



EDEN PRAIRIE SCHOOLS
Inspiring each student every day

September 25, 2023

To: Dr. Josh Swanson, Superintendent
From: Jason Mutzenberger, Executive Director of Business Service
Re: Preliminary Tax Levy

Dear Superintendent Swanson,

Eden Prairie Schools, along with all school districts across the state continue to work with the Minnesota Department of Education (MDE) on the preliminary levy certification. At the time of this memo, we are still waiting for final numbers from MDE.

The levy is not final at this point, and we are asking the school board to approve this preliminary levy at the 'maximum.' This is a customary practice among school districts and is recommended by MDE to allow the Business Office to continue working with the Department to finalize the amounts that will appear on truth in taxation notices in November.

The preliminary levy for taxes payable in 2024 is required to be school board approved by September 30th and we will provide numbers and comparative data at the September 25th board meeting. We do know there will be a levy increase due to a few items:

- The real estate market increase we've experience over the last couple of years continues to drive increases to the capital project levy (technology levy). The increase for Pay 2024 is \$1.3 million.
- The operating referendum passed by the community in November 2022 includes an inflationary adjustment, this year of 2.57%, which generates a levy increase of approximately \$700,000.
- The legislature increased funding for the community education basic levy, which generates an additional \$56,000.
- The principal and interest payments on the school district debt are \$667,000 higher than the previous year, as scheduled and planned for in the long-term financing plan for the district.

The combination of these items will result in an overall levy increase for Eden Prairie Schools. Specific details will be presented at the board meeting on September 25th.

At the September 25th School Board meeting, we propose the school board approve the preliminary tax levy at the maximum for taxes payable in 2024 for Independent School District #272.