STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE

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Instructions for 2011 School Budget Forms

The main change to most school forms was the addition of *Exempt Debt Fund, Exempt Retirement/Severance Bond Debt Service Fund* and *Exempt Referendum – Debt Service Fund* forms. The ***Exempt Debt*** and ***Exempt Retirement/Severance Bond Debt Service Fund*** forms are to be used by school corporations in **Lake** and **St. Joseph** counties only. The *Exempt Referendum – Operating Fund* form will be used by school corporations that have favorably taken a vote to taxpayers for operating purposes or replacement of circuit breaker. The *Referendum Debt Fund – Exempt Capital* form will be used by school corporations that have favorably taken a vote to taxpayers for a capital project. The fund will be used to pay principal and interest payments or lease payments on the debt of that project.

FORM 1 – SCHOOL CORPORATION BUDGET ESTIMATE: Same methodology from last year.

FORM 1S – GENERAL FUND SUPPLEMENTAL BUDGET ESTIMATE BY PROGRAM/OBJECT: Form brought up to date with the new/current Chart of Accounts.

FORM 2 – ESTIMATE OF MISCELLANEOUS REVENUES: Same methodology from last year. There are two (2) blank lines per fund for use if needed. Use the Chart of Accounts detail for all funds as applicable.

FORM 3 – NOTICE TO TAXPAYERS OF TAX LEVIES: The "header" is the same as previous years. It lists School Corporation name and indicates where and when meetings will be held.

"**Budget Estimate**" – This will reflect a summary of the FINANCIAL STATEMENT that you are accustomed to advertising.

- Column 2 represents your proposed budget estimate for each fund.
- Column 3 represents your proposed levy for each fund. Be sure to include sufficient levy to cover any possible appeals in your Transportation Fund.
- Column 4 represents any Transportation Excessive Levy that you intend to pursue.
- Column 5 represents your Current Tax Levy (2010). This should be your certified levy (if you have your budget order), your line 16 levy on your Fund Report (if you have your 1782 notice and have yet to receive your certified budget order) or your proposed line 16 from last year's Notice To Taxpayers (if you have not received your 1782 notice).

"Comparative Statement" – This is the same format that was on the "old" Notice to Taxpayers. The method for column "To Be Collected 2010" would be the same method you used in column 5 in the above "budget estimate" explanation.

"**Notice"** for the Capital Projects Plan – This part of the Form 3 has not changed. Note that "(4) Building Acquisition, Construction, Improvement" **includes "**45200 – Energy Savings Contracts" and "45300 – Skilled Craft Employees." Also, "(13) Technology" is broken down to two line items "22300 – Instruction – Related Technology" and "25800 – Admin Tech Services."

"Notice to Taxpayers of School Bus Replacement Plan" – This is identical to the separate advertisement for your Bus Plan, except we attached it to your Form 3 for budgets. The format is based on a twelve (12) year plan. We have added directions in the Bus Replacement memorandum to accommodate the shift of bus contractual costs.

FORM 4 – RESOLUTION OF APPROPRIATIONS: Same methodology as last year.

FORM 4-B – BUDGET ESTIMATE – FINANCIAL STATEMENT – PROPOSED TAX RATE: You will complete a Form 4-B for each fund that requires a budget, rate or levy. This form is identical in method to the Financial Statements that were included on the OLD Form 3. The first blank column titled "Amount used to compute published budget" will use the original figures that you published in the revised Form 3 – Notice to taxpayers. The second blank column titled "Appropriating Body" would be used IF your School Board adopted something different than what was published. The remainder of the columns are for Department use.

FORM 5 – BUDGET SUBMISSION LETTER AND CERTIFICATE: Same methodology as last year.

LINE 2 WORKSHEET: The Line 2 Worksheet has been expanded to include all new exempt and referendum funds. You can reduce the size of the form by removing funds that are not applicable to your school corporation.

DEBT WORKSHEETS: We have created additional debt worksheets to accommodate the new exempt debt funds. It is important that you use the form that is applicable to your debts.

The *Referendum – Capital Debt Worksheet* should be used if you have incurred a debt based upon a referendum vote by your taxpayers approving a capital project. This worksheet and fund will be used for the principal and interest to be paid on the capital project debt.

> **Lake and St. Joseph** counties**:** Exempt Debt and Exempt Pension Debt Worksheets - It is possible/probable that the school corporations in these counties will need to use both the exempt worksheets and the "regular" debt worksheets. You will need to divide your debts between the worksheets based upon the date the debt was incurred. Debt prior to July 1, 2008 is exempt debt and debt incurred after that date will be regular debt.

Questions can be directed to your budget field representative or the Indianapolis office at 317.232.3777. A listing of budget field representatives and their contact information is available at http://www.in.gov/dlgf/2338.htm#BudgetFld.