



# **Hamilton Community Schools**

**2019-20 Public Budget /**

**Truth in Taxation Hearing**

**June 10, 2019**



# **General Fund vs. Debt Fund**



## Differences Between Funds

### General Fund

- Accounts for instructional and related activities
- Funded by state aid
  - State-levied 6 mills on homestead property*
  - District-levied 18.0 mills on non-homestead property*

### Debt Fund

- Accounts for repayment of voter-approved bonds
  - When bonds are approved, voters agree to tax themselves enough to repay debt over a prescribed number of years*



## General Fund

## Budget Overview

## 2018-19 Budget Outlook

Revenues	Current Budget	Proposed
		Amendment
Local Sources	\$ 3,597,200	\$ 3,654,200
State Sources	25,181,600	25,525,300
Federal Sources	810,600	827,700
Other Sources	<u>2,454,200</u>	<u>2,606,200</u>
<b>Total Revenues</b>	<b><u>\$ 32,043,600</u></b>	<b><u>\$ 32,613,400</u></b>
<b>Expenditures</b>		
Instruction	\$ 20,735,800	\$ 20,878,200
Supporting Services	10,808,700	11,002,900
Community Services/Other	<u>315,300</u>	<u>335,000</u>
<b>Total Expenditures</b>	<b><u>\$ 31,859,800</u></b>	<b><u>\$ 32,216,100</u></b>

## State Budget

### Governor Proposal:

- Increased per-pupil funding \$180
- Increase at-risk and special ed funding
- Proposed weighted funding methodology based on actual needs of students
- Increased fuel tax for roads required to support proposed increases and / or reallocation of dollars currently going to higher ed

### Senate Proposal:

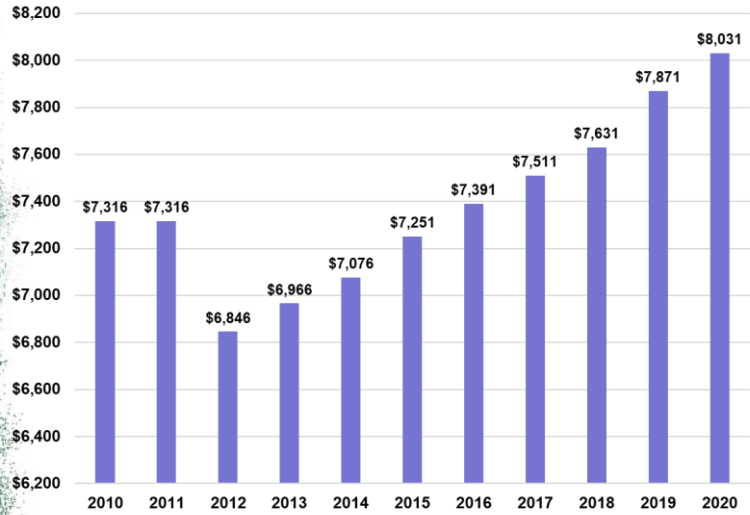
- Increased per-pupil funding \$270
- Proposal for at-risk, special ed and other categoricals are more conservative
- Little or no increased fuel tax for roads

### House Proposal:

- Increased per-pupil funding \$180
- Proposal for special ed and categoricals are similar to Senate



## Foundation Allowance Trend



## State Aid Bill Impact

	2018/19	2019/20	+/-
Foundation Grant Per Pupil	\$7,871	\$8,031	\$160
MPSERS Impact			(\$61)
Healthcare			(\$19)
<b>Proposal Impact</b>			<b>\$80</b>

+\$80 per pupil over prior year =

**\$249,600**

## FA Increases vs. Retirement Rate Increases

	<u>2010/11</u>	<u>2019/20</u>	<u>+/-</u>	<u>Variance</u>
Foundation Grant Revenue Per Pupil	\$7,316	\$8,031	\$715	9.8%
Retirement Cost Per Pupil	\$1,061	\$1,406	(\$345)	32.5%
Net Increase Per Pupil			\$370	
Dollar Impact			\$1,022,300	

## Changes For 2019-20

### Revenues

- Increased per-pupil funding from State +\$160
- Projected student enrollment +5 from 2018-19
- Grant revenues flat
- Enhancement Millage

### Expenditures

- Inflationary costs –
  - Hardcap, Retirement, etc. +\$200k
  - Operational Costs (ie: Utilities; Fuel; etc.) +\$114k
- Salary/Pay Increases; Additional Positions/FTE's +\$641k
- Dual enrollment / On-Line courses / Early College +\$37k

## 2019-20 Proposed Budget

	2018-19 Final	Proposed 2019-20
Revenues	Amended Budget	Budget
Local Sources	\$ 3,654,200	\$ 3,622,800
State Sources	25,525,300	25,655,900
Federal Sources	827,700	857,700
Other Sources	<u>2,606,200</u>	<u>3,339,900</u>
<b>Total Revenues</b>	<b><u>\$ 32,613,400</u></b>	<b><u>\$ 33,476,300</u></b>
<b>Expenditures</b>		
Instruction	\$ 20,878,200	\$ 21,238,300
Supporting Services	11,002,900	11,759,600
Community Services/Other	<u>335,000</u>	<u>337,000</u>
<b>Total Expenditures</b>	<b><u>\$ 32,216,100</u></b>	<b><u>\$ 33,334,900</u></b>

## Hamilton Fund Balance

Actual 6/30/18 Fund Balance	\$5,994,479	20.2%
Projected 2018-19 Surplus	\$397,300	
Projected 6/30/19 Fund Balance	\$6,391,779	19.8%
Projected 2019-20 Surplus	\$141,400	
Projected 6/30/20 Fund Balance	\$6,533,179	19.6%



# Debt Fund

## Proposed Tax Levy



### Proposed 2019 Debt Millage

When bonds are approved, voters agree to tax themselves enough to repay the debt over a prescribed number of years.

In order to meet the principal and interest obligation on voter-approved bonds, the District will levy 4.50 mills beginning with the next tax billings.



## Next Steps

Tonight, the Board will take action on:

- 2018-19 Budget Amendment Resolution
- 2019-20 Budget Resolution
- 2019 Tax Levy Resolution

*This presentation will be available on the District's website beginning **Tuesday, June 11***