

**BEMIDJI AREA SCHOOLS  
BEMIDJI, MINNESOTA**

**DATE: DECEMBER 15, 2014**  
**TO: BOARD OF EDUCATION**  
**FROM: CHRIS J. LEINEN, DIRECTOR OF BUSINESS SERVICES**  
**SUBJECT: 2014 PAYABLE 2015 LEVY CERTIFICATION**

**HISTORY**

In 2010 our tax levy was \$9,006,564 compared to the recommended levy for 2015 of \$9,144,991. This represents an increase of \$138,427 over five years or an average annual increase of 0.31%.

**BASELINE KNOWLEDGE**

The local property tax levy is set by the school board in 2014, paid by taxpayers in 2015 and booked as revenue to the school district in FY 2015-2016. This means we are determining future revenues today.

Generally, major changes in the levy amounts from year to year are due to changes at the state legislative level or voter approved bonds and referendums. This year the legislature made major changes in the Voter Referendum, Local Option and Board Approved Referendum categories. There has been a major shift in our tax levy from “voter approved” levies to “other local” levies. This is due to the legislature adding a new formula called Local Option Revenue and subtracting a like amount from our existing Voter Approved Referendum levy. Additionally, we have passed \$300 per pupil in Board approved referendum levy to maximize the matching state aid available to our school district.

Health and Safety Levy is the area we have historically under levied and this levy will continue that practice in the amount of \$1,050,675.18.

**OVERALL SUMMARY**

Our levy limitation increased by \$840,165.35 from \$9,355,623.61 to \$10,195,788.96 which is an increase of 8.98%.

The recommended levy limitation is \$9,144,991.03 which is an increase of \$635,747.58 or 7.47% from last year’s actual spread levy.

**ACTION:**

The motion was offered by \_\_\_\_\_, seconded by \_\_\_\_\_ and carried ( ) to approve the 2014 Pay 2015 Levy Limit at \$9,144,991.03.