

**By Tim Linscott**

*Managing Editor*

Keeping reserve funds at adequate levels is the goal of the Perkins County School Board, which passed the budget for the upcoming school year at the Monday, Sept. 16 school board meeting.

A levy increase of under five cents (0.048 per \$100 valuation) was called for by the school board with the general fund going from 59 cents to 65 cents per \$100 valuation and the special building fund would drop from 10 cents to 8.5 cents.

“We used cash the last couple of years and this will stop that trend,” PCS Superintendent Bill Hakonson said. “I think this budget will stop the use of our reserve and kind of nudge us in the direction we want to go.”

The district is allowed by state statute to have a reserve of \$3.6 million and the district currently has around \$1 million.

“The department of education encourages us to have that cash reserve up there,” Hakonson said.

Hakonson and school board members know that some patrons will go through a bit of sticker shock but feel the budget is warranted at this point.

“It isn’t an insignificant increase, but I think it is the right move at the right time,” Hakonson said.

The tax asking is going up over \$1.3 million next year. Last year the tax asking was \$4,141,414 and this year’s tax asking will be \$5,419,080.

A huge portion of the tax asking is because of the increase in valuation, but almost five cents will be increased in the levy.

“It is quite an increase and I feel it’s timely. We have been proud of our levy last year, but we didn’t get the income I thought we would be getting,” Hakonson said.

Hakonson noted the district was off on projected income by between \$300,000 to \$500,000, however, exact numbers will not be known until auditors finalize reports for the district.

PCS had the sixth lowest tax levy in Nebraska last year out of 253 school districts.

In the last two years the district has spent close to \$1 million in cash reserve.

The board ‘overshot’ revenue projections and used cash reserves to make up for the shortfall.

“When you don’t collect revenues, you still have bills to pay,” Hakonson said.

Last year the district had \$5,388,359 in revenue, which was \$543,055 less than expenses. This year expenses increased over \$253,000, which is attributed to the general operation of the school, such as gasoline prices, salaries, books and materials, etc.

Board members explained that this year the budget is closer to actual revenues.

Hakonson explained the district wants to build the budget from the foundation up and the levy is the roof.

Board member Shawn Turner explained that an extra 10 cents on an irrigated crop circle equals an extra \$275 a year or \$10 a month higher.

Turner felt that everyone needs to come together on the matter.

“I don’t necessarily like it but I understand things and we need to go back and make it up,” board member Jayson Bishop said.

Bishop called for keeping the building fund up with a new addition to the high school looming in the future.

The levy was set at 65.6526 cents per \$100 valuation with the special building fund set at 8.5

cents.