

# Get Informed About Levy Transfers

*Reallocating LSR7's existing budget*

Levy transfers are commonly-used, **no tax rate increase** approaches to generate additional revenue to achieve specific goals.

On April 4, 2023, LSR7 voters will consider a levy transfer. Voter approval would:

- **Increase** the operating tax levy by 20 cents.
- **Decrease** the debt service tax levy by 20 cents.
- Ensure **no net impact** to the overall tax rate.



Voter approval of a 2023 levy transfer would:

**Enable** salary increases for LSR7 employees to recruit & retain quality staff in LSR7.

**Allows** LSR7 to shift existing tax dollars to the operating fund in order to be competitive with other districts

## KC Metro Starting Teacher Salaries \*2022-23 data

1. Kansas City	\$43,100
2. North Kansas City	\$42,500
3. Belton	\$41,600
4. Park Hill	\$41,560
5. Independence	\$41,150
6. Grandview	\$40,853
7. Lee's Summit	\$40,326

Current Property Tax Rate	LSR7 Budget	Tax Rate if Approved by Voters*
\$1.07	Debt Service Fund	\$0.87
\$4.24	General Operating Fund	\$4.44
\$5.31		\$5.31

**No tax rate increase levy transfer.**

\*Using today's valuation and current Prop C rollback

**Please vote on  
April 4, 2023**

# Levy Transfer FAQs

## How much of LSR7's budget is funded locally?

Local funds make up approximately 2/3rds of the Lee's Summit R-7 Schools budget.

## What is the district's current property tax levy?

The district's current overall property tax levy of \$5.31 per \$100 of assessed valuation includes the operating tax levy and the debt service tax levy. The current operating tax levy (\$4.24) funds operational expenses, such as teacher and staff salaries, supplies and equipment. Current debt service tax levy (\$1.07) funds are used to pay interest and principal payments for general obligation bonds issued for voter-approved bond projects.

## What does the April 4, 2023 ballot language mean?

When debt service levy transfers appears on the ballot, the district is asking voters: Can we shift existing tax contributions from one levy to the other without changing the overall tax rate? The April ballot reflects the district's plan to increase the operating tax levy by 20 cents and decrease the debt service tax levy by the same amount to ensure **no net impact** to the overall property tax levy.

## What is the purpose of the levy transfer?

The Board of Education's decision to place a levy transfer on the ballot follows the review of salary data from surrounding school districts, in addition to input from district stakeholder groups including the Citizens' Advisory Committee, Business Roundtable, Team Lee's Summit and district staff. The levy transfer is designed as a no tax rate increase approach to ensuring the school district can offer competitive staff compensation during a time of high inflation and stagnant state funding for preK-12 education. In recent years, neighboring districts have taken voter-approved actions such as levy transfers and increases to invest in salary schedules, and LSR7 has fallen behind in starting pay for teachers and other positions. Reallocating additional revenue to the operating fund would allow the district to increase staff compensation as part of the district's goal of recruiting and retaining quality staff.

## What is the impact of decreasing the debt service levy?

The debt service levy supports future facility needs by providing funds to pay down the general obligation bonds issued to cover capital projects such as new schools and building renovations. While a levy transfer impacts the district's future bonding capacity — how much the district can borrow in the future for bond projects — assessed valuation and growth projections indicate that LSR7 is in a strong position to cover its anticipated facility needs with a lower debt service tax levy.

## Does approval of the April ballot item impact the district's ability to pay existing debt?

No. Voter approval of a levy transfer does not change the terms or rates associated with previously issued debt. Because of responsible long-range debt planning, the district has adequate funds to cover existing debt, and will maintain its high AA+ bond rating.

## What kind of voter approval is required?

The levy transfer requires a simple majority for voter approval.

## When is the deadline to register to vote?

The deadline to register to vote in the April election is March 8, 2023.

## For more information, please go to:

<https://www.lsr7.org/ballot>