

Bemidji School District  
Truth In Taxation  
Taxes Payable 2020

December 16, 2019

Presented by:

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Director of Business Services

# AGENDA

- Current Budget Discussion
- Taxes Payable 2020
- Public Comment

# PART 1

- “Current” Budget Discussion

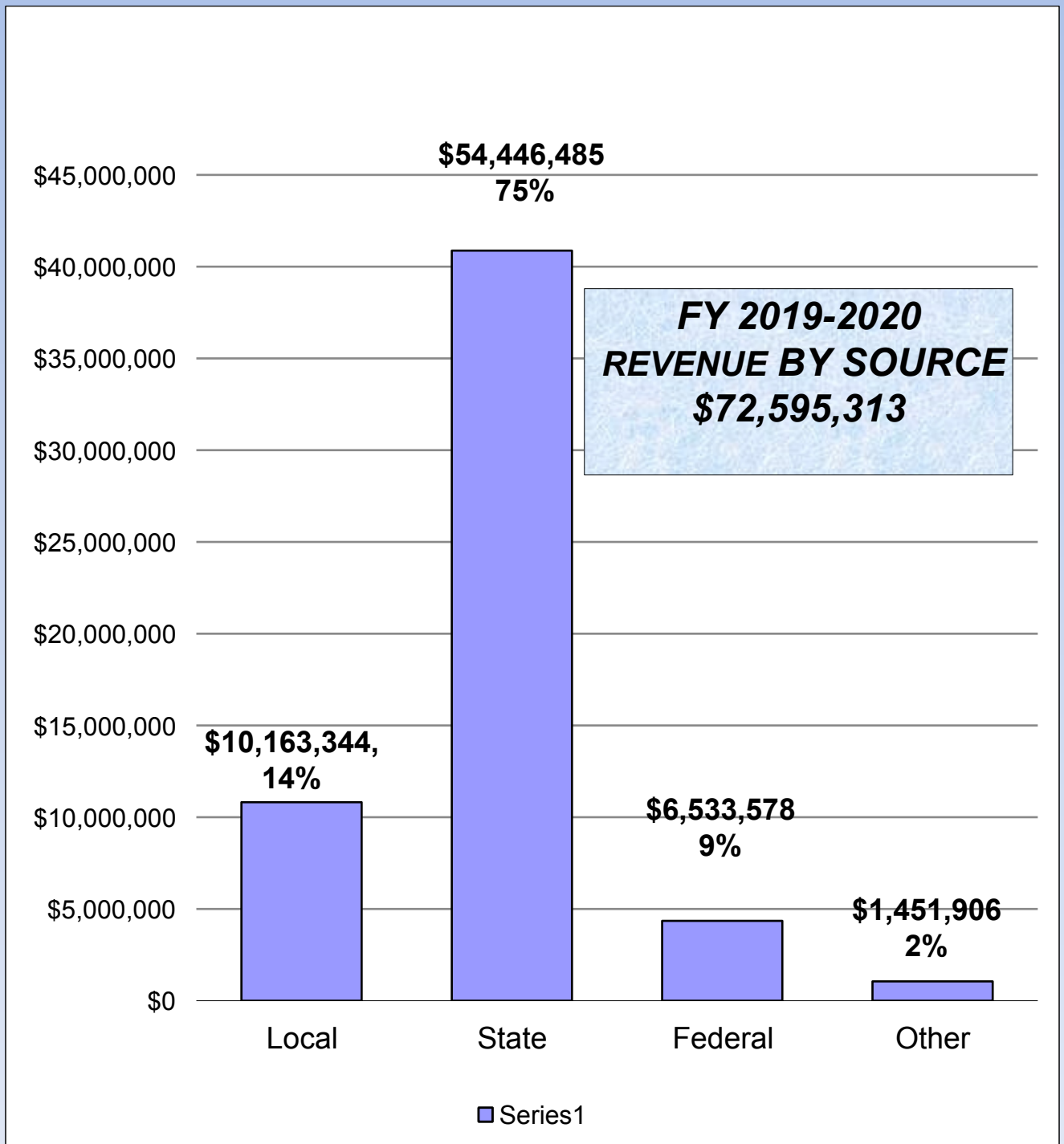
**Audit Budget      FY 2018-2019**

**Current Budget    FY 2019-2020**

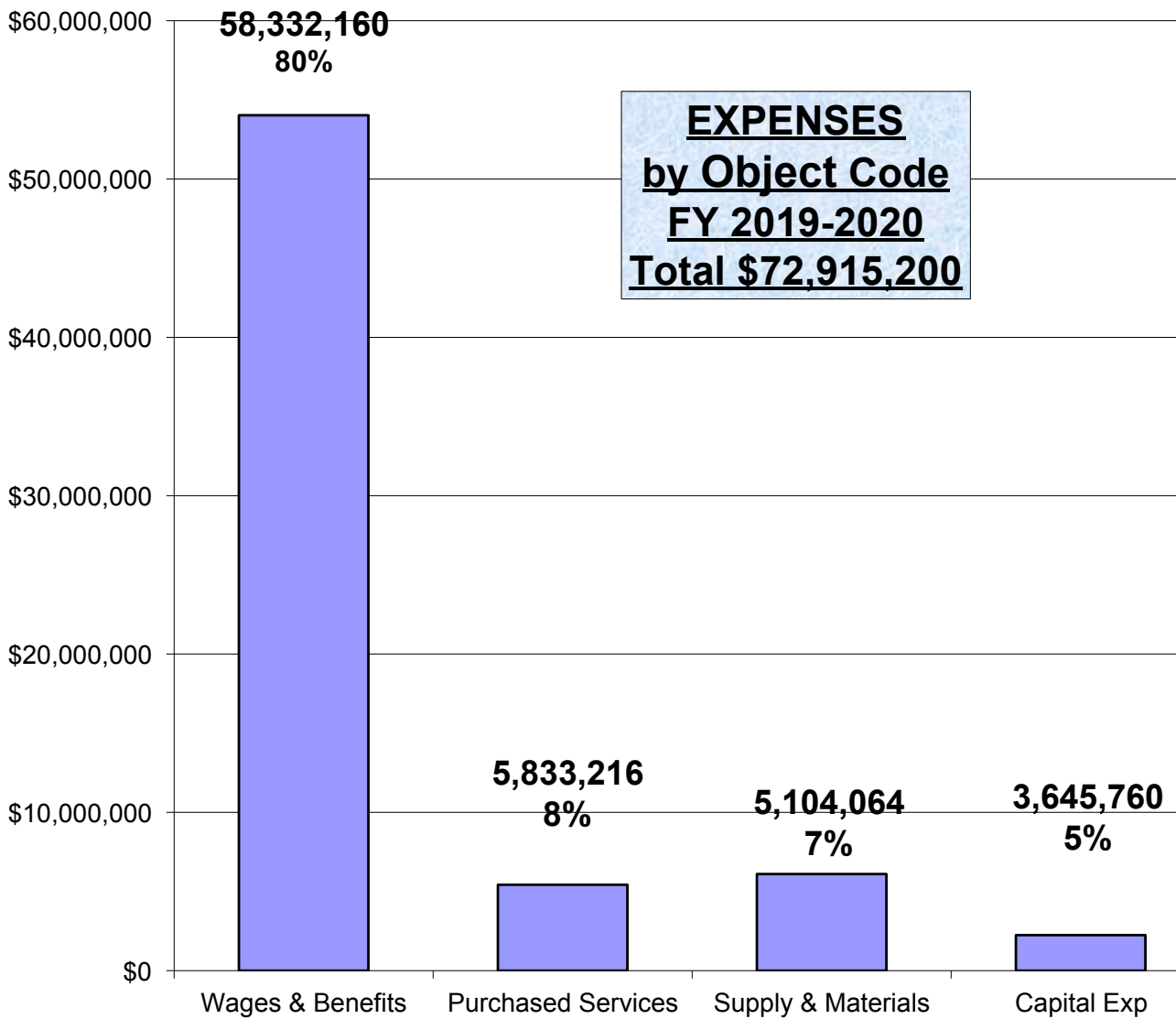
**Levy Budget        FY 2020-2021**

|                              |                   |  | <b>BEMIDJI AREA SCHOOLS</b> |                   |                   |                    |                   |
|------------------------------|-------------------|--|-----------------------------|-------------------|-------------------|--------------------|-------------------|
|                              |                   |  | <b>BUDGET 2019-2020</b>     |                   |                   |                    |                   |
|                              |                   |  | <b>Adopted 6/17/19</b>      |                   |                   |                    |                   |
|                              |                   |  | PROJECTED                   | PROJECTED         | PROJECTED         | PROJECTED          | PROJECTED         |
|                              |                   |  | Beginning Balance           | Revenue           | Expenditures      | Surplus/Deficit    | Ending Balance    |
| General Fund                 | General Operation |  | 7/1/2019                    | 2019-2020         | 2019-2020         | 2019-2020          | 6/30/2020         |
| Fund 01                      | General           |  |                             | 54,101,595        | 53,988,274        | 113,321            |                   |
| Fund 10                      | Special Schools   |  |                             | 1,872,224         | 1,556,203         | 316,021            |                   |
| Fund 20                      | Federal Programs  |  |                             | 3,410,652         | 3,440,839         | (30,187)           |                   |
| <b>GFGO Total</b>            |                   |  | <b>7,643,096</b>            | <b>59,384,471</b> | <b>58,985,316</b> | <b>399,155</b>     | <b>8,042,251</b>  |
| Fund 03                      | Transportation    |  | (395,529)                   | 4,132,584         | 4,795,034         | (662,450)          | (1,057,979)       |
| Fund 05                      | Capital Projects  |  | 3,256,993                   | 3,373,951         | 3,370,248         | 3,703              | 3,260,696         |
| <b>General Fund Total</b>    |                   |  | <b>10,504,560</b>           | <b>66,891,006</b> | <b>67,150,598</b> | <b>(259,592)</b>   | <b>10,244,968</b> |
| Fund 02                      | Food Service      |  | 277,322                     | 3,348,502         | 3,558,269         | (209,767)          | 67,555            |
| Fund 04                      | Community Service |  | 637,568                     | 2,355,805         | 2,206,333         | 149,472            | 787,040           |
| <b>Operating Funds Total</b> |                   |  | <b>11,419,450</b>           | <b>72,595,313</b> | <b>72,915,200</b> | <b>(319,887)</b>   | <b>11,099,563</b> |
| Fund 06                      | Construction      |  | 1,556,375                   | 20,000            | 1,500,000         | (1,480,000)        | 76,375            |
| Fund 07                      | Debt Service      |  | 3,562,262                   | 4,790,759         | 4,786,238         | 4,521              | 3,566,783         |
| OPEB                         | Debt Service      |  | 395,514                     | 432,355           | 764,021           | (331,666)          | 63,848            |
| OPEB                         | Trust             |  | 2,536,056                   | 541,983           | 446,536           | 95,447             | 2,631,503         |
| <b>All Funds Total</b>       |                   |  | <b>19,469,657</b>           | <b>78,380,410</b> | <b>80,411,995</b> | <b>(2,031,585)</b> | <b>17,438,072</b> |

# Bemidji School District Revenue Operating Budget



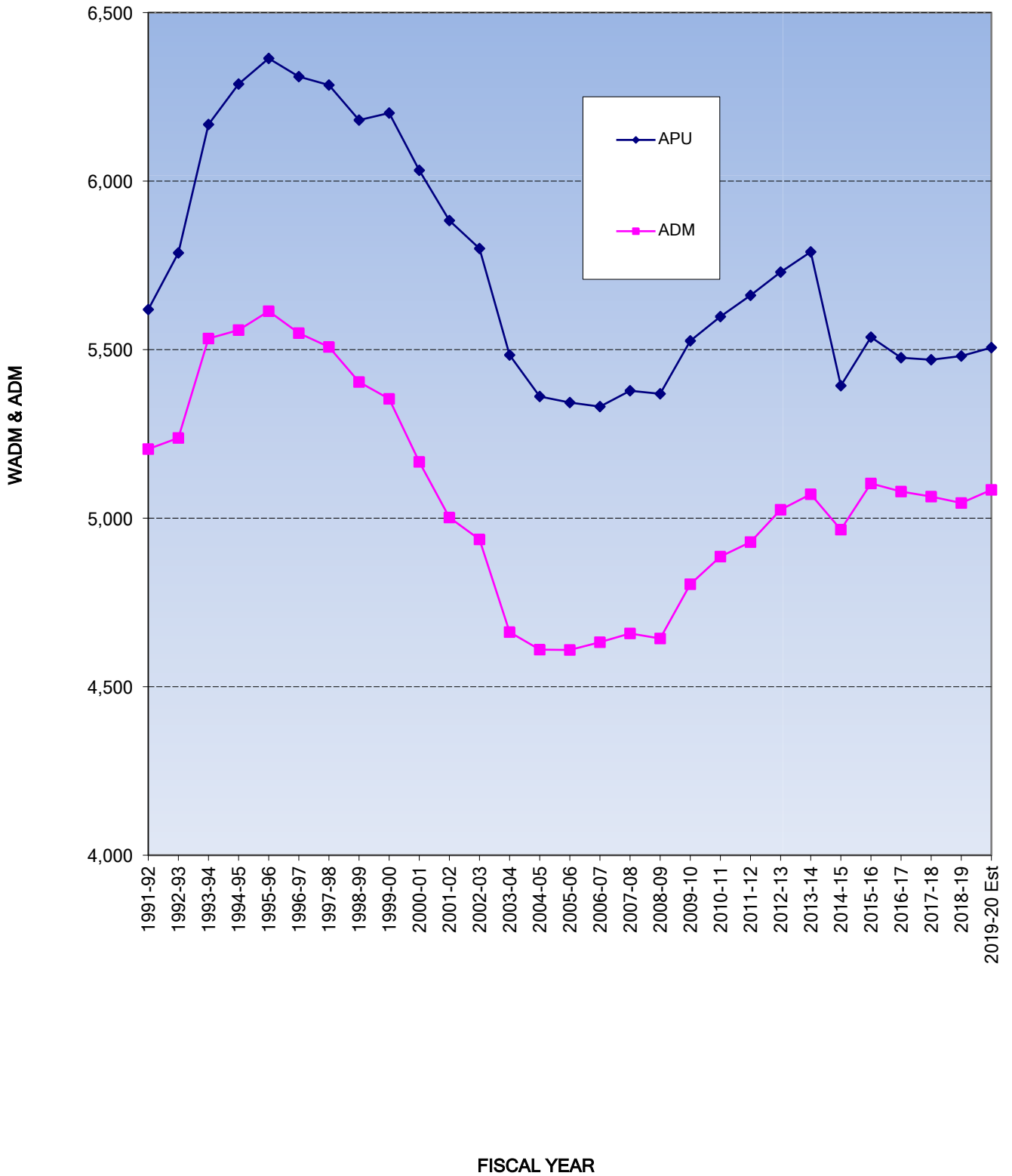
# Bemidji School District Expense Operating Budget



# BUDGET HIGHLIGHTS

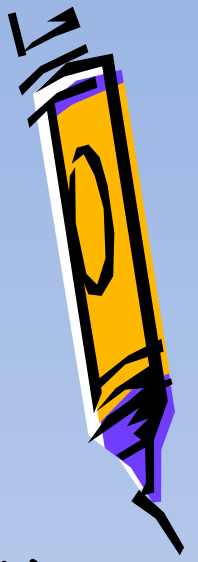
- General Fund projected deficit of \$259,592. State aid increase of 2% plus prior referendum approval continue to help offset contract inflation.
- Transportation cross subsidy continues despite legislative progress paying for 18% of operating deficit.
- Food Service deficit of \$209,767 continues a shift from free to reduced priced lunch counts and will erase much of the Food Service ending fund balance.
- Debt Service surplus of \$4,521 incorporates a required levy of 105% of anticipated payments.
- \$1,500,000 for GDES not part of Operating budget. Remaining funds will be fully spent in the 2019-2020 fiscal year.

**AVERAGE DAILY MEMBERSHIP & WEIGHTED ADM -STATE AID - Pre K thru 12  
AS OF 10/1/19**





# Enrollment History



- Highest ADM = 5,614 (1996)
- Lowest ADM = 4,610 (2006)
- Current ADM=5,045 (2019)



# PART 2

- **PROPOSED PAYABLE  
2020 LEVY for FY2021**

# TAX LEVY PROCESS

- State Sets Levy Procedures
- MDE & Dept of Revenue
  - Determine Property Valuations
  - Set Tax Levy Limitations
- School Board Taxing Authority
  - State or Voters ONLY
- Variables Effecting Taxes
  - Tax Classification Rates
  - Valuation Changes
  - “Equalization” Formulas
  - Voter and Board Referendum

# Tax Levy History

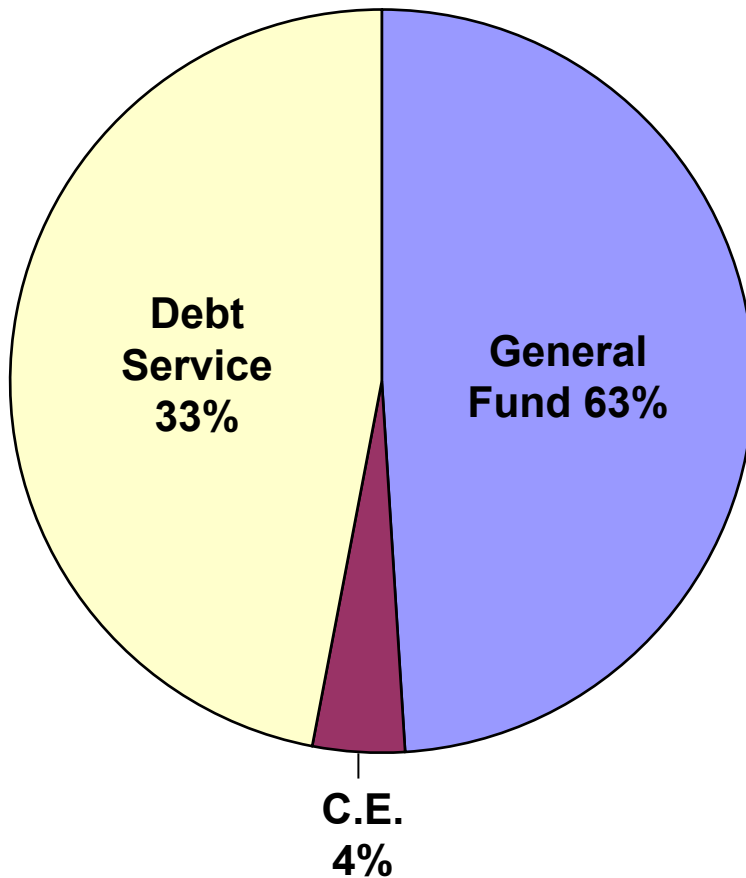
- 2001 \$10,601,071
- 2002 \$4,420,735
- 2003 \$4,942,799
- 2004 \$6,353,306
- 2005 \$6,985,531
- 2006 \$7,611,367
- 2007 \$8,194,299
- 2008 \$8,618,289
- 2009 \$8,838,599
- 2010 \$9,006,564
- 2011 \$8,997,036
- 2012 \$8,997,036
- 2013 \$9,199,625
- 2014 \$8,509,243
- 2015 \$9,144,991
- 2016 \$9,865,533
- 2017 \$10,845,871
- 2018 \$11,235,416
- 2019 \$11,036,588\*
- 2020 \$10,639,023\*

# PROPOSED TAX LEVY 2020

- Prior Year Levy                    \$11,036,588
- Current Authority                \$10,639,023
- Proposed Levy                    \$10,639,023
- Levy Change                      \$ -397,565
- **Percent Change                    -3.60%**

# Bemidji School District Pay 2020 Levy

**2020  
Levy Breakdown  
\$10,639,023**



# Changes in Levy

- General Fund RMV Levy is down \$40,476 on a total levy of \$4,385,740
  - Legislative transitions between Board Approved and Local Option Levies are offsetting each other.
- General Fund NTC levy is down by \$142,377 on a total levy of \$2,381,177 – This reduction is due to the discontinuance of a lease paying for the vacated County Collaborative space.
- Debt Service NTC Levy is down by \$214,604 on a total levy of \$3,474,850 due to the crossover savings between the retired High School/Lincoln Bonds and the New Gene Dillon Bonds.

# PROPOSED LEVY AND CHANGE

|                         |                    |               |
|-------------------------|--------------------|---------------|
| • General Fund          | \$6,766,918        |               |
| • Community Ed          | \$ 397,253         |               |
| • Debt Service          | <u>\$3,474,250</u> |               |
| • Total Levy            | \$10,639,023       |               |
| • Change from 2019      | \$ -397,565        |               |
| • <u>Percent Change</u> |                    | <u>-3.60%</u> |



**PART 3**

**PUBLIC COMMENT**