

# 2010-11 Budget Fact Sheet



## Property Valuation per Student

Council Bluffs does not generate the same revenue through its property tax levy as all other Pottawattamie County and most large urban districts due to the relatively lower property values. In fact, the property values per student in Council Bluffs are just under \$211,500 compared to \$346,500 in neighboring Lewis Central, or nearly 40% lower.

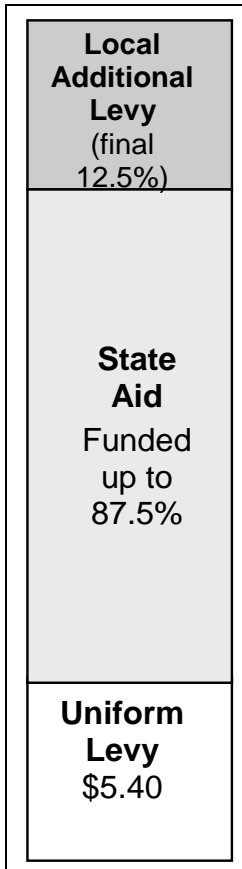
### Valuation per Student for 2010-11 (based on 2009 Valuations)

#### Pottawattamie County Districts

District	Valuation	Enrollment	Valuation Per Student
Council Bluffs	\$1,947,058,763	9206.8	\$ 211,480.51
Missouri Valley	\$ 216,303,659	845.4	\$ 255,859.54
Tri-Center	\$ 178,990,777	691.7	\$ 258,769.38
Underwood	\$ 204,357,612	765.5	\$ 266,959.65
Treynor	\$ 183,092,958	597.6	\$ 306,380.45
Griswold	\$ 195,733,066	628.7	\$ 311,329.83
AHST	\$ 214,977,639	646.5	\$ 332,525.35
Lewis Central	\$ 896,429,609	2586.2	\$ 346,620.37
Walnut	\$ 88,332,781	214.5	\$ 411,807.84
Riverside	\$ 288,774,695	676.1	\$ 427,118.32

#### Urban Education Network Districts

District	Valuation	Enrollment	Valuation Per Student
Sioux City	\$1,989,941,989	13872.8	\$ 143,441.99
Des Moines	\$6,383,416,237	30953.9	\$ 206,223.33
Council Bluffs	\$1,947,058,763	9206.8	\$ 211,480.51
Waterloo	\$2,384,419,694	10785.6	\$ 221,074.37
Davenport	\$3,732,523,143	16075.2	\$ 232,191.40
Dubuque	\$2,725,861,649	10697.1	\$ 254,822.49
Cedar Rapids	\$4,413,597,697	16929.6	\$ 260,703.01
Iowa City	\$4,281,470,446	11903.4	\$ 359,684.67



### Additional Levy

All school districts receive 87.5% of regular program revenue from a combination of a uniform local property tax of \$5.40 and state funding. Each district then generates the remaining 12.5% from an additional local property tax in the form of an “additional levy.”

The additional rate also is relatively higher in Council Bluffs due to lower property values. In fact, the 2009-10 additional levy rate of \$6.49 was higher than 345 of the 362 Iowa school districts, further illustrating that low property values require higher property tax rates to generate the funding necessary for education.

District	Additional Levy	Rank in State
Lewis Central	\$ 3.42	40
Iowa City	\$ 3.80	69
Treynor	\$ 3.98	97
Underwood	\$ 4.84	199
Cedar Rapids	\$ 5.17	236
Dubuque	\$ 5.37	255
Davenport	\$ 5.67	279
Waterloo	\$ 6.03	311
Des Moines	\$ 6.45	344
Council Bluffs	\$ 6.49	346
Sioux City	\$ 7.22	356

### Property Tax Rate for home and commercial property owners

The total District Resident property tax for 2009 was \$43.32. The school district portion of the rate was \$16.80, or 38% of the rate.

Homeowner: For the owner of a home valued at \$100,000, the annual property tax paid for education was \$766. This amount will increase to \$872 this year, resulting in an increase of about \$8.80 per month.

Commercial Property Owner: For the owner of a Council Bluffs small business valued at about \$141,500, the annual property tax paid for education last year was \$2,235. With an increase in property value and the tax increase, this amount will increase by \$790 this year, resulting in a monthly increase of about \$65.83 per month for education. However, some of the other local taxing bodies have been able to lower their portion of the tax rate and will therefore not have an overall tax rate increase equivalent to the district’s increase of \$1.79 per thousand.

## **Income Surtax**

Council Bluffs Community School District residents do not pay an income surtax for education. Many neighboring and other large urban Iowa districts, including Cedar Rapids, Iowa City, Lewis Central, Missouri Valley, Underwood, Riverside, Sioux City and Tri-Center, have the surtax in place to supplement education funding. As a result, they do not rely solely on property tax. In fact, the income surtax of 6% in Sioux City generates the same revenue for the school district as \$1.81 in property tax. The Council Bluffs Board of Education considered an income surtax for the Instructional Support Program of the district and may ask district residents to consider the surtax to reduce property taxes.

## **Achieving Budget Cuts While Maintaining High Quality Education**

The difficult economic times have resulted in a loss of revenue for the state and a direct impact on the funding dedicated to public education. The mid-year budget cut of \$4.5 million in 2009 hit at a time when most instructional materials and all salaries had been committed for this past school year. In response, District administrators identified ways to cut the district's budget to recover from the loss in funding. These included:

- Implementing an early retirement incentive that helped reduce more than 50 positions through attrition without layoffs.
- Negotiating a wage freeze for all administrators and most employee groups, not including licensed teachers, counselors and nurses.
- Eliminating more than 50 positions as teachers, secretaries, para-professionals, administrators, nurses, and counselors have retired or resigned
- Closing Washington Elementary School after the 2010-11 school year in addition to the two elementary schools already scheduled to be closed in the next two years due to aging facilities and small enrollments.

Even with the reduction in expenditures year, the District will rely in part on a reserve fund that is expected to be reduced to \$1.5 million, approximately 25% of the cost of payroll and fixed general fund operating expenses for one month. As a result, the Board of Education was faced with the decision of whether to begin eliminating programs and activities, increase class sizes by eliminating more teaching positions or consider an increase in property taxes.