

Edina Public Schools

December 8, 2025

Truth in Taxation: Taxes Payable in 2026





Today's Agenda/Topics

- 1 Education Funding in Minnesota
- 2 District Budget - Fiscal Year 2026
- 3 Taxes Payable in 2026
- 4 Public Comment



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.

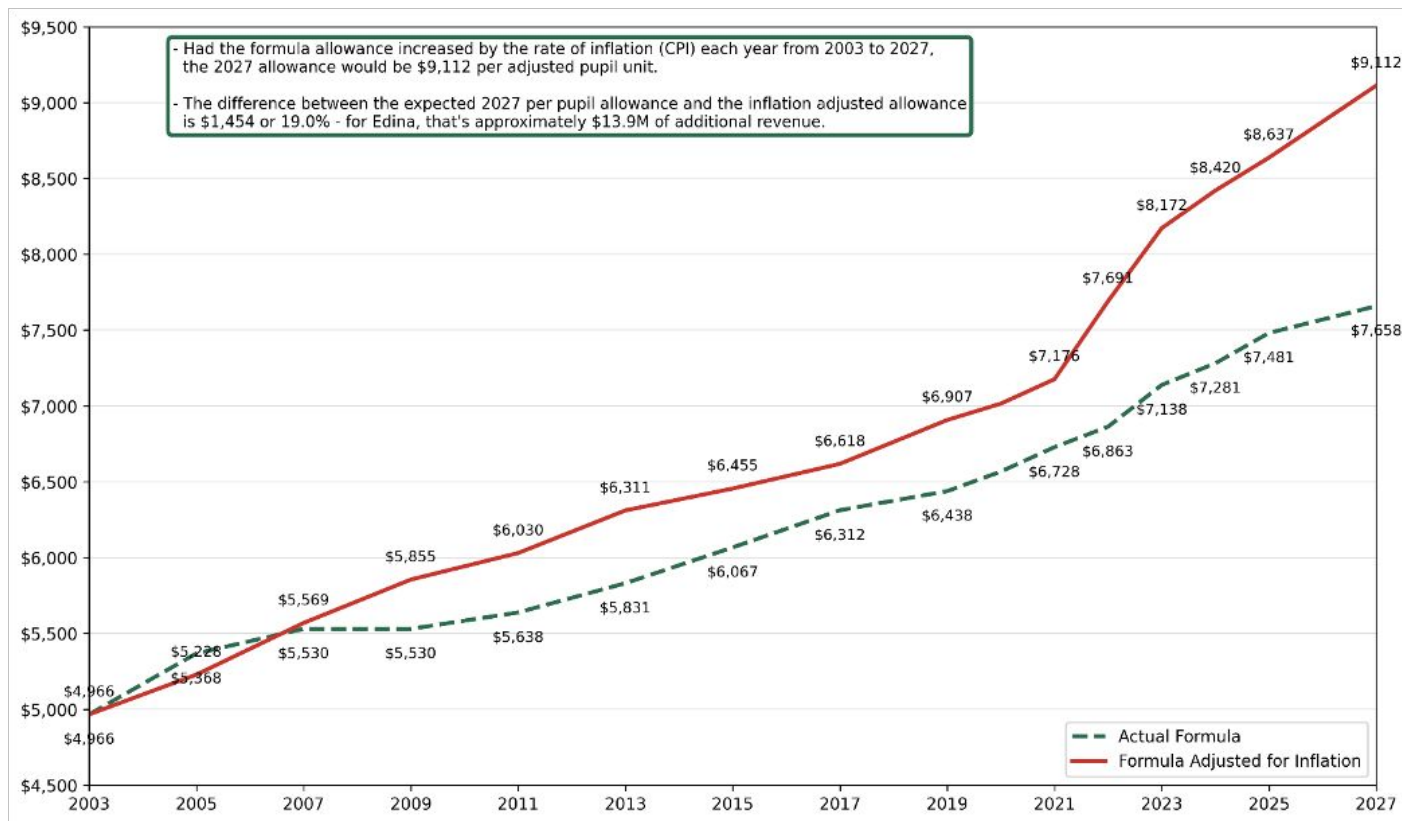


Basic Education Formula

- Primary funding source for all public school districts in the state:
 - Revenue = Formula Allowance x Pupil Units
- For fiscal year 2025-26, an increase of 2.74% or \$200 per pupil unit over 2024-25.
- 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% (2026-27 increase of 2.37%).



Basic Education Formula Adjusted for Inflation



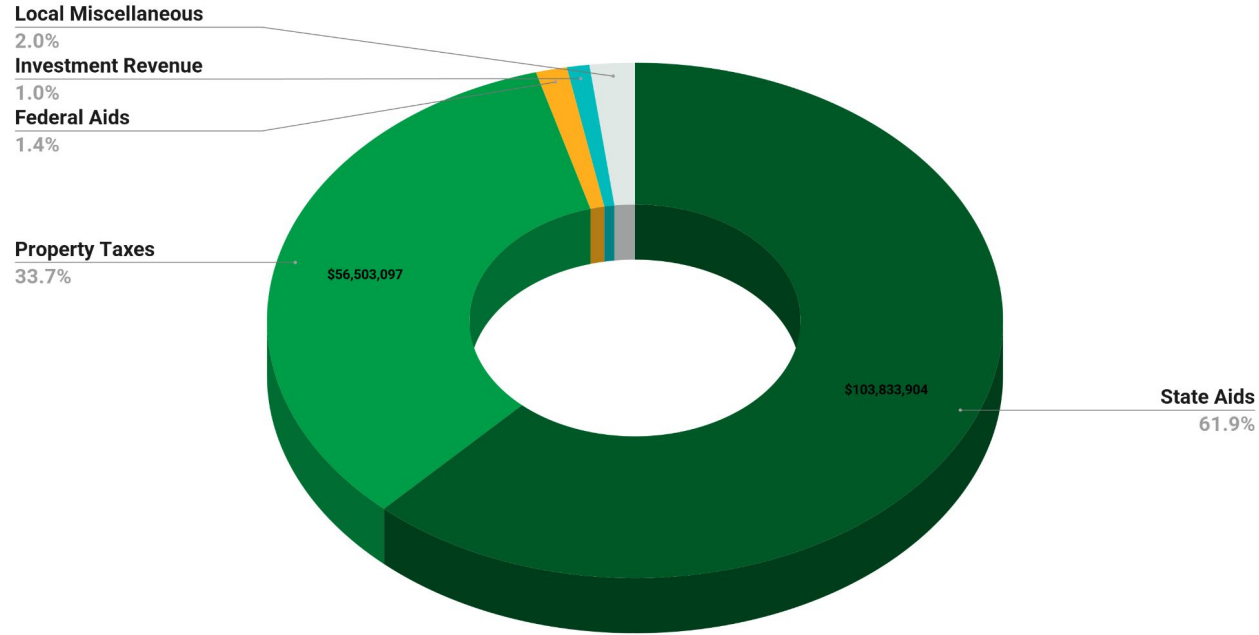


Current Budget - Fiscal Year 2026

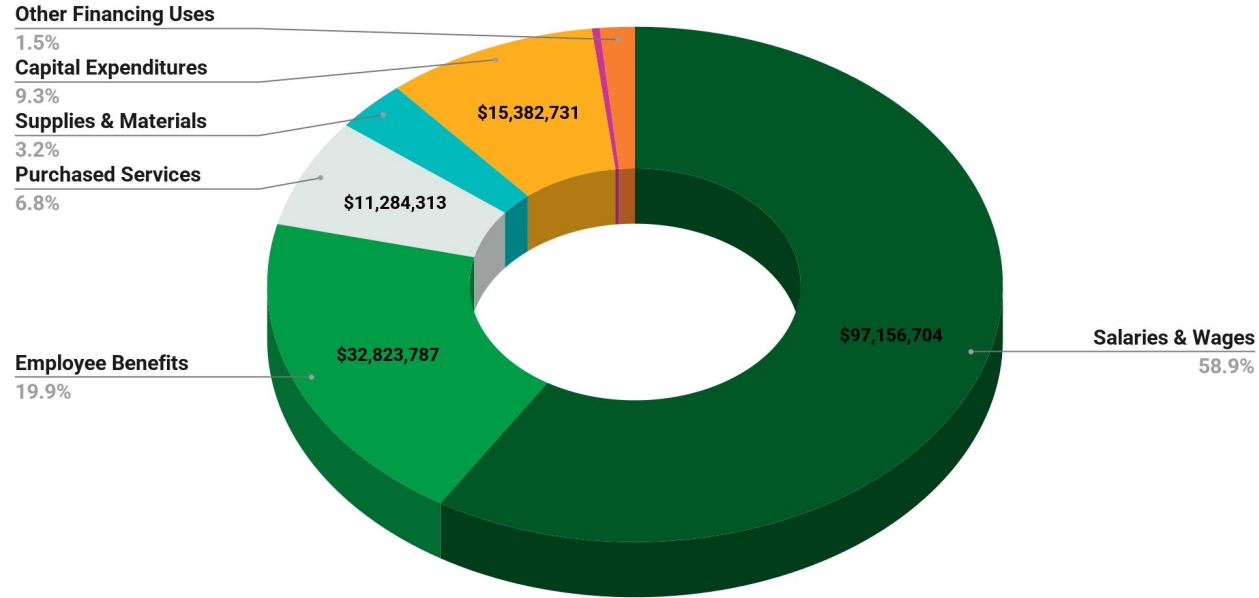
Governmental Funds

Fund	Revenues		Expenditures	
	Amount	% of Total	Amount	% of Total
General	\$167,614,828	80.74%	\$165,031,168	78.87%
Food Service	5,265,078	2.54%	5,058,082	2.42%
Community Service	13,772,932	6.63%	13,299,050	6.36%
Building Construction	2,836,805	1.37%	8,208,672	3.92%
Debt Service	18,113,179	8.72%	17,636,304	8.43%
	\$207,602,822	100.00%	\$209,233,276	100.00%

Revenue Sources



Expenditure Types





Taxes Payable In 2026

Fund	Taxes Payable		Change	
	2025	2026	\$	%
General	\$56,503,096	\$59,021,568	\$2,518,472	4.46%
Community Service	1,535,903	1,402,700	-133,203	-8.67%
Debt Service	17,909,166	18,935,919	1,026,753	5.73%
Total Levy	\$75,948,165	\$79,360,187	\$3,412,022	4.49%



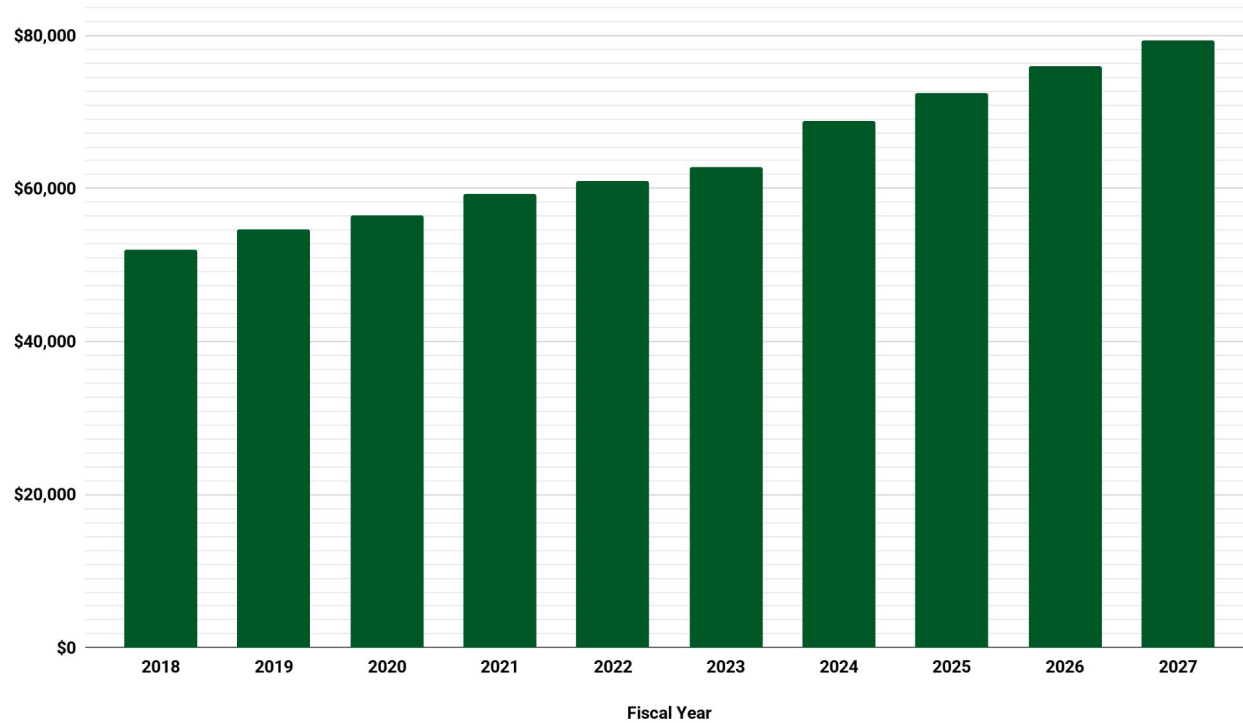
Major Levy Changes

Fund	Taxes Payable		Change	
	2025	2026	\$	%
Operating Referendum	21,447,478	22,365,887	918,409	4.28%
Capital Projects Levy	9,184,594	9,470,865	286,271	3.12%
OPEB*	1,707,072	1,865,010	157,938	9.25%
LTFM**	9,997,582	10,799,019	801,437	8.02%
Debt Service - Voter Approved	6,997,054	11,091,098	4,094,044	58.51%
Debt Service - LTFM	11,011,043	8,043,473	-2,967,570	-26.95%

**Other Post-Employment Benefits*

***Long-Term Facilities Maintenance*

Levy History





Property Owner Tax Impact

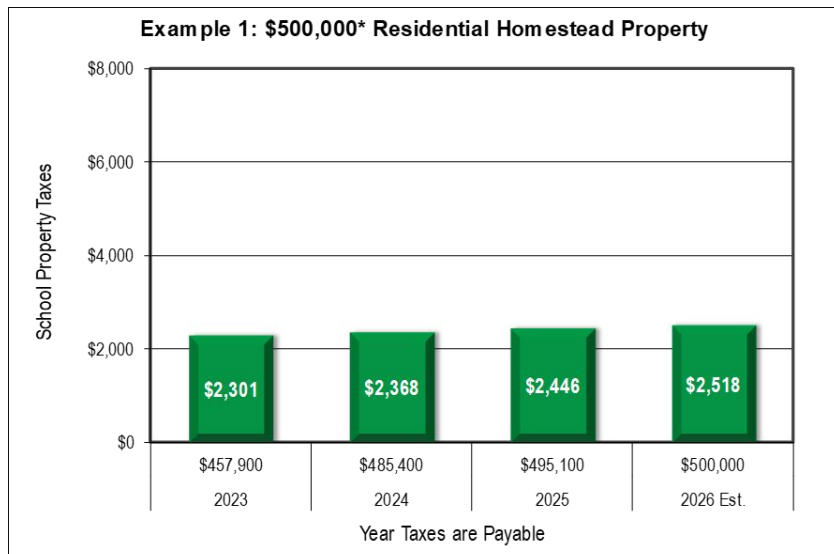
Several factors can impact the tax bill of a property owner:

- 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

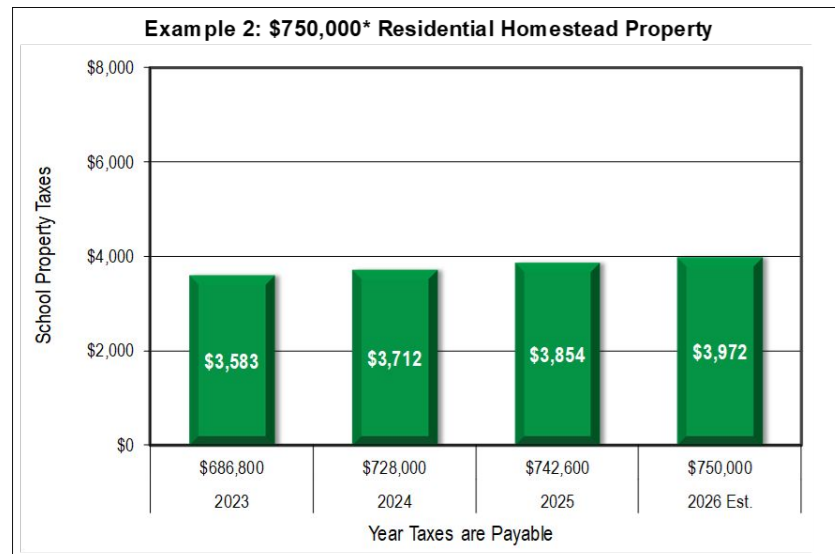


Estimated Changes in School Property Taxes - 2023-2026

Based on 9.2% Cumulative Changes in Property Value



* Estimated market value for taxes payable in 2026. Taxes are calculated based on changes in market value of 6.0% from 2023 to 2024, 2.0% from 2024 to 2025 and 1.0% from 2025 to 2026.



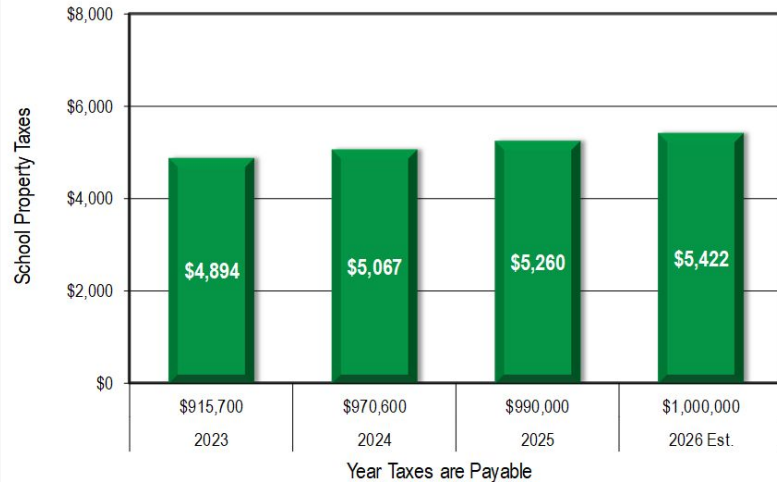
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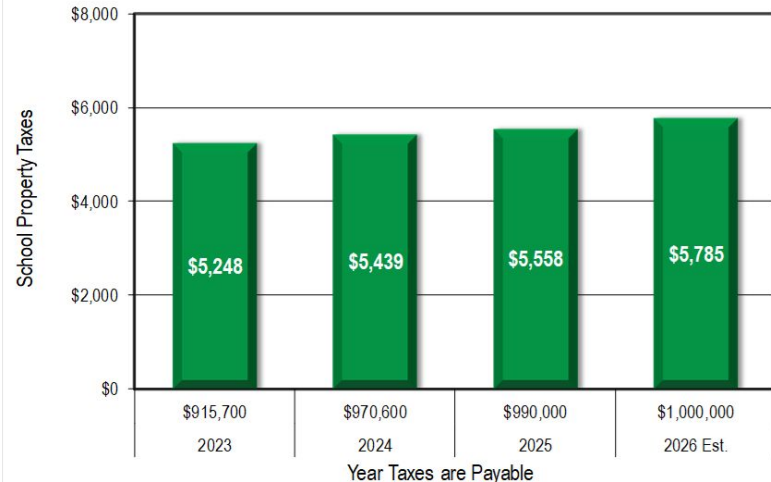
Based on 9.2% Cumulative Changes in Property Value

Example 3: \$1,000,000* Residential Homestead Property



* Estimated market value for taxes payable in 2026. Taxes are calculated based on changes in market value of 6.0% from 2023 to 2024, 2.0% from 2024 to 2025 and 1.0% from 2025 to 2026.

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



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Next Steps

- Final certification of levy on December 8, 2025
- First collection of tax settlements in May 2026
- Final collections of tax settlements in December 2026

Public Comment

