

Voted & Board Local Levy Program

2019 GS | State Property Tax Guarantee Programs



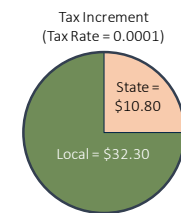
40

MSP: Voted & Board Local Levy Programs

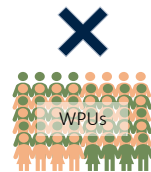
2019 GS | State Supported Property Tax Guarantee Programs

- State Guarantees Minimum Revenue per WPU
 - FY 2019 Rate is \$43.10 per WPU/Tax Increment
 - 1 Tax Incr. = Tax Rate of 0.0001
 - Up to 20 Tax Increments Guaranteed by State (0.002)
 - Voted Levy = 16 Incr. Maximum (Tax Rate = 0.0016)
 - Board Levy = Balance of Incr. (20 Minus Voted Incr.)
- Local Property Tax Must Generate Less than the Guarantee Rate to Receive State Funding
- Original Program to Expand Educational Opportunities Above the Minimum Program
- State Guarantee Increases Each Year by Statute
 - FY 2020 Estimated Guarantee Rate - \$44.98 per WPU

Guarantee Formula

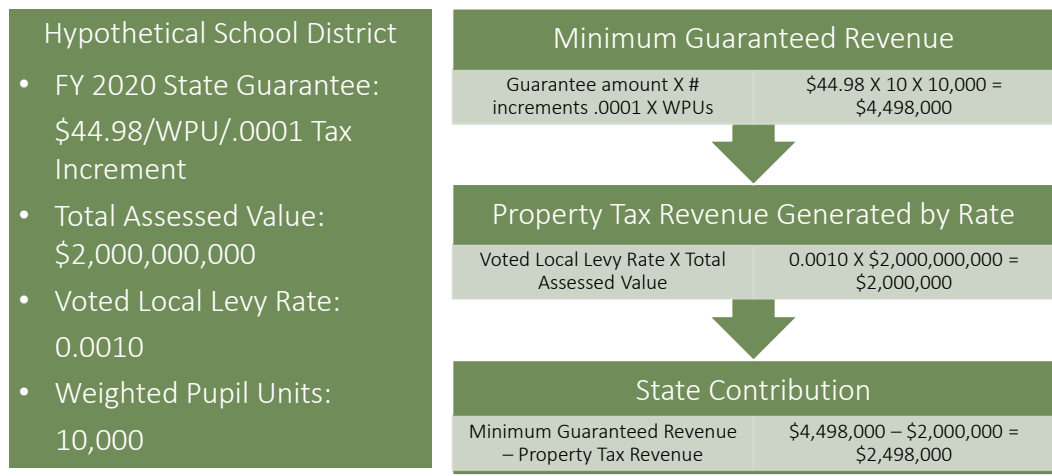


State Guarantees \$43.10/Increment



41

MSP: Voted & Board Formula 2019 GS | How The Formula Works



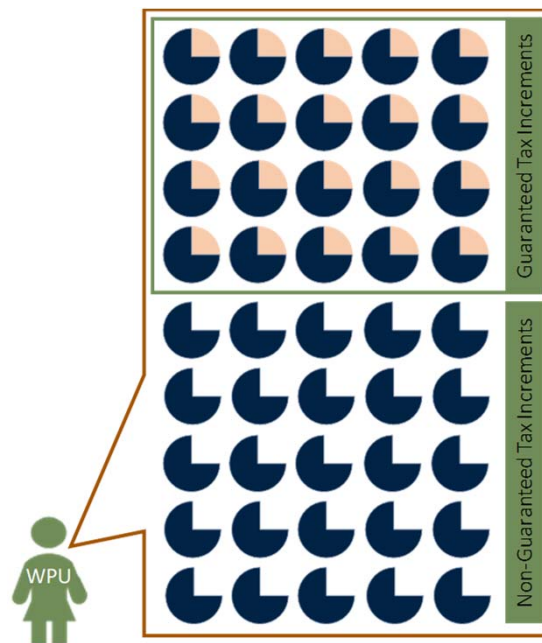
42

Voted & Board State Guarantee: *Tax Increments Guaranteed Per for Each WPU*

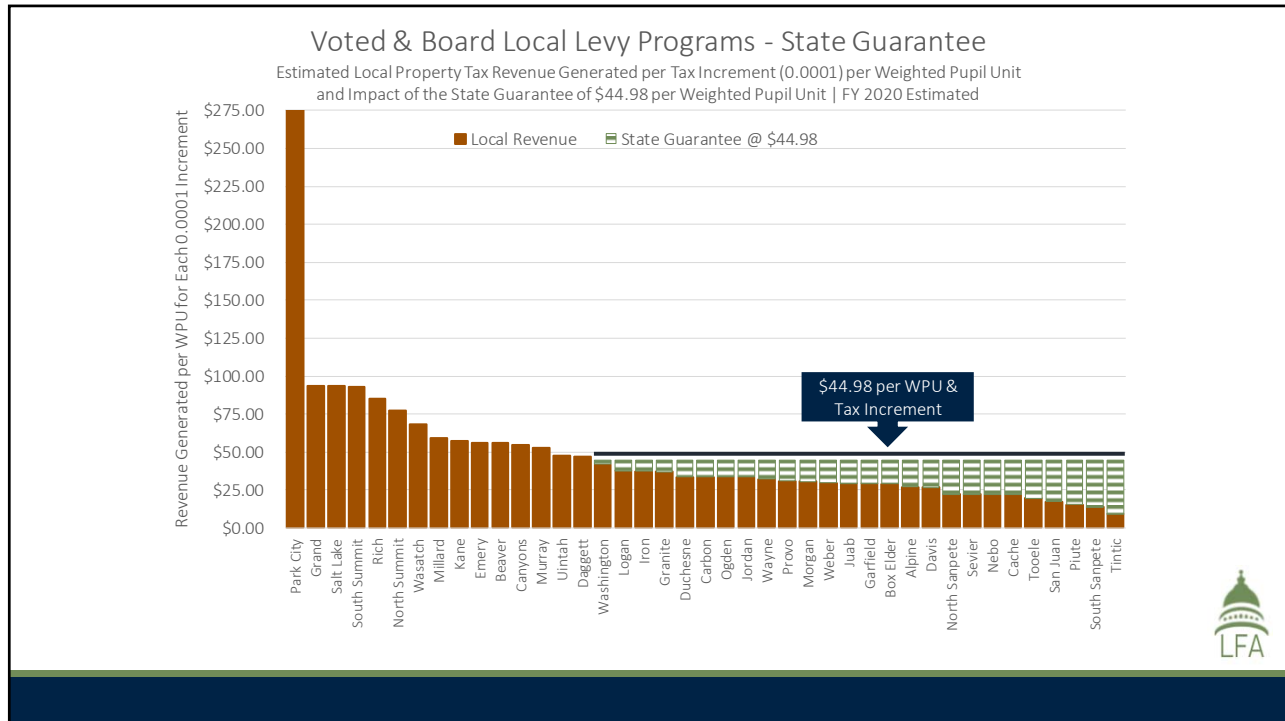
45 Tax Increments Possible

State Guarantees Up to 20 for Each WPU

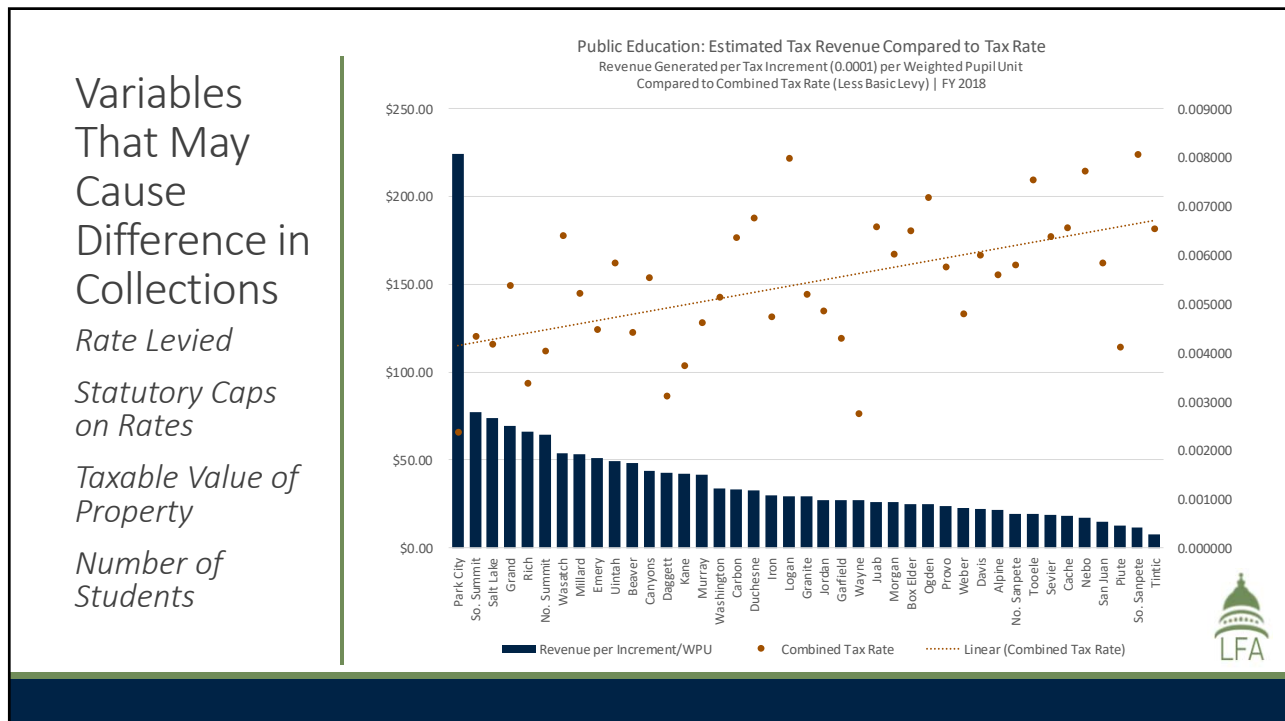
25 Increments NOT Guaranteed



43




44



45

Table C: Voted & Board Local Levy Programs		
<i>Guarantee Rate (per 0.0001 Tax Rate per WPU):</i>		\$43.10
Revenue Sources		Amount
A. State Revenue		
1. Education Fund		128,740,500
a. Education Fund, One-time ⁽⁴⁾		
B. Restricted State Revenue		
1. EFR - Minimum Basic Growth Account		56,250,000
2. EFR - Local Levy Growth Account ⁽⁷⁾		36,117,300
Subtotal - State Revenues:		221,107,800
C. Local Property Tax Revenue		
1. Voted Local Levy		324,424,900
2. Board Local Levy		109,864,100
a. Reading Improvement Program		15,000,000
Subtotal - Local Property Tax Revenues:		449,289,000
Total Revenues:		\$670,396,800
Expenditures by Categorical Program	Changes	Amount
A. Voted and Board Local Levy Programs		
1. Voted Local Levy Program ⁽⁴⁾⁽⁷⁾	49,897,900	495,172,900
2. Board Local Levy Program ⁽⁴⁾⁽⁷⁾	25,682,300	160,223,900
3. Board Local Levy - Early Literacy Program	0	15,000,000
Total Expenditures:		\$75,580,200




46

Budget Issues: Voted & Board Local Levy Programs

FY 2019 & FY 2020 Issues for Consideration by the Legislature

- Enrollment Growth
 - State Funds – (\$20,906,500) one-time
 - Local Funds - \$124,827,100 ongoing
- State Guarantee Rate in FY 2020
 - Statute Ties Rate to Prior-Year WPU Value Increase (FY2019) + Accelerator
 - Revenue from “Basic Rate Freeze” Used to Increase Rate (Est. \$12,880,600 Increase)
 - Increases from \$43.10 to \$44.98 per WPU for each Tax Increment (0.0001) Guaranteed



47