



INDEPENDENT SCHOOL DISTRICT NO. 719

TRUTH IN TAXATION

Presented on
Tuesday, December 6, 2005

AGENDA

- The Truth in Taxation Process
- Basic School Funding
- Levy Certification 2005 pay 2006
- Factors Contributing to the Levy Increase
- Levy Certification History
- Graphical Analysis
- 05-06 Final Budget Summary

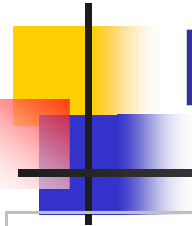




TAX LEVY CALENDAR

- August Set dates and location of levy hearings
 - September Certify Proposed Levy (1)
 - November County mails levy notices to property owners
 - December Public hearing on levy
 - December Certify final tax levy (2)
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- (1) Except for new voter approved tax levies, the final levy cannot exceed the proposed levy certified in September
 - (2) The certification of the levy is the culmination of a five month process which began the previous July

CITY/COUNTY VS. SCHOOL DISTRICT LEVY/BUDGET CYCLE



	#	2005												2006												2007											
		J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A				
		A	E	A	P	A	U	U	U	E	C	O	E	A	E	A	P	A	U	U	U	E	C	O	E	A	E	A	P	A	U	U	U				
		N	B	R	R	Y	N	L	G	P	T	V	C	N	B	R	R	Y	N	L	G	P	T	V	C	N	B	R	R	Y	N	L	G				
Legislation		█																																			
City/County Tax Levy Decision																																					
Collection of Levy																																					
Budget Year School District Tax Levy Decision																																					
Collection of Levy																																					
Budget Year																																					



AUTHORITY FOR SCHOOL LEVIES

- A School District Tax Levy Must Be Either:
 - SET BY STATE FORMULA
 - OR
 - VOTER APPROVED



FACTORS IMPACTING TAX CHANGE

- Issues Driven by State Level Decisions
 - Change in levies determined by state formula
 - Change in sales ratio (Impacting ANTC)
 - Laws mandating code compliance (Health & Safety)
- Issues Determined by District Voters
 - Voter approved bond referendum
 - Voter approved excess levy referendum
- Local Factors
 - Inflationary pressure on real estate market
 - Abatements
 - Property improvements not previously taxed
 - Change in individual assessed market value
 - Possible change in classification (i.e.. homestead to rental)



BASIC FORMULA FOR DETERMINING REVENUE

- Formula Allowance x Pupil Units
 - Plus
 - Excess Levy Referendum
 - Plus
 - Categorical Items

BASIC FORMULA FOR CALCULATING PROPERTY TAXES

- Adjusted Tax Capacity Base x State Set Tax Rate
 - Plus
 - Excess Levy Referendum
 - Plus
 - Categorical Levies



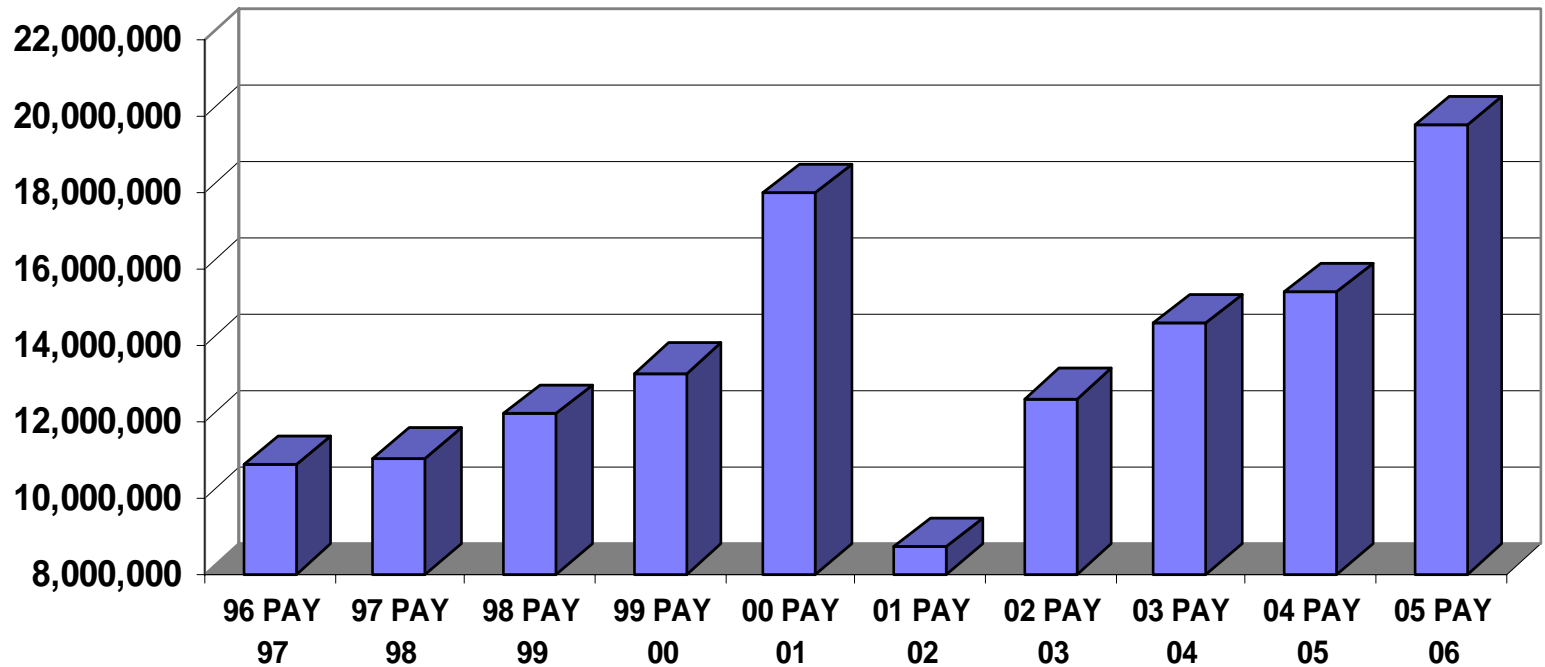
BASIC FORMULA FOR CALCULATING STATE AID

- Authorized Total Revenue
 - Minus
 - Local Property Taxes
 - Equals
 - State Aid



LEVY CERTIFICATION HISTORY

LEVY CERTIFICATION ANALYSIS



05 PAY 06 RECOMMENDED FINAL LEVY

		Tax Levy By Year			
		2005	2006		
School District Fund		(Actual)	(Proposed)	Difference	Percent
General Fund					
Set by State Formula		\$546,611	\$1,399,641	\$853,031	156.06%
Set by Local Board		\$6,352,871	\$7,000,206	\$647,335	10.19%
Total General Fund		6,899,482	8,399,848	1,500,366	21.75%
Community Service Fund					
Set by State Formula		\$462,155	\$489,329	\$27,174	5.88%
Set by Local Board		\$95,467	\$65,000	(\$30,467)	-31.91%
Total Community Svc. Fund		557,622	554,329	(3,293)	-0.59%
Debt Service Fund					
Set by Local Board					
Building Bonds		\$8,074,438	\$10,771,178	\$2,696,739	33.40%
Reduction in Debt Excess		(\$145,557)	\$0	\$145,557	-100.00%
Total Debt Service Fund		\$7,928,881	\$10,771,178	\$2,842,297	35.85%
Property Tax Levy		\$15,385,985	\$19,725,354	\$4,339,369	28.20%
Percent increase without new building bond approved in Feb of 2005 is 15.55%					

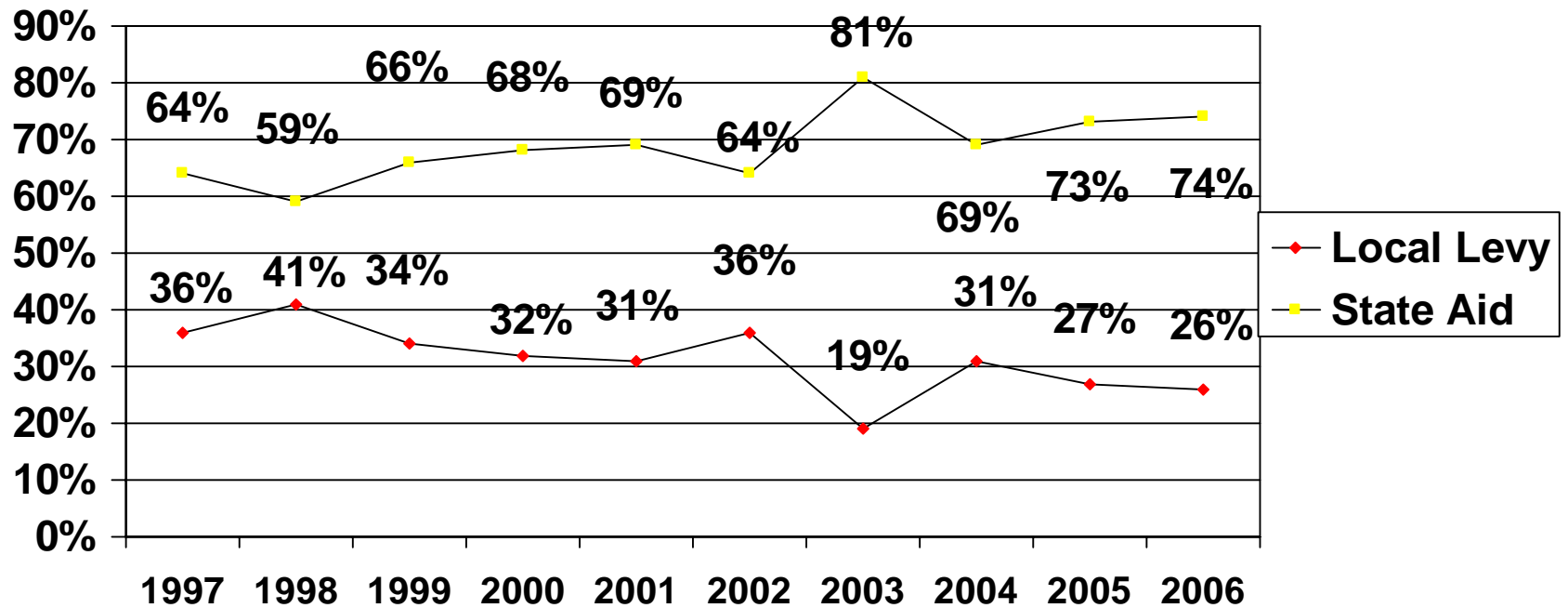


FACTORS CONTRIBUTING TO INCREASE

- Adjusted Net Taxing Capacity-15% inc.
- Referendum Market Value-17% inc.
- 2005 Legislative change of state/levy formula for:
 - Equity
 - Transition
 - Operating Capital
 - Reemployment
 - Lease Levy
- Prior Year adjustments in Health & Safety and Extended Day Disabled
- Debt Service-new voter approved bond Feb 05

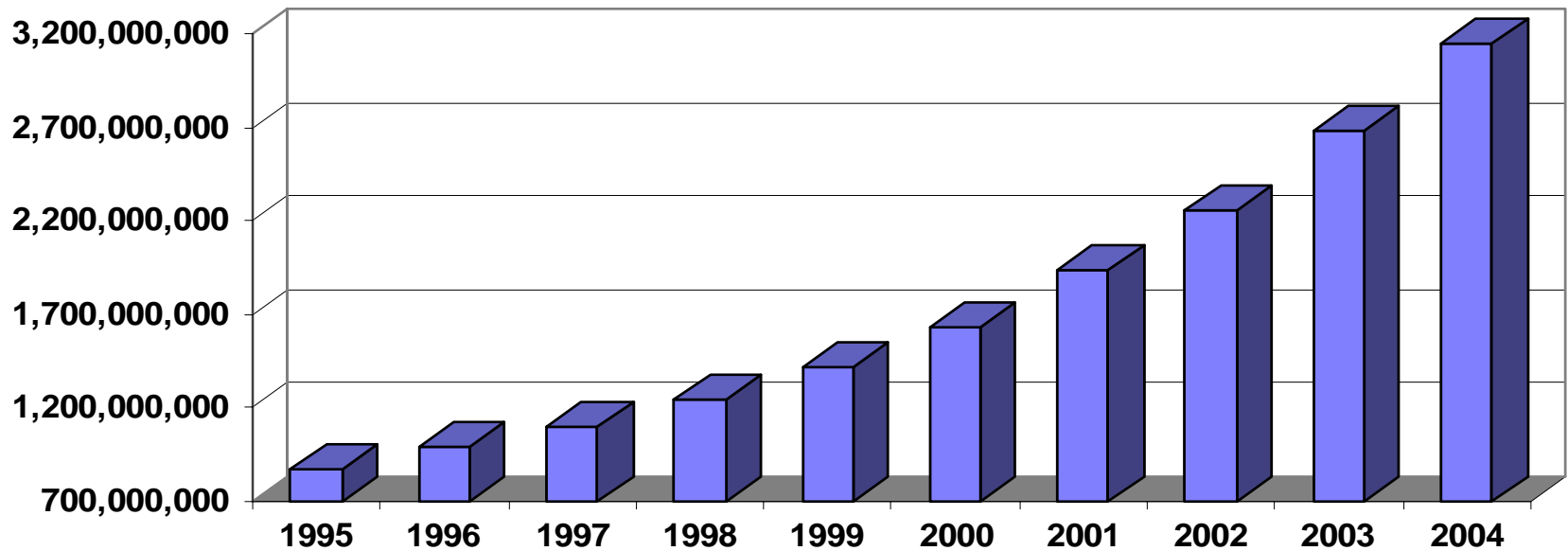
LOCAL LEVY VS. STATE AID

ISD 719 FY 97-06 Average Levy 31% State Aid 69%



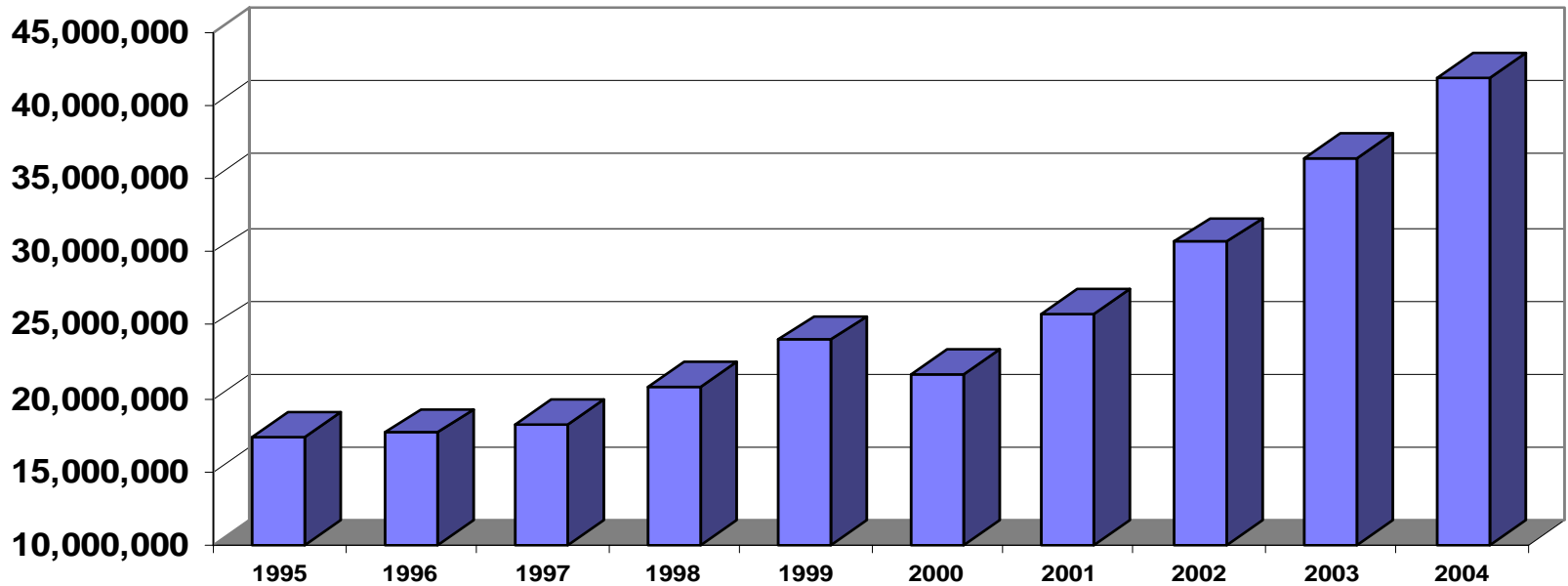
REFERENDUM MARKET VALUE ANALYSIS

**05 PAY 06 LEVY LIMITATION
REFERENDUM MARKET VALUE ANALYSIS**



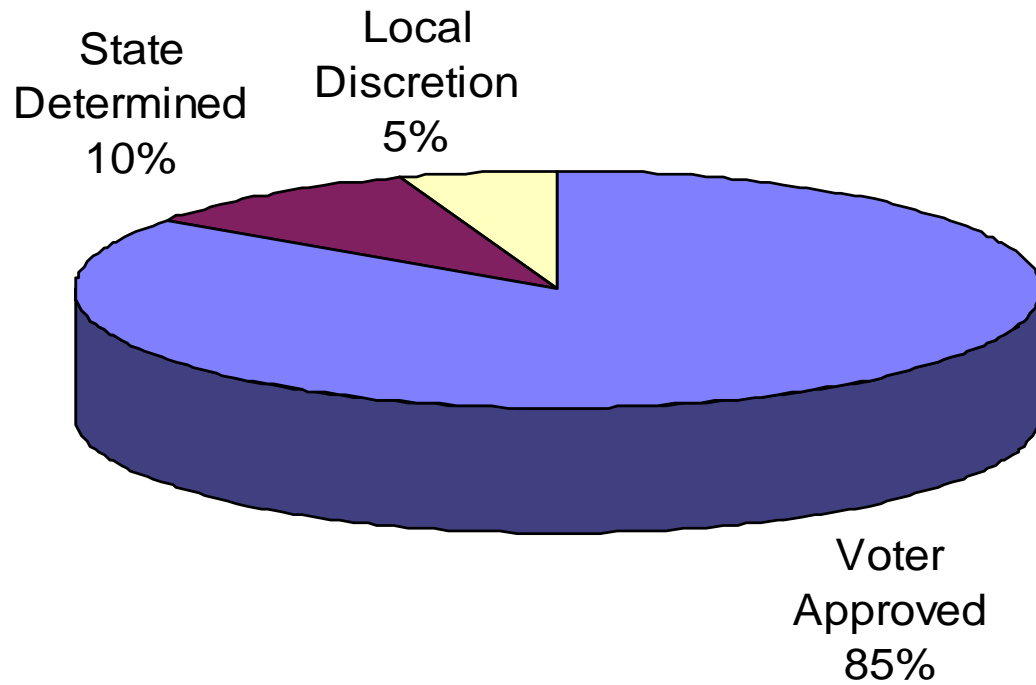
ADJUSTED NET TAX CAPACITY ANALYSIS

**05 PAY 06 LEVY LIMITATION
ADJUSTED NET TAX CAPACITY ANALYSIS**



TRUTH IN TAXATION ANALYSIS

05 PAY 06 LEVY LIMITATION ANALYSIS





Questions and Comments
