ORRICK SCHOOL DISTRICT

# **BOND/LEVY**





APRIL 2024

INFORMATIONAL MEETING

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# A Quick Dive into School Finance



#### 4 Funds of School Finance

General

Teachers

Debt Service

Capital Projects

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Revenue in Fi comes from s and federal re as well as the g operating port our tax lev 02

Revenue in Fund 2 can be from a specific tax levy, but typically is transferred into Fund 2 from Fund 1. 03

Revenue in Fund 3 comes specifically rom the debt service levy approved by voters. 04

Revenue in Fund 4
can come from a
specific tax levy,
through a one time,
capped, annual
transfer from Fund 1
to Fund 4, or bond
proceeds.

What
can
the
money
be
used
for:

Where

does the

money

come

from?

Money in Fund 1
covers the majority
of operating
expenses of the
district. This includes
salaries for noncertified staff and
educational and
operational expenses
from utilities and fuel
to curriculum
resources and
supplies.

Money in Fund 2 goes specifically to certified staff salaries and benefits (wages, insurance, retirement etc.). While this money is tracked in a separate fund, without a dedicated tax levy, money in Fund 2 comes from Fund 1.

Money in Fund 3 goes
to cover the
obligated debts of
the district through
voter approved
bonds. Bonds are
approved to cover
specific projects with
a dedicated tax levy
established to ensure
payment of the debt.

Money in Fund 4 goes
to large
projects/expenditures.
This could be the
acquisition of
property, purchase of
vehicles (i.e. buses)
new building projects,
renovations, and the
purchase or
maintenance of
furniture and/or
equipment.

# CURRENT DEBT SERVICE LEVY

CURRENT GENERAL OPERATING LEVY

\$1.0103 per \$100 Assessed Valuation \$3.8892 per \$100 Assessed Valuation

Total Tax Levy \$4.8995

# BOND BSSJE

**Proposition Orrick Schools** 

## **Budget & Projects**

Bonding Capacity: No-Tax-Increase Bond issue extending current bond provides \$2 million dollars in bond funds.

#### **Bond Projects**

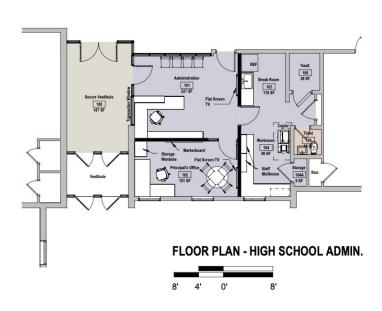
- Secure Entries & Door Upgrades
- Gym HVAC Replacement
- Electrical Panel Upgrades
- Library Media Center Renovation
- Elementary Playground Relocation
- Bus Purchase & Transportation Improvements



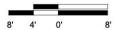
- 1 High School and Elementary School Secure Entry Renovation
- (2) Media Center Renovation
- (3) Elementary Playground Re-Locate
- 4 Bus Purchase and Transportation Improvements/New Bus Lot
- 5 Gym HVAC Replacement







#### FLOOR PLAN - ELEMENTARY ADMIN.

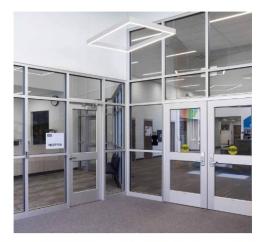




#### **Elementary and High School Secure Entries**









### **Secure Entry Examples**











### **Media Center Renovation Examples**











### **Playground Examples**



# What if the Bond Issue fails?

## **Projects Pending Unsuccessful Bond Issue**

- Secure Entries & Door Upgrades
  - Interior door upgrades are done as funding allows through fund 4
- Gym HVAC Replacement
  - Replacement cost runs through fund 4, possibly eliminating other building projects and upgrades.
- Electrical Panel Upgrades
  - Replacement cost runs through fund 4, possibly eliminating other building projects and upgrades.
- Library Media Center Renovation
- Elementary Playground Relocation
- Bus Purchase & Transportation Improvements
  - Bus financing remains with the bank of Orrick, paid out of fund 4, possibly eliminating other building projects and upgrades
- Over the next several years we would significantly deplete Fund 4 funds, jeopardizing the
  district's ability to take on other projects/renovations including some projects that would
  be more routine in maintenance.

**Proposition Bearcats** 

### Current Levy & Levy Issue

- Current total levy is \$4.8995 per \$100 assessed valuation (we'll look at other schools on a future slide).
- We're running a \$1 dollar levy increase to address operating funds (we'll look at how this will impact individuals based on assessed valuation on a future slide).
- This is to address operating funds. The school board has made it a priority to address salaries over the last few years, but much of that focus was accomplished through ESSER (COVID) funding.
- The school board knew that operating funds would need to be addressed to continue supporting current salary commitments, and/or continue improving staff salaries.
- Over the past 5 years the board has raised the base salary \$4,500 totaling over \$180,000 in additional annual certified salary and retirement cost to the district.

## **Current Financial Standing of the District**

- District's talk about reserve funds which is the operating money available at the end of the fiscal year in relation to expenditures from that fiscal year.
  - District Reserves by year:
    - 2012-2013: 36%
    - **2013-2014: 43%**
    - **2014-2015: 44%**
    - **2015-2016: 48%**
    - **2016-2017: 49%**

District Reserves by year:

- 2017-2018: 54%
- **2018-2019: 62%**
- **2019-2020: 67%**
- **2**020-2021: 69%
- **2021-2022: 68%**
- **2022-2023: 67%**
- Projected ending reserves for 2023-2024 are 50%.

## **Local Districts Tax Rate Comparison**

23-24 Proposed Tax Levies	Concordia	Crest Ridge	Lone Jack	Orrick	Santa Fe	Sweet Springs	Wellington-Nepoleon
Enrollment	467	535	752	292	336	402	382
Fund 1: Incidental	\$4.0707	\$3.7500	\$2.7870	\$3.8892	\$4.1773	\$3.0448	\$4.7173
Fund 2: Teachers	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
Fund 3: Debt Service	\$0.4613	\$1.0599	\$1.9800	\$1.0103	\$0.7000	\$1.0329	\$0.8859
Fund 4: Capital Projects	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.1500	\$0.0000	\$0.1200
Total Tax Levy	\$4.5320	\$4.8099	\$4.7670	\$4.8995	\$5.0273	\$4.0777	\$5.7232
<b>Current Year Assessed Valuation</b>	\$59,320,639	\$53,485,397	\$123,704,109	\$30,022,881	\$41,553,481	\$39,411,022	\$37,407,804
<b>Current Year Adjusted AV</b>	\$59,351,491	\$51,917,987		\$28,919,820	\$39,256,091	\$37,915,055	\$37,407,804
AV Per Student	\$127,091	\$97,043	\$164,500	\$99,040	\$116,834	\$94,316	\$97,926
	Hardin-Central	Norborne	Braymer	Polo	Liberty	Richmond	Excelsior
Enrollment	229	168	251	406	12606	1565	2709
Tax Levy	4.8172	4.6702	3.75	4.7471	5.9277	4.4359	5.2262
<b>Assessed Valuation</b>	24684512	20,345,619	25,022,405	32,921,036	1,729,274,412	147,761,282	316,919,623
AV Per Student	\$107,793	\$121,105	\$99,691	\$81,086	\$137,179	\$94,416	\$116,988

## **Projected Impact on Tax Increase**

 District: The increase would allow the district to operate a balanced budget preventing the further reduction in reserve balances, while allowing the district to make moderate salary increases (ideally continued annually based on growth).

#### **HOW TAX RATES WORK**

#### REAL PROPERTY



Assessed Value is 19% of Market Value

#### PERSONAL PROPERTY



Assessed Value is 33.3% of Market Value

#### AGRICULTURAL PROPERTY



Agricultural/Horticultural 12% of productive or market value



Property is taxed at the established tax rate per \$100 of Assessed Value



Market Value: \$200,000 Assessed Value: \$200,000 x .19 = \$38,000 Assessed Value (\$38,000) /100 = 380 380 x Tax Rate (5.8995) = \$2,241.81



Market Value: \$20,000 Assessed Value: \$20,000 x .333 = \$6,660 Assessed Value (\$6,660) /100 = 66.6 66.6 x Tax Rate (5.8995) = \$392.91



Market Value: \$100,000 Assessed Value: \$100,000 x .12 = \$12,000 Assessed Value (\$\$12,000) /100 = 120 120 x Tax Rate (5.8995) = \$707.94





#### Real Property

			Divided by			
Market Value		ssessed Value (Real 19%)	100: Rate is Tax rate per \$100 AV	Current Tax Rate 4.8995	With Additional \$1.00 5.8995	Difference: Additional Taxes Paid
\$1,000,000	\$	190,000.00	1,900	\$9,309.05	\$11,209.05	\$1,900.00
\$900,000	\$	171,000.00	1,710	\$8,378.15	\$10,088.15	\$1,710.00
\$800,000	\$	152,000.00	1,520	\$7,447.24	\$8,967.24	\$1,520.00
\$700,000	\$	133,000.00	1,330	\$6,516.34	\$7,846.34	\$1,330.00
\$600,000	\$	114,000.00	1,140	\$5,585.43	\$6,725.43	\$1,140.00
\$500,000	\$	95,000.00	950	\$4,654.53	\$5,604.53	\$950.00
\$450,000	\$	85,500.00	855	\$4,189.07	\$5,044.07	\$855.00
\$400,000	\$	76,000.00	760	\$3,723.62	\$4,483.62	\$760.00
\$350,000	\$	66,500.00	665	\$3,258.17	\$3,923.17	\$665.00
\$300,000	\$	57,000.00	570	\$2,792.72	\$3,362.72	\$570.00
\$250,000	\$	47,500.00	475	\$2,327.26	\$2,802.26	\$475.00
\$200,000	\$	38,000.00	380	\$1,861.81	\$2,241.81	\$380.00
\$150,000	\$	28,500.00	285	\$1,396.36	\$1,681.36	\$285.00
\$125,000	\$	23,750.00	238	\$1,163.63	\$1,401.13	\$237.50
\$100,000	\$	19,000.00	190	\$930.91	\$1,120.91	\$190.00
\$75,000	\$	14,250.00	143	\$698.18	\$840.68	\$142.50
\$50,000	S	9.500.00	95	\$465.45	\$560.45	\$95.00

#### Personal Property

Market Value	A	ssessed Value (Personal 33.3%)	Divided by 100: Rate is Tax rate per \$100 AV	Current Tax Rate 4.8995	With Additional \$1.00 5.8995	Difference: Additional Taxes Paid
\$500,000	\$	166,500.00	1,665	\$8,157.67	\$9,822.67	\$1,665.00
\$400,000	\$	133,200.00	1,332	\$6,526.13	\$7,858.13	\$1,332.00
\$300,000	\$	99,900.00	999	\$4,894.60	\$5,893.60	\$999.00
\$200,000	\$	66,600.00	666	\$3,263.07	\$3,929.07	\$666.00
\$100,000	\$	33,300.00	333	\$1,631.53	\$1,964.53	\$333.00
\$90,000	\$	29,970.00	300	\$1,468.38	\$1,768.08	\$299.70
\$80,000	\$	26,640.00	266	\$1,305.23	\$1,571.63	\$266.40
\$70,000	\$	23,310.00	233	\$1,142.07	\$1,375.17	\$233.10
\$60,000	\$	19,980.00	200	\$978.92	\$1,178.72	\$199.80
\$50,000	\$	16,650.00	167	\$815.77	\$982.27	\$166.50
\$40,000	\$	13,320.00	133	\$652.61	\$785.81	\$133.20
\$30,000	\$	9,990.00	100	\$489.46	\$589.36	\$99.90
\$25,000	\$	8,325.00	83	\$407.88	\$491.13	\$83.25
\$20,000	\$	6,660.00	67	\$326.31	\$392.91	\$66.60
\$15,000	\$	4,995.00	50	\$244.73	\$294.68	\$49.95
\$10,000	\$	3,330.00	33	\$163.15	\$196.45	\$33.30
\$5,000	\$	1,665.00	17	\$81.58	\$98.23	\$16.65

This information is provided by the Orrick R-XI School District as a service to its patrons. If you have questions or need additional information, please call 816-770-0094.



# What if the Levy Issue fails?

## **Budget Cuts Pending Unsuccessful Levy**

- The Levy Increase is projected to generate roughly \$300,000 in additional revenue. If the levy did not pass staff cuts would be made before the 25-26 school year to address the operating budget shortfall.
- The district currently spends approximately 70% of its total budget on salary and benefits.
- Possible staff cuts
  - 1 K-12 PE teacher (currently one in each building, Elementary and HS)
  - 1 K-12 Band/Music (currently one in each building, Elementary and HS)
  - o 1 K-12 Counselor (currently one in each building, Elementary and HS)
  - Current technology/computers position and AD/AP becomes AD/technology
  - 4 English/Social Studies JH/HS positions become 3 positions
  - 4 Math/Science JH/HS positions become 3 positions
  - 6th grade gets absorbed into JH and we eliminate the 6th grade position.
  - Eliminate Preschool and Preschool position
  - Eliminate Summer School