



The School Finance Formula, Local Share, and Mill Levy Overrides in Four Districts

Marc Carey and Natalie Mullis
Legislative Council Staff

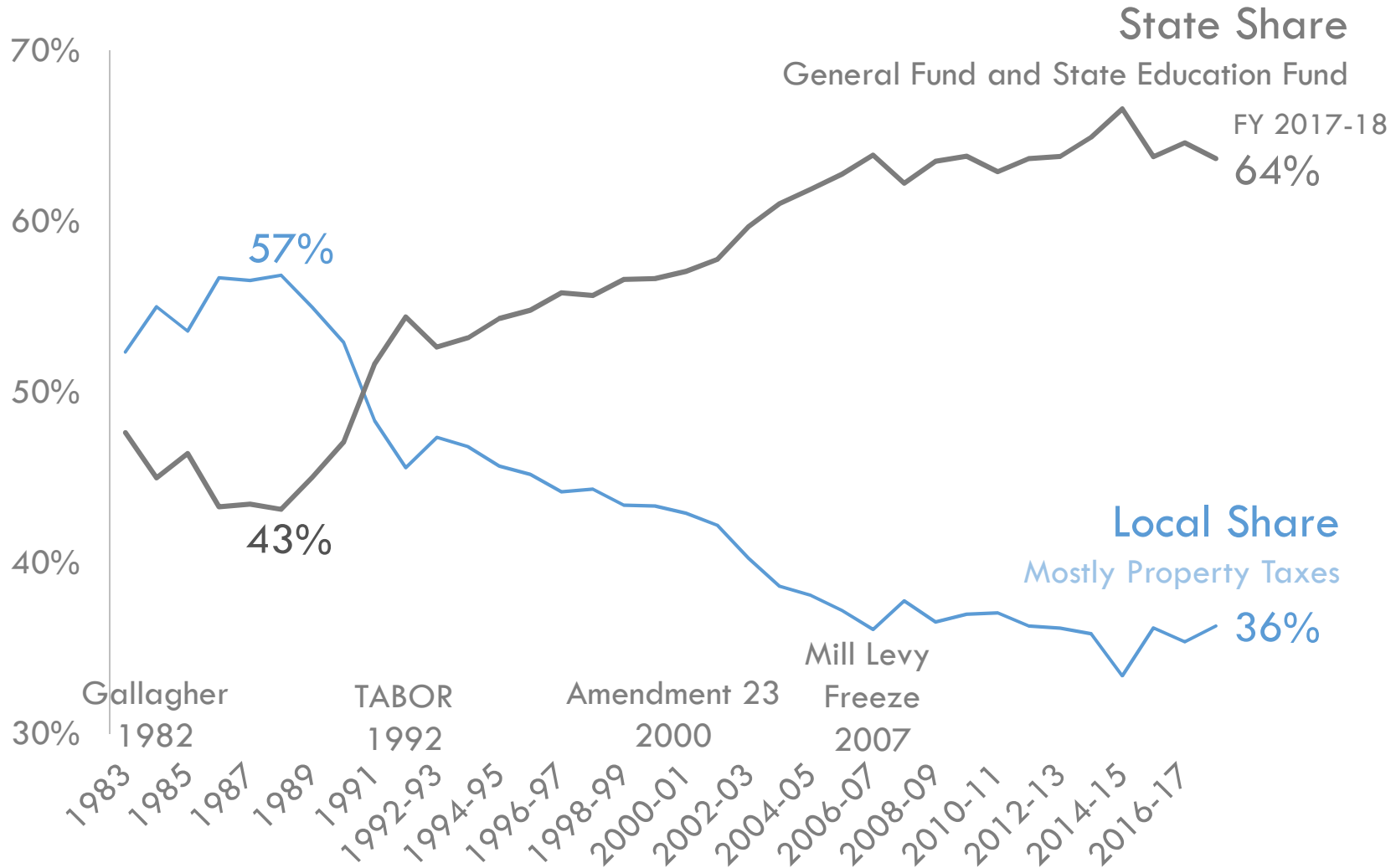
Presentation to the Joint Budget Committee
April 18, 2018

The Constitution & School Finance

- Gallagher Amendment
 - 45/55 Property Tax Base Ratio
 - Adjusts the Residential Assessment Rate
- TABOR
 - Requires a vote to increase the Residential Assessment Rate or Mill Levy
 - For district's that have not "debruced," requires total program mill levies to be reduced when revenue exceeds a district's TABOR limit
- Amendment 23
 - Requires "Base Funding" to Increase
- SB 07-199: Mill Levy Freeze
 - Freezes total program mill levies in place, and caps them at 27 mills

State and Local Shares of School Finance

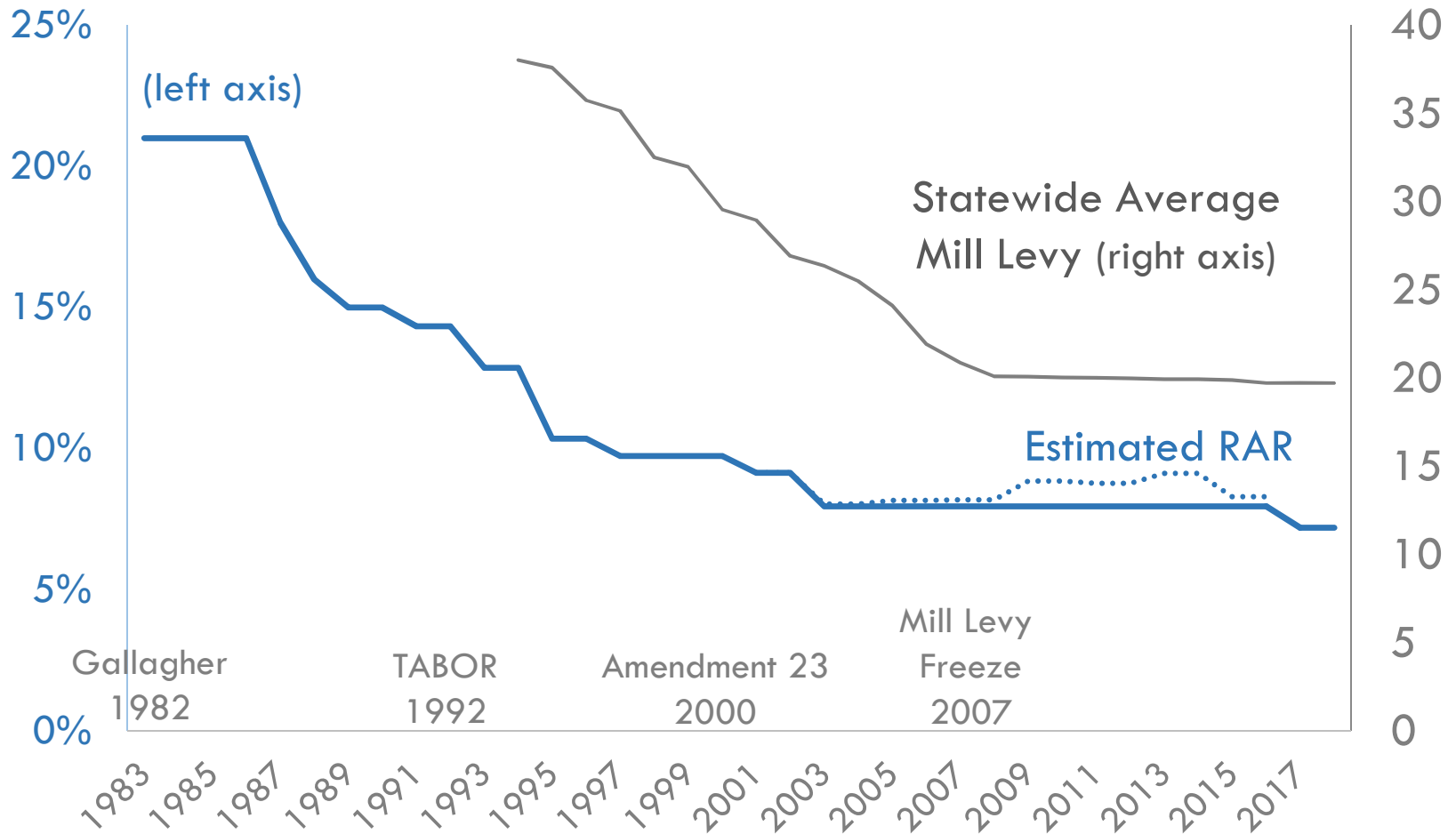
State + Local
Share



Note: Prior to 1993, K-12 funding was allocated on a calendar year basis.

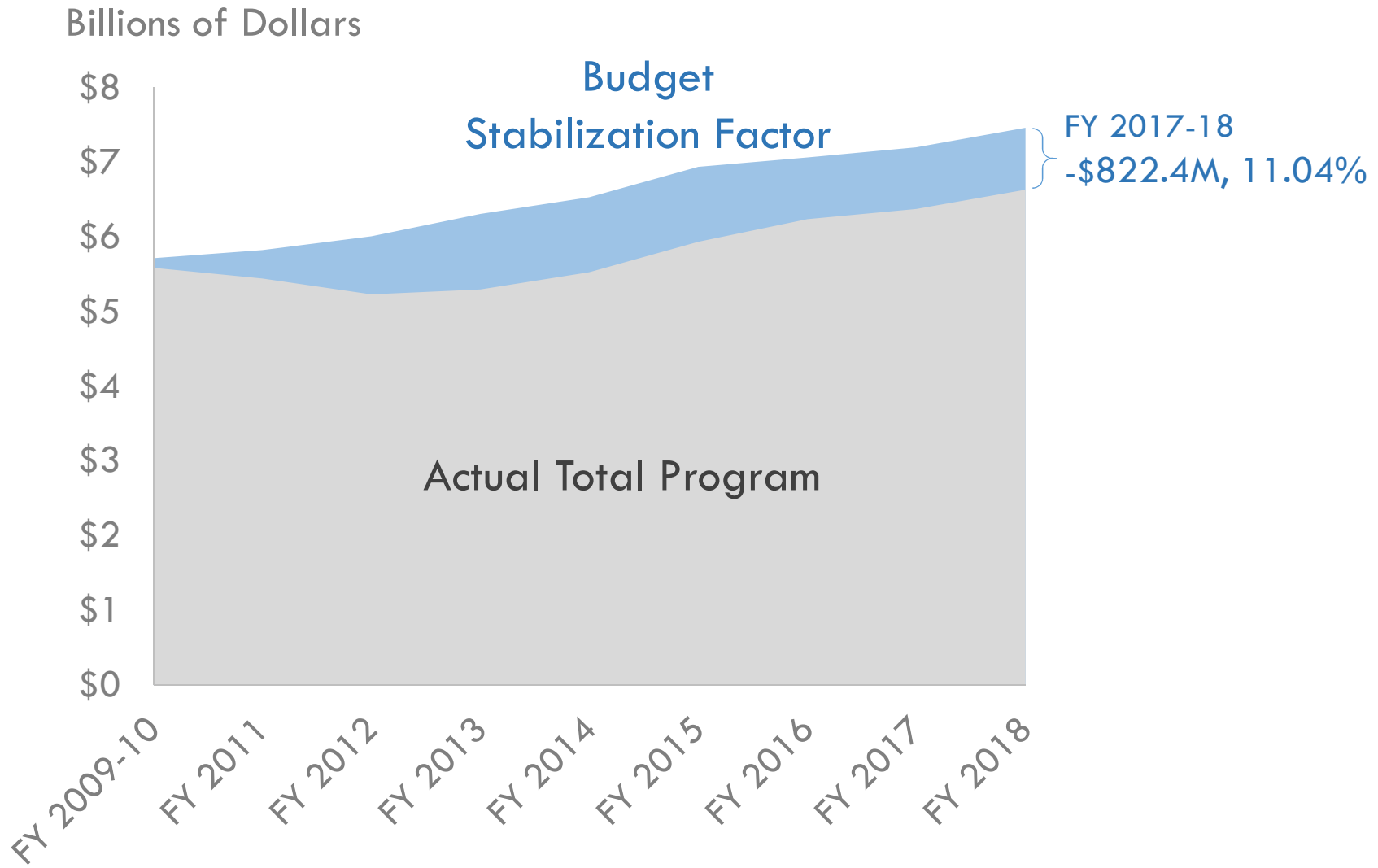
Declining Residential Assessment Rate and Mill Levies

Residential Assessment Rate



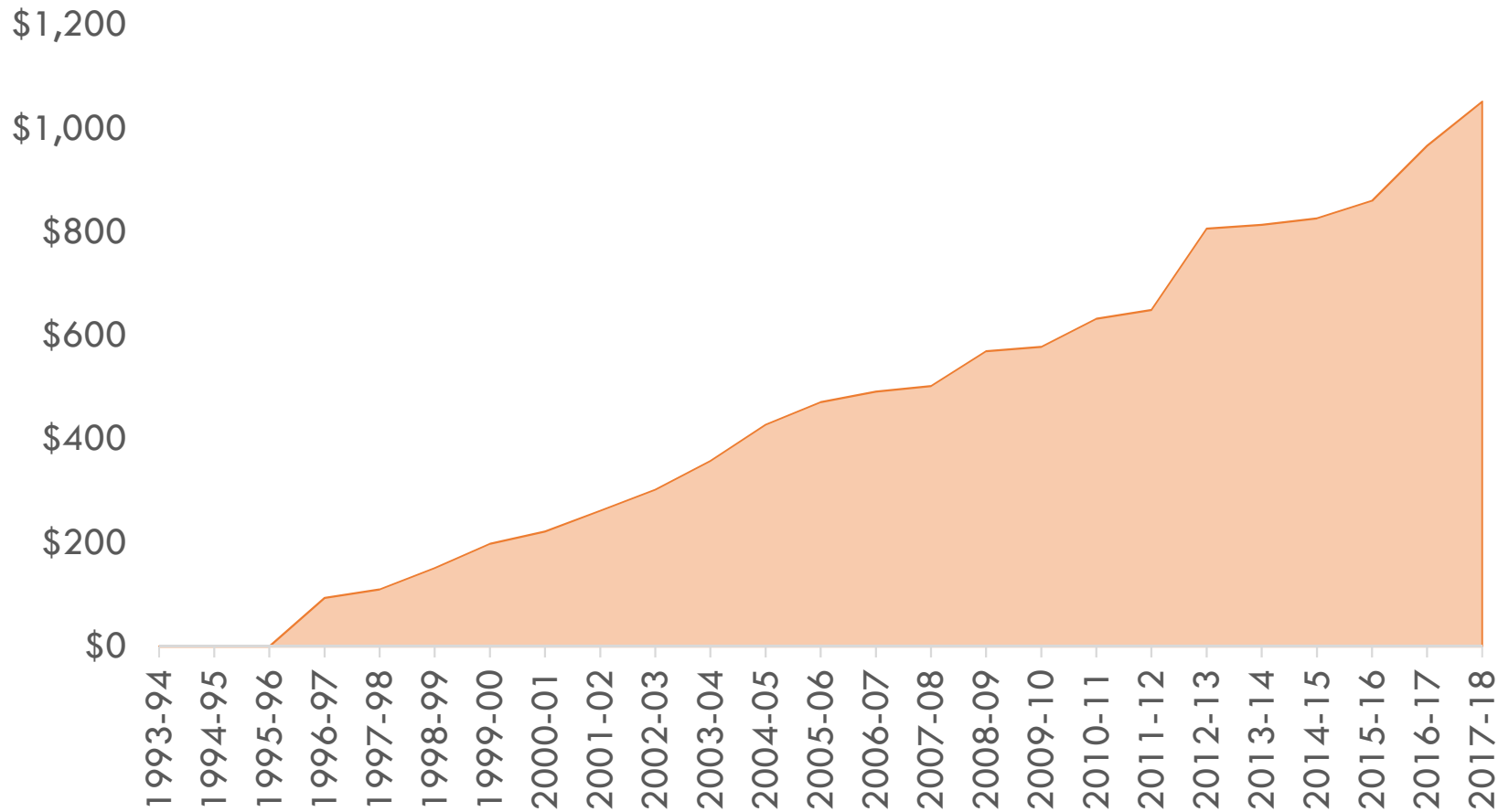
Source: Colorado Department of Local Affairs, Division of Property Taxation.

School Finance Formula: Total Program



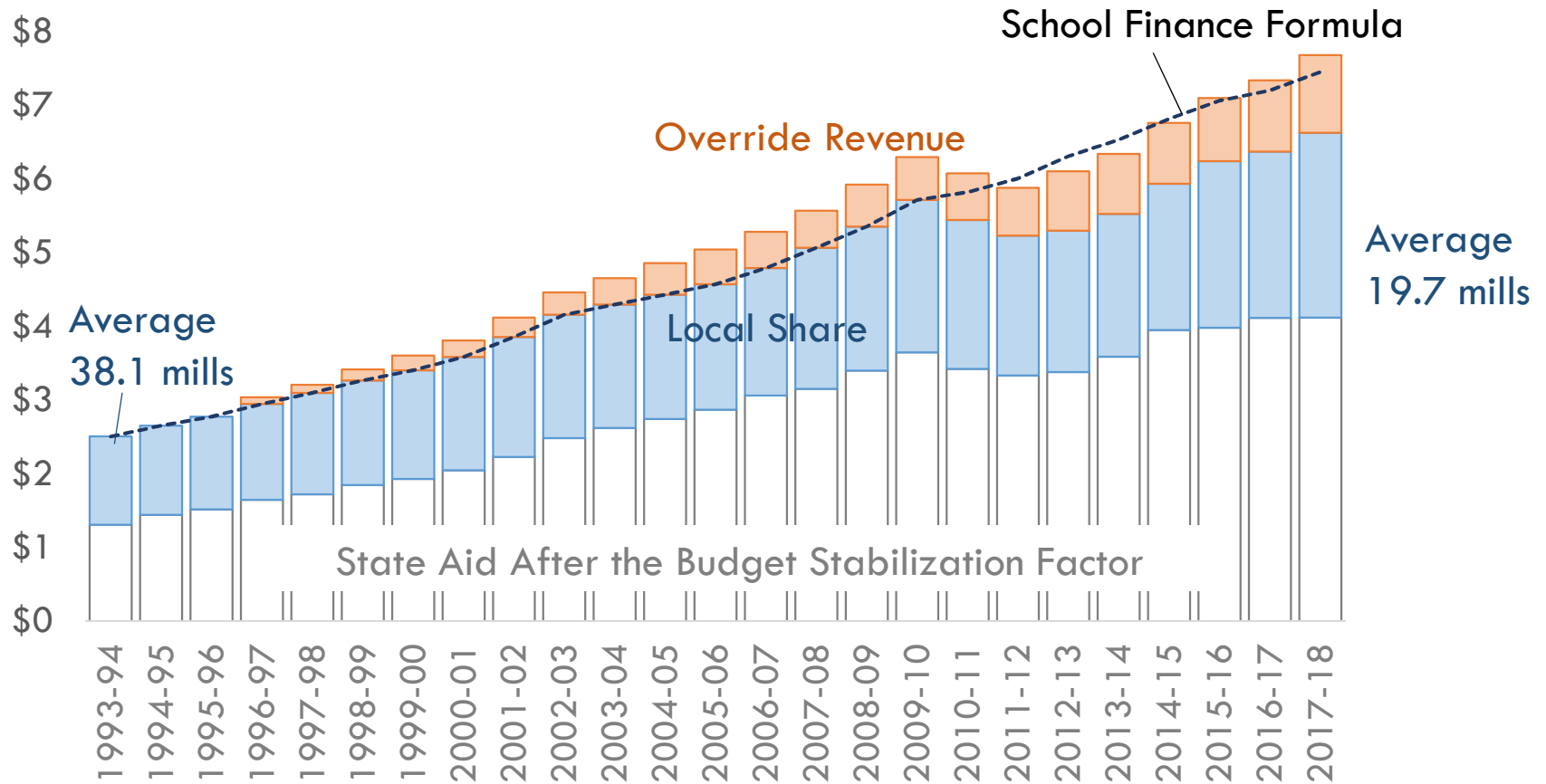
Statewide Mill Levy Override Revenue

Millions of Dollars



Statewide Funding Sources

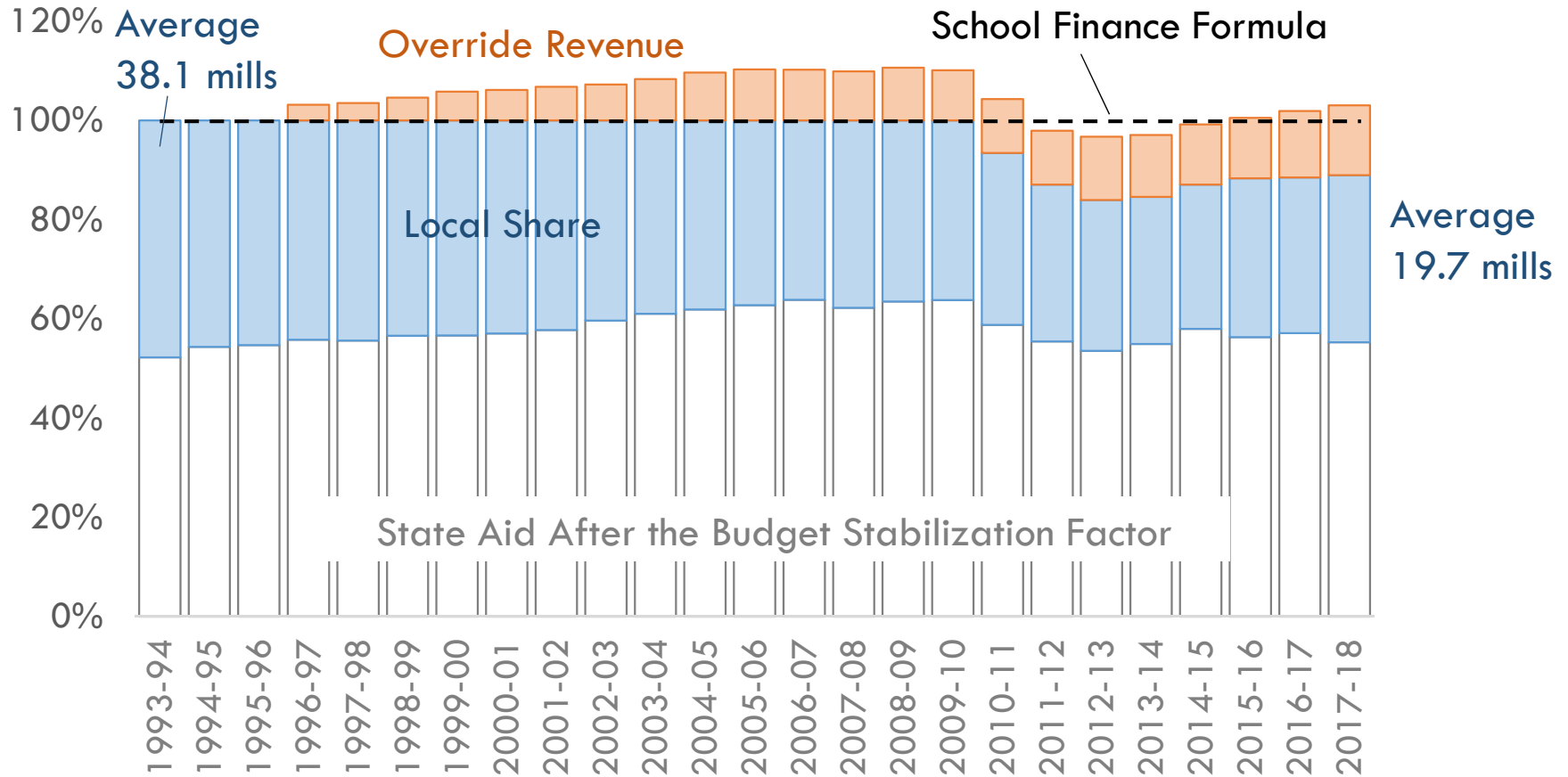
Billions of Dollars



Source: Legislative Council Staff Calculations.

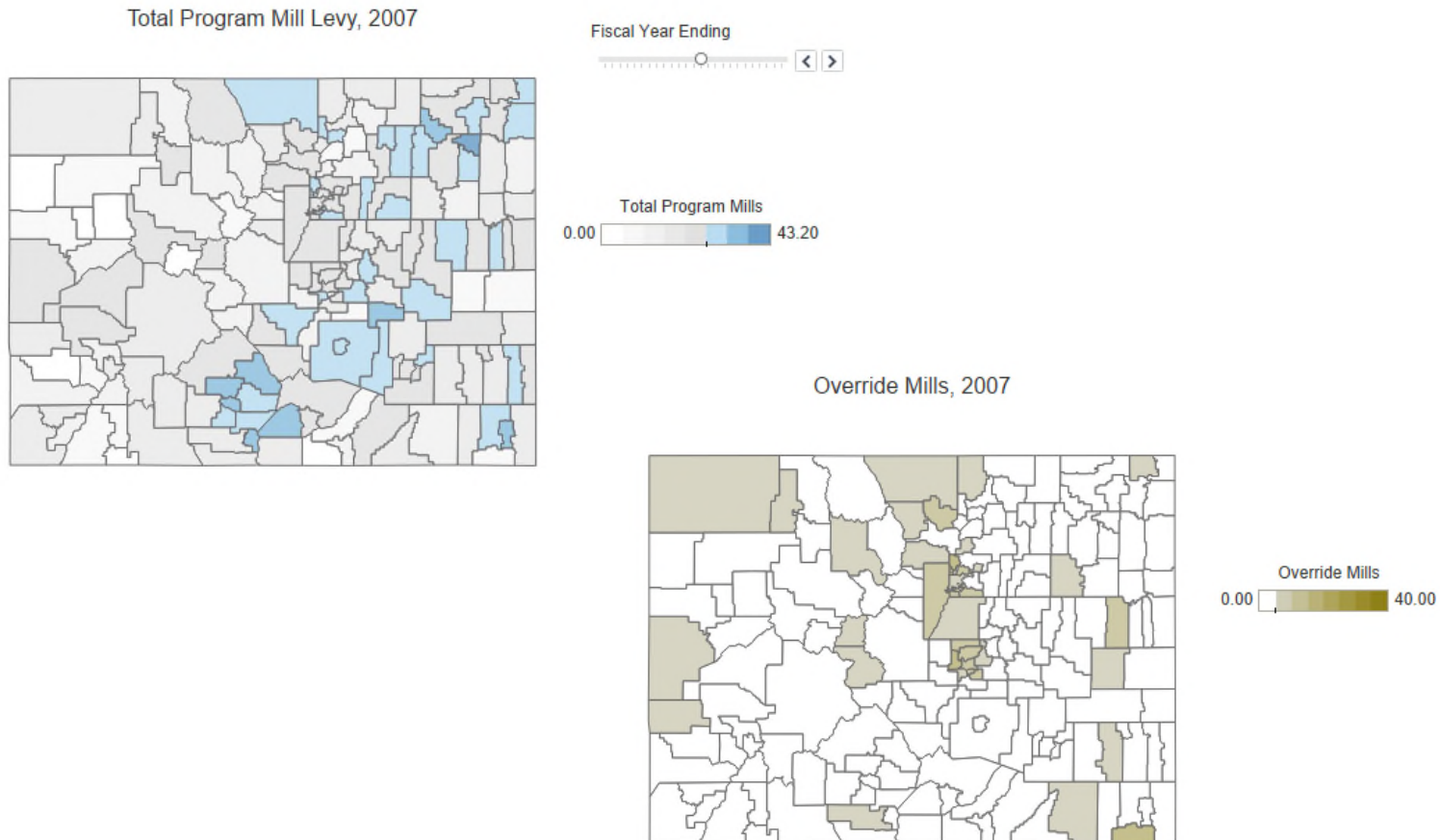
Statewide Funding Sources

Funding as a Share of Total Program



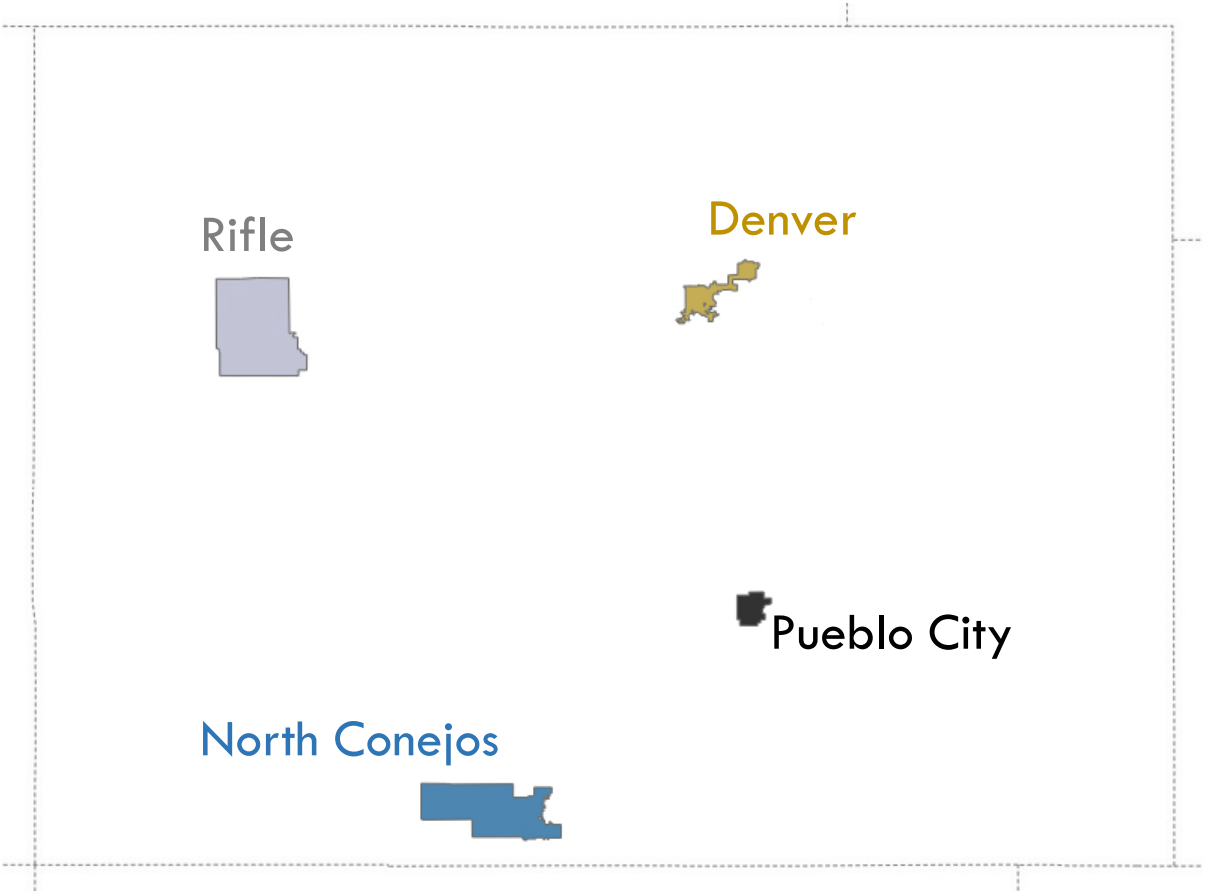
Source: Legislative Council Staff Calculations.

Change in School District Mills Over Time

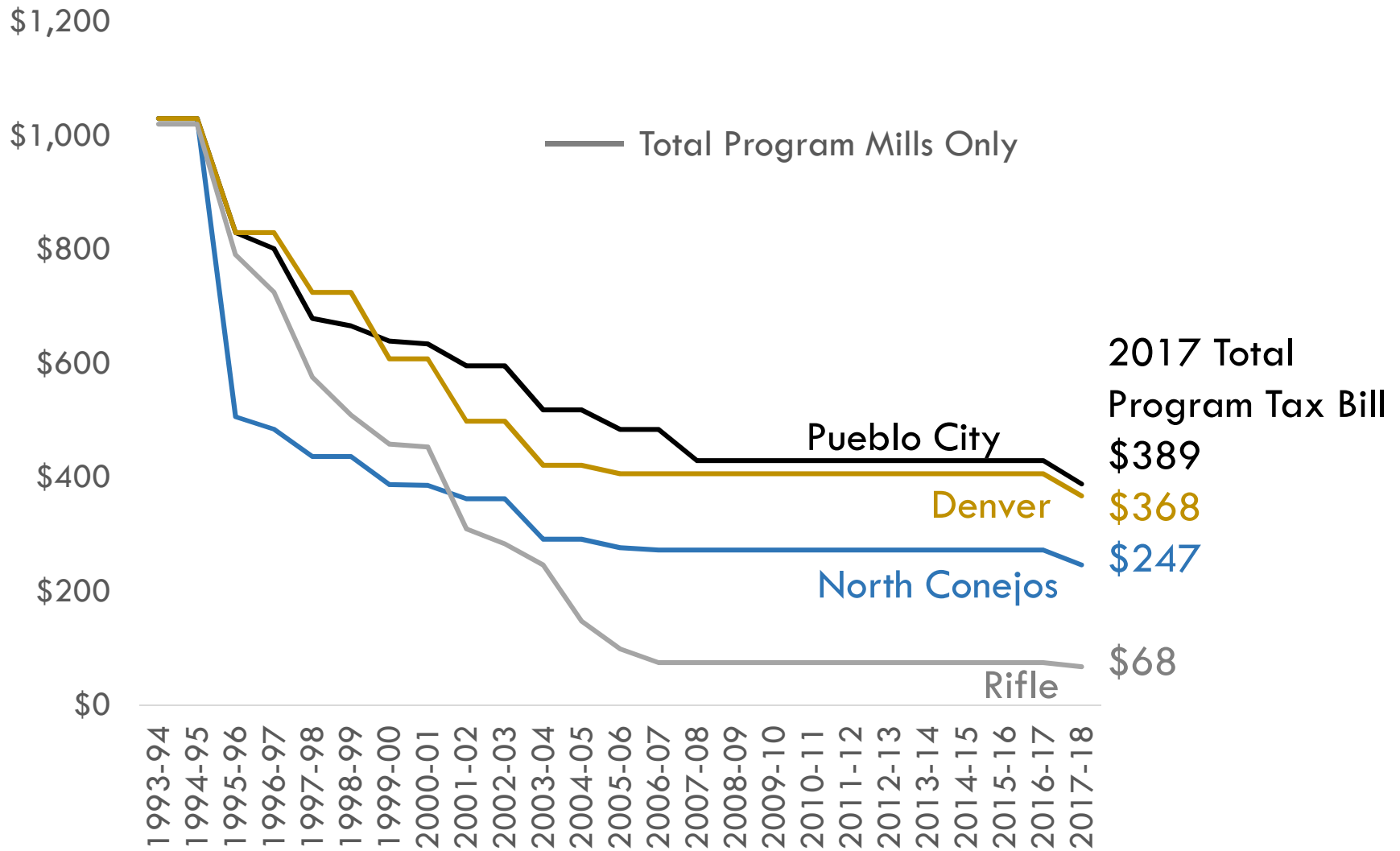


Interactive visualization available at:
<http://public.tableau.com/shared/CHR9CFFCN>

Illustrative School Districts

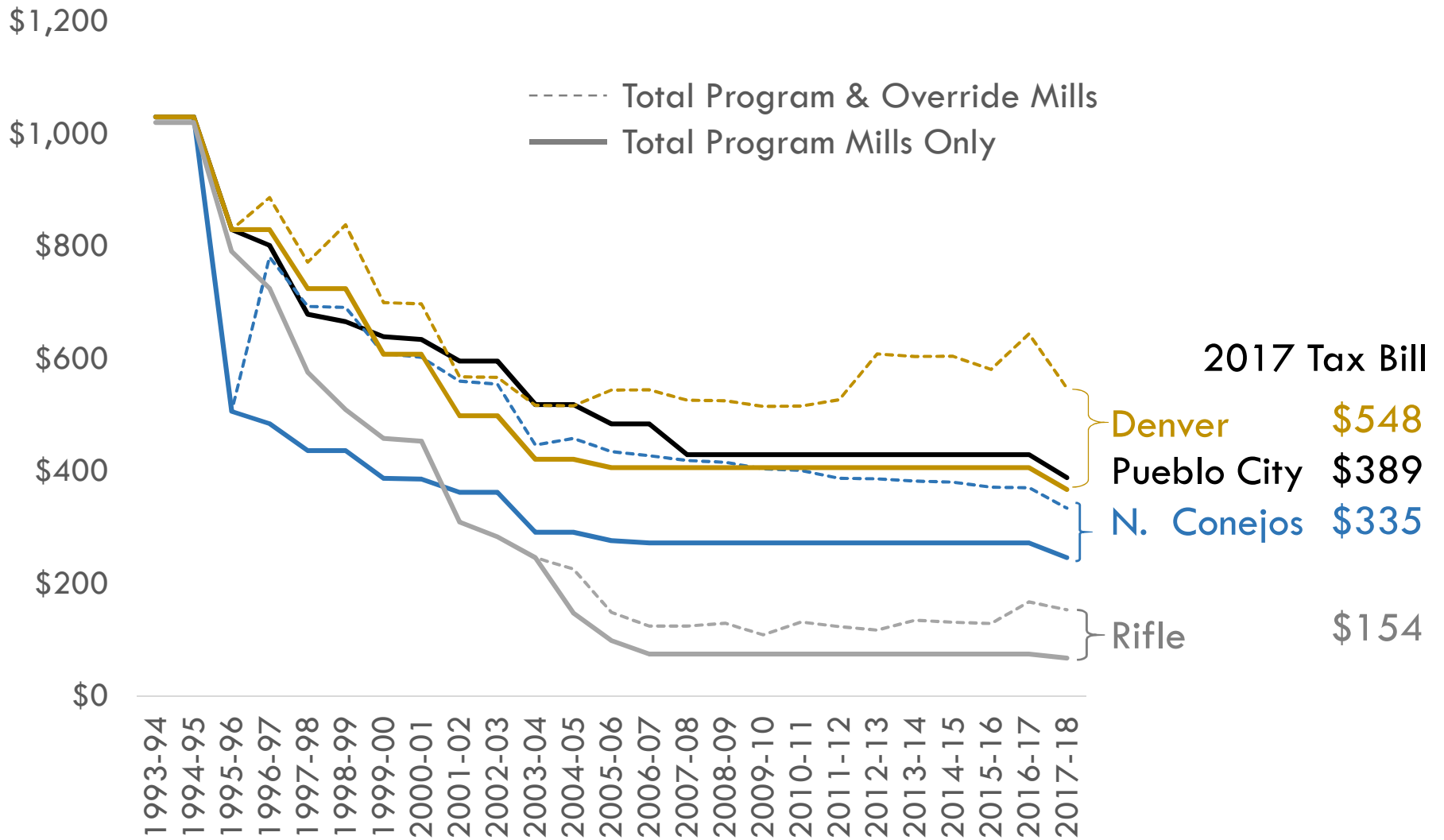


Property Tax Bill on a \$200,000 Home



Source: Legislative Council Staff Calculations based on school district mills.

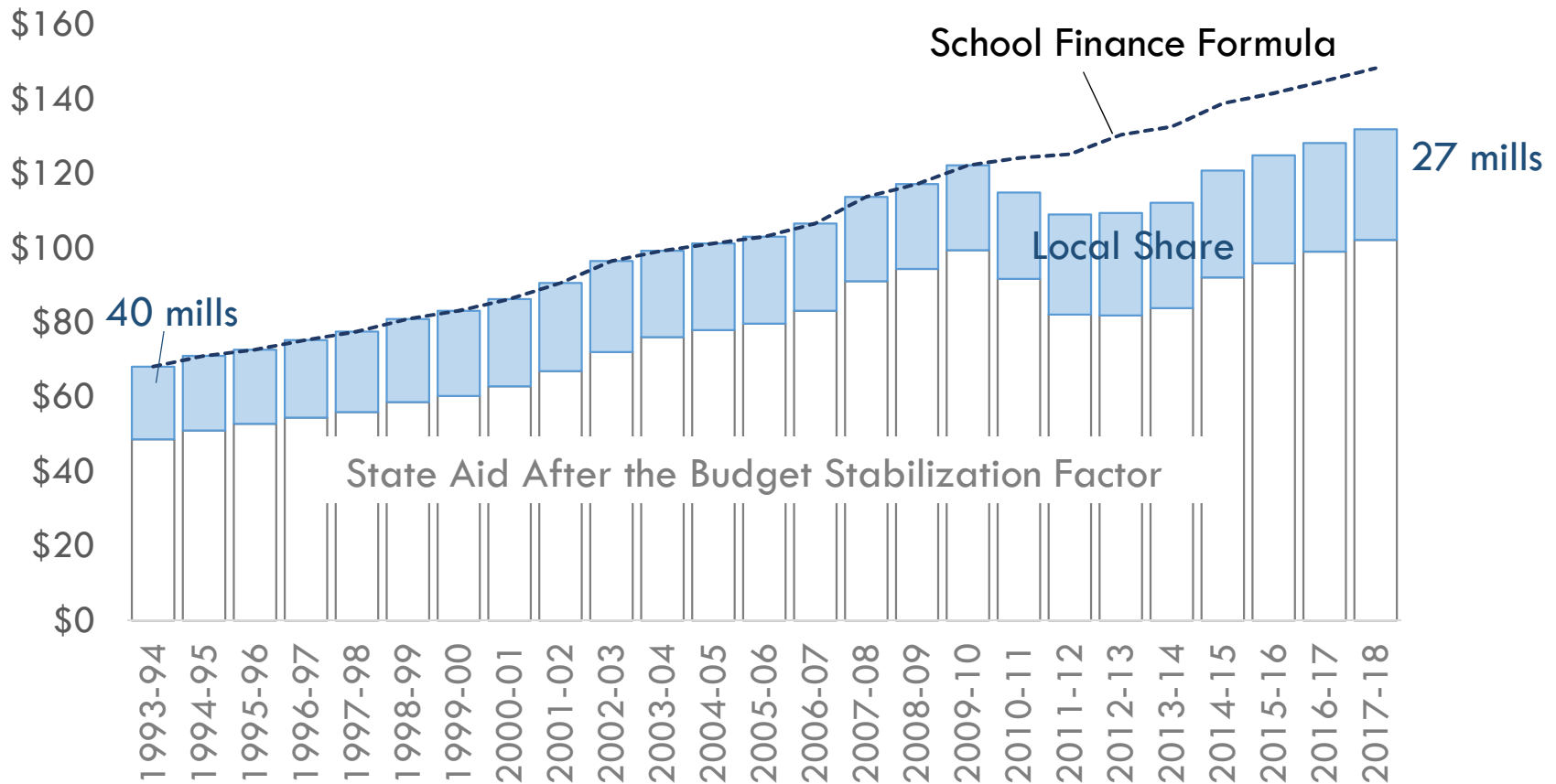
Property Tax Bill on a \$200,000 Home



Source: Legislative Council Staff Calculations based on school district mills.

Pueblo City District Funding Sources

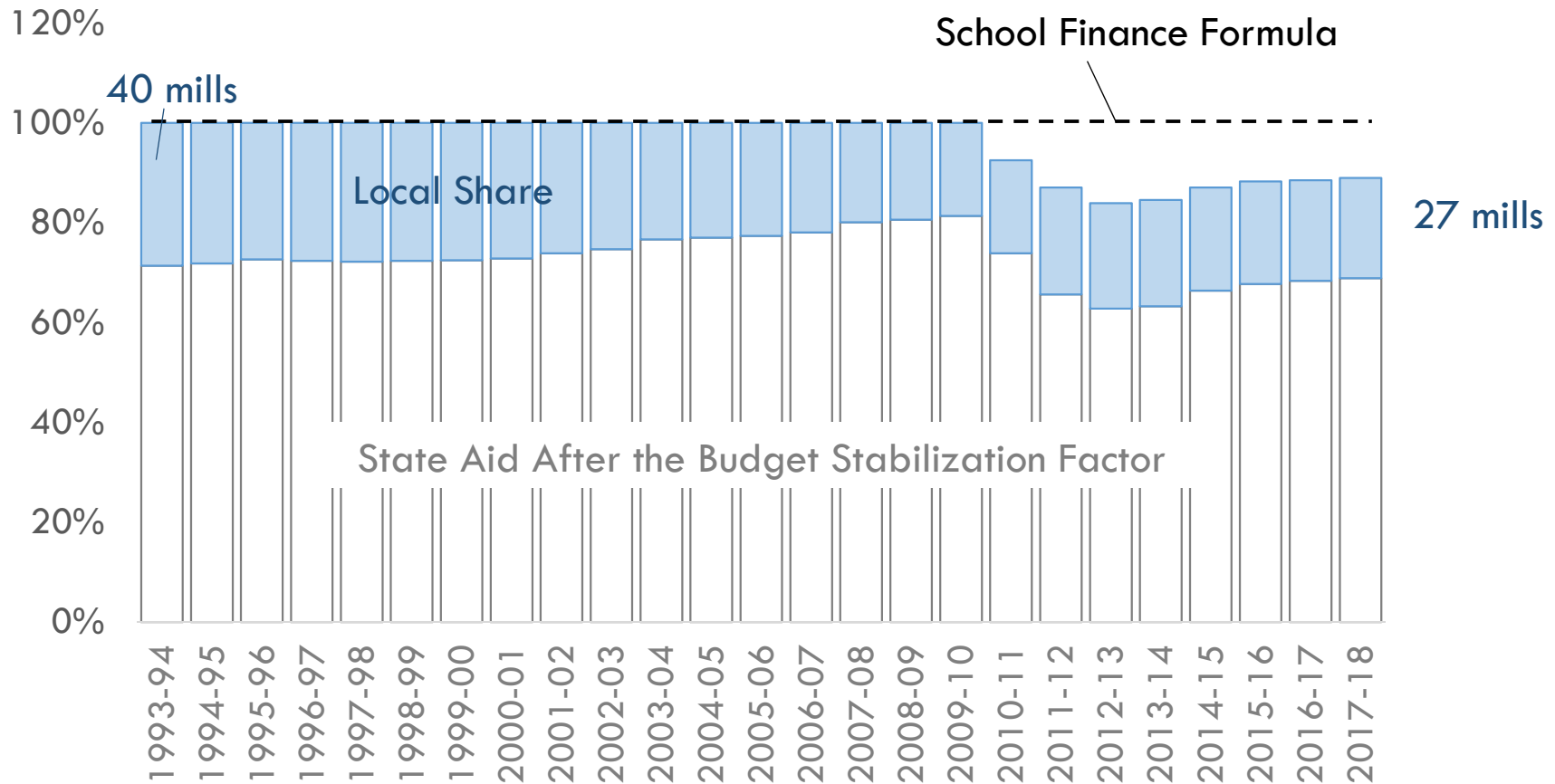
Millions of Dollars



Source: Legislative Council Staff Calculations.

Pueblo City District Funding Sources

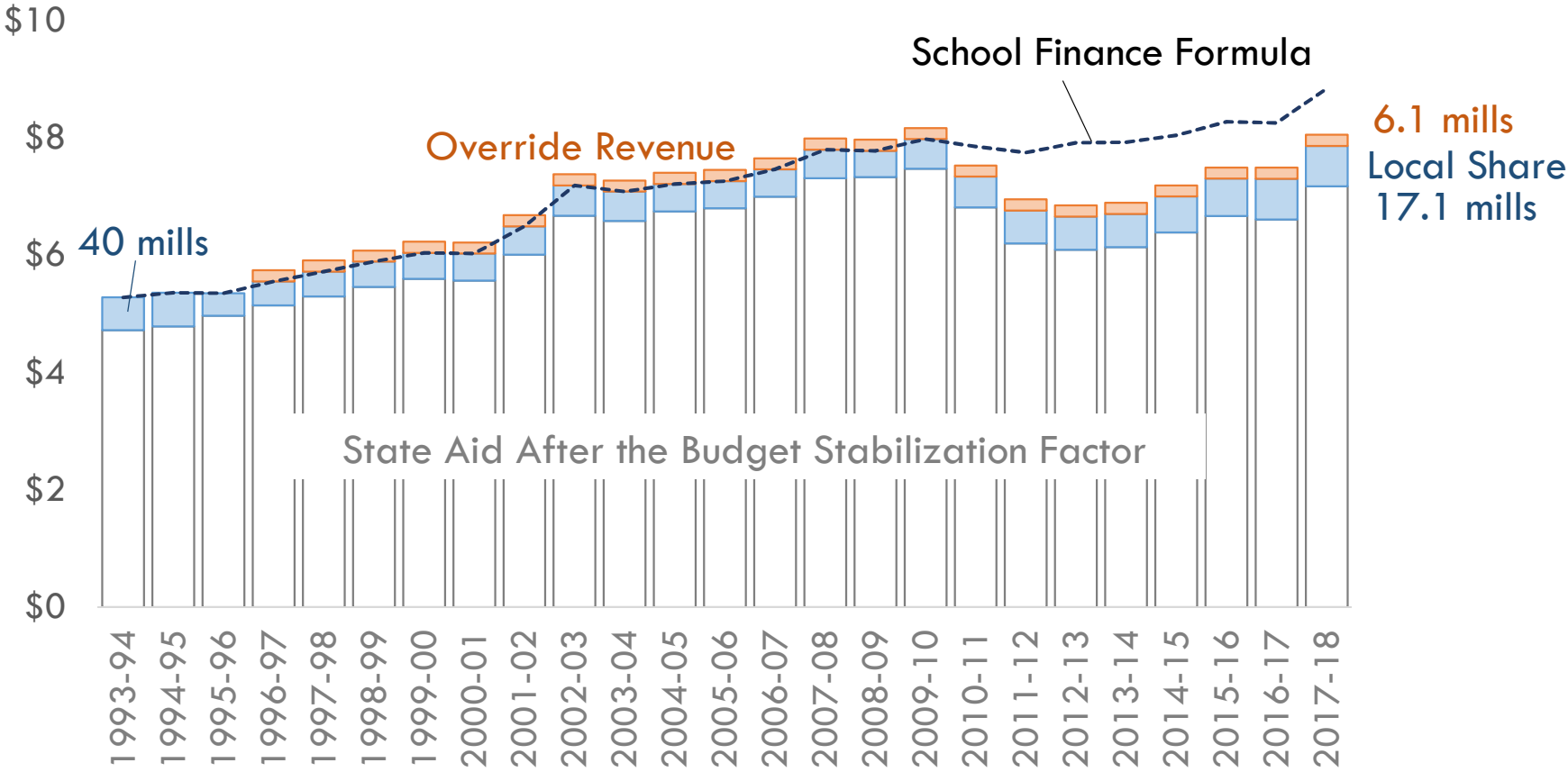
Funding as a Share of School Finance Formula



Source: Legislative Council Staff Calculations.

North Conejos District Funding Sources

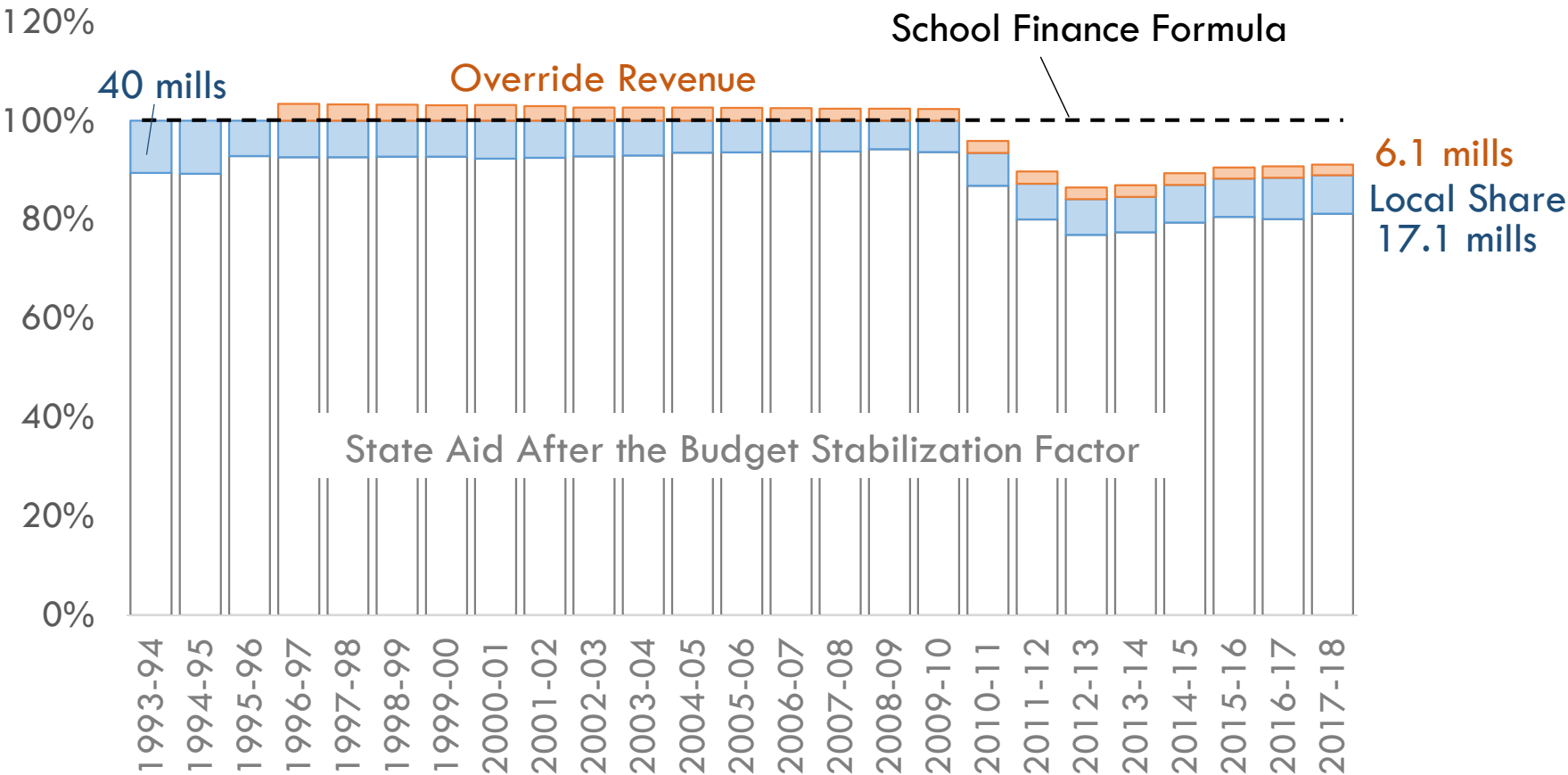
Millions of Dollars



Source: Legislative Council Staff Calculations.

North Conejos District Funding Sources

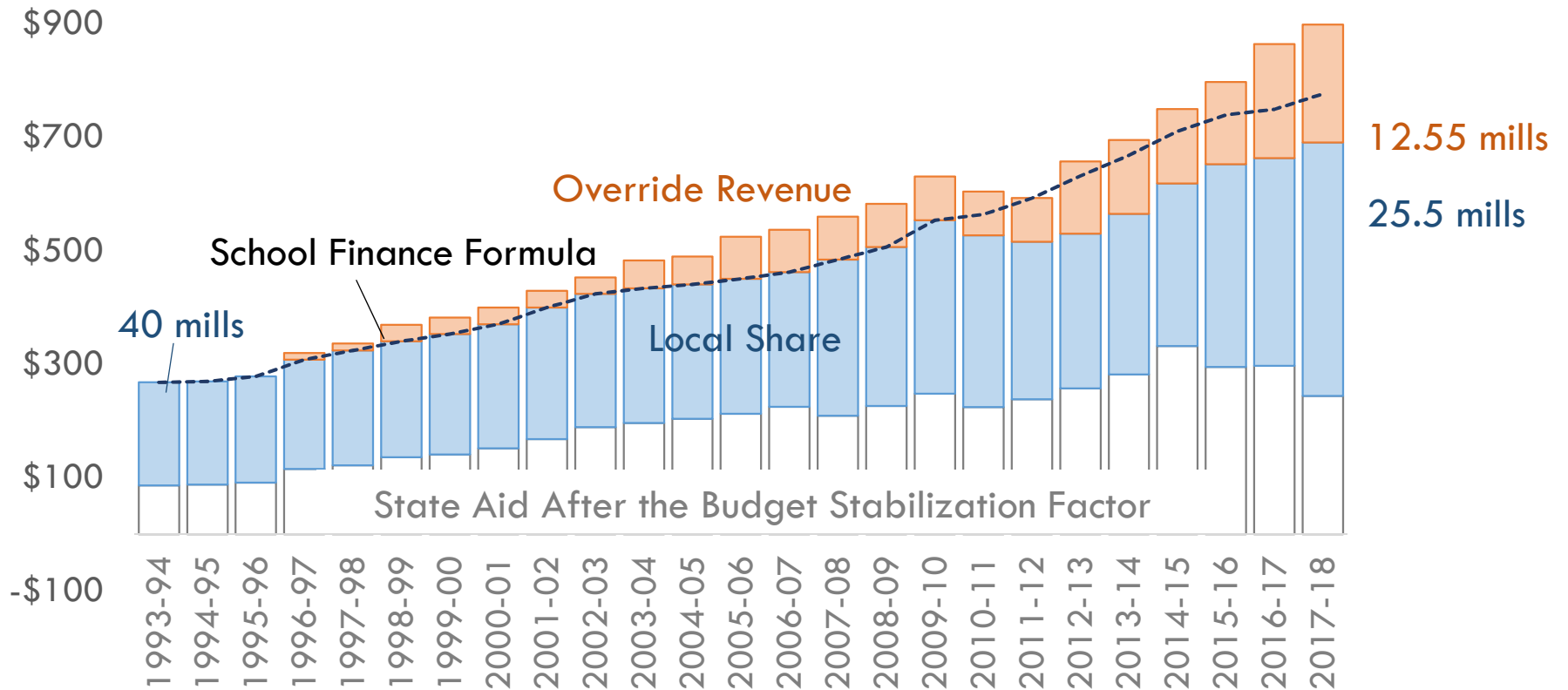
Funding as a Share of School Finance Formula



Source: Legislative Council Staff Calculations.

Denver District Funding Sources

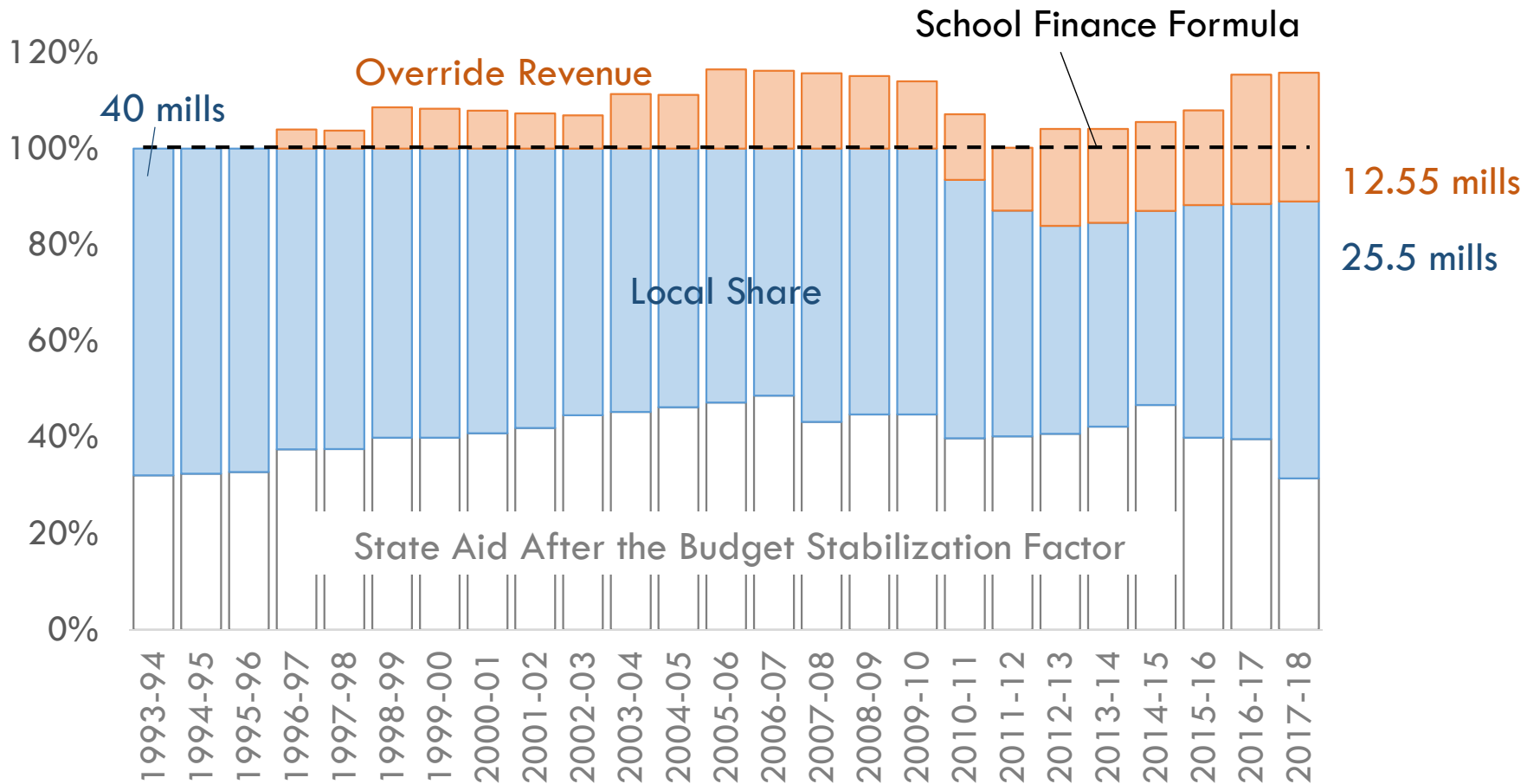
Millions of Dollars



Source: Legislative Council Staff Calculations.

Denver District Funding Sources

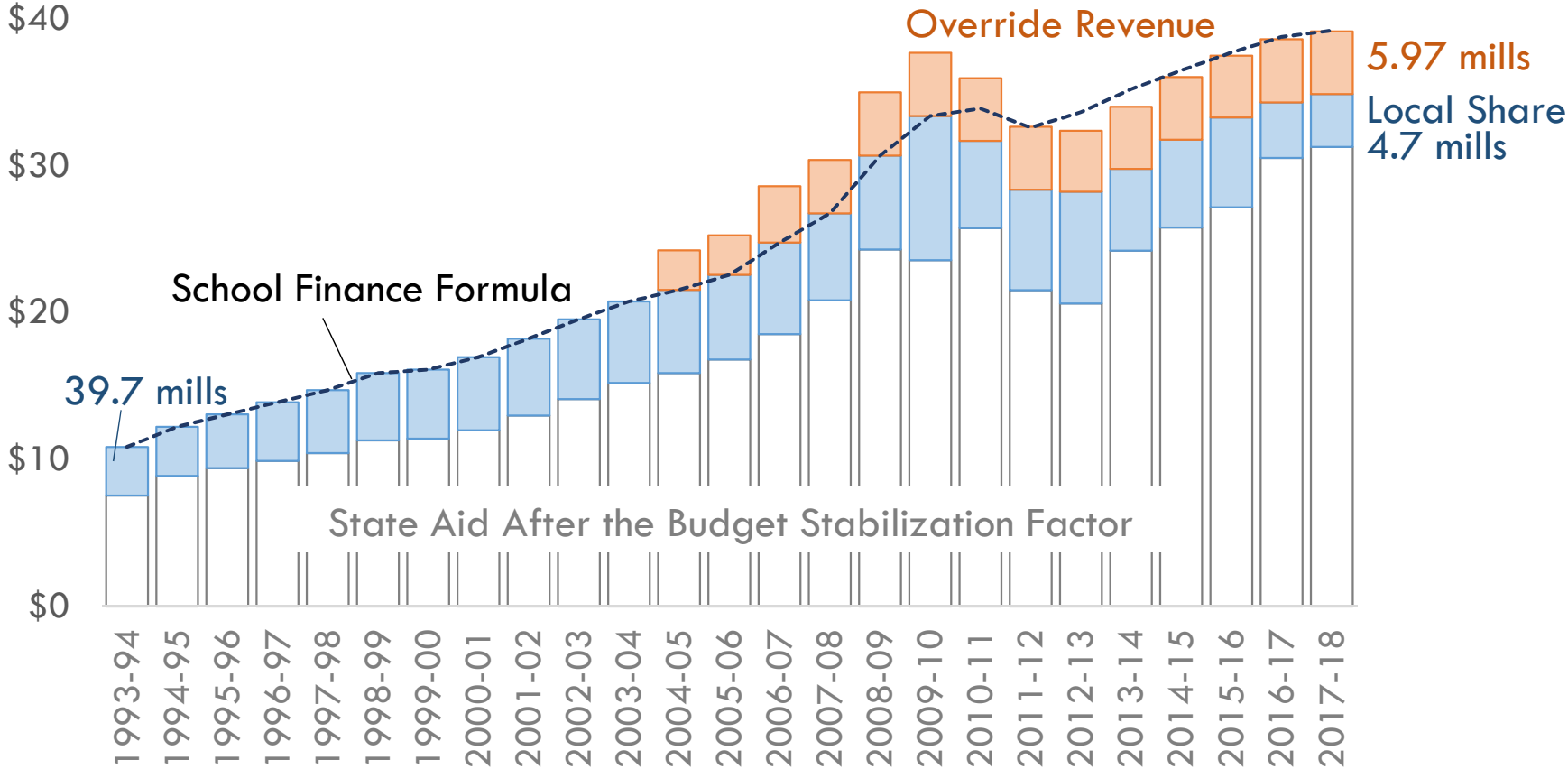
Funding as a Share of School Finance Formula



Source: Legislative Council Staff Calculations.

Rifle District Funding Sources

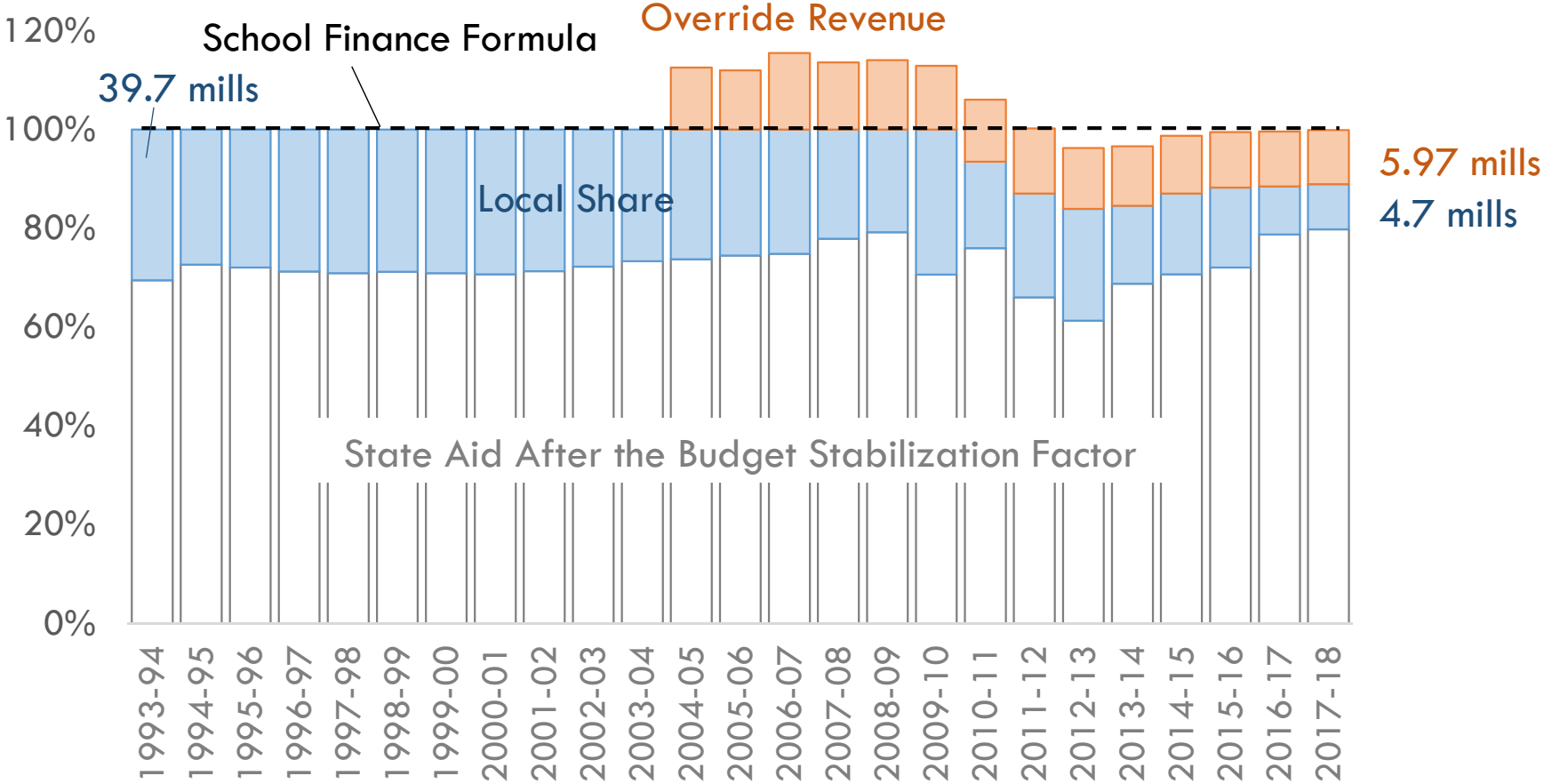
Millions of Dollars



Source: Legislative Council Staff Calculations.

Rifle District Funding Sources

Funding as a Share of School Finance Formula



Source: Legislative Council Staff Calculations.