



TAX RATE PROPOSAL

FISCAL YEAR 2016

JULY 1, 2016 TO JUNE 30, 2017

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Reviewed By:

Finance Oversight Committee

Date:

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The tax warrant is approved annually by the Board of Education and must be submitted to New Castle County by the second Thursday in July.

The tax rate proposed for fiscal year 2017 remains the same overall rate assessed in 2015 and 2016. The tuition tax rate is increased 3.7 cents due to increased costs in tuition programs and the increasing number of special education students within the district. The debt service tax is decreased by 2.2 cents to reflect decreasing projected expenditures in this area. The MCI/Match tax is decreased by 1.5 cents as expenditures are projected to be flat while the value of each cent has increased due to growth in our tax base. Pages 2 through 4 represent the calculations for three of the four components of the tax rate.

DEBT SERVICE TAX RATE
(MAJOR CAPITAL IMPROVEMENTS)

<u>Recommended Tax Rate (in cents)</u>	15.8
Debt Service Estimated Balance as of 6/30/16	3,180,711

PROJECTED REVENUE

Anticipated tax revenue based on Colonial's assessed valuation of \$2,874,707,889 at 15.8 cents for each \$100 of assessed property. \$287,471 is raised for each cent on the tax rate.

Interest Earned on Fund Balance 18,000

Total Available Funds 7,740,750

PROJECTED EXPENSES

Local Share for Projects in Annual Bond Bills

Year	Projects	Bond Value	Payment
2001	McCullough	8,546,300	530,725
	Gunning Bedford		
	William Penn		
2002	Southern	7,181,600	425,548
	McCullough		
	Gunning Bedford		
2003	William Penn	8,243,500	527,007
	Carrie Downie		
	New Castle		
2004	Wilmington Manor	6,917,000	452,205
	Gunning Bedford		
	William Penn		
2007	Eisenberg	20,166,800	1,483,722
	Colwyck		
	Pleasantville		
2008	ML King	9,402,700	722,315
	Wrangle Hill		
	McCullough		
2009	New Castle	3,522,500	658,943
	Wilmington Manor		
	Gunning Bedford		
2010	William Penn	4,901,100	113,201
	Carrie Downie		
	Castle Hills		
	Pleasantville	68,881,500	4,913,667
	Eisenberg		
	Total payments due in FY 17		4,913,667
	Payments due 7-1-17 through 09-30-17		2,775,392

Total Debt Service Expenditures 7,689,059

PROJECTED DEBT SERVICE BALANCE 9/30/16 51,691

Note: These funds are used to retire long term bond obligations for the local portion of major capital expenditures

MINOR CAPITAL IMPROVEMENTS (MCI)/MATCH TAX

Recommended Tax Rate (in cents)	4.0
<u>Match Estimated Balance as of 6/30/16</u>	471,848.7

PROJECTED REVENUE

Anticipated tax revenue based on Colonial's assessed valuation of \$2,874,707,889 at 4.0 cents for each \$100 of assessed property. \$287,471 is raised for each cent on the tax rate.

1,149,883

Interest Earned on Fund Balance 0

Total Available Funds 1,621,732

PROJECTED EXPENSES

Matching Local Funds for FY 2017 Minor Capital Improvement 464,205

Funds for Technology Equipment Maintenance, Repair, and Replacement (1.52cents x 287,471) 436,956

Match for Reading & Math Resource Teachers 434,667

Match for Extra Time Funds 270,000

Total MCIP/Match Expenditures 1,605,827

PROJECTED MCIP/MATCH BALANCE 6/30/16 15,905

Note: These funds are used to match various expense components and minor capital improvements.

TUITION

Recommended Tax rate (in cents)	33.2
<u>Tuition Estimated Balance as of 6/30/16</u>	289,539.0

PROJECTED REVENUE

Anticipated tax revenue based on Colonial's assessed valuation of \$2,874,707,889 at 33.2 cents for each \$100 of assessed property. \$287,471 is raised for each cent on the tax rate.	9,544,030
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Tuition Paid By Other Districts	300,000
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Interest Earned on Fund Balance	12,000
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Total Available Funds	10,145,569
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PROJECTED EXPENSES

Special School Operating Budget	2,750,000
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Tuition Payable to Other Districts	3,050,000
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Special Tuition Programs

Unique Alternatives & Private Placements	900,000
Elementary/Middle ILC	268,000
Secondary ILC	900,000
ESL Program	375,000
CASL	150,000
Early Childhood	450,000
Other Tuition expenses	500,000

Total Tuition Expenditures	9,343,000
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PROJECTED TUITION BALANCE 6/30/16	802,569
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Note: These funds are used to support a variety of programs for students with disabilities for which the district is required to provide individualized services. Funds need to be available at June 30th to cover expenses through September 30th when tax receipts are received.

**Colonial School District
Tax Rate
Fiscal Year 1995 Through 2016**

Fiscal Year	Current Expense	Tuition	Debt Service	MCI/ Match	Total Rate
2017	\$1.206	\$0.332	\$0.158	\$0.040	\$1.736
2016	\$1.206	\$0.295	\$0.180	\$0.055	\$1.736
2015	\$1.206	\$0.285	\$0.190	\$0.055	\$1.736
2014	\$1.206	\$0.250	\$0.195	\$0.055	\$1.706
2013	\$0.856	\$0.220	\$0.190	\$0.060	\$1.326
2012	\$0.856	\$0.250	\$0.210	\$0.050	\$1.366
2011	\$0.856	\$0.280	\$0.215	\$0.045	\$1.396
2010	\$0.856	\$0.305	\$0.196	\$0.055	\$1.412
2009	\$0.856	\$0.330	\$0.184	\$0.055	\$1.425
2008	\$0.826	\$0.310	\$0.199	\$0.055	\$1.390
2007	\$0.786	\$0.300	\$0.164	\$0.055	\$1.305
2006 Nonresidential	\$0.786	\$0.285	\$0.130	\$0.043	\$1.244
2006 Residential	\$0.766	\$0.285	\$0.130	\$0.043	\$1.224
2005 Nonresidential	\$0.786	\$0.280	\$0.114	\$0.055	\$1.235
2005 Residential	\$0.746	\$0.280	\$0.114	\$0.055	\$1.195
2004 Nonresidential	\$0.786	\$0.264	\$0.114	\$0.055	\$1.219
2004 Residential	\$0.706	\$0.264	\$0.114	\$0.055	\$1.139
2003 Nonresidential	\$0.786	\$0.230	\$0.062	\$0.041	\$1.119
2003 Residential	\$0.676	\$0.230	\$0.062	\$0.041	\$1.009
2002 Nonresidential	\$0.786	\$0.168	\$0.040	\$0.031	\$1.025
2002 Residential	\$0.660	\$0.168	\$0.040	\$0.031	\$0.899
2001 Nonresidential	\$0.786	\$0.140	\$0.054	\$0.020	\$1.000
2001 Residential	\$0.632	\$0.140	\$0.054	\$0.020	\$0.846
2000	\$0.786	\$0.175	\$0.016	\$0.061	\$1.038
1999	\$0.786	\$0.199	\$0.016	\$0.061	\$1.062
1998	\$0.786	\$0.198	\$0.017	\$0.009	\$1.010
1997	\$0.786	\$0.156	\$0.013	\$0.015	\$0.970

Proposed for 2017

**Assessment Data
New Castle County**

School District	2017	2016	Variance	%
Appoquinimink	2,057,612,515	1,987,010,845	70,601,670	3.55%
Brandywine	3,398,677,363	3,431,734,973	(33,057,610)	-0.96%
Christina	5,531,748,141	5,511,672,639	20,075,502	0.36%
Colonial	2,874,707,889	2,833,152,874	41,555,015	1.47%
Red Clay	5,289,173,202	5,242,631,642	46,541,560	0.89%
Smyrna	110,284,820	109,104,970	1,179,850	1.08%
TOTAL	19,262,203,930	19,115,307,943	146,895,987	0.77%

Property tax payments are based on the assessed value of property