

**MULLEN BOARD OF EDUCATION**  
**August 28, 2023**  
**2023 Budget Workshop Meeting Agenda**  
**7:00 PM**

1. Call to order, roll call, and excuse board member absences.
2. Approval of the Agenda.
3. Discuss, consider and take all necessary action to approve the Depreciation Account payment to Gateway Motors for a 2023 Chevrolet Suburban for \$60,095.
4. Discuss, consider and take all necessary action to approve the local sub requests for Courtney Dahlberg and Katelyn Powers.
5. 2023 Mullen Public Schools Budget Workshop
6. Tax Resolution Hearing to Set Final Tax Request for the 2023-2024 School Year for Mullen Public Schools.
7. Discuss, consider and take all necessary action to approve the tax request resolution for the 2023-2024 school year.
8. Next Meeting - Monday September 11, 2023 in the 6-12 Library for the Regular Meeting which will include the 2023-2024 Budget Hearing for Mullen Public Schools
9. 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 28, 2023

**Mullen Public Schools**  
**Board of Education**  
**Budget Workshop**  
**August 28, 2023**

BUDGET WORK SESSION

August 28, 2023

**Valuation**

The 2023-2024 certified taxable value for the Mullen Public Schools will be approximately an increase of about \$62,691,616 or about 10.59%.

County	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Thomas	\$30,471,420	\$31,461,085	\$34,443,444	\$37,185,986	\$39,625,171
Cherry	\$199,253,849	\$198,255,871	\$197,837,470	\$204,275,299	\$217,531,769
Hooker	\$317,101,040	\$323,870,898	\$335,896,635	\$350,647,801	\$397,643,762
<b>Total</b>	<b>\$546,826,309</b>	<b>\$553,587,854</b>	<b>\$568,177,549</b>	<b>\$592,109,086</b>	<b>\$654,800,702</b>
<b>% increase</b>	<b>1.51%</b>	<b>1.24%</b>	<b>2.64%</b>	<b>4.21%</b>	<b>10.59%</b>

**\*\*\*\*\*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 2% rise in budget authority for the 2023-2024 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.

Budget	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Authority	\$4,614,836	\$4,643,426	\$4,737,387	\$4,883,628	\$4,990,522
Unused	\$584,320	\$372,016	\$322,891	\$269,946	\$222,752
Actual	\$4,030,516	\$4,271,410	\$4,414,496	\$4,613,682	\$4,767,770
Reserve	\$700,000	\$925,000	\$925,000	\$1,100,000	\$1,100,000
<b>Total</b>	<b>\$5,314,836</b>	<b>\$5,568,426</b>	<b>\$5,662,387</b>	<b>\$5,983,628</b>	<b>\$6,090,522</b>
<b>Increase</b>	<b>(2%)</b>	<b>(1%)</b>	<b>(1%)</b>	<b>(3%)</b>	<b>(2%)</b>

**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.

Receipts	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
				<i>Estimated</i>	<i>Estimated</i>
Local	\$2,757,999	\$2,787,853	\$3,011,158	\$3,082,583	\$3,016,006
State	\$869,492	\$827,876	\$850,428	\$948,292	\$1,066,319
Federal	\$93,331	\$193,456	\$174,076	\$145,340	\$162,743
<b>Total</b>	<b>\$3,720,822</b>	<b>\$3,809,185</b>	<b>\$4,035,662</b>	<b>\$4,176,215</b>	<b>\$4,245,068</b>

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

Actual Expenditures	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
			<i>Estimated</i>	<i>Estimated</i>	<i>Estimated</i>
<b>Total SPED</b>	<b>\$486,665</b>	<b>\$455,836</b>	<b>\$498,004</b>	<b>\$489,142</b>	<b>\$500,000</b>
<b>Total NON SPED</b>	<b>\$2,979,673</b>	<b>\$3,247,052</b>	<b>\$3,422,813</b>	<b>\$3,522,713</b>	<b>\$3,683,000</b>
<b>Total</b>	<b>\$3,466,338</b>	<b>\$3,702,888</b>	<b>\$3,920,817</b>	<b>\$4,011,855</b>	<b>\$4,183,000</b>

BUDGET WORK SESSION

August 28, 2023

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

Summary	2019-2020	2020-2021	2021-2022	2022-2023 Estimated	2023-2024 Estimated
Base	\$34,800	\$35,500	\$36,300	\$36,800	\$37,800
Teachers	\$1,700,626	\$1,779,287	\$1,833,048	\$1,882,832	\$2,013,793
Increase/Decrease	- \$54,781	\$78,661	\$53,761	\$49,784	\$130,961

**General Fund Summary-** This is a summary of the last 5 years of expenses versus receipts. . 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	2019-2020	2020-2021	2021-2022	2022-2023 Estimated	2023-2024 Estimated
Beginning Cash	<b>\$622,954</b>	<b>\$941,854</b>	<b>\$1,215,938</b>	<b>\$1,322,378</b>	<b>\$1,360,964</b>
Payroll	\$2,652,010	\$2,798,825	\$2,941,869	\$3,142,752	\$3,325,000
Bills	\$574,328	\$765,087	\$812,352	\$747,332	\$800,000
Transfers	\$240,000	\$155,000	\$175,000	\$247,546	\$180,000
Total Expenditures	<b>\$3,466,338</b>	<b>\$3,718,911</b>	<b>\$3,929,222</b>	<b>\$4,137,630</b>	<b>\$4,305,000</b>
Total Receipts	<b>\$3,785,238</b>	<b>\$4,003,812</b>	<b>\$4,035,662</b>	<b>\$4,176,216</b>	<b>\$4,315,000</b>
Cash Reserve	<b>\$941,854</b>	<b>\$1,215,938</b>	<b>\$1,322,378</b>	<b>\$1,360,964</b>	<b>\$1,370,461</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 that expenditures. This will allow us to maintain our cash reserve and operate accordingly.

	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Levy	.579715	.575006	.56006	.542265	.480211
Asking	\$3,170,331	\$3,183,163	\$3,185,546	\$3,210,799	\$3,144,422

**\*\*\* 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.

	2019-2020	2020-2021	2021-2022	2022-2023 Estimated	2023-2024 Estimated
Beginning Balance	\$190,967	\$359,895	\$339,877	\$367,590	\$454,960
Interest	\$1246	\$1264	\$971	\$800	\$800
Transfer from General	\$200,000	\$142,000	\$150,000	\$200,000	\$150,000
Disbursements	\$32,319	\$163,281	\$123,258	\$113,430	\$200,000
Total Available	\$359,895	\$339,877	\$367,590	\$454,960	\$405,760

**BUDGET WORK SESSION SUMMARY**

August 28, 2023

**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>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>2022-2023 <i>Estimated</i></b>	<b>2023-2024 <i>Estimated</i></b>
Beginning Balance	\$72,032	\$72,486	\$72,946	\$73,049	\$73,179
Interest	\$454	\$295	\$267	\$130	\$130
Disbursements	\$0	\$0	\$0	\$0	\$0
<b>Total Resources</b>	<b>\$72,486</b>	<b>\$72,781</b>	<b>\$73,049</b>	<b>\$73,179</b>	<b>\$73,309</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>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>2022-2023 <i>Estimated</i></b>	<b>2023-2024 <i>Estimated</i></b>
Beginning Balance	\$233,796	\$222,898	\$225,044	\$209,969	\$268,015
Activity Receipts	\$133,037	\$149,620	\$175,720	\$170,098	\$170,000
Transfer from General	\$ 25,000	\$ 25,000	\$ 30,000	\$ 30,000	\$ 30,000
Disbursements	\$168,934	\$172,475	\$220,796	\$142,052	200,000
<b>Total Resources</b>	<b>\$222,898</b>	<b>\$225,044</b>	<b>\$209,969</b>	<b>\$268,015</b>	<b>\$268,015</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>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>2022-2023 <i>Estimated</i></b>	<b>2023-2024 <i>Estimated</i></b>
Beginning Balance	\$20,362	\$6,101	\$51,123	\$53,351	\$37,232
Sale of Lunches / Milk	\$30,226	\$11,528	\$11,832	\$33,198	\$30,000
State Reimbursement	\$367	\$127	\$0	\$921	\$700
Interest	\$91	\$122	\$150	\$400	\$100
Federal Reimbursement	\$28,632	\$104,598	\$110,479	\$78,126.22	\$75,000
Transfers	\$15,000	\$0	\$0	\$0	\$0
<b>Total Receipts</b>	<b>\$94,677</b>	<b>\$152,476</b>	<b>\$173,434</b>	<b>\$165,997</b>	<b>\$143,032</b>
<b>Expenditures</b>					
<b>Total Expenditures</b>	<b>\$88,576</b>	<b>\$101,354</b>	<b>\$120,083</b>	<b>\$128,766</b>	<b>\$130,000</b>

In preparations for the start of the 2023-2024 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 28, 2023

**\*\*\*\*\*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>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<i>2022-2023 Estimated</i>	<i>2023-2024 Estimated</i>
Balance	\$457,571	\$441,980	\$444,635	<i>\$427,713</i>	<i>\$423,427</i>
Property Taxes	\$7,774	\$159	\$0	<i>\$0</i>	<i>\$0</i>
Disbursements	\$31,720	\$4,074	\$18,522	<i>\$18,311</i>	<i>\$20,000</i>
Local/State Sources	<b>\$8,355</b>	<b>\$6,570</b>	<b>\$1,600</b>	<i>\$14,025</i>	<i>\$3,000</i>
Total Available	<b>\$441,980</b>	<b>\$444,635</b>	<b>\$427,713</b>	<i>\$423,427</i>	<i>\$406,427</i>

**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>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<i>2022-2023 Estimated</i>	<i>2023-2024 Estimated</i>
Receipts before Taxes	\$327,026	\$273,044	\$176,271	<i>\$78,397</i>	<i>\$0</i>
Property Taxes	\$36,447	\$2,562	\$6	<i>\$0</i>	<i>\$0</i>
Other Resources	\$14,125	\$866	\$374	<i>\$17,719</i>	<i>\$0</i>
Payments	\$96,915	\$100,201	\$98,254	<i>\$96,116</i>	<i>\$0</i>
Total Available	<b>\$273,044</b>	<b>\$176,271</b>	<b>\$78,397</b>	<i>\$0</i>	<i>\$0</i>
<b>OUTSTANDING</b>	<b>BOND</b>	<b>DEBT</b>	<b>PAYMENTS</b>		
Bond			2023-24	Total	
2012 Refunded			\$0	\$0	

We should be able to close 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 was the payment for the construction of the Hilltop Gymnasium.

	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<i>2022-2023 Estimated</i>	<i>2023-2024 Estimated</i>
Resources	\$389,674	\$456,472	\$501,037	\$504,710	<i>\$505,373</i>	<i>\$11,223</i>
Property Taxes	\$57,700	\$37,437	\$2,793	\$7	<i>\$0</i>	<i>\$0</i>
Other Resources	\$30,136	\$28,166	\$21,917	\$21,695	<i>\$11,368</i>	<i>\$11,000</i>
Payments	\$21,038	\$21,038	\$21,038	\$21,038	<i>\$505,519</i>	<i>\$0</i>
Total Resources	<b>\$456,472</b>	<b>\$501,037</b>	<b>\$504,710</b>	<b>\$505,373</b>	<i>\$11,223</i>	<i>\$22,223</i>
<b>OUTSTANDING</b>	<b>BOND</b>	<b>DEBT</b>	<b>PAYMENTS</b>	2023-24	Total	
<i>Series 2011, Construction</i>				\$0	<i>\$0</i>	

The federal government is behind on payments to the QSCB loans and we believe that we are due one more payment of around \$11,000. We will want to keep this fund open until payments are received. I am hopeful to close this fund in September 2024.

BUDGET WORK SESSION SUMMARY

August 28, 2023

**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>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>2022-2023</b>	<b>2023-2024</b>
General Fund	.579715	.575006	.56066	.542265	.480211
Building Fund	.000000	.000000	.000000	.000000	.000000
Bond Fund	.006465	.000000	.000000	.000000	.000000
Qualified Capital Purpose Fund (QCPUF)	.007389	.000000	.000000	.000000	.000000
<b>Total Levy Tax Rate</b>	<b>.593569</b>	<b>.575006</b>	<b>.56066</b>	<b>.542265</b>	<b>.480211</b>
<b>Increase/Decrease</b>	<b>3%</b>	<b>-3%</b>	<b>-2%</b>	<b>-4%</b>	<b>-11%</b>

<b>Tax Request</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>Est. 2022-23</b>	<b>Est. 2023-24</b>
General Fund	\$3,170,034	\$3,183,163	\$3,185,546	\$3,210,799	\$3,144,422
Building Fund	\$0	\$0	\$0	\$0	\$0
Bond Fund	\$35,354	\$0	\$0	\$0	\$0
QCPUF	\$40,404	\$0	\$0	\$0	\$0
<b>Total Budget Request</b>	<b>\$3,245,792</b>	<b>\$3,183,163</b>	<b>\$3,185,546</b>	<b>\$3,210,799</b>	<b>\$3,144,422</b>
<b>Increase in Tax Asking</b>	<b>\$151,854</b>	<b>\$-62,629</b>	<b>\$2,383</b>	<b>\$25,253</b>	<b>-\$66,377</b>
<b>% Increase</b>	<b>3%</b>	<b>-3%</b>	<b>0%</b>	<b>.8%</b>	<b>- 2%</b>

**My Suggestion .**

	<b>2023-2024</b>
General Fund	.480211
Building Fund	.000000
Bond Fund	.000000
QCPUF	.000000
<b>Total Levy</b>	<b>..480211</b>
<b>Change in Levy</b>	<b>-.062054</b>
<b>Tax Asking</b>	<b>\$3,144,422</b>
<b>Change in Asking</b>	<b>- \$66,377</b>
<b>Percentage Increase</b>	<b>-11%</b>



**RESOLUTION SETTING THE PROPERTY TAX REQUEST**

**RESOLUTION NO. 2023**

WHEREAS, Nebraska Revised Statute 77-1632 and 77-1633 provides that the Governing Body of Mullen Public Schools passes by a majority vote a resolution or ordinance setting the tax request; and

WHEREAS, a special public hearing was held as required by law to hear and consider comments concerning the property tax request;

NOW, THEREFORE, the Governing Body of Mullen Public Schools resolves that:

- 1. The 2023-2024 property tax request be set at:

General Fund:	\$	3,144,422.00
Bond Fund:	\$	-
Special Building Fund:	\$	-
Qualified Capital Purpose	\$	-
Undertaking Fund:		

- 2. The total assessed value of property differs from last year’s total assessed value by 10.59 percent.
- 3. The tax rate which would levy the same amount of property taxes as last year, when multiplied by the new total assessed value of property would be 0.490348 per \$100 of assessed value.
- 4. Mullen Public Schools proposes to adopt a property tax request that will cause its tax rate to be 0.480211 per \$100 of assessed value.
- 5. Based on the proposed property tax request and changes in other revenue, the total operating budget of Mullen Public Schools will increase (or decrease) last year’s budget by -8.42 percent.
- 6. A copy of this resolution be certified and forwarded to the County Clerk on or before October 15, 2023.

Motion by \_\_\_\_\_, seconded by \_\_\_\_\_ to adopt Resolution #2023.

Voting yes were:

\_\_\_\_\_  
Liza Simonson  
\_\_\_\_\_  
Dane Peterson  
\_\_\_\_\_  
Casey Phillips  
\_\_\_\_\_  
Mike French  
\_\_\_\_\_  
Travis Hampton  
\_\_\_\_\_  
Patrick Wright  
\_\_\_\_\_

Voting no were:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dated this 28th day of August, 2023