OFFICE OF PUBLIC INSTRUCTION – FORM FP6b and Equalization

Barbara Quinn and
Becky Belling

September 2022

Putting Montana Students First

OFFICE OF PUBLIC INSTRUCTION
ELSIE ARNTZEN, STATE SUPERINTENDENT
OPI.MT.GOV

OPI SCHOOL FINANCE

- Tasked with the project of data collection and reconciliation of the 33 & 22 (55) mills and 3 countywide funds
- Reported on the County Treasurer's Report of Countywide School Funds County Data – FP6b.
- 20-9-331, 333, 335, MCA

COUNTY TREASURERS

- The job of the County Treasurer is a very important one

County Treasurer's Statement Of Cash Balances And Bond Information

20-9-121. County treasurer's statement of cash balances and bond information. (1) By July 20, the county treasurer shall prepare a statement for each district showing the amount of cash on hand for each fund maintained by the district at the close of the last-completed school fiscal year. The county treasurer shall also include on each district's statement the details on the obligation for bond retirement and interest for the school fiscal year just beginning. The format of the statement on fund cash balances and bond information must be prescribed by the superintendent of public instruction.

(2) By July 20, the county treasurer shall prepare a statement for each county school fund supported by countywide levies, showing the amount of cash on hand at the beginning of the school fiscal year, the receipts and apportionments, and the amount of cash on hand at the end of the school fiscal year, for each county school fund maintained during the immediately preceding school fiscal year. The format of this statement **must be prescribed by the superintendent of public instruction**.

(3) By July 20, the county treasurer shall deliver the statements of district and county fund cash balances and the bond information for each district to the county superintendent, who shall forward the information to each district.

OPI ROLE

To verify:

1. collection of the statutorily mandated revenue sources,

2. the disbursements of those revenues, and

3. verification to the County Collection Reporting (CCR) system of DOR.

FORM FP6b - LOCATION

County Treasurer's Report of Countywide School Funds County Data – FP6b

OPI> School Finance> County> County Forms

NOTE: the Timeline for County forms, the Cash Balances for Districts FP6a and the Form FP6b are located here.

County Forms

- County Forms Information
- County Treasurer Statement - FP6a
- FY 2022 Countywide School Funds - FP6b Version 1
- FY 2022 Countywide School Funds - FP6b Version 2
- FY 2023 Countywide School Funds - FP6b Version 1
- FY 2023 Countywide School Funds - FP6b Version 2
- Joint District Basic Data FP8a
- Joint District Tax Levy Summary - FP8b
- FP10a Instructions
- County Forms Presentation

IMPORTANT TO REMEMBER

OPI will only accept the FP6b report in the format provided.

This means an **excel** worksheet, pdf is <u>not</u> accepted

COUNTY TREASURER'S REPORT OF COUNTYWIDE SCHOOL FUNDS COUNTY DATA – FP6b

- Version 1 is preferred allows counties to report and reconcile monthly.

- Version 2 of the FP6b is also accepted.

Office of Public Instruction
Elsie Arntzen , Superintendent
PO Box 202501
Helena, MT 59620-2501

COUNTY TREASURER'S REPORT OF COUNTYWIDE SCHOOL FUNDS COUNTY DATA

FP-6b

06/2022
FY 2023

§20-9-121(2), MCA
Statement for each county school fund supported by countywide levies.
§20-9-134, MCA
Send final budget information to OPI on or before Sept 15th

Due Dates:
County Treasurer to County Superintendent .... July 20th **§20-9-121(2), MCA**
County Treasurer to OPI .... August 15th **§20-9-134, MCA**

I. -- IDENTIFYING INFORMATION

County Name	OPI County Code	For the Year Ending
		6/30/2023

II. -- CERTIFICATION

County Treasurer: I submit this report to the Superintendent of Public Instruction as the official Annual Report for this county. I certify that this is a true and complete report of all county receipts and disbursements for the public schools.

Printed Name, County Treasurer	Phone	Signature, County Treasurer	Date

County Superintendent: My signature acknowledges this report has been provided to the County Superintendent's office. It is accurate and complete to the best of my knowledge.

Printed Name, County Superintendent	Phone	Signature, County Superintendent	Date

OPI.MT.GOV

Putting Montana Students First

INSTRUCTIONS

Email FP-6b excel spreadsheet to:
OPISchoolFinance@mt.gov

For assistance contact:
Send inquiries or information to
Becky Belling @ 444-2561 or *Rebecca.Belling@mt.gov*

Data Entry instructions on excel spreadsheet:

1) CoverPage&Instructions tab:
Select County & County Code from the drop down box;
Complete the light green shaded cells (name, phone number & date)

2) Monthly tabs (Jul 22, Aug 22, etc.):
Enter data

3) Summary for OPI tab:
Verify data (auto-populated)

Line 001: Must match ending cash balance on last year's form Line 250 for July; Must match prior month's Ln 250 for Aug - June

Line 185: Enter Centrally Assessed Protested Taxes

Line 220: Paid to Schools - Payments for elementary and high school transportation and retirement.

Line 225: Disbursement Adjustments - such as amounts returned by warrants, corrections requiring a transfer to another fund ,etc.

Line 250: Cash Balances - Ending cash balances in Equalization Funds as of June 15th must be submitted to the Department of Revenue by June 20th, in addition to the amount collected during the preceding month. By July 15th, the county treasurer shall remit all money belonging to the state that was collected by the county treasurer during the remainder of June. Ending Fund balances are next year's beginning cash balances.
§15-1-504(2), MCA

Line 400: Taylor Grazing will be entered by OPI

Line 420: Other Revenue (bentonite) will be entered by OPI

Line 500: Total amount to be used for county equalization

Submit data:

County Treasurer -	County Superintendent -
a) Transmit completed file to Co Superintendent. b) Transmit completed Summary to OPI c) County retains signature page	a) Review and retain a copy

Other Information

Refunds: Subtract refunds from amounts on related tax lines, OR enter on Disbursement Adjustments - line 225 and attach an explanation.
County Equalization and FP6b Reports are located on our website at:
http://opi.mt.gov/Leadership/Finance-Grants/School-Finance/School-Finance-County

FY23 TREASURER'S REPORT OF COUNTY WIDE SCHOOL & STATE FUNDS YEAR END TOTALS

July FY23		22 Mills High School Equalization 7531 / 7532	33 Mills Elementary Equalization 7529 / 7530	22 Mills High School Equalization 7537	33 Mills Elementary Equalization 7538	22 Mills High School Equalization 7541	33 Mills Elementary Equalization 7542	22 Mills High School Equalization 7545	33 Mills Elementary Equalization 7546	County Transportation 7820	High School Retirement 7830	Elementary Retirement 7840
CASH BALANCE - July 1, 2022 (must match line 250 from last year)	001											
RECEIPTS												
Levy Sources												
311010 County - Real Property Tax	110											
311021 County - Pers Prop Tax, Mbl Homes	115											
311022 County - Pers Prop Tax, All Other	120											
311030 County - Motor Vehicle Tax	125											
311040 County - Net & Gross Proceeds	130											
Non-Levy Sources												
312000 County - Pnlts & Int. on Dlqnt. Taxes	142											
313000 County - Tax Title and Property Sales	144											
314200 County - Coal Gross Proceeds	146											
331100 Flood Control	148											
333010 Federal Forest Reserve	150											
333030 Federal Bankhead Jones	152											
333000 Federal Pymts in Lieu of Taxes (PILT)	154											
334060 State Coal Board Grants	165											
335065 Montana Oil & Gas Production Tax	168											
335300 State Guar Tax Base Aid (GTBA) OPI Paid	175											
371000 County - Investment Earnings	177											
999998 Other - Miscellaneous **(explain)**	180											
Protested Taxes - Centrally Assessed	185											
Total Receipts (sum lines 110 : 185) **Must**	190	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal (lines 001 + 190)	195	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DISBURSEMENTS												
Submitted to Dept. of Revenue	210											
Paid to Schools (see Instructions)	220											
Adjustments **(explain)**	225											
Total Disbursements (sum line 210 thru 225)	240	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CASH BALANCE, June 30 (line 195 minus line 240)	250	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OPI ENTRIES ONLY												
OPI Entry - Taylor Grazing (Equalization Share)	400											
OPI Entry - Other (bentonite)	420											

OFFICE OF PUBLIC INSTRUCTION
ELSIE ARNTZEN, STATE SUPERINTENDENT
OPI.MT.GOV

Putting Montana Students First

CCR Data

Row Labels	7529 - Elementary Equalization (33 Mills) - Ad Valorem Tax	7538 - Elementary Equalization (33 mills) - Coal Gross Proceeds-Non-Levy Revenue	Grand Total
Big Horn	**980481.07**	**2007479.92**	**2987960.99**
Jan	4039.96		4039.96
Feb	18018.61	84157.58	102176.19
Mar	24021.98	83617.24	107639.22
Apr	23357.39	82970.38	106327.77
May	280423.63	695383.41	975807.04
Jun	62799.46		62799.46
Jul	53257.38		53257.38
Aug	11450.72	45062.85	56513.57
Sep	17490.04	83578.91	101068.95
Oct	19836.29	82970.38	102806.67
Nov	401673.52	764935.73	1166609.25
Dec	64112.09	84803.44	148915.53
Grand Total	**980481.07**	**2007479.92**	**2987960.99**

Sum of Amount	Column Labels		
Row Labels	7531 - High School Equalization (22 Mills) - Ad Valorem Tax	7537 - High School Equalization (22 mills)-Coal Gross Proceeds-Non-Levy Revenue	Grand Total
Big Horn	**643287.81**	**1218827.1**	**1862114.91**
Jan	2693.32		2693.32
Feb	11075.17	51095.68	62170.85
Mar	15045.14	50767.61	65812.75
Apr	14563.39	50374.87	64938.26
May	184838.27	422197.07	607035.34
Jun	41865.99		41865.99
Jul	35511.06		35511.06
Aug	7132.57	27359.59	34492.16
Sep	10688.1	50744.34	61432.44
Oct	12216.14	50374.87	62591.01
Nov	265816.69	464425.27	730241.96
Dec	41841.97	51487.8	93329.77
Grand Total	**643287.81**	**1218827.1**	**1862114.91**

OFFICE OF PUBLIC INSTRUCTION
ELSIE ARNTZEN, STATE SUPERINTENDENT
OPI.MT.GOV

Putting Montana Students First

FORM FP6b - YEAR END TOTALS

TREASURER'S REPORT OF COUNTY WIDE SCHOOL & STATE FUNDS YEAR END TOTALS

FY23 TOTALS		22 Mills High School Equalization 7531 / 7532	33 Mills Elementary Equalization 7529 / 7530	22 Mills High School Equalization 7537	33 Mills Elementary Equalization 7538	22 Mills High School Equalization 7541	33 Mills Elementary Equalization 7542	22 Mills High School Equalization 7545	33 Mills Elementary Equalization 7546	County Transportation 7820	High School Retirement 7830	Elementary Retirement 7840
CASH BALANCE - Beginning of the Year, July 1, 2022	**001**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RECEIPTS												
Levy Sources												
311010 County - Real Property Tax	**110**	0.00	0.00							0.00	0.00	0.00
311021 County - Pers Prop Tax, Mbl Homes	**115**	0.00	0.00							0.00	0.00	0.00
311022 County - Pers Prop Tax, All Other	**120**	0.00	0.00							0.00	0.00	0.00
311030 County - Motor Vehicle Tax	**125**	0.00	0.00							0.00	0.00	0.00
311040 County - Net & Gross Proceeds	**130**	0.00	0.00							0.00	0.00	0.00
Non-Levy Sources												
312000 County - Pnlts & Int. on Dlqnt. Taxes	**142**	0.00	0.00							0.00	0.00	0.00
313000 County - Tax Title and Property Sales	**144**	0.00	0.00							0.00	0.00	0.00
314200 County - Coal Gross Proceeds	**146**			0.00	0.00					0.00	0.00	0.00
331100 Flood Control	**148**		0.00									
333010 Federal Forest Reserve	**150**					0.00	0.00			0.00	0.00	0.00
333030 Federal Bankhead Jones	**152**		0.00									
333000 Federal Pymts in Lieu of Taxes (PILT)	**154**							0.00	0.00	0.00	0.00	0.00
334060 State Coal Board Grants	**165**	0.00	0.00							0.00	0.00	0.00
335065 Montana Oil & Gas Production Tax	**168**									0.00	0.00	0.00
335300 State Guar Tax Base Aid (GTBA) OPI Paid	**175**										0.00	0.00
371000 County - Investment Earnings	**177**	0.00	0.00							0.00	0.00	0.00
999998 Other - Miscellaneous **(explain)**	**180**	0.00	0.00							0.00	0.00	0.00
Protested Taxes - Centrally Assessed	**185**	0.00	0.00							0.00	0.00	0.00
Total Receipts (sum lines 110 : 185) **Must**	**190**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal (lines 001 + 190)	**195**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DISBURSEMENTS												
Submitted to Dept of Revenue	**210**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			
Paid to Schools (see Instructions)	**220**									0.00	0.00	0.00
Adjustments **(explain)**	**225**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Disbursements (sum line 210 thru 225)	**240**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CASH BALANCE, June 30 (line 195 minus line 240)	**250**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
OPI ENTRIES ONLY												
OPI Entry - Taylor Grazing (Equalization Share)	**400**		0.00									
OPI Entry - Other (bentonite)	**420**	0.00	0.00									
Total on Equalization Report (The sum of lines 210, 250, 400, 420, minus line 001)	**500**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			

FORM FP6b – SUMMARY PAGE

County
County No.

SUMMARY OF TREASURER'S REPORT OF COUNTY WIDE SCHOOL & STATE FUNDS YEAR END TOTALS

FY23 TOTALS		All Funds 22 Mills High School Equalization	All Funds 33 Mills Elementary Equalization	County Transportation 7820	High School Retirement 7830	Elementary Retirement 7840
CASH BALANCE - July 1, 2022	001	0.00	0.00	0.00	0.00	0.00
RECEIPTS						
Levy Sources						
311010 County - Real Property Tax	110	0.00	0.00	0.00	0.00	0.00
311021 County - Pers Prop Tax, Mbl Homes	115	0.00	0.00	0.00	0.00	0.00
311022 County - Pers Prop Tax, All Other	120	0.00	0.00	0.00	0.00	0.00
311030 County - Motor Vehicle Tax	125	0.00	0.00	0.00	0.00	0.00
311040 County - Net & Gross Proceeds	130	0.00	0.00	0.00	0.00	0.00
Non-Levy Sources						
312000 County - Pnlts & Int. on Dlqnt. Taxes	142	0.00	0.00	0.00	0.00	0.00
313000 County - Tax Title and Property Sales	144	0.00	0.00	0.00	0.00	0.00
314200 County - Coal Gross Proceeds	146	0.00	0.00	0.00	0.00	0.00
331100 Flood Control	148		0.00			
333010 Federal Forest Reserve	150	0.00	0.00	0.00	0.00	0.00
333030 Federal Bankhead Jones	152		0.00			
333040 Federal Pymts in Lieu of Taxes (PILT)	154	0.00	0.00	0.00	0.00	0.00
334060 State Coal Board Grants	165	0.00	0.00	0.00	0.00	0.00
335065 Montana Oil & Gas Production Tax	168			0.00	0.00	0.00
335300 State Guar Tax Base Aid (GTBA) OPI Paid	175				0.00	0.00
371000 County - Investment Earnings	177	0.00	0.00	0.00	0.00	0.00
999998 Other - Miscellaneous **(explain)**	180	0.00	0.00	0.00	0.00	0.00
Protested Taxes - Centrally Assessed	185	0.00	0.00	0.00	0.00	0.00
CCR	190	0.00	0.00	0.00	0.00	0.00
Subtotal (lines 001 + 190)	195	0.00	0.00	0.00	0.00	0.00
DISBURSEMENTS -						
Submitted to Dept of Revenue	210	0.00	0.00			
Paid to Schools (see Instructions)	220			0.00	0.00	0.00
Adjustments **(explain)**	225	0.00	0.00	0.00	0.00	0.00
Total Disbursements (sum line 210 thru 225)	240	0.00	0.00	0.00	0.00	0.00
CASH BALANCE, June 30 (line 195 minus line 240)	250	0.00	0.00	0.00	0.00	0.00
OPI ENTRIES ONLY						
OPI Entry - Taylor Grazing (Equalization Share)	400		0.00			
OPI Entry - Other (bentonite)	420	0.00	0.00			
Total on Equalization Report (The sum of lines 210, 250, 400, 420, minus line 001)	500	0.00	0.00			

DISBURSEMENTS

- Line 220 - Paid to Schools for Funds 7820,7830 & 7840.
- This is only for the countywide funds.
- Report only what was disbursed to schools by June 30. Do not include what is due to schools but not paid.
- Counties report Due to Other Governments for timing differences in June / July disbursements.
- Due to Other Governments are <u>not</u> reported on the FP6b.

OFFICE OF PUBLIC INSTRUCTION
ELSIE ARNTZEN, STATE SUPERINTENDENT
OPI.MT.GOV

Putting Montana Students First

COUNTY COLLECTION REPORT (CCR) with DOR

Any County that makes edits to the PY CCR reporting information after submitting the FP6b…

- ❑ please notify OPI, we will use the final data in our calculation for Equalization.
- ❑ Let us know the details of the CCR change.

FORM FP10A

- The County Superintendents' worksheet for mill calculations (FP10a)
- Prior Year fund balances can be reserved as Current Year obligations to schools.
- This obligation is recognized on the mill calculation worksheet (FP10a) <u>not</u> the FP6b report.

WHAT IS EQUALIZATION?

<u>**COUNTYWIDE** EQUALIZATION</u>

<u>**STATEWIDE** EQUALIZATION</u>

EQUALIZATION – §20-9 PART 3, MCA

- **20-9-331. Basic county tax for <u>Elementary</u> equalization and other revenue for county equalization of elementary BASE funding program** is the annual basic county tax of 33 mills on the dollar of the taxable value of all taxable property within the county, with some exceptions for the purposes of elementary equalization and state BASE funding program support. The revenue collected from this levy must be apportioned to the support of the elementary BASE funding programs of the school districts in the county and to the state general fund. (paraphrased)

OFFICE OF PUBLIC INSTRUCTION
ELSIE ARNTZEN, STATE SUPERINTENDENT
OPI.MT.GOV

Putting Montana Students First

EQUALIZATION – §20-9 PART 3, MCA

- **20-9-333. Basic county tax for <u>High School</u> equalization and other revenue for county equalization of High School BASE funding program** is the annual basic county tax of 22 mills on the dollar of the taxable value of all taxable property within the county, with some exceptions for the purposes of high school equalization and state BASE funding program support. The revenue collected from this levy must be apportioned to the support of the high school BASE funding programs of the school districts in the county and to the state general fund. (paraphrased)

OFFICE OF PUBLIC INSTRUCTION
ELSIE ARNTZEN, STATE SUPERINTENDENT
OPI.MT.GOV

Putting Montana Students First

EQUALIZATION

TITLE 20. EDUCATION
CHAPTER 9. FINANCE
Part 3. Funding of Basic System of Quality Public Schools

Formula For Apportionment Of County Equalization Money

20-9-335. Formula for apportionment of county equalization money. (1) The superintendent of public instruction shall calculate the apportionment of revenue available in the elementary and high school county equalization funds in accordance with the following procedure:

(a) determine the percentage that the county equalization money available for the support of the elementary direct state aid of the districts in the county is of the total elementary direct state aid of all districts in the county;

(b) multiply the elementary direct state aid amount of each district by the percentage determined in subsection (1)(a) to determine the portion of the county equalization money available to each school district.

(2) The procedure in subsection (1) must also be applied for the high school direct state aid.

(3) Territory situated within a county may not be excluded from the calculations of the county equalization money under this section solely because the territory lies within the boundaries of a joint district. Cash balances to the credit of any district at the end of a school fiscal year may not be considered in the apportionment procedure prescribed in this section.

(4) The county equalization money reported under these procedures is the first source of revenue for financing the elementary and high school direct state aid payments.

OFFICE OF PUBLIC INSTRUCTION
ELSIE ARNTZEN, STATE SUPERINTENDENT
OPI.MT.GOV

Putting Montana Students First

STATEWIDE EQUALIZATION

For K-12 funding, it is the result of the 55 mill collections on a statewide basis when compared to the state entitlement for Direct State Aid (DSA) funding.

- The OPI calculates the statewide equalization ratio - approximately 35%
- For every DSA dollar the State paid to the Counties, the Counties' collection for the levied 55 mills is approximately 35% of the need.
- The State's share (OPI) is the difference between what is paid for DSA and what was collected through county taxes.

EXAMPLE

Statewide ratio of .35 cents means that .35 cents is collected through property taxes for the 55 mills for every dollar mandated for Direct State Aid funding of school districts in all counties.

Direct State Aid (DSA) listed on the equalization report won't necessarily match the county's disbursement records for DSA (01-3110)

- the laws for equalization have exceptions for joint counties / joint districts.
- **The Direct State Aid used in Equalization is calculated without regard to joint counties (or boundaries) per statute.**

FACT

Montana had 11 counties in FY2022 that collected 100% or more of the amount of DSA paid to the school districts of Montana.

This is in contrast to: Another county may only collect .13 cents for every DSA dollar paid from OPI to districts in Montana from the 55 mill collections

Statewide Equalization for FY2022 was approximately .35

LETTER TO THE TREASURERS

In the Fall - The OPI will complete the statewide FP6b reconciliations and calculate the FY2023 Equalization.

Next, the OPI will send an email notifying Treasurers the information has been posted to the County website

At this point, the information will be available for review and comment. Only material corrections can be considered.

[OPI School-Finance]

[County Form Timeline]

[Form FP6a] COUNTY TREASURER'S STATEMENT TO

THE COUNTY SUPERINTENDENT OF SCHOOLS

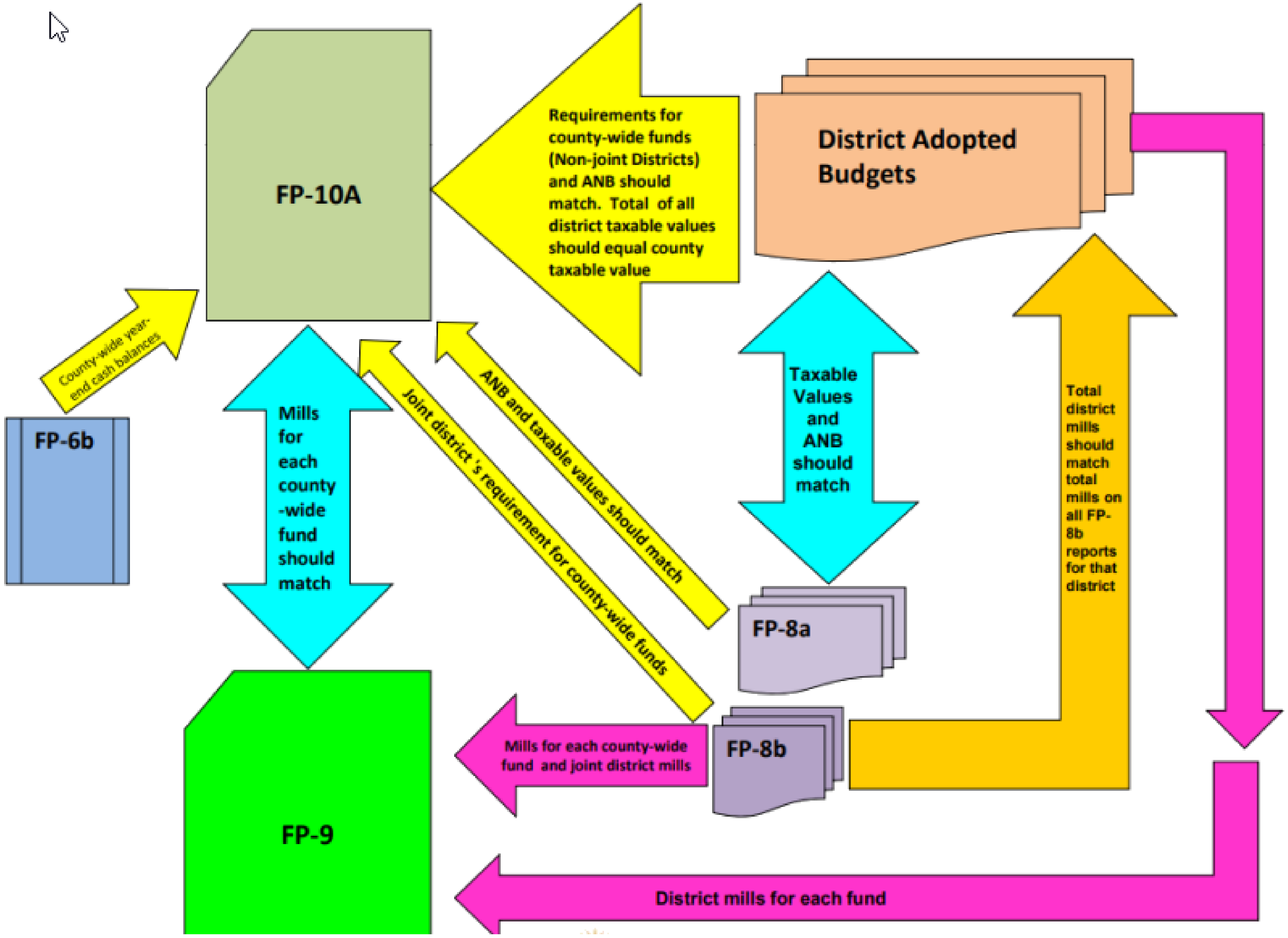
DISTRICT DATA – Due July 20th

NOTE: County Treasurer Statement – Form FP6a - is not submitted to OPI

Forms FP8a and FP8b used by the **County Superintendents** - many may have dual roles

Equalization Reports

Other County Forms and Reports - the flow chart for the flow of county and district data



FP-10A
Requirements for county-wide funds (Non-joint Districts) and ANB should match. Total of all district taxable values should equal county taxable value
District Adopted Budgets
County-wide year-end cash balances
FP-6b
Mills for each county -wide fund should match
Joint district 's requirement for county-wide funds
ANB and taxable values should match
Taxable Values and ANB should match
Total district mills should match total mills on all FP-8b reports for that district
FP-8a
FP-8b
Mills for each county-wide fund and joint district mills
FP-9
District mills for each fund

CLOSING

Email School Finance at

OPI@SchoolFinance@mt.gov

Barbara Quinn

School Finance Senior Manager

406-444-3249

Becky Belling

Budget Analyst

406-444-2561

ANNUAL TREASURER'S CONVENTION

September 2022

Thank you for all you do!