\$0.5045	\$0.0597	\$0.0220	\$0.5862	\$0.0175	3.0772%
2018-19	\$0.4951	\$0.0598	\$0.0138	\$0.5687	\$0.0172	3.1206%
2017-18	\$0.4913	\$0.0602	\$0.0000	\$0.5515	\$0.0211	3.9762%
2016-17	\$0.4476	\$0.0628	\$0.0200	\$0.5304	(\$0.0433)	-7.5475%
2015-16	\$0.4892	\$0.0691	\$0.0154	\$0.5737	(\$0.0890)	-13.4299%
2014-15	\$0.5230	\$0.0000	\$0.1397	\$0.6627	(\$0.1240)	-15.7620%
2013-14	\$0.6468	\$0.0000	\$0.1399	\$0.7867	(\$0.1579)	-16.7161%
2012-13	\$0.8047	\$0.0000	\$0.1399	\$0.9446	(\$0.0085)	-0.8877%
2011-12	\$0.9081	\$0.0000	\$0.0450	\$0.9531	(\$0.0704)	-6.8784%

