



Public Meeting for Taxes Payable in 2024

Robbinsdale Area Schools

Dec. 4, 2023

OUR UNIFIED DISTRICT VISION

Our mission is to inspire and educate all learners to develop their unique potential and positively contribute to their community.

Land Acknowledgement

We acknowledge Robbinsdale Area Schools is located on the homelands of the Dakota and Ojibwe people.

We recognize the painful history of genocide and forced assimilation of the Indigenous inhabitants of this land.

We honor and respect the many Indigenous peoples who live on and hold sacred these lands, and we stand with members of these Nations to fight injustice in all of its forms.

We uphold the preservation of Dakota and Ojibwe languages, land based education, and tribal sovereignty.

Agenda

- Background on Property Tax Levies
- Information on School Current Year Funding & District Budget
- Proposed Taxes Payable in 2024
- Estimated Impact on Taxpayers
- Minnesota Property Tax Refunds
- Public Comments & Questions



Background on Property Tax Levies



Truth in Taxation Law

Minnesota Truth in Taxation Law Requirements:

- Public meeting may be held at a regularly scheduled meeting
- Discussion of proposed property tax levy for taxes payable in 2024
- Current year budget must be discussed
- Levy may be adopted at same meeting
- Must allow for public comment and question

- *Minnesota Statute 275.065*

Levy Process Timeline

District provides preliminary data to Minnesota Department of Education to calculate levy limitations

School board adopts preliminary levy to be provided to counties

Hold elections; elections for bonds or levies can cause the final levy to be higher than the preliminary levy set in September

District must hold truth in taxation hearing in regularly scheduled meeting between Nov. 24 and Dec. 28

Deadline to certify final tax levy to the county

Levy Cycle Process

1. Assessors determine a property's estimated market value and assign a property class to each parcel.
2. The County Auditor calculates the net tax capacity for each parcel in the county, as well as the total net tax capacity for each taxing jurisdiction.
 - a) A property's net tax capacity is determined by multiplying the property's market value by the relevant class rate.
 - i. Class rates are set by statute, vary by property type, and are uniform statewide.
3. The local tax rate of a taxing jurisdiction is determined by dividing the jurisdiction's total levy by the jurisdiction's taxable net tax capacity.
 - a) Each jurisdiction sets its own levy and follows specific limits set by state law.

Levy Cycle Process

4. The County Auditor divides the final levy by the District's net tax capacity (or referendum market value) to establish rates.
5. The County Auditor applies those rates to each parcel and prepares the final statements for mailing.
6. Minnesota Department of Education (MDE) sets the maximum levy limit for each school district, based on current legislation and formulas.
7. The School Board adopts a proposed levy in September, holds a public meeting, then finalizes the levy amount in December.

Authority for School Levies

A school district tax levy must be either:

Voter approved

or

Set by state law



Information on School Funding & District Budget



Fiscal Year 2024 Budget Overview

The Robbinsdale Area School District's fiscal year commences July 1 of each year, which is consistent with most school districts (and is law) in Minnesota. The School Board, by law, must have a budget adopted for the upcoming fiscal year prior to July 1.

The budget sets forth the financial plan for the forthcoming fiscal year. It is based on the projected financial needs of the District and serves to allocate limited resources in the best possible way to provide educational opportunities to students.

Fiscal Year 2024 Financial Structure

GENERAL FUND

The General Fund is used to account for K-12 educational activities, instruction and student support programs. Administrative, operational, building cleaning, maintenance and utilities, transportation, capital expenditures (excluding building construction and Long-Term Facilities Maintenance) and expenditures not required by State law to be accounted for in any other fund are also recorded within the General Fund.

Fiscal Year 2024 Financial Structure

CHILD NUTRITION FUND

The Child Nutrition Fund is used to record financial activities of the school district's food service program. Food service includes preparation and service of milk, meals and snacks in connection with school and community service activities.

All expenditures relating to meal preparation and service must be recorded in the Child Nutrition Fund. Eligible expenditures include application processing, Food Service management and staff tech support, food preparation, and meal service.

Fiscal Year 2024 Financial Structure

COMMUNITY SERVICE FUND

The Community Service Fund is used to record all financial activities of the Community Service program.

The focus of Community Education is to provide enrichment programs for any age level that are not part of the K-12 education program. Community Education programming may also include K-12 summer school enrichment activities which, although educational in nature, are not for credit and are not required for graduation.

A district may spend up to 10 percent of its community education revenue (levy, aids and fees) to purchase or lease computers and related items as well as equipment for instructional programs and library books used exclusively for community education.

Fiscal Year 2024 Financial Structure

BUILDING CONSTRUCTION FUND

The Building Construction Fund is used to record all operations of a district's building construction program that are funded by the sale of bonds or by capital loans. Revenues and expenses relating to the District's state approved Long Term Facility Maintenance (LTFM) Program are recorded in this fund when bonds have been issued for project costs, or if a single project cost is \$2,000,000 or greater using pay-as-you-go LTFM levy.

Construction costs for buildings and additions consist of the following: expenditures for general construction, advertisement for contracts, payments on contracts for construction, installations of plumbing, heating, lighting, ventilation and electrical systems, expenditures for lockers, elevators, and other equipment, architectural and engineering services, paint and decorating expenses, and any other related costs.

Fiscal Year 2024 Financial Structure

DEBT SERVICE FUND AND OPEB DEBT SERVICE FUND

The Debt Service Fund and the OPEB Debt Service Fund are used to record revenue and expenditures for a school district's outstanding bonded indebtedness, whether for building construction, capital or OPEB liabilities, and whether for initial or refunding bonds.

When a bond issue is sold, the school board must levy a direct general tax upon the property of the District for the payment of principal and interest. The revenue from such a tax and related state aid must be separately accounted for in the two Debt Service Funds.

Fiscal Year 2024 Financial Structure

OPEB TRUST FUND

The OPEB Trust Fund is used to record revenue and expenditures for the school district's earnings on investments of OPEB Assets in the trust as well as retiree medical claims and direct reimbursement of Medicare supplement premiums as required by one union labor contract, net of any retiree premiums paid

Fiscal Year 2024 Financial Structure

INTERNAL SERVICE FUNDS

The district's medical and dental self-insured funds record premium revenues, claims and fixed costs associated with the medical and dental plans for employees and retirees.

FY24 General Fund Overview and Assumptions

GENERAL FUND OVERVIEW (Fund 01)

General Fund Revenues are estimated at \$202,324,363, which is about \$9.1 Million over FY23 unaudited revenue estimates. This is primarily due to the increases in the state per pupil allowance and cross subsidies, compensatory revenue, as well as inflationary levy impacts to referendum in comparison to prior year.

FY24 General Fund Overview and Assumptions

GENERAL FUND REVENUE ASSUMPTIONS (Fund 01)

State General Education Aid

State Basic General Education Aid is budgeted at \$83,814,723. Under current law the basic formula amount is derived from estimated adjusted pupil units served multiplied by \$7,138. The basic formula reflects an increase of \$275 in comparison to the 2022-23 school year basic formula allowance. The basic general education aid serves as the district's primary funding source, accounting for 41.43% of the general operating fund revenue.

Per-Pupil Unit Allocation – Basic General Ed:

School Year	Basic Formula	Formula Change
2018-19	\$6,312	2.0%
2019-20	\$6,438	2.0%
2020-21	\$6,567	2.0%
2021-22	\$6,728	2.45%
2022-23	\$6,863	2.00%
2023-24	\$7,138	4.0%

FY24 General Fund Overview and Assumptions

Other components of General Education Aid revenue

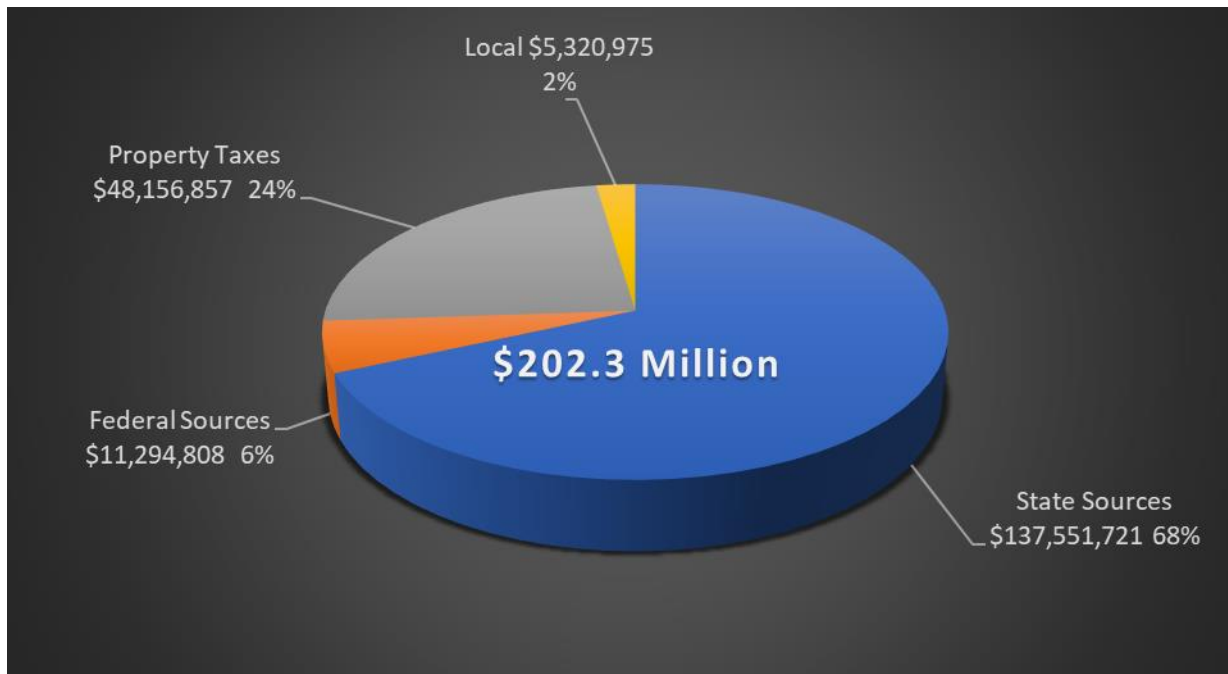
Declining Enrollment	\$280,510
Pension Adjustment	\$1,082,465
Gifted & Talented	\$152,223
Extended Time	\$460,530
Basic Skills	\$17,692,616
English Learner	\$978,499
Operating Capital	\$1,255,724
Total	\$21,902,568

FY24 General Fund Overview and Assumptions

Other State Categorical Aid and Legislative cross subsidies/allowance amounts

Special Education (regular)	\$17,500,000
Literacy Aid	\$509,146
Integration Aid/Indian Ed	\$2,150,452
Endowment	\$506,172
Transportation	\$800,000
Q Comp	\$1,837,304
Additional Legislative Cross Subsidies and allowances	\$8,531,356
Total	\$31,834,430

FY24 General Fund Revenue by Source



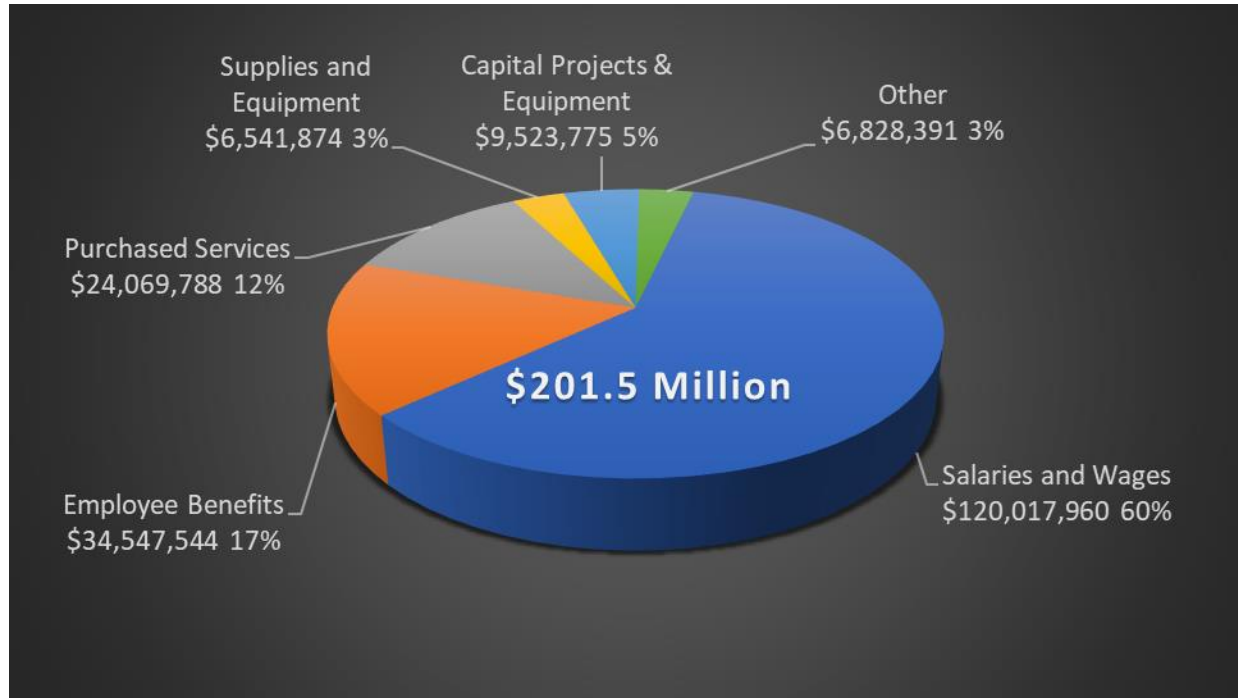
FY24 General Fund Overview and Assumptions

EXPENDITURE OVERVIEW

General Fund Expenditures are estimated to be \$201,529,331, which is up from previous year.

Increase anticipated from prior year within salary and fringe benefits cost due to anticipated bargaining unit settlements, transportation costs, and contingency set aside dollars.

FY24 General Fund Expenditure by Object



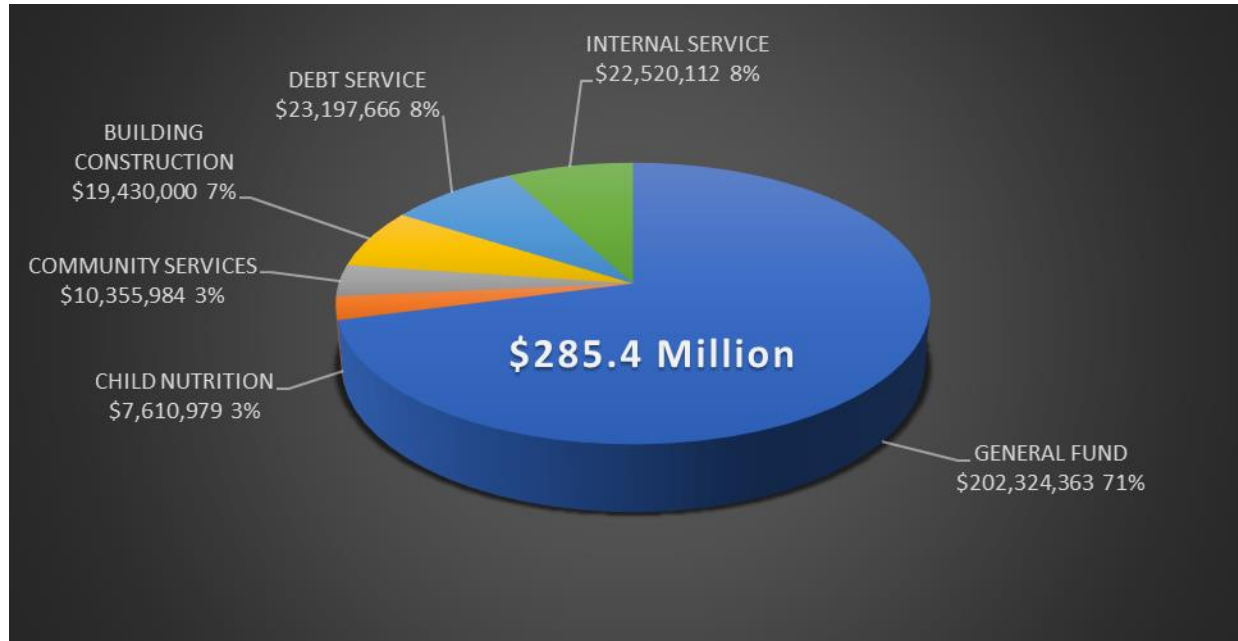


ROBBINSDALE
Area Schools

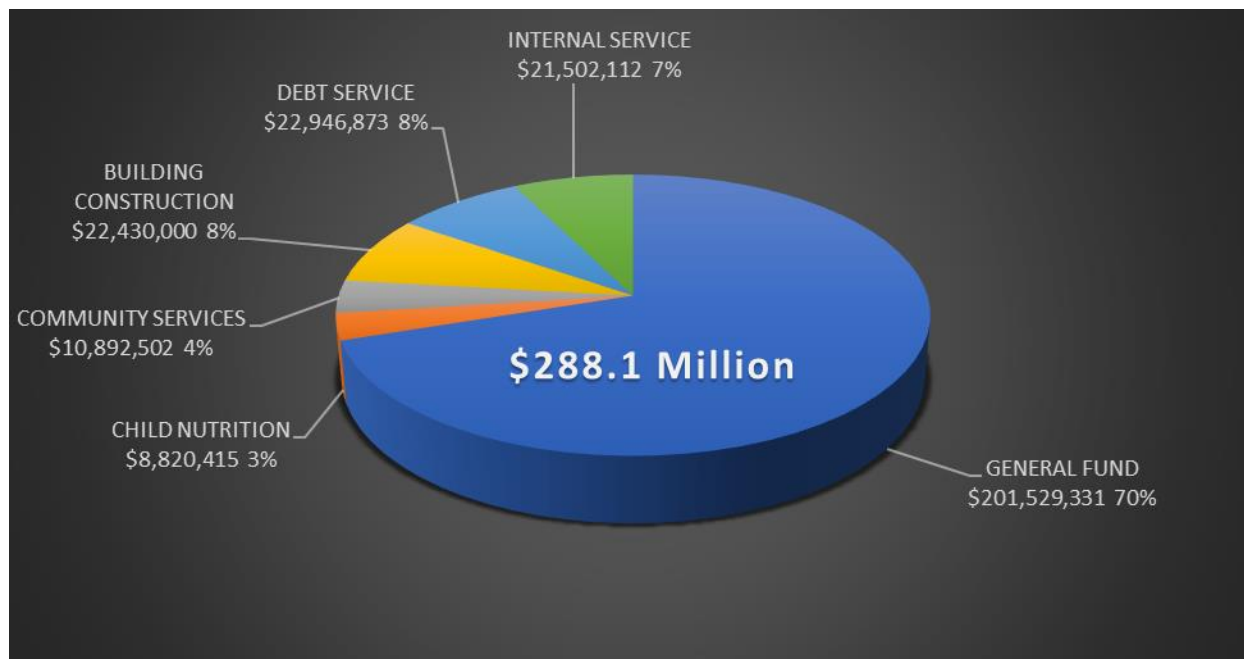
FY24 Budget – All Funds Overview

	General	Food Service	Community Education	Building Construction	Debt Service	Trust	OPEB Revocable Trust	OPEB Debt Service	Total
Revenues									
Property Tax Levy	48,843,569		1,752,694		19,634,408			2,663,258	72,893,929
State Aid Revenue	138,216,719	1,640,870	3,094,812		900,000				143,852,401
Federal Aid Revenue	11,294,808	5,865,828	883,168						18,043,804
Other Local Revenue	3,969,267	104,281	4,625,310	19,430,000		22,020,112	500,000		50,648,970
Transfers									-
Total Revenues	202,324,363	7,610,979	10,355,984	19,430,000	20,534,408	22,020,112	500,000	2,663,258	285,439,104
Expenses									
Salaries/Benefits	154,565,503	3,358,115	9,562,021			19,175,000	850,000		187,510,639
Purchased Services	24,126,460	128,500	1,053,523			1,427,112	50,000		26,785,595
Supplies	6,527,201	4,558,800	208,330						11,294,331
Capital Expenditures	9,523,776	750,000	54,425	22,430,000					32,758,201
Debt Service					20,345,660			2,601,213	22,946,873
Misc.	6,786,391	25,000	14,203						6,825,594
Total Expenses	201,529,331	8,820,415	10,892,502	22,430,000	20,345,660	20,602,112	900,000	2,601,213	288,121,233
Budget Balance	795,032	(1,209,436)	(536,518)	(3,000,000)	188,748	1,418,000	(400,000)	62,045	(2,682,129)

FY24 Revenue by Fund



FY24 Expenditure by Fund





Proposed Taxes Payable in 2024



Proposed Property Taxes Payable in 2024

Category	Certified	Proposed	\$ Change	% Change
	Pay 23	Pay 24		
Voter Approved Levies	33,324,862	32,911,221	(413,642)	-1.2%
Other Local Levies	38,882,354	42,958,230	4,075,875	10.5%
75,869,45				
School District Total	72,207,217	0	3,662,234	5.07%

Proposed Property Taxes Payable in 2024

Category	Certified Pay 23	Proposed Pay 24	\$ Change	% Change
Referendum	25,141,476	26,268,561	1,127,085	4.5%
Local Optional	7,748,282	8,549,037	800,755	10.3%
Equity	798,001	605,690	(192,310)	-24.1%
Transition	215,796	223,058	7,262	3.4%
Technology	5,863,119	6,642,660	779,541	13.3%
Operating Capital	1,520,616	1,797,253	276,637	18.2%
Q Comp	1,025,754	1,004,018	(21,736)	-2.1%
Achievement & Integration	819,851	823,283	3,432	0.4%
Unemployment	200,000	100,000	(100,000)	-50.0%
Safe Schools	587,245	587,622	377	0.1%
Career Tech Education	239,185	368,193	129,008	53.9%
Long-Term Facilities Maintenance	2,519,743	2,014,547	(505,197)	-20.0%
Lease Levy	3,180,847	3,156,773	(24,073)	-0.8%
Adjustments and Abatement	(1,703,055)	(2,084,492)	(381,437)	
Total General Fund	48,156,859	50,056,202	1,899,343	3.9%
Community Education	1,752,692	2,396,321	643,630	36.7%
Debt	19,634,408	21,735,504	2,101,096	10.7%
OPEB	2,663,258	1,681,423	(981,834)	-36.9%
TOTAL PROPOSED LEVY	72,207,217	75,869,450	3,662,234	5.1%

Factors That Cause Property Tax Changes

Many factors may cause the individual property tax statement to increase or decrease from year to year:

- Changes in enrollment
- Levy adjustments to prior years
- Inflationary Adjustments
- Legislative changes
- Changes in market values
- Changes in class rates/history

Areas of significant change in Proposed Levy

Significant changes occurred in the following areas in this year's proposed levy

- Referendum – \$1.1m Increase
- Local Optional - \$800k Increase
- Capital Projects Referendum – \$780k Increase
- LTFM – \$505K Decrease
- Community Service - \$643k Increase
- Debt Service – \$1.1m Increase
- Adjustments - \$381K Decrease

Major Areas of Change in Proposed Levy

Category: General Fund - Voter Approved Referendum Authority

Change: +\$1.1m

Use of Funds: Unrestricted general fund use

Cause of Change: Inflationary adjustments for current and prior year levies multiplied by prior year actual and current year estimated adjusted pupil units.

Major Areas of Change in Proposed Levy

Category: General Fund – Local Optional

Change: +\$800k

Use of Funds: Unrestricted general fund use

Cause of Change: Loss of state aid in formula due to rising property values as well as adjustments to prior year levies on local optional formula.

Major Areas of Change in Proposed Levy

Category: General Fund – Capital Project Referendum

Change: +\$780k

Use of Funds: Restricted general fund use – Voter Approved

Cause of Change: Revenue is set at a % of Net Tax Capacity. With increasing NTC, the amount of revenue increases

Major Areas of Change in Proposed Levy

Category: General Fund – Long Term Facilities Maintenance

Change: -\$505K

Use of Funds: Restricted general fund use for deferred maintenance and health & safety projects for district facilities

Cause of Change: Reduction in Health and Safety initiatives approved by MDE in connection to the districts 10-year LTFM plan.

Major Areas of Change in Proposed Levy

Category: Community Service

Change: -\$643k

Use of Funds: For Community Services related programs

Cause of Change: Increase to School-Age Care levy.

Major Areas of Change in Proposed Levy

Category: Debt Service

Change: +\$1.1m

Use of Funds: Restricted to use for payment of semi-annual debt service payments

Cause of Change: Increase will be used for debt service payment on the issuance of LTFM bond series 2023A that was issued in fall of 2023.

Major Areas of Change in Proposed Levy

Category: General Fund – Adjustments

Change: -\$381K

Use of Funds: Adjustments occur every year in various categorical funding areas

Cause of Change: Categorical accumulated adjustments from prior year actuals



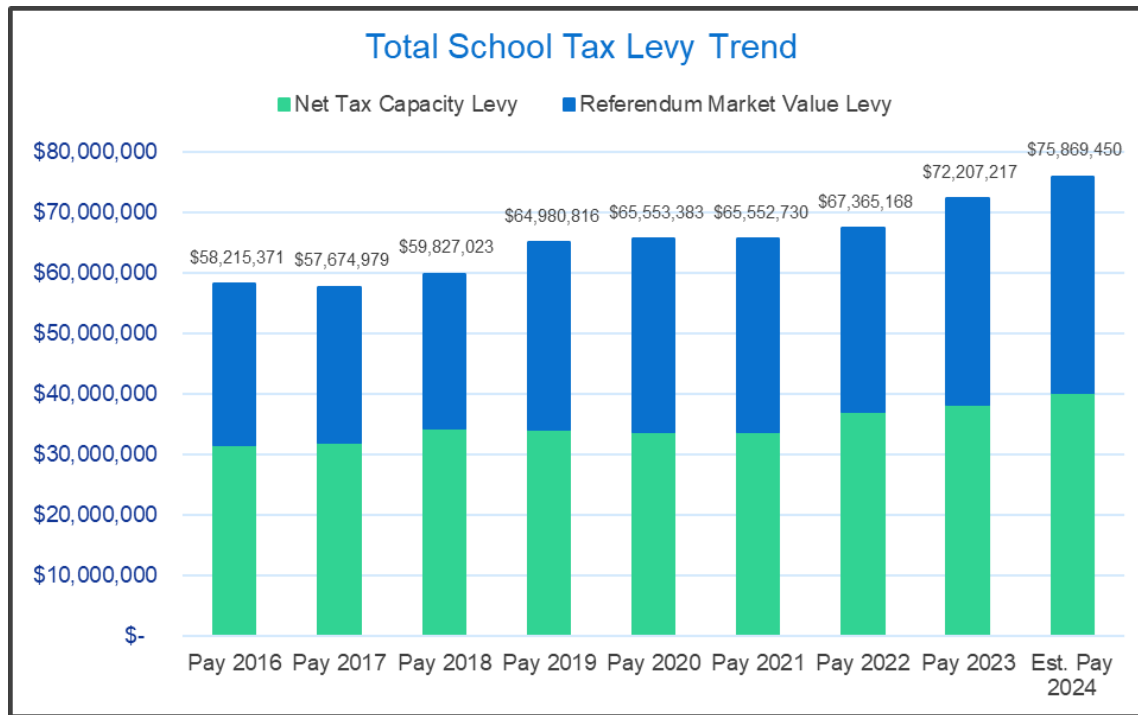
Impact on Taxpayer



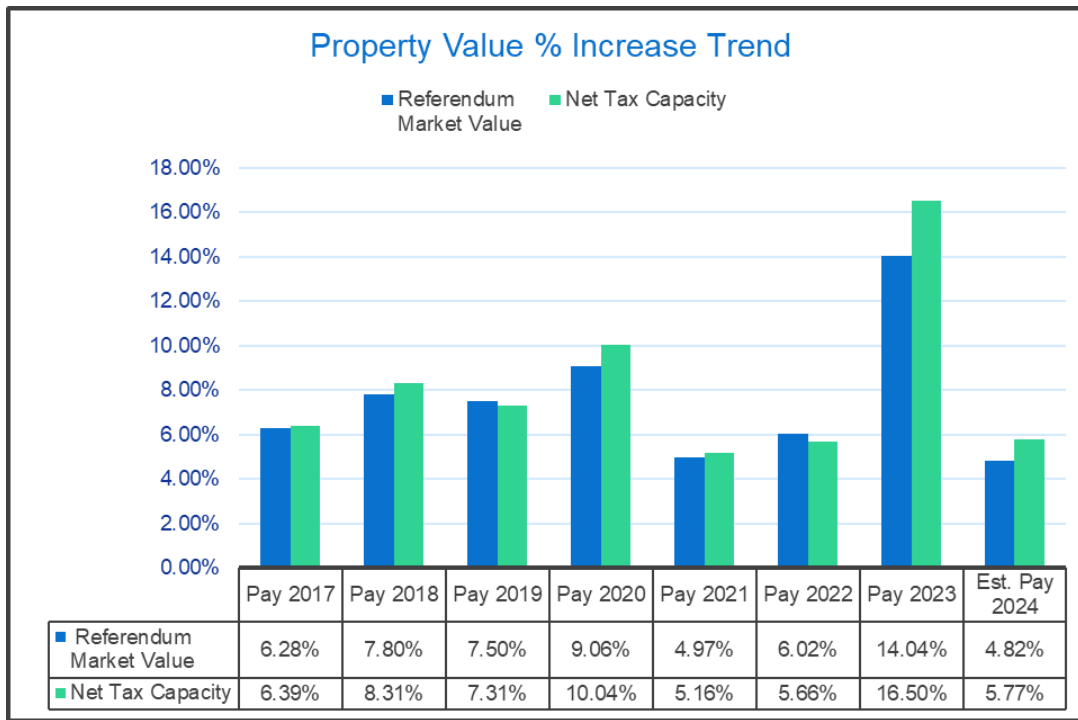
Impact on Taxpayer

- Following, are charts showing examples of changes in the School District portion of property taxes
- Examples include School District taxes only
- Figures for 2024 are estimates based on data available from the County (final figures may change slightly)

Tax Levy Trends



Property Value Trends



Property Tax Comparisons – Pay 2023 versus Pay 2024

Summary			
	Pay 2023	Est. Pay 2024	% Change
Referendum Market Value	\$ 13,629,682,300	\$ 14,287,256,525	4.82%
RMV Tax Rate	0.21762%	0.22036%	1.26%
Net Tax Capacity	\$ 139,110,919	\$ 147,135,762	5.77%
NTC Tax Rate	24.09%	24.14%	0.21%

Types of Property	Pay 2023 Value	Pay 2024 Est. Value	Pay 2023	Pay 2024	\$ Change	% Change
Residential Homestead (Value Increase 2.74%)	\$150,000	\$154,108	\$631	\$655	\$24	3.88%
	200,000	205,478	871	903	\$33	3.76%
	250,000	256,847	1,111	1,152	\$41	3.69%
	314,000	322,600	1,418	1,470	\$52	3.65%
	400,000	410,956	1,831	1,897	\$66	3.60%
	500,000	513,695	2,293	2,380	\$88	3.83%
	600,000	616,433	2,811	2,917	\$105	3.75%
Commercial / Industrial** (Value Increase 3%)	\$100,000	\$103,000	\$458	\$475	\$17	3.73%
	250,000	257,500	1,225	1,274	\$49	3.99%
	500,000	515,000	2,570	2,668	\$98	3.82%
	1,000,000	\$1,030,000	5,260	5,456	\$196	3.73%

**Commercial Industrial taxes will have small variations from one taxing City/township to the next due to differences in the Twin Cities Metropolitan Area Fiscal Disparities Program

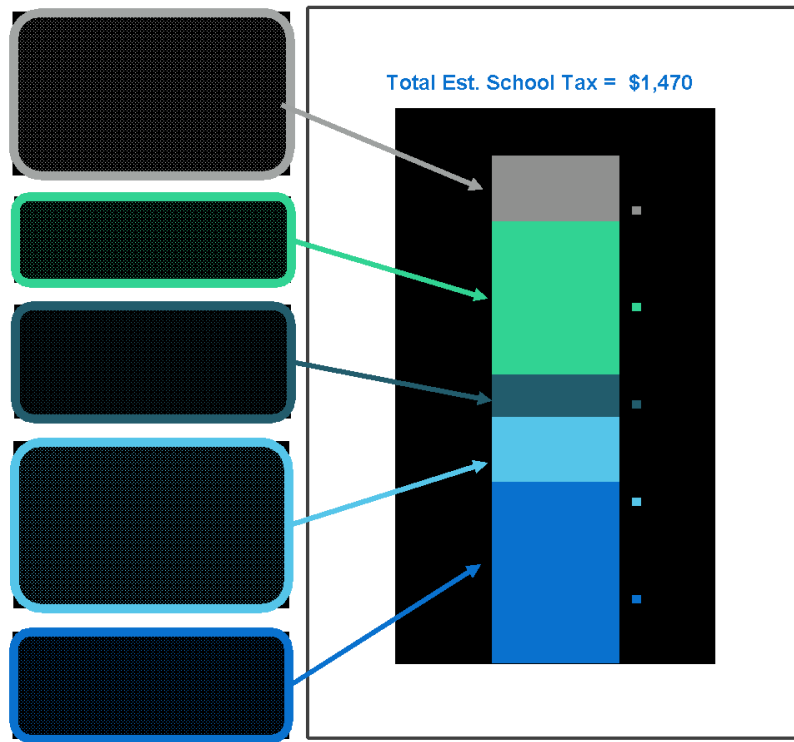


ROBBINSDALE
Area Schools

Robbinsdale Public School District

Pay 2024 Tax Levies for Residential Homestead

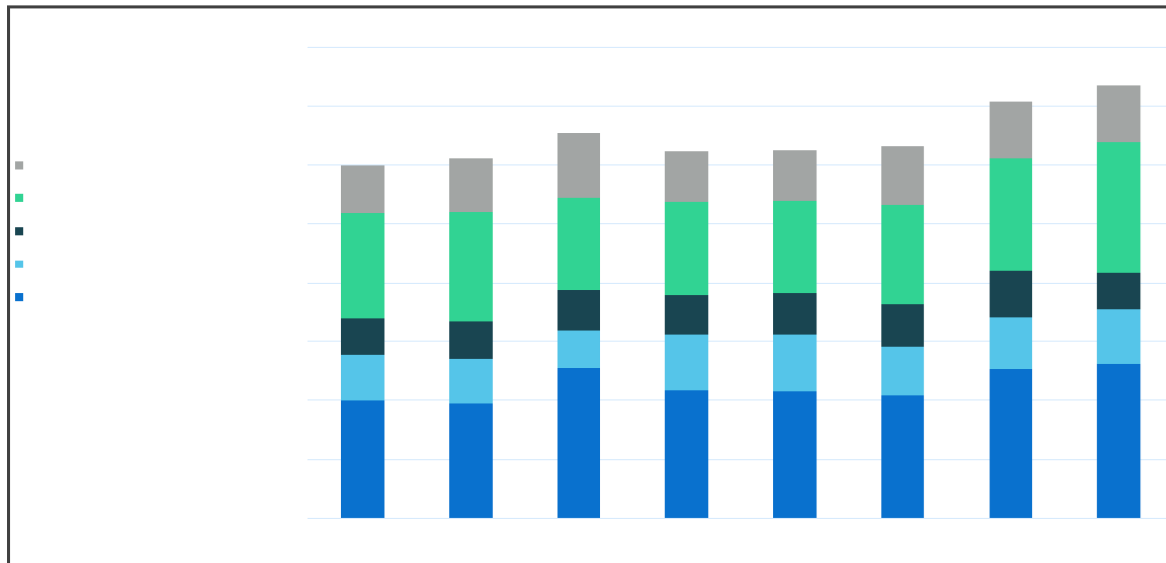
Home Value = \$322,600





ROBBINSDALE
Area Schools

Residential Homestead School Tax Trend



	Pay 2017	Pay 2018	Pay 2019	Pay 2020	Pay 2021	Pay 2022	Pay 2023	Est. Pay 2024
Home Value*	221,920	230,797	240,029	249,630	259,615	270,000	314,000	322,600
Referendum Market Value Voter Taxes	400	391	509	437	431	416	507	524
Referendum Market Value Other Taxes	154	150	131	188	196	167	177	187
Net Tax Capacity Voter Taxes	127	130	135	132	139	143	157	125
Net Tax Capacity Non Voter Debt	357	370	315	320	315	339	383	442
Net Tax Capacity Other Taxes	163	185	221	169	173	199	195	192
Total School Taxes	\$ 1,201	\$ 1,226	\$ 1,312	\$ 1,246	\$ 1,253	\$ 1,265	\$ 1,418	\$ 1,470

* The chart assumes a 4% annual increase in the home value for taxes payable from 2017 to 2022. A 15% increase in value is assumed for taxes payable in 2023 and a 2.74% increase in 2024.



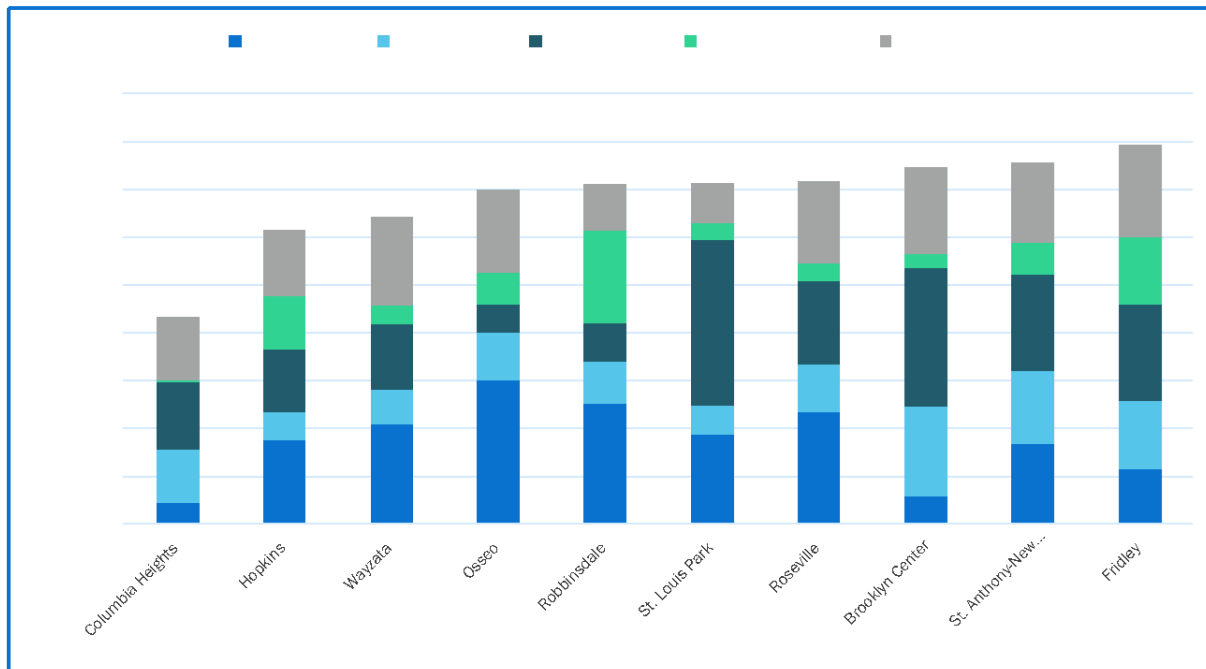
Pay 2023 Property Tax Comparisons – Surrounding Districts

#	District Name	Home Value	RMV Voter	RMV Other	NTC	Voter	Non Voter Debt	NTC	Other	Total	Levy
13	Columbia Heights	314,000	\$ 87	\$ 224	\$ 286	\$ 6	\$ 263			\$ 866	
270	Hopkins	314,000	\$ 352	\$ 117	\$ 261	\$ 225	\$ 277			\$ 1,232	
284	Wayzata	314,000	\$ 420	\$ 145	\$ 271	\$ 79	\$ 377			\$ 1,293	
279	Osseo	314,000	\$ 602	\$ 201	\$ 119	\$ 128	\$ 352			\$ 1,403	
281	Robbinsdale	314,000	\$ 507	\$ 177	\$ 157	\$ 391	\$ 195			\$ 1,426	
283	St. Louis Park	314,000	\$ 374	\$ 126	\$ 688	\$ 73	\$ 171			\$ 1,432	
623	Roseville	314,000	\$ 473	\$ 197	\$ 346	\$ 76	\$ 344			\$ 1,436	
286	Brooklyn Center	314,000	\$ 119	\$ 375	\$ 579	\$ 57	\$ 365			\$ 1,496	
282	St. Anthony-New Brighton	314,000	\$ 333	\$ 311	\$ 401	\$ 134	\$ 337			\$ 1,517	
14	Fridley	314,000	\$ 230	\$ 286	\$ 404	\$ 282	\$ 387			\$ 1,589	
Group Average			\$ 364	\$ 212	\$ 334	\$ 168	\$ 297			\$ 1,374	

Data sourced from Minnesota Department of Education Pay 2023 School Tax Report

Pay 2023 Property Tax Comparisons – Surrounding Districts

Pay 2023 Tax Levies for Residential Homestead



Data sourced from Minnesota Department of Education Pay 2023 Tax Report



Minnesota Property Tax Refunds



Minnesota Property Tax Refunds

Two different tax refund program available from the state

- Minnesota Property Tax Refund
(aka “circuit breaker” refund)
- Special Property Tax Refund

Complete form M-1PR

For help with the forms and instructions contact:

- Your tax professional
- Minnesota Department of Revenue
 - (651) 296-4444
 - www.taxes.state.mn.us

Comments and Questions

