

AN EXPLANATION OF ROLLED-BACK MILLAGE RATE

“Rolled-Back Rate: -- The millage rate for the new year which would produce the same level of ad valorem tax revenue as was levied in the prior year, after adjusting the new year’s taxable property value by backing out “net new construction” and certain deletions.

In other words, the Rolled-Back Rate is the new millage rate that it would take to produce the same amount of property tax revenue using the new-year property tax roll, as was produced the year before by the prior-year actual millage rate and the prior-year tax roll.

The theory behind the “Rolled-Back Rate” is to maintain a constant revenue stream from local property tax sources. Presumably, as the tax roll increases in value, the millage rate would drop proportionately. Unfortunately, this theory does not provide for funding student enrollment growth nor does it allow for basic inflationary cost increases. A third limitation is the historical trend toward rapidly declining state revenues expressed as a percentage of the School Board’s operating and capital outlay budgets.

SCHOOL DISTRICT OF CLAY COUNTY ROLLED-BACK RATE CALCULATION 2010-2011 BUDGET REVIEW

COLUMN	(1) 2009-2010 ROLLED-BACK MILL LEVY*	(2) 2009-2010 MILL LEVY	(3) 2010-2011 MILL LEVY	(4) INCREASE/(DECREASE) IN MILLAGE (COLUMN 3 MINUS COLUMN 1) 2010-2011 MILL LEVY IN EXCESS OR LESS THAN 2009-2010 ROLLED-BACK MILL LEVY	(5) ROLLED-BACK RATE (COLUMN 4 % OF COLUMN 1) PERCENT INCREASE (DECREASE) BASED ON MILLAGE INCREASE (DECREASE) (4) DIVIDED BY ROLLED-BACK MILL LEVY (1)
REQUIRED LOCAL EFFORT	5.6896	5.2350	5.3690	(0.3206)	(5.63)
DISCRETIONARY	0.8129	0.7480	0.7480	(0.0649)	(7.98)
SUPPLEMENTAL	-	-	-	-	-
CRITICAL OPERATING NEEDS	0.2717	0.2500	0.2500	(0.0217)	(7.99)
LOCAL CAPITAL IMPROVEMENT	1.6303	1.5000	1.5000	(0.1303)	(7.99)
TOTAL MILLAGE LEVY	8.4045	7.733	7.867	(0.5375)	(6.40)

TOTAL DECREASE IN MILLAGE (COLUMN 4) DIVIDED BY ROLLED-BACK MILL LEVY (COLUMN 1) EQUALS ROLLED-BACK RATE (COLUMN 5) (0.5375) DIVIDED BY 8.4045 EQUALS (6.40%)

*NOTE: THE CALCULATIONS OF THE 2009-2010 ROLLED-BACK MILL LEVY IS BASED ON DATA FROM THE 2010 CERTIFICATION OF SCHOOL TAXABLE VALUE FORM DR-420S.

SCHOOL DISTRICT OF CLAY COUNTY 2010-2011 ANNUAL BUDGET RECAP OF MILLAGE LEVIES AND

DISTRICT AD VALOREM TAX REVENUE

	2009-2010		2010-2011		TAXABLE VALUE INCREASE/(DECREASE)
	MILLAGE	AMOUNT	MILLAGE	AMOUNT	AD VALOREM INC./ (DEC.)
TAXABLE VALUES		\$10,486,291,298	\$ 9,763,332,245		(\$722,959,053)
REQUIRED LOCAL EFFORT	5.235	\$ 52,249,868	5.369	\$ 50,322,558	.134 \$ (1,927,310)
DISCRETIONARY	0.748	7,475,689	0.748	7,010,854	0 (464,835)
CRITICAL OPERATING NEEDS	<u>0.250</u>	<u>2,498,559</u>	<u>0.250</u>	<u>2,343,200</u>	<u>0</u> (155,359)
TOTAL GENERAL FUND	6.233	\$ 62,224,116	6.367	\$ 59,676,612	.134 \$ (2,547,504)
CAPITAL IMPROVEMENT	<u>1.500</u>	<u>14,942,965</u>	<u>1.500</u>	<u>14,059,198</u>	<u>0</u> (883,767)
TOTAL	7.733	\$ 77,167,081	7.867	\$ 73,735,810	.134 \$ (3,431,271)

Impact on a \$125,000 home with a \$25,000 homestead exemption:

Value Assessed	\$125,000
Homestead Exemption	<u>(\$ 25,000)</u>
Taxable Value: 2009-2010	\$100,000 @ 7.733 mills = \$773.30
Taxable Value: 2010-2011	\$100,000 @ 7.867 mills = <u>\$786.70</u>
Increase in School Tax Levy	\$ 13.40

NOTE: In Fiscal Year 2010-11, the budgeted collection rate is 96%. In 2009-10 95% was the budgeted collection rate.