

School Board Meeting:

September 23, 2019

Subject:

Levy Certification Approval

Presenter:

**Gary Kawlewski, Director
Finance and Operations**

SUGGESTED SCHOOL BOARD ACTION:

Approve the proposed 2019 Payable 2020 levy certification at the "Maximum".

DESCRIPTION:

The proposed levy needs approval by September 30, 2019. Due to the number of inputs that go into the levy document, districts have the option to approve the levy at the "**Maximum**" to allow any final adjustments to be made before the levy is sent to the county auditor's office for use with the Truth in Taxation notices. The current projected total levy is \$15,752,820, which is up \$502,720 from the prior year. This is a 3.3% increase over the prior year. These numbers are **subject to change**. Some observations are as follows:

- Long-Term Facilities Maintenance revenue is in its fifth year and an increase in total revenue due to an increase in pupil units. It has a greater local share due to our increase in property values.
- The numbers include the approval of our request to reduce our debt service levy by \$300,000 to buy down the fund balance and to reduce the tax impact of the levy.
- Career and Technical levy sees a decrease in revenue due to lower eligible program expenses than the prior year.
- All of the referendum market value based equalized levies will see a higher levy portion due to the district's growth in tax valuation.
- All net tax capacity based levies see an increase in levy amount due to higher valuations.
- 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 an 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 up as well.
- The current tax rate projection on a \$200,000 home is \$839 versus \$811 last year, or a \$28 increase.
- When factoring in the projected average 5% increase in property values moving a \$200,000 home to \$210,000, the actual tax increase would be about \$75 per year based on the current projections.

We are 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 19 pay 20 9.18.19
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