

Executive Summary

Prepared for Board of Trustees Meeting

July 27, 2010

Certified and Under Protest Values

Purpose of Report

The purpose of this report is to update the Board of Trustees regarding the 2010 Certified and Under Protest Values for the district.

Objectives

- Update the Board regarding the adopted budget as it relates to the Certified and Under Protest Values
- Discuss options available to the Board related to setting a tax rate for the 10-11 school year.

Operational Impact

The District's budget was based on property values of \$8,760,564,622. This was the amount certified and under protest for 2009 as of July 28, 2009. The 2010 Certified and Under Protest Values are reported as \$8,610,855,186 a decrease of \$149,709,436 or 1.71% less than the prior year.

General Fund – The lower values will have a minimal impact on the General Fund due to the Target Revenue method of school funding. It could impact the \$.04 of the tax rate, above the compressed rate, for an estimated cost of \$40,113. However, the budget for the General Fund is based on many other factors as well that will not be known until much later in the year.

Debt Service – The lower values represent a budget shortfall of an additional \$715,751 based on a 97.57% collection rate. However, we did receive a much larger value for the freeze values. The allocated amount for debt service increased from \$3,063,889 to \$3,447,702 or \$383,813. This results in a net decrease of \$331,938 to our adopted budget for debt service.

Results

The budget was based on a proposed tax rate of \$1.53 (\$.49 for debt service and \$1.04 for Maintenance and Operations). This represents an increase to the Debt Service rate of \$.04. The adopted budget for General Fund represents a deficit of \$2,834,629. The adopted budget for Debt Service includes using \$14,720 from the debt service fund balance to meet the current year debt service requirements.