

School District Property Taxes FY2017 to FY2018

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Information Needed - OLD

- Beginning Cash Balances (0103)
 - Net Payables During Encumbrance Period
 - Certified by Each School District
 - ✓ For Each Levy Fund – M&O, Unrestricted Capital & Adjacent Ways
 - For Class A and B Debt Service Cash
- Cash In Bank (0102)
 - Revolving Funds in ALL Cash Funds
- Cash In Investments (0106)
 - Cash Available in ALL LGIP Accounts
 - For Debt Service Only – NOT Bond Funds

Information Needed – OLD

- Adjustments to Cash
 - Tax Roll Corrections
 - Tax Subsidy Revenues
 - ✓ Build America Bonds Interest Subsidy Payments
 - Debt Service Cash NOT Used to Adjust Tax Rate
- Local Revenues (1000's)
 - Tuition Payments, Interest Earnings, Other Revenues
- County Revenues (2000's)
 - County Equalization Assistance
 - Other Revenues Received From the County

Information Needed – OLD

- State Revenues (3000's)
 - Estimate of State Equalization Assistance (Worksheet J)
 - Certificates of Educational Convenience Revenues
- Federal Revenues (4000's)
 - Payments in Lieu of Taxes – PILT
 - ✓ Forest Fees
 - ✓ Taylor Grazing
 - ✓ Impact Aid
 - ✓ Other PILT's
 - Unrestricted Federal Aid Available to Lower Taxes
- Intent → Combine Revenues To Lower Tax Burden on Property Owners in the Taxing Jurisdiction

Information Needed – OLD

- Adopted Budgets For –
 - M&O, Unrestricted Capital Funds
- Debt Service Payments
 - Usually available through County Treasurer or Bond Issuer
- Adjacent Ways Fund
 - The levy amount on your Truth-In-Taxation Notice, not budget!
- Overrides
 - Amounts adopted by Governing Board for EACH override type

Tax Rates FY2018 & Beyond...

- New Rules

- Cash & revenues no longer attributable for Primary Rate/Levy
 - ✓ May still be considered as part of the Secondary Rate/Levy
- No separate tax rate for M&O and Unrestricted Capital
 - ✓ HOWEVER, the County School Superintendent or the School District should still property apportion revenues to EACH fund.
- Intent → Create a uniform, stable tax **rate** without focusing on cash on hand; usually leads to a one-time spike (or dip) when first implemented.

HERE'S HOW IT WORKS...

Tax Rates FY2018 & Beyond...

- PART 1

- Determine lesser of applicable Qualifying Tax Rate OR the tax rate applicable to the District Support Level

Example → QTR = \$4.1586

DSL = $\$240,160,517 / (\$3,081,169,583 / 100) = \$7.7945$

Use \$4.1586

- PART 2

- Determine tax rate for the difference between Transportation Support Level (TSL) and Transportation Revenue Control Limit (TRCL)

Example → TSL = \$14,538,408

TRCL = \$19,484,450

Difference = \$4,946,042 or \$0.1605

Tax Rates FY2018 & Beyond...

- PART 3

- Tax rate for each amount outside Revenue Control Limited, but limited to only:
 - ✓ Desegregation
 - ✓ Tuition Loss
 - ✓ Small School Adjustment
 - ✓ Adjacent Ways
 - ✓ Liabilities in Excess of Budget
 - ✓ GPLET Outside of the QTR
 - ✓ Non-State Aid District Tax Judgements
 - ✓ Prior Year Cash Deficit
- Special “Rules” Apply to Some Categories...

Tax Rates FY2018 & Beyond...

- PART 3

- Adjacent Ways –

- ✓ An itemized statement must be filed with the county school superintendent to show amount of monies needed for expenses within the school district for the ensuing year, AND
 - ✓ The School Facilities Board must provide approval for any project exceeding \$50,000 in cost
 - ✓ Only the amount in the Board-approved TNT will be levied

- Cash Deficit –

- ✓ Any negative cash balance from under levying in prior years
 - ✓ Must be “certified” by the County Treasurer to the County School Superintendent

Tax Rates FY2018 & Beyond...

- PART 4

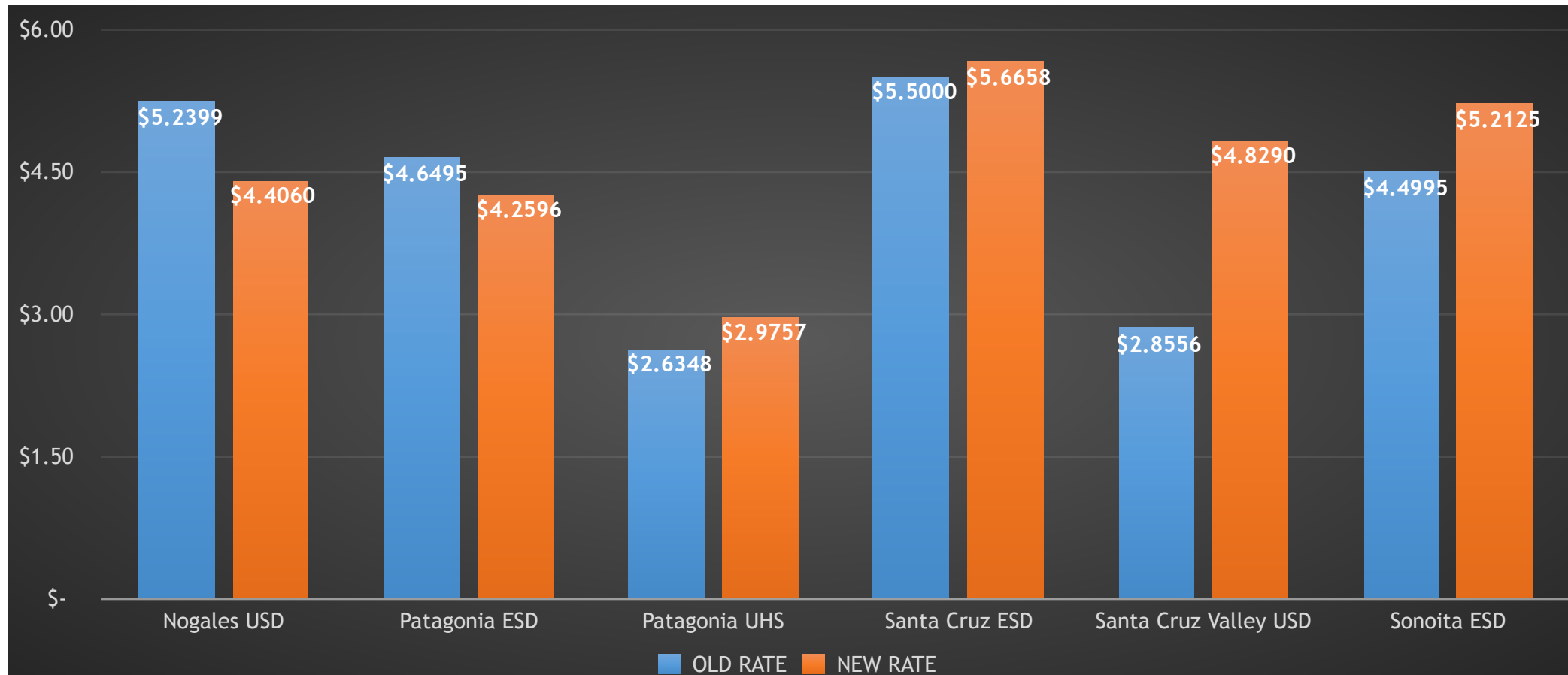
- Minimum School Tax

- ✓ Applies to non-State Aid school districts; law remains unchanged
 - ✓ One-half of applicable QTR must be levied *in addition to* the school district's primary tax rate calculation

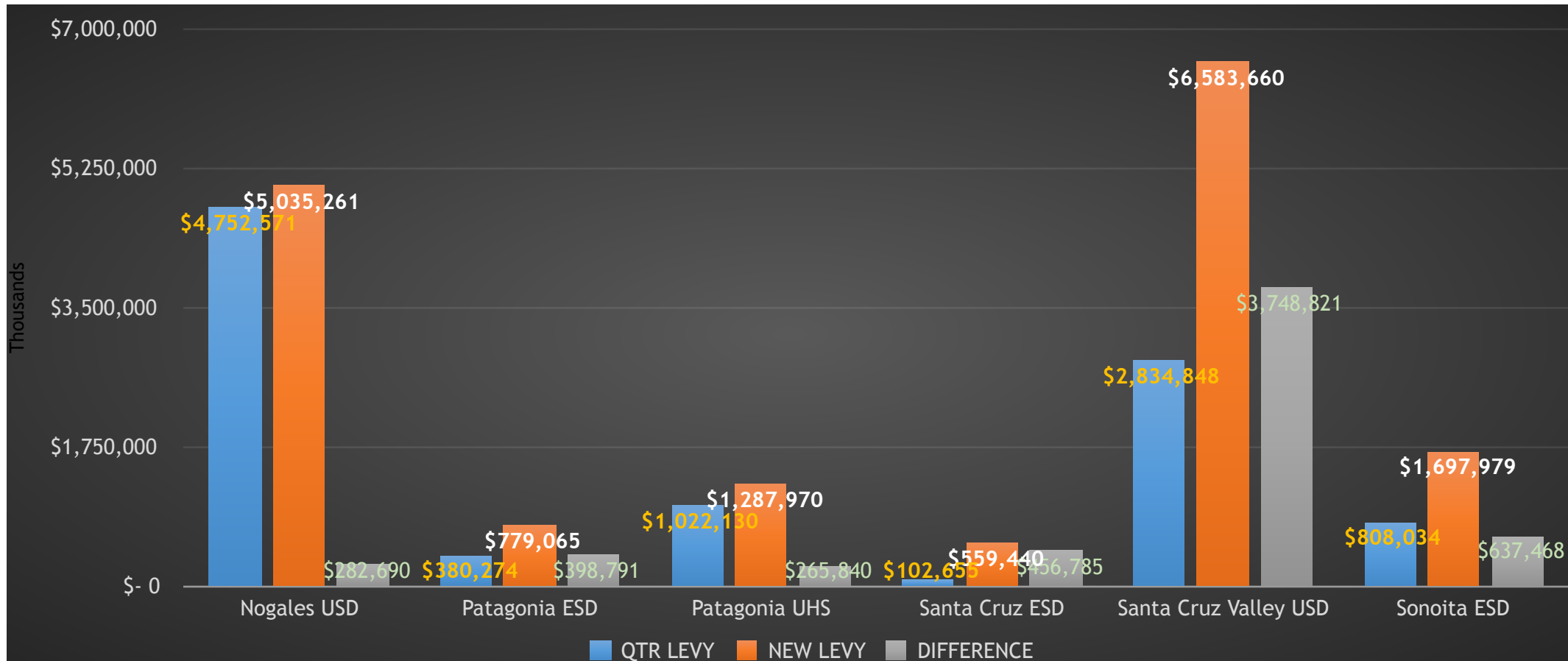
- Secondary Tax Rates and Levies

- ✓ Calculation for overrides and bonds remains **unchanged**.
 - ✓ Minor “update” – bond and override tax rate and levy calculation uses the “Limited Net Assessed Value,” but the bonding capacity only for each school district is based on the “Full Cash Net Assessed Value.”

I Wonder – Tax Rates...



I Wonder – Tax Levy...



QUESTIONS?

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