



Becker Public Schools

Preparing self-directed learners to thrive in a changing global community

Truth in Taxation For Taxes Payable in 2023

December 5, 2022



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Truth in Taxation Law

Two Major Requirements

- 1) Counties must send out “proposed property tax statements” in November, based on preliminary tax levies set by all jurisdictions (counties, cities, townships, school districts, etc.).
- 2) Most taxing jurisdictions must hold a hearing prior to certifying the final levy

**You are here for the
School District’s annual
required hearing**



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Tax Hearing Requirements

- **State law requires that we present information on the current year budget and actual revenues and expenses for prior year**
- **State law also requires that we present information on the proposed property tax levy**
- **District must also allow for public comments**

2021-22 General Fund Results

Fund	6/30/21	Other				6/30/22
	Audited Fund Balance	Revenues & Adjustments	Expenditures	Financing Sources (Uses)	Variance	Audited Fund Balance
General Fund	\$ 3,596,931	\$36,740,811	\$35,984,630	\$ 218,641	\$ 974,822	\$ 4,571,753
Less: Capital Reserves						
Operating Capital	\$ 37,550	\$ 1,837,606	\$ 2,025,827	\$ 228,641	\$ 40,420	\$ 77,970
Long-Term Facilities Maint	\$ 20,592	\$ 1,056,563	\$ 987,734	\$ -	\$ 68,829	\$ 89,421
Total Capital Reserves	\$ 58,142	\$ 2,894,169	\$ 3,013,561	\$ 228,641	\$ 109,249	\$ 167,391
Assigned Fund Balances	\$ 244,095	\$ 841,832	\$ 752,912	\$ -	\$ 88,920	\$ 333,015
Non-Spendable Fund Balances	\$ 238,988	\$ 536,706	\$ 238,988	\$ -	\$ 297,718	\$ 536,706
General Fund Unassigned	\$ 3,055,706	\$32,468,104	\$31,979,169	\$ (10,000)	\$ 478,935	\$ 3,534,641

2021-22 Financial Results (All Funds)

Fund	6/30/21 Audited Fund Balance	Revenues & Adjustments	Expenditures	Other Financing Sources	Variance	6/30/22 Audited Fund Balance
General Fund	\$ 3,596,931	\$36,740,811	\$35,984,630	\$ 218,641	\$ 974,822	\$ 4,571,753
Food Service Fund	\$ 547,862	\$ 2,775,537	\$ 2,044,360	\$ -	\$ 731,177	\$ 1,279,039
Community Service Fund	\$ 259,571	\$ 1,592,931	\$ 1,616,517	\$ 10,000	\$ (13,586)	\$ 245,985
Building Construction Fund	\$ -	\$43,996,557	\$ 3,168,656	\$ -	\$40,827,901	\$ 40,827,901
Debt Service Fund	\$ 614,197	\$ 3,426,490	\$ 3,427,501	\$ -	\$ (1,011)	\$ 613,186
Total All Funds	\$ 5,018,561	\$88,532,326	\$46,241,664	\$ 228,641	\$42,519,303	\$ 47,537,864

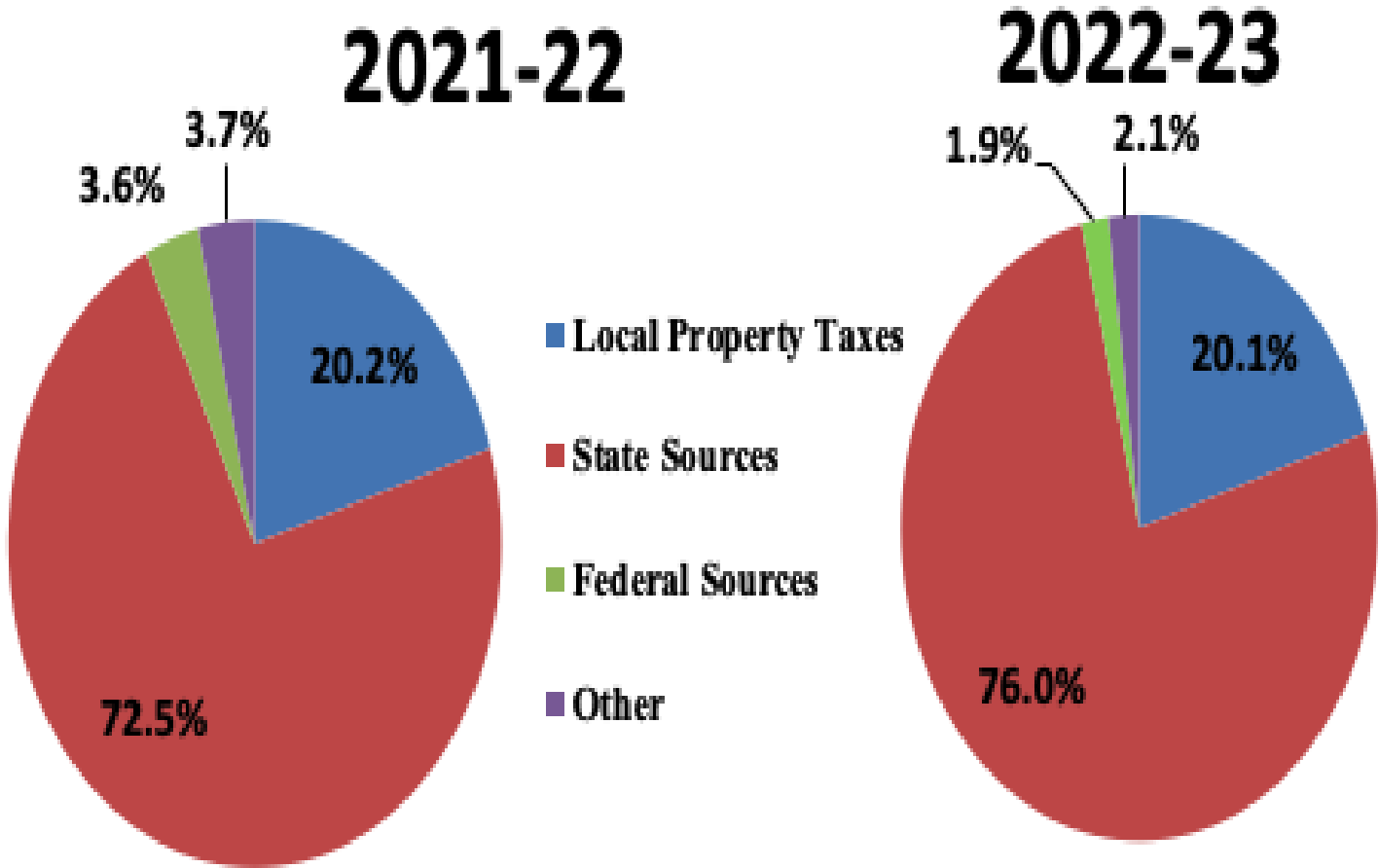
2022-23 General Fund Original Budget

Fund	6/30/22 Audited Fund Balance	Revenues	Expenditures	Other Financing Sources	Variance	6/30/23 Projected Fund Balance
General Fund	\$ 4,571,753	\$ 37,204,296	\$ 37,190,159	\$ -	\$ 14,137	\$ 4,585,890
Less: Capital Reserves						
Operating Capital	\$ 77,970	\$ 1,589,095	\$ 1,587,195	\$ -	\$ 1,900	\$ 79,870
Long-Term Facilities Maint	\$ 89,421	\$ 1,044,725	\$ 1,044,182	\$ -	\$ 543	\$ 89,964
Total Capital Reserves	\$ 167,391	\$ 2,633,820	\$ 2,631,377	\$ -	\$ 2,443	\$ 169,834
Assigned Fund Balances	\$ 333,015	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ 333,015
Non-Spendable Fund Balances	\$ 536,706	\$ 238,988	\$ 238,988	\$ -	\$ -	\$ 536,706
General Fund Unassigned	\$ 3,534,641	\$ 34,081,488	\$ 34,069,794	\$ -	\$ 11,694	\$ 3,546,335

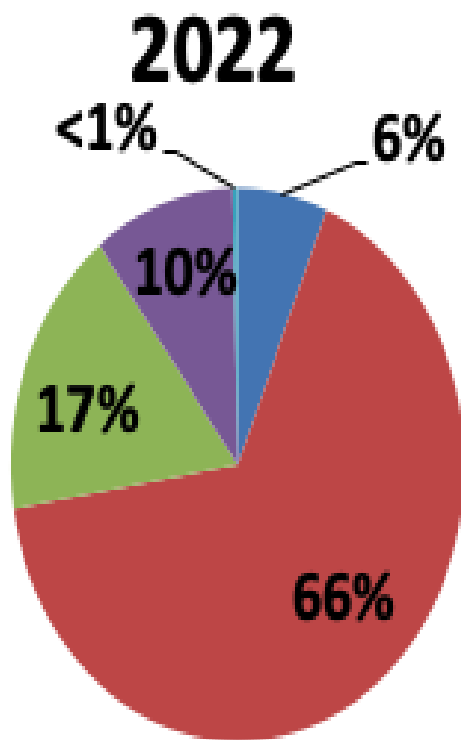
2022-23 Original Budget (All Funds)

Fund	6/30/22 Audited Fund Balance	Revenues & Adjustments	Expenditures	Other Financing Sources	Variance	6/30/23 Projected Fund Balance
General Fund	\$ 4,571,753	\$37,204,296	\$37,190,159	\$ -	\$ 14,137	\$ 4,585,890
Food Service Fund	\$ 1,279,039	\$ 1,551,000	\$ 1,766,912	\$ -	\$ (215,912)	\$ 1,063,127
Community Service Fund	\$ 245,985	\$ 1,603,109	\$ 1,643,530	\$ -	\$ (40,421)	\$ 205,564
Building Construction Fund	\$ 40,827,901	\$ 300,000	\$19,700,000	\$ -	\$ (19,400,000)	\$ 21,427,901
Debt Service Fund	\$ 613,186	\$ 3,949,901	\$ 3,820,440	\$ -	\$ 129,461	\$ 742,647
Total All Funds	\$ 47,537,864	\$44,608,306	\$64,121,041	\$ -	\$ (19,512,735)	\$ 28,025,129

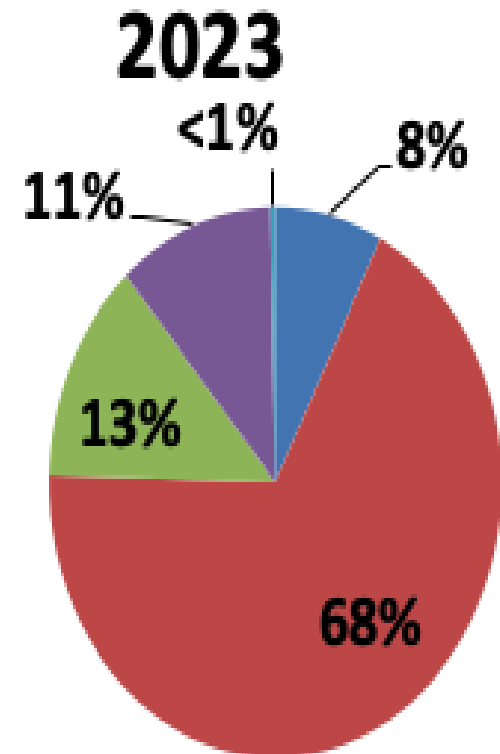
General Fund Revenues



General Fund Expenditures by Program



- Admin and District Support
- Instruction
- Student Support Services
- Maintenance
- Other





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General Education Funding

Formula Allowance

X

Students

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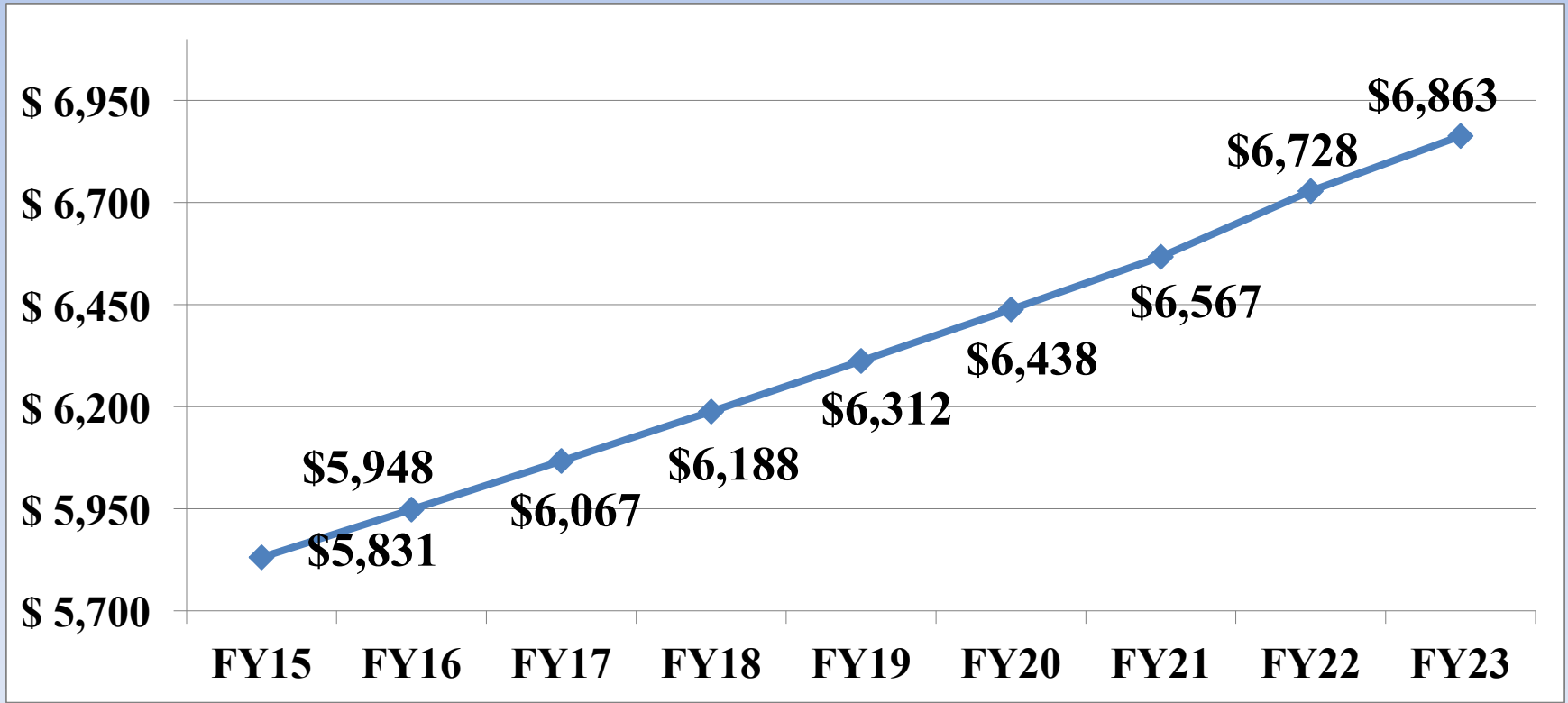
Revenue



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Formula Allowance

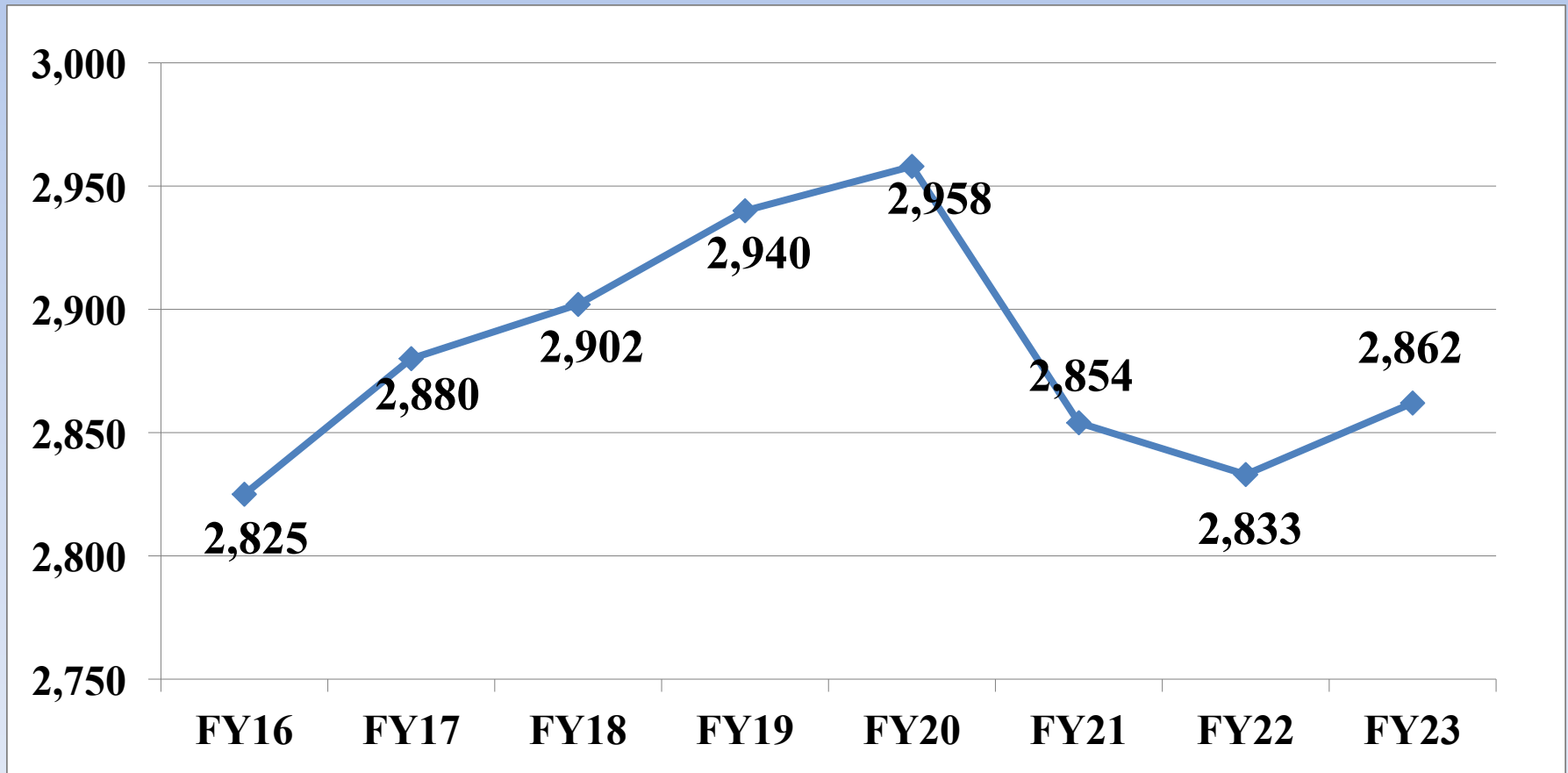




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Becker Students (Oct 1)





How Are Levy Amounts Determined?

- **Legislature** sets formulas in statute to determine levy limits.
- **Mn Dept of Ed** calculates levy limits for each District, based on these formulas.
- **Board of Education** adopts proposed levy in September; final levy cannot exceed this, except for voter-approved levies.

Payable 2023 Proposed Levy All Funds

	ACTUAL 2021 PAY 2022	PROPOSED 2022 PAY 2023	DOLLAR DIFFERENCE	% Change
General Fund	\$ 7,394,628	\$ 7,936,185	\$ 541,557	7.32%
Community Education Fund	218,612	219,716	1,104	0.51%
Debt Service Fund	<u>3,828,827</u>	<u>3,820,995</u>	<u>(7,832)</u>	-0.20%
TOTAL PROPOSED LEVY	\$ 11,442,067	\$ 11,976,896	\$ 534,829	4.67%

General Fund Levy Changes

Overall change is \$541,557 increase

- **Reemployment Levy** decreased by \$132,890. Result of over levy in previous year and state paying most of reemployment expenses.
- **Operating Referendum Levies** increased by \$594,524 due to inflationary increase allowed and the state aid portion of total per student allowance decreasing.
- **Long Term Facilities Maintenance Levy** increased by \$82,249 due the state lowering aid portion of revenue.
- **Building Lease Levy** decreased by \$23,953, result of Becker District share of special education coop building costs adjustment.
- **Annual OPEB Levy** decreased by \$12,443 due to less retirees insurance costs.
- **All other General Fund levies (7 categories)** increased by \$34,070; mostly the result of enrollment adjustments.

Community Ed Levy Changes

Overall change is \$1,104 increase

- **Early Childhood levy** increased \$4,463 as a result of increased population.
- **Other Community Ed levies** decreased by \$3,359 combined.

Debt Service Levy Changes

Overall change is \$7,832 decrease

- **Reduction for Debt Excess Levy** decreased levy by \$11,534 from the excess fund balance in the Debt Service fund.
- **All other debt service levies** increased by \$3,702.

How is MY Property Tax Determined?

1. **County Assessor** determines market value for each parcel of property.
2. **MN Legislature** sets formulas for Tax Capacity. These formulas determine how the tax burden is split on different types of property (residential, commercial, ag, etc.).
3. **County Auditor** calculates the tax capacity for each parcel based on steps 1 & 2.
4. **County Auditor** divides the total levy by total tax capacity of the District to determine tax rate needed. Tax Rate is multiplied by each property's tax capacity*.

* Certain Levies are spread based on the Market Value rather than the tax capacity.

Who can I contact for answers?

Questions regarding District Specific Levy:

Kevin Januszewski, Director of Business Services – Becker Public Schools

kjanuszewski@isd726.org

(763) 261-4502

Questions regarding your Property Value:

Sherburne County Assessor's Office

assessor@co.sherburne.mn.us

(763) 241-2880



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Any Questions?

