

Tax Rate Hearing

Wentzville R-IV

School District

September 16, 2021

Tax Rate Process

- District receives notice of final assessed valuation from County in late August (after Board of Equalization)
- District calculates tax rates per State Auditor's guidelines and obtains Pro-Forma rates
- Posting of Tax Rate Hearing Notice
- Tax Rate Hearing held allowing public comment
- School Board sets levy/rate
- District submits Board approved rate to County (due Oct. 1)
- County submits rate to State Auditor for certification
- District receives Certified Rate from State Auditor

General Use of Funds

- Support educational programs and goals
- Provide services essential to district operations
- Pay debt on facilities

Specific Use of Funds

Fund	Use
Incidental or General Fund (1)	Non-certified staff salary & benefits, supplies, support services, general district operations
Teachers Fund (2)	Certified staff salary and benefits, contracted education
Debt Service Fund (3)	Principal and interest payments on bonded debt
Capital Projects Fund (4)	Building construction, improvements, equipment, lease purchase payments

Assessed Valuation

Year	Assessed Valuation
2020	\$2,321,843,637
2021	\$2,580,347,317

- Increase of \$285.5 million from last September
- Real estate new construction = \$54.2 million

Assessed Valuation History (after Board of Equalization)

Tax Year	Assessed Value	Change %
2016	\$1,701,130,101	5.82%
2017	\$1,920,352,590	12.89% (r)
2018	\$2,000,031,371	4.15%
2019	\$2,205,738,917	10.29% (r)
2020	\$2,321,843,637	5.26%
2021	\$2,580,347,317	11.13% (r)

(r) = reassessment year

Proposed Rates

Fund Name	Fund #	Rate
General Fund	1	\$2.3609
Teachers Fund	2	\$1.1550
Debt Service Fund	3	\$0.9304
Capital Projects Fund	4	\$0.5953
Total Levy		\$5.0416

Operating Funds

Fund (1,2,4)	State Auditor's Allowable Rate	Recommended Rate
Operating Funds	\$3.6559	\$3.6559

General	1	\$2.3609
Teachers	2	\$1.1550
Capital	4	\$0.1400
Total		\$3.6559

Operating Funds

- **We are reducing our operating levy by \$0.1839 this year**
 - **Hancock Amendment limitations**
 - **Consumer price index = 1.4%**
- **We are not voluntarily forfeiting any part of our operating levy this year**
- **Last year we did forfeit an increased operating tax levy**

Prior Year Forfeited Operating Levy

- Last year voters approved a 49.0 cent levy for salary increases, new positions and safety initiatives
- State Auditor's Office and our tax lawyers informed us that the District was allowed to claim an additional 5.61 cent levy (above the approved 49.0 cents)
- The 5.61 cent levy would have raised an additional \$1,263,476 annually
- We recommended to the Board last year that the District only increase the levy by \$.49
- The Board accepted our recommendation

Blankenship V. Franklin County

619 S.W.3d 491 (Mo. App. E.D. 2021)

- This case held that it is unconstitutional to raise tax rates above the voter approved rate
- WSD is not affected due to prior year decision not to increase above \$.49

Temporary Levy (Prop 3)

Fund (4)	State Auditor's Allowable Rate	Recommended Rate
Temporary Levy	\$0.2437	\$0.2437

There is a \$0.0124 reduction in the Prop 3 rate from the prior year

Temporary Levy (Prop E)

Fund (4)	State Auditor's Allowable Rate	Recommended Rate
Temporary Levy	\$0.2116	\$0.2116

There is a \$0.0107 reduction in the Prop E rate from the prior year

Debt Service Fund

Fund (3)	State Auditor's Allowable Rate	Recommended Rate
Debt Service Fund	\$0.9980	\$0.9304

- Debt service funds are not restricted by the Hancock Amendment
- We are not recommending a change in the Debt Service Fund rate from the prior year as voters were promised a “No Tax Increase Bond Issue”

WSD Tax Rate 6 Year History

Fund	2016 Rate	2017 Rate	2018 Rate	2019 Rate	2020 Rate	2021 Proposed Rate
General (1)	2.2747	2.3022	2.3057	2.2078	2.4528	2.3609
Teachers' (2)	1.3300	1.1000	1.1000	1.0020	1.2470	1.1550
Debt Service (3)	0.9304	0.9304	0.9304	0.9304	0.9304	0.9304
Capital Projects (4)	0.1400	0.1400	0.1400	0.1400	0.1400	0.1400
Capital Projects (4) Prop 3 Temp Rate	0.2873	0.2717	0.2717	0.2561	0.2561	0.2437
Capital Projects (4) Prop E Temp Rate	0.2493	0.2358	0.2358	0.2223	0.2223	0.2116
Total Rate	5.2117	4.9801	4.9836	4.7586	5.2486	5.0416

(r) = reassessment year

-0.2316
(r)

+0.0035

-0.2250
(r)

+0.4900

-0.2070
(r)

Estimated Operating Rates St. Charles County

School District	2020 Rate	Estimated 2021 Rate	Amount of Change
St. Charles City	\$4.4116	\$4.1992	-0.2124
Orchard Farm	\$4.3299	\$4.1376	-0.1923
Wentzville	\$4.3182	\$4.1112	-0.2070
Fort Zumwalt	\$4.1537	\$3.8994	-0.2543
Francis Howell	\$3.9768	\$3.7868	-0.1900

Estimated Debt Service Rates

St. Charles County

School District	2020 Rate	Estimated 2021 Rate	Amount of Change
Wentzville	\$0.9304	\$0.9304	None
Orchard Farm	\$0.7300	\$0.9200	+0.1900
St. Charles City	\$0.7500	\$0.7500	None
Fort Zumwalt	\$0.6900	\$0.6900	None
Francis Howell	\$0.6713	\$0.6713	None

Estimated Combined Rates

St. Charles County

School District	2020 Rate	Estimated 2021 Rate	Amount of Change
Orchard Farm	\$5.0599	\$5.0576	-0.0023
Wentzville	\$5.2486	\$5.0416	-0.2070
St. Charles City	\$5.1616	\$4.9492	-0.2124
Fort Zumwalt	\$4.8437	\$4.5894	-0.2543
Francis Howell	\$4.6481	\$4.4581	-0.1900

Projected Revenue

- Estimated Tax Revenue is \$129.2 million
- This is \$7.7 Million higher than last year's revenues
- This is \$2.3 Million higher than our 2021-22 budget
 - \$2.1 Million due to the difference between the County's March and August assessed values
 - \$.2 Million due to a smaller than budgeted rate reduction (\$0.2159 bud. vs. \$0.2070 act.)
- Property taxes are budgeted at 48.7% of total district revenues

Summary

- Operating levies were reduced to be in compliance with the Hancock Amendment
- We took the maximum operating and capital levies as permitted by law
- We have not increased the Debt Service Fund levies from the prior year as the voters were promised “No Tax Increase” bond Issues
- The Blankenship vs. Franklin County ruling had no effect on our District

Patron Comments

Tax Rate Hearing Only

- This patron comment time is for the Tax Rate Hearing only
- This time is set aside for comments on tax rates which will be discussed and voted on by the Board in the meeting following this Hearing
- Patron comments for the regularly scheduled Board of Education meeting will follow this Hearing