

**MULLEN BOARD OF EDUCATION**  
**August 29, 2022**  
**Budget Workshop and Tax Resolution Hearing**  
**7:00 PM**

1. Call to order, roll call, and excuse board member absences.
2. Budget Workshop Presentation
3. Tax Resolution Hearing to Set Final Tax Request for the 2022-2023 School Year for Mullen Public Schools
4. Discuss, consider and take all necessary action to approve the tax request resolution for the 2022-2023 school year.
5. Next Meeting - September 12, 2022 at 7:30 PM in the 6-12 Library
6. Adjournment

Please follow the board meeting at <https://meeting.sparqdata.com/Public/Organization/393>

The Mullen Board of Education reserves the right to go into Closed Session for purposes in accordance with LB 84-1410(1)

BUDGET WORK SESSION  
August 29, 2022

**Mullen Public Schools**  
**Board of Education**  
**Budget Workshop**  
**August 29, 2022**

**BUDGET WORK SESSION**

August 29, 2022

**Valuation**

The 2022-2023 certified taxable value for the Mullen Public Schools will be approximately an increase of about \$23,931,537 or about 4.21%.

<b>County</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>2022-2023</b>
<b>Thomas</b>	\$29,580,144	\$30,471,420	\$31,461,085	\$34,443,444	\$37,185,986
<b>Cherry</b>	\$197,702,417	\$199,253,849	\$198,255,871	\$197,837,470	\$204,275,299
<b>Hooker</b>	\$311,372,307	\$317,101,040	\$323,870,898	\$335,896,635	\$350,647,801
<b>Total</b>	\$538,654,868	\$546,826,309	\$553,587,854	\$568,177,549	\$592,109,086
<b>% increase</b>	1.49%	1.51%	1.24%	2.64%	4.21%

**\*\*\*\*\*TAXING FUND\*\*\*\*\***

**General Fund** - The GF finances all facets of services rendered by the school district. GF receipts are analyzed according to source while its disbursements are coded according to specific functions. 80% of expenditures are in salaries and benefits. Between 10% and 15% are required expenditures. Essentially, you could run your entire school out of the GF.

**Budget Authority**- This is the maximum amount that can be budgeted and spent out. The state of Nebraska gives all school districts a 3% rise in budget authority for the 2022-2023 budget year. We will NOT spend unused budget authority but it is highly recommended to take unused budget authority as it could be capped by legislation in any legislative season. The total is only a total amount that we would be allowed to spend this fiscal year.

<b>Budget</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>2022-2023</b>
<b>Authority</b>	\$4,527,452	\$4,614,836	\$4,643,426	\$4,737,387	\$4,883,628
<b>Unused</b>	\$501,452	\$584,320	\$372,016	\$322,891	\$269,946
<b>Actual</b>	\$4,026,000	\$4,030,516	\$4,271,410	\$4,414,496	\$4,613,682
<b>Reserve</b>	\$707,949	\$700,000	\$925,000	\$925,000	\$1,100,000
<b>Total</b>	\$5,235,401	\$5,314,836	\$5,568,426	\$5,662,387	\$5,983,628
<b>Increase</b>	(3%)	(2%)	(1%)	(1%)	(3%)

**General Fund Receipts**- This is the amount of funding that the school district receives each year, the school district's paycheck. Local receipts come from property taxes, carline/railroad taxes, personal property taxes, sale of excess materials, and motor vehicle taxes amongst other areas. State receipts come from state aid, SPED programs, homestead exemption, property tax credit, and pro-rate motor vehicle taxes. Federal receipts come from ESSA Title 1, IDEA, ESSER and Medicaid. LB 644 requires an extra budget hearing with all public entities in the district if the tax asking goes above 2% increase.

<b>Receipts</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>2022-2023</b>
				<i>Estimated</i>	<i>Estimated</i>
<b>Local</b>	\$2,593,489	\$2,757,999	\$2,787,853	\$2,970,942	\$2,990,485
<b>State</b>	\$741,459	\$869,492	\$827,876	\$1,004,313	\$968,791
<b>Federal</b>	\$93,532	\$93,331	\$193,456	\$145,783	\$140,744
<b>Total</b>	\$3,428,480	\$3,720,822	\$3,809,185	\$4,121,038	\$4,100,020

**General Fund Expenditures**- The expenditures that are budgeted to run the school district. These are payroll, maintenance, utilities, supplies, technology, and a lot more.

<b>Actual Expenditures</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>2022-2023</b>
			<i>Estimated</i>	<i>Estimated</i>	<i>Estimated</i>
<b>Total SPED</b>	\$491,585	\$486,665	\$455,836	\$487,427	\$495,000
<b>Total NON SPED</b>	\$3,223,442	\$2,979,673	\$3,247,052	\$3,439,496	\$3,600,000
<b>Total</b>	\$3,715,027	\$3,466,338	\$3,702,888	\$3,926,923	\$4,095,000

BUDGET WORK SESSION

August 29, 2022

**MEA Teaching Staff Salary & Benefits-** These are the expenditures within payroll.

Summary	2018-2019	2019-2020	2020-2021	2021-2022 Estimated	2022-2023 Estimated
Base	\$34,000	\$34,800	\$35,500	\$36,300	\$36,800
Teachers	\$1,755,407	\$1,700,626	\$1,779,287	\$1,833,048	\$1,961,242
Increase/Decrease	\$55,215	- \$54,781	\$78,661	\$53,761	\$128,194

**General Fund Summary-** This is a summary of the last 5 years of expenses versus receipts. As you can see, our expenditures outweighed our cash receipts for three years which has caused a big dip in our cash balance. As all of you know, it is recommended to keep three months of expenses, which we now have, in your cash reserve just in case a depression or recession hits. The maximum cash reserve is set at 45% of your adopted budget. If a cash reserve is not maintained, there is a high chance that a school district would need to borrow money from a bank during March and April to make payroll and expenses.

Summary	2018-2019	2019-2020	2020-2021	2021-2022 Estimated	2022-2023 Estimated
Beginning Cash	\$916,455	<b>\$622,954</b>	<b>\$941,854</b>	<b>\$1,215,938</b>	<b>\$1,312,954</b>
Payroll	\$2,747,727	\$2,652,010	\$2,798,825	\$2,941,869	\$3,045,000
Bills	\$813,309	\$574,328	\$765,087	\$837,352	\$850,000
Transfers	\$162,000	\$240,000	\$155,000	\$175,000	\$200,000
Total Expenditures	<b>\$3,715,027</b>	<b>\$3,466,338</b>	<b>\$3,718,911</b>	<b>\$3,929,222</b>	<b>\$4,095,000</b>
Total Receipts	<b>\$3,428,480</b>	<b>\$3,785,238</b>	<b>\$4,003,812</b>	<b>\$4,026,238</b>	<b>\$4,100,020</b>
Cash Reserve	<b>\$622,954</b>	<b>\$941,854</b>	<b>\$1,215,938</b>	<b>\$1,312,954</b>	<b>\$1,317,974</b>

**General Fund Levy-** General Fund Levy & Tax Asking- 5 years

For 2022-2023, I am recommending the General Fund levy below so we can maintain the budget so we have more receipts than expenditures. This will allow us to maintain our cash reserve and operate accordingly.

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Levy	.523861	.579715	.575006	.56006	.542265
Asking	\$2,821,802	\$3,170,331	\$3,183,163	\$3,185,546	\$3,210,799

**\*\*\* Non-taxing Funds \*\*\***

**DEPRECIATION 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. You can think of this as a savings account for anything that depreciates value. This fund is restricted by statute as part of the 45% Allowable Reserve limitation. I would like to continue to use this for new suburbans.

	2018-2019	2019-2020	2020-2021	2021-2022 Estimated	2022-2023 Estimated
Beginning Balance	\$285,833	\$190,967	\$359,895	\$339,877	\$367,381
Interest	\$1214	\$1246	\$1264	\$762	\$650
Transfer from General	\$107,000	\$200,000	\$142,000	\$150,000	\$200,000
Disbursements	\$196,000	\$32,319	\$163,281	\$123,258	\$200,000
Total Available	\$190,967	\$359,895	\$339,877	\$367,381	\$368,031

**BUDGET WORK SESSION SUMMARY**

August 29, 2022

**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, buy-outs, etc.) The cash reserve of this fund is restricted by statute as part of the 45% Allowable Reserve limitation.

	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<i><b>2021-2022 Estimated</b></i>	<i><b>2022-2023 Estimated</b></i>
Beginning Balance	\$71,556	\$72,032	\$72,486	\$72,946	\$72,999
Interest	\$476	\$454	\$295	\$218	\$180
Disbursements	\$0	\$0	\$0	\$0	\$0
<b>Total Resources</b>	<b>\$72,032</b>	<b>\$72,486</b>	<b>\$72,781</b>	<b>\$72,999</b>	<b>\$73,179</b>

**ACTIVITY FUND** - 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, which qualify for approval under policies established by the board of education for such activities.

	<b>2018-2019</b>	<b>2019-2020</b>	<i><b>2020-2021 Estimated</b></i>	<i><b>2021-2022 Estimated</b></i>	<i><b>2022-2023 Estimated</b></i>
Beginning Balance	\$182,671	\$233,796	\$222,898	\$225,044	\$214,836
Activity Receipts	\$234,306	\$133,037	\$149,620	\$164,556	\$170,000
Transfer from General	\$25,000	\$ 25,000	\$ 25,000	\$ 30,000	\$ 30,000
Disbursements	\$208,181	\$168,934	\$172,475	\$204,763	200,000
<b>Total Resources</b>	<b>\$233,796</b>	<b>\$222,898</b>	<b>\$225,044</b>	<b>\$214,836</b>	<b>\$214,836</b>

**SCHOOL LUNCH FUND** - The School Lunch fund is required to accommodate the financial activities of all Nutrition Programs operated by the school district. The School Lunch 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.

<b>Receipts</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<i><b>2021-2022 Estimated</b></i>	<i><b>2021-2022 Estimated</b></i>
Beginning Balance	\$41,524	\$20,362	\$6,101	\$51,123	\$45,878
Sale of Lunches / Milk	\$36,247	\$30,226	\$11,528	\$4,242	\$10,000
State Reimbursement	\$322	\$367	\$127	\$0	\$100
Interest	\$224	\$91	\$122	\$116	\$100
Federal Reimbursement	\$33,232	\$28,632	\$104,598	\$110,479	\$85,000
Transfers	\$30,000	\$15,000	\$30,000	\$0	\$10,000
<b>Total Receipts</b>	<b>\$141,548</b>	<b>\$94,677</b>	<b>\$152,476</b>	<b>\$165,960</b>	<b>\$151,078</b>
<b>Expenditures</b>					
Salaries and Benefits	\$43,545	\$42,752	\$54,344	\$56,612	\$54,000
Cost of Food	\$32,688	\$30,564	\$31,913	\$47,714	\$53,000
Supplies / Equipment	\$44,953	\$15,260	\$15,098	\$15,730	\$5,000
<b>Total Expenditures</b>	<b>\$122,200</b>	<b>\$88,576</b>	<b>\$101,354</b>	<b>\$107,000</b>	<b>\$112,000</b>

In preparations for the start of the 2022-2023 school year, I have kept the budget close to the same as it was last school year. I am hoping we will not have to transfer. It will depend on families making sure they pay their lunch bills.

**BUDGET WORK SESSION SUMMARY**

August 29, 2022

**\*\*\*\*\*TAXING FUNDS\*\*\*\*\***

**SPECIAL BUILDING FUND** - A Special Building Fund shall be established when a school board decides to acquire or improve sites and/or to alter or improve buildings with new construction only. Tax receipts are the primary source of revenue for this fund. Special Building Fund accounting provides a more effective means of identifying those expenditures associated with construction activities.

	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022 Estimated</b>	<b>2022-2023 Estimated</b>
Balance	\$421,237	\$457,571	\$441,980	\$444,635	\$427,423
Property Taxes	\$89,096	\$7,774	\$159	\$0	\$0
Disbursements	\$72,610	\$31,720	\$4,074	\$18,522	\$25,000
Local/State Sources	<b>\$19,849</b>	<b>\$8,355</b>	<b>\$6,570</b>	<b>\$1,310</b>	<b>\$1,200</b>
Total Available	<b>\$457,571</b>	<b>\$441,980</b>	<b>\$444,635</b>	<b>\$427,423</b>	<b>\$401,223</b>

**BOND FUND** - A Bond Fund shall be established in order to retire bonds and pay the interest of a capital improvement project. Tax receipts and interest are the primary sources of revenue for the Bond Fund.

	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022 Estimated</b>	<b>2022-2023 Estimated</b>
Receipts before Taxes	\$324,003	\$327,026	\$273,044	\$176,271	\$78,349
Property Taxes	\$92,313	\$36,447	\$2,562	\$0	\$0
Other Resources	\$14,125	\$14,125	\$866	\$325	\$17,768
Payments	\$103,415	\$96,915	\$100,201	\$98,254	\$96,117
Total Available	<b>\$327,026</b>	<b>\$273,044</b>	<b>\$176,271</b>	<b>\$78,349</b>	<b>\$0</b>
<b>OUTSTANDING</b>	<b>BOND</b>	<b>DEBT</b>	<b>PAYMENTS</b>		
Bond			2022-23	Total	
2012 Refunded			\$96,117	\$96,117	

We have enough to make our bond payments. We do not need to levy for the Bond Fund.

**QUALIFIED CAPITAL PURPOSE UNDERTAKING FUND** - School districts have a maximum of 5.2¢. for projects initiated prior to April 19, 2016. This is the payment for the construction of the Hilltop Gymnasium.

	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022 Estimated</b>	<b>2022-2023 Estimated</b>
Resources	\$325,142	\$389,674	\$456,472	\$501,037	\$504,710	\$505,030
Property Taxes	\$56,788	\$57,700	\$37,437	\$2,793	\$7	\$0
Other Resources	\$28,780	\$30,136	\$28,166	\$21,917	\$21,350	\$500
Payments	\$21,038	\$21,038	\$21,038	\$21,038	\$21,038	\$505,519
Total Resources	<b>\$389,674</b>	<b>\$456,472</b>	<b>\$501,037</b>	<b>\$504,710</b>	<b>\$505,030</b>	<b>\$11</b>
<b>OUTSTANDING</b>	<b>BOND</b>	<b>DEBT</b>	<b>PAYMENTS</b>	2022-23	Total	
<i>Series 2011, Construction</i>				\$505,519	\$505,519	

BUDGET WORK SESSION SUMMARY

August 29, 2022

**ESTIMATED FINANCIAL POSITION**

The largest single source of receipts for the district is property tax. The following table shows the property tax rates by fund.

<b>LEVY</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>2022-2023</b>
General Fund	.523861	.579715	.575006	.56066	.542265
Building Fund	.018752	.000000	.000000	.000000	.000000
Bond Fund	.019580	.006465	.000000	.000000	.000000
Qualified Capital Purpose Fund (QCPUF)	.012189	.007389	.000000	.000000	.000000
<b>Total Levy</b>	<b>.574382</b>	<b>.593569</b>	<b>.575006</b>	<b>.56066</b>	<b>.542265</b>
<b>Increase/Decrease</b>	<b>0%</b>	<b>3%</b>	<b>-3%</b>	<b>-2%</b>	<b>-4%</b>

<b>Tax Request</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>Est. 2021-22</b>	<b>Est. 2022-23</b>
General Fund	\$2,821,802	\$3,170,034	\$3,183,163	\$3,185,546	\$3,210,799
Building Fund	\$101,010	\$0	\$0	\$0	\$0
Bond Fund	\$105,469	\$35,354	\$0	\$0	\$0
QCPUF	\$65,657	\$40,404	\$0	\$0	\$0
<b>Total Budget Request</b>	<b>\$3,093,938</b>	<b>\$3,245,792</b>	<b>\$3,183,163</b>	<b>\$3,185,546</b>	<b>\$3,210,799</b>
<b>Increase in Tax Ask</b>	<b>\$22,281</b>	<b>\$151,854</b>	<b>-\$62,629</b>	<b>\$2,383</b>	<b>\$25,253</b>
<b>% Increase</b>	<b>.007%</b>	<b>3%</b>	<b>-3%</b>	<b>0%</b>	<b>.8%</b>

**My Suggestion .**

	<b>2022-2023</b>
General Fund	.542265
Building Fund	.000000
Bond Fund	.000000
QCPUF	.000000
<b>Total Levy</b>	<b>.542265</b>
<b>Change in Levy</b>	<b>-.018395</b>
<b>Tax Asking</b>	<b>\$3,210,799</b>
<b>Change in Asking</b>	<b>\$25,253</b>
<b>Percentage Increase</b>	<b>.8%</b>



## Notice of Special Hearing To Set Final Tax Request

Mullen Public Schools (46-0001) in Hooker County, Nebraska

PUBLIC NOTICE is hereby given, in compliance with the provisions of State Statute Section 77-1632, that the governing body will meet on the 29th day of, August 2022 at 7:00 o'clock P.M., at Mullen Public Schools- 6-12 Library for the purpose of hearing support, opposition, criticism, suggestions or observations of taxpayers relating to setting the final tax request.

	2021-2022	2022-2023	Change
Property Valuations	568,177,549	592,109,086	4%

### **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
<b>General Fund</b>	4,737,386.55	3,185,546.00	0.560660	0.538000	4,883,628.49	3,210,799.00	0.542265	-3%	3%
<b>Bond Fund(s) K - 12</b>	186,646.09	-	0.000000	0.000000	96,116.25	-	0.000000	#DIV/0!	-49%
<b>Special Building Fund</b>	448,164.77	-	0.000000	0.000000	428,273.07	-	0.000000	#DIV/0!	-4%
<b>Qualified Capital Purpose Undertaking Fund K - 12</b>	536,767.90	-	0.000000	0.000000	515,848.83	-	0.000000	#DIV/0!	-4%
<b>Total</b>	5,908,965.31	3,185,546.00	0.560660	0.538000	5,923,866.64	3,210,799.00	0.542265	-3%	0%