

MURRAY SCHOOL DISTRICT



FY20 – BUDGET PRESENTATION
JUNE 2019

FY20 Legal Budget Requirements



- “Budget officer means...the school district’s superintendent” (53G-7-302-1-a-i)
- “Before June 1 of each year, the budget officer shall prepare a tentative budget....” (53G-7-302-2)
- “The tentative budget shall be filed with the district business administrator...at least 15 days before the date of the budget’s proposed adoption...” (53G-7-302-4)
- “...Before June 30 of each year, a local school board shall adopt a budget and make appropriations for the next fiscal year.” (53G-7-303-2-a)
- “...Before the adoption or amendment of a budget, a local school board shall hold a public hearing” (53G-7-303-3-a)

FY20 Legal Budget Requirements cont.



- “...At least 10 days prior to the public hearing, a local board shall:
 - Publish a notice of the public hearing in a newspaper...of general circulation in the school district...
 - Publish a notice of the public hearing electronically...
 - File a copy of the proposed budget with the local school board’s business administrator for public inspection and
 - Post the proposed budget on the school district’s internet website.”
(53G-7-303-3-b)

Overview – FY20 Budget Assumptions



- Tax Rate Value of \$4.25 billion or increase of \$339 million (8.75%)
- Budgeted WPU decrease of 150 Students
- WPU increase from \$3,395 to \$3,532 or 4%
- 5% increase in health insurance premium costs
 - To be paid by employees on Med+ Plan
- All on-going costs funded with on-going money
- Reduction of 2 Teaching FTE due to reduced student enrollment in the current year
- Funding Lanes and COLA'S for All Employees
 - Steps funded for Classified and Administrative Personnel

Budget Items



- Increased Unrestricted State Funding of WPU - \$335,870
- Increased Transportation Funding of \$23,509
- No Health Insurance Plan Modifications
- Health Insurance Premium Increase - \$233,767
- Beginning Teacher Salary Increased to \$50,000
 - All Teachers Receive \$6,961
 - Includes \$500 TSSA Teacher Payment
 - From 8.77% to 16.17% Increase on Salary Schedule
 - 48% of Teachers on Top Step of Salary Schedule
 - Requires a Truth-In-Taxation Hearing in August
 - 100% of Tax Increase For Teachers Only
- Other Employee Groups to See COLA Increases

Budget Items – Cont.



Recent Property Tax Increases

Year	Amount	Impact On \$250k Home	Purpose:
FY12-13 (Capital Outlay)	\$ 33,746,611	\$ 58.64	Hillcrest Junior High, Seismic
FY13-14 (M&O)	\$ 560,000	\$ 28.60	Retirement, Class Size, .5% COLA
FY14-15 (M&O)	\$ 187,109	\$ 8.55	Class Size (Voted Leeway Adjustment)
FY15-16 (M&O)	\$ 607,198	\$ 29.14	Charter Local Replacement, 7.5 FTE

FY19-20	\$ 2,868,226	\$ 93.00	Teacher Salary
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Tax Rate Comparison



SALT LAKE COUNTY SCHOOL DISTRICT'S TAX RATES 2018-19					
DISTRICT	SALT LAKE	JORDAN	GRANITE	CANYONS	MURRAY
TAX RATES	0.005500	0.006501	0.007822	0.006435	0.005885
\$100,000 Home	\$303	\$358	\$430	\$354	\$324
With FY20 Tax Rate Increase:					
TAX Rates	0.005500	0.006501	0.007822	0.007055	0.006561
\$100,000 Home	\$303	\$358	\$430	\$388	\$361
HIGH/LOW STATE TAX RATES	.009642 South Sanpete SD / .004369 Park City SD				
STATE AVERAGE	0.006994				

Tax Rate Comparison



	MAXIMUM TAX RATE BY LAW	FISCAL 2018-19	FISCAL 2019-20	DIFFERENCE ACTUAL	DIFFERENCE %
EST ASSESSED VALUES*		\$3,873,864,627	\$4,212,827,782	\$338,963,155	8.75%
MOTOR VEHICLE ESTIMATES		\$ 800,000	\$ 800,000	\$0	0.00%
TAX RATES					
M&O BASIC	Calculated	.001666	.001669	0.000003	0.18%
VOTED LEEWAY	Voted (.001786)	.001786	.001786	0.000000	0.00%
LOCAL BOARD LEVY	0.002500	.000835	.001450	0.000615	73.65%
TOTAL M&O		.004287	.004905	0.000618	14.42%
CAPITAL OUTLAY	0.003	.000646	.000600	-0.000046	-7.12%
CERTIFIED RATE TOTAL		.004933	.005505	.000572	11.60%
CHARTER LOCAL LEVY	Calculated	.000044	.000050	0.000006	13.64%
DEBT SERVICE	Sufficient	.000908	.000895	-0.000013	-1.43%
TOTAL ALL RATES		.005841	.006400	0.000559	9.57%

SALT LAKE COUNTY SCHOOL DISTRICT'S TAX RATES 2017-18					
DISTRICT	SALT LAKE	JORDAN	GRANITE	CANYONS	MURRAY
TAX RATES	0.005748	0.006424	0.006779	0.007203	0.006185
\$100,000 home	\$316	\$353	\$373	\$396	\$340
HIGH/LOW STATE TAX RATES	.009642 South Sanpete SD / .003951 Park City SD				
STATE AVERAGE	0.006994				

Certified Tax Rate



- Districts can only collect new taxes on “New Growth” (new property) not inflationary growth on existing property
- Example: Business with taxable value of \$100,000, Tax Rate of 10% = \$10,000 in taxes
 - Following year business has taxable value of \$200,000
 - Tax rate is lowered to generate the same \$10,000
 - ✦ 5% times \$200,000 = \$10,000
- Districts can only collect additional taxes on inflationary growth through truth-in-taxation (tax increase)

“New Growth” in Murray



Tax Year	Tax Rate Value	New Growth	New Growth Rate
2012	2,583,231,706	(20,406,526)	-0.79%
2013	2,693,745,086	71,355,239	2.76%
2014	2,751,605,072	(28,132,209)	-1.04%
2015	2,919,220,635	23,977,114	0.87%
2016	3,186,949,701	18,382,962	0.63%
2017	3,501,906,766	63,073,130	1.98%
2018	3,873,864,627	372,006,368	10.62%
2019	4,212,827,782	338,963,155	8.75%

Calculation of Taxable Value



2017 Total Assessed Value	\$	3,998,714,474
Board of Equalization Adjustments		(20,623,873)
Adjusted 2017 Assessed Value		3,978,090,601
5 Year Average - Collection Rate		97.4%
Proposed Tax Rate Value	\$	<u>3,873,864,627</u>

**MURRAY CITY SCHOOL DISTRICT
2018-19 BUDGET COMPARED TO 2019-20 BUDGET**

	2017-18 ACTUAL	2018-19 FINAL AMENDED BUDGET	2019-20 PROPOSED BUDGET
<u>REVENUE AND OTHER FINANCING SOURCES</u>			
MAINTENANCE AND OPERATION FUND	\$47,583,613	\$48,916,634	\$51,815,520
STUDENT ACTIVITIES FUND	\$1,596,990	\$2,200,000	\$2,200,000
NON K-12 PROGRAM FUND	744,864	678,857	725,875
RDA FUND	1,746,911	2,117,806	2,117,806
DEBT SERVICE	3,527,319	3,556,700	3,528,500
CAPITAL PROJECTS FUND	3,231,273	5,923,982	3,210,408
SCHOOL LUNCH FUND	2,463,307	2,476,430	2,476,430
TOTAL FUND SOURCES	\$60,894,277	\$65,870,409	\$66,074,539

<u>EXPENDITURES AND OTHER USES</u>			
SALARIES	\$28,660,438	\$31,018,608	\$32,687,049
EMPLOYEE BENEFITS	12,499,375	12,725,832	13,772,264
PURCHASED PROFESSIONAL SERVICES	700,951	634,975	637,725
PURCHASED PROPERTY SERVICES	615,927	608,028	535,535
OTHER PURCHASED SERVICES	447,150	514,506	515,799
SUPPLIES AND MATERIALS	3,887,685	3,535,299	3,473,136
PROPERTY AND EQUIPMENT	829,288	337,100	496,183
OTHER OBJECTS	88,769	84,003	118,469
TOTAL M&O	47,729,583	49,458,351	52,236,160
STUDENT ACTIVITIES FUND	1,638,180	2,200,000	2,200,000
NON K-12 PROGRAM FUND	727,648	733,897	782,823
RDA FUND	1,746,911	2,117,806	2,117,806
DEBT SERVICE	3,516,749	3,531,700	3,528,500
CAPITAL PROJECTS	2,643,708	3,227,090	2,988,855
SCHOOL LUNCH FUND	2,591,777	2,766,386	2,998,658
TOTAL EXPENDITURES AND FUND TRANSFERS	\$60,594,556	\$64,035,230	\$66,852,802

Budget Hearing

(Public Comment)

Board Motions



- Approval of Final Amended 2018-19 Budget
- Approval of Proposed 2019-20 Budget
- Approval of Certified Tax Rate