

NORFOLK PUBLIC SCHOOLS



Budget Overview

2022-2023

October 1st, 2022

To: All Parents, Students and Citizens of Norfolk Public Schools

The 2022-2023 school year is underway and all of the administrative, teaching and support staff have been working hard at providing the best educational experiences possible for all students of Norfolk Public Schools. Our current staff is dedicated in being resourceful when it comes to providing those learning opportunities. Coming into this fiscal year our district continues to have solid fiscal health in all funds. The following pages discuss the 2022-2023 Norfolk Public Schools budget broken down by the different areas that fund education in our district. This budget is reflective of Norfolk's fiscally conservative values while also keeping us moving forward in order to provide our students a comprehensive education. I ask everyone to please review the finances of our district and if at any time you have questions, please feel free to contact my office for clarification. I hope everyone has a great school year, GO PANTHERS!

Educationally Yours,

Dr. William R. Robinson Jr.

Dr. William Robinson
Associate Superintendent of Business, Maintenance and Facilities
Norfolk Public Schools

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Budget Summary for 2022-2023

Our district is expected to continue to have solid fiscal health for 2022-2023 with the ability to maintain current programs while also considering future district needs. The district's cash reserves in the general and depreciation funds are within the allowable 25% limit. These reserves represent approximately a 4-month cash flow for the district in the general fund and adequate reserves in the depreciation fund for unforeseen capital expenditures. A district our size should strive to keep at least 3 months expenditures in its general fund reserves and 1 year of the maintenance and instructional budget in depreciation.

As with any budget discussion the district needs to be cognitive of the taxes our local patrons pay. The 2022-2023 fiscal year will see a healthy valuation increase overall in our district. With the valuation increase it is recommended a \$.001869 overall levy reduction be approved. This would adjust our overall levy from a \$1.080000 to \$1.078131. The district has made great strides in this area over the past 12 years with over a 23.4 cent levy reduction.

2022-2023 Budget Details:

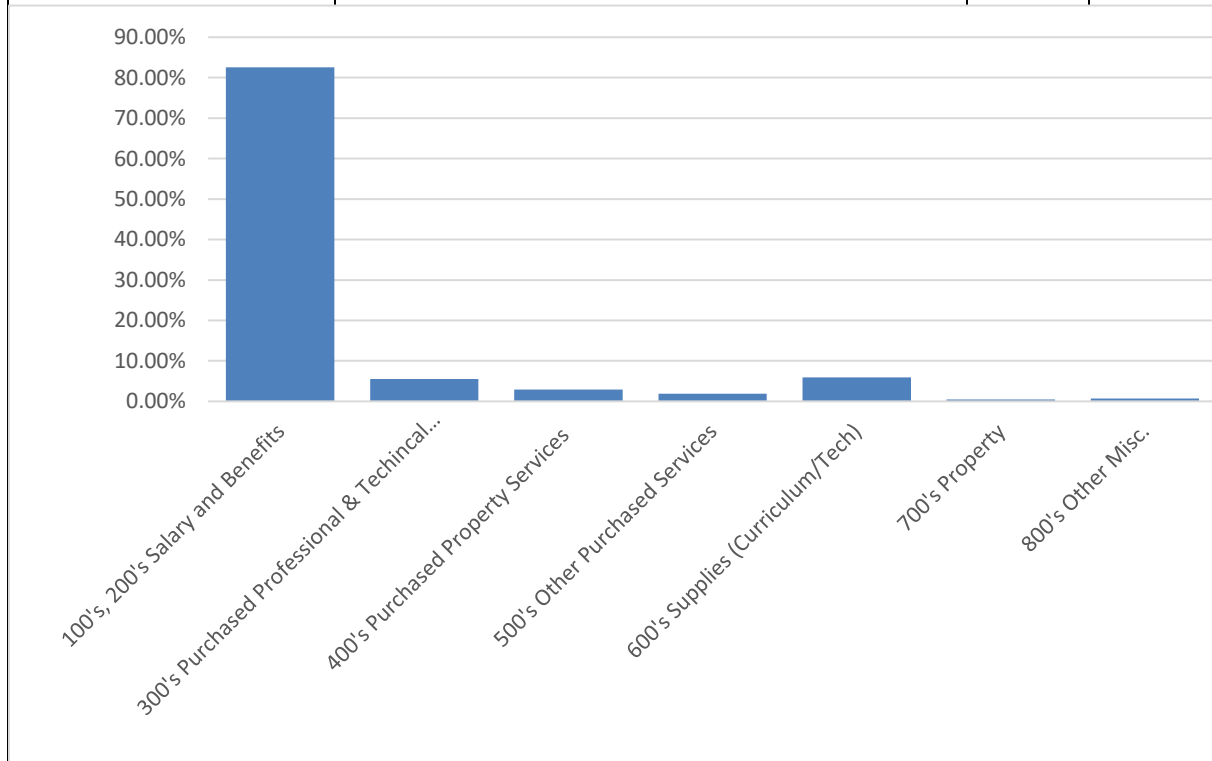
- Valuation increase for 2022-2023 is 6.21%
- General Fund Budget of expenditures for 2022-2023 is (\$55,432,293), which includes staff cost increases approved earlier in 2022 and extra dollars for expenditure increases due to record inflation. Our estimated revenue is enough to balance the proposed budget.
- 2022-2023 fiscal year is one that we will need to monitor closely as we have in the past. Even though a property tax relief has been allocated by the state over the past few years many believe more work needs to be done. Our district continues to want to be part of sustainable solutions on this topic without hurting the educational needs of our students.
- Our district will be starting the process of updating our strategic facilities plan and believe some of our upcoming needs can be covered by grants, depreciation and special building fund.

We understand the need to keep property taxes as low as possible, while still meeting the needs of our students. Our conservative fiscal approach has resulted in Norfolk Public Schools being ranked 14th out of 244 Nebraska public schools in terms of efficiency. Our cost per pupil² (\$13,091) is well below the state average (\$14,495) and our neighboring schools in Northeast Nebraska.

We carefully and strategically budget for facility projects such as roof replacements, HVAC upgrades, and school additions, by levying for our special building fund and capitalizing on grant opportunities, ESSERS funds, and QCPUF—rather than increasing taxes through a general obligation bond, which would incur additional interest costs and bonding fees.

Budget Breakdown by specific expenditures

Proposed Budget for 22-23			
\$45,766,717.20	100's, 200's Salary and Benefits	82.56%	
\$3,050,102.10	300's Purchased Professional & Technical Services	5.50%	
\$1,601,050.00	400's Purchased Property Services	2.89%	
\$1,039,915.86	500's Other Purchased Services	1.88%	
\$3,287,474.94	600's Supplies (Curriculum/Tech)	5.93%	
\$279,101.95	700's Property	0.50%	
\$407,930.95	800's Other Misc.	0.74%	



Overview of District Funds

General Fund- The General fund finances all facets of services rendered by the school district. General Fund receipts are classified according to source while its expenditures are classified according to specific functions. The General fund is maintained by all operating school districts in the state. General Fund expenditures are limited by statute. The tax levy for this fund is restricted to within the \$1.05 maximum. Norfolk Public Schools tax levy for this fund in 2021-2022 is (\$1.05)

Bond Fund-The Bond Fund shall be used to record tax receipts, investment interest, and payment of the bond principal, interest, and other related costs (i.e. trustee fees). If the fund balance is not sufficient to meet interest or bond retirement payments from the Bond Fund, the General Fund shall be used for these payments. All records of the transactions in this area shall be maintained in this fund. Proceeds from a bond issue shall be deposited into the Special Building Fund to be expended on the actual building project. The tax levy for this fund is restricted to just principal and interest on the bonds.

Special Building Fund- A Special Building Fund shall be established when a school board decides to acquire or improve sites and /or erect, alter or improve buildings. The sale of bonds, sale of property, or tax receipts will be the primary sources of revenue for the Special Building Fund. Regardless of the source of money to be used for building construction and related costs, all income for the purposes of this fund shall be accountable through this fund. Special Building Fund accounting provides a more effective means of identifying those expenditures associated with construction activities and provides a complete and consolidated record of all costs of the building program at the conclusion of a project(s). If more than one Special Building Fund project is active at the same time, separate accounts for each project may be established within the single Special Building Fund. The tax levy for this fund is restricted to within the \$1.05 limit. The Norfolk Public Schools levy for this Fund in 2021-2022 is (\$.05)

Depreciation Fund-The Depreciation Fund may be established by a school district in order to facilitate the eventual purchase of costly capital outlay by reserving such monies from the General Fund. To allocate monies from the General Fund, a school district will show the movement of monies as an expense from the General Fund and the Depreciation Fund will show the revenue as a transfer from the General Fund. The Depreciation Fund is not specifically provided for in law; therefore, this fund shall be considered a component of the General Fund.

Employee Benefit Fund- An Employee Benefit Fund is established in order to specifically reserve General Fund money for the benefit of school district employees (unemployment compensation and early retirement are some examples.) To allocate monies from the General Fund, a school district will show the movement of monies as an expense from the General Fund, and the Employee Benefit Fund will show the revenue as a transfer from the General Fund. The Employee Benefit Fund is not specifically provided for in law; therefore, this fund shall be considered a component of the General Fund.

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 within the Nutrition Programs. If a deficit is incurred in the operation, the deficiency shall be covered by funds transferred from the General Fund.

Student Fee Fund-The Student Fee Fund is a separate school district fund not funded by tax revenue into which all money collected from students pursuant to the Public Elementary and Secondary Student Fee Authorization Act must be deposited. Included are fees for Extracurricular Activities, Postsecondary Education and district summer or night school. Expenditures from this fund must be for the purposes for which the fees were collected.

Qualified Capital Purpose Undertaking Fund (QCPUF)- QCPUF may be established for the removal of environmental hazards, the reductions or elimination of accessibility barriers in school district buildings, safety code violations, indoor air quality projects, and mold abatement and prevention projects. General Fund expenditures for the purpose of the fund are not allowable. All records of the transactions in this area shall be maintained in this fund this includes proceeds from the bonds issued. The tax levy for this fund is for principal and interest on the bonds only. The Norfolk Public Schools levy for this Fund in 2021-2022 is (\$.03)

Cooperative Fund-The Cooperative Fund may be used by the school district acting as the fiscal agent for any cooperative activity between one or more public agencies. This fund is used for the Northeast Nebraska Deaf Education Cooperative, and the Veterans Memorial Park Cooperative in which Norfolk Public School participates in.

Activities Fund-The Activities Fund is required to account for the financial operations of quasi-independent student organizations, inter-school athletics, and other self-supporting or partially self-supporting school activities. The Activities Fund shall not be used to record general operation revenues or expenditures, nor shall this fund be used a clearinghouse for the General Fund. The school district may divide this fund into more than one account to allocate a portion of this fund for different purposes.

Tax Levy

<u>Fund</u>	<u>2022-2023</u>	<u>2021-2022</u>	<u>2020-2021</u>	<u>2019-2020</u>
General	1.000000	1.000000	0.950000	1.000000
Special Bldg	0.050000	0.050000	0.100000	0.050000
Bond K-8	0.000000	0.000000	0.029978	0.053529
Bond 9-12	0.000000	0.000000	0.017532	0.031110
QCPUF K-12	0.028131	0.030000	0.030000	0.038930
Total Levy	1.078	1.08	1.13	1.18

Fund	Budgeted Disbursements and Transfers 23-24	Budgeted Disbursements and Transfers 21-22	Budgeted Disbursements and Transfers 20-21	Budgeted Disbursements and Transfers 19-20
General Fund	\$69,411,374.00	\$67,092,406	\$63,674,660.00	\$61,315,009.77
Depreciation Fund	\$8,465,884.75	\$8,743,722.82	\$8,376,241.69	\$7,589,885.00
Employee Benefit Fund	\$232,773.00	\$234,756.12	\$135,385.00	\$135,887.78
Activity Fund	\$2,920,595.00	\$2,854,869.00	\$3,964,126.00	\$4,050,052.97
Lunch Fund	\$3,658,940.00	\$4,079,826.37	\$3,834,080.00	\$3,106,545.50
Bond Fund	\$1,720,990.00	\$3,934,848.11	\$5,577,609.74	\$6,362,543.25
Special Building Fund	\$9,603,634.36	\$7,920,348.56	\$7,231,405.26	\$5,028,902.66
QCPUF Fund	\$3,586,884.51	\$5,372,562.68	\$5,771,701.19	\$3,480,817.29
Cooperative Fund	\$1,013,119.72	\$1,013,320.84	\$1,058,885.00	\$1,041,996.55
Student Fee Fund	\$565,462.36	\$499,597.00	\$479,739.00	\$444,113.00