

Superintendent Scoop—Changes in School Levies for 2021-2022

September is the time of year when the local school board approves the school year's budget and sets tax levies. The Tioga Board will meet Tuesday, September 14, to approve the financing for the 2021-2022 budget. The intent of this article is to explain tax levy legislation, amended in 2019, mandating a 60 mills general fund levy mill rate by the 2024-2025 school year.

North Dakota will fund the 2021-2022 state aid for education at \$10,136 for each student. Included in state aid is state and local taxes. Those students that receive services in special education, English learners, at risk, or attend alternative education programs are funded at a higher rate. Once that collective dollar amount is totaled, local revenues are subtracted. In-lieu revenues are subtracted to provide equity across the state; the intent is each North Dakota student should have the same opportunity to receive a quality education no matter if the district is "property poor or property rich" or if one is or isn't entitled to oil money. Deducted state aid revenues primarily affecting the Tioga School District are 75% of flood control, 75% of oil and gas production, 75% of wind energy, and 100% of collected property taxes.

In the 2019 legislative session, NDCC 15.1-27-04.3 was passed into law. Many items were addressed in the bill; one of the two most notable affecting the district is the requirement of schools to levy 60 mills for the general fund. In previous years, the funding formula "encouraged" schools to levy 60 mills, or if a 60 mills levy was impossible to achieve, schools were to increase the previous year levy by 12% annually. With the new statute, the district will need to proportionally increase the general fund levy so we are at 60 mills by the 2024-2025 school year. Districts can levy less, but if Tioga doesn't levy the increased mills, the district will lose money from state aid. In 2020-2021, Tioga Schools' general fund levy was 44.81 mills which is 15.19 mills lower than the 60 mills. The levy this year will raise last year's funds by 12% plus an additional percentage of the difference of 60 mills and the previous year levy. For 2021-2022, the district will levy approximately 50.62 general fund mills.

Another event that affected the ability of the district to reach the 60 mills levy occurred before District 8 and District 1 entered into reorganization discussions. District 8 reviewed their boundary lines in areas where students weren't serviced by District 8 or District 1. Subsequently, a voluntary transfer of property to Tioga occurred involving sections in Dry Fork and Unorganized Townships, adding to Tioga's overall valuation and creating more difficulty in reaching the 60 mills rate; however, with more taxpayers residing in Tioga Public School District that helps with revenue, too. By far, this is a positive transfer for the district and the landowners.

What does this mean to taxpayers? Taxes will continue to increase; taxpayers will spend more on school taxes. However, a second interim committee is scheduled to meet this winter, and everyone is encouraged to remain vigilant and monitor the findings of this committee.

A quality education comes at a cost. The board, administration, and staff continue to improve strategies, supplies, and materials in delivering quality instruction to our students. If you have questions or wish to provide input, please contact me at (701) 664-2333. Thank you for supporting the school, and ultimately our children, in their educational endeavors.