

Preliminary Property Tax Levy Payable 2023

SEPTEMBER 26, 2022

BUFFALO-HANOVER-MONTROSE SCHOOLS

Main Factors Affecting Taxes Payable 2023

Most changes are driven by a decrease in student numbers

- Current levy for Pay 2023
- Adjustments from prior year levy due to enrollment corrections

Change in the levy to aid ratio based on property values per student

Change in debt payments

Student Counts Used for Levy Calculation and Adjustments

	Pay 2021 Levy Calculations		Pay 2022 Levy Calculations		Pay 2023 Levy Calculations	
	2019-2020 Preliminary		2019-2020 Actual		2019-2020 Actual	
	General Ed	Resident	General Ed	Resident	General Ed	Resident
	5,719	6,284	5,719	6,285	5,179	6,285
	6,275	6,894	6,275	6,894	6,275	6,895
	2020-2021 Projection		2020-2021 Preliminary		2020-2021 Actual	
	General Ed	Resident	General Ed	Resident	General Ed	Resident
	5,727	6,407	5,356	5,964	5,431	6,036
ADM Pupil Units	6,284	7,024	5,898	6,566	5,979	6,643
	2021-2022 Projection		2021-2022 Projection		2021-2022 Preliminary	
	General Ed	Resident	General Ed	Resident	General Ed	Resident
	5,710	6,461	5,437	6,394	5,359	6,018
ADM Pupil Units	6,269	7,083	5,979	7,014	5,898	6,627
	2022-2023 Projection		2022-2023 Projection		2022-2023 Projection	
	General Ed	Resident	General Ed	Resident	General Ed	Resident
	5,595	6,293	5,306	6,449	5,344	6,216
ADM Pupil Units			5,832	7,074	5,872	6,827
			2022-2023 Projection		2023-2024 Projection	
			General Ed	Resident	General Ed	Resident
			5,161	6,354	5,245	6,122
					5,754	6,708
					2024-2025 Projection	
					General Ed	Resident
					5,245	6,122

Property Value Changes for Pay 2023

	<u>Values</u>	<u>Dollars Change</u>	<u>Percent Change</u>
Market Value:	\$ 4,105,024,709	\$ 207,968,894	5.34%
Referendum Market Value:	\$ 3,849,886,925	\$ 190,988,150	5.22%
Adjusted Net Tax Capacity:	\$ 47,607,035	\$ 2,444,531	5.41%
Sales Ratio:	93.00%		-0.05%

Referendum Market Value

Referendum Market Value

- Pay 2019 \$2,956,746,130 Increase \$186,861,555 or 6.75%
- Pay 2020 \$3,154,239,325 Increase \$197,493,195 or 6.68%
- Pay 2021 \$3,393,912,150 Increase \$239,672,825 or 7.60%
- Pay 2022 \$3,658,898,775 Increase \$264,986,625 or 7.81%
- Pay 2023 \$3,849,886,925 Increase \$190,988,150 or 5.22%

Referendum Market Value per Weighted Residential Pupil Unit

- Pay 2019 \$428,868 Increase \$28,346 or 7.08%
- Pay 2020 \$480,415 Increase \$51,548 or 12.02%
- Pay 2021 \$483,866 Increase \$3,451 or .72%
- Pay 2022 \$517,206 Increase \$33,340 or 6.89%
- Pay 2023 \$573,959 Increase \$56,752.58 or 10.97%

Levy & Equalization Aid

- Equalization Aid driven by Referendum Market Value(RMV) per Adjusted Pupil Unit (APU)
- Large increase in RMV
- Decrease in APUs
- Increase in RMV per APU

RMV Equalization Levy/Aid – Tier Comparison

	Tier 1 Levy %	Tier 2 Levy %	Tier 3 Levy %
Pay 2019	.47924500	.82693255	1.00
Pay 2020	.79423102	1.00	1.00
Pay 2021	.54453810	.93959516	1.00
Pay 2022	.58773490	.94235928	1.00
Pay2023	.65222606	1.00	1.00

Percentage above is the levy portion

2022 Pay 2023 for Fiscal Year 2023-24

Category	2022 Final Levy	2023 Proposed Levy	Change from Prior Year	Percent Change
General Fund	\$ 11,294,455.40	\$ 13,221,890.43	\$ 1,927,435	17.07%
Community Education	\$ 582,215.59	\$ 661,618.93	\$ 79,403	13.64%
Debt Service	\$ 7,819,538.81	\$ 6,531,416.20	\$ (1,288,123)	-16.47%
Total Certified Levy	\$ 19,696,209.80	\$ 20,414,925.56	\$ 718,716	3.65%

Preliminary Property Tax Levy

Recommendation to approve the Preliminary Payable 2023 Property Tax Levy at the “Maximum”.

Budget and Levy (TNT) Hearing will be held at 7:00 PM during the Regular School Board Meeting on December 12, 2022, located at the Discovery Center Board Room, 214 1st Ave NE, Buffalo, MN.