

**School Board Meeting/Workshop:**

**November 9, 2020**

**Subject:**

2020 Payable 2021 Tax Levy

**Presenter:**

**Gary Kawlewski, Director  
Finance and Operations**

---

**SUGGESTED SCHOOL BOARD ACTION:**

Report only

**DESCRIPTION:**

The district will host its Truth in Taxation hearing as a part of the December 14, 2020 school board meeting to discuss the 2020-21 budget and the proposed 2020 Payable 2021 levy and approve the final levy.

As a recap, the proposed levy certification amount presented at the September 28, 2020 meeting was a total of \$20,133,550 although we approved the "Maximum". The final total is the same amount. The total overall change is a 3.26% increase from last year or an increase of \$497,197. The county auditor is using these totals in calculating their Truth in Taxation notices that will be out at the end of November.

**Levy Amount Changes**

Specifically for this year, the major reductions and additions come in the following areas:

- 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.
- All of the referendum market value based equalized levies will see a higher levy portion due to the district's growth in tax valuation.
- We are seeing a reduction in the Lease Levy category due to the end of the Pride lease and the final last half payment of the Phoenix lease.
- We are projecting higher reemployment claims due to the pandemic. The claims are fully reimbursable and any adjustments will be reflected in future levies.
- 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.

**Tax Impact**

We are continuing to see growth in both net tax capacity values and in referendum market values across the district similar to the past few years. These valuation increases when combined with the levy totals have the following affects:

- The increases bring the tax rate down from last year in the Referendum Market Value levies and down in the Net Tax Capacity levies.
- Some of the equalized levies will see a slightly higher levy portion due to the district's growth in tax valuation.

Final referendum market values and net capacity values used for the Truth in Taxation statements show a projected 7.83% increase for referendum market values and a 7.84% increase for net tax capacity values. The numbers used in the September calculations were 5.00% and 5.00% respectively for both counties.

In addition, the fiscal disparity distribution amount is higher than in the prior year, which also reduces the tax rates as well. Across the board, the tax burden is lower than the prior year for similarly valued property for the Truth in Taxation statements. However, when factoring in property value, most properties will experience an increase in school taxes.

**ATTACHMENT(S):**

- Levy Analysis 20pay21 Truth in Taxation 11.9.20
- Tax Rates and Tax Impact 20 pay 21 final levy projection 11.9.2020