

## How Tax Rates Can Be at a Higher Percentage than Budget Increases

**Note:**  
 If the base amount increases, an increase in the homestead rate cannot be discussed in isolation.  
 The budget is not as relevant to the tax rate as is education spending and the equalized pupil count.

	FY2014 Reference	FY2015 Scenario 1		FY2015 Scenario 2		FY2015 Scenario 3		FY2015 Scenario 4		FY2015 Scenario 5	
1. Budget	2,800,000	2,800,000	-	2,800,000	-	2,800,000	-	2,860,000	2.1%	2,860,000	2.1%
2. Local revenues	200,000	200,000	-	200,000	-	200,000	-	200,000	-	200,000	-
3. Education Spending (line 1 - line 2)	2,600,000	2,600,000	-	2,600,000	-	2,600,000	-	2,660,000	2.3%	2,660,000	2.3%
4. EqPup	200.00	200.00	-	200.00	-	195.00	(2.5%)	195.00	(2.5%)	195.00	(2.5%)
5. Ed Spend/EqPup (line 3 ÷ line 4)	13,000.00	13,000.00	-	13,000.00	-	13,333.33	2.6%	13,641.03	4.9%	13,641.03	4.9%
6. Base ed amt	9,151	9,382	2.5%	9,151	-	9,151	-	9,151	-	9,382	2.5%
7. Tax rate adj (line 5 ÷ line 6)	142.061%	138.563%	-	142.061%	-	145.704%	-	149.066%	-	145.396%	-
8. Base homestead rate	0.94	1.01	7.4%	0.99	5.3%	0.99	5.3%	0.99	5.3%	1.01	7.4%
9. Equalized homestead rate (line 7 x line 8)	1.3354	1.3995	4.8%	1.4064	5.3%	1.4425	8.0%	1.4758	10.5%	1.4685	10.0%
10. CLA	90.00%	90.00%	-	90.00%	-	90.00%	-	90.00%	-	90.00%	-
11. Actual homestead rate (line 9 x line 10)	1.4838	1.5550	4.8%	1.5627	5.3%	1.6028	8.0%	1.6398	10.5%	1.6317	10.0%

- Scenario 1:**  
 Statutorily calculated base amount and recommended base homestead rate of \$1.01
- Scenario 2**  
 Base amount flat, homestead rate at \$0.99
- Scenario 3**  
 Scenario 2 and an equalized pupil decrease
- Scenario 4**  
 Scenario 2 with a budget and equalized pupil decrease
- Scenario 5**  
 Scenario 1 with a budget and equalized pupil decrease