



August 8, 2023 Levy Ballot Measure FAQs

What is a property tax levy or levy?

A **property tax levy or levy** is the amount of property tax dollars a school district requests as one of its primary sources of funding. A levy must be passed by voters in a school district. In the ISD, the **Overall Tax Levy** is divided into two parts: **Operating Levy** and **Debt Service Levy**.

What is an Operating Levy?

The **Operating Levy** pays for the district's operating expenses. Voters must approve any increase to a levy in a local election. Once a levy rate has been passed, it continues to generate approximately the same amount of money every year. It will not expire, and it does not need to be renewed.

Why is an Operating Levy important for a school district?

Property taxes are one of the primary funding sources for school districts. A district relies on a property tax levy, either through extending a current levy or by a levy increase, to match revenues with increasing expenditures such as employee salaries and benefits, services, and materials.

What is a Debt Service Levy?

The **Debt Service Levy** pays for the principal and interest on bonds, notes, or other forms of debt owed by a school district that the district has issued to pay for new buildings and improvements that have been approved by voters in a bond issue.

What is a levy rate?

A **levy rate** is the amount of property tax per \$100 of assessed property value to fund a voter-approved levy amount. A levy rate of \$1.00 means that for every \$100 of property value, the owner of the property will have to pay \$1.00 in taxes.

What is the ISD's current tax levy rate?

2023 Fiscal Year:

Operating Levy \$4.1190

Debt Service Levy \$1.3181

Assessed Valuation \$1,272,676,041

At a 92.90% collection rate, the ISD generated \$48,699,179.

What does the August 8th, 2023 ballot measure + ISD BOE commitment propose?

The August 8th, 2023 ballot measure asks voters to give the ISD Board of Education the authority to raise the Operating Levy 20 cents. If the measure passes, the BOE will only actually raise the Operating Levy 8 cents.

The **ISD BOE has committed** to lowering the Debt Service Levy 40 cents. This will not increase the interest rate on the district's debt, nor will this move cause the district to default on its debt.

The approval of the levy ballot measure and the BOE's commitment will result in an Overall Tax Levy decrease of 32 cents. The ISD's Overall Tax Levy will go from \$5.4371 to \$5.1171.

Proposed 2024 Fiscal Year:

Operating Levy \$4.1190 (+ 8 cents) \$4.199

Debt Service Levy \$1.3181 (- 40 cents) \$0.9181

Assessed Valuation \$1,635,110,960 (prior to the outcome of current AV protests)

Why is the ballot language different from what the BOE has committed?

By the time the ballot language was due to the Election Board, the district did not have the latest Assessed Valuation numbers. The ballot language reflected what the district was estimating the levy needed to be based on prior information.

How much will this ballot measure (increase to the operating levy) generate for the Independence School District to use for staff raises?

We estimate this will generate between \$9 and \$10 million. This will be dependent upon the final property tax revenues received once the county has completed all Board of Equalization appeals.

If the ballot measure is approved and the BOE upholds its

commitment, how will the funds be used?

The funds generated will go directly and only toward increased staff salaries and benefits, the creation of new staff positions if needed, and the increased ability to fill hard-to-staff positions.

If the ballot measure is approved and the BOE upholds its commitment, when will district staff see salary increases?

Salary increases would begin for the 2024-2025 school year. Salary schedules will be finalized in the Spring of 2024 once negotiations are completed with each of the unions.

How does the ISD’s tax rate compare to other school districts?

2022-2023 Total Levy

<u>District</u>	<u>Levy</u>	
Fort Osage	\$6.3700	
Raytown	\$6.3200	
Blue Springs	\$6.1438	
Liberty	\$5.9277	
North Kansas City	\$5.6945	
Lee’s Summit	\$5.4662	
Independence	\$5.4371	PROPOSED \$5.1171
Park Hill	\$5.3955	
Kansas City	\$5.2461	

What will happen if the levy ballot measure is not passed on August 8, 2023?

Due to the high number of Assessed Valuation protests that are occurring, if this does not pass, the ISD will likely receive less in tax revenue than it did in the 2022-2023 school year.