



Lakeville Area Schools Proposed Pay27 School Levy

September 22, 2026

Annual School Levy (local taxes)



- MN Statutes, Chapter 126C & 275
 - Allows counties, cities, townships, and school districts to collect taxes
 - Local taxes are based on enrollment
 - Sets funding limits
 - Governs procedures for collecting local taxes
 - Raises funds
 - General Education
 - Special Programs – Capital Projects Levy
 - Restricted Funds
 - Capital Expenses - LTFM
 - Community Education
 - Debt Service

Levy Timeline



Description	Date
MDE Calculates maximum allowable school levy	September 8, 2026
SB approves preliminary Pay27	September 22, 2026
Truth in Taxation hearing	December 15, 2026
SB certifies final Pay27 school levy	December 15, 2026

Variables Affecting the Pay27 School Levy



- Market Value
- Net Tax Capacity (NTC)
- Sales Ratio
- Adjusted Net Tax Capacity (ANTC)



Market Value



Year	Market Value	Change
2021	9,259,688,175	7.9%
2022	11,475,417,368	23.9%
2023	12,299,164,299	7.2%
2024	12,686,865,127	3.2%
2025	13,285,315,925	5.5%

Net Tax Capacity (NTC)



Year	Net Tax Capacity	Change
2021	106,382,626	7.3%
2022	131,513,267	23.6%
2023	141,640,762	7.7%
2024	147,486,283	4.1%
2025	155,310,924	5.3%

Sales Ratio



Year	Sales Ratio	Change
2021	93.8%	0.3%
2022	90.3%	-3.7%
2023	93.0%	2.9%
2024	92.9%	-0.1%
2025	94.8%	2.1%

Adjusted Net Tax Capacity (ANTC)



$$\text{NTC} / \text{Sales Ratio} = \text{ANTC}$$

Adjusted Net Tax Capacity (ANTC)



Year	ANTC	Change
2021	113,408,324	7.1%
2022	145,506,780	28.3%
2023	152,283,813	12.8%
2024	158,757,522	4.0%
2025	163,690,994	3.1%

Referendum Components (Referendum Market Value)



General Fund	Levy Category	Pay26	Pay27	Change
Equity Revenue	RMV	\$1,183,491	\$1,052,584	\$(130,907)
Transition Revenue	RMV	15,060	15,018	(42)
Local Optional Revenue	RMV	9,550,752	9,523,675	(27,078)
Operating Referendum	RMV - Voter Approved	24,919,813	25,624,835	705,021
Prior Year Adjustments	RMV	(507,775)	446,692	954,467
Total RMV		\$35,161,342	\$36,662,803	\$1,501,461

Designated Components (Net Tax Capacity)



General Fund	Levy Category	Pay26	Pay27	Change
Achievement & Integration	NTC	\$566,214	\$597,863	\$31,649
Safe Schools	NTC	479,794	478,447	(1,346)
Safe Schools – Dist. 917	NTC	199,914	199,353	(561)
Judgement	NTC	65,000	0	(65,000)
Vocational	NTC	834,963	834,963	0
Reemployment	NTC	\$31,034	\$88,712	\$57,678

Designated Components (Continued)



General Fund	Levy Category	Pay26	Pay27	Change
Q-Comp	NTC	\$1,104,796	\$1,125,220	\$20,424
OPEB	NTC	2,085,450	2,064,871	(20,579)
Lease Levy	NTC	2,825,451	2,817,522	(7,929)
Lease Levy – Dist. 917	NTC	480,111	490,000	40,174
Prior Year Adjustments	NTC	96,375	(404,644)	(501,019)
Total Assigned	NTC	\$8,769,102	\$8,322,593	\$(446,509)

Assigned Components (Capital)



General Fund	Levy Category	Pay26	Pay27	Change
Operating Capital	NTC	\$1,544,319	\$1,585,900	\$41,580
LTFM	NTC	8,646,277	12,232,647	3,586,370
Dist. 917 LTFM	NTC	86,944	145,465	58,520
Capital Projects Levy	NTC	4,399,351	4,629,819	230,468
Prior Year Adjustments	NTC	34,740	(333,700)	(368,440)
Total Capital	NTC	\$14,711,632	\$18,260,130	\$3,548,498

General Fund



General Fund	Levy Category	Pay26	Pay27	Change
Unassigned Components	RMV	\$35,161,342	\$36,662,803	\$1,501,461
Assigned Components	NTC	8,769,102	8,322,593	(446,509)
Capital Components	NTC	14,711,632	18,260,130	3,548,498
Total General Fund		\$58,642,075	\$63,245,526	\$4,603,451

Community Ed



Community Ed	Pay26	Pay27	Change
Basic Levy	\$388,474	\$400,538	\$12,064
Youth Service	65,678	68,033	2,355
After School	42,442	42,442	1,013
ECFE	281,156	293,585	12,428
Home Visit	9,281	9,511	230
Disabled Adults	7,938	8,185	247
School Age Care	598,100	697,600	99,500
Adjustments	(120,188)	(5,499)	114,689
Total CE	\$1,272,881	\$1,515,406	\$242,525

Debt Service Fund



Debt Service	NTC	Pay26	Pay27	Change
Basic Levy	Voter Approved	\$7,275,608	\$8,250,493	\$974,885
LTFM	Other	12,089,653	13,083,889	994,237
Debt Excess	Other	(1,035,712)	(1,153,008)	(117,297)
Abatement	Other	85,456	13,217	(72,239)
Total Debt Service		\$18,415,005	\$20,194,590	\$1,779,586

Levy Totals

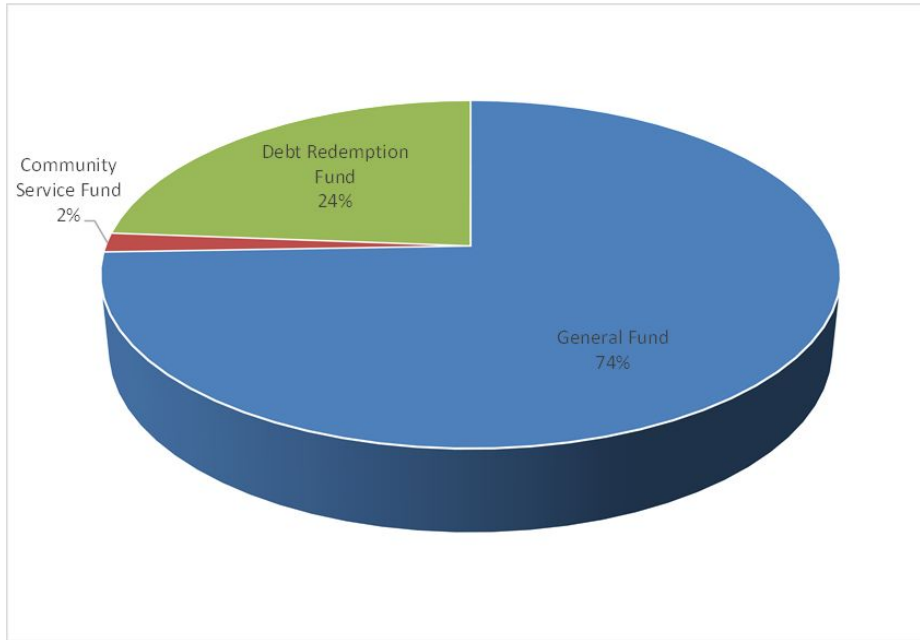


Fund	Pay26	Pay27	Dollar Change
General	\$58,642,075	\$63,245,526	\$4,603,451
Community Ed	1,272,881	1,515,406	242,525
Debt Service	18,415,005	20,194,590	1,779,586
Total	\$78,329,961	\$84,955,522	\$6,625,562

Pay27 Levy Totals



- Total Levy \$84,955,522



Motion to approve “Maximum”



Motion: I move to approve the Pay27 preliminary levy for the “Maximum” amount.

