

Calculation of School Levies

SDASBO Spring Workshop

Presented by Department of Revenue

04/27/2016

CALCULATION OF SCHOOL LEVIES

The attached worksheet is what we use to calculate the levies for a school district.

The yellow are the valuations from the School Valuations Worksheet that the Department of Revenue sends out. It includes all valuations from all counties. However, you'll notice it does NOT include the M or M-OO values (mobile homes.) By law, we are not able to use the value from mobile homes to calculate a levy. They still pay that levy...but to calculate levies, we exclude mobile home values.

The green section is what we call Valuation for General Levy Calculation. Since each land class (ag, owner occupied, and other) gets a different levy for school districts, we have to determine a valuation based on the same relationship between the maximum levies set by the Legislature.

– The max Ag levy is 1.568...the max OO is 3.687. That shows us that the OO levy is 2.3514 times higher than Ag.

– The Oth levy is 7.630...showing us that it is 4.8661 times higher than Ag.

Once we do all of this finagling, we add up the column to get a total. This Value for General Levy Calc is used ONLY for calculating General Fund levies. Keep in mind that opt outs are considering additional General Fund dollars.

In my example, the official school request came in as:

General – Max
Opt Out - \$490,000
CapOut – 1,200,000
SpeEd – Max
Bond - \$967,600

The Opt Out requested is 490,000. A school can only opt out for General Fund...and General is the one where there are 3 different levies. So to calculate the levies, we must take the Request divided by the Value for General Levy Calc (in green)...times 1000. This calculates the Ag levy for the Opt Out.

From there, we can determine the OO and Oth by using the levy cheatsheet. If you can't find your cheatsheet, you can still determine the levies by taking the Ag levy

by the factors. As I said above, Owner Occupied is 2.5989 times higher than Ag, so we take the Ag levy and multiply it by 2.5989 and we'll get the OO levy. We do the same with the Oth factor...Ag levy X 5.5657 = Oth levy

The middle section – Cap Out, SpEd – is easier because all land classes get the same levy. It's even simpler if the school district just requests a levy. If the district submits their Special Ed request for in levy format, they will get that levy (as long as it does not exceed the limit). If they were to ask for a dollar amount, then you have to do calculations. We would use the true value of the district (in yellow) to calculate these funds.

- Please note how I documented the Request and the Levy columns for these funds. Put what they actually put on their tax request in the left column...and put what you will be putting on the tax bills in the right most column.

Reminder!!! Opt Out, Capital Outlay, and Bond requests MUST be in dollar format!

The blue highlighted numbers are what we have officially calculated the levies out to be. For General you will get

$$\text{AG: } 1.568 + .454 + 2.413 + 1.505 + 1.946 = 7.886$$

$$\text{OO: } 3.687 + 1.068 + 2.413 + 1.505 + 1.946 = 10.619$$

$$\text{Oth: } 7.630 + 2.209 + 2.413 + 1.505 + 1.946 = 15.703$$

