Preliminary 2026 Payable 2027 Levy Certification

Special School Board Meeting
September 28, 2026

Levy Certification Timeline

July 2026	August 2026	Sept 2026	Oct / Nov 2026	Nov 2026	Dec 2026
LTFM Application Approval (7/31 deadline)	**MDE Submission** Districts submit levy information into MDE system	**Preliminary Levy Approved** **(9/30 deadline)**	**Tax Statements** County mails proposed tax statements to property owners	**Referendums** Districts may hold referendums (operating levies or building bonds)	**Final Approval** Truth in Taxation public hearing **Final Levy approved**

Levy Overview

Payable 2027

Taxes collected from taxpayers in calendar year 2027

1st Half Due

May 15th, 2027

2nd Half Due

October 15th, 2027

Distribution: School districts generally receive their portion 2-3 weeks after collection dates.

School District FY 2027-28

Provides revenue for the district in Fiscal Year 2027-28

Budget Year Begins

July 1st

Fiscal Period

July 2027 – June 2028

Cities, Counties & Townships

Differs from school district fiscal operations

Budget Year Begins

January 1st

Revenue Application

2027 taxes provide revenue for 2027 calendar year

WAYZATA PUBLIC SCHOOLS

Funding is Highly Regulated

MDE / State of Minnesota Establishes Three Key Regulatory Pillars:

Revenue Formulas

Determines Funding Levels

- Establishes formulas to calculate district revenue.
- Most revenue is directly tied to specified dollar amounts per pupil.

Tax Levy Caps

Maximum Authorized Limits

- Districts may choose to levy less than allowed, but not more.
- Exceeding the state cap requires voter approval in November or other state-mandated adjustments.

Voter Referendums

Local Ballot Approval

- State law authorizes local school boards to propose referendums.
- Submits operating & capital funding needs directly to voters for final approval.

Complexity of Property Tax System

39 **Pages of Levy Calculations**

Extensive state-mandated formulas used annually to establish district tax levies.

50+ **Revenue Categories**

Individual state aid and local tax levy funding lines.

2 Property Tax Bases

Calculated using two distinct property valuation methods:

Referendum Market Value (RMV)

Applied to voter-approved operating referendums and select local levies.

Net Tax Capacity (NTC)

Used for all other state funding formulas based on property class rates.

4 Different Funds

Revenue is accounted for in 4 specific accounting funds:

- General Fund
- Community Service Fund
- Debt Service Fund
- OPEB Debt Service Fund
  (not applicable to WPS)

2 Tax Statement Lines

Separated into two distinct categories on property tax statements:

Voter Approved Levies

Levies directly approved by local voters in public referendum elections.

Other Local Levies

State-authorized board levies for facility, tech, and operational needs.

WAYZATA PUBLIC SCHOOLS

What Causes Levies & Property Taxes to Change?

Four Primary Factors Impacting Annual School Tax Levy Calculations:

State Laws & Regulations

Legislative Control

- State funding formulas set by Minnesota Legislature.
- Adjustments to statutory tax levy caps and limits.
- State-mandated tax base classification changes.

Pupil Units & Population

Enrollment Trends

- Changes in weighted student counts (pupil units).
- Shifts in total district population growth.
- Directly impacts per-pupil state aid & revenue calculations.

Property Values & Tax Capacity

Tax Base Valuation

- Fluctuations in local property market values.
- Changes in Net Tax Capacity (NTC) & Referendum Market Value (RMV) bases.
- Shifts tax burden distribution across property types.

Changes in Expenditures

Operational Needs

- Cost updates for programs, staffing & facilities.
- Inflationary impacts on operational costs.
- Voter-approved referendums for capital or operations.

Tax Base Definitions

Referendum Market Value (RMV)

Taxable market value of all taxable property in school district excluding seasonal recreational & agricultural land (there are some other less common classifications that are exempt as well)

Only 4 funding categories are spread against RMV:

- Voter approved levies
  - Operating Referendum
- Other non-voter approved levies
  - Local Optional
  - Equity
  - Transition

Net Tax Capacity (NTC)

Value of property in which property taxes will be levied against for all other school funding formulas

Calculation Formula:

Calculated by multiplying a property's taxable market value by its assigned classification rate (as determined by the Legislature)

Examples: Residential homestead
1.00% first $500,000
1.25% over $500,000

Agricultural homestead
House, garage & one acre: same as residential
Land: 0.50% first $3,500,000
1.00% over $3,500,000

Commercial / Industrial
1.50% first $150,000
2.00% over $150,000

WAYZATA PUBLIC SCHOOLS

Proposed Payable 2027 vs. Final Payable 2026 Levy
All Funds

Fund	Actual Tax Levy Payable in 2026	Proposed Tax Levy Payable in 2027	$ Change	% Change
General	$ 79,920,348.06	$ 85,649,457.41	$ 5,729,109.35	7.17%
Community Service	$ 2,241,134.46	$ 2,578,951.79	$ 337,817.33	15.07%
Debt Service	$ 20,067,061.68	$ 31,970,188.62	$ 11,903,126.94	59.32%
TOTAL	**$ 102,228,544.20**	**$ 120,198,597.82**	**$ 17,970,053.62**	**17.58%**

WAYZATA PUBLIC SCHOOLS

Proposed Payable 2027 vs. Final Payable 2026 Levy

All Funds

	Actual Tax Levy Payable in 2026	Proposed Tax Levy Payable in 2027	$ Change	% Change
By Truth in Taxation Category				
Voter Approved Levies	$ 62,923,825.35	$ 76,513,692.73	$ 13,589,867.38	21.60%
Other Local Levies	$ 39,304,718.85	$ 43,684,905.09	$ 4,380,186.24	11.14%
TOTAL	**$ 102,228,544.20**	**$ 120,198,597.82**	**$ 17,970,053.62**	**17.58%**
By Tax Base				
Referendum Market Value	$ 45,851,690.79	$ 47,203,124.60	$ 1,351,433.81	2.95%
Net Tax Capacity	$ 56,376,853.41	$ 72,995,473.22	$ 16,618,619.81	29.48%
TOTAL	**$ 102,228,544.20**	**$ 120,198,597.82**	**$ 17,970,053.62**	**17.58%**

Proposed Payable 2027 vs. Final Payable 2026 Levy

General Fund

By TNT Category & Tax Base	Actual Tax Levy Payable in 2026	Proposed Tax Levy Payable in 2027	$ Change	% Change
RMV - Voter Approved Levies	$ 34,160,308.70	$ 35,713,010.41	$ 1,552,701.71	4.55%
RMV - Other Local Levies	$ 11,691,382.09	$ 11,490,114.19	$ (201,267.90)	-1.72%
NTC - Voter Approved Levies	$ 12,400,085.89	$ 12,747,594.70	$ 347,508.81	2.80%
NTC - Other Local Levies	$ 21,668,571.38	$ 25,698,738.11	$ 4,030,166.73	18.60%
TOTAL	**$ 79,920,348.06**	**$ 85,649,457.41**	**$ 5,729,109.35**	**7.17%**

Proposed Payable 2027 vs. Final Payable 2026 Levy

Community Service Fund

Funding Category	Actual Tax Levy Payable in 2026	Proposed Tax Levy Payable in 2027	$ Change	% Change
Basic Levy [1]	$ 590,036.70	$ 590,036.70	$ -	0.00%
Early Childhood Family Education [2]	$ 456,731.15	$ 475,777.26	$ 19,046.11	4.17%
Home Visiting	$ 15,735.00	$ 16,125.00	$ 390.00	2.48%
Adults with Disabilities	$ 12,894.87	$ 13,263.71	$ 368.84	2.86%
School Age Care	$ 1,200,000.00	$ 1,250,000.00	$ 50,000.00	4.17%
Abatements & PY Adjustments	$ (34,263.26)	$ 233,749.12	$ 268,012.38	-782.22%
TOTAL	**$ 2,241,134.46**	**$ 2,578,951.79**	**$ 337,817.33**	**15.07%**

(1) *Based on District population*

(2) *Based on District census*

WAYZATA PUBLIC SCHOOLS

Proposed Payable 2027 vs. Final Payable 2026 Levy

Debt Service Fund

Funding Category	Actual Tax Levy Payable in 2026	Proposed Tax Levy Payable in 2027	$ Change	% Change
Debt Service [(1)]	$ 17,472,280.00	$ 29,128,226.00	$ 11,655,946.00	66.71%
Reduction for Debt Excess	$ (0.40)	$ -	$ 0.40	-100.00%
Long Term Facilities Maintenance	$ 2,339,726.00	$ 2,520,856.00	$ 181,130.00	7.74%
Abatements & PY Adjustments	$ 255,056.08	$ 321,106.62	$ 66,050.54	25.90%
TOTAL	**$ 20,067,061.68**	**$ 31,970,188.62**	**$ 11,903,126.94**	**59.32%**

(1) 105% of Principal & Interest Payments

WAYZATA PUBLIC SCHOOLS

Estimated Preliminary 2027 Tax Impact
Residential, Commercial/Industrial and Apartments

	Payable 2026 Final Levy	Payable 2027 Proposed Levy	$ Change	% Change
TOTALS	$102,228,544	$120,198,598	$17,970,054	17.58%

Property Valuation		Estimated Annual School District Property Taxes				
Type of Property	Estimated Market Value	Payable 2026 Final Levy	Payable 2027 Proposed Levy	$ Change	% Change	Estimated $ Change from Referendum
Residential Homestead	$200,000	$782	$878	$96	12.28%	$99
	$300,000	$1,225	$1,381	$156	12.73%	$162
	$400,000	$1,668	$1,885	$217	13.01%	$224
	$500,000	$2,112	$2,389	$277	13.12%	$287
	$600,000	$2,594	$2,941	$347	13.38%	$360
	$650,000	$2,833	$3,216	$383	13.52%	$396
	$700,000	$3,072	$3,490	$418	13.61%	$433
	$800,000	$3,551	$4,038	$487	13.71%	$504
	$900,000	$4,030	$4,586	$556	13.80%	$576
	$1,000,000	$4,508	$5,135	$627	13.91%	$648
Commercial / Industrial *	$100,000	$408	$460	$52	12.75%	$53
	$250,000	$1,089	$1,237	$148	13.59%	$152
	$500,000	$2,283	$2,603	$320	14.02%	$332
	$1,000,000	$4,670	$5,337	$667	14.28%	$691
	$2,000,000	$9,443	$10,803	$1,360	14.40%	$1,408
Apartments	$500,000	$2,393	$2,741	$348	14.54%	$360
	$1,000,000	$4,787	$5,483	$696	14.54%	$720
	$2,000,000	$9,573	$10,966	$1,393	14.55%	$1,440

Key Assumptions:

1. Preliminary Payable 2027 RMV is estimated to increase by approximately 3.25% and NTC is estimated to increase by approximately 4.25% as compared to Payable 2026.
2. Assumes no change in the value of individual parcels of property from 2026 to 2027 taxes. If the value of a parcel is changed, the change in taxes will be different than shown above.
3. Taxes payable in 2027 are based on latest estimates of proposed levy, as of September 21, 2026.

* For commercial/industrial property, the estimates above are for property in the City of Wayzata. The tax impact for commercial/industrial property in other municipalities in the school district my be slightly different due to the varying impact of the Twin Cities Fiscal Disparities program.

WAYZATA PUBLIC SCHOOLS

Recommendation – Approve at Maximum

Fund	Proposed Tax Levy Payable in 2027	% Change
General	$ 85,649,457.41	7.17%
Community Service	$ 2,578,951.79	15.07%
Debt Service	$ 31,970,188.62	59.32%
TOTAL	**$ 120,198,597.82**	**17.58%**

Overall Increases / Decreases from Recent Years:

Final Payable 2025 to Final Payable 2026	**6.13%**
Final Payable 2024 to Final Payable 2025	**4.26%**
Final Payable 2023 to Final Payable 2024	**4.90%**
Final Payable 2022 to Final Payable 2023	**2.63%**
Final Payable 2021 to Final Payable 2022	**2.46%**

Thank You

Trevor Peterson
Executive Director, Finance & Operations