



# Bettendorf CSD SIAC

## Property Tax Scenarios

Grant Wood Elementary School  
18 September 2018  
4:30 PM



Bettendorf  
Community  
School District

# *“How much would my taxes increase?”*

## Estimated Property Tax Impact of \$30M General Obligation Bond Referendum Bettendorf Community School District

### Estimated monthly tax increase examples

<u>Assessed Value</u>	<u>Estimated Net Taxable Value</u>	<u>MAXIMUM \$1.55 increase</u>	<u>\$1.00 Increase</u>	<u>\$0.50 Increase</u>
\$ 100,000	\$ 50,771	\$ 7	\$ 4	\$ 2
\$ 150,000	\$ 83,431	\$ 10	\$ 7	\$ 3
\$ 200,000	\$ 111,242	\$ 14	\$ 9	\$ 4
\$ 300,000	\$ 166,863	\$ 21	\$ 14	\$ 7
\$ 400,000	\$ 222,484	\$ 28	\$ 18	\$ 9

## Property Tax Definitions - General Fund

- **Uniform Levy** – Every Iowa School District has an initial rate of \$5.40.
- **Additional Levy** – Property tax rate adjusted for district property values and state aid.
- **Instructional Support Levy** – Board-approved levy for general education support.
- **Cash Reserve Levy** – Board-approved levy to ensure district financial flexibility.

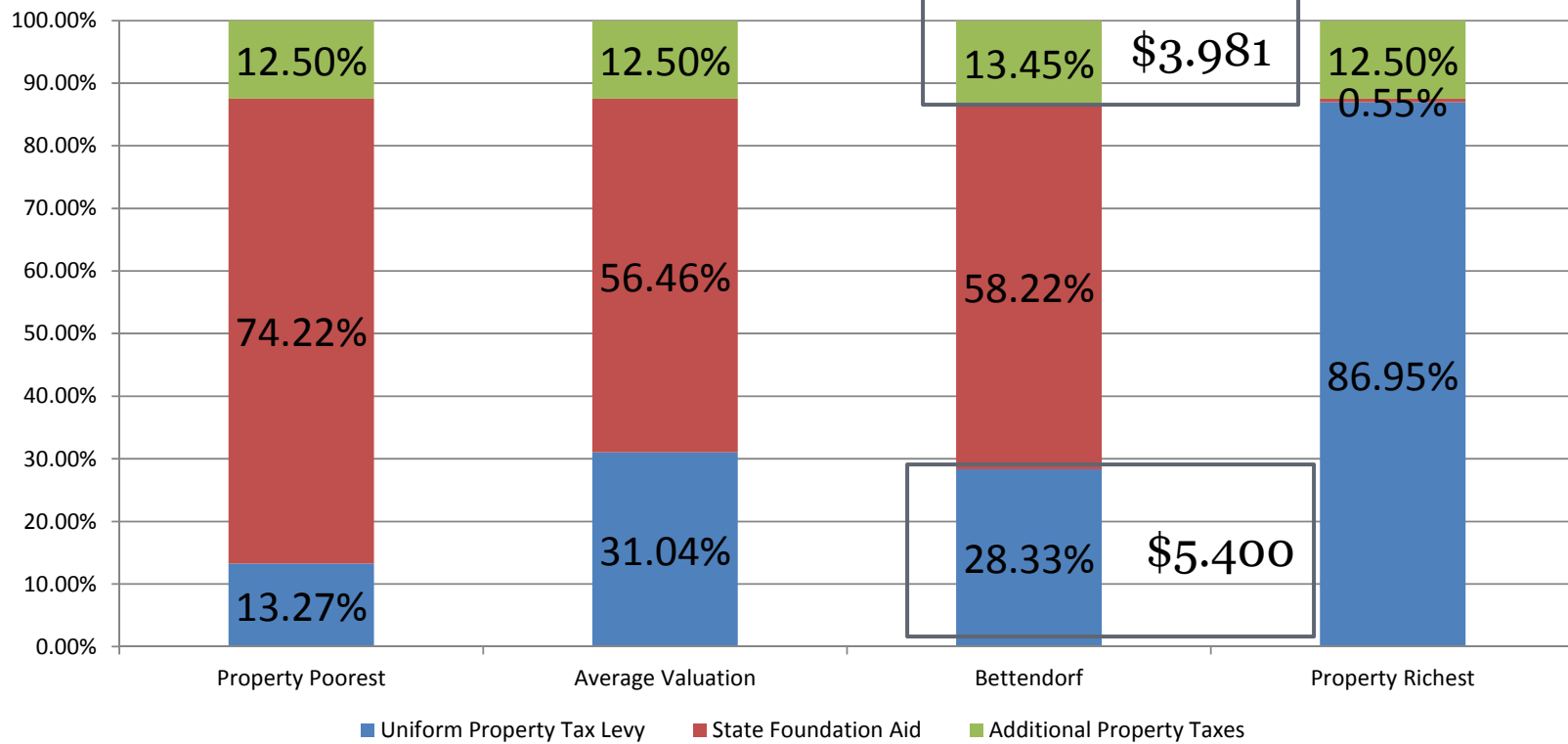
## Property Tax Definitions - Additional

- **Management Fund Levy** – Board-approved levy to pay insurance, early retirement, and legal settlement expenses.
- **PPEL (Property, Plant, and Equipment Levy)**
  - Levy to fund ongoing capital improvement and technology improvements.
    - Board-approved – Levy approved by board every five years
    - Voter-approved – Levy approved by voters every ten years. Last approved by BCSD in 2013.
- **Debt Service Levy** – Levy for paying principal and interest on general obligation bonds.

## 2015-2019 Property Tax Components Bettendorf Community School District

	FY 2014- 2015	FY 2015- 2016	FY 2016- 2017	FY 2017- 2018	FY 2018- 2019
<b><i>General Fund Components</i></b>					
Uniform Levy	5.400	5.400	5.400	5.400	5.400
Additional Levy	3.935	4.114	3.999	3.981	3.981
Cash Reserve Levy	-	-	-	-	1.275
Instructional Support Levy	1.421	1.441	1.449	1.447	1.376
<b>Total General Fund</b>	<b>10.756</b>	<b>10.955</b>	<b>10.848</b>	<b>10.828</b>	<b>12.032</b>
	FY 2014- 2015	FY 2015- 2016	FY 2016- 2017	FY 2017- 2018	FY 2018- 2019
<b><i>Additional Property Tax Components</i></b>					
Management Fund Levy	1.590	1.391	1.327	1.368	0.264
Board-Approved PPEL Levy	0.330	0.330	0.330	0.330	0.330
Voter-Approved PPEL Levy	1.340	1.340	1.340	1.340	1.340
Debt Service Levy	-	-	-	-	-
<b>Total Additional Property Tax Components</b>	<b>3.260</b>	<b>3.061</b>	<b>2.997</b>	<b>3.038</b>	<b>1.934</b>
<b>BCSD Property Tax Rate</b>	<b>14.016</b>	<b>14.016</b>	<b>13.845</b>	<b>13.866</b>	<b>13.966</b>

### Relationships between property values and funding sources





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# Management Fund Analysis

<b>6/30/2018 Management Fund Balance</b>	<b>5,905,927</b>
2016-2017 Management Fund Expenses	981,296
<b>Years of Expenses in Fund Balance</b>	<b>6.02</b>
2017-2018 Management Fund Expenses	1,337,279
<b>Years of Expenses in Fund Balance</b>	<b>4.42</b>
2016-2018 Avg - Management Fund Expenses	1,159,287
<b>Years of Expenses in Fund Balance</b>	<b>5.09</b>
<b>Hypothetical Fund Balance - Two Years Expenses (2017-2018)</b>	<b>2,674,559</b>
<b>Additional Fund Balance, 6/30/2018</b>	<b>3,231,368</b>
<b>Additional Fund Balance as of 6/30/2018 in years</b>	<b>2.42</b>



# Example Tax Scenarios

## 2015-2019 Property Tax Components Bettendorf Community School District

	FY 2018- 2019	Hypothetical FY 2019-2020 Tax Rate Increases			
		1.55 MAXIMUM	1.00 net increase	0.50 net increase	0.01 net increase
<b>General Fund Components</b>					
Uniform Levy	5.400	5.400	5.400	5.400	5.400
Additional Levy	3.981	3.981	3.981	3.981	3.981
Cash Reserve Levy	1.275	-	-	-	-
Instructional Support Levy	1.376	1.376	1.376	1.376	1.376
<b>Total General Fund</b>	<b>12.032</b>	<b>10.757</b>	<b>10.757</b>	<b>10.757</b>	<b>10.757</b>
<b>Additional Property Tax Components</b>					
	FY 2018- 2019	1.55 MAXIMUM	1.00 net increase	0.50 net increase	0.01 net increase
Management Fund Levy	0.264	1.539	0.989	0.489	-
Board-Approved PPEL Levy	0.330	0.330	0.330	0.330	0.330
Voter-Approved PPEL Levy	1.340	1.340	1.340	1.340	1.340
Debt Service Levy	-	1.550	1.550	1.550	1.550
<b>Total Additional Property Tax Components</b>	<b>1.934</b>	<b>4.759</b>	<b>4.209</b>	<b>3.709</b>	<b>3.220</b>
<b>BCSD Property Tax Rate</b>	<b>13.966</b>	<b>15.516</b>	<b>14.966</b>	<b>14.466</b>	<b>13.977</b>



## Three key takeaways

- 1. \$14** - Maximum monthly tax increase on \$200,000 assessed value residential property
2. Board of Education has flexibility to adjust various tax rates to reduce net tax increase.
3. Future assessed value increases may decrease future maximum levy increases.