

# ASKED AND ANSWERED: The Calumet Tax Reappraisal

## Did the school district budgets increase?

No, the adopted District Budgets remained exactly the same at adopted at the August Board meeting.

## Why would the District have lost over \$500,000?

By Montana law, School District budgets are set in August each year. There is a complex school funding formula that determines the dollar amount for the General Fund budgets. This formula is based on a statewide equity lawsuit that equalized funding for all schools in the State. The funding formula sets a minimum and maximum budget that is based mainly on student enrollment. Once the dollar amount of the budget is determined, the next step is setting the mills or taxes that raise the money. Calumet received a tax redetermination from the Department of Revenue that reduced their taxes by over \$2,000,000 after the levies were set. This was not a tax protest.

## Was the District aware that the tax redetermination was taking place?

No, the District was unaware that this action was in the works. The District recently worked through a tax protest by Calumet.

## Couldn't the school district just go without the money (revenue)?

With over 85% of the General Fund Budgets allocated to salaries and benefits that are contractually guaranteed, the remaining operational money goes toward teaching supplies, heating the buildings, insurance, and other operational costs. The District spent nine years making reductions in order to maintain balanced budgets.

## How much will this impact my taxes for the year?

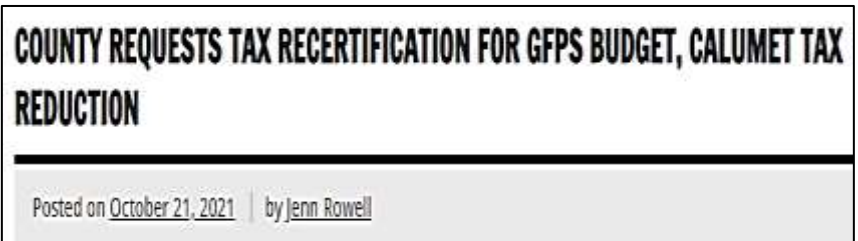
For a house with a taxable valuation \$200,000, the increase over the previous year for school taxes for the budgeted fund is \$1.05 which is just under 9 Cents (\$.0876) per month.

## What really happened in this matter?

The Department of Revenue made the decision to reduce the Taxable Valuation for Calumet by just under \$2,015,000. The amount that Calumet was not obligated to pay was divided amongst the rest of the taxpayers in the school district.

## Why wasn't there more publicity on this change?

The [Tribune](#) and [Electric](#) covered the story in these articles.



The Cascade County Commissioners held two publicly noticed meetings in regard to the tax recertification.

