



Becker Public Schools

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

Truth in Taxation For Taxes Payable in 2022

December 6, 2021



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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**

2020-21 General Fund Results

Fund	6/30/20	Other				6/30/21
	Audited Fund Balance	Revenues & Adjustments	Expenditures	Financing Sources	Variance	Audited Fund Balance
General Fund	\$ 1,345,218	\$37,081,692	\$34,967,808	\$ 137,829	\$2,251,713	\$ 3,596,931
Less: Capital Reserves						
Operating Capital	\$ 22,531	\$ 1,525,609	\$ 1,759,419	\$ 248,829	\$ 15,019	\$ 37,550
Long-Term Facilities Maint	\$ 1,250	\$ 1,018,764	\$ 999,422	\$ -	\$ 19,342	\$ 20,592
Total Capital Reserves	\$ 23,781	\$ 2,544,373	\$ 2,758,841	\$ 248,829	\$ 34,361	\$ 58,142
Assigned Fund Balances	\$ 234,192	\$ 195,940	\$ 186,037	\$ -	\$ 9,903	\$ 244,095
Non-Spendable Fund Balances	\$ 447,815	\$ 238,988	\$ 447,815	\$ -	\$ (208,827)	\$ 238,988
General Fund Unassigned	\$ 639,430	\$34,102,391	\$31,575,115	\$ (111,000)	\$2,416,276	\$ 3,055,706

2020-21 Financial Results (All Funds)

Fund	6/30/20	Other			6/30/21	
	Audited Fund Balance	Revenues & Adjustments	Expenditures	Financing Sources	Variance	Audited Fund Balance
General Fund	\$ 1,345,218	\$37,081,692	\$34,967,808	\$ 137,829	\$2,251,713	\$ 3,596,931
Food Service Fund	\$ 118,412	\$ 2,078,855	\$ 1,649,405	\$ -	\$ 429,450	\$ 547,862
Community Service Fund	\$ 178,086	\$ 1,355,510	\$ 1,385,025	\$ 111,000	\$ 81,485	\$ 259,571
Debt Service Fund	\$ 742,872	\$10,987,748	\$11,116,423	\$ -	\$ (128,675)	\$ 614,197
Total All Funds	\$ 2,384,588	\$51,503,805	\$49,118,661	\$ 248,829	\$2,633,973	\$ 5,018,561

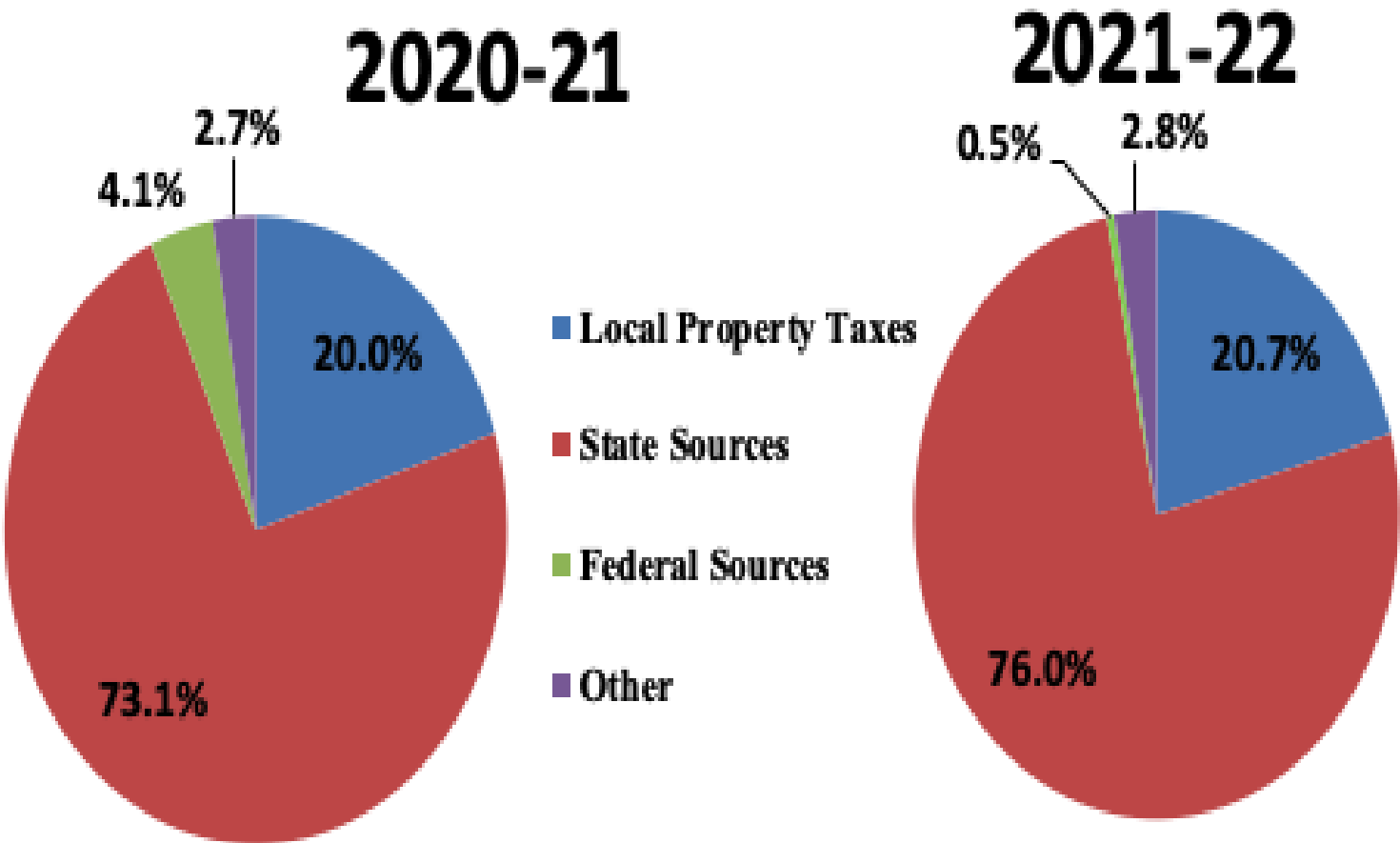
2021-22 General Fund Original Budget

Fund	6/30/21	Other				6/30/22
	Audited Fund Balance	Revenues	Expenditures	Financing Sources	Variance	Proj. Ending Fund Balance
General Fund	\$ 3,596,931	\$ 35,591,849	\$ 35,566,094	\$ 229,000	\$ 254,755	\$ 3,851,686
Less: Capital Reserves						
Operating Capital	\$ 37,550	\$ 1,435,885	\$ 1,633,427	\$ 229,000	\$ 31,458	\$ 69,008
Long-Term Facilities Maint	\$ 20,592	\$ 1,065,442	\$ 1,018,199	\$ -	\$ 47,243	\$ 67,835
Total Capital Reserves	\$ 58,142	\$ 2,501,327	\$ 2,651,626	\$ 229,000	\$ 78,701	\$ 136,843
Assigned Fund Balances	\$ 244,095	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ 244,095
Non-Spendable Fund Balances	\$ 238,988	\$ 447,815	\$ 447,815	\$ -	\$ -	\$ 238,988
General Fund Unassigned	\$ 3,055,706	\$ 32,392,707	\$ 32,216,653	\$ -	\$ 176,054	\$ 3,231,760

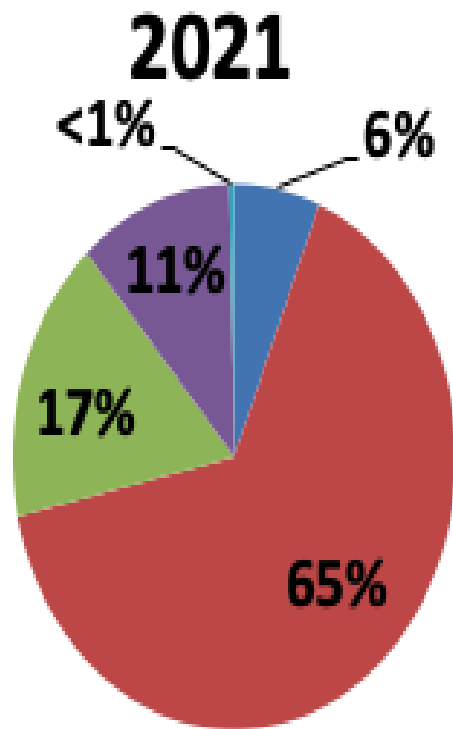
2021-22 Original Budget (All Funds)

Fund	6/30/21 Audited Fund Balance	Revenues & Adjustments	Expenditures	Other Financing Sources	Variance	6/30/22 Projected Fund Balance
General Fund	\$ 3,596,931	\$35,591,849	\$35,566,094	\$ 229,000	\$ 254,755	\$ 3,851,686
Food Service Fund	\$ 547,862	\$ 1,676,200	\$ 1,732,509	\$ -	\$ (56,309)	\$ 491,553
Community Service Fund	\$ 259,571	\$ 1,522,978	\$ 1,543,562	\$ -	\$ (20,584)	\$ 238,987
Debt Service Fund	\$ 614,197	\$ 3,501,546	\$ 3,426,201	\$ -	\$ 75,345	\$ 689,542
Total All Funds	\$ 5,018,561	\$42,292,573	\$42,268,366	\$ 229,000	\$ 253,207	\$ 5,271,768

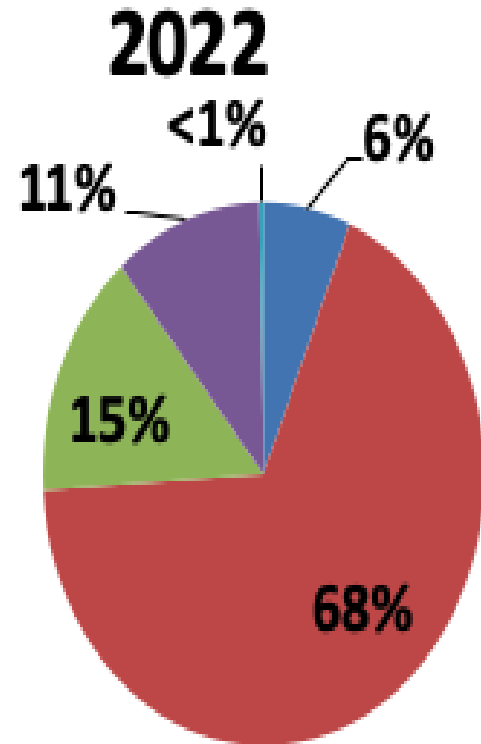
General Fund Revenues



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

=

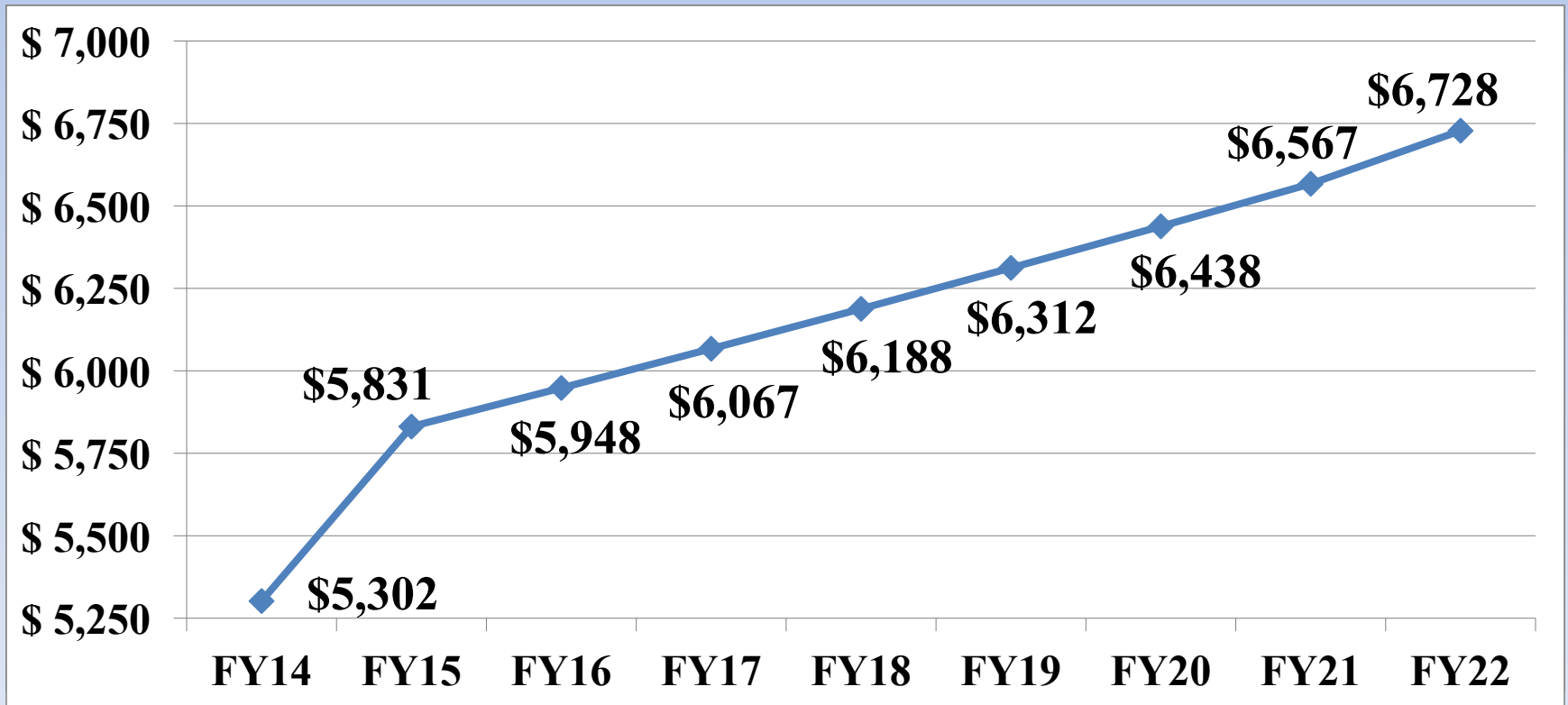
Revenue



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Formula Allowance

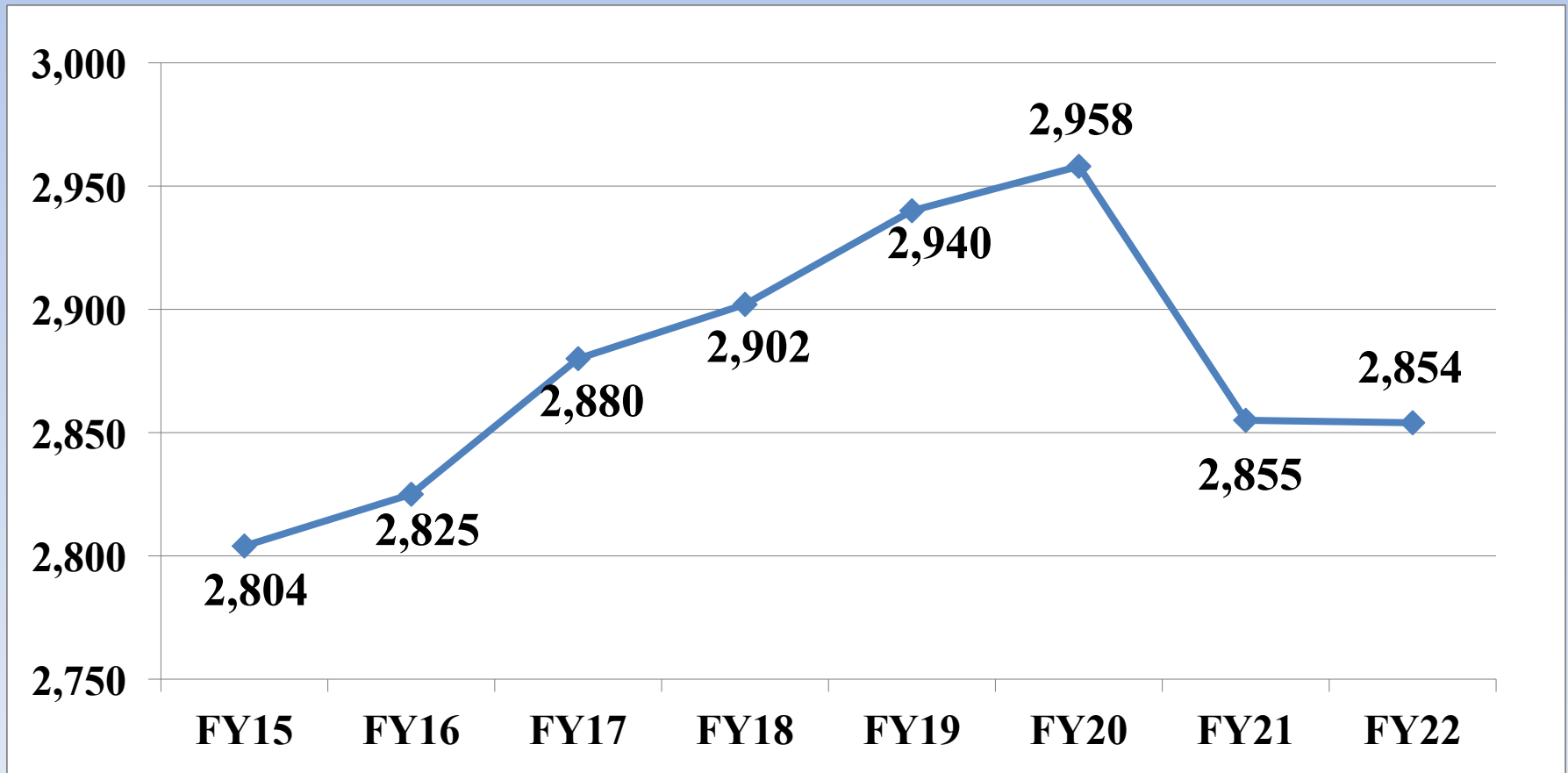




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Becker Students (Oct 1)





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 2022 Proposed Levy All Funds

	ACTUAL	PROPOSED	DOLLAR	%
	2020 PAY 2021	2021 PAY 2022	DIFFERENCE	Change
General Fund	\$ 7,280,679	\$ 7,394,627	\$ 113,948	1.57%
Community Education Fund	213,885	218,612	4,727	2.21%
Debt Service Fund	<u>3,390,869</u>	<u>3,828,827</u>	<u>437,958</u>	12.92%
TOTAL PROPOSED LEVY	\$ 10,885,433	\$ 11,442,066	\$ 556,633	5.11%

General Fund Levy Changes

Overall change is \$113,948 increase

- **Reemployment Levy** increased by \$22,216. Result of layoffs of employees in spring of 2020 due to COVID.
- **Operating Capital Levy** increased by \$40,379 due the levy ratio increasing by 5% under levying in previous year.
- **Building Lease Levy** increased by \$24,076, result of Becker District share of special education coop building costs.
- **Annual OPEB Levy** increased by \$31,750 due to additional retirees insurance costs.
- **All other General Fund levies (8 categories)** decreased by \$4,473; mostly the result of enrollment adjustments.

Community Ed Levy Changes

Overall change is \$4,727 increase

- **Basic Community Ed levy** increased \$5,007 as a result of increased population.
- **Other Community Ed levies** decreased by \$280 combined.

Debt Service Levy Changes

Overall change is \$437,958 increase

- **Required Debt Service Levy** increased levy by \$432,787 from the successful passage of question 2 from referendum on November 2nd.
- **All other debt service levies** decreased by \$5,171.

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?

