

Budget & Levy Planning 2014-15

November 19, 2013

Work Session

Nampa Board of Trustees

2013-14 Budget

- How we balanced the budget this year
 - Used \$1.6 million supplemental levy
 - Cut 14 days – 5 instructional – from calendar
 - Reduced supplemental contracts by 5%
 - Hired 46 less than our teaching allowance (6% less)
 - Cut New Horizons busing
 - Closed Sunny Ridge
 - Outsourced custodial services
 - No longer provide free disability and life insurance

2014-15 Planning

What we know now		Considerations & Options
<p><u>Revenue</u> (without \$1.6 million supplemental and without the one-time levy & land sale)</p>	<p>\$65,020,502</p>	<ul style="list-style-type: none"> • State funding increase ?
<p><u>Expenditures</u> (includes 14 furloughs)</p>	<p>\$66,011,194</p>	<ul style="list-style-type: none"> • Doesn't reflect increased costs: <ul style="list-style-type: none"> • Health insurance • Utility, operations, busing • Curriculum • Doesn't include restoring cuts: <ul style="list-style-type: none"> • Instructional days • Teachers • Optional employee benefits • Busing • Doesn't include growing emergency fund
<p><u>Gap</u> (without fixed cost increases)</p>	<p><u>(\$990,692)</u></p>	<ul style="list-style-type: none"> • Cut programs? • Cut staff? • Cut pay? • Maintain or increase levy?

Revenue Needed

- 1% increase in state funding is about \$603,000 for Nampa School District
- We would need:
 - A 2.7% increase to replace the expiring supplemental
 - A 2.6% increase to restore all days cut
 - A 1.7% increase to fund three years of step increases
 - A 5.87% increase to hire 100% of staff allocation
 - A 1.3% increase to cover health insurance
- We need a 14.17% total increase in state funding without earmarks to be “whole”

Revenue Needed

- \$1.6 million to replace the expiring supplemental
- \$1.575 million to restore all days cut from the calendar
- \$1.0 million to fund three years of step increases
- \$3.5 million to hire 100% of teacher allocation
- \$809,000 health insurance 10% increase

Subtotal

\$8.5 million

- Other operational costs (teacher retention, utilities, unemployment, busing, health care act, etc.)
- Negotiations (supplemental, extra day, insurance, disability & life insurance, etc.)

School District Levies

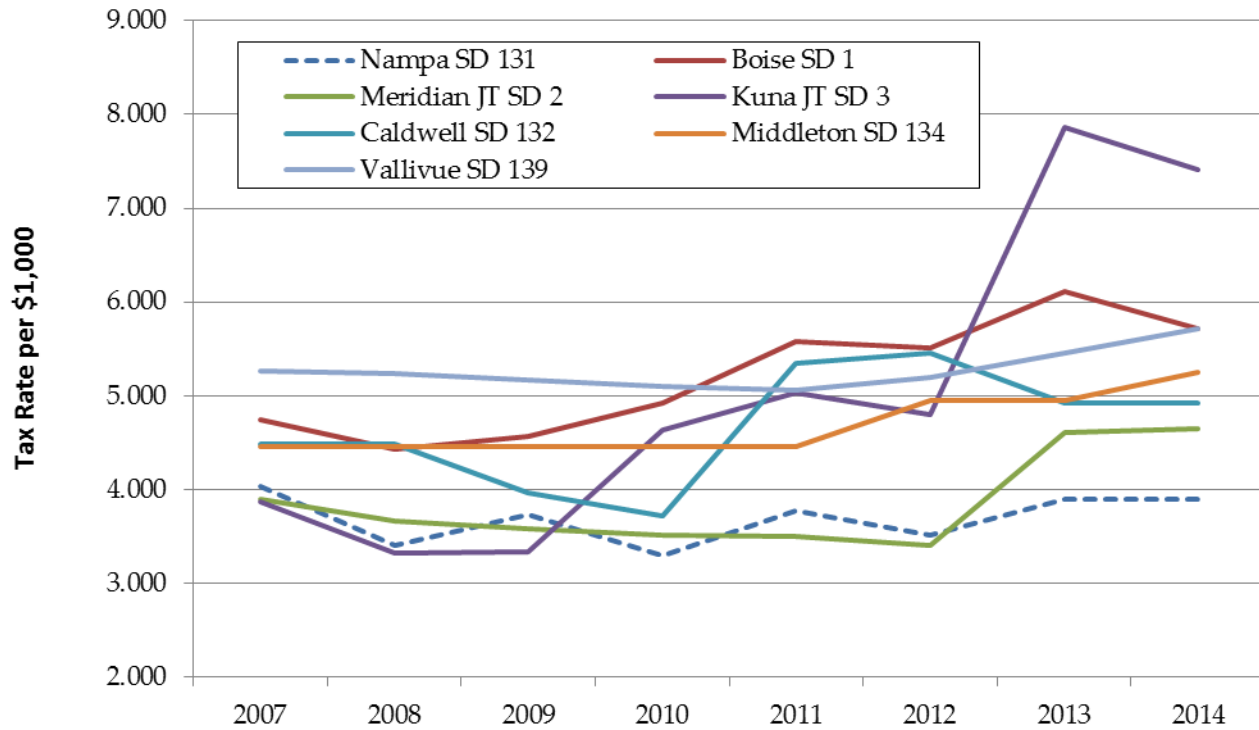
- **M&O:** For maintenance and operation (M & O) of the public schools general fund (Idaho Code 33-802).
- **Supplemental levy:** For maintenance and operation authorized by majority vote (Idaho Code 33-802).
- **Emergency levy:** For maintenance and operation based on an increase in average daily attendance above the prior school year (Idaho Code 33-805 and 63-907).
- **Tort:** For a comprehensive liability plan (Idaho Code 6-927).
- **Bonds:** Payment of principal and interest on outstanding school bonds authorized by voters (Idaho Code 33-802A and 33-1103.)
- **Plant facilities:** Not to exceed four-tenths of one percent (.004) of market value in each year for a period not to exceed ten (10) years and is to be used for specially identified expenditures authorized by voters (Idaho Code 33-804).

Historical NSD Levy Rates

Tax Year	M&O	Supplemental M&O	Judgment	Emergency	Tort	Bond	Total Levy Rate per \$1,000 T.A.V.
2014	0.000000	1.857130	0.000000	0.000000	0.115130	1.896520	3.868780
2013	0.000000	0.540529	0.000000	0.080486	0.118619	3.150000	3.889634
2012	0.000000	0.528809	0.000000	0.000000	0.109059	2.874654	3.512522
2011	0.000000	0.489247	0.000000	0.382674	0.097484	2.803095	3.772500
2010	0.000000	0.380002	0.000000	0.033499	0.078336	2.803178	3.295015
2009	0.000000	0.332052	0.000000	0.528763	0.065140	2.803286	3.729241
2008	0.000000	0.000000	0.000538	0.534331	0.064620	2.803302	3.402791

Note: The 2014 supplemental includes the regular supplemental of \$1,600,000 and additional one time supplemental of \$4,300,000. Levy rates were .50363 and 1.35350, respectively.

Comparable Idaho School District Total Tax Rate



Tax Year	Nampa SD 131	Boise SD 1	Meridian JT SD 2	Kuna JT SD 3	Caldwell SD 132	Middleton SD 134	Vallivue SD 139
2007	4.025	4.736	3.888	3.860	4.483	4.447	5.256
2008	3.403	4.427	3.655	3.319	4.482	4.449	5.230
2009	3.729	4.559	3.583	3.331	3.953	4.449	5.160
2010	3.295	4.920	3.514	4.633	3.710	4.448	5.100
2011	3.773	5.578	3.491	5.027	5.337	4.447	5.053
2012	3.513	5.502	3.397	4.789	5.454	4.947	5.193
2013	3.890	6.111	4.598	7.861	4.923	4.947	5.453
2014	3.890	5.710	4.644	7.408	4.923	5.251	5.716

Local Supplemental History

<u>Election Date</u>	<u>Result</u>	<u>% In Favor</u>	<u>Per year</u>	<u>Duration</u>
March 12, 2013	Pass	73.5	\$4,300,000	1 Year
August 28, 2012	Pass	63.8	\$1,600,000	2 Years
March 13, 2012	Fail	39.9	\$3,500,000	2 Years
April 22, 2010	Pass	79.5	\$1,630,000	2 Years
May 20, 2008	Pass	54.3	\$1,500,000	2 Years

In 2008 & 2010, the levies were targeted for specific items such as curriculum, technology and maintenance. The 2012 levy went to the general operations of the district. The March 2013 levy was targeted to help eliminate the district's debt.

District	Annual Supplemental	Fall Enrollment	Local \$ / student
Boise	\$22.7 million	25,440	\$892
Meridian	\$14.0 million	35,939	\$390
Kuna	\$3.19 million	5,073	\$629
Pocatello	\$8.50 million	12,467	\$682
Idaho Falls	\$6.80 million	10,499	\$648
Bonneville	\$3.00 million	10,834	\$276
Caldwell	\$2.75 million	6,151	\$447
Middleton	\$1.06 million	3,362	\$315
Vallivue	\$4.50 million	7,290	\$617
Mtn. Home	\$2.70 million	3,777	\$714
Coeur d'Alene	\$14.2 million	10,173	\$1395
Lakeland	\$4.95 million	4,164	\$1189
Post Falls	\$4.25 million	5,697	\$746
Moscow	\$9.58 million	2,332	\$4108
Lewiston	\$12.5 million	4,871	\$2566
Twin Falls	\$4.50 million	8,265	\$545
Nampa	\$1.60 million	15,776	\$101

Source: 2013-14 Tax
Levies for School
Purposes & Fall
Enrollment 2012-13

How Other Districts Use Levies

- **Twin Falls** – general operations of district
- **Caldwell** – general operations of district
- **Vallivue** – general operations of district
- **Coeur d’Alene** – general operation of district
- **Meridian** – restore 14 days; 45 teaching positions
- **Boise** – “100 percent of revenue be spent on maintaining low class size and preserving quality programs, not administrative costs”
- **Nampa** – past practice was to target; now it is part of our general operating funds

Amount of Levy

- Factors to consider
 - Increased value of property – determined by county; last year's increase was 7.2%
 - Levy amount – determined by Board of Trustees
 - Length of levy 1 or 2 years – determined by Board of Trustees

Supplemental Levy Status Quo

2013 Market Value		\$3,176,941,924
2013 levy rate per \$1,000 of taxable value		0.50363/\$1,000
Projected market increase	Amount generated with current rate	
	1%	1,616,003
	2%	1,632,003
	3%	1,648,003
	4%	1,664,003
	5%	1,680,003
	6%	1,696,003
	7%	1,712,003
	8%	1,728,004

Prior year market increase 7.30%

Purpose of Levy

- Early conversations
 - Finance office – Restoring fund balance
 - Parents – Reducing class sizes
 - Teachers – Restoring days to calendar

2014 Levy Dates & Deadlines

- **March 11, 2014 – This date is reserved mainly for school districts. Jan. 17, 2014 deadline.**
- **May 20, 2014 – This is the statewide primary election for federal, state and county races. March 22, 2014 deadline.**
- **August 26, 2014 – This date is reserved mainly for school districts. July 7, 2014 deadline.**
- **November 11, 2014 – This is the general election for federal, state and county races. Sept. 5, 2014 deadline.**

Recommendation

- We don't expect a 14 percent increase from the state
- We recommend:
 - Approve in December moving forward with March election
 - Hold stakeholder conversations in early January (parents, teachers, community)
 - Approve ballot language & amount in January

2013 Property Tax Distribution for \$47,500 of taxable value in the City of Nampa

Taxing District	Tax Amount
Ambulance District	\$ 12.22
Mosquito Abatement	7.32
City of Nampa	523.96
Nampa Highway District #1	69.63
Nampa School District #131	183.77
College of Western Idaho	8.65
Canyon County	237.82
Total	\$ 1,043.36

