

**FOCUSED FORUM
TAXES PAYABLE
2022**



Meeting Goals

- Explanation of the property tax statement (school portion only)
- Discussion of taxes payable 2022
- Discussion of FY 2021-2022 budget
- Comments



Property Tax Background

Every owner of taxable property pays property taxes to various “taxing jurisdictions” (county, city/township, school district, special districts) in which property is located

Each taxing jurisdiction is required to set their own tax levy, often based on limits in state law

County sends bills, collects taxes from property owners, and distributes funds back to other taxing jurisdictions



School District Property Taxes

The state has identified over 40 different categories in which school districts levy for taxes

“Levy limits” (maximum levy amounts) for each category are set by

- State law
- Voter approval



Minnesota Department of Education (MDE) calculates detailed levy limits for each district

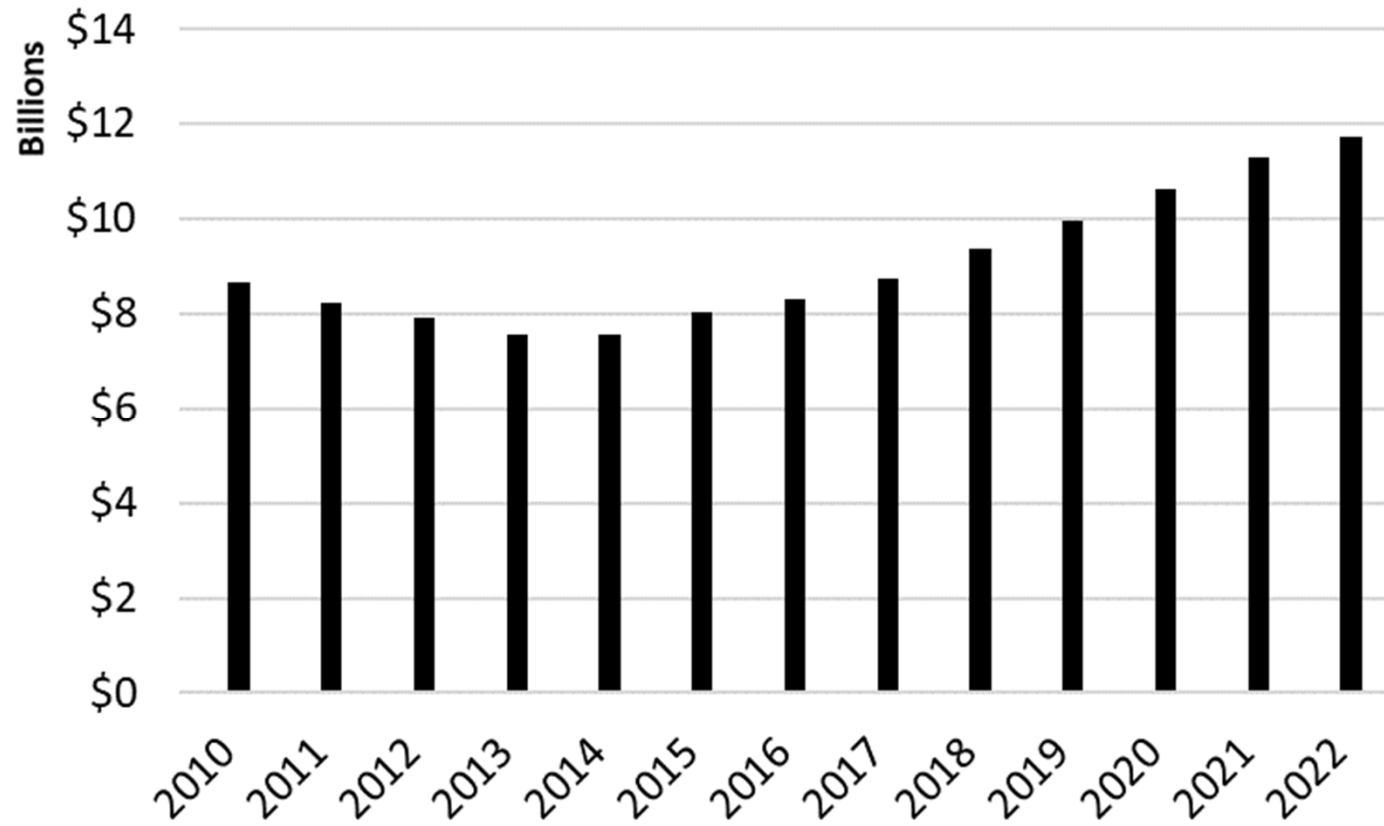
Factors Impacting Individual Taxpayers' School Taxes

Many factors can cause tax bill for an individual property to increase or decrease from year to year

- Changes in value of individual property
- Changes in total value of all property in District
- Increases or decreases in levy amounts caused by changes in state funding formulas, local needs and costs, voter-approved referendums, and other factors

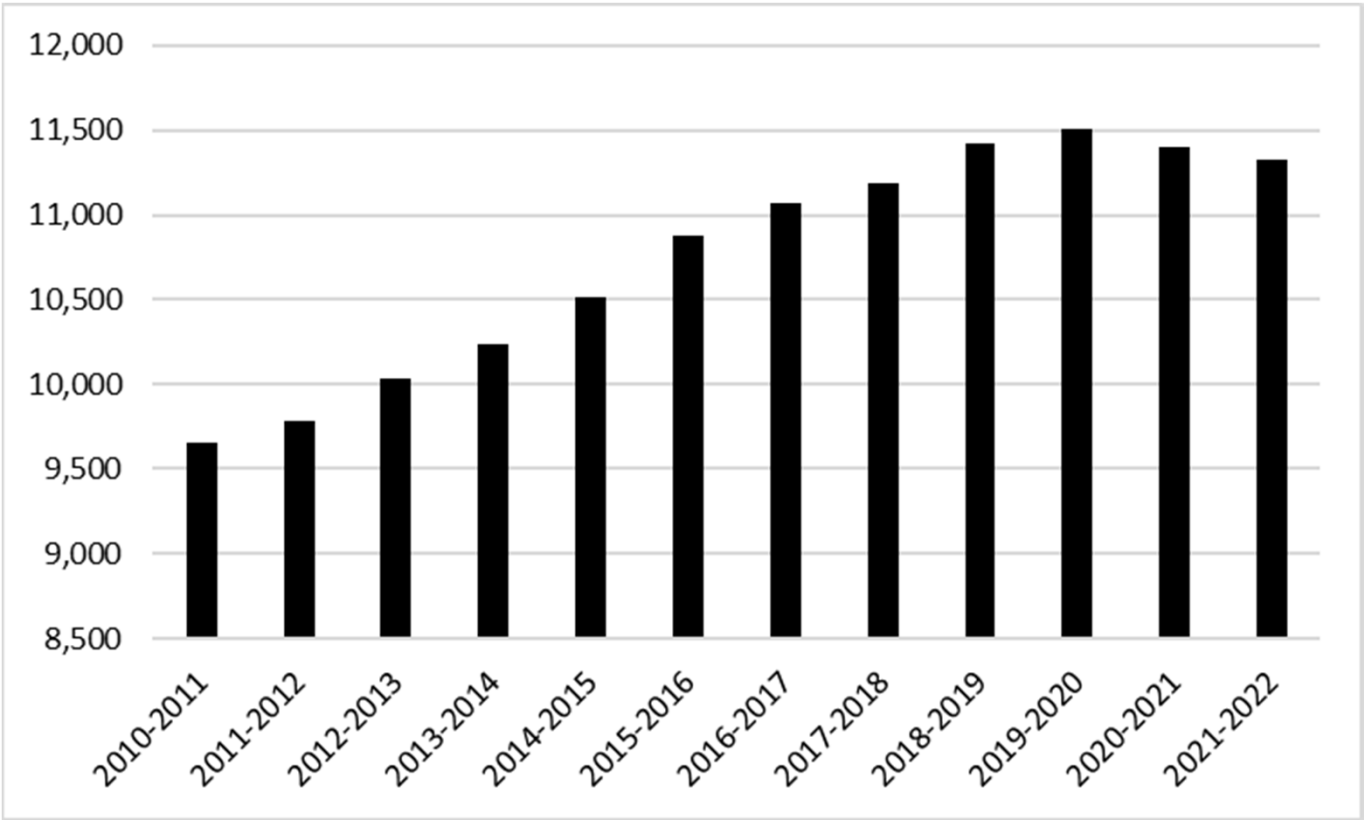


Changes in Market Value



Student Enrollment

(October 1st)



Taxes Payable 2022 Summary

- The taxes for 2022 are projected to increase \$1 million or 1.65% more than the prior year.
- The increase is a combination of many factors.
 - ❖ The General Fund is increasing by \$550,214. This increase is related to changes in many formula categories.
 - ❖ The Debt Service Fund is increasing by \$428,657 due to changes in scheduled debt service payments.



The Final School Tax Levy for 2022

SUMMARY:				
Description	Payable 2021	Payable 2022	Dollar Increase	Percentage Increase
General	\$42,392,593.15	\$42,942,807.34	\$550,214.19	1.30%
Community Service	\$1,012,387.10	\$1,062,793.89	\$50,406.79	4.98%
Debt Service	\$19,121,575.83	\$19,550,232.63	\$428,656.80	2.24%
Total Proposed Levy	<u>\$62,526,556.08</u>	<u>\$63,555,833.86</u>	<u>\$1,029,277.78</u>	<u>1.65%</u>



Budget Summary 2021-2022

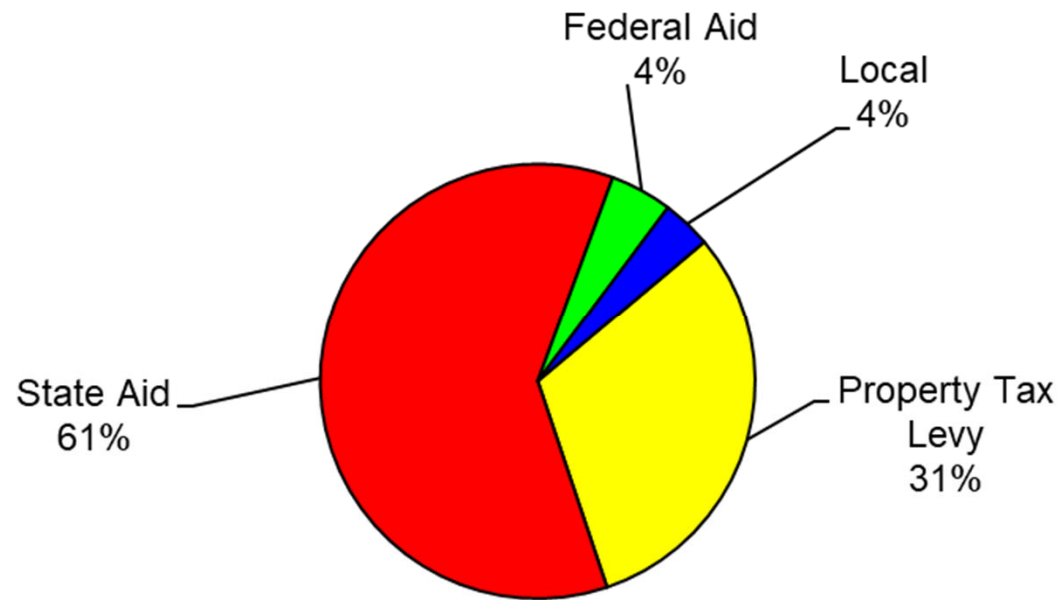
	REVENUE	EXPENDITURES
General Fund	\$169,729,948	\$168,907,603
Nutrition Service Fund	6,463,485	6,463,950 (Note 1)
Community Service Fund	5,999,316	5,823,701
Building Construction Fund	153,528	11,232,566 (Note 2)
Debt Service Fund	17,553,861	16,573,420
Post-Employment Benefits Debt Service	2,122,576	2,148,400 (Note 1)
 Total All Funds	 \$202,022,714	 \$211,149,640

Note 1: Unreserved fund balance in these funds will provide resources.

Note 2: Bond reserves will provide resources for the Building Construction Fund.



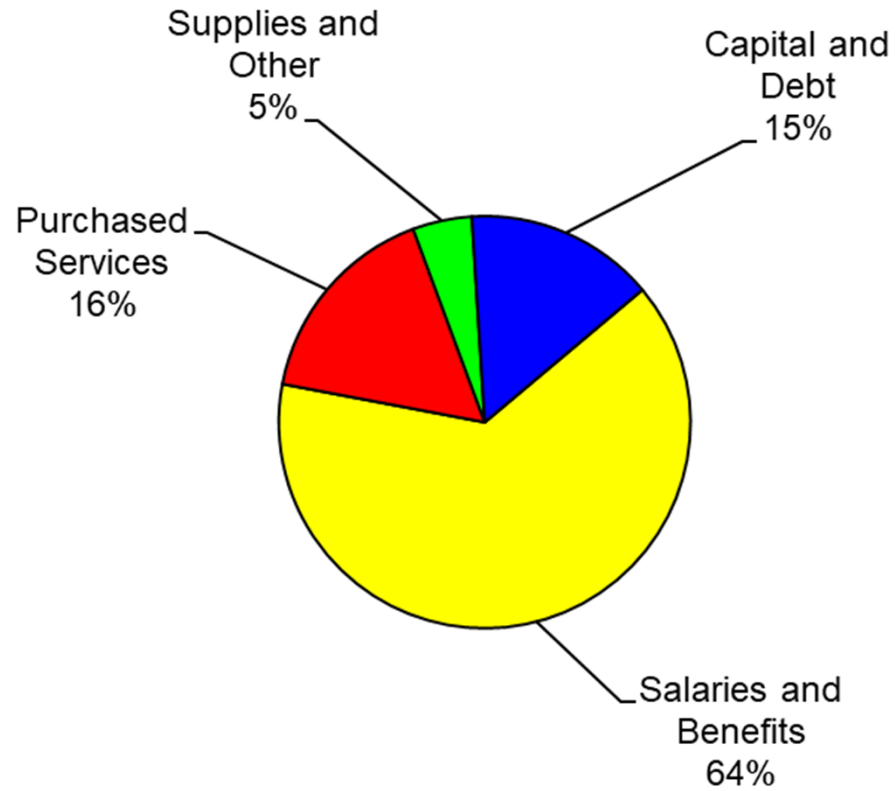
APPROVED REVENUE BUDGETS 2021-2022 (\$202,022,714)



APPROVED EXPENDITURE BUDGETS

2021-2022

(\$211,149,640)



MINNESOTA PROPERTY TAX RELIEF

Minnesota Homestead Credit Refund

- Has existed since 1970 and available each year
- Annual income limits apply
- Complete MN State Tax form M-1PR

Minnesota Special Property Tax Refund

- Available each year
- No annual income limits
- Available to properties with gross tax increases greater than 12%
- Complete MN State Tax form M-1PR

More Information is available on the state's web page at
www.revenue.state.mn.us



To Summarize

- Public schools have a process they must follow in order to authorize tax levies.
- Tax revenues are one component of the state funding of school district budgets.
- An individual's property tax liability is influenced by many factors.
- The taxes collected for the School District in 2022 will increase by \$1,029,283 or 1.65% more than taxes collected in 2021.
- Mounds View Public Schools will certify the final tax levy at the regular December 7th School Board meeting.

Public Comment

