

2021-2022 Budget Workshop  
Tuesday, August 24, 2021 6:00 PM  
Boardroom at 1700 14th Avenue  
1700 14th Ave  
Nebraska City, NE 68410

1. Call to Order
  - 1.1. Roll Call
2. Discussion/Comments/Questions-2021-2022 Budget
3. Adjournment

# Notes for the 2021-22 Budget Workshop and Budget Hearing Nebraska City Public Schools

## Agenda and Purpose for Workshop/Hearing

1. Review the budgetary process and timeline.
2. Review and discuss some basic school finance terms and fund descriptions.
3. Review and discuss the individual funds, and factors that will or may cause fund stress.
4. Review some additional data, including the levy, valuation, and other comparisons.
5. Answer questions and summarize.

## Purpose of the School Budget

- Establish authority to request tax dollars, levy a tax rate, create a budget, collect revenue, and expend funds for the operation of a public school.

## Budget Timeline

- July 12, 2021: BOE Budget Workshop
  - Admin... Present process and vision for budget and future.
- August 24, 2021: BOE Budget Workshop
  - Admin... Present draft budget to BOE.
  - BOE... Discuss and approve for presentation at Budget Hearing
- August 26, 2021: Budget Hearing
  - Admin... Present budget to BOE
  - Admin and BOE... Take public comments
  - BOE... Approve budget
- September 13, 2021: Tax Request Hearing
  - Admin... Present Tax Request for budget
  - Admin and BOE... Take public comments
  - BOE... Approve tax request
- September 20, 2021: Submit
  - Approved budget and tax request due to state auditor, county board, and NDE.

## General Budgetary Terms and Fund Descriptions

\*\* - denotes a tax request/levying fund

- A **fund** is a sum of money or is the money derived from certain sources and set aside for specific purposes and activities.
- An **account** within a fund records the financial transactions that are similar in terms of a given frame of reference, either as a receipt or as a disbursement. The fund accounts collectively constitute a complete record of all transactions encompassed by the fund. In addition, State Statute §79-1089 requires that a public accountant or a certified public accountant annually examine all financial records maintained by school districts.
- **GENERAL FUND\*\***: 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. The General Fund is maintained by all operating school districts in the state. General Fund expenditures are limited by statute. The tax levy for this fund is restricted to \$1.05 plus qualified exclusions.
  - 2019-2020 General Fund Levy = \$1.062473
  - 2020-2021 General Fund Levy = \$1.059942
  - 2021-2022 General Fund Levy = \$1.047676
- **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 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.

Note: Positive transfer is a reflection of stimulus money.

Balance as of August 24, 2021	\$198,524
Possible deposit on August 27, 2021	\$250,000
Possible balance on September 1, 2021	\$448,524

Note: August 26, Special Meeting - board action stating how these monies, current balance and transfer, will be allocated. (Vehicle-45,000, curriculum, technology, building operations, facility equipment/maintenance-353,524, and student activity equipment-50,000)

- **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.
- **CONTINGENCY FUND:** A Contingency Fund is authorized by statute (§79-1072) and may be established by a school district to fund uninsured losses and legal fees incurred by the school district for defense against public losses. Expenditures from this fund shall not exceed five percent of the total budgeted General Fund expenditures of the school district. To allocate monies from the General Fund, a school district shall show the movement of monies as an expense from the General Fund, and the Contingency Fund shall show the revenue as a transfer from the General Fund.
- **ACTIVITIES FUND:** The Activities Fund is required to account for the financial operations of quasi-independent student organizations, inter-school athletics, and other self-supporting or partially self-supporting school activities. The inclusion of such accounts in the General Fund would distort the financial position of the basic school operation and would complicate the computation of the net expense incurred in conducting school services. The Activities Fund shall not be used to record general operation revenues or expenditures, nor shall this fund be used as a clearinghouse for the General Fund. The school district may divide this fund into more than one account to allocate a portion of this fund for different purposes. **The financial operations of all school-connected activities are a legal responsibility of the board of education. If deficits in such activities are incurred, they shall be covered by funds transferred from the General Fund.** Such revenue shall finance only those projects that qualify for approval under policies established by the school district board of education for such activities. Districts offering curriculum to build or construct homes or other structures that may be sold to the public should include those revenues and corresponding costs to the Activities Fund.
- **SCHOOL NUTRITION FUND:** The School Nutrition Fund (formerly School Lunch Fund) is required to accommodate the financial activities of all Nutrition Programs operated by the school district. The School Nutrition Fund shall reflect a record of all revenues and expenditures incident to the operation of all Nutrition Programs. If a deficit is incurred in the operation, the deficiency shall be covered by funds transferred from the General Fund.

Maintain a balance for emergencies, so the General Fund is not needed. Lunchtime Solutions, Mitch has done an excellent job with this.

Note: Free breakfast and lunch increased federal reimbursement. Expenditure for utilities and waste management to the general fund for \$41,255.

Current balance \$263,887

2019-2020 federal reimbursement \$474,940

2020-2021 federal reimbursement \$768,048

- BOND FUND\*\*:** The Bond Fund shall be used to record tax receipts, investment interest, and the payment of bond principal, interest, and other related costs (i.e. trustee fees). If the fund balance is not sufficient to meet interest or bond retirement payments from the Bond Fund, the General Fund shall be used for these payments. Revenue from a levy to retire bonds in any school district is retained in a separate fund by the county treasurer, the financial institution serving as a fiscal agent, or the school district. Funds shall be disbursed upon appropriate demand. All records of the transactions in this area shall be maintained in this fund. Proceeds from a bond issue shall be deposited into the Special Building Fund to be expended on the actual building project. The tax levy for this fund is restricted for expenditures other than principal and interest on bonds. Proceeds from a bond issue shall be deposited into the Special Building Fund to be expended on the actual building project. This levy is higher than last year, we will be short for November 2021 payment, amortization schedule, and growth factor all impact levy amount. Reminder, in the process of refinancing general obligation bonds. Restructuring to accommodate lack of funds for November payment and potential overall savings to the district/taxpayer of \$600,000 over length of bond but minimal to individual taxpayer in one year.
  - 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)

Aggregate Debt Service OTOE COUNTY SCHOOL DISTRICT 0111, NEBRASKA (NEBRASKA CITY PUBLIC SCHOOLS) GENERAL OBLIGATION BONDS													
Date	Ser. 2016 Principal	Ser. 2016 Interest	Ser. 2016 Debt Service	Ser. 2017 Principal	Ser. 2017 Interest	Ser. 2017 Debt Service	Ser. 2020 Principal	Ser. 2020 Interest	Ser. 2020 Debt Service	Aggregate Debt Service	Annual Total	Actual Payment	Levied Amount
11/15/2020	120,000	124,098.00	244,098.00	95,000	95,392.50	190,392.50	620,000.00	8,641.67	628,641.67	1,063,132.17			
5/15/2021		122,550.00	122,550.00		94,466.25	94,466.25		29,560.00	29,560.00	246,576.25			
8/31/2021											1,309,708.42	1,363,152.50	1,370,287.00
11/15/2021	115,000	122,550.00	237,550.00	70,000	94,466.25	164,466.25	685,000.00	29,560.00	714,560.00	1,116,576.25			
5/15/2022		121,066.50	121,066.50		93,783.75	93,783.75		27,676.25	27,676.25	242,526.50			
8/31/2022											1,359,102.75	1,410,053.00	
11/15/2022	115,000	121,066.50	236,066.50	45,000	93,783.75	138,783.75	765,000.00	27,676.25	792,676.25	1,167,526.50			
5/15/2023		119,583.00	119,583.00		93,345.00	93,345.00		25,381.25	25,381.25	238,309.25			
8/31/2023											1,405,835.75	1,476,618.50	
11/15/2023	90,000	119,583.00	209,583.00	40,000	93,345.00	133,345.00	870,000.00	25,381.25	895,381.25	1,238,309.25			
5/15/2024		118,422.00	118,422.00		92,955.00	92,955.00		22,553.75	22,553.75	233,930.75			
8/31/2024											1,472,240.00	1,567,861.50	
11/15/2024	685,000	118,422.00	803,422.00	180,000	92,955.00	272,955.00	235,000.00	22,553.75	257,553.75	1,333,930.75			
5/15/2025		109,585.50	109,585.50		91,065.00	91,065.00		21,731.25	21,731.25	222,381.75			
8/31/2025											1,556,312.50	1,689,763.50	
11/15/2025	1,040,000	109,585.50	1,149,585.50	160,000	91,065.00	251,065.00	45,000.00	21,731.25	66,731.25	1,467,381.75			
5/15/2026		96,169.50	96,169.50		89,265.00	89,265.00		21,461.25	21,461.25	206,895.75			
8/31/2026											1,674,277.50	1,758,791.50	
11/15/2026	1,170,000	96,169.50	1,266,169.50	130,000	89,265.00	219,265.00	45,000.00	21,461.25	66,461.25	1,551,895.75			

- **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. The tax levy for this fund falls under the \$1.05 levy limit and is further restricted to \$0.14 with local board approval or \$0.175 following a vote of the people for a term not to exceed ten years (§79-1098 R.R.S.).
  - 2019-2020 Special Building Fund Levy = \$0.00
  - 2020-2021 Special Building Fund Levy = \$0.009988
    - Generates \$95,960.00 (not until January)
    - Current balance approx. \$65,000
  - 2021-2022 Special Building Fund Levy = \$0.016733
    - Generates approximately \$166,667
      - Of which \$115,000 to debt payment
  - Current Balance \$174,233 (2021-22 budget authority \$346,291)
    - Maintain a balance of \$115,000 (one year of debt payment)
  
- **QUALIFIED CAPITAL PURPOSE UNDERTAKING FUND (QCPUF)\*\*:** A Qualified Capital Purpose Undertaking Fund (QCPUF) may be established for the removal of environmental hazards, the reduction or elimination of accessibility barriers in school district buildings, the repayment of a qualified zone academy bond issued for a qualified capital purpose, modifications for life safety code violations, life safety hazards, and mold abatement and prevention projects for existing facilities only. General Fund expenditures for the purpose of this fund are not allowable. Qualified Zone Academy Bonds, Qualified School Construction Bonds, and Build America Bonds are included in the Qualified Capital Purpose Undertaking Fund if issued prior to April 19, 2016. Effective April 19, 2016, the tax levy for this fund is restricted to \$0.03. The tax levy for Qualified Capital Purpose Undertaking projects in place prior to April 19, 2016, remains at \$0.052. The levy may exceed the \$0.03 levy limit if valuation has decreased from the last year bonds were issued and the bond principal and interest obligation cannot be met. Tax levies for the removal of environmental hazards, the reduction or elimination of accessibility barriers in school district buildings, the repayment of a qualified zone academy bond issued for a qualified capital purpose, modifications for life safety code violations, and mold abatement and prevention projects cannot exceed ten years for each

project. Tax levies for each qualified capital purpose for which the Qualified Zone Academy Bond (QZAB) is issued according to (§79-10,110 R.R.S.) cannot exceed fifteen years.

- 2019-2020 QCPUB Levy = 0.030662
- 2020-2021 QCPUF Levy = 0.030228
  - Generates \$290,404.00
- 2021-2022 QCPUF Levy = \$ 0.030728
  - Generates \$306,061

- **COOPERATIVE FUND:** The Cooperative Fund may be used by the school district acting as the fiscal agent for any cooperative activity between one or more public agencies. All school districts, including the school district acting as the fiscal agent, shall show the payment for services to the cooperative in their General Fund.

- Current Balance \$167,611
- Notes; Casey's grant \$49,000 received, not expensed

- **STUDENT FEE FUND:** The Student Fee Fund is a separate school district fund not funded by tax revenue into which all money collected from students pursuant to the Public Elementary and Secondary Student Fee Authorization Act must be deposited. Included are fees for Extracurricular Activities, Postsecondary Education and Summer/Night School. Expenditures from this fund must be for the purposes for which the fees were collected.

## Budget Factors for 2019-20, 2020-2021, and 2021-2022

- Revenue
  - ✓ Total Valuation increased 3.8%, or \$35,330,353
    - 2019-20 = \$943,541,140
    - 2020-21 = \$960,705,373
    - 2021-22 = \$996,035,726

### [valuation history](#)

- ✓ State Aid (TEEOSA) increased by 11.8%, \$479,391
  - 2018-19 = \$3,498,063
  - 2019-20 = \$4,152,637
  - 2020-21 = \$4,060,964
  - 2021-22 = \$4,540,355 + Prior Year Correction of \$37,944
    - Additional \$479,391 in state aid, total \$517,335 with prior year correction
    - Result of proper coding of staff in SPED & Poverty, and Student enrollment. Anticipate a decrease for 2022-2023.

- ✓ State Aid is distributed over a 10-month period (Sept - Jun)
  - Property taxes are received monthly - HOWEVER September and May usually have the largest receipts - so there are no “equal monthly payments”.
  - I anticipate State Aid decreasing for 2022-23. Average daily attendance from March 2020 closure, enrollment, and other factors.

### [State Aid](#)

### [State Aid Comparison](#)

- ✓ Delinquent Tax Allowance: The Legislature passed LB 432 eliminating the authority to add an amount for delinquent tax to the Tax Requirement unless the Federal Prime Rate exceeds 10%.
- ✓ [Revenue Budget Worksheet](#)

- Expenditures

- ✓ [rollups](#)
- ✓ 21-22 Salaries/Wages projections decrease 1.4% 201,852
- ✓ 20-21 Salaries/Wages/Benefit projections increase of 1.01%, \$148,098
- ✓ 19-20 Salaries/Wages/Benefits increased 5.3% or \$690,140 - Overall salary/wage increases to teachers, administrators and classified
- ✓ Mid States Busing Contract increased \$8,982. Activity costs also increased 3%
  - Base Terms 2018-19 = \$167,722
  - Base Terms 2019-20 = \$172,754
  - Base Terms 2020-2021 = \$179,665
  - Base Terms 2021-2022 = \$188,647
  - Base Terms 2022-2023 = \$201,853
- ✓ ATS Services Contract reduced
  - 2018-19 = \$324,000 (actual \$346,077 due to summer “extras”)
  - 2019-20 = \$334,116 (budgeting \$366,000 event staff in here)
  - 2020-21 = \$347,472
  - 2021-22 = \$325,000
- ✓ Other Increases
  - Utilities/Building Occupancy
  - General Property/Liability Insurance
  - Increase of \$55,000
    - 2018-19 = \$80,853
    - 2019-20 = \$80,799
    - 2020-21 = \$86,569
    - 2021-22 = \$145,000
  - Fuel/Maintaining older fleet

- ✓ Gaps (these are growing because of our financial situation)
  - Technology replacement and upgrades (ESSERS, erate +10,000)
  - Vehicle replacement (ESSERS)
  - Major repairs/replacement HVAC (ESSERS)
  - Staffing that matches student needs
    - Health needs (physical and social/emotional) Health para ESSERS
  - Curriculum
    - adoption and rotation cycle
    - On-line platform
- ESSERS
- ✓ General Fund Debt
  - Budgeted Interest Payments - Minimum Payments
    - 2018-19 = 335,000
    - 2019-20 = 420,000
      - TANS = \$2,445,000 principal
      - Career Academy = \$1,116,785 principal
      - Central Office = \$1,183,241 principal
    - 2020-2021 = \$420,000 (interest and principal payments)
      - Line of Credit = varies
        - Budgeted in 2020-2021 = \$90,000 interest
        - Actual in 2020-2021 = \$48,000
      - TANS
        - Actual in 2020-2021 = \$18,900
      - Arbor Bank and American National
        - Budgeted for 2020-2021 = \$67,000 interest
        - Actual for 2020-2021 = 48,230.00 interest
    - 2021-2022 = \$3,343,000 (refinance, interest and principal payments; 2,275,000 in and out/refinance)
      - Line of Credit = \$950,000
        - Budgeted in 2021-2022 = \$50,000
      - TANS
        - Called \$125,000
        - 2021-2022
          - Principal 75,000
          - Interest and fee 43,000
      - American National 2021-2022
        - Paid off in 2020-2021 of \$32,750 August 2021
      - Arbor Bank payment now in building fund

- Principal / Pay Off
  - 2020-2021
    - TANS = \$2,400,000
    - Arbor Bank = \$2,105,816
    - American National Bank = \$49,526
    - LOC
      - ~~\$900,000~~; \$1,625,000
  - 2021-2022
    - TANS = \$2,275,000
    - Arbor Bank = \$1,060,000
    - LOC
      - \$950,000

[Debt Summary August 2020](#)

[Debt Summary August 2021](#)

# State Form Review (State Budget)

Will not talk to each of these.

- Page 1: Cover page with certifications of tax requests
  - Top 5 lines

2021-2022 STATE OF NEBRASKA SCHOOL DISTRICT BUDGET FORM		County-District #: 66-0111    Class #: 3 Nebraska City Public Schools TO THE COUNTY BOARD AND COUNTY CLERK OF Otoe County	
This budget is for the Period <b>SEPTEMBER 1, 2021 through AUGUST 31, 2022</b>			
<b>Upon Filing, The School Certifies the information Submitted on this Form to be Correct:</b>			
<b>AMOUNT OF PERSONAL AND REAL PROPERTY TAX REQUIRED FOR:</b>	Principal and Interest on Bonds	All Other Purposes	
<b>TOTAL</b>			
General Fund	\$ -	\$ 10,435,227.00	\$ 10,435,227.00
Bond Fund(s) <i>(If More Than 1 Bond Fund - Total All Together)</i>	\$ 1,535,354.00		\$ 1,535,354.00
Special Building Fund	\$ -	\$ 166,667.00	\$ 166,667.00
Qualified Capital Purpose Undertaking Fund	\$ 306,061.00	\$ -	\$ 306,061.00
<b>Total All Funds</b>	<b>\$ 1,841,415.00</b>	<b>\$ 10,601,894.00</b>	<b>\$ 12,443,309.00</b>
Outstanding Bonded Indebtedness as of September 1, 2021 <i>(Include Bond Fund(s) and Qualified Capital Purpose Undertaking Fund)</i>		<b>Total Certified Valuation (All Counties)</b>	\$ 996,035,726
\$ 24,542,000.00    Principal \$ 5,021,531.00    Interest \$ 29,563,531.00 <b>Total Outstanding Bonded Indebtedness</b>	<i>(Certification of Valuation(s) from County Assessor <b>MUST</b> be attached)</i>		
<b>County Clerk's Use Only</b>			
<b>Report of Joint Public Agency &amp; Interlocal Agreements</b>			
Was this Subdivision involved in any Interlocal Agreements or Joint Public Agencies for the reporting period of July 1, 2020 through June 30, 2021? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <i>If YES, Please submit Interlocal Agreement Report by September 20th.</i>			
<b>Report of Trade Names, Corporate Names &amp; Business Names</b>			
Did the subdivision operate under a separate Trade Name, Corporate Name, or other Business Name during the period of July 1, 2020 through June 30, 2021? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <i>If YES, Please submit Trade Name Report by September 20th.</i>			
Has your School District held a successful election to override the levy limits provided in Statute 77-3442, which is in effect for 2021-2022 school fiscal year? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO			
<b>Submission Information</b>			
<b>Budget Due by 9-20-2021</b>			
Submit budget to:			
1. Auditor of Public Accounts -Electronically on Website or Mail 2. County Board (SEC. 13-508), C/O County Clerk 3. Nebraska Dept. of Education -Upload to NDE Portal only			
<b>APA Contact Information</b> Auditor of Public Accounts State Capitol, Suite 2303 Lincoln, NE 68509 Telephone: (402) 471-2111    FAX: (402) 471-3301 Website: <a href="http://www.auditors.nebraska.gov">www.auditors.nebraska.gov</a> Questions - E-Mail: <a href="mailto:Jeff.Schreier@nebraska.gov">Jeff.Schreier@nebraska.gov</a>			

- Page 2: 2021-22 budget - all funds
  - Column 6 and tax recap

BUDGET STATEMENT AND CERTIFICATION OF TAX								County-District #	66-0111
Nebraska City Public Schools									
2021-2022 BUDGET ADOPTED									
	TOTAL BEGINNING BALANCE (Column 1)	TOTAL AVAILABLE RESOURCES BEFORE PROPERTY TAXES (Including Beginning Balances) (Column 2)	PERSONAL AND REAL PROPERTY TAXES (Column 3)	TOTAL RESOURCES AVAILABLE (Col 2 + Col 3) (Column 4)	TOTAL BUDGET OF DISBURSEMENTS & TRANSFERS - SPECIAL EDUCATION (Column 5)	TOTAL BUDGET OF DISBURSEMENTS & TRANSFERS - NON-SPECIAL EDUCATION (Column 6)	TOTAL BUDGET OF DISBURSEMENTS & TRANSFERS (Col 5 + Col 6) (Column 7)	NECESSARY CASH RESERVE (Column 8)	TOTAL REQUIREMENTS (Col 7 + Col 8) (Column 9)
General	2,813,581.00	14,282,793.00	10,330,875.00	24,613,668.00	3,044,205.00	18,904,767.00	21,948,972.00	2,664,696.00	24,613,668.00
Depreciation	448,524.00	548,524.00		548,524.00			548,524.00		548,524.00
Employee Benefit	14,583.00	14,583.00		14,583.00			14,583.00	-	14,583.00
Contingency	-	-		-			-		-
Activities	472,263.00	995,763.00		995,763.00			750,000.00	245,763.00	995,763.00
School Nutrition	263,885.00	1,238,885.00		1,238,885.00			1,238,885.00	-	1,238,885.00
Bond	1,007,737.00	1,007,737.00	1,520,000.00	2,527,737.00			1,535,354.00	992,383.00	2,527,737.00
Special Building	181,291.00	181,291.00	165,000.00	346,291.00			346,291.00		346,291.00
Qualified Capital Purpose Undertaking	301,549.00	301,549.00	303,000.00	604,549.00			306,061.00	298,488.00	604,549.00
Cooperative	116,296.00	116,296.00		116,296.00			116,296.00	-	116,296.00
Student Fee	13,770.00	35,000.00		35,000.00			35,000.00	-	35,000.00
				-					-
<b>TOTAL ALL FUNDS</b>	<b>5,633,279.00</b>	<b>18,722,421.00</b>	<b>12,318,875.00</b>	<b>31,041,296.00</b>	<b>3,044,205.00</b>	<b>18,904,767.00</b>	<b>26,839,966.00</b>	<b>4,201,330.00</b>	<b>31,041,296.00</b>
PERSONAL AND REAL PROPERTY TAX RECAP					General Fund	Bond Fund(s) (Total Of All Bond Funds)	Special Building Fund	Qualified Capital Purpose Undertaking Fund	
PERSONAL AND REAL PROPERTY TAXES FROM COLUMN 3 (Line A)					10,330,875.00	1,520,000.00	165,000.00	303,000.00	
COUNTY TREASURER'S COMMISSION 1% OF TAXES COLLECTED (Line B)					104,352.00	15,354.00	1,667.00	3,061.00	
TOTAL PERSONAL AND REAL PROPERTY TAXES (Line A + Line B) (Line C)					10,435,227.00	1,535,354.00	166,667.00	306,061.00	
CERTIFIED STATE AID		MOTOR VEHICLE TAXES		COUNTY TREASURER'S BALANCE, 9-1-2021					
\$	4,578,299.00	\$	775,000.00	1,896,155.00	900,000.00	20,000.00	70,000.00		

- Page 3: 2020-21 (actuals) Estimated statement
  - Combination of actual and estimates - NOT audited
- Page 4: 2019-20 Actual statement
  - As reported on the audited Annual Financial Report (AFR)
- Page 5: Levy statement and compliance
  - 2018-19 total levy: 1.227218
  - 2019-20 total levy: 1.235632 (actual 1.233797)
  - 2020-20 total levy: 1.244232
  - 2021-22 total levy: 1.249283

- Page 6: Budget hearing notice
  - We will **NOT** be spending (column 3)

NOTICE OF BUDGET HEARING AND BUDGET SUMMARY						
Nebraska City Public Schools (66-0111) in Otoe 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 26 day of August, 2021 at 6:00 o'clock, P.M., at NCPS Board Room 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: <a href="https://nep.education.ne.gov">https://nep.education.ne.gov</a>						
FUNDS	Actual Disbursements & Transfers 2019-2020 (1)	Actual/Estimated Disbursements & Transfers 2020-2021 (2)	Budgeted Disbursements & Transfers 2021-2022 (3)	Necessary Cash Reserve (4)	Total Available Resources Before Property Taxes (5)	Total Personal and Real Property Tax Requirement (7)
General	\$ 20,146,034.00	\$ 18,056,735.00	\$ 21,948,972.00	\$ 2,664,696.00	\$ 14,282,793.00	\$ 10,435,227.00
Depreciation	\$ 2,803.00	\$ -	\$ 548,524.00		\$ 548,524.00	
Employee Benefit	\$ -	\$ -	\$ 14,583.00	\$ -	\$ 14,583.00	
Contingency	\$ -	\$ -	\$ -		\$ -	
Activities	\$ 297,941.00	\$ 481,370.00	\$ 750,000.00	\$ 245,763.00	\$ 995,763.00	
School Nutrition	\$ 569,511.00	\$ 811,060.00	\$ 1,238,885.00	\$ -	\$ 1,238,885.00	
Bond	\$ 1,315,133.00	\$ 7,337,578.00	\$ 1,535,354.00	\$ 992,383.00	\$ 1,007,737.00	\$ 1,535,354.00
Special Building	\$ 245,800.00	\$ 1,035,770.00	\$ 346,291.00		\$ 181,291.00	\$ 166,667.00
Qualified Capital Purpose Undertaking	\$ 288,216.00	\$ 1,582,761.00	\$ 306,061.00	\$ 298,488.00	\$ 301,549.00	\$ 306,061.00
Cooperative	\$ 3,664.00	\$ 9,500.00	\$ 116,296.00	\$ -	\$ 116,296.00	
Student Fee	\$ 3,004.00	\$ 30,000.00	\$ 35,000.00	\$ -	\$ 35,000.00	
	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>TOTALS</b>	<b>\$ 22,872,106.00</b>	<b>\$ 29,344,774.00</b>	<b>\$ 26,839,966.00</b>	<b>\$ 4,201,330.00</b>	<b>\$ 18,722,421.00</b>	<b>\$ 12,443,309.00</b>
				<b>Bond Purposes</b>	<b>Non-Bond Purposes</b>	<b>Total</b>
				<b>\$ 1,833,334.00</b>	<b>\$ 10,609,975.00</b>	<b>\$ 12,443,309.00</b>
				Breakdown of Property Tax		

- Page 7: Tax request notice
  - Tax request and comparison between

Notice of Special Hearing To Set Final Tax Request									
Nebraska City Public Schools (66-0111) in Otoe County, Nebraska									
PUBLIC NOTICE is hereby given, in compliance with the provisions of State Statute Section 77-1601.02, that the governing body will meet on the 13 day of, September 2021 at 6:00 o'clock P.M., at NCPS Board Room for the purpose of hearing support, opposition, criticism, suggestions or observations of taxpayers relating to setting the final tax request.									
	2020-2021	2021-2022	Change						
Property Valuations	960,705,373	996,035,726	4%						
	<b>2020/21 Budget Information</b>			<b>2021/22 Budget Information</b>					
Fund	2020-2021 Operating Budget	2020-2021 Property Tax Request	2020 Tax Rate	Property Tax Rate (2020-2021 Request Divided By 2021 Valuation)	2021-2022 Operating Budget	2021-2022 Proposed Property Tax Request	Proposed 2021 Tax Rate	Change In Tax Rate	Change In Operating Budget
General Fund	21,852,701.00	10,182,919.00	1.059942	1.022345	21,946,972.00	10,435,227.00	1.047676	-1%	0%
Bond Fund(s) K - 12	8,430,406.00	1,384,128.00	0.144074	0.138964	1,535,354.00	1,535,354.00	0.154146	7%	-82%
Bond Fund(s) K - 8			0.000000	0.000000			0.000000		0
Bond Fund(s) 9 - 12			0.000000	0.000000			0.000000		0
Bond Fund			0.000000	0.000000			0.000000		0
Special Building Fund	1,242,348.00	95,960.00	0.009988	0.009634	346,291.00	166,667.00	0.016733	68%	-72%
Qualified Capital Purpose Undertaking Fund K - 12	1,597,500.00	290,404.00	0.030228	0.029156	306,061.00	306,061.00	0.030728	2%	-81%
Qualified Capital Purpose Undertaking Fund K - 8			0.000000	0.000000			0.000000		0
Qualified Capital Purpose Undertaking Fund 9 - 12			0.000000	0.000000			0.000000		0
<b>Total</b>	<b>33,122,955.00</b>	<b>11,953,411.00</b>	<b>1.244233</b>	<b>1.200099</b>	<b>24,136,678.00</b>	<b>12,443,309.00</b>	<b>1.249283</b>	<b>0%</b>	<b>-27%</b>

- Page 8-11: General fund worksheet
  - Lines 2 -26 equal draft Working Budget expenditures
  - Unused Budget Authority - equals \$2,275,000 TAN, \$950,000 LOC and \$0 inter-fund transfers. This number allows the district to access additional funds without exceeding line 33. If line 33 is exceeded the budget must be amended.
  - Bottom section - Property Tax Recap - indicates what will be requested and expended from local sources
- Page 12: Depreciation fund worksheet
  - Transfer of \$250,000, maintain budget authority
- Page 13: Employee benefit fund worksheet
  - No changes, no transfer of \$\$, but budget authority if needed
- Page 14: Activities fund worksheet
  - Budget authority for yearly income and expenses
- Page 15: School nutrition fund
  - Budget authority for yearly income and expenses
  - Significant increase; free breakfast and lunch
- Page 16: Bond fund
  - Bottom section - Property Tax Recap - indicates what will be requested and expended from local sources
  - Request includes the \$90,000 shortfall

- Page 17: Special building fund
  - Levy for Central Office/Impact building and additional \$50,000 for building/maintenance
- Page 18: QCPUF
  - Bottom section - Property Tax Recap - indicates what will be requested and expended from local sources
- Page 19: Cooperative fund
  - Budget authority for expenses
  - No action/levy since 2018-19
- Page 20: Student fee fund
  - Budget authority for yearly income and expenses

## Moving Forward for 2021-22

- Finalize and error-check draft budget
  - Obtain counsel from NDE
- Publish meeting/hearing notices
- BOE special meeting Thursday, August 26 - approve budget
- BOE Tax Request Hearing Monday, September 13
- BOE meeting on Monday, September 13
- Finalize working budget (upon BOE approval of budget) and monitor/report monthly through Finance Committee
- Operational norms (Guiding Principles)
  - Revenue
    - Establishing more efficient methods for coding special Education expenses (staff/supplies/etc) and for requesting reimbursement in order to maximize special education reimbursement funds... CURRENTLY DOING
    - Monitor property tax payments to accurately report cash flow and receipts
    - Monitor cash flow for prudent use of LOC, TAN, and other transfers
    - Explore alternative options for funding segments of needs
    - Cash Flow
      - Finance Committee - 3 month "preview"
      - Pay Day change
  - Expenditures
    - Continue to discuss potential cost-saving and expenditure reductions which may occur now or in the future
      - Example: Using Title II carryover to pay for staff development (workshops, conferences, etc...) Also have some Perkins \$\$ at ESU 4 for the same purpose.
    - Monitor expenditures and adjust to align with working budget
    - Learn to say 'NO' to requests - at all levels of the request tree.
    - Staffing

- 5 Certified and 5 Classified not filled
- 4 Classified remain open
- Classified hours, subs, and overtime managed
- Contracts (negotiate and RFP)

- Possible Solutions

	<b>2021-22 Draft</b>	<b>2020-21 Est/Actual</b>	<b>2020-21 Adopted</b>
ESTIMATED Budgeted General Fund Disbursements	21,948,972	18,150,000	21,852,701
ESTIMATED General Fund Gain or (Loss)	690,678	8,356	(-458,089)

- Good News and Bad News
  - Making progress
  - Ended in the black for 2020-2021
  - Anticipate being in the black for 2021-2022
  - Not sustainable
    - Anticipate reduced state aid
    - Property valuations?
      - This year's growth appears to be an anomaly
  - No plan for TAN
- Status Quo - how much longer?
  - We are establishing a new status quo; less is more
- Nickel and Dime - how long?
  - This is over, we are trading water now
- Major Change
  - Revenue - Levy Override (Try again?)
    - No plan for TAN?
  - Expenditure - reduction of staff and programs
    - 2021/2022
      - 5 Certified, 5 Classified
      - 4 classified positions open
    - 2022/2023
      - Reduce approximately \$450,000

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
2. "Consensus" tonight, budget hearing, and board action at Spc Meeting to proceed
  - CONTINUE CONVERSATIONS!
    - How can we be more efficient? Can changing little things add up to bigger things? What big things are we willing to talk about? Are there non-negotiables?
    - Talk about program and service levels of importance for student needs:
      - Programs and services required by law, grant programs, or student/staff safety
      - programs and services mandated for accreditation
      - Programs and services necessary for the continued functioning of the district
      - Programs and services important culturally for school and community
      - Programs and services that have value but not required
      - Frills and extras

## Questions or Comments