Barton County Community College

July 28, 2026

Board Meeting

Published Budget

The cover page of the published budget is below. The RNR rate for FY27 was provided by the County and is 26.909. Our current mill levy is 27.206.

<u>The intent is to remain revenue neutral</u>. Our proposed mill levy, based on the county supplied estimated valuation, will be 26.853. This is below the county provided RNR, and should generate slightly less tax dollars than what were requested last year. Because the RNR is based on an "estimated valuation" there is always the chance that the certified valuation could increase or decrease (adjusting the RNR rate – but not the tax dollars received).

The County's estimated valuation increased this past year (Approximately $3,891,519) mainly due to increases in real estate and utilities.

<u>Proposed Budget-</u> The proposed budget sets a limit that the College cannot exceed for the various funds. As the budget document shows, the proposed amount is higher than what our actual expenditures have been in the past and will likely be for FY27. This is common practice among taxing entities, although there is a wide variation depending on the regulations that apply to each entity.

As we prepare the published budget, it is based on where we ended the previous fiscal year as far as both revenue and expenditures (operational budget). The published budget is then inflated to:

1. Provide enough of a cushion to allow expenditures without incurring a budget violation. Catastrophic emergencies can and do happen and this cushion allows entities to make sure they can deal with them.

2. Avoid an audit finding for exceeding fund expenditure resulting in a budget violation.

3. Avoid KBOR reducing state aid the following year by any overage:

71-615. Exceeding budget; penalty. If a community college expends in any fiscal year an amount for operating expenses which exceeds its legally adopted budget of operating expenses, the state board of regents shall determine the excess and deduct the same from amounts payable to the community college during the next fiscal year.

4. Avoid the unnecessary, and costly process of republishing the budget, waiting the required waiting period, and then having another budget hearing to increase the published budget during the FY.

5. The inflated "Total All Funds" shown on the budget form will not change the "Total Tax Levied" for the FY in question. The reason for this is because we inflate both revenue/expenditures, as well as required fund transfers, to always get the <u>required tax levy to meet the operational budget needs</u>.

The proposed mill levy, and the total tax levied are based on the County provided RNR and is based on where we ended the previous fiscal year as far as both revenue and expenditures. The amount is factored into our operational budget to ensure we have enough revenue from all sources to operate the college. The administration will then make a recommendation (published budget) on the tax levy for the next FY.

> *71-204. Tax levy authorization; determination of amount; budget. (a) For the purpose of community college maintenance and operation, the board of trustees is authorized to levy a tax on the taxable tangible property of the community college district. Such tax levy shall be the amount determined by the board of trustees to be sufficient to finance that part of the budget of the community college which is not financed from any other source provided by law.*

1. The amount of tax requested is based on our operational budget and amount necessary to operate the college based on our operations.

2. Barton's tax request has increased tax revenue by 7% since 2013 while inflation in the same period has increased by more than 43%.

3. Barton has all the same expenses, and we see the same increases due to inflation that any other entity has. The cost of operations including utilities, insurance, benefits, employee costs, FICA taxes, operational supply costs continue to increase. Barton has done an exceptional job in attempting to control these costs and develop new funding sources to cover the increases.

4. Decreases in the mill levy create a new "cap" as far as the RNR for future years. The Board has the authority to exceed this cap if they choose to hold an RNR hearing, however <u>new state law will reduce our state aid if the Board chooses to exceed the previous mill levy</u>.

5. As you can see from the published budget document, the Administration is recommending a reduced mill levy, resulting in slightly less tax dollars than what was levied the previous year.

NOTICE OF PUBLIC BUDGET HEARING
2025-2026 BUDGET

The governing body of Barton County Community College in Barton County will meet on August 24, 2026 at 4:00 PM at Fine Arts F30 Lower level of Fine Arts Bldg for the purpose of answering objections of taxpayers relating to the proposed use of all funds, and the amount of tax to be levied, and to consider amendments. Detailed budget information is available at Business Office and will be available at this hearing.

BUDGET SUMMARY

The Expenditures and the Amount of 2026 Tax to be Levied (as shown below) establish the maximum limits of the 2026-2027 budget. The "Est. Tax Rate" in the far right column, shown for comparative purposes, is subject to change depending on final assessed valuation.

	2024-2025		2025-2026		Proposed Budget 2026-2027		
	Actual Expend. & Transfers	Actual Tax Rate*	Actual Expend. & Transfers	Actual Tax Rate*	Budgeted Expend. & Transfers	Amount of 2026 Tax to be Levied	Est. Tax Rate*
Current Funds Unrestricted							
General Fund	36,291,331	28.678	36,169,714	27.206	60,000,000	9,575,819	26.853
Postsecondary Tech Ed	12,669,543		12,332,610		22,000,000	xxxxxxxxx	xxx
Adult Education	251,116		236,951		390,000	0	0.000
Adult Supp Education	0	xxx	0	xxx	5,000	xxxxxxxxx	xxx
Motorcycle Driver	0	xxx	0	xxx	0	xxxxxxxxx	xxx
Truck Driver Training	0	xxx	0	xxx	0	xxxxxxxxx	xxx
Auxiliary Enterprise	3,776,262	xxx	3,691,740	xxx	8,070,000	xxxxxxxxx	xxx
Plant Funds		xxx		xxx		xxxxxxxxx	xxx
Capital Outlay	0		0		950,000	0	0.000
Bond and Interest	0		0		0	0	0.000
Special Assessment	0		0		0	0	0.000
No Fund Warrants	0		0		0	0	0.000
Revenue Bonds	0	xxx	0	xxx	0	xxxxxxxxx	xxx
Total All Funds	52,988,252	28.678	52,431,015	27.206	91,415,000	xxxxxxxxx	26.853
						*Revenue Neutral Rate***	*26.909*
Total Tax Levied	9,597,301		9,595,819		xxxxxxxxxx	9,575,819	
Assessed Valuation	334,656,088		352,708,450		356,599,969		

Outstanding Indebtedness, July 1

	2024	2025	2026
G.O. Bonds			
Capital Outlay Bonds			
Revenue Bonds			
No-Fund Warrants			
Temporary Notes			
Lease Purchase Principal	7,426,993	6,865,046	6,281,218
Total	7,426,993	6,865,046	6,281,218

* Tax Rates are expressed in mills.

***Revenue Neutral Rate as defined by KSA 79-2988*

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Recommendation – Approve the publication of the Published budget as presented.

Below is our Mill Levy/Valuation/Tax history from 2013 to the current proposed published budget. The Board has maintained a relatively level mill levy. Slight fluctuations occur due to using the estimated valuations during the published budget process, as well as pending oil and real estate exemptions that may or may not be approved after the budget is completed. This actual tax revenue by 7% since 2013 while inflation in the same period has increased by more than 43%.

Barton's Mill Levy/Valuation/Tax History:

Barton County Community College				
Tax year	**Mill Levy**	**Revenue Neutral Rate (RNR)**	**Valuation**	**Tax**
2013	32.798		272,753,179	8,960,752
2014	33.124		270,067,190	8,959,263
2015	33.090		243,483,153	8,075,574
2016	33.258		242,662,699	8,083,163
2017	33.219		257,187,662	8,583,706
2018	33.330		266,312,260	8,891,744
2019	33.077		276,722,072	9,169,643
2020	33.050		264,646,245	8,759,789
2021	33.093	32.328	271,046,915	9,007,236
2022	30.081	30.951	293,212,662	9,045,367
2023	29.691	27.959	321,754,658	9,590,036
2024	28.678	28.634	334,656,088	9,601,815
2025	27.206	27.166	352,708,450	9,598,642
2026	26.853	26.909	356,599,969	9,575,819
		Tax increase from 2013 to 2025 =		**1.07%**

The overall cumulative inflation rate in the U.S. from June 2013 to June 2026 is approximately 43%, with $100 in 2013 having the same buying power as about $143 in 2026.