

School Board Meeting:

November 10, 2008

Subject:

2008 Pay 09 Tax Levy

Presenter:

Chuck Klaassen

SUGGESTED SCHOOL BOARD ACTION:

Report only.

DESCRIPTION:

The 2008 Pay 09 Tax Levy will be certified by the Board of Education on Monday, December 8 following the Truth in Taxation Hearing on Tuesday, December 2. While the District is actually exempt from the required public hearing this year, we will go ahead and hold a Truth in Taxation meeting because it's a good opportunity to provide information about our district's finances and to listen to any thoughts, concerns or questions that may come from our citizens that evening.

Our total certified tax levy for 2008 Pay 09 will be \$12,975,693.70, down from last year's \$13,089,665.64 and well under the level of \$13,900,478.79 required to hold the hearing. The total levy reduction is \$113,973.

The break down of the levy and a comparison by type is attached. You can see that we have an increase in the General Fund Levy of \$132,166. The increase comes primarily from a change in the mix of our referendum revenue, shifting some of the referendum equity state aid to local levy. This is due to a rise in overall total market value for the district combined with a decrease in adjusted tax capacity.

The Community Service levy also increased by \$97,343.52 due largely to a change in the formula for Early Childhood Family Education funding. The formula changed so that there is less state aid and more local levy; however the total dollars in the formula for ECFE did not change.

The Debt Service levy will see a decrease of \$343,481.30, due to a refunding adjustment of some leftover Alternative Facilities funds for the indoor air quality projects.