



## USD 497 News Release

Julie Boyle, Executive Director of Communications  
110 McDonald Drive Lawrence, Kansas 66044  
785-330-1662 / [jboyle@usd497.org](mailto:jboyle@usd497.org)

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### School Board to Review District/School Needs & Proposed Budget Monday

The Lawrence Board of Education on Monday will review a district needs assessment and school improvement goals and discuss approving for publication its maximum budget authorities and mill levies. The 2024-2025 proposed budget of \$215,698,464 is based on 52.252 mills, an increase of .042 from last year total mill levy.

School districts set maximum budget authorities high enough to provide flexibility to address district needs and capture as much state aid as possible. Budget maximums do not reflect expected spending, which will more closely align with 2023-2024 actual net expenditures of \$160,154,790.

A mill is approximately \$1 for every \$1,000 of a property's assessed value. Our district's mill levy history is relatively stable: 52.984 (2019-20), 53.122 (2020-21), 52.840 (2021-22), 51.070 (2022-23), 52.210 (2023-24), and 52.252 (Proposed 2024-25).

The state of Kansas sets a statewide General Fund levy of 20 mills. The board's proposed budget includes the state-maximum allowable Local Option Budget at 33% of the General Fund, or 14.517 mills; 8 mills for Capital Outlay, and 8.301 mills for Bond and Interest payments on debt services.

Special Revenue Fund mill levies support Adult Education, .2 mill, and a Cost-of-Living Allowance (COLA), 1.234 mills. Our district qualifies for COLA weighting because the average appraised value of a single-family home in Lawrence is more than 25% higher than the statewide average.

Executive Director of Finance Cynde Frick will provide the board an overview of the proposed budget, including a 5.7% increase in state Base Aid for Student Excellence (BASE), from \$5,088 to \$5,378 per pupil. Following the Kansas Supreme Court's ruling in the Gannon school finance lawsuit that state funding was both inadequate and inequitable, the BASE increase is now calculated on the three-year average of the Consumer Price Index for the midwest region. If increases in BASE funding had kept pace with inflation, it would sit at approx. \$7,600.

The BASE is multiplied by a district's full-time equivalent (FTE) enrollment. Because our district enrollment is declining, the state will allow us to use the average of two prior years' enrollment, or 9,879, this year. In the future, we must use our September 20th FTE enrollment from the current or prior school year.

Lawrence Public Schools will receive from the state approx. \$2 million in additional special education funding. The state also increased funding for part-time students enrolled in virtual education to a proration of the full-time rate of \$5,600, instead of a proration of \$2,800.

In addition to considering the approval of the proposed budget for publication, the board will discuss scheduling a hearing to exceed the revenue neutral rate (RNR) and a budget hearing at 6:00 p.m. and 6:05 p.m., respectively, on September 9, at 110 McDonald Drive.

The RNR is the mill levy rate that would generate the same amount of property tax revenue as the year before, using the current tax year's total assessed valuation. The legislature's RNR law is a disclosure requirement for public transparency. It does not consider inflation. Districts often need to increase property tax revenue to improve services and to help pay the increased costs of insurance, food, construction materials, etc.