

School Board Meeting:

August 26, 2013

Subject:

Resolution Authorizing A Board
Approved Referendum Authority

Presenter:

Gary Kawlewski

SUGGESTED SCHOOL BOARD ACTION: Action required

DESCRIPTION:

The 2013 Legislature has now authorized school boards the ability to convert up to \$300 per adjusted pupil unit of voter approved referendum authority to board approved authority for fiscal 2015 and beyond. This authority can be applicable for up to 5 years and would begin with taxes payable in calendar 2014.

Under the new calculations, our current referendum authority gets adjusted from \$489.99 per pupil unit to \$534.55 per adjusted pupil unit. This amount gets reduced by \$424 per adjusted pupil unit for the new location equity revenue authority. The result leaves our current voter approved levy amount at approximately \$110.55 per adjusted pupil unit for fiscal year 2015 and beyond. Since the law allows up to \$300 per adjusted pupil unit, the board has authority to increase the operating referendum authority up to the \$300 per APU or approximately \$189.45 per APU.

The attached resolution, "Resolution Authorizing A Board Approved Referendum Authority" will allow the board to increase the school district operating referendum levy by an amount up to approximately \$189.45 per APU for a five-year period beginning with fiscal year 2015. This authority would generate an additional revenue authority of approximately \$1,158,000. Of this amount, approximately 61% of each dollar would come in the form of state aid with the balance coming from local levy. The referendum authority for the payable 2013 year was paid with about 26% state aid and about 74% local levy. The state's share on the new authorization is more than double the previous year's state share.

Our initial tax impact calculations show a \$1 annual increase for a \$200,000 residential homestead property when comparing the payable 2013 taxes for operating referendum revenue to the proposed payable 2014 combined total of increased total referendum authority and location equity revenue. This increase assumes that the home value is the same each of the two years.

The use of the funds would be targeted to continuing to move towards the Board's goals of reduced class sizes and continuing to meet the district's ongoing needs for technology, curriculum, and buildings and grounds needs.

We recommend approval of the attached resolution as presented.

ATTACHMENT(S):

- Resolution Authorizing A Board Approved Referendum Authority
- Tax Impact Table for New Authority