



EDEN PRAIRIE SCHOOLS
Inspiring each student every day

July 25, 2022

To: Dr. Josh Swanson
From: Jason Mutzenberger
Re: Resolution for Operating Levy and Capital Project Levy

Included in the packet is one resolution to revoke the existing operating referendum, approve a new operating referendum, renew the capital project levy, and call the special election for November 8, 2022.

The operating referendum will be to revoke the current operating levy and replace it with a levy that is \$260 per pupil higher, as approved by the school board in May 2022. Over the last few months, the board has had much discussion around the impact of inflation on the total per pupil levy. These numbers have now been adjusted by the Minnesota Department of Education and are reflected within the resolution. Inflation adjusted referendum allowance for fiscal year 2022 will be higher by 7.17% and fiscal year 2023 is expected to increase by 6.07%. This means the district's current referendum allowance will be \$1,815.27 and when adding an additional \$260, the proposed new authorization will be \$2,075.27. The referendum cap allowance has also been adjusted and will now be \$2,110.97, meaning Eden Prairie would remain below the referendum maximum allowance by \$35.70 per pupil.

The tax impact for the operating referendum increase has been calculated by Ehler's at \$7.91/month on the average home in Eden Prairie, valued at \$430,000. In working with Ehler's around the district's long-term financial plan, we expect to lower the tax impact to around \$5.00/month through tax saving measures in our annual tax levy process.

The resolution also contains the capital projects levy renewal and will show the same amounts as presented to the school board in May. The tax rate authorization will be 6.5285470% times the net tax capacity of the school district. The tax impact of this levy renewal will be \$0/month for all taxpayers in the district.

The resolution for approval has been reviewed by both Ehler's, the district's financial advisor and Kennedy & Graven, the district's attorney.