

School Board Meeting:

September 11, 2017

Subject:

Levy Certification Update

Presenter:

**Gary Kawlewski, Director
Finance and Operations**

SUGGESTED SCHOOL BOARD ACTION: None at this time-informational only

DESCRIPTION:

The preliminary numbers for the 2017 payable 2018 levy are attached for your review. These numbers are based on the first run of the levy certification and include all known anticipated changes yet to be made. The current total levy is projected at \$14,364,985 which is up \$429,225 from the prior year. This is a 3.08% increase over the prior year. These numbers are **subject to change**. Some observations are as follows:

- Long-Term Facilities Maintenance revenue is in its third year and increases with this levy.
- Long-term Facilities Maintenance revenue levy numbers include an under levy amount to maximize revenue without a corresponding loss in state aid. This is a tax neutral change when combined with the debt service changes listed below but does generate an additional \$86,000 in revenue.
- The numbers include gaining approval to reduce our debt service levy by \$300,000 to buy down the fund balance and to reduce the impact of bringing in these new revenue programs. We are still waiting for final approval of this request but expect it to be approved.
- The numbers include the savings from the OPEB bond refunding and the end of the tennis court lease levy.
- After further conversation, the savings from the new School Building Bond Ag Credit will be done at the county level and does not directly impact our levy but, rather, will affect individual tax statements. I hope to have a better picture of the tax savings taxpayers may see by the time we approve the final levy.
- All of the referendum market value based equalized levies will see a higher levy portion due to the district's growth in tax valuation and a catch up in final prior year enrollment totals. All categories do see a slight increase in revenue overall due to the higher enrollment projections than the prior year.
- The operating capital levy, the ECFE levy, and the home visit levies have higher equalization levels than last year and show a lower levy amount than last year.
- The remaining equalized levies all see a slight increase in levy amount due to higher valuations and higher enrollment totals.
- The Student Achievement Levy was eliminated by the 2017 state legislature.
- We are seeing a number of prior year adjustments as is the case every year due to having final expenditure totals and enrollment totals for prior years.
- Based on a two-year average 5% growth in Referendum Market Value and Net Tax Capacity, we are seeing the RMV tax rate go up and are seeing the NTC tax rate go down.

- The current tax rate projection on a \$200,000 home is \$823 versus \$840 last year.
- When factoring in the average 5% increase in property values moving a \$200,000 home to \$210,000, the actual tax increase would be about \$30 per year based on the current projections.

At the September 25 meeting we will be asking the board to approve the “maximum” amount as we have done in the past to allow for corrections to the data that may change the levy total.

ATTACHMENT(S):

-Levy Analysis 17 pay 18 9.11.17

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