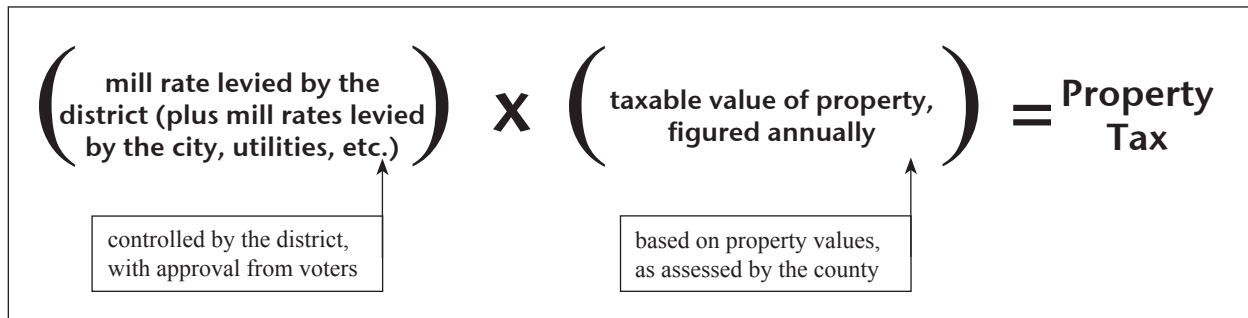


School Finance 101



In Kansas, property taxes are figured by taking the mill rate and multiplying by the taxable portion of the property's assessed value. In other words, the mill levy is the "tax rate" that applied to the value of your property. One mill is the equivalent of one dollar per \$1,000 of assessed value (or .001 percent).

The mill rate consists of a local portion — used to fund things like schools, the city pool construction, utilities, and other municipal services — as well as a state portion.

The "appraised value" of a home is listed on the notice of value from the county appraiser's office. Multiply the appraised value by the assessment percentage of 11.5 percent. The resulting amount is the "assessed value," or the amount multiplied by the mill rate to determine the taxes. In other words, a home with a value of \$100,000 would be taxed on 11.5 percent of that value, or \$11,500. That sum is then multiplied by the mill rates, both local and state, to figure the property taxes owed. It is important to note that the assessed value of businesses is figured at a higher rate than the 11.5 percent for private homeowners.

Zero increase???

... the district's financing plans

The board is committed to completing the proposed bond projects with no increase in the district's mill rates. Three factors create the opportunity for no increase in the district's mill rate:

1. The completed repayment of debt incurred for the construction of the current middle school building. Mills used to pay for this construction would be transferred to the costs of the proposed projects.
2. Rising property values in the Eudora community. This increases the second multiplier in the chart above, thereby increasing the overall property tax income paid to the district.
3. Lowering of the capital outlay mill rate. The capital outlay mill rate generates money to be used for building projects and related equipment. By lowering the mills on the capital outlay, those mills could, temporarily, help pay for the construction of the proposed projects.

It is important to note that the state of Kansas will pay for 38 percent of the overall costs of the projects, if the bond is approved by Eudora voters. In other words, if passed, a \$45 million bond would be the equivalent of \$17.1 million paid by the state and \$27.9 million paid by the voters. This could amount to significant cost savings to taxpayers if the project is passed now. The percentage of state aid depends on the size of the district; beyond the immediate future, it is not known how long Eudora will qualify for the 38 percent rate of aid.