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Preliminary Proposed 2024 Payable 2025 Property Tax Levy

Presented to the School Board
Marie Schrul
Chief Financial Officer
September 24, 2024

Purpose

- To provide an overview of the Preliminary Proposed 2024 Payable 2025 Property Tax Levy
- Set the date for the December Truth in Taxation meeting



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Key Messages

- Preliminary levy certification is part of the overall levy process & due to the county auditor and the Minnesota Department of Education (MDE) by Sept. 30
- Based upon calculations provided by MDE in mid September
- Revisions to the levy are still being made which will likely change the total amount
- Certifying the “Maximum” allows for greater flexibility
- Levy can only move down after Oct. 1
- The school board is scheduled to certify the final 2024 Payable 2025 property tax levy on Dec. 17



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Levy Basics

- School levy authority is established in law
- School budgets are a combination of state, federal and local funding, including voter approved operating, bond & technology levies
- Unlike cities and counties, the 2024 Payable 2025 school levy is for the following school year (2025-2026)
- Levy revenue is approximately 34% of the district's total budget



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Factors Impacting School Levies

- Changes in tax base – increases often result in less state aid
- Changes in enrollment
- Legislative changes to education formulas
- Referendum inflationary increase
- Pension contribution changes required by law
- Employment changes that drive severance and unemployment levies
- Capital bonding, refunding of bonds, abatements, long term facilities maintenance & health and safety projects, lease costs



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General Fund Levies

General Fund	Certified 2023 Payable 2024			Preliminary Proposed 2024 Payable 2025			Preliminary Levy Change
	RMV Information	NTC Information	Total	RMV Information	NTC Information	Total	
Operating Referendum - Voter Approved	\$ 16,335,722.02	\$ -	\$ 16,335,722.02	\$ 17,406,637.76	\$ -	\$ 17,406,637.76	\$ 1,070,915.74
Prior Years Adjustments	82,963.51	-	82,963.51	(184,999.00)	-	(184,999.00)	(267,962.51)
Sub Total	16,418,685.53	0.00	16,418,685.53	17,221,638.76	0.00	17,221,638.76	802,953.23
Equity	780,662.11	-	780,662.11	859,023.44	-	859,023.44	78,361.33
Local Optional	6,495,170.21	-	6,495,170.21	6,792,010.21	-	6,792,010.21	296,840.00
Transition	27,770.60	-	27,770.60	29,029.31	-	29,029.31	1,258.71
1st Tier Board Approved Referendum	0.00	-	0.00	0.00	-	0.00	0.00
Prior Years Adjustments	(354,826.12)	-	(354,826.12)	13,073.96	-	13,073.96	367,900.08
Sub Total	6,948,776.80	0.00	6,948,776.80	7,693,136.92	0.00	7,693,136.92	744,360.12
Capital Projects Referendum - Tech Levy	-	6,319,386.41	6,319,386.41	-	7,186,622.56	7,186,622.56	867,236.15
Operating Capital	-	1,610,864.33	1,610,864.33	-	1,888,790.42	1,888,790.42	277,926.09
Alt Teacher Comp (QCOMP)	-	758,876.30	758,876.30	-	772,093.14	772,093.14	13,216.84
Achievement & Integration	-	361,312.06	361,312.06	-	374,326.65	374,326.65	13,014.59
Reemployment Ins	-	68,000.00	68,000.00	-	92,000.00	92,000.00	24,000.00
Safe Schools	-	329,162.40	329,162.40	-	338,140.80	338,140.80	8,978.40
Safe Schools Intermediate	-	137,151.00	137,151.00	-	140,892.00	140,892.00	3,741.00
Career and Technical	-	350,179.17	350,179.17	-	385,308.34	385,308.34	35,129.17
Annual OPEB	-	1,017,454.00	1,017,454.00	-	2,053,817.00	2,053,817.00	1,036,363.00
Long Term Facilities Maintenance	-	9,521,174.00	9,521,174.00	-	5,060,914.00	5,060,914.00	(4,460,260.00)
Building / Land Lease	-	1,957,742.00	1,957,742.00	-	1,965,195.00	1,965,195.00	7,453.00
Total Before Adjustments	0.00	16,111,915.26	16,111,915.26	0.00	13,071,477.35	13,071,477.35	(3,040,437.91)
Prior Years Adjustments	0.00	(1,681,112.71)	(1,681,112.71)	0.00	1,699,258.02	1,699,258.02	3,380,370.73
Sub Total	0.00	14,430,802.55	14,430,802.55	0.00	14,770,735.37	14,770,735.37	339,932.82
Total General Fund	\$ 23,367,462.33	\$ 20,750,188.96	\$ 44,117,651.29	\$ 24,914,775.68	\$ 21,957,357.93	\$ 46,872,133.61	\$ 2,754,482.32



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Community Service Fund Levies

Community Service Fund	Certified 2023 Payable 2024			Preliminary Proposed 2024 Payable 2025			Preliminary Levy Change
	RMV Information	NTC Information	Total	RMV Information	NTC Information	Total	
Basic Community Education	\$ -	\$ 546,017.46	\$ 546,017.46	\$ -	\$ 553,112.82	\$ 553,112.82	\$ 7,095.36
Early Child Family	-	310,911.71	310,911.71	-	381,176.77	381,176.77	70,265.06
Home Visiting	-	10,665.00	10,665.00	-	10,260.00	10,260.00	(405.00)
Adults w/ Disabilities	-	9,811.20	9,811.20	-	10,121.67	10,121.67	310.47
School Age Care	-	300,000.00	300,000.00	-	300,000.00	300,000.00	0.00
Prior Years Adjustments	-	87,349.64	87,349.64	-	103,242.27	103,242.27	15,892.63
Total Community Service Fund	\$ -	\$ 1,264,755.01	\$ 1,264,755.01	\$ -	\$ 1,357,913.53	\$ 1,357,913.53	\$ 93,158.52



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Debt Service Fund Levies

	Certified 2023 Payable 2024			Preliminary Proposed 2024 Payable 2025			Preliminary Levy Change
	RMV Information	NTC Information	Total	RMV Information	NTC Information	Total	
Debt Service Fund							
Debt Service Voter-Approved	\$ -	\$ 10,172,584.00	\$ 10,172,584.00	\$ -	\$ 17,821,336.00	\$ 17,821,336.00	\$ 7,648,752.00
Debt Service Voter-Approved	-	6,855,615.00	\$ 6,855,615.00	-	0.00	0.00	(6,855,615.00)
Debt Excess	-	(178,991.60)	(178,991.60)	-	(440,010.92)	(440,010.92)	(261,019.32)
Prior Years Adjustments	-	18,210.39	18,210.39	-	19,811.21	19,811.21	1,600.82
Sub Total	0.00	16,867,417.79	16,867,417.79	0.00	17,401,136.29	17,401,136.29	533,718.50
Debt Service Other	-	252,810.00	252,810.00	-	552,848.00	552,848.00	300,038.00
Debt Excess	-	(4,448.36)	(4,448.36)	-	(13,649.82)	(13,649.82)	(9,201.46)
Prior Years Adjustments	-	0.00	0.00	-	0.00	0.00	0.00
Sub Total	0.00	248,361.64	248,361.64	0.00	539,198.18	539,198.18	290,836.54
Total Debt Service Fund	\$ -	\$ 17,115,779.43	\$ 17,115,779.43	\$ -	\$ 17,940,334.47	\$ 17,940,334.47	\$ 824,555.04



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Preliminary Proposed 2024 Payable 2025 Levy

Fund	Certified 2023 Payable 2024			Preliminary Proposed 2024 Payable 2025			Preliminary Levy Change	Preliminary % Change
	RMV Information	NTC Information	Total	RMV Information	NTC Information	Total		
General	\$ 23,367,462.33	\$ 20,750,188.96	\$ 44,117,651.29	\$ 24,914,775.68	\$ 21,957,357.93	\$ 46,872,133.61	\$ 2,754,482.32	6.24%
Community Service	0.00	1,264,755.01	1,264,755.01	0.00	1,357,913.53	1,357,913.53	93,158.52	7.37%
Debt Service	0.00	17,115,779.43	17,115,779.43	0.00	17,940,334.47	17,940,334.47	824,555.04	4.82%
Total	\$ 23,367,462.33	\$ 39,130,723.40	\$ 62,498,185.73	\$ 24,914,775.68	\$ 41,255,605.93	\$ 66,170,381.61	\$ 3,672,195.88	5.88%



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Estimated Annual Property Tax Impact

Ehlers Public Finance Advisors



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Levy Timeline

Date	Action
July – mid September	District submits levy information to MDE
September 6	MDE provides preliminary levy calculations
September 24	Board meeting to adopt the Preliminary Proposed 2024 Payable 2025 Property Tax Levy
September 30	Deadline for the district to provide the county with the proposed levy and the date of the truth in taxation meeting. The proposed levy and current school year budget will be discussed at the truth in taxation hearing.
November 10-24	County mails property tax statements showing estimated Payable 2025 property taxes and meeting date/time/location for the final levy and budget discussions
December 3	Proposed meeting date for the Truth in Taxation meeting, 6:00 p.m. (time certain)
December 17	Board meeting to adopt the final 2024 Payable 2025 Property Tax Levy
December 30	School district deadline to certify final adopted levies to home county auditor



Recommended Actions

- Adopt a “Maximum” Proposed 2024 Payable 2025 Property Tax Levy at the September 24, 2024 School Board meeting
- Set the Truth in Taxation meeting for December 3, 2024 at 6 p.m. at Oak Park Learning Center, 6355 Osman Avenue North, Stillwater, MN 55082



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Questions