

Local Financing Proposed Tax Rate

Fiscal Year 2011

Prepared By Finance Department

Rate Development Considerations

- ❑ Tax Warrant cannot be established without State Budget information
- ❑ Tax Warrant must be presented to New Castle County by July 8, 2010
- ❑ Christina SD Assessed Property Value \$5,495,924,872 growth of ~.6%
- ❑ Sale of Chrysler Plant – (Assessed Value \$67,892,100)- anticipated loss of Receipts ~\$1.1 Million

Tax Warrant Components

Operating Tax	Rate Established by Referendum
Debt Service	Amount Established by Referendum, Rate required to collect amount set by School Board
Tuition Tax	School Board establishes rate to assure sufficient funding for Christina Students attending State Approved Tuition Based Programs
Match Tax	School Board establishes rate to assure sufficient funds to Match against specific state allocations.

Operating Tax

- Used to pay local share of expenses (salaries and employment costs, utilities, supplies and materials, and general operating expenses.)
- **Rate Established at \$1.270** per \$100 of assessed value. This rate was increased this year by 20¢, by referendum.

Debt Service

- Debt established by Capital Referendum, which provides funds for the local share of Capital Projects
- **Establish Rate at \$0.161** per \$100 of assessed value (*slight decrease of .3¢*)

Tuition Tax

The Tuition Tax provides the District with funds to pay for Christina student's attendance at State Approved Tuition based Programs.

The District receives tuition bills for programs administered by other Districts and for the Delaware Autism Program and the Delaware School for the Deaf.

Tuition Tax Funds

- Tuition Approved Programs
- Special Need Private Placement
- New Castle County Consortium (Student Discipline)
- Programs at other Districts attended by Christina Students

Establish Rate at \$0.210 per \$100 of assessed value *(Decrease of 1.3¢)*

Tuition Tax

- The proposed tuition tax decrease is a result of using available fund balances, not a result of decreased program expenses.

Match Tax

The State provides funding for a number of activities, which requires Districts to fund a local portion to receive the State share. The local share can be raised without referendum.

Historically, this has included:

- Minor Capital
- Technology Maintenance
- Reading and Math Resource Teachers
- Technology Block Grant
- Extra Time

Match Tax

- State eliminated funding for the following programs
 - Reading and Math Resource Teachers
 - Extra Time (Also referred to as the Student Success Block Grant)
 - Technology Block Grant
- The State provided in Fiscal 2010 authorization to continue matching funds without the State Share (Federal Funding through State Fiscal Stabilization Fund utilized to offset loss of State Funding)

Match Tax

- Referenced programs have not been reinstated by the State.
- Authorization provided to continue Matching the eliminated programs
 - Resource Teachers and Technology Block Grant at fiscal 2010 levels; and
 - Extra Time at 2008 level

Match Tax – District Recommendation

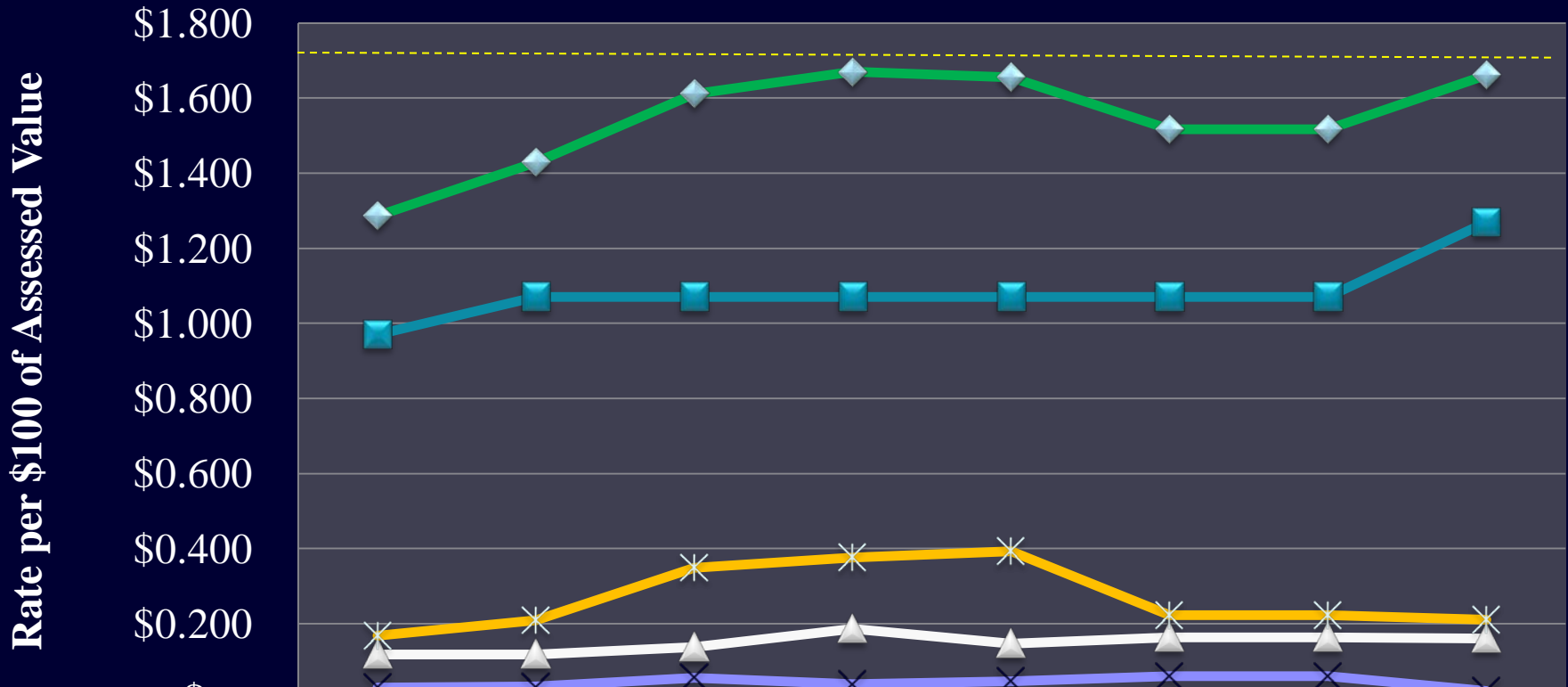
Minor Capital	Match at amount established in Capital Budget
Technology Maintenance	Match at rate established in fiscal 1999 and authorized indefinitely
Reading Resource Teachers	Do Not Match
Math Resource Teachers	Do Not Match
Technology Block Grant	Do not Match

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- ❑ **Establish Tax Rate at \$0.021 per \$100 of assessed value**
(Decrease of 3.9¢)

Tax Rate Comparison

	FY 2010	FY 2011	Change
Total \$	1.517	\$ 1.662	\$ 0.145
Operating \$	1.070	\$ 1.270	\$ 0.200
Debt Service \$	0.164	\$ 0.161	\$ (0.003)
Tuition \$	0.223	\$ 0.210	\$ (0.013)
Match \$	0.060	\$ 0.021	\$ (0.039)

Tax Warrant History



	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11
◆ Total Tax	\$1.286	\$1.429	\$1.612	\$1.670	\$1.656	\$1.517	\$1.517	\$1.662
■ Operating	\$0.970	\$1.070	\$1.070	\$1.070	\$1.070	\$1.070	\$1.070	\$1.270
▲ Debt Service	\$0.118	\$0.118	\$0.137	\$0.186	\$0.147	\$0.164	\$0.164	\$0.161
× Match Tax	\$0.030	\$0.032	\$0.056	\$0.038	\$0.046	\$0.060	\$0.060	\$0.021
* Tuition	\$0.168	\$0.209	\$0.349	\$0.376	\$0.393	\$0.223	\$0.223	\$0.210

Financial Impacts – Operating Tax

- The Operating Tax of \$1.27 per \$100 of assessed value supports students within the District as well as those who choice to Charter Schools and other Districts.
- First \$.468 of tax receipts placed in New Castle County Tax Pool. Distribution is based upon units supported by the Districts – projected loss to the district ~ \$1.7 Million

Board Action

- The Christina School Board is required to pass a resolution establishing the Tax Warrant for the fiscal year beginning July 1, 2010.
- A resolution and letter directing the Receiver of Taxes and County Treasurer of New Castle County to provide for the collection of the taxes has been provided for your execution.

CHRISTINA SCHOOL DISTRICT BOARD OF EDUCATION
RESOLUTION PROVIDING
FOR THE ASSESSMENT, LEVY AND COLLECTION
OF SCHOOL TAXES FOR
THE FISCAL YEAR BEGINNING JULY 1, 2010

WHEREAS, Delaware Code, Title 14, Chapter 19, provides in part that the Board shall levy and collect taxes for school purposes upon the assessed value of real estate in the District, as determined and fixed for county taxation purposes.

NOW THEREFORE, BE IT RESOLVED that there is hereby levied and assessed upon the assessed value of all taxable real estate in the District, except taxable real estate which is exempt from county taxation, as determined and fixed for the county tax purposes, taxes for school purposes for the fiscal year beginning July 1, 2009, aggregating \$1.662 and in the following kinds and amounts:

1. For current operating expenditures, the amount of \$1.270 per \$100 of assessed valuation
2. For minor capital improvements/match tax, the amount of \$0.021 for \$100 of assessed valuation
3. For tuition, the amount of \$0.210 per \$100 of assessed valuation
4. For debt service, the amount of \$0.161 per \$100 assessed valuation for Christina School District obligations and \$0.0 for New Castle County Tax District obligations, for the total amount of \$0.161 per \$100 of assessed valuation, and be it

FURTHER RESOLVED, that the President and Vice-President of the Board, and the Superintendent and Executive Secretary of the Board shall take any and all steps as are appropriate to direct the Receiver of Taxes and County Treasurer of New Castle County to provide for the collection of the foregoing taxes.

CHRISTINA SCHOOL DISTRICT BOARD OF EDUCATION
CHRISTINA SCHOOL DISTRICT
New Castle County, Delaware

TAX WARRANT
Fiscal Year 2010-11

To the Receiver of Taxes and County Treasurer of New Castle County

Greetings:

Pursuant to a resolution duly adopted by the Board of Education of the Christina School District on July 6, 2010.

We command you to collect from the several persons named on the assessment lists of all taxables for the Christina School District for the year beginning July 1, 2010, and ending June 30, 2011, the following rate per centum on the amount of their respective assessments:

Total rate of \$1.662 on each \$100 of
assessed value on real property.

Given at the office of the Christina School District by order of the Board of Education of the Christina School District under the hands of the undersigned as Members of said Board the

Christina School District
Board of Education

President, Board of Education

Member, Board of Education

Dr. Marcia V. Lyles,
Superintendent and Executive
Secretary
Christina School District
Board of Education

Board Action

Questions

Motion to pass the Resolution to Approve the
Tax Warrant as presented