



Public Meeting for Taxes Payable in 2015

*Rochel Manders, Director of Business Services
December 11, 2014*




Agenda

- Background on property tax levies
- Legislative changes that affect the 2015 levy
- Information on school funding and District budget
- Proposed taxes payable in 2015
- Public comments and questions



Background on Property Tax Levies




Truth in Taxation Law

Minnesota Truth in Taxation Law was revised in 2009

Requirements:


- Public meeting may now be held at a regularly scheduled meeting
- Discussion of proposed property tax levy for taxes payable in 2015
- Current year budget must be discussed
- Levy may be adopted at same meeting
- Must allow for public comment and question

• Minnesota Statute 275.065



Property Tax Background

- Includes taxes for cities, township, counties and schools where the property is located
- Each jurisdiction sets its own levy and follows specific limits set by state law
- County sends out the bills, collects the taxes and distributes revenue back to each jurisdiction




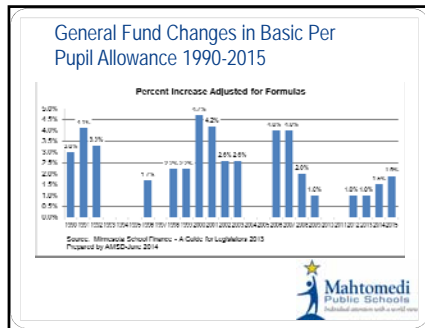
Legislative Changes That Affect the 2015 Levy




2014 Legislative Changes

The 2014 Legislature approved changes in school funding formulas for levies payable in 2015

- Basic formula increased by \$25 per pupil
- Building lease levy increased by \$50 per pupil
- Expanded ELL eligibility from five to six years
- Debt service equalization factors adjusted

Information on School Funding and District Budget



School District Funds

All school district budgets are divided into separate funds, based on purposes of revenue, as required by law.

- General fund:** is the primary operating budget for the district. It includes district instructional and student support programs, administration, normal operations and maintenance, pupil transportation, capital expenditures.
- Food service fund:** is used to record financial activities of the school district's food service program.
- Community service fund:** is used to record all financial activities associated with the various instructional, recreational and community service programs.
- Debt service fund:** is used to record revenues and expenditures for the school district's outstanding bonded indebtedness.
- Trust fund:** is used to record revenues and expenditures for trust agreements where the school board has accepted the responsibility to serve as trustee.



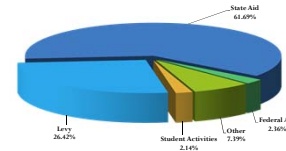
Fiscal Year 2014-15 Budget

Revenue	General Fund	Food Service Fund	Community Ed. Fund	Debt Fund	Trust Fund	Total
Levy	1,428,895		229,262	8,081,182	314,209	11,153,128
State Aid	14,498,184	48,000	60,719			14,606,903
Federal Aid	696,474	238,200				934,674
Other	426,364	1,091,000	1,403,817	5,000		3,121,181
Student Activities	900,000					900,000
Total Revenues	31,977,354	1,429,200	1,731,741	5,086,752	314,209	42,140,006

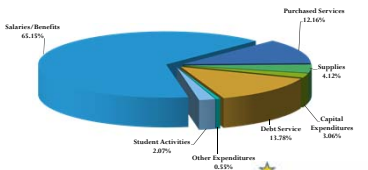
Expenses	General Fund	Food Service Fund	Community Ed. Fund	Debt Fund	OPFB Debt	Total
Personnel	11,289,977,291	159,000	1,189,743			12,478,713
Purchased Services	4,248,028	338,077	432,889			4,998,974
Salaries	1,228,528	599,000	69,513			1,797,041
Capital Expenditures	976,777	10,000	11,253			998,030
Other Expenditures	218,108		21,360			239,468
Student Services	900,000					900,000
Total Expenses	14,287,462	1,427,077	1,710,963	5,646,363	103,463	41,666,663
Budget Balance	(710,848)	1,963	28,778	(86,151)	(18,199)	(1,266,487)



Revenue Budget – All Funds



Expenditure Budget – All Funds



Proposed Taxes Payable in 2015



Proposed Tax Levy Payable in 2015

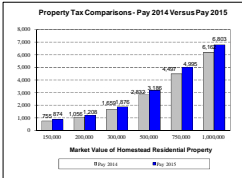
Funds	Certified Payable 2014 (\$)	Proposed Levy Payable 2015 (\$)	Difference from Pay 2014 (\$)
General Fund			
Refundation	\$648,364	\$2,730,730	\$2,101,370
Local-Optional Revenue	14,479,209	1,544,214	(13,034,995)
Equity	425,379	400,000	(25,379)
Township Revenue	20,714	21,181	467
Board-Optional Refundation Revenue	797,008	800,000	2,992
Capital Project Refundation	537,888	538,004	116
Student Participation (Gen Ed)	90,475	90,888	413
Operating Capital (Gen Ed)	302,547	299,870	(2,677)
Alternative Teacher Compensation	276,970	277,547	577
Integration	88,112	71,888	(16,224)
Management Insurance	10,000	9,000	(1,000)
State Scholarships	160,480	176,473	15,993
Other Refundation	64,000	43,881	(20,119)
Health and Safety	378,351	118,389	(259,962)
Deferred Maintenance	202,302	158,868	(43,434)
Lattes	110,874	126,110	15,236
General Fund Adjustments	(176,008)	228,864	404,872
Total General Fund	\$5,358,967	\$7,688,445	\$2,329,478
Community Service	\$286,833	\$622,269	\$335,436
Debt Service	\$,000,752	\$,022,848	\$22,096
OPFB Debt Service	314,209	347,883	33,674
Total Proposed Levy	\$11,040,819	\$13,218,754	\$2,177,935
Percent Increase over Pay 2014			19.80%



Impact on Taxpayer



Property Tax Comparisons Pay 2014 versus pay 2015



Comments and Questions

