

**Preliminary  
Tax Levy  
September 2025**



**EDEN PRAIRIE SCHOOLS**

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# Tonight's Outcome

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The school board approves language to allow management to continue working with the Minnesota Department of Education (MDE) to establish levy parameters that will be used in property tax statements distributed in November.

The school board is not setting the tax levy tonight. That will occur on December 8, 2025.



# Property Tax Background

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- Every owner of taxable property pays property taxes for the various “taxing jurisdictions” (county, city or township, school district, special districts) in which the property is located
- Each taxing jurisdiction sets its own tax levy, often based on limits in state law
- County sends out bills, collects taxes from property owners, and distributes funds back to other taxing jurisdictions



# Payable in 2026 Tax Levy

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## Schedule of events in approval of district's Payable 2026 tax levy

- September 8: Dept. of Education prepared and distributed first draft of levy limit worksheets setting maximum authorized levy
- September 22: School board approves proposed levy amounts at the maximum
- Mid-November: County mails “Proposed Property Tax Statements” to all property owners
- December 8: Public hearing on proposed levy
- December 8: Following hearing school board will certify final actual levy amounts



# Overview of Levy Changes

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Fund	Pay 25	Pay 26	\$ Change	% Change
General Fund	\$51,491,388	\$53,929,292	+ \$2,437,904	+ 4.73%
Community Ed	1,314,321	1,363,361	+ \$49,040	+ 3.73%
Debt Service	10,218,815	10,761,241	+ 542,426	+ 5.31%
<b>Total</b>	<b>\$63,024,524</b>	<b>\$66,053,894</b>	<b>+ \$3,029,370</b>	<b>+ 4.81%</b>

Note: These are estimates



# Explanation of Levy Changes

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General Fund	
Category:	Operating Referendum & Local Optional Revenue
Change:	+ \$1,812,418
Use of Funds:	General operating expenses
Reasons for increase:	
	Voter Approved per pupil funding and includes estimated inflation for FY27 of 2.37%.



# Explanation of Levy Changes

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General Fund	
Category:	Career Technical Education (CTE)
Change:	+ \$213,332
Use of Funds:	Salaries, professional development, and student experiences provided by licensed CTE teachers in MDE approved programs.
Reasons for increase:	
	The District obtained additional program approvals for Career Technical Education (CTE) through strategic licensure work, resulted in the increase.



# Explanation of Levy Changes

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General Fund	
Category:	Long-Term Facility Maintenance (LTFM)
Change:	+ \$218,214
Use of Funds:	Deferred capital and maintenance, approved health and safety, increased accessibility to school facilities.
Reasons for increase:	
	Planned investment in Board approved Ten-Year LTFM Plan program expenses.



# Explanation of Levy Changes

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Debt Service Fund	
Category:	Facilities Maintenance Bonds
Change:	+ \$958,247
Use of Funds:	Principal and Interest Payments
Reasons for increase:	
	Planned increase in the principal and interest payments on previous alternative facilities bonds newer long-term facilities maintenance bonds.

# Overview of Levy Changes

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Fund	Pay 25	Pay 26	\$ Change	% Change
Voter Approved	\$ 35,184,227	\$ 36,853,195	+ \$1,668,968	+ 4.74%
Other	<u>27,840,297</u>	<u>29,200,699</u>	<u>+ \$1,360,402</u>	<u>+ 4.89%</u>
<b>Total</b>	<b>\$ 63,024,524</b>	<b>\$ 66,053,894</b>	<b>+ \$3,029,370</b>	<b>+ 4.81%</b>

# Tax Levy Comparisons

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## Local Taxing Jurisdictions Proposed Levies:

- City of EP: 5.6%
- Hennepin County: 7.79%
- Eden Prairie Schools: 4.81%



# Tax Impact

## Eden Prairie Public School District No. 272

September 19, 2025

Property Taxes - Actual for Payable 2025 and Estimates for Payable 2026

		Actual Taxes Payable in 2025	Preliminary Estimate of Taxes Payable in 2026	Estimated Change in Annual Taxes	Estimated % Change
Type of Property	Estimated Market Value	Estimated Annual School District Property Taxes			
Residential Homestead	\$250,000	\$1,004	\$1,044	\$40	4.0%
	350,000	1,444	1,502	58	4.0%
	450,000	1,884	1,959	75	4.0%
	538,100	2,288	2,379	91	4.0%
	559,900	2,391	2,486	95	4.0%
	650,000	2,818	2,929	111	3.9%
	750,000	3,291	3,421	130	4.0%
	850,000	3,764	3,913	149	4.0%

### Key Assumptions:

1. Preliminary Pay 2026 RMV is estimated to change by 1.32% and NTC by 0.82% as compared to taxes payable 2025.
2. Assumes no change in the value of individual parcels of property from 2025 to 2026 taxes. If the value of a parcel changed, the change in taxes will be different than shown above.
3. Taxes payable in 2026 are based on latest estimates of proposed levy, as of the date above.



# Summary

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- Strong enrollment is driving levy increases
- Voter approved operating referendum increased in alignment with enrollment growth and inflationary factor of 2.37%
- Planned principal & interest payments on debt are \$958,247 higher than Pay25
- Property tax impact is 4.81%:
  - \$559,800 home is \$95/year
  - \$350,000 home is \$58/year



# Tonight's Action

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- We propose the school board approve the preliminary levy at the maximum for taxes payable in 2026 for Independent School District #272.



# THANK YOU



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