



School Board Levy Update

August 23, 2018





Referendum Necessity

Based on significant study and resulting budget adjustments, the Board passed a unanimous resolution to call for a special election and referendum on May 24, 2018



Purpose of Levy Update

The purpose of this presentation is for the district administration to

- provide context for the levy, and
- convey communication efforts underway to inform citizens of its impact.



The Five Key Questions About The Levy

1. Why are we asking for the levy?
2. What are we asking?
3. What happens if the levy passes?
4. What happens if it fails?
5. How and when do you vote?





Why are we asking for the levy?

- The State is not meeting its obligation to fund Minnesota schools and this lack of funding impacts the budgeting decisions in our school district.
- Mahtomedi Schools made \$1.6M in budget adjustments (\$1.1M in expenditure reductions and staffing and enrollment adjustments) for the 2018-19 school year.



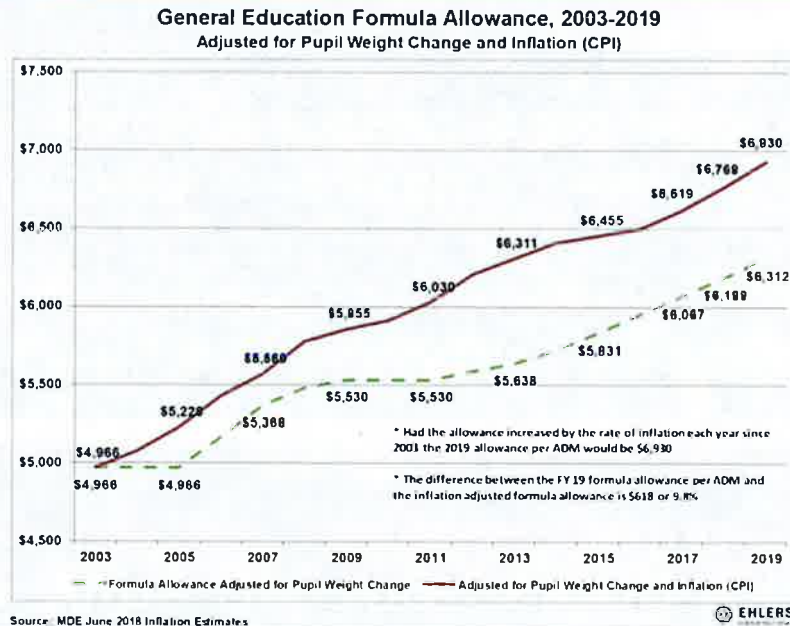


The Impact of Inadequate State Funding

Structural Deficit: State Aid vs. Inflation

The general education state aid funding formula as determined by the legislature is the primary revenue source for Minnesota school districts.

In Mahtomedi, over 70% of our general education revenue comes from the State of Minnesota.

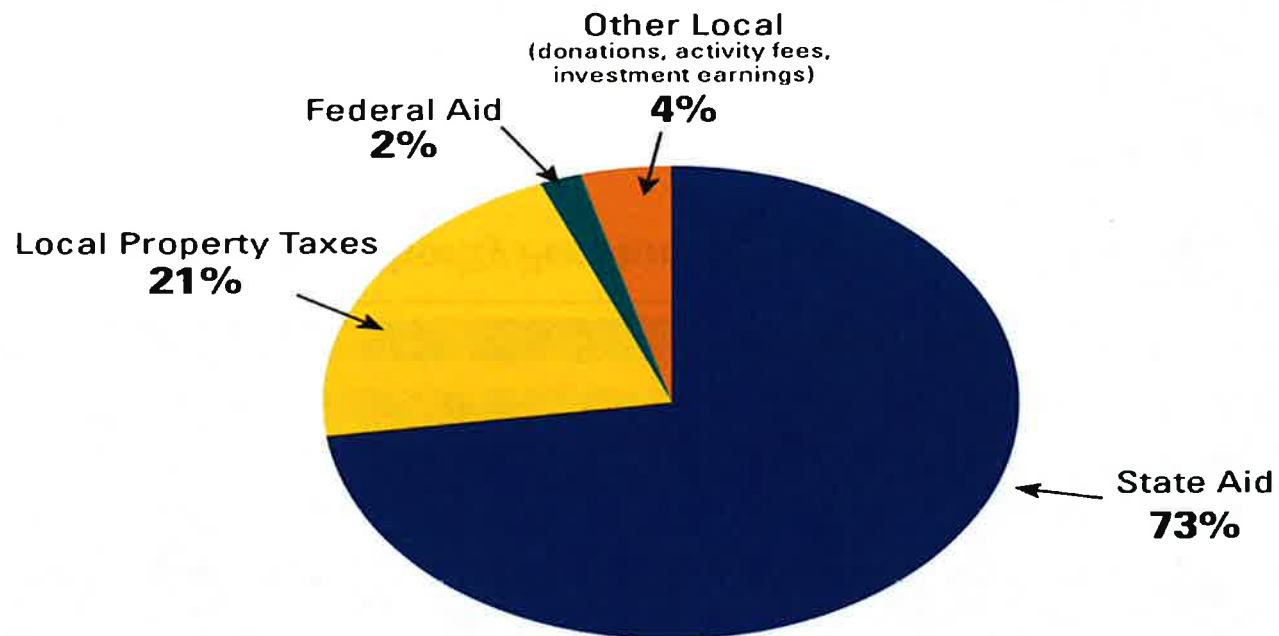


Basic education revenue is the primary source of general operating funds for school districts.

The basic funding formula would be \$618 per pupil higher today if it had simply kept up with inflation.

Where does our revenue come from?

General Fund Revenue Sources

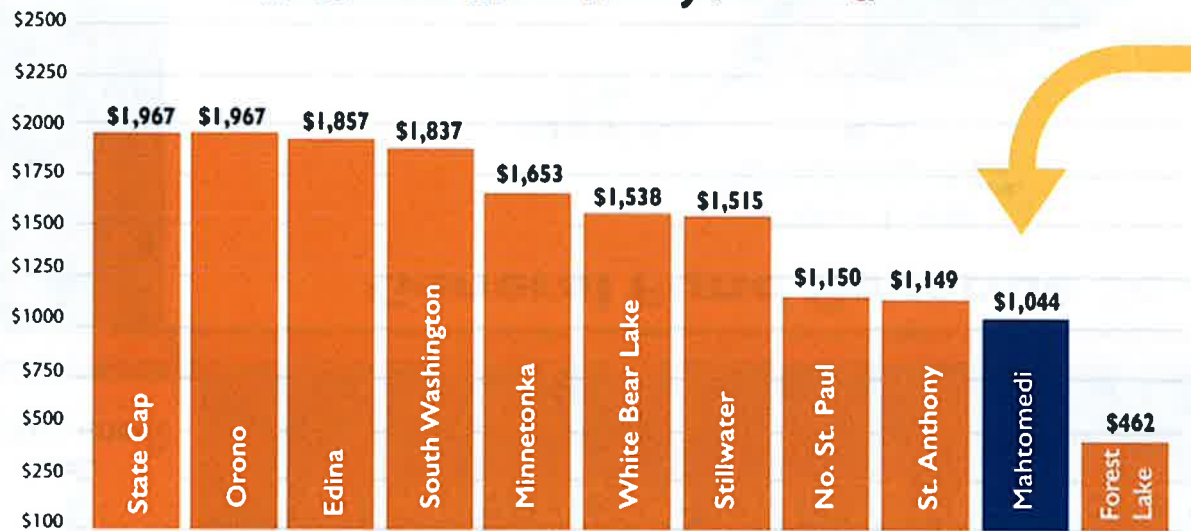




Competitive Local Partnership

Mahtomedi Schools has a tradition of community support in a small & caring environment.
We need a competitive referendum authority to offer high-quality programs.

Referendum Authority Per Student

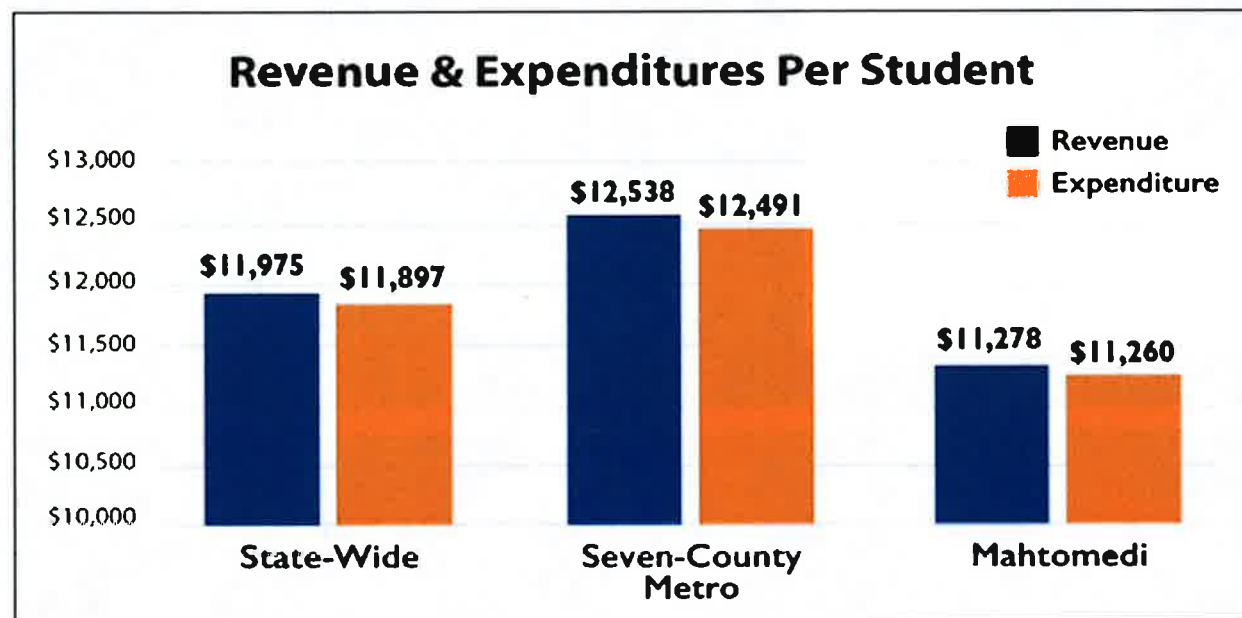


Source: Minnesota Department of Education. Minnesota Funding Reports

How do we compare to other districts?
Increasing the authority increases our ability to offer the high-quality programming and support to our students that our community expects.



Mahtomedi Schools Spend & Receive Less Than Other Districts



Source: Minnesota Department of Education. Minnesota Funding Reports

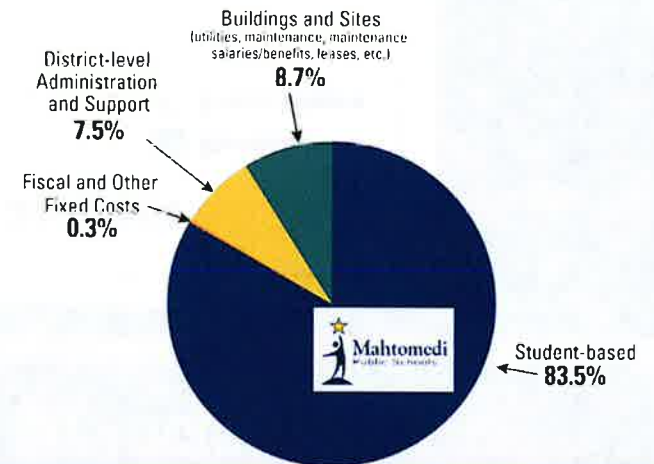


Where Does Money Go in Our District?

In District 832, approximately 83% of our general fund expenditures are spent on student-based areas of elementary and secondary instruction, student support, counseling and guidance, curriculum development, and district transportation.

When 83% of our expenditures are spent on student-based needs, it means we are doing a great job of focusing expenditures on kids!

General Fund Expenditure Uses by Program





What Are We Asking?

Innovative Tiered Approach

In a tiered approach, the taxpayer's impact is broken into three budget changes instead of asking for a large amount all at once. The levy question asks voters to pay for the increase incrementally over time to correspond to incremental changes in school district budget costs including, teacher salaries, health care, and operations.

The average referendum market value of a residential home in the Mahtomedi School District is approximately \$350,000. On an average price home, the tax impact is \$159 or approximately \$13 per month in 2019, 2022, and 2025. A tax impact calculator <https://www.mahtomedi.k12.mn.us/page/3335> is on our web page, and it allows homeowners to plug in their home's estimated market value to see the tax impact.



Revoke and Replace (2014 operating levy expires in 2024) Tiered Payment Structure



Mahtomedi Average Referendum Market Value	Current Voter Approved Authority	Voter Approved Authority 2019-21	Change	Voter Approved Authority Taxes Payable 2022-24	Change	Voter Approved Authority Taxes Payable 2025-28	Change
\$350,000	\$428.90	\$588.21	\$159.31	\$746.79	\$158.59	\$905.38	\$158.59
Monthly Change			\$13.27		\$13.21		\$13.21



Tier 1: \$159
change in
2019



Tier 2: \$159
change in
2022



Tier 3: \$159
change in
2025



District Revenue Impact

(Different Than Taxpayer Impact)

The current voter-approved authority is
\$743.74 per pupil unit (student).

If the levy passes, this amount will be revoked and replaced with

- \$1,020 in taxes payable in 2019-2021,
- \$1,295 in taxes payable 2022-24, and
- \$1,570 in taxes payable 2025-28.



Voter Approved Authority Vs. Referendum Authority

Voter-approved authority is \$743.74 per pupil unit (student).
Referendum authority is \$1,043.74 per pupil unit (student). Voter-
approved authority \$743.74 + \$300 School Board Controlled
= \$1,043.74 Referendum Authority





Ballot Language

This amount is the district revenue impact/revenue per pupil unit (student) and not the voter's tax impact.

Revoking Existing Referendum Revenue Authorization;
Approving New Authorization

The board of Independent School District No. 832 (Mahtomedi), Minnesota has proposed to revoke the School District's existing voter approved referendum revenue authorization of \$743.74 per pupil and to increase its general education revenue by the following amounts for taxes payable in the years specified:

\$1,020 per pupil for taxes payable in 2019 through 2021

\$1,295 per pupil for taxes payable in 2022 through 2024

\$1,570 per pupil for taxes payable in 2025 through 2028

The proposed new referendum revenue authorization would be applicable for ten (10) years unless otherwise revoked or reduced as provided by law.

Shall the revocation of the existing voter approved referendum authorization and the increase in the general education revenue proposed by the board of Independent School District No. 832 (Mahtomedi), Minnesota be approved?

PASSAGE OF THIS REFERENDUM WILL RESULT IN AN INCREASE IN YOUR PROPERTY TAXES.



What Happens if the Levy Passes?

If the levy passes, our priorities include:

- Reducing class sizes district-wide;
- Enhancing academic programming;
- Strengthening the safety and security of our buildings; and
- Building financial stability through deficit reduction.



What Happens if the Levy Fails?

If the levy fails, we will need to:

- Increase class sizes;
- Reduce program offerings; and
- Reduce staff.



How and When To Vote?

The election is November 6, 2018.

Voters can do early voting via absentee ballot in person or mail. Ballots are available starting September 21.

You can [register for a ballot now](#) and it will be sent to you via mail and you can send it back via mail or drop it off in person (Cottage Grove Service Center, Headwaters Service Center, Washington County Government Center, Woodbury Service Center, and Oakdale City Hall) after September 21.



Open Enrollment

One of the BIGGEST reasons people choose an area to live = **Quality of Schools!**

- Open enrollment for the 2018-19 school year is closed. We will begin taking open enrollment applications for the 2019-20 school year on September 4, 2018.
- Strong schools support strong communities the same way strong communities support strong schools.
- Open enrollment affords students curricular and extracurricular opportunities that otherwise wouldn't be provided.

Open Enrollment Challenges

Setting enrollment target -- once granted it lasts until 12th grade.

Account for residential movement in/out



How Are We Communicating About the Levy?

Video: <https://app.frame.io/r/54e8b758-5cf2-4f88-8eb9-02a9be39b4f1>

Web Page: <https://www.mahtomedi.k12.mn.us>

Mailed Information to Residents

Printed Information at Events and Meetings

Emailed Information

Social Media

Staff and Key Communicators

Community Events and District Community Meetings



Community Meetings

Tuesday, September 25 at 6:30 pm at O.H. Anderson: Flex Space

Wednesday, October 3 at 10:30 am at the District Center: Room 103

Monday, October 8 at 6:30 pm at the Middle School: Media Center (Room 209)

Monday, October 15 at 6:30 pm at Wildwood: Media Center (Room 2100)

Monday, October 29 at 6:30 pm at the High School: Media Center (Room 1050)



Future Questions?

[Ask a Question](#) page on the levy website