



COMMITTEE OF THE WHOLE
MEETING



MAY 9, 2005

AGENDA SUMMARY SHEET

AGENDA ITEM: FYE06 Budget Projections Report

MEETING DATE: May 9, 2005

DEPARTMENT: General Administration

TITLE & BRIEF DESCRIPTION: FYE06 Budget Projects Report – An overview of projected FYE06 budget revenues, expenditures, and levies.

ACTION DESIRED: Approval Discussion Information Only

BACKGROUND: See attached information.

OPTIONS AND ALTERNATIVES: n/a

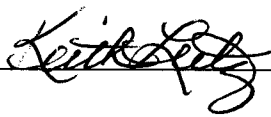
RECOMMENDATION: n/a

STRATEGIC PLAN REFERENCE: n/a

IMPLICATIONS OF ADOPTION/REJECTION: n/a

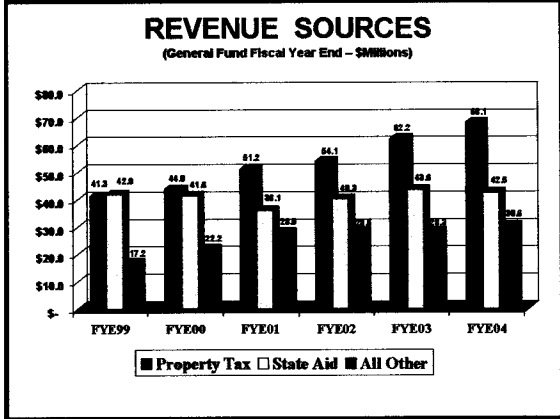
TIMELINE: n/a

RESPONSIBLE PERSON: Ken Fossen, Associate Superintendent (General Administration)

SUPERINTENDENT'S APPROVAL:  _____

FYE06 BUDGET PROJECTIONS

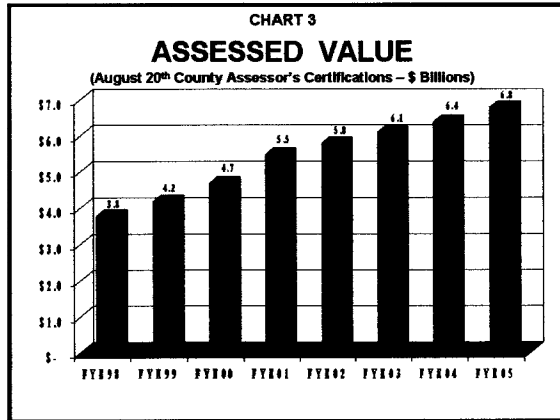
Millard Public Schools
Board of Education Meeting
May 9, 2005

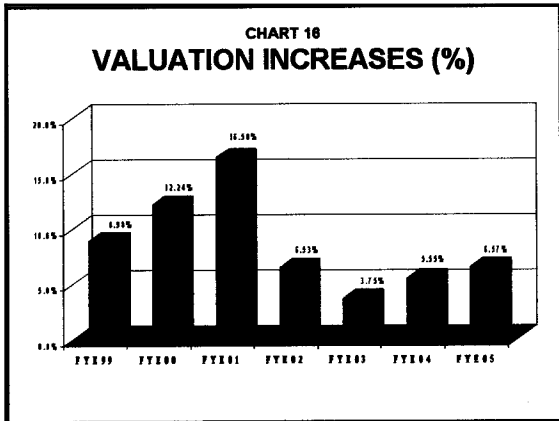


- ### STATE AID
- FYE05 = \$ 43.5m
 - FYE06 = \$ 48.2m
 - State Aid = Needs - Resources
 - Elem = 1.0 JH = 1.2 SH = 1.4
 - Cost Group Cost = \$ 5,665
 - Poverty Component = \$ 37,953
 - Sales/Assessment Ratio = 95%

- ### OPTION-IN STUDENTS
- Option-In Students (State Aid)
 - Each Elementary Student = \$ 5,665/yr.
 - Each Junior High Student = \$ 6,798/yr.
 - Each Senior High Student = \$ 7,931/yr.
 - Option-In Students (Property Tax)
 - No general fund property tax
 - No building fund property tax
 - No bond fund property tax

- ### PROPERTY TAX
- 2004 Valuation (FYE05)
 - Total Value = \$ 6.85 billion
 - \$1.05 tax levy = \$ 7.2m (less 1% collection)
 - 2005 Valuation (FYE06)
 - Total Value = \$7.23 billion
 - Estimated 5.5% Growth
 - Certification on 8/20/05
 - \$1.05 tax levy = \$ 7.6m (less 1% collection)





OTHER REVENUE

- Estimate \$ 30.6m
 - Similar to FYE05
- Sources Include
 - Motor Vehicles (\$ 9.0m)
 - Special Education (\$ 8.0m)
 - IDEA Additional (\$ 2.3m)
 - Pre-School Spec. Ed. (\$ 2.0m)
 - State Apportionment (\$ 1.8m)

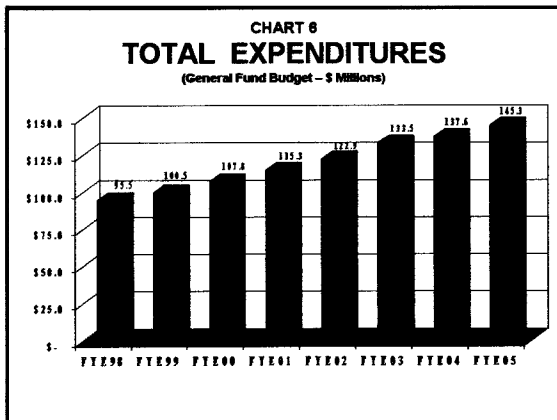
OTHER REVENUE

- Spec. Ed. Transportation (\$ 1.2m)
- Public Power In-Lieu of Tax (\$ 1.5m)
- County Fines & Licenses (\$ 0.9m)
- Police Court Fines (\$ 0.5m)
- Homestead Exemption (\$ 0.3m)
- Prorated Motor Vehicle (\$ 0.3m)
- Medicaid Administration (\$ 0.1m)
- Others: Interest, tuition, donations, sale of property, insurance adjustments, etc.

ESTIMATED EXPENDITURES

- Program Budgeting in Process
 - 5.0% Est. Increase for Salary/Benefits
 - 3.5% Est. Increase for All Other Items
 - \$ 1m for student growth & new initiatives
- Total Budget (est.) = \$153.6m
 - 5.7% increase over last year
- DBT Meeting May 20, 2005

[Note: Need to schedule budget retreat for board.]



SPENDING LID

Basic Growth	= 2.5%	} "Applicable Allowable Growth Rate" (AAGR) (Requires 75% Vote) (300 New Students)
Low Spender	= 1.2%	
Board Option	= 1.0%	
Student Growth	= 1.5%	
Unused Auth.	= 3.5%	
Total	= 9.7%	

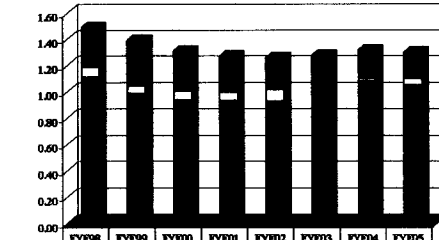
[Note: The exclusions (grants, sped, VESP, and interlocals) are removed before the lid increase is computed. After the computation, they are added back in and may be increase or decrease at any percentage.]

LEVY LID

- Maximum Levy
 - Basic Levy Lid = \$ 1.05
 - State Aid Recapt. = 0.25
 - VESP = 0.35
 - Total = \$ 1.11
- Revenue Generated
 - \$ 1.11 x \$ 7.23m = \$ 8.0m

The Levy Lid
Includes Both
the General Fund
and the Building
Fund

TAX LEVY BY FUND



	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05
■ Bond	0.31	0.35	0.31	0.27	0.34	0.23	0.22	0.30
□ Building	0.07	0.05	0.05	0.05	0.09	---	0.02	0.05
■ General	1.12	0.99	0.94	0.94	0.90	1.05	1.08	1.05

POSSIBLE SCENARIO

- \$ 1.05 General Fund Levy
- 0.06 Building Fund Levy
- 0.22 Bond Fund Levy
- \$ 1.33 Total Levy

Note: 1 cent levy = \$ 723,000 revenue

[Assumes: (1) no change in cash balance, (2) property value increase of 5.5%, and (3) "other revenues" received are similar to preceding year.]

**MILLARD PUBLIC SCHOOLS
FYE06
STATE AID**

NEEDS

<u>Enrollment</u>	<u>Grade Level</u>	<u>ADM/FM Ratio</u>	<u>Contracted Out</u>	<u>Formula Students</u>	<u>Weight Factor</u>	<u>Weighted Formula Students</u>
0	Half-Day Kdg.	1.0002635	3.00	3.00	0.5	1.50
10,404	FDK - 6th Grade	1.0002635	5.00	10,411.74	1.0	10,411.74
3,084	7th - 8th Grade	1.0002635	9.00	3,093.81	1.2	3,712.58
6,442	9th - 12th Grade	1.0002635	26.00	6,469.70	1.4	9,057.58
<u>19,930</u>				<u>19,978.25</u>		<u>23,183.39</u>

		<u>Students</u>	<u>Factor</u>	<u>Total</u>
23,183.39	Weighted Formula Students	23,183.39	1.000	23,183.39
34.00	Limited English Proficiency	136.00	0.250	34.00
6.70	Free Lunch / Poverty (>5%)	134.09	0.050	6.70
0.00	Indian Land Factor	0	0.250	0.00
0.00	Extreme Remoteness	0	0.125	0.00
<u>23,224.10</u>	<u>Total Adjusted Formula Students</u>			<u>23,224.10</u>

23,224.10	Total Adjusted Formula Students
\$ 5,664.69	Cost Group Cost (Standard)
\$ 131,557,285	Needs Subtotal

\$ 131,557,285	Needs Subtotal
\$ 956,962	Transportation Allowance
\$ 9,500,697	Special Education Allowance
\$ 142,014,943	Total System Formula Needs
\$ (1,775,187)	Temporary Aid Adjustment Factor
\$ 140,239,757	Modified System Formula Needs

RESOURCES

		<u>Assessed Valuation</u>	<u>S/A Ratio</u>	<u>Adjusted Valuation</u>	<u>\$0.95 Yield</u>
\$ 68,516,148	Yield From Local Effort Rate	6,849,871,741	0.949758	7,212,226,116	68,516,148
\$ 2,754,219	Net Option Funding				
\$ 4,453,440	Allocated Income Tax Funds				
\$ 23,581,295	Other Actual Receipts				
\$ -	Minimum Levy Adjustment				
\$ 99,305,101	Total System Formula Resources				

	<u>Min. Levy</u>	<u>Act. Levy</u>	<u>Diff</u>	<u>Penalty</u>
	0.9450			

STATE AID CALCULATIONS

Calculations

\$ 40,934,655	Equalization Aid (Needs - Resources)
\$ 2,754,219	Net Option Funding
\$ 4,453,440	Allocation of Income Tax Funds
\$ -	Lop Off
\$ -	Stabilization Factor
\$ -	Non-Equalization Minimum Levy Adjustment
\$ -	Small School Stabilization Adjustment
\$ -	District Reorganization Incentive Payment
\$ 48,142,314	Total State Aid Without Recapture or Correction

Adjustments

\$ 48,142,314	Total State Aid Without Recapture or Correction
\$ -	Recapture of Prior Year Deficiencies
\$ 38,877	Prior Year (FYE05) State Aid Correction
\$ 48,181,190	Total State Aid

**MILLARD PUBLIC SCHOOLS
FYE05
STATE AID**

NEEDS

<u>Enrollment</u>	<u>Grade Level</u>	<u>ADM/FM Ratio</u>	<u>Contracted Out</u>	<u>Formula Students</u>	<u>Weight Factor</u>	<u>Weighted Formula Students</u>
0	Half-Day Kdg.	0.9992768	2.00	2.00	0.5	1.00
10,188	FDK - 6th Grade	0.9992768	4.00	10,184.63	1.0	10,184.63
3,177	7th - 8th Grade	0.9992768	6.00	3,180.70	1.2	3,816.84
<u>6,103</u>	9th - 12th Grade	0.9992768	20.00	<u>6,118.59</u>	1.4	<u>8,566.02</u>
19,468				19,485.92		22,568.50
			<u>Students</u>	<u>Factor</u>	<u>Total</u>	
22,568.50	Weighted Formula Students		22,568.50	1.000	22,568.50	
32.00	Limited English Proficiency		128.00	0.250	32.00	
0.00	Free Lunch / Poverty (946 < 5%)		0	0.250	0.00	
0.00	Indian Land Factor		0	0.250	0.00	
<u>0.00</u>	Extreme Remoteness		0	0.125	<u>0.00</u>	
22,600.4955	Total Adjusted Formula Students				22,600.50	
22,600.4955	Total Adjusted Formula Students					
<u>5,346.81</u>	Cost Group Cost (Standard)					
\$ 120,840,652	Needs Subtotal					
\$ 120,840,652	Needs Subtotal					
820,505	Transportation Allowance					
9,212,348	Special Education Allowance					
\$ 130,873,505	Total System Formula Needs					
\$ (1,635,919)	Temporary Aid Adjustment Factor					
129,237,586	Modified System Formula Needs					

RESOURCES

		<u>Assessed Valuation</u>	<u>S/A Ratio</u>	<u>Adjusted Valuation</u>	<u>\$0.95 Yield</u>
\$ 63,626,987	Yield From Local Effort Rate	6,427,751,582	0.959713	6,697,577,541	63,626,987
1,760,830	Net Option Funding	(Includes \$1.6m LB898 Temp. Aid Adj.)			
4,950,570	Allocated Income Tax Funds				
22,364,418	Other Actual Receipts	<u>Min. Levy</u>	<u>Act. Levy</u>	<u>Diff</u>	<u>Penalty</u>
0	Minimum Levy Adjustment	0.9450			
\$ 92,702,804	Total System Formula Resources				

STATE AID CALCULATIONS

Calculations

\$	36,534,782	Equalization Aid (Needs - Resources)
	1,760,830	Net Option Funding
	4,950,570	Allocation of Income Tax Funds
	0	Lop Off
	0	Stabilization Factor
	0	Non-Equalization Minimum Levy Adjustment
	0	Small School Stabilization Adjustment
	0	District Reorganization Incentive Payment
\$	43,246,182	Total State Aid Without Recapture or Correction

Adjustments

\$	43,246,182	Total State Aid Without Recapture or Correction
	0	Recapture of Prior Year Deficiencies
	226,556	Prior Year (FYE04) State Aid Correction
\$	43,472,738	Total State Aid

Millard Public Schools			
FY06 Budget Projections			
Budgeting Factors			
Levy Information			
Preliminary Valuation	\$ 7,226,614,687		
Maximum Tax Levy Before Exclusion (GF & SB)	\$ 1.0500		
VESP Levy Exclusion	\$ 0.0340		
State Aid Loss Exclusion	\$ 0.0246		
Maximum Tax Levy	\$ 1.1086		
Growth Rates			
Basic Allowable Growth Rate (BAGR)	2.5000%		
Applicable Allowable Growth Rate (AAGR)	3.6842%		
Maximum Allowable Growth Rate (MAGR)	4.6842%		
Unused Budget Authority	\$ 5,207,198		
	Current	Projected	%
	FY05 Budget	FY06 Budget	Change
Budget Before Exclusions			
Salaries & Benefits	\$ 94,054,771	\$ 98,757,510	5.00%
Non-Personnel	\$ 17,661,131	\$ 18,279,271	3.50%
Additional	\$ -	\$ 1,000,000	N/A
Sub Total	\$ 111,715,903	\$ 118,036,781	
Lid Exclusions			
SPED	\$ 20,025,395	\$ 21,142,082	
GRANTS	\$ 4,158,488	\$ 4,357,641	
INTERLOCAL	\$ 5,420,797	\$ 5,612,290	
SUBS	\$ 1,936,386	\$ 2,000,000	
VESP	\$ 2,016,062	\$ 2,456,062	
Sub Total	\$ 33,557,129	\$ 35,568,075	
Total	\$ 145,273,032	\$ 153,604,856	5.74%
NOTES:			
Valuation Increase Estimated at 5.5%			
Maximum Spending Lid Does Not Include Anticipated Growth of 300 Students			
FY06 Cash Reserve To Remain at Estimated \$30,000,000			