

Raymond Central Public Schools Board of Education Budget and Tax Asking Hearing

Wednesday, September 14, 2022 at 6:00 PM Central
Raymond Central Jr-Sr High School - Mustang Room
1800 West Agnew Road
Raymond, NE 68428-9783

Present: Matt Blanchard, Brad Breitreutz, Cathy Burklund, Dr. Harriet Gould, Bill Lange, Derek Matulka. Also attending were: Lynn Johnson, Superintendent; Scott Shepard, Jr-Sr High School Principal; Tony Kobza, Asst Principal/Activities Director; Steve Rose, Elementary Principal; Deb Kruse, Asst Elementary Principal; and Amanda Coufal, SpEd Director.

Open the Hearing and Take Role

President Gould called the Budget and Tax Asking Hearing to order at 6:00 PM.

Open Meeting Law

The audience was reminded that Open Meeting Laws would be followed.

Discussion Items

Presentation of the 2022-23 budget and the 2022-23 tax asking

Superintendent Lynn Johnson presented a slideshow capturing changes in the budget. The budget and tax asking are designed to meet district needs while being attentive to the board's budget goals. Almost 83% of the budget is in personnel costs. The 2022-23 budget would generate a tax asking of \$9,187,579.00 which is an increase of \$456,066 and a slightly reduced levy of \$1.128779 (down from \$1.131183).

Receive public input on the budget and the tax asking

No public input was received.

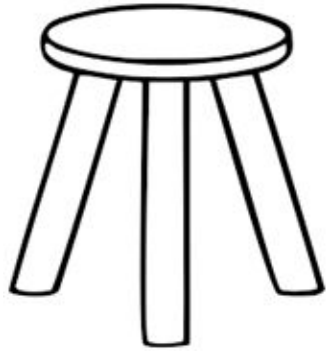
Close the hearing

Motion by Breitreutz, second by Lange to close the Budget and Tax Asking Hearing at 6:18 PM.



RAYMOND CENTRAL
PUBLIC SCHOOLS

Budget and Tax Asking Hearing
September 14, 2022
6:00 P.M.



Three Primary Board Responsibilities



1. Hire / Fire and Evaluate the superintendent
2. Set district policy
3. Pass an annual operating budget

HOW IS THE BUDGET DEVELOPED?

The budget is developed by the Superintendent and the Business Manager while working closely with the Finance Committee.

Matt Blanchard

Cathy Burklund

Brad Breitreutz

Budget Goals

1. Meet the educational needs of our students (Goals #1, #2, #4, #5, #6, #8)
 - Attract and retain quality staff
 - Build and maintain quality programs
 - Provide a safe and appropriate learning environment
2. Accumulate and reserve necessary cash resources to address items that are identified in short term and long term goals. (Goals #1, #2, #4, #5, #6, #8)
3. Sustain adequate reserves in the general fund and the bond fund(s)
4. Sustain cash balance in the general fund account equivalent to a minimum of 3-6 months of operating expenses and cash balance in the bond fund to make one year of payments
5. Avoid significant levy swings as feasible

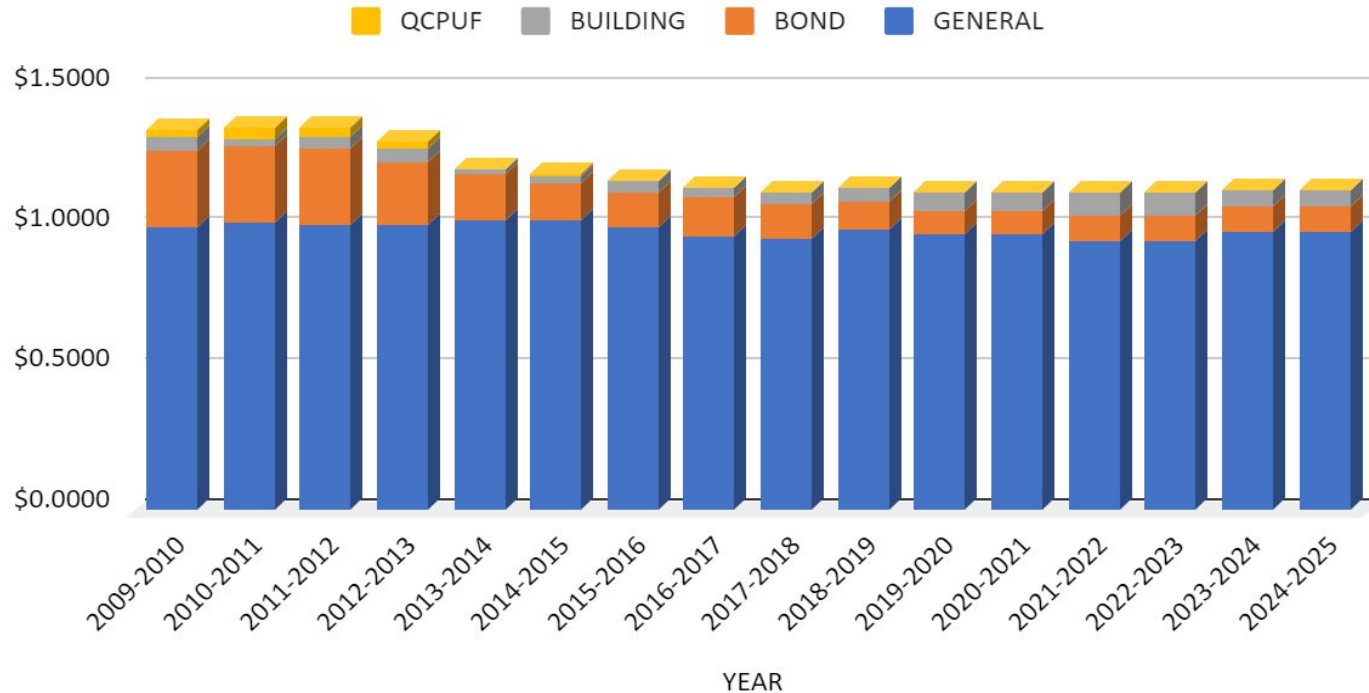
GENERAL FUND - BUDGET AND RESOURCES

	2022-2023 Budget	2021-2022 Budget	% change from 2021-22
Total General Fund Budget of Disbursements and Transfers:	\$11,963,042.00	\$11,524,293.00	2.94%
Necessary Cash Reserves:	\$1,939,135.00	\$1,744,079.00	11.18%
Total Requirements:	\$13,902,177.00	\$13,268,372.00	4.02%
Total Available Resources Before Property Tax:	\$5,766,969.00	\$5,763,164.00	.066%
Personal and Real Property Tax Requirements (with 1% Commission):	\$8,217,382.00	\$7,581,018.00	7.06%

General Fund Budget Increases

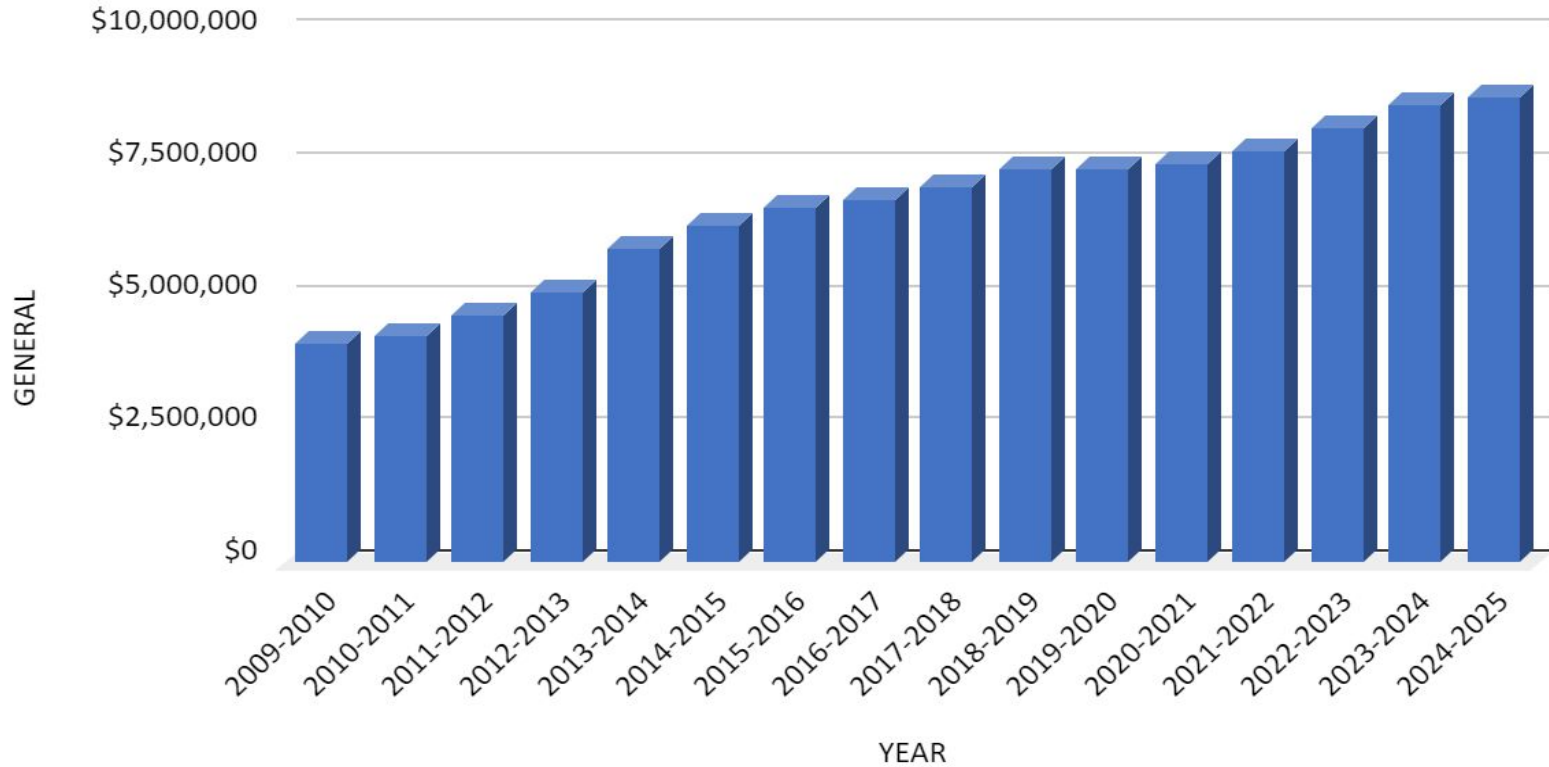
- Increase personnel costs (6% increase in health premiums)
- Increase budget cost for special education expenditures
- Increase in budget cost of fuel for vehicles and projected utility costs
- Increase cost of property insurance premiums

Levy History and 3 year Projection



The levy projection is based on a .99 cent General Fund levy, a .09 cent bond levy and .06 in the Building Fund.

General Fund Tax Request

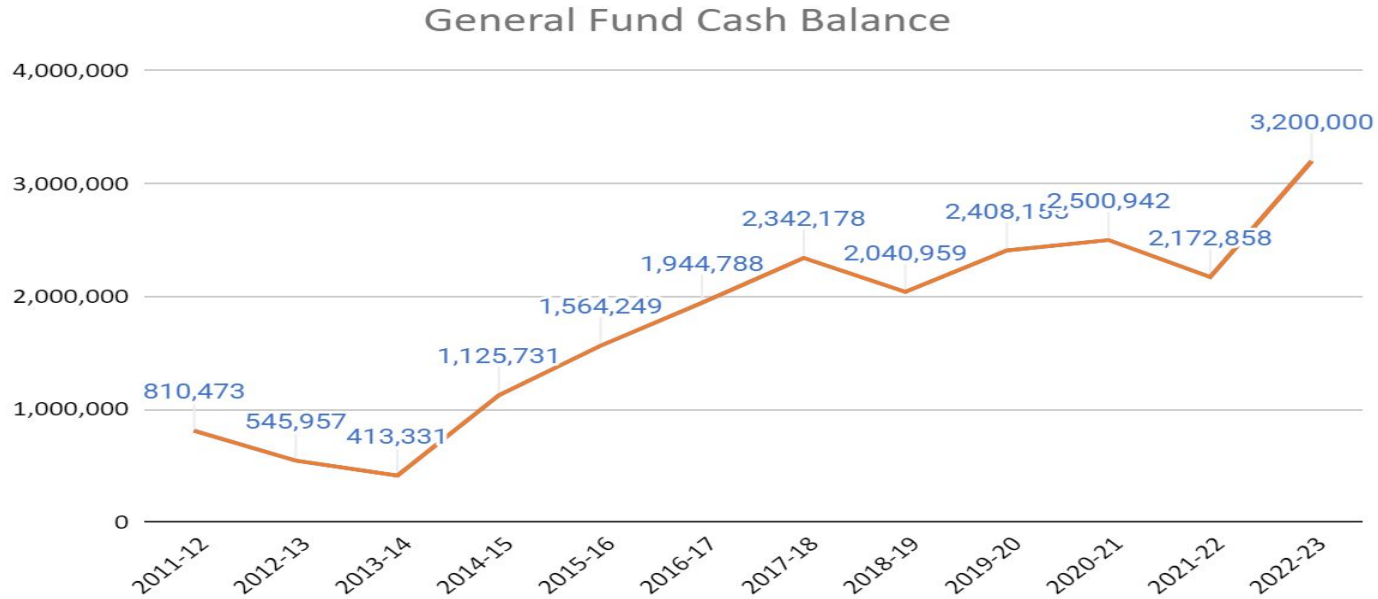


General Fund Receipts

The majority of the General Fund receipts are from local sources with about 72% being comprised of local property taxes. Other local receipts include Motor Vehicle Taxes, Penalties and Fines, Public Power Sales Tax, Licenses and Fines, etc. The following slide

Cash Carryover or Cash Balance

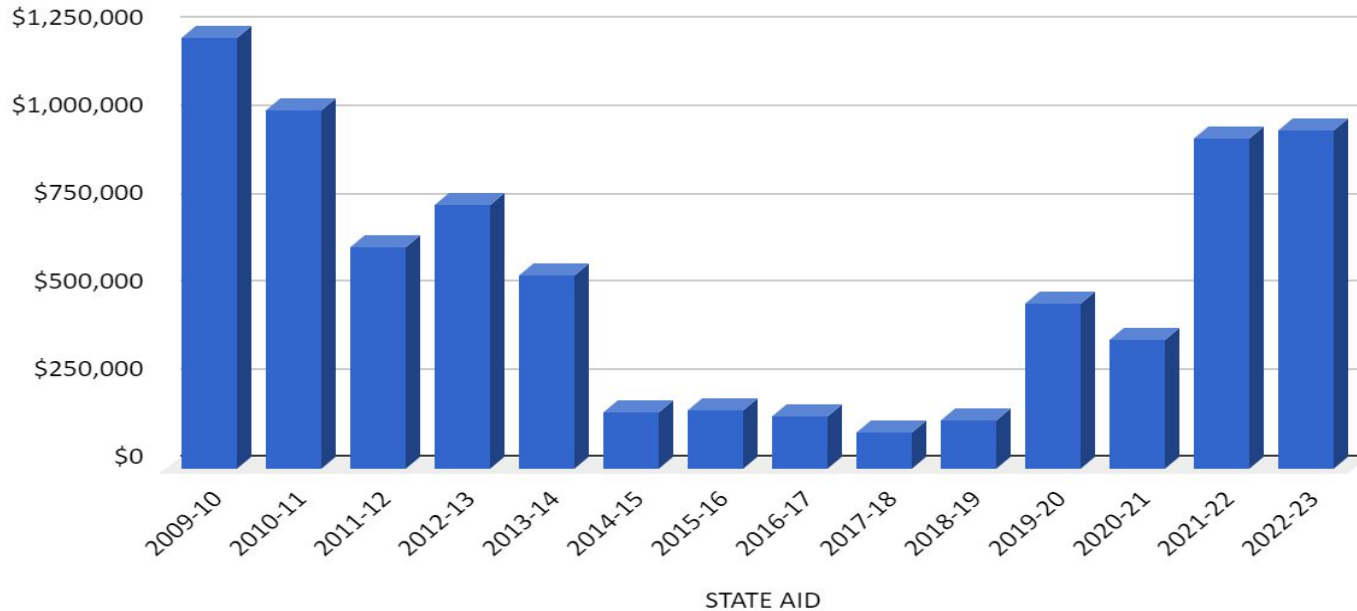
The General Fund Cash Balance on 9/1/21 was \$2.2M while the 9/1/22 projection is about \$3.2M. Our monthly cost average for 2021-22 was \$803,000 making our target range for 4 month being \$3,212,000.



State Aid

State Aid Formula Resources are \$9,653,184 and the Formula Needs are \$10,436,137 based primarily on basic funding increase due to cost group change. Resulting in Equalization Aid of \$782,953 and State Aid of \$963,483. Local valuation increases will generally negatively impact Equalization Aid.

STATE AID



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 school district may divide this fund into more than one account (ex. Purchased Property Services, Equipment Purchase, Bus Acquisition, Building Maintenance, Building Improvement) to allocate a portion of this fund for different valid purposes.

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. This fund is restricted by statute as part of the Allowable Reserve limitation. The Depreciation Fund is not specifically provided for in law; therefore, this fund shall be considered a component of the General Fund.

September 1, 2021 Balance: \$1,688,128

Anticipated September 1, 2022 Balance: \$1,936,000

Employee Benefit Fund

An Employee Benefit Fund may be established in order to specifically reserve General Fund money for the benefit of school district employees (unemployment compensation, early retirement, health insurance deductibles, etc.) 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 Employee Benefit Fund will show the revenue as a transfer from the General Fund. A school district may divide this fund into more than one account to allocate a portion of this fund for different valid purposes. The cash reserve of this fund is restricted by statute as part of the Allowable Reserve limitation. The Employee Benefit Fund is not specifically provided for in law; therefore, this fund shall be considered a component of the General Fund.

BALANCE: \$150,000

ANTICIPATED EXPENDITURE FOR 2022-23 Health Insurance: \$120,000

Bond Fund

Date	Bonds due	Interest due	Total due
Requirements:			
Total bonds and interest	\$676,350		
Add necessary cash balance	\$703,248		
Total Requirement:			\$1,534,104
Resources:			
Beginning balance	\$671,613		
Other revenue sources	\$9,850		
Equals Property Tax requirement			\$732,000
Add 1% County Treasurer			\$7394
Equals 2022-23 property tax requirement			\$739,394
Estimated District Valuation			\$854,094,753
2021-22 Bond Redemption Fund Levy			0.086242

2021-22 Bond Fund Levy = .086487

2021-22 Tax Receipts = \$705,187.00

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. General Fund expenditures for the purpose of this fund are not allowable. Special Building Fund accounting provides a more effective means of identifying those expenditures associated with construction activities and provides a complete and consolidated record of all costs of the building program at the conclusion of a project(s). If more than one Special Building Fund project is active at the same time, separate accounts for each project may be established within the single Special Building Fund. Teacherage-related transactions are included in the Special Building Fund. The tax levy for this fund is restricted to 14¢ with local board approval or 17.5¢ following a vote of the people for a term not to exceed ten years (§79-1098 R.R.S.).

2022-23 LEVY/PROPERTY TAX REQUIREMENT: \$.074744/\$626,263

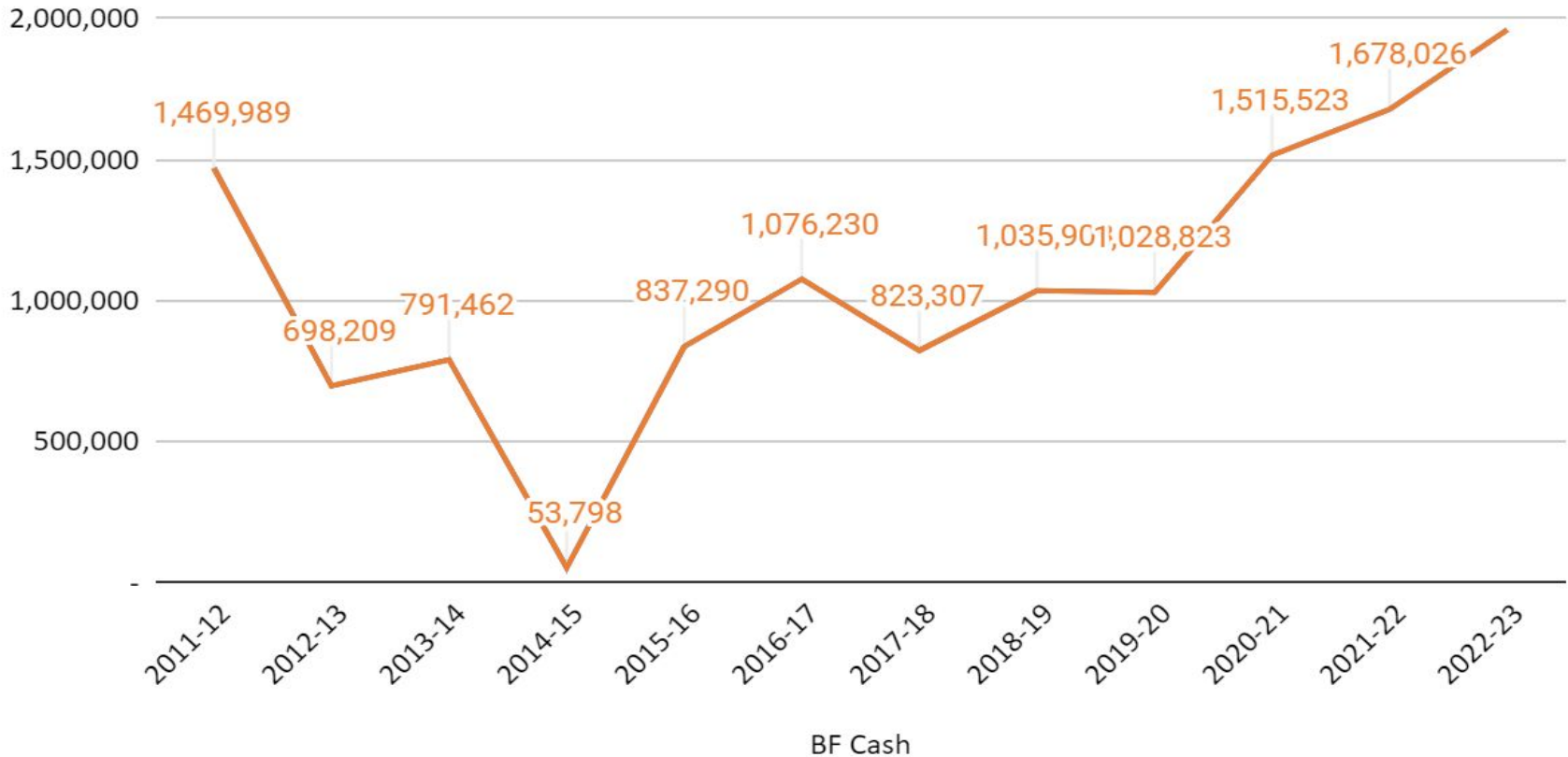
SEPTEMBER 1, 2021 BALANCE: \$1,678,026

ANTICIPATED SEPTEMBER 1, 2022 BALANCE: \$1,962,662

SPECIAL BUILDING FUND

2022-23 Beginning Balance	\$1,934,424
Hail Insurance Receipts (estimate) produced an inflated budget of expenditure	\$700,000
Equals Property Tax Requirements	\$680,000
Add 1% County Treasurer	\$6,869
Equals 2022-23 property tax requirement	\$686,869
Estimated District Valuation	\$854,094,753
2022-23 Special Building Fund Levy	\$.080421 (2021-22: \$.086105/\$699,354)

Building Fund Cash Balance



NOTICE OF BUDGET HEARING AND BUDGET SUMMARY

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)
	2020-2021 (1)	2021-2022 (2)	2022-2023 (3)			
General	\$ 10,000,765.00	\$ 10,455,812.00	\$ 11,963,042.00	\$ 1,939,135.00	\$ 5,766,969.00	\$ 8,217,382.00
Depreciation	\$ 168,365.00	\$ 57,000.00	\$ 1,936,086.00		\$ 1,936,086.00	
Employee Benefit	\$ 2,340.00	\$ -	\$ 121,088.00	\$ 30,000.00	\$ 151,088.00	
Contingency	\$ -	\$ -	\$ -		\$ -	
Activities	\$ 333,100.00	\$ 458,486.00	\$ 937,208.00		\$ 937,208.00	
School Nutrition	\$ 540,711.00	\$ 502,720.00	\$ 772,825.00	\$ -	\$ 772,825.00	
Bond	\$ 672,459.00	\$ 672,798.00	\$ 1,352,104.00	\$ 182,000.00	\$ 802,104.00	\$ 739,394.00
Special Building	\$ 388,872.00	\$ 405,275.00	\$ 3,330,874.00		\$ 2,650,874.00	\$ 686,869.00
Qualified Capital Purpose Undertaking	\$ -	\$ -	\$ 10,490.00		\$ 10,490.00	\$ -
Cooperative	\$ -	\$ -	\$ -		\$ -	
Student Fee	\$ 26,332.00	\$ 40,173.00	\$ 52,949.00		\$ 52,949.00	
TOTALS	\$ 12,132,944.00	\$ 12,592,264.00	\$ 20,476,666.00	\$ 2,151,135.00	\$ 13,080,593.00	\$ 9,643,645.00
				Bond Purposes	Non-Bond Purposes	Total
				\$ 739,394.00	\$ 8,904,251.00	\$ 9,643,645.00

Breakdown of Property Tax

Tax Asking Request

	2021-2022	2022-2023	Change
Property Valuations	812,209,756	854,094,753	5%

2021-2022 Budget Information

2022-2023 Budget Information

Fund	2021-2022 Operating Budget	2021-2022 Property Tax Request	2021 Tax Rate	Property Tax Rate (2021-2022 Request Divided By 2022 Valuation)	2022-2023 Operating Budget	2022-2023 Proposed Property Tax Request	Proposed 2022 Tax Rate	Change in Tax Rate	Change in Operating Budget
General Fund	11,524,293.00	7,783,038.00	0.958255	0.911262	11,963,042.00	8,217,382.00	0.962116	0.4%	4%
Bond Fund(s) K - 12	1,379,598.00	705,187.00	0.086487	0.082565	1,352,104.00	739,394.00	0.086242	-0.3%	-2%
Bond Fund(s) K - 8			0.000000	0.000000			0.000000	#DIV/0!	0
Bond Fund(s) 9 - 12			0.000000	0.000000			0.000000	#DIV/0!	0
Bond Fund			0.000000	0.000000			0.000000	#DIV/0!	0
Special Building Fund	2,163,538.00	699,354.00	0.086105	0.081882	3,330,874.00	686,869.00	0.080421	-6.6%	54%
Qualified Capital Purpose Undertaking Fund K - 12	10,472.00		0.000000	0.000000	10,490.00	-	0.000000	#DIV/0!	0%
Qualified Capital Purpose Undertaking Fund K - 8			0.000000	0.000000			0.000000	#DIV/0!	0
Qualified Capital Purpose Undertaking Fund 9 - 12			0.000000	0.000000			0.000000	#DIV/0!	0
Total	15,077,901.00	9,187,579.00	1.131183	1.075709	16,656,510.00	9,643,645.00	1.128779	-0.2%	10%