

Calculating the District Tax Levy

Following are scenarios that you may want to consider in determining the amount of a district tax levy. Page 2 contains a spreadsheet with formulas to help you determine the amount needed for your tax levy.

NOTE: The COVID-19 pandemic of 2020 may affect the salary figures below. If you have questions, please contact your MU Extension regional director.

1. Increases in office support salary

In 2022, the minimum wage will increase to \$12/hour. Your local MU Extension center will need to adjust pay to stay competitive.

2. Hiring a youth program associate

This scenario shows your county assuming the entire salary and benefits (currently councils pay only 50% of salary). These five-year amounts reflect a 2% annual raise in salary and benefits. These are estimates only. The Council and CES can work with the HR department to get exact tax and benefits costs.

a. Full-time YPA

- i. 1st year — \$45,000
- ii. 2nd year — \$46,000
- iii. 3rd year — \$47,000
- iv. 4th year — \$48,000
- v. 5th year — \$49,000

b. Half-time YPA

- i. 1st year — \$15,400
- ii. 2nd year — \$15,600
- iii. 3rd year — \$16,000
- iv. 4th year — \$16,300
- v. 5th year — \$16,600

3. Assuming salary and benefits for a full-time faculty position

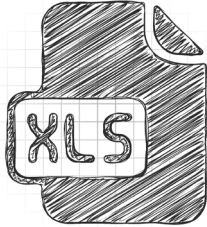
Full-time faculty for the county could also be an option, depending on need. The following amounts are for annual salary and benefits for the first five years for one position. The Council and CES can work with the HR department for the latest salary and benefit figures

- a. 1st year — \$74,000
- b. 2nd year — \$76,000
- c. 3rd year — \$77,000
- d. 4th year — \$79,000
- e. 5th year — \$80,000

4. Consider associated increases in travel, office supplies, printing and copies when adding faculty and staff to the office.

5. Create a budget based on this information, and always assume the county commission allocation will drop to zero.

6. Use the spreadsheet on page 2 to calculate levy scenarios.
 - a. Right-click the spreadsheet and select Choose Edit, which will open up the Excel spreadsheet. Or, double-click the spreadsheet, which will also open up the Excel spreadsheet.
 - b. Enter the Total Local Assessed Valuation (NOT total Assessed Valuation) in the first column.
 - c. Enter the amount of funds to raise in the second column, and the tax levy will be calculated
 - d. The formula to calculate the levy is: $(\text{Funds to Raise} \times 100) \div \text{Total Locally Assessed Valuation}$



Total Locally Assessed Evaluation	Funds to Raise	Levy
\$ 124,943,110.00	\$ 200,000.00	\$ 0.16
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More information is available in the [MU Extension District Option Manual, Volume 2: Campaigns and Elections](#).