



2021 Levy Ballot Recommendation

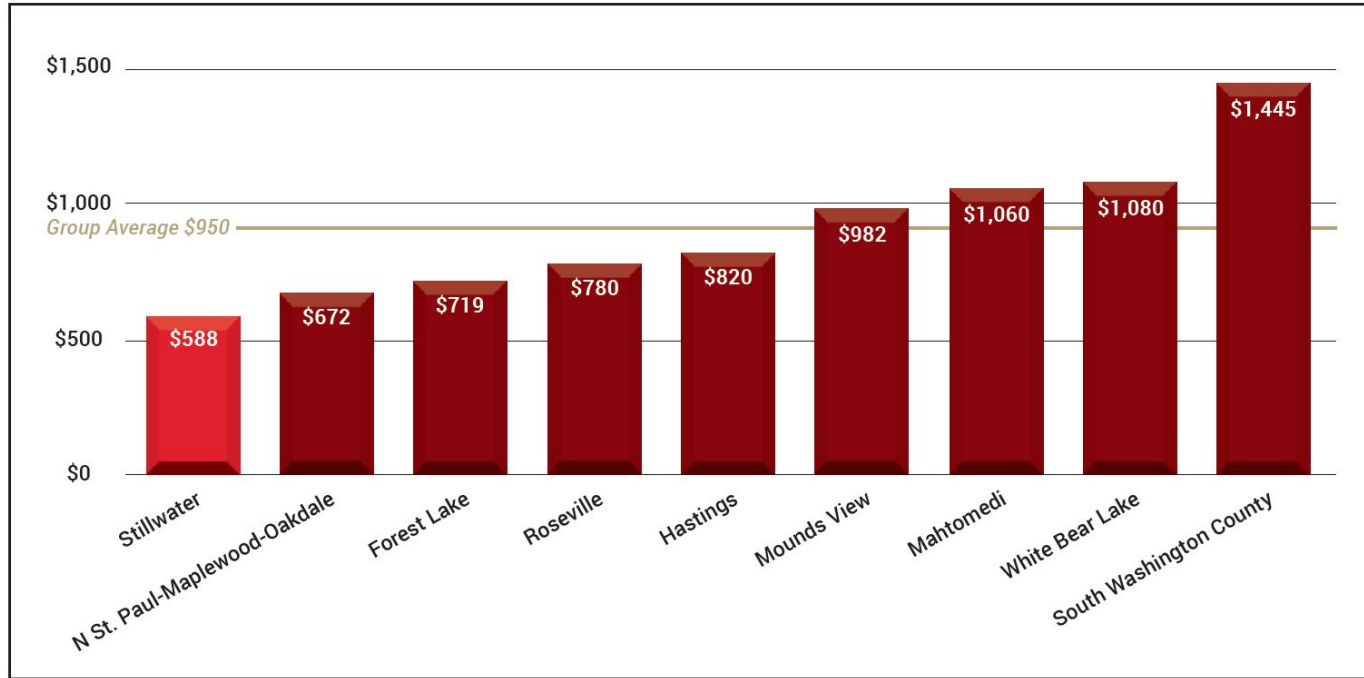
School Board Work Session
August 5, 2021

Funding Facts

- Expiring levy currently generates about \$12 million
- State funding hasn't kept pace with inflation or increasing costs
- We've cut our budget 3 times since levy was approved in 2013 - totaling \$7 million
- We lost 3% of our student enrollment in 2020-2021 due to COVID-19.
 - COVID's impact on enrollment is unknown

Stillwater Area Public Schools, ISD 834

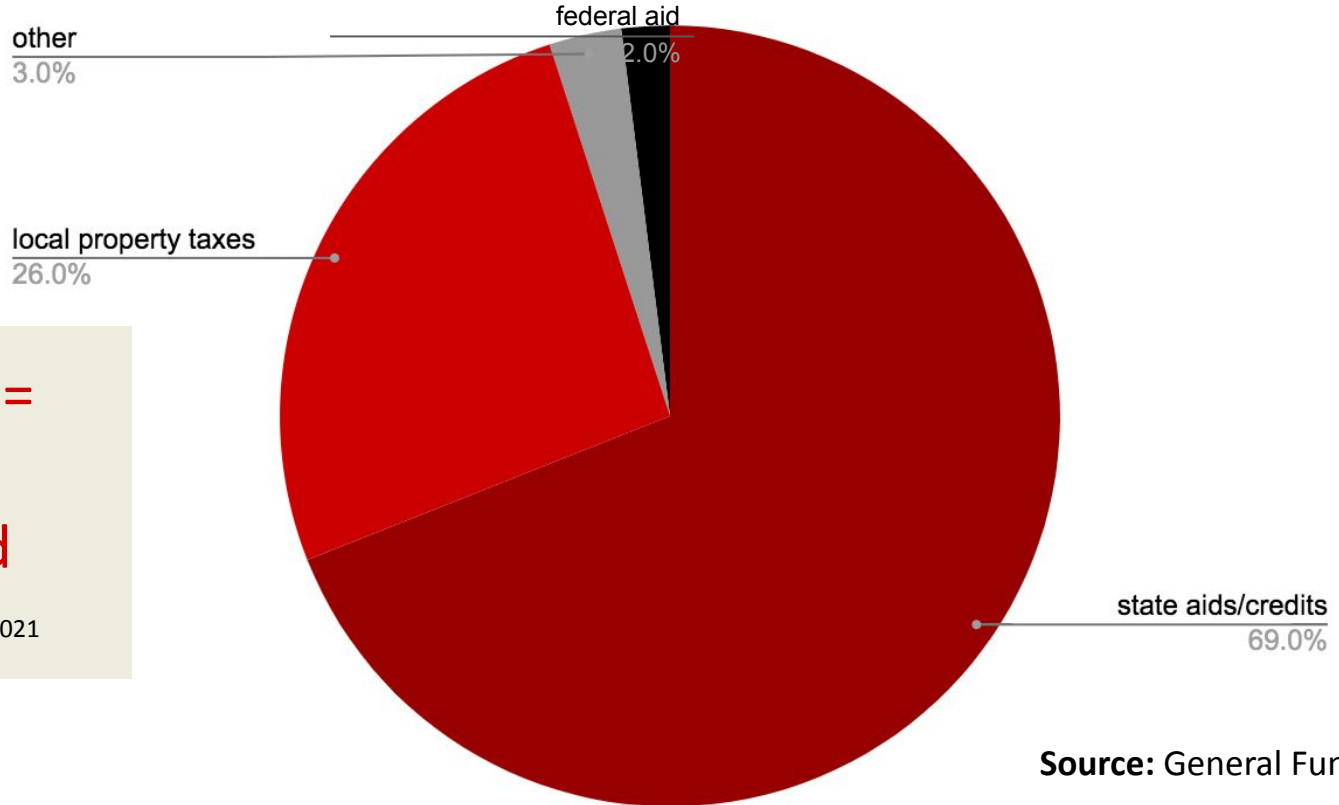
Estimated Voter Approved School Property Taxes, Payable 2021, \$350,000 Residential Homestead



Tax Base Source: Final values from Washington, Dakota and Ramsey Counties.

Levy Source: Taxes Payable 2021 Levy Certification Reports for voter approved operating referendum, capital project levy and debt only

Where Our Money Comes From



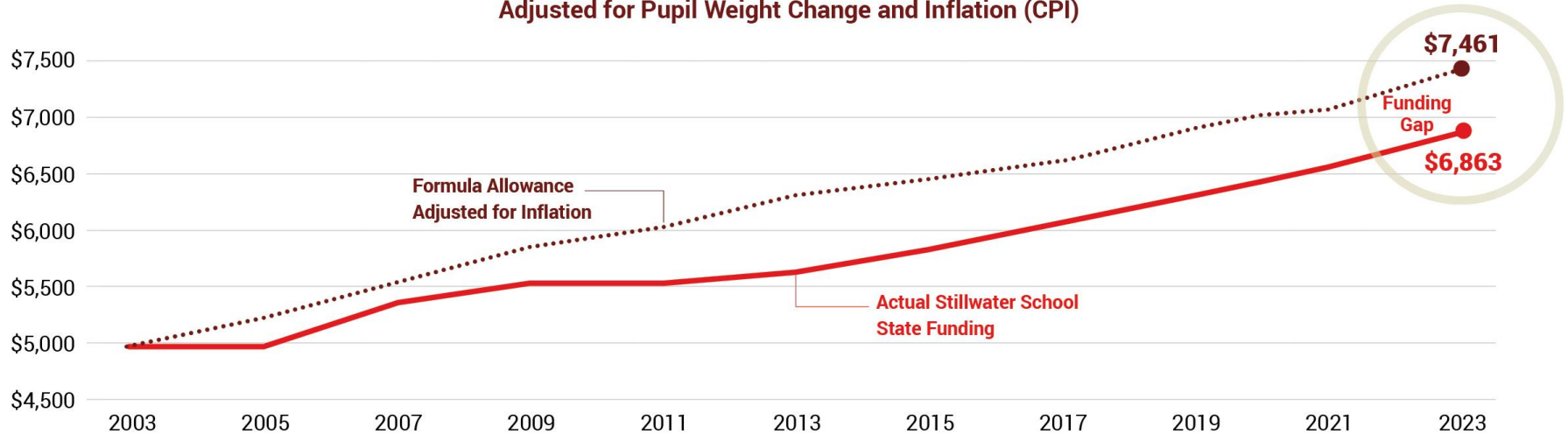
Expiring levy =
10.4% of
general fund

Source: Certified Levy Payable 2021

Source: General Fund

General Education Formula Allowance, 2003-2023

Adjusted for Pupil Weight Change and Inflation (CPI)



If state funding had kept up with inflation since 2003, our schools would receive \$500 more per student - for a total of \$4.2 million more this year.

Source: Minnesota Department of Education and the Association of Metropolitan School Districts 2021 Inflation estimates

Maintain Quality Learning

Two ballot questions:

Q1: Replacement Levy Q2: Technology Levy

Request is based on:

- Needs of our students
- Expiring levy
- Years of inadequate state education funding leading to budget cuts
- Analysis of district finances
- Stakeholder feedback

Other considerations:

- COVID-19 variants
- Federal COVID-19 relief funds (CARES)
- Minnesota's 2021 Legislative session
- Economy and consumer confidence
- Inflation and consumer price index
- District enrollment
- Other unknown factors

Question 1: Replacement Levy

Maintain quality learning:

- Renew expiring levy
- Help stabilize the district's budget
 - Address state funding gap, enrollment change, rising costs/inflation
- Retain teachers, support staff
- Maintain existing programs and services
 - Continue to support academic achievement for all students
- Minimize - but not eliminate - future budget cuts

Question 1

If **APPROVED** by voters

- Help to maintain class sizes
- Maintain existing student programs/services, activities, athletics and arts programs
- Help cover ongoing inflationary costs

If **NOT APPROVED** by voters

Face a \$12 million deficit in 2022-2023 and more in future years

- Significantly higher class sizes
- Reduce more than 100 full time teachers and support staff
- Loss of academic and social/emotional interventions
- Loss of electives classes, specialized programs, as well as art and athletic opportunities

Question 2: Technology Levy

Provide kids the tools they need to learn

- 1:1 devices for students
- Teacher laptop replacements
- Systemic upgrading of classroom technology
- Staff to support technology
- Network security

Consideration:

Capital projects
levy for
technology is
NOT based on
enrollment

Stable and reliable
funding for
technology

Question 2

If APPROVED by voters:

- Technology for classrooms
- Devices for students, teachers
- Technology support staff
- Dedicated funding source for technology

If NOT APPROVED by voters:

- No dedicated funding source for technology, equipment, support staff and purchases
- 10-year replacement cycle for classroom technology
- No funding for student device replacement
- Failure to meet future state testing requirements
- Minimal technology access for students

Administration Recommendation

Stillwater Area Public Schools, ISD 834

July 22, 2021

Q1: Increase Operating Referendum Revenue (by \$390 per pupil, \$2.75m additional revenue);

Q2: \$4.7 million Capital Project Levy; Total New Revenue \$7.5m

Includes Tax Impact of Changes in Other Levies

Ballot Questions	Question 1			Question 2	Changes in Other Levies**	Net Change
	Operating Referendum			Capital Project Levy		
Year Taxes are Payable	2021	2022	2022	2022	2022	2022
	Expiring Authority	Renewed Authority	Net Change	New Authority		
Revenue per Pupil Unit	-\$1,307.55	\$1,697.55	\$390.00			
Estimated Change in Revenue	-\$12,250,697	\$14,978,842	\$2,728,144	\$4,700,000		\$7,428,144

Type of Property	Estimated Market Value	Estimated Annual Tax Impact		Estimated Change in Annual Tax Payable in 2022*			
Residential Homestead	350,000	-\$368	\$445	77	138	-75	140

* The amounts in the table are based on school district taxes for the Operating Referendum, Capital Project Levy and other capital levies only, and do not include tax levies for other purposes. Tax changes shown above are gross changes, not including the impact of the state Property Tax Refund ("Circuit Breaker") program. Homestead Credit Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax increase for many property owners.

** If the proposed ballot questions are approved by voters, the district intends to make reductions in other tax levies payable in 2022, which will result in a net reduction in taxes paid as shown in this column. The intent of these reductions is to offset a portion of the tax increases from the proposed ballot questions.

Overview of Levy Request

Election November 2, 2021

Two ballot questions:

- **Q1:** Replacement levy to maintain quality learning
- **Q2:** Technology levy to provide kids the tools they need to learn

Tax impact on average home (\$350,000) if voters approve both questions = less than \$11 per month



Board Discussion