

Maize School Budget Basics for 16-17:

Budget Estimates. The budget is built on ESTIMATES in July for FTE (full time equivalency), Assessed Values, Revenues & Expenses.

Estimated Full Time Equivalence (FTE). Is the number of students enrolled in our district on a full time calculation. (example; a kindergartner is calculated as 1/2 FTE) The estimated FTE is used in calculating our General Fund budget amount. This is only an estimate at this time and we will determine our actual FTE on September 20. Our final budget amount will not be determined until the Kansas State Department of Education audits us by April.

Estimated Assessed Valuation. The County Appraiser determines an appraised value for personal and business property in the Maize district. The appraised value is taken times a factor of 11.5% on personal property and ranging from 12% to 33% on business and other property to form the assessed valuation. This assessed valuation from the county is not final until October or November. Our estimated assessed value is \$401.5 million this year and is an increase of about \$18 million or 4.7% from last year.

Fund Accounting. The budget is made up of many small budgets (funds) that make up the total budget. Each fund may have different budget rules and regulations.

General Fund. - This is the main large budget that also can transfer money to other funds. Prior to Block Grants, the maximum General Fund budget was arrived from our estimated FTE and a process called weighted enrollment on Form 150. Legislative Block Grants will basically freeze our General Fund and LOB budgets for the next 2 years. Our estimated maximum budget is \$42.6 Million for FY2017. The Legislative Block Grant runs the LOB and KPERS State Aid through the General Fund this year. When adjusting for these and the Spec Ed and Virtual transfer, the net General Fund is actually \$30,681,965 and is a reduction of \$59,725 from last year. General fund expenses are for: Instructional; Student and Instructional Support (Counselor, Nurse & Librarian); Administration (Central Office, BOE and Building); Operations & Maintenance; Student Transportation, Student Activities & Athletics; and Transfers to other funds.

Supplemental General Fund - aka Local Option Budget (LOB). This is a supplemental or additional budget to the General Fund and is an option for the local Board. The BOE approved 30% authority for this year. This percent is taken times the General Fund Budget in a formula to determine the LOB budget. This year, the LOB is estimated at \$12.5 Million. Our LOB expenses are used for a portion of the Instructional Certified salaries and Technology expenses. The legislative Block Grants have frozen this for the next 2 years also. The General Fund and LOB budgets are used for our operating budget.

Capital Outlay Fund. This fund allows the BOE to levy taxes for equipment, property purchases or facility additions. As of the 2005 legislation, 8 mills are the maximum allowed and Maize USD has a current resolution allowing up to 8 mills. The BOE has the option to approve up to the 8.0 mill levy for this year and is used along with interest on idle funds and possible year-end transfers from the General Fund to provide the revenues. Beginning in 14-15 the State provided Capital Outlay State aid. This amount was reduced mid-year and the legislature continued that same reduced amount for 15-16. Due to the Equalization Court Case, Capital Outlay state aid formula will be fully funded in 16-17.

Special Assessment Fund. There are no mills being assessed to this fund currently. The carryover funds from prior years could be used for a stop light or access road to our schools.

Bond Fund. This is approved by an election to build our school buildings and the funds are set up to repay the debt. The school finance law currently provides 43% State Aid for our bonds. The bond election in June 2015 approved \$70.7 million for additions and renovations to the existing Maize Middle School, Maize High School, Maize South High School, new Transportation Center, new Early Childhood Center and Athletic Field upgrades.

Other Funds. There are several other funds that do not have mill rates that make up the total budget. They are Bilingual Education, Driver Training, Food Service, Professional Development, Parent Education Program, Summer School, Special Education, Vocational Education K-12 At-Risk, 4 yr. old At-Risk and Virtual School. Most of these receive transfers from the general fund.

Recreation Fund. The Recreation fund was approved by public election and Board resolution up to 1 mill that began in FY 2000. The school acts as the tax generating revenue source for the Recreation Commission to operate.

Mill Levy. The Assessed Valuation and required local tax dollars combine to calculate Mill Rates for the County to process the school taxes. One mill equals one tax dollar for each \$1,000 of assessed valuation. **One mill will generate about \$401,500 for our district from 2016 taxes.** (Taxpayers usually pay half in December and the remaining half in May. Our total mill estimate for taxes including the Recreation Commission 1.0 mill is 60.571 and is a decrease of 2.25 mills from last year.

If the appraised value remains the same on a \$100,000 Residential property, the 2.255 mill decrease will decrease the taxes by about \$ 25.93 per year. (11,500 x .002255)

Legal School Budget Timeline Requirements:

1. The School District budget should be prepared on or before August 1 of each year.
2. There must be at least 10 days notice for the time and place of the budget hearing in the newspaper and includes the proposed budget amounts.
3. The budget must be certified to the county clerk by August 25.

Mill Comparison:	15-16	16-17	Difference
General Fund	20.000	20.000	-0-
LOB	14.081	12.124	- 1.957
Cap. Outlay	8.000	8.000	0.000
Bond Fund	19.745	19.447	- 0.298
Rec. Com.	<u>1.000</u>	<u>1.000</u>	<u>0.000</u>
Total	62.826	60.571	- 2.255

CALCULATION OF ESTIMATED TAXES FOR 2014-15

Using the tax levy of 20.0 mills for the general fund and 40.571 mills for the other levied funds, you will be able to estimate your school district and Recreation Commission taxes by using the following calculations.

School Tax Calculations for a residence with a \$100,000 appraised value.

(Individual residential values may be used in place of the \$100,000 to determine est. taxes.)

(Business and other property would have an assessment ratio of 12, 25 or 30%)

Calculation for General Fund taxes:

Calculation for Other Levied Funds:

\$100,000	Residential Appraised Value
- <u>\$ 20,000</u>	Residential Property Exemption (from 1997 Legislation)
\$ 80,000	Reduced Market Value
x <u>.115</u>	Assessment Ratio by State
\$ 9,200	Reduced Assessment Value
x <u>.02000</u>	20.0 Statewide Gen Fund Mills (per thousand)
\$ 184.00	General Fund Tax Amount
	\$ 184.00
	+ <u>\$ 466.57</u>
	\$ 650.57

\$100,000	Residential Value
x <u>.115</u>	Assessment Ratio
\$ 11,500	Full Assessed Value
x <u>.040571</u>	<u>40.571</u> Total Other Fund Including 1 mill Rec Com
\$ 466.57	Other Funds Taxes
	General Fund Tax Amount
	Other Funds Levied Tax Amount
	Total Est. School District & Rec Com. Tax for a \$100,000 County appraised residence.

If the appraised value remains the same on a \$100,000 property, the 2.255 mill decrease:

Will decrease Residential by about \$25.93 per year (11,500 x .002255)

Will decrease Commercial by about \$56.38 per year (25,000 x .002255)

Will decrease Ag Land by about \$67.65 per year (30,000 x .002255)

One mill will generate about \$ 401,518 in taxes from the estimated valuation of \$ 401,518,470. Up 4.7%