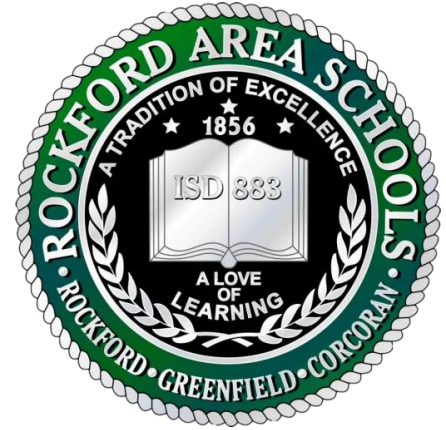


# **ISD 883**

# **Rockford Public School District**



## **Truth in Taxation Presentation**

**Bridget Peterson, CFO**

**[bridget.peterson@rockford883.org](mailto:bridget.peterson@rockford883.org)**

A close-up, slightly angled view of a spiral-bound notebook. The notebook has white pages with light blue horizontal ruling. A silver metal spiral binding is visible along the top edge. A large, bold black number '1' is written on the page, positioned above a horizontal blue line. Below this line, a vertical blue line intersects it, and a series of small numbers (7, 8, 9, 10, 11, 12, 13, 14, 15, 16) are printed along the right side of the page, aligned with the horizontal lines.

# Agenda

- Review of Meeting Requirements
- Presentation of current school year budget
- Presentation of proposed tax levy
- Public comment

# Truth in Taxation Requirements

- Meeting must be held between November 25 and December 30 at 6pm or later
- May be a part of a regularly scheduled meeting
- Presentation must include discussion on:
  - Fiscal Year 2026 budget
  - Pay 2026 Proposed Tax Levy
- Must allow for public comments



# Minnesota School Funding

Public schools districts are funded by the federal government, state government, local fees and local taxpayers through property taxes with the state of Minnesota being the largest source of funding.



# FY 2026 Budget



# FY 2026 Budget

- Our school district is required to use a “Fund Accounting” system, thus we account for our revenues and expenditures using six separate funds:

- General Fund \*
- Food Service Fund
- Community Service Fund \*
- Building Construction Fund
- Debt Service Fund \*
- Internal Service

\*Funds have a tax levy component



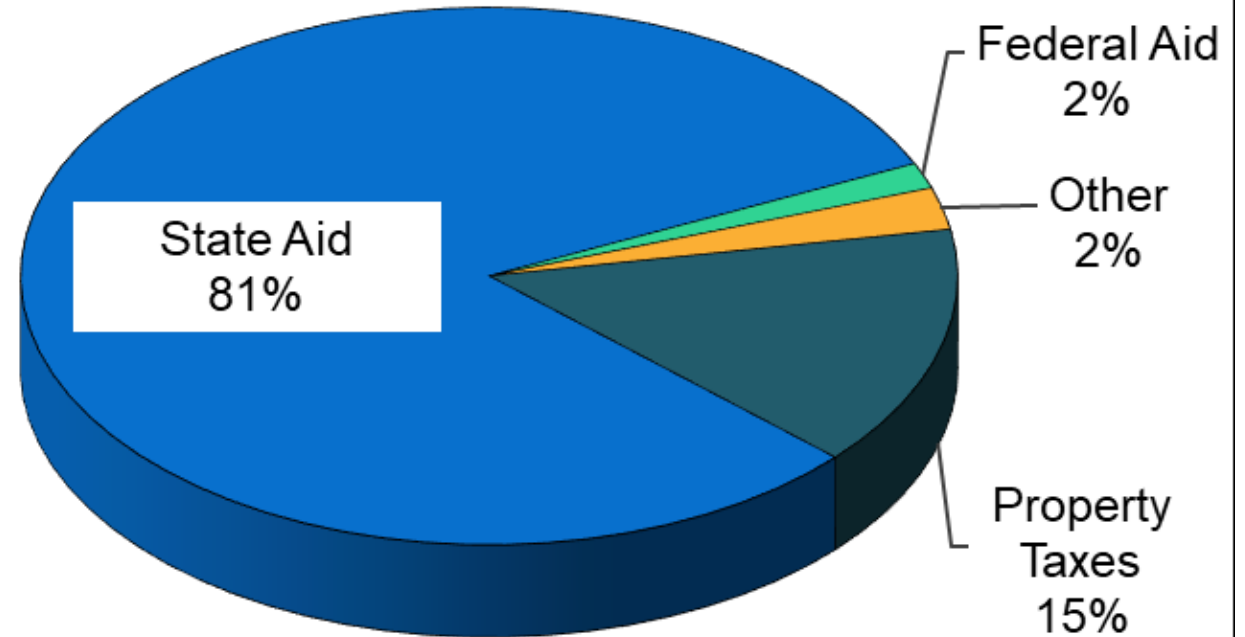
# Budget Overview

## FY 2026 Budget Summary

Fund	Revenue	Expense	Surplus/(Deficit)
General Fund	\$22,770,507	\$23,353,031	\$ (582,524)
Food Service	1,292,399	1,210,066	82,333
Community Service	1,533,542	1,527,576	5,966
Construction	5,000	2,286,107	(2,281,107)
Debt Service	5,061,210	4,839,125	222,085
<b>Total</b>	<b>\$30,662,658</b>	<b>\$33,215,905</b>	<b>\$ (2,553,247)</b>

# FY 2026 General Fund Revenues by Source

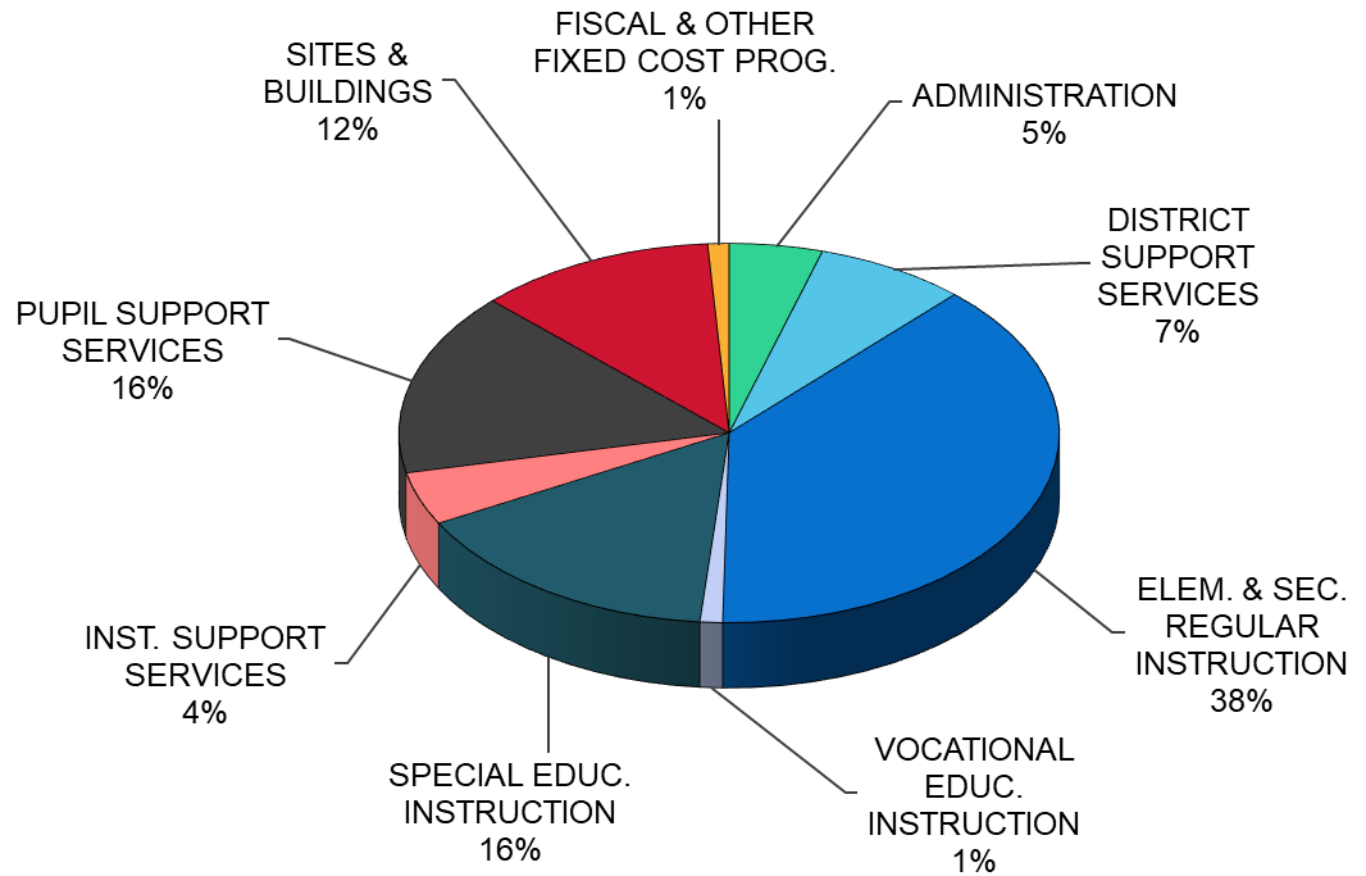
FY 26 General Fund Revenues By Source





# FY 2026 General Fund Expenditures by Program

## FY 26 General Fund Expenditures by Program



# 2026 Property Tax Levy

# Property Tax Background

- Every owner of taxable property pays property taxes for the various “taxing jurisdictions” (county, city or township, school district, special districts) in which the property is located
- Each taxing jurisdiction sets its own tax levy, often based on limits in state law
- County sends out bills, collects taxes from property owners, and distributes funds back to the other taxing jurisdictions

# School District Tax Levy Timeline



## Summer

Information provided to State for preliminary levy calculations



## September

Preliminary levy certification by school board



## November 5

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



## November 25 - December 30

School District holds Truth in Taxation meeting and certify final property tax levy for taxes payable in 2026



## 2026

Property taxes collected by counties and distributed to the school district

# School District Tax Levy



- State limits the school district tax levy by statutorily defined formulas
  - Levy limitation formulas are driven by:
    - Pupil Counts
    - Specific eligible expenditure types
    - Population
    - Voter authorization
    - Districtwide Property Valuations

# 2026 Property Tax Levy Payable

General Fund	Final Payable 2025	Proposed Payable 2026	\$ Change	% Change
Referendum	\$ 1,483,688	\$ 2,616,484	\$ 1,132,796	76.4%
Local Optional	1,147,576	1,188,699	41,123	3.6%
Equity Levy	200,063	163,574	(36,488)	-18.2%
Transition Revenue	44,183	45,764	1,581	3.6%
Capital Project Referendum	-	250,000	250,000	100.0%
Operating Capital Levy	222,852	228,963	6,111	2.7%
Alt Teacher Comp	139,870	138,549	(1,320)	-0.9%
Achievement & Integration	63,322	64,464	1,142	1.8%
Safe Schools	59,609	58,622	(986)	-1.7%
Long-Term Facilities	215,597	209,075	(6,522)	-3.0%
Career & Technical	67,008	94,473	27,465	41.0%
Abatements	11,755	-	(11,755)	-100.0%
Building Leases	26,740	27,147	407	1.5%
Reemployment Levy	23,000	100,000	77,000	334.8%
Prior Year Adjustments	(306,798)	(216,644)	90,154	-29.4%
<b>General Fund Total Levy</b>	<b>\$ 3,398,463</b>	<b>\$ 4,969,170</b>	<b>\$ 1,570,707</b>	<b>46.2%</b>

## Community Service

Basic Community Ed.	\$ 74,976	\$ 72,728	\$ (2,248)	-3.0%
Early Child. Family Ed.	45,376	41,176	(4,200)	-9.3%
Home Visiting	1,468	1,527	59	4.0%
School Age Day Care	15,000	15,000	-	0.0%
Prior Year Adjustments	(14,978)	(4,484)	10,494	-70.1%
<b>Community Service Fund Total Levy</b>	<b>\$ 121,842</b>	<b>\$ 125,947</b>	<b>\$ 4,105</b>	<b>3.4%</b>

## Debt Service Fund

Debt Service Levy	\$ 4,724,452	\$ 4,729,965	\$ 5,513	0.1%
Long-Term Facilities Debt Service	272,678	267,244	(5,434)	-2.0%
Prior Year Adjustments	(14,622)	(1)	14,620	-100.0%
<b>Debt Service Fund Total Levy</b>	<b>\$ 4,982,508</b>	<b>\$ 4,997,207</b>	<b>\$ 14,699</b>	<b>0.3%</b>

<b>Total Property Tax Levy All Funds</b>	<b>\$ 8,502,813</b>	<b>\$ 10,092,324</b>	<b>\$ 1,589,511</b>	<b>18.7%</b>
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# Levy Highlights

## Major Changes

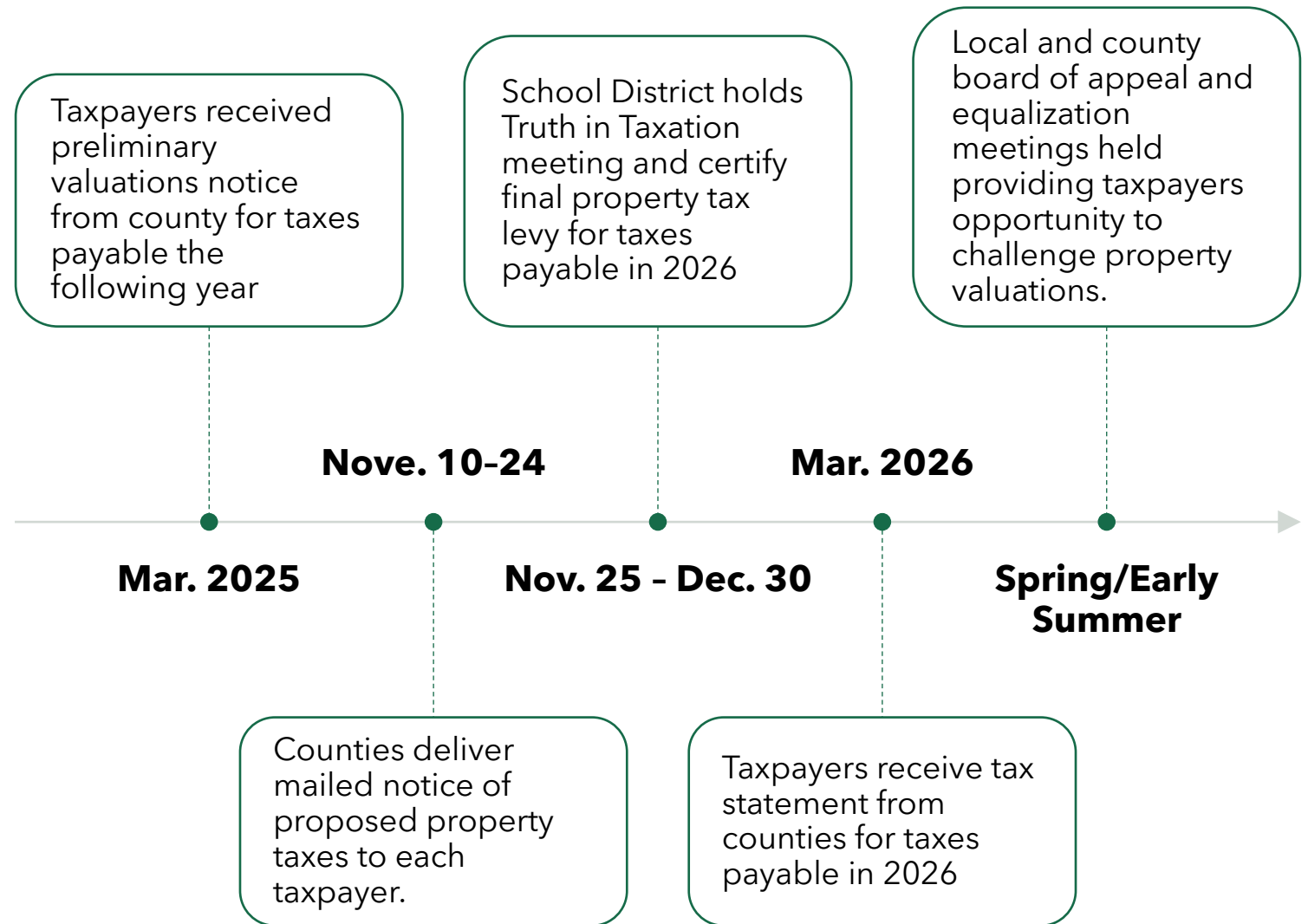
Referendum	+ \$1,132,796 The increase is due to the voter-approved general education referendum, which added \$633 per pupil.
Capital Project Referendum	+ \$250,000 Increase is the result of the voter-approved capital project referendum approved in November 2025.
Reemployment Levy	+ \$77,000 This levy allows school districts to collect the necessary funds to cover its costs associated with providing unemployment benefits to qualifying employees.
Prior Year Adjustments	+ \$90,154 Initial levies are best estimates with prior year levy adjustments calculated by the state for up to three years.

# Tax Levy and Budget

% Change to Tax Levy  % Change to Budget Revenue

Some levy increases are offset by a reduction in state aid meaning no additional revenue for school district budget

# Timeline for Taxpayers



# Dividing the Property Tax Pie

Property values do not rise uniformly across all properties

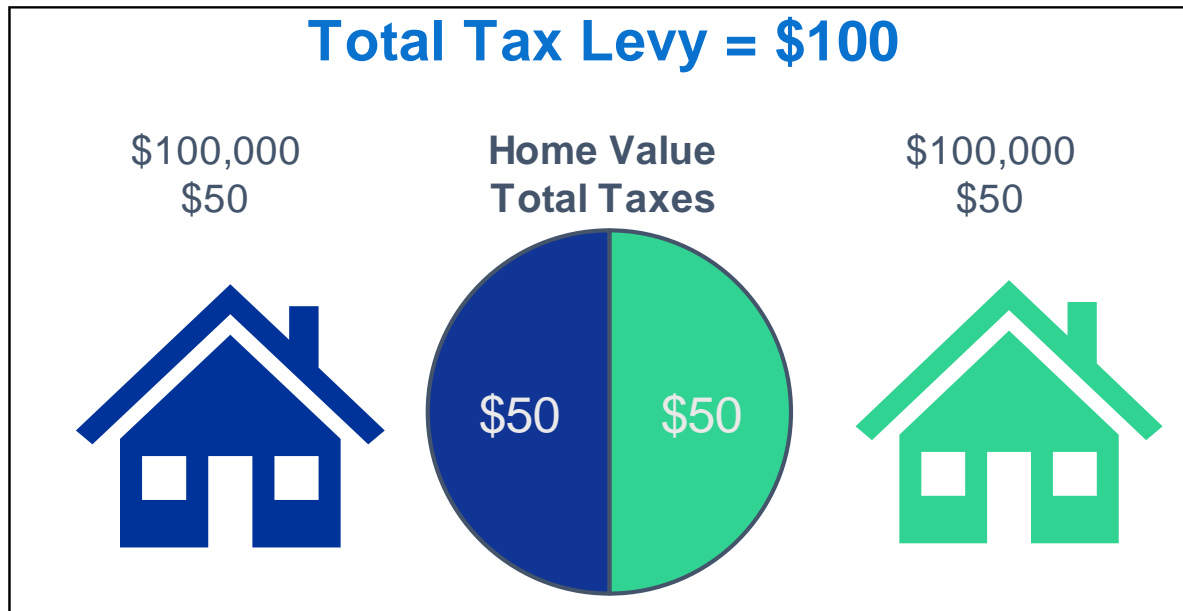
The burden of the levy shifts from taxpayers with lower increases to those with higher increases.

Higher increase =  
Larger piece of the property tax pie.

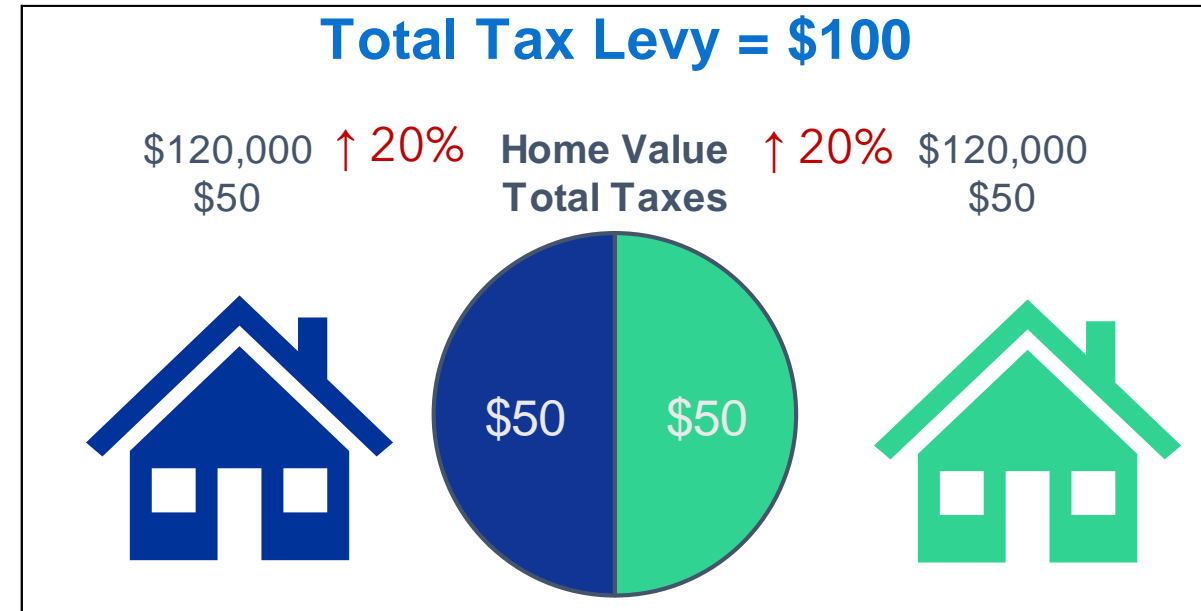


# Impact of Valuation Changes

Current



Home Values Up Equal 20%



No change in tax burden

# Impact of Valuation Changes

Current

**Total Tax Levy = \$100**

\$100,000  
\$50

Home Value  
Total Taxes

\$100,000  
\$50



Home Value Changes Vary

**Total Tax Levy = \$100**

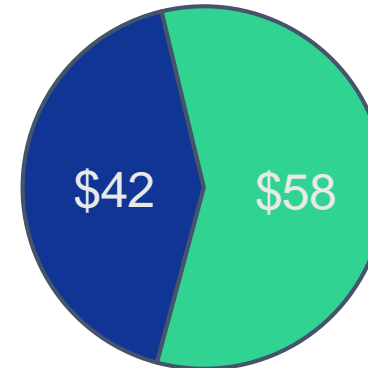
\$110,000  
\$42

↑ 10%

Home Value  
Total Taxes

↑ 40%

\$140,000  
\$58



Same Levy, Shift in Tax Burden



# Other Taxpayer Resources

- Minnesota Homestead Property Tax Refund
- Special Property Tax Refund Program
- Senior Citizen Property Tax Deferral
- Disable Veteran's Homestead Property Tax Exclusion
- Blind or Disabled Special Homestead Classification
- Green Acres and Rural Preserve

<https://www.revenue.state.mn.us/property-tax-programs>



# Public Comments