



Truth in Taxation

Taxes Payable in 2025



STATUTORY REQUIREMENTS

- Public meeting between November 25th and December 28th at 6:00 pm or later.
- All government agencies with taxing authority must hold a meeting.
- The final certified levy may be adopted at the same meeting.
- Must allow for public comment.
- A presentation of the current year budget and proposed property tax levy is required.



AGENDA

TOPIC 1: School Funding

TOPIC 2: District Budget

TOPIC 3: Taxes Payable in 2025

TOPIC 4: Public Comment



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SCHOOL FUNDING IN MINNESOTA

1.

SOURCES OF FUNDING

STATE REGULATED FUNDING

The State of Minnesota regulates all major funding for public school districts:

- The state sets formulas that determine revenue - most revenue is based on specific amounts per student.
- Determines the amount of taxing authority each school district has access to.
- Authorizes school districts to generate additional funds through voter-approved referendums.

1.

SOURCES OF FUNDING

BASIC EDUCATION FORMULA

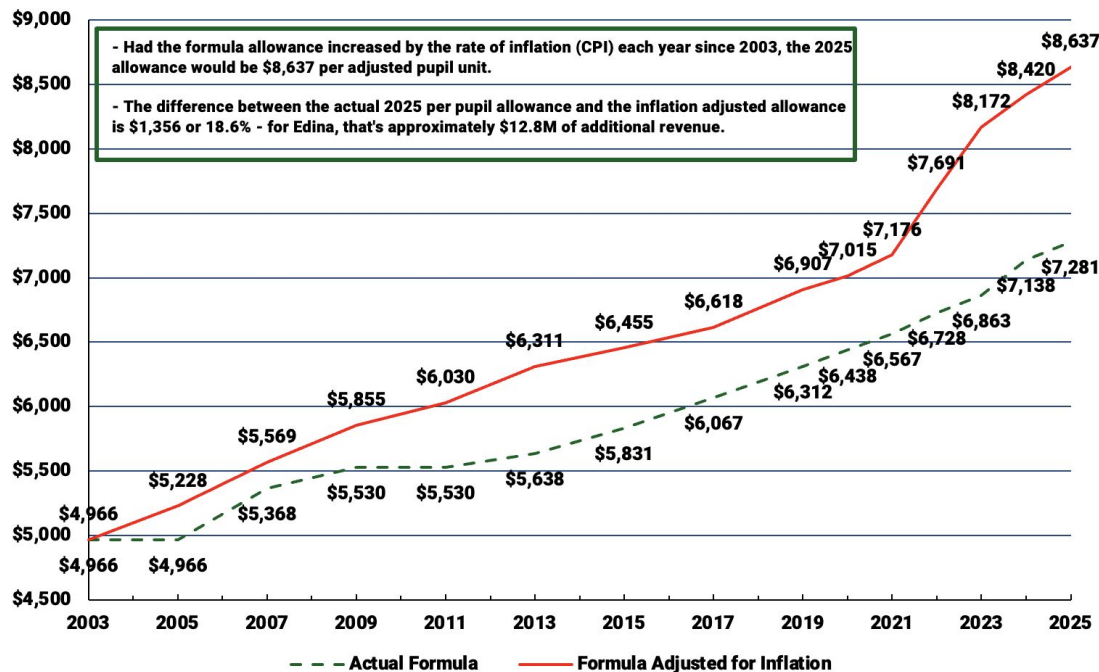
- Primary funding source for all public school districts in the state:
 - $\text{Revenue} = \text{Formula Allowance} \times \text{Pupil Units}$
- For fiscal year 2024-25, an increase of 2.00% or \$143 per pupil unit over 2023-24.
- Over the last 20 years, the formula allowance has significantly lagged behind inflation.
- The State Legislature agreed to tie future formula increases to inflation beginning with 2025-26, with a floor of 2.00% and cap of 3.00% (2025-26 estimated increase of 2.53%).

1.

SOURCES
OF
FUNDING

BASIC PER PUPIL AID

Adjusted for Inflation (CPI)





2

**DISTRICT
BUDGET
2024/25**

2.

DISTRICT BUDGET

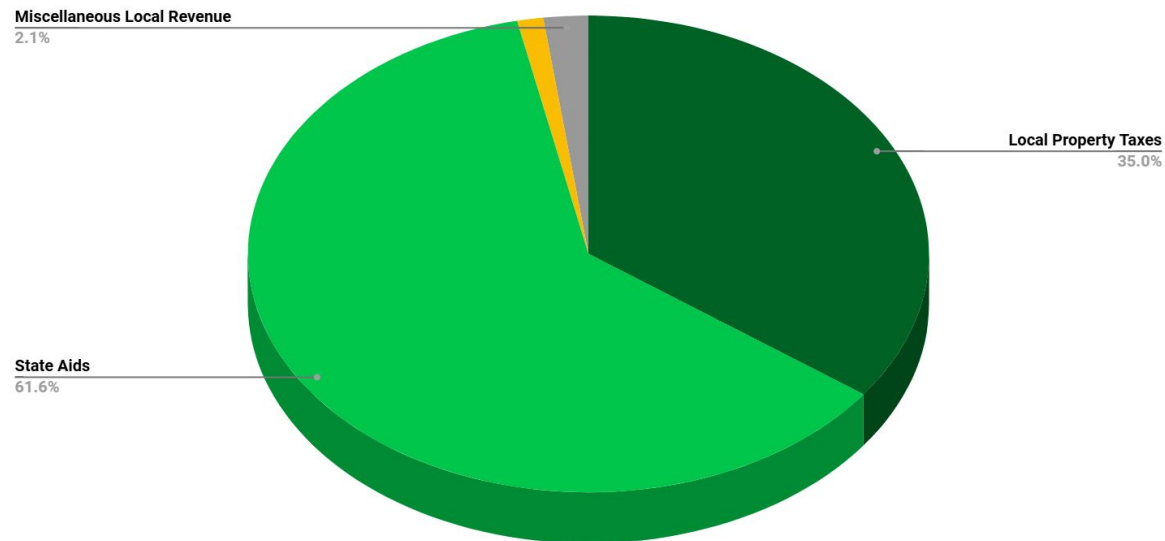
FISCAL YEAR 2025 BUDGET

Fund	Revenues		Expenditures	
	Amount	% of Total	Amount	% of Total
General	\$160,833,844	79.89%	\$158,362,067	79.22%
Food Service	4,621,067	2.30%	4,531,973	2.27%
Community Service	12,901,634	6.41%	12,841,752	6.42%
Building Construction	8,094,237	4.02%	9,560,259	4.78%
Debt Service	14,857,137	7.38%	14,597,514	7.30%
Total	\$201,307,919	100.00%	\$199,893,565	100.00%

2.

DISTRICT BUDGET

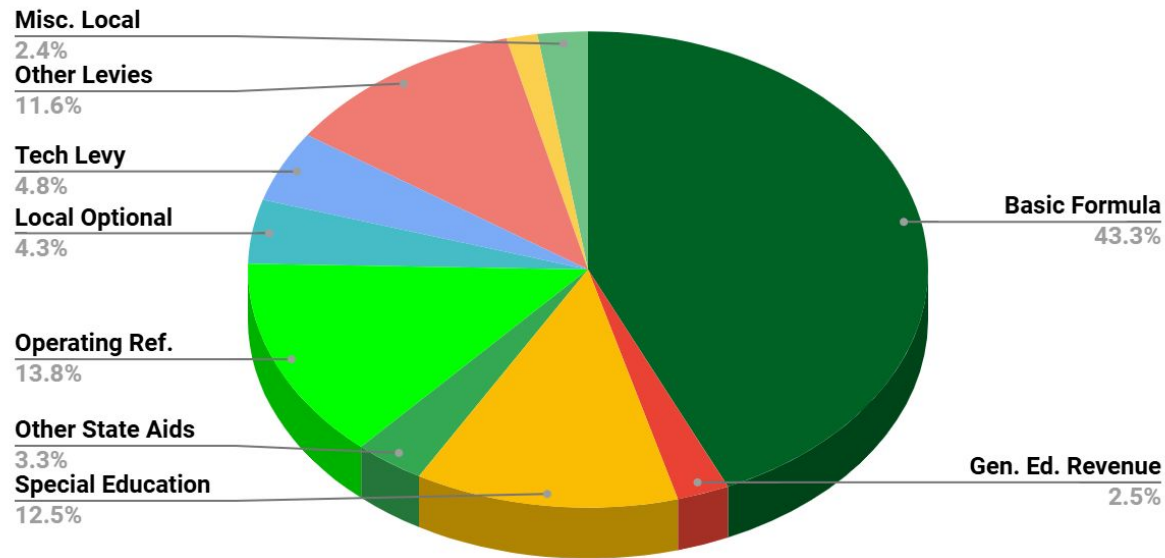
REVENUE SOURCES



2.

DISTRICT BUDGET

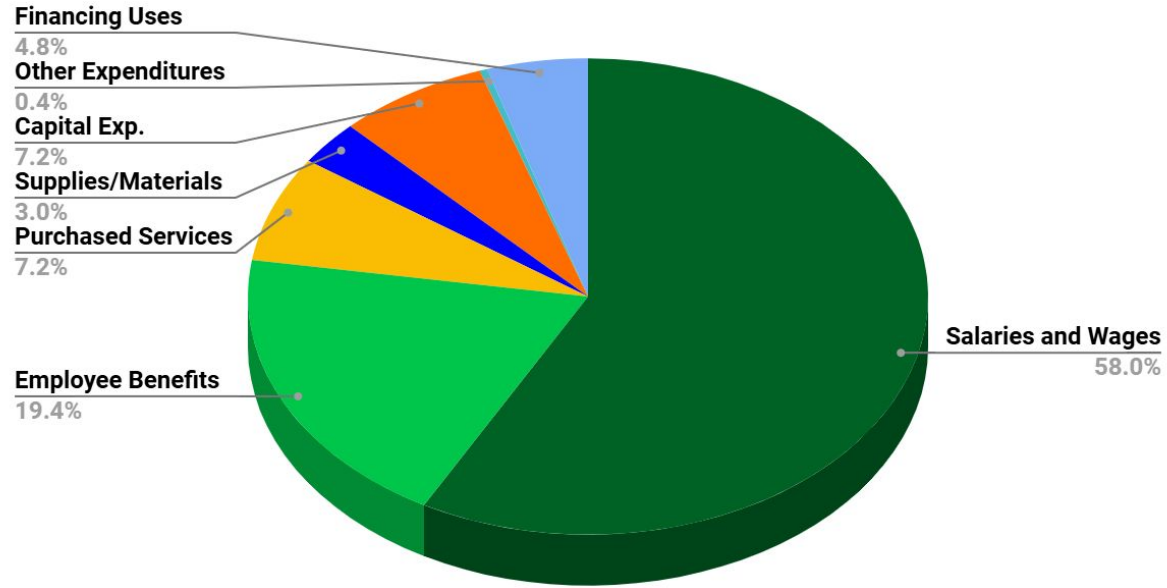
REVENUE SOURCES (CONT.)



2.

DISTRICT BUDGET

EXPENDITURE TYPES





3

**TAXES
PAYABLE
2025**

3.

TAXES PAYABLE IN 2025

TAXES PAYABLE IN 2025

Fund	Taxes Payable in 2024	Taxes Payable in 2025	Change	
			\$	%
General	\$56,342,167	\$56,503,096	\$160,929	0.29%
Community Service	1,398,027	1,535,903	137,876	9.86%
Debt Service	14,677,525	17,909,166	3,231,642	22.02%
Total Levy	\$72,417,719	\$75,948,166	\$3,530,447	4.88%

3.

TAXES
PAYABLE
IN 2025

MAJOR LEVY CHANGES

Levy Component	Taxes Payable in 2024	Taxes Payable in 2025	Change	
			\$	%
Operating Referendum	\$20,764,959	\$21,447,478	682,519	3.29%
Capital Projects Levy	8,476,346	9,184,594	708,248	8.36%
OPEB	1,400,891	1,707,072	306,181	21.86%
LTFM	11,974,428	9,997,582	(1,976,846)	-16.51%
Debt Service - Other	8,308,139	11,457,939	3,149,800	37.91%

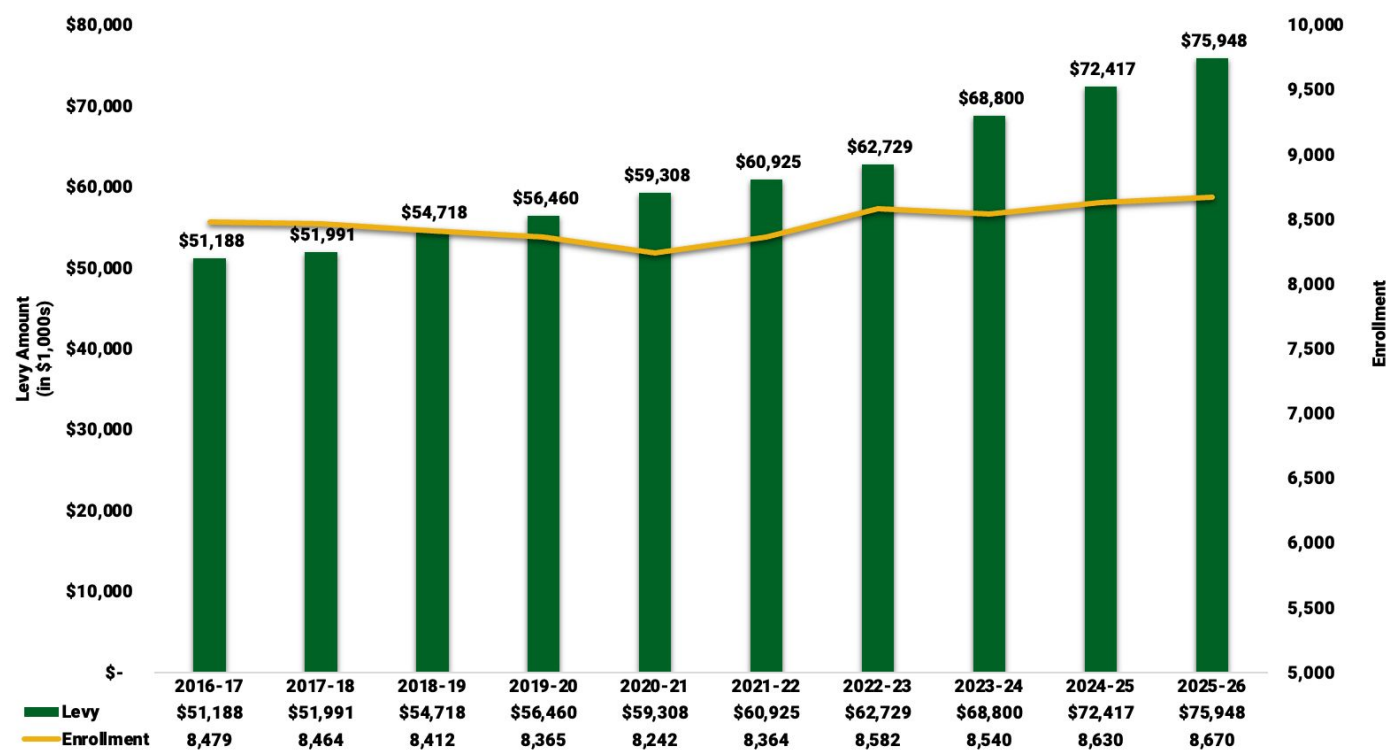
*OPEB - Other Post-Employment Benefits

**LTFM - Long-Term Facilities Maintenance

3.

TAXES
PAYABLE
IN 2025

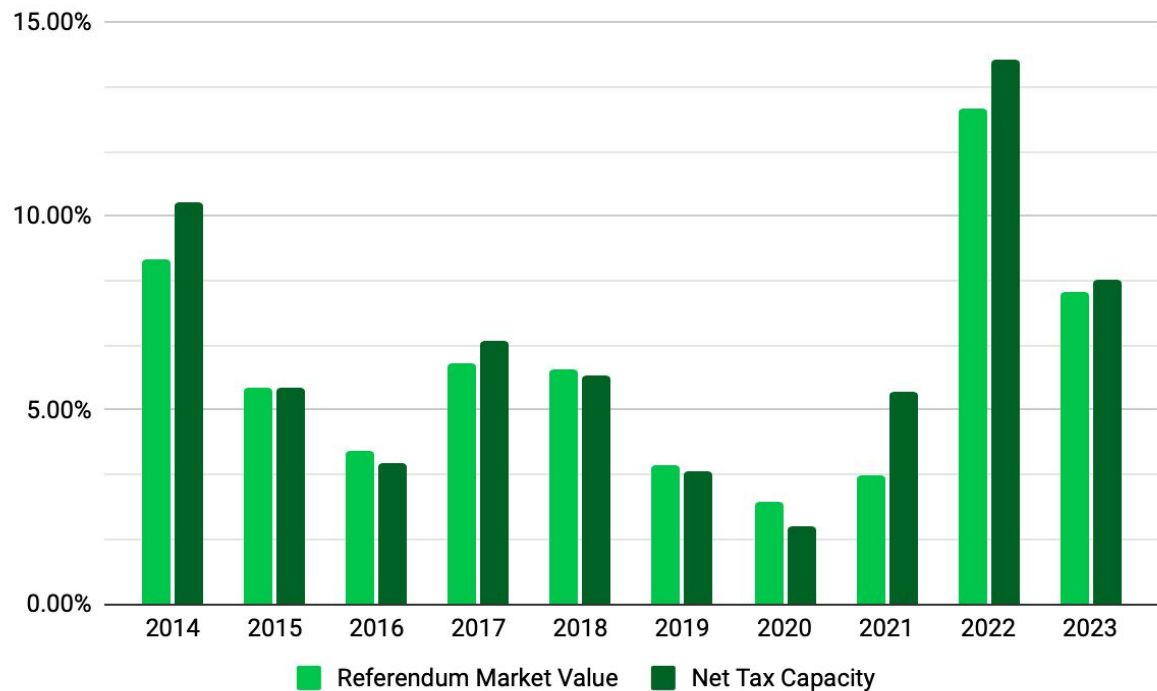
LEVY HISTORY



3.

TAXES
PAYABLE
IN 2025

TAX BASE GROWTH HISTORY



3.

TAXES
PAYABLE
IN 2025

TAX PAYER IMPACT

Several factors can impact the tax bill of a property owner:

- Changes in the value of individual property
- Changes in total value of all property within the district
- Changes to the total amounts levied by the district, the city, and the county
- Changes to state funding formulas or voter approved levies

3.

TAXES
PAYABLE
IN 2025

4-YEAR LEVY COMPARISON

- Examples include school district taxes only & are shown based on no change and a 18.9% increase in property value for residential homes over the past four years
 - Actual changes in value may be more or less than this for any parcel of property
 - Intended to provide a fair representation of what happened to school district property taxes over this period for typical properties
- Amounts for 2025 are preliminary estimates; final amounts may change slightly

3.

TAXES PAYABLE IN 2025

NO CHANGE IN VALUE

Type of Property	Estimated Market Value	Actual Taxes Payable in 2022	Actual Taxes Payable in 2023	Actual Taxes Payable in 2024	Estimated Taxes Payable in 2025	Change in Taxes 2022 to 2025	Change in Taxes 2024 to 2025
Residential Homestead	\$600,000	\$3,187	\$3,086	\$2,997	\$3,031	-\$156	\$34
	650,000	3,484	3,372	3,277	3,314	-170	37
	700,000	3,781	3,659	3,556	3,597	-184	41
	725,000	3,929	3,802	3,696	3,738	-191	42
	750,000	4,078	3,945	3,835	3,879	-199	44
	800,000	4,374	4,232	4,114	4,162	-212	48
	900,000	4,968	4,804	4,673	4,728	-240	55
	1,000,000	5,562	5,377	5,231	5,293	-269	62
	1,500,000	8,530	8,241	8,023	8,121	-409	98
Commercial/ Industrial *	\$700,000	\$4,022	\$3,980	\$3,884	\$3,888	-\$134	\$4
	1,000,000	5,807	5,744	5,608	5,614	-193	6
	1,500,000	8,781	8,685	8,482	8,490	-291	8
	3,000,000	17,702	17,508	17,102	17,119	-583	17
	5,000,000	29,598	29,271	28,596	28,625	-973	29

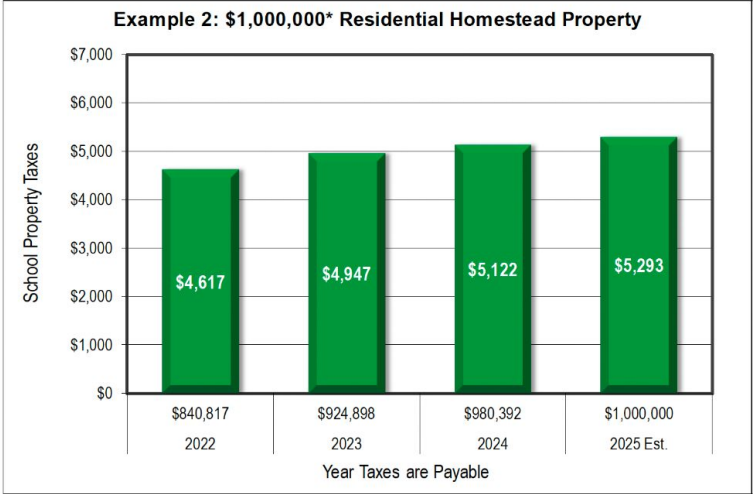
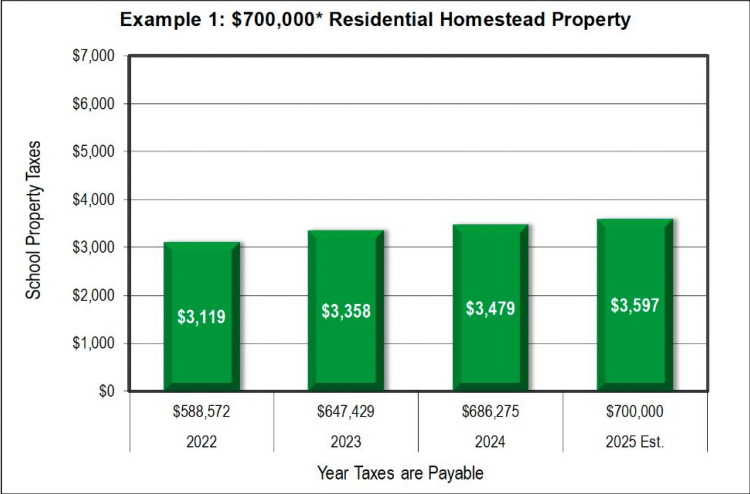
General Notes:

1. Amounts are based on school district taxes only and do not include taxes for city or township, county, state, or other taxing jurisdictions.
2. Estimates of taxes payable in 2025 are preliminary and based on the most recent data available.
3. For all examples of properties, taxes are calculated based on no changes in estimated market value from 2022 to 2025.

3.

TAXES
PAYABLE
IN 2025

18.9% CHANGE IN VALUE

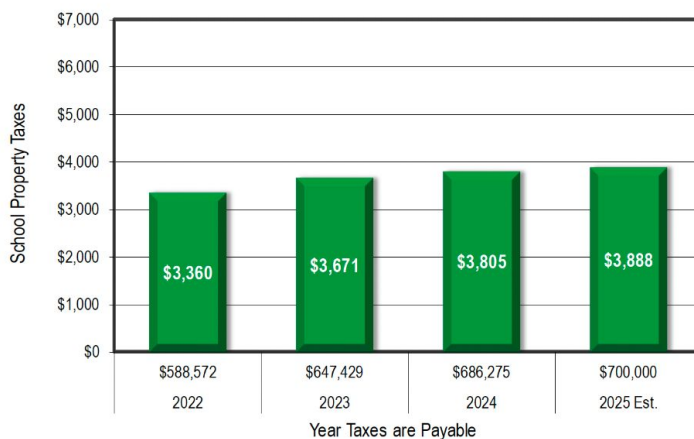


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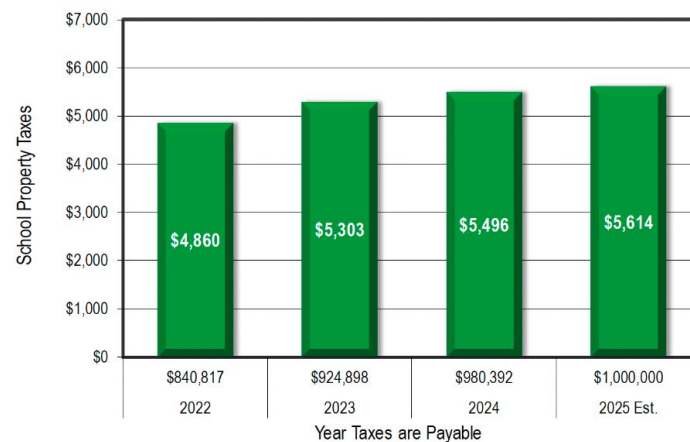
TAXES
PAYABLE
IN 2025

18.9% CHANGE IN VALUE

Example 3: \$700,000* Commercial - Industrial Property



Example 4: \$1,000,000* Commercial - Industrial Property





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**PUBLIC
COMMENT**