

2022-2023 Budget Workshop
Monday, August 29, 2022 5:00 PM
Boardroom at 1700 14th Avenue
1700 14th Ave
Nebraska City, NE 68410

1. Call to Order
 - 1.1. Roll Call
2. Discussion - Budget Workshop
3. Adjournment

2022-2023 Budget Workshop Presentation

District Resources

District Resources

Budget, Facilities, and Staffing

- To have sound fiscal management creating financial sustainability.
- Create a long term plan with processes, decision making matrix.

5.2 - Resources; Create necessary plans that provide short-term and long-term benefits for the district's financial solvency.

5.2 - Resources; Create necessary plans that provide short-term and long-term benefits for the district's financial solvency.

Debt

(rounded/estimates)

started	\$36,900,000 total	\$30,600,000 bonded	\$6,300,000 "local debt" (TAN & building)
Projected (Aug '22)	\$29,613,000 total	\$27,038,000 bonded	\$2,575,000 "local debt" (TAN & building) (1,750,000 TAN; 825,000 CO)

future debt payment plan

LOC

History of LOC

2019-2020	\$2.1
2020-2021	\$1.625 plus \$300,000 during year
2021-2022	\$950,000
2022-2023	\$350,000
2023-2024	Anticipating \$ 0

Budget

2021-2022	BALANCED!
2022-2023	BALANCED!

Fund Goals

Setting Fund Balance Goals will help the district in making decisions to aggressively address the debt of the district. The district will need to identify needs v. wants and prioritize the needs, while working to maintain the goal of fund balances.

General Fund \$3,200,000

Maintain a balance equivalent to 2 months of operating expenses.

Building Fund \$60,000

Maintain a balance that is one year worth of payments on the central office property.

Depreciation Fund \$1,200,000

Maintain a balance equivalent to one month of payroll. The purpose is that this allows the district to innerfund borrow during the fiscal year if necessary. Other than emergency needs, these funds will be used to address planned expenses for HVAC, roofing, curriculum, technology, weight room equipment, track surfacing, field turf, athletic field lights, building improvements, vehicles

Presentation Plan

GOB / QCPUF (outside the 1.05 max)

General Fund / Building Fund (within 1.05 + exclusions)

(TAN, Depreciation Fund, Cash Flow/LOC)

GOB / QCPUF

“Bonded” Debt

Levy for bonded debt payment

QCPUF - 0.03 levy max

GOB - 2035

GOB - simple/sample explanation

Timeline

September 2022 Set Levy for 22-23

November 2022 make payment

January 2023 collect on levy set Sept 2022

May 2023 make payment

September 2023 Set Levy for 23-24

November 2023 make payment

January 2024 collect on Levy set Sept 2023

In Summary

Levy set in Sept of 2022 for

Funds needed for May 2023 and Nov 2023

(need to be looking on year ahead)

Also only 91.8% of taxes collected on time

GOB - aggregate debt service (payment schedule)

GENERAL OBLIGATION BONDS (GO)

Budget Year	Date	Ser. 2020 Principal (2012A and 2013)	Ser. 2020 Interest	Ser. 2020 Debt Service	Series 2021A Principal	Series 2021 A Interest	Series 2021A Debt Service	Series 2021B Principal	Series 2021B Interest	Series 2021B Debt Service	Series 2022 Principal	Series 2022 Interest	Series 2022 Debt Service	Annual Aggregate Debt Service	TOTAL Annual Payment	Levy Year	Total Revenue
21-22	8/31/2022	-	27,676	27,676	-	6,771	6,771	0	56,088.54	56,088.54	-	-	-	90,536	90,536	20-21	1,301,080.32
22-23	8/31/2023	765,000	53,058	818,058	60,000	13,423	73,423	190,000	134,280.00	324,280.00	110,000	142,928	252,928	1,468,688	1,468,688	21-22	1,443,232.76
23-24	8/31/2024	870,000	47,935	917,935	65,000	13,173	78,173	160,000	133,587.50	293,587.50	120,000	115,863	235,863	1,525,558	1,525,558	22-23	1,542,929.16
24-25	8/31/2025	235,000	44,285	279,285	70,000	12,833	82,833	745,000	130,992.50	875,992.50	235,000	114,474	349,474	1,587,584	1,587,584	23-24	1,614,141.68
25-26	8/31/2026	45,000	43,193	88,193	75,000	12,398	87,398	1,085,000	124,688.75	1,209,688.75	150,000	112,613	262,613	1,647,892	1,647,892	24-25	1,685,353.26
26-27	8/31/2027	45,000	42,653	87,653	80,000	11,813	91,813	1,190,000	115,265.00	1,305,265.00	120,000	111,060	231,060	1,715,791	1,715,791	25-26	1,742,322.90
27-28	8/31/2028	45,000	42,113	87,113	80,000	11,093	91,093	1,310,000	102,705.00	1,412,705.00	85,000	109,775	194,775	1,785,686	1,785,686	26-27	1,827,777.36
28-29	8/31/2029	675,000	37,793	712,793	80,000	10,253	90,253	185,000	94,020.00	279,020.00	670,000	104,490	774,490	1,856,556	1,856,556	27-28	1,922,727.70
29-30	8/31/2030	35,000	33,454	68,454	90,000	9,233	99,233	30,000	92,300.00	122,300.00	1,555,000	84,250	1,639,250	1,929,237	1,929,237	28-29	2,017,677.10
30-31	8/31/2031	35,000	32,876	67,876	95,000	8,004	103,004	35,000	91,780.00	126,780.00	1,660,000	52,100	1,712,100	2,009,760	2,009,760	29-30	2,088,888.68
31-32	8/31/2032	35,000	32,299	67,299	100,000	6,590	106,590	30,000	91,260.00	121,260.00	1,775,000	17,750	1,792,750	2,087,899	2,087,899	30-31	2,160,101.20
32-33	8/31/2033	1,940,000	16,005	1,956,005	105,000	4,973	109,973	20,000	90,860.00	110,860.00	-	-	-	2,176,838	2,176,838	31-32	2,255,050.60
33-34	8/31/2034	-	-	-	115,000	3,103	118,103	2,200,000	68,700.00	2,268,700.00	-	-	-	2,386,803	2,386,803	32-33	2,383,232.76
34-35	8/31/2035	-	-	-	125,000	1,063	126,063	2,335,000	23,350.00	2,358,350.00	-	-	-	2,484,413	2,484,413	33-34	2,478,182.16
		4,725,000	453,340	5,178,340	1,140,000	124,718	1,264,718	9,515,000	1,349,877	10,864,877	6,480,000	965,301	7,445,301	24,753,236	24,753,236		
	2022 to End	4,725,000	453,340	5,178,340	1,140,000	124,718	1,264,718	9,515,000	1,349,877	10,864,877	6,480,000	965,301	7,445,301	24,753,236	24,753,236		

GOB - future

Levied Amount	Current Valuation Levy	2% Growth Valuation Levy	Estimated Receipts 94%	Budget Year
1,535,200.00	0.154131		1,443,088.00	21-22
1,641,250.00	0.164778	0.161547	1,542,775.00	22-23
1,717,000.00	0.172383	0.165690	1,613,980.00	23-24
1,792,750.00	0.179989	0.169607	1,685,185.00	24-25
1,853,350.00	0.186073	0.171902	1,742,149.00	25-26
1,944,250.00	0.195199	0.176798	1,827,595.00	26-27
2,020,000.00	0.202804	0.180084	1,898,800.00	27-28
2,095,750.00	0.210409	0.183174	1,970,005.00	28-29
2,196,750.00	0.220549	0.188237	2,064,945.00	29-30
2,272,500.00	0.228154	0.190909	2,136,150.00	30-31
2,373,500.00	0.238295	0.195485	2,231,090.00	31-32
2,590,650.00	0.260096	0.209186	2,435,211.00	32-33
2,711,850.00	0.272264	0.214679	2,549,139.00	33-34

GOB - projected levy

Balance as of August 20, 2022	\$2,158,744 (+ Sept. Tax Receipts)
November payment	\$1,300,000

22-23 payments (May '23 & Nov '23)	\$1,525,588
94% tax receipts collected, need to levy	\$1,617,123

- 2019-2020 Bond Levy = \$ 0.140662
- 2020-2021 Bond Levy = \$ 0.144074 (generates \$1,384,128)
- 2021-2022 Bond Levy = \$ 0.154146 (generates \$1,535,354)
- 2022-2023 Bond Levy = \$ 0.156095 (generates \$1,590,000)
 - 94% of = \$1,494,600 (- 30,988)

To stay under the 2% county hearing we must “dip” into savings

QCPUF

Date	Ser. 2010 Principal	Ser. 2010 Interest	Ser. 2010 Debt Service	Ser. 2013 Principal	Ser. 2013 Interest	Ser. 2013 Debt Service	Ser. 2017 Principal	Ser. 2017 Interest	Ser. 2017 Debt Service	Ser. 2019 Principal	Ser. 2019 Interest	Ser. 2019 Debt Service	Ser. 2020 Principal (Refi 2015)	Ser. 2020 Interest	Ser. 2020 Debt Service
8/31/2022	11,000	5,302	16,302	45,000	1,451	46,451	37,000	6,611	43,611	-	9,000	9,000	155,000	8,685	163,685
8/31/2023	11,000	4,604	15,604	45,000	484	45,484	40,000	5,956	45,956	-	9,000	9,000	155,000	8,026	163,026
8/31/2024	11,000	3,905	14,905				41,000	5,083	46,083	17,000	8,788	25,788	155,000	7,290	162,290
8/31/2025	11,000	3,207	14,207	-	-	-	42,000	4,004	46,004	10,000	8,450	18,450	165,000	6,449	171,449
8/31/2026	11,000	2,508	13,508	-	-	-	43,000	2,899	45,899	10,000	8,200	18,200	165,000	5,500	170,500
8/31/2027	11,000	1,810	12,810	-	-	-	44,000	1,768	45,768	59,000	7,338	66,338	120,000	4,555	124,555
8/31/2028	11,000	1,111	12,111	-	-	-	46,000	598	46,598	58,000	5,875	63,875	125,000	3,543	128,543
8/31/2029	12,000	381	12,381	-	-	-				104,000	3,850	107,850	125,000	2,324	127,324
8/31/2030				-	-	-	-	-	-	102,000	1,275	103,275	145,000	834	145,834
8/31/2031	-	-	-	-	-	-	-	-	-						-
	89,000	22,828	111,828	90,000	1,935	91,935	293,000	26,919	319,919	360,000	61,775	421,775	1,310,000	47,205	1,357,205
2022 to End	89,000	22,828	111,828	90,000	1,935	91,935	293,000	26,919	319,919	360,000	61,775	421,775	1,310,000	47,205	1,357,205

GOB / QCPUF

“Bonded” Debt

Back and forth; \$30,000 either way

More for QCPUF, Less for GOB

Less for QCPUF, More for GOB

While keeping levy as low as possible

Less than 2% allowable growth

General Fund / Building Fund

(TAN, Depreciation Fund, Cash Flow/LOC)

2022-2023 Budget Workshop

Your needs should drive your budget NOT the levy?

Our needs exceed our ability to generate revenue

(deferred maintenance, technology, curriculum, etc)

We will have enough needs in the foreseeable future to expense the maximum amount we can levy. (unless major changes, state funding of public education, increase enrollment, increase in valuation, or major reductions)

2022-2023 Budget Workshop

Your needs should drive your budget NOT the levy?

We are forced to look at Revenue first.

1.05 levy.

Then determine needs / expenditures.

2022-23 REVENUE BUDGET

DRAFT

		2022-23 Draft	2021-22 Estimate/Actual	2021-22 Adopted	5	4	3	2	1	AVERAGE of 1 - 5
Property Tax Request for General Fund.....		10,600,365	10,330,875		10,081,090	10,024,875	10,000,000	10,029,300	9,852,550	9,997,563
ACTUAL Property Tax Received.....			9,966,953		9,304,452	9,005,909	9,128,258	9,264,773	9,071,559	9,154,990
Percent of Property Tax Received vs. Request.....			96.48%		92.30%	89.84%	91.28%	92.38%	92.07%	91.57%
LOCAL SOURCES	% of Total	2022-23 Draft	2021-22 Estimate/Actual	2021-22 Adopted	2020-21 AFR/Audit	2019-20 AFR/Audit	2018-19 AFR/Audit	2017-18 AFR/Audit	2016-17 AFR/Audit	Prior 5-Year Average from
TOTAL	48.98%	10,643,177	10,871,901	10,363,038	10,507,957	9,918,598	10,020,804	10,056,728	9,764,275	10,053,672
COUNTY AND ESU SOURCES		2022-23 Draft	2021-22 Estimate/Actual	2021-22 Adopted	2020-21 AFR/Audit	2019-20 AFR/Audit	2018-19 AFR/Audit	2017-18 AFR/Audit	2016-17 AFR/Audit	Prior 5-Year Average from
TOTAL	0.67%	146,500	154,935	145,000	161,198	123,986	131,130	138,473	175,171	145,992
STATE SOURCES		2022-23 Draft	2021-22 Estimate/Actual	2021-22 Adopted	2020-21 AFR/Audit	2019-20 AFR/Audit	2018-19 AFR/Audit	2017-18 AFR/Audit	2016-17 AFR/Audit	Prior 5-Year Average from
TOTAL	32.45%	7,050,846	7,021,543	6,934,299	6,448,558	6,546,470	5,663,846	5,744,056	5,856,175	6,051,821
FEDERAL SOURCES		2022-23 Draft	2021-22 Estimate/Actual	2021-22 Adopted	2020-21 AFR/Audit	2019-20 AFR/Audit	2018-19 AFR/Audit	2017-18 AFR/Audit	2016-17 AFR/Audit	Prior 5-Year Average from
TOTAL	11.23%	2,439,734	2,276,703	1,836,669	1,368,599	1,054,346	1,126,668	1,040,172	886,678	1,095,293
NON-REVENUE SOURCES		2022-23 Draft	2021-22 Estimate/Actual	2021-22 Adopted	2020-21 AFR/Audit	2019-20 AFR/Audit	2018-19 AFR/Audit	2017-18 AFR/Audit	2016-17 AFR/Audit	Prior 5-Year Average from
TOTAL	6.67%	1,450,000	1,761,081	3,225,000	147	2,411,723	3,927,327	3,571,035	360,639	2,054,174
TOTAL RECEIPTS		21,730,257	22,086,162	22,504,006	18,486,459	20,055,123	20,869,775	20,550,464	17,042,938	19,400,952
Total Receipts Minus TAN and LOC		20,280,257	20,336,162	19,279,006	18,486,459	17,655,123	17,169,775	17,255,464	16,692,938	17,193,325
ESTIMATED Budgeted General Fund Disbursements		21,691,771	20,123,592	21,948,972						
ESTIMATED General Fund Gain or (Loss)		38,486	1,962,571	555,034						

State identified NEEDS v. actuals

	"State" identified Needs	Federal Requirements	Actual NEEDS
Basic Funding	\$14,439,808.00		\$14,439,808.00
Poverty	\$961,348.00	x 1.17	\$1,124,777.00
Limited English	\$259,250.00	x 1.17	\$303,322.00
Summer School	\$23,391.00		\$23,391.00
Special Receipts	\$1,288,911.00	actually 3.6	\$3,600,000.00
Transportation	\$161,464.00	x 2	\$322,928.00
Distance Ed	\$48,526.00		\$48,526.00
	\$17,182,698.00		\$19,862,752.00

	<u>With ESSERS</u>	<u>without ESSERS / Operating</u>
20-21	\$18,136,082	\$17,871,227
21-22	\$19,673,591	\$18,511,379
22-23	\$19,941,771	\$18,529,037

2022-2023 Budget Expenditures

Budget	Totals by Function	2020-21 Audited Financial Report	2021-22 Final Budget	2021-22 Actuals	2022-2023 DRAFT Budget	21-22 Actuals vs. 22-23 Draft
	TOTAL	18,136,082.87	21,948,972.00	21,948,591.69	21,691,771.00	(256,820.69)

[expenditures by code rollup](#)

Building Fund

\$54,000 annual payment Central Office/Impact

Current Balance \$97,549 + September receipts

Sept-Dec payments \$18,000

22-23 payments \$54,000

Potential anticipated balance August of '23 \$180,000

October '24 must refinance

General Fund / Building Fund

(TAN, Depreciation Fund, Cash Flow/LOC)

	Suggested	Amount Generated	2021-2022	Amount Generated
Special Building Fund	0.013523	\$137,750	0.016733	\$166,667
General Fund	1.040666	\$10,600,365	1.047676	\$10,435,227
	1.054189		1.064409	

Proposed

Nebraska City Public Schools Schedule B - Levies

Levy Limit Compliance

Levies Expected to be Set by County

NOTE: The Schedule portion below is to determine if the School District has met the levy limitations.

NOTE: The Schedule portion below is to assist with the Levy setting process.

Line No.		General Fund (Column A)	Bond Funds (Column B)	Special Building Funds (Column C)	Qualified Capital Purpose Undertaking Funds (Column D)
1	Total Personal and Real Property Taxes -Cover Page	10,707,439.00	1,606,061.00	139,141.00	308,667.00
2	Exclusions:				
3	Bonded indebtedness secured by a levy on property (Includes Co. Treasurer Comm.)	-	1,606,061.00		308,667.00
4	Judgments not paid by liability insurance	-			
5	Voluntary termination agreements with certificated staff / employees occurring prior to 9/1/17	-			
6	Voluntary termination agreements with certificated Teachers 9/1/17 and after	43,109.00			
7					
8					
9					
10					
11					
12	Total Exclusions (Line 3 + Line 11)	43,109.00	1,606,061.00	-	308,667.00
13	Total Personal and Real Property Tax Requirement Subject to the Levy Limitation (Line 1 minus Line 12)	10,664,330.00	-	139,141.00	-
14	Assessed Valuation	1,028,902,129	1,028,902,129	1,028,902,129	1,028,902,129
15	Levy Subject to Limitation ((Line 13 / Line 14) x 100)	1.036477	0.000000	0.013523	0.000000
16	Total Levy for Compliance	1.050000			

Fund	Property Taxes	Valuation	Expected Levy
General Fund	\$ 10,707,439.00	\$ 1,028,902,129	1.040666
Special Building Fund	\$ 139,141.00	\$ 1,028,902,129	0.013523
Bond Fund	\$ 1,606,061.00	\$ 1,028,902,129	0.156095
Bond Fund	\$ -	\$ 1,028,902,129	0.000000
Bond Fund	\$ -	\$ 1,028,902,129	0.000000
QCPUF Fund	\$ 308,667.00	\$ 1,028,902,129	0.030000
QCPUF Fund	\$ -	\$ 1,028,902,129	0.000000
	\$ -	\$ 1,028,902,129	0.000000
	\$ -	\$ 1,028,902,129	0.000000
	\$ -	\$ 1,028,902,129	0.000000
	\$ -	\$ 1,028,902,129	0.000000
Total	\$ 12,761,308.00		\$ 1.240284

Must agree to Cover

Proposed

Levies Expected to be Set by County

NOTE: The Schedule portion below is to assist with the Levy setting process.

Fund	Property Taxes	Valuation	Expected Levy
General Fund	\$ 10,707,439.00	\$ 1,028,902,129	1.040666
Special Building Fund	\$ 139,141.00	\$ 1,028,902,129	0.013523
Bond Fund	\$ 1,606,061.00	\$ 1,028,902,129	0.156095
Bond Fund	\$ -	\$ 1,028,902,129	0.000000
Bond Fund	\$ -	\$ 1,028,902,129	0.000000
QCPUF Fund	\$ 308,667.00	\$ 1,028,902,129	0.030000
QCPUF Fund	\$ -	\$ 1,028,902,129	0.000000
	\$ -	\$ 1,028,902,129	0.000000
	\$ -	\$ 1,028,902,129	0.000000
	\$ -	\$ 1,028,902,129	0.000000
	\$ -	\$ 1,028,902,129	0.000000
	\$ -	\$ 1,028,902,129	0.000000
	\$ -	\$ 1,028,902,129	0.000000
	\$ -	\$ 1,028,902,129	0.000000
Total	\$ 12,761,308.00		\$ 1.240284

Must agree to Cover

LB 644

Nebraska City Public Schools			
2022-2023 ALLOWABLE GROWTH PERCENTAGE COMPUTATION FORM			
CALCULATION OF ALLOWABLE GROWTH PERCENTAGE			
Prior Year Total Property Tax Request		(1)	\$ 12,443,309.00
<i>(Total Personal and Real Property Tax Required from prior year budget - Cover Page)</i>			
Base Limitation Percentage Increase (2%)		2.00 % (2)	
Real Growth Percentage Increase			
	5,328,303.00 /	929,726,646.00 =	0.57 % (3)
	2022 Real Growth Value per Assessor	Prior Year Total Real Property Valuation per Assessor	
<i>Note: Real Growth Value per Assessor for purposes of the Property Tax Request Act (§77-1631) is different than the growth value for purposes of the Lid on Restricted Funds (§13-518). The County Assessor must provide you with separate growth amounts.</i>			
Total Allowable Growth Percentage Increase (Line 2 + Line 3)		(4)	2.57 %
Allowable Dollar Amount of Increase to Property Tax Request (Line 1 x Line 4)		(5)	\$ 319,793.04
TOTAL BASE PROPERTY TAX REQUEST AUTHORITY (Line 1 + Line 5)		(6)	\$ 12,763,102.04
ACTUAL PROPERTY TAX REQUEST			
2022-2023 ACTUAL Total Property Tax Request		(7)	\$ 12,761,308.00
<i>(Total Personal and Real Property Tax Required from Cover Page)</i>			
Property Tax Request is within allowable growth percentage. Political subdivision is NOT required to complete postcard notification requirements, or participate in the joint public hearing.			

Budget Workshop

What I need from you....

1. “Consensus” to move budget forward to Budget hearing.
 - a. Special Building Fund v. General Fund
 - b. General Obligation Bond v, QCPUF
2. “Consensus” tonight, budget hearing, and board action at Spc Meeting to proceed
 - a. September 5 deadline to notify county of 2% Public Hearing

Monday, September 12	5:00 pm	Budget Hearing
	To follow / 6:00 pm	Regular Board Meeting

Monday, September 26		2 % County Hearing
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Tuesday, September 27	6:00 pm	Tax Request Hearing
	To follow	Special Board Meeting
		Approve budget
		Approve Tax request

2022-2023 Budget Workshop Presentation

District Resources

5.2 - Resources; Create necessary plans that provide short-term and long-term benefits for the district's financial solvency.