



PERMISSIVE LEVIES

Putting Montana Students First **A⁺**

TRANSPORTATION FUND (10)

The Transportation Fund (10) budget includes the on-schedule costs of bus routes, individual contracts, and any over-schedule amounts operating the transportation program, including:

- ✓ The maintenance and operation of school buses owned by the district;
- ✓ The contracted amount for maintenance and operation of school buses by a private party;
- ✓ Individual contracts for transportation;
- ✓ An amount necessary for the purchase, rental or insurance of school buses; and
- ✓ Any other amount for administration, operation or maintenance of the transportation program as determined by the trustees.

TRANSPORTATION FUND (10)

- The Transportation Fund (10) Budget is comprised of the following:

- ✓ The county's share of on-schedule funding;
- ✓ The state's share of on-schedule funding;
- ✓ A contingency, limited to 10% or \$100, whichever is greater;
- ✓ A district tax levy for over-schedule costs.

Note: The district tax levy is offset by charges to a parent/guardian or the state for transportation under an approved student attendance agreement, where applicable.

TRANSPORTATION FUND (10)

- Limitations of the Transportation Fund (10):
 - ✓ Only for home-to-school transportation;
 - ✓ At least one eligible transportee must be on the bus to receive county/state reimbursement;
 - ✓ Not for activity transportation or transportation from one school facility to another during the school day.

TRANSPORTATION FUND (10)

- Use the Transportation Budgeting Spreadsheet:

<http://opi.mt.gov/pdf/schoolfinance/Budget/TransportationBudgetSpreadsheet.xlsx>

BUS DEPRECIATION FUND (11)

The trustees of a district owning a bus for transportation to and from school, including transportation to school functions or activities, or owning communication system and safety devices installed on buses may establish a bus depreciation reserve fund for the following expenditures:

- ✓ The conversion, remodeling or rebuilding of a bus;
- ✓ The replacement of a bus or communication system and safety devices installed on the bus;
- ✓ The purchase of an additional bus for home to school transportation.

BUS DEPRECIATION FUND (11)

- The Bus Depreciation Fund (11) budget is comprised of the following:
 - ✓ District tax levy equal to up to 20% of the original cost of a bus, communication system or safety device.

Depreciation may not exceed 150% over time

BUS DEPRECIATION FUND (11)

- Limitations of the Bus Depreciation Fund (11):
 - ✓ Cannot be used to purchase activity buses, only replace existing ones. Additional buses for this purpose must be purchased from the General Fund (01), the Transportation Fund (10), the Student Extracurricular Activities Fund (84), or other funds as allowed by law.
 - ✓ The cost of new parts added after the original purchase of a bus, communication system or safety devices may not be depreciated.

TUITION FUND (13)

The Tuition Fund (13) is used to pay tuition costs in the following circumstances:

- ✓ For resident students attending another school outside the student's resident district;
- ✓ For students attending private, non-sectarian day treatment programs;
- ✓ For students incarcerated in county youth detention facilities; and
- ✓ For special education costs for resident students.

TUITION FUND (13)

The Tuition Fund (13) budget is comprised of the following:

- ✓ District tax levy to cover tuition expenses incurred in the prior year; and
- ✓ Direct state aid for resident students attending private, non-sectarian day treatment programs in the prior year.

Note: Tuition received from other school districts or paid by the state for students attending in the prior year is paid to the district's General Fund (01) or Miscellaneous Programs Fund (15).

TUITION FUND (13)

Limitations of the Tuition Fund:

- ✓ Does not pay for programs other than school district programs or private, non-sectarian day treatment;
- ✓ For in-district special education, limited to a portion of the cost;
- ✓ Monies are realized in the year after the expense is incurred.

TUITION FUND (13)

In-District Special Education Permissive Tuition Levy

- ✓ Use the calculator to figure out how much to levy:

Calculator

- ✓ Either estimate for the upcoming year, use actual cost from the prior year, or a combination of both.
- ✓ Only for high cost special education students.

TUITION FUND (13)

Actual Cost v. Estimated Cost

Actual Cost	Estimated Cost
“One and done”	Must recalculate and adjust the levy in the following year
Costs are easy to calculate	Money is available in the tuition fund in the year of attendance
Paid the year after expenses are incurred	Costs may not materialize
Requires an interfund loan or use of existing funds in the first year	

RETIREMENT FUND (14)

The Retirement Fund (14) budget includes the following:

- ✓ Employer contributions to the Teachers' Retirement System (TRS) and the Public Employees' Retirement System (PERS);
- ✓ Unemployment compensation; and
- ✓ Social Security and Medicare.

Note: The Retirement Fund (14) is a county-wide levy, not a district levy. The county superintendent has final authority in approval of the district's budget and mills allowed.

RETIREMENT FUND (14)

The Retirement Fund (14) Budget is comprised of the following:

- ✓ TRS, PERS, unemployment and FICA contributions for district employees whose salary and health related benefits are paid from state or local funding sources, the district's School Food Services Fund (12) or Impact Aid Fund (26); *or*
- ✓ TRS, PERS, unemployment and FICA contributions for cooperative employees whose salary and health related benefits are paid from the cooperative's interlocal agreement fund, if the fund is supported solely from the district's general funds and state special education allowable cost payments (or from Medicaid sources in the Miscellaneous Programs Fund (15)).

RETIREMENT FUND (14)

Notes

- Maximum operating reserve of 20% of the final retirement budget.
- Final levy amount offset by the amount of guaranteed tax base aid the county will receive for each mill levied.

ADULT EDUCATION FUND (17)

The Adult Education Fund (17) is required when the district operates an adult education program (includes instruction in basic and secondary education, career and technical education, vocational-technical education, American citizenship, or other areas approved by the trustees. The program is financed by a combination of the following:

- ✓ Student fees; and
- ✓ District tax levy.

ADULT EDUCATION FUND (17)

The Adult Education Fund (17) is required when the district operates an adult education program. The program includes the following:

- ✓ Basic Education: Instruction in basic skills, offered to persons aged 16 or older, not regularly enrolled and not full-time students for ANB purposes (may include elementary or secondary curriculum normally offered in the district).
- ✓ Education: Instruction offered to persons aged 16 or older, not regularly enrolled and not full-time students for ANB purposes.

ADULT EDUCATION FUND (17)

Limitations of the Adult Education Fund (17):

- ✓ Maximum of 35% operating reserve;
- ✓ State and Federal adult education monies are deposited into the Miscellaneous Programs Fund (15).

BUILDING RESERVE FUND (61)

The Building Reserve Fund (61) is divided into 4 sub-funds:

- ✓ A voted levy for construction, equipping, enlarging or purchasing of land not to exceed 20 years;
- ✓ A voted levy for transition costs not to exceed 6 years;
- ✓ Transfer of funds for improvements to school safety or security; and
- ✓ Permissive building reserve levy.

BUILDING RESERVE FUND (61)

A district's school major maintenance amount (SMMA) will be calculated.

$$\text{SMMA} = \$15,000 + (\$100 \times \text{PY Budget Limit ANB})$$

Example: SMMA for budget year 2019

$$\$15,000 + (\$100 \times 35) = \$18,500$$

Where 35 equals the budget limit ANB from FY 2018

Then OPI will calculate the amount of state major maintenance aid per dollar of local effort.

BUILDING RESERVE FUND (61)

Non-Levy Revenues

Permissive Tax Levy

Fill Your SMMA Box:

- ✓ Permissive tax levy (up to 10 mills, 20 for K-12)
- ✓ Non-levy revenues
- ✓ State funding (2019)***

BUILDING RESERVE FUND (61)

Non-Levy Revenues

Permissive Tax Levy

State Major Maintenance \$

State Funding will be a match of “local effort” and reduce the number of permissive mills levied.

Contribution per dollar of local money – based on statewide taxable value and percentage of district’s GF budget compared to the Max.

Note: The additional state funding does not expand the “size” of the box.

WHAT IS FLEXIBLE NON-VOTED LEVY AUTHORITY?

The trustees of a district may increase the district's over-BASE budget levy without a vote

if the board of trustees reduces the non-voted property tax levy authority in the

- Transportation (10);
- Bus Depreciation (11);
- Tuition (13); or
- Adult Ed (17) funds

by at least as much of the amount of the over-BASE budget levy is increased.

YOU CAN BORROW FROM PETER TO PAY PAUL

You can borrow from Peter

- Transportation (10),
- Bus Depreciation (11),
- Tuition (13), or
- Adult Ed (17) funds

To pay Paul

Increase your district's General Fund (01) over-BASE budget

WHAT'S THE CATCH?

The non-voted levy authority for the Transportation (10), Bus Depreciation (11), Tuition (13), or Adult Ed (17) funds cannot be increased until the prior amount of non-voted levy authority used to increase the over-BASE budget levy is decreased to the extent that the trustees of the district imposed any increase in other non-voted property tax levies.

A non-voted levy authority transfer from any of the above funds to increase the over-BASE budget levy restricts the ability to increase the non-voted levy authority in all of the funds.

BASICALLY:

You can't levy in any funds until the Flexible Non-Voted Levy Authority is returned

FLEXIBLE NON-VOTED LEVY

Budget

Fiscal Year: 2015 LE: Hamilton K-12 Schools - 0735 Fund Code: 01 - General Fund

This LE has been submitted.

Budget Limits

Reserves

Revenues

Flexible Non-Voted Levy Authority

Summary

Fund Instructions

Print Budget Report

Print Validation Report

Fund Balance: 853,505.50
TIF Fund Balance: 0.00

	Transportation	Bus Depreciation	Tuition	Adult Education	Total
Beginning Transfer Balance	0.00	0.00	0.00	0.00	0.00
FY2015 Transferred Amount:	275,000.00	0.00	0.00	50,000.00	325,000.00
Ending Transfer Balance:	275,000.00	0.00	0.00	50,000.00	325,000.00
Beginning Levy Authority:	866,295.53	67,502.40	25,000.00	54,734.44	1,013,532.37
Ending Levy Authority Balance:	591,295.53	67,502.40	25,000.00	4,734.44	688,532.37

FY2015 Flexible Non-Voted Levy Authority: 325,000.00
FY2015 OverBASE Needed: 1,247,077.41
FY2015 Flexible Non-Voted Levy Authority Mills: 12.98

If you have any questions about the budget, contact Kara Sperle at (406) 444-3249 or ksperle2@mt.gov.

FLEXIBLE NON-VOTED LEVY

Budget

Fiscal Year: 2017 LE: Hamilton K-12 Schools - 0735 Fund Code: 01 - General Fund

This LE has been submitted.

Budget Limits
Reserves
Revenues
Flexible Non-Voted Levy Authority
Summary
Fund Instructions

Print Budget Report
Print Validation Report

Fund Balance: 1,029,814.42
 TIF Fund Balance: 0.00

	Transportation	Bus Depreciation	Tuition	Adult Education	Total
Beginning Transfer Balance	249,938.81	0.00	0.00	50,000.00	
FY2017 Transferred Amount:	-58,857.15	0.00	0.00	-35,286.30	
Ending Transfer Balance:	191,081.66	0.00	0.00	14,713.70	
Beginning Levy Authority:	681,906.67	0.00	0.00	0.00	681,906.67
Ending Levy Authority Balance:	740,763.82	0.00	0.00	35,286.30	776,050.12

FY2017 Flexible Non-Voted Levy Authority: 205,795.36
 FY2017 OverBASE Needed: 1,158,311.95
 FY2017 Flexible Non-Voted Levy Authority Mills: 9.13

If you have any questions about the budget, contact Kara Sperle at (406) 444-3249 or ksperle2@mt.gov.

MULTI-DISTRICT AGREEMENTS

Multi-district agreements authorized under 20-3-363, MCA allow the transfer of funds from any fund except for the Retirement Fund (14) and the Debt Service Fund (50) – including funds supported with non-voted (permissive) levies.

Catch: Cannot increase the non-voted levy to restore funds transferred.

QUESTIONS?

