Preliminary Levy
2026 Payable 2027 for FY 28

Presented By:
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September 28, 2026

Purpose of the Preliminary Levy

Tonight's Board Action

- Minnesota school districts certify a proposed property tax levy each September for taxes payable the following year.
- The proposed certification establishes the levy used for Truth-in-Taxation notices and the December final levy process.
- Administration recommends certifying at the maximum authorized amount to preserve flexibility as MDE and county adjustments are finalized.

Proposed levy certification is due by September 30.

How Minnesota School Funding Works

Levy is one part of the district's revenue system

STATE AID
Formula-driven
Enrollment and state formulas

LOCAL LEVY
Property taxes
Voter / statutory authority

FEDERAL AID
Program-specific
Restricted purpose

Property values, pupil units, equalization formulas, prior-year adjustments, and debt schedules can all change the local levy from year to year.

Levy Categories

Voter-Approved Levies
Approved by our community

- Operating Referendum
- Capital Projects Levy
- Debt Service Bonds

Legislatively Authorized Levies
Allowed by state statute

- Long-term Facilities Maintenance (LTFM)
- Safe Schools
- Lease Levies and other miscellaneous categories

Factors Affecting the Levy

Property Values Changes

Growth or decline in net tax capacity

Enrollment / Adjusted Pupil Units (APUs)

Drives aid and equalization

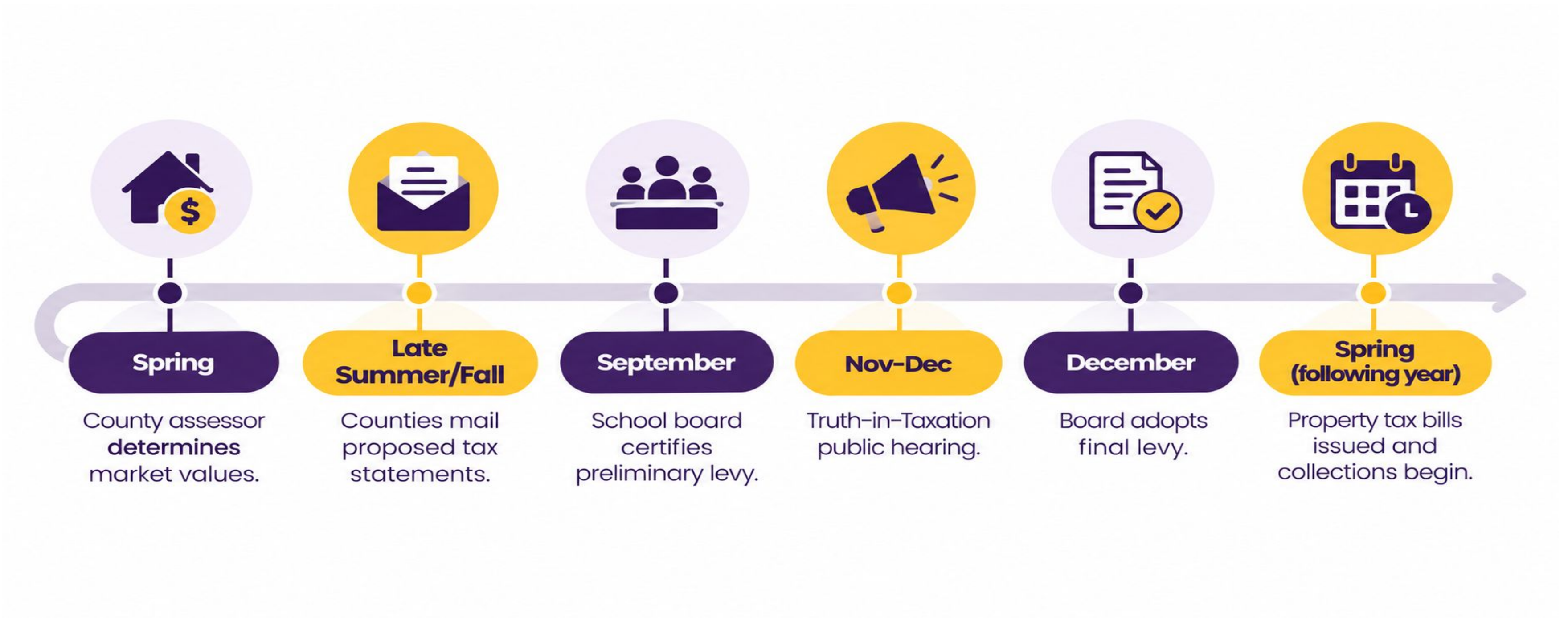
State Aid & Equalization

Shifts in state formulas and aid levels

Inflation & Cost Pressures

Influence future budget needs

Property Tax Calendar



Key Dates

- **September 2026** — MDE certifies levy limitation
- **September 28, 2026** — ISD 110 Board certifies preliminary levy*
- **November 30, 2026**** — Truth-in-Taxation hearing may be held (not before 6:00 p.m.)
- **December 14, 2026**** — ISD 110 Board adopts final levy
- **December 28, 2026** — Final levy certification deadline**

* **Preliminary Levy Certification:** September of each year

** **Final Levy Certification:** December of each year along with Truth-in-Taxation Hearing

Levy Comparison and Overview

Proposed Preliminary Levy

2026 Payable 2027 for FY 28

A fiscally responsible plan to support our students and community.

$22,069,666

Total Proposed Preliminary Levy

1.2%

Overall Increase from Prior Year

$256,849

Dollar Amount Increase from Prior Year

Levy Comparison and Overview

Proposed Preliminary Levy 2026 Payable 2027 for FY 28

Comparison of Actual Tax Levy Payable in 2026 to Proposed Levy Payable in 2027 for FY28

Fund Levy Category	Actual Levy Payable in 2026	Proposed Levy Payable in 2027	$ Change	% Change
	FY27	FY28	FY27 to Proposed FY28	FY27 to Proposed FY28
Adjusted Pupil Unit Original Assumption	4,107			
Adjusted Pupil Unit (EST) - Updated Estimate	4,126	4,030		
Adjusted Pupil Unit (PRE) - Preliminary Actual (2025-26)				
Adjusted Pupil Unit (ACT) - Final Actual (2024-25)				
General Fund (Fund 01)				
Operating Referendum	$ 7,756,577	$ 7,820,067	$ 63,490	0.8%
Local Optional	$ 2,973,583	$ 2,900,679	$ (72,904)	-2.5%
Equity	$ 361,687	$ 317,340	$ (44,347)	-12.3%
Operating Capital	$ 480,270	$ 516,747	$ 36,477	7.6%
Reemployment Insurance	$ 20,000	$ 33,000	$ 13,000	65.0%
Safe Schools	$ 147,848	$ 145,093	$ (2,755)	-1.9%
Safe Schools Intermediary	$ 12,896	$ 12,655	$ (241)	-1.9%
Career and Technical	$ 162,309	$ 170,924	$ 8,614	5.3%
Annual Other Post-Employment Benefits (OPEB)	$ 20,253	$ 20,000	$ (253)	-1.2%
Long-Term Facilities Maintenance (LTFM)	$ 675,820	$ 709,989	$ 34,169	5.1%
Intermediate Lease Limit	$ -	$ 31,585	$ 31,585	
Building/Land Lease	$ 644,363	$ 514,546	$ (129,817)	-20.1%
Adjustments and Abatements	$ (655,249)	$ (112,732)	$ 542,516	-82.8%
General Fund Total Levy	**$ 12,600,368**	**$ 13,079,894**	**$ 479,526**	**3.8%**

Levy Comparison and Overview

Proposed Preliminary Levy 2026 Payable 2027 for FY 28

Comparison of Actual Tax Levy Payable in 2026 to Proposed Levy Payable in 2027 for FY28

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		FY27		**FY28**		**FY27 to Proposed FY28**	**FY27 to Proposed FY28**
Adjusted Pupil Unit Original Assumption		4,107					
Adjusted Pupil Unit (EST) - Updated Estimate		4,126		4,030			
Adjusted Pupil Unit (PRE) - Preliminary Actual (2025-26)							
Adjusted Pupil Unit (ACT) - Final Actual (2024-25)							
Community Service (Fund 04)							
Basic Community Education	$	159,401	$	170,934	$	11,533	7.2%
Early Childhood Education	$	90,248	$	98,010	$	7,762	8.6%
Home Visting	$	4,434	$	4,610	$	176	4.0%
Adults with Disabilities	$	2,548	$	2,732	$	184	7.2%
School-age Care	$	60,000	$	60,000	$	-	0.0%
Adjustments and Abatements	$	22,511	$	(3,029)	$	(25,540)	-113.5%
Community Service Fund Total Levy	**$**	**339,142**	**$**	**333,258**	**$**	**(5,884)**	**-1.7%**
Debt Service Fund (Fund 07)							
Voter-Approved Debt Service	$	7,416,577	$	7,412,325	$	(4,252)	-0.1%
Non-Voter Approved Debt Service	$	1,921,479	$	1,925,322	$	3,843	0.2%
Adjustments and Abatements	$	(464,748)	$	(681,133)	$	(216,385)	46.6%
Debt Service Fund Total Levy	**$**	**8,873,308**	**$**	**8,656,515**	**$**	**(216,793)**	**-2.4%**
Total Property Tax Levy All Funds	**$**	**21,812,818**	**$**	**22,069,666**	**$**	**256,849**	**1.2%**

Levy Comparison and Overview

Key Factors Impacting the Change

Three areas drive the overall change in the proposed levy.

Lease Levy

$129,817
DECREASE

$644,363 2025 Payable 2026 (FY 27)	→	$514,546 2026 Payable 2027 (FY 28)

Adjustments

$300,591
INCREASE

Adjustment Detail by Fund

$542,516	($25,540)	($216,793)
General Fund Increase	Community Ed Decrease	Debt Excess Decrease

Debt Excess

$216,793
DECREASE

$8,873,308 2025 Payable 2026 (FY 27)	→	$8,656,515 2026 Payable 2027 (FY 28)

Total Proposed Levy Increase | **$256,849** | **1.2%** | *Reflects a 1.2% increase from the prior year.*

Budget & Levy Adoption Calendar

Qtr - Yr	Q3 - 2026			Q4 - 2026			Q1 - 2027			Q2 - 2027			Q3 - 2027			Q4 - 2027		
Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Audit		Audit 2025-26												Audit 2026-27				
Levy			Prelim Levy*			Levy Cert**									Prelim Levy*			Levy Cert**
Enrollment				Enrollment												Enrollment		
Budget							2026-27 Revised Budget			2027-28 Adopted Budget							2027-28 Revised Budget	

* **Preliminary Levy Certification:** September of each year

** **Final Levy Certification:** December of each year along with Truth-in-Taxation Hearing

Next Steps

- Board certifies the preliminary levy
- Hold Truth-in-Taxation hearing to present final figures and receive public comment - **November 30, 2026 at 7:00 pm**
- Board adopts the final 2025 Payable 2026 levy on December 14, 2026.

Recommendation

Administration recommends certifying the Preliminary 2026 Payable 2027 Levy at the maximum to ensure the district retains full flexibility before final adoption in December.

Questions?

Headline

Subhead

Text