

Special Meeting

Tuesday, September 23, 2025 4:00 PM

ECC 350, 5701 Normandale Road, Edina, MN 55424

I. **Determination of Quorum and Call to Order**

II. **Approval of Agenda**



School Board Special Meeting
Tuesday, September 23, 2025; 4:00 PM
ECC Room 350

I. Determination of Quorum and Call to Order

II. Approval of Agenda

III. Action

Preliminary Levy Certification - Property Taxes Payable in 2026

Description: Minnesota law requires school districts to certify their proposed tax levy payable in 2025 to the county auditor on or before September 30, 2025. The District administration has received the most recent property tax levy data from the Minnesota Department of Education (MDE) and has analyzed the details. A written analysis of the proposed levy is enclosed for Board of Education review. A draft of the analysis was reviewed and discussed by the Board's Finance & Facilities Committee members.

Presenter(s): Mert Woodard, Director of Finance & Operations

Recommendation: Approve and certify the preliminary property taxes payable in 2026 at the maximum amount allowed by the law.

IV. Discussion

Superintendent Search Firm Interviews

Description: The Edina School Board is entering the next phase of its superintendent search process, which includes identifying and selecting a search firm to assist with recruitment, screening, and candidate selection. At a previous meeting of the board, the board reviewed policy, discussed attributes of an ideal search firm, and based on those attributes, narrowed down a list of search firms for consideration.

Presenter(s): Governance Committee

V. Action

Superintendent Search Firm Selection

Description: The board will discuss and vote to approve a search firm to assist in the selection of a new Superintendent.

Presenter(s): Karen Gabler, Chair, Edina School Board

Recommendation: To approve one of the three final search firms that were interviewed by the full board.

NOTE: School Board members may participate by interactive technology
as permitted by Minnesota Statute 13D.02

VI. Leadership and Committee Updates

VII. Adjournment

NOTE: School Board members may participate by interactive technology
as permitted by Minnesota Statute 13D.02

III. Action

III.A. Preliminary Levy Certification - Property Taxes Payable in 2026 **Speaker (s) :** Mert Woodard, Director of Finance & Operations



Board Meeting Date: 9/23/2025

Title: Preliminary Levy Certification - Property Taxes Payable in 2026

Type: Action

Presenter(s): Mert Woodard – Director, Finance & Operations

Description: Minnesota law requires school districts to certify their proposed tax levy payable in 2025 to the county auditor on or before September 30, 2025. The District administration has received the most recent property tax levy data from the Minnesota Department of Education (MDE) and has analyzed the details. A written analysis of the proposed levy is enclosed for Board of Education review. A draft of the analysis was reviewed and discussed by the Board's Finance & Facilities Committee members for reasonableness.

The MDE is still in the process of adjusting school district levies and will provide districts with updated reports if changes are made. While most components of the levy are likely materially accurate and complete, the District administration recommends that the Board levy a preliminary amount in all funds. If the Board approves the maximum allowed, the county auditor will automatically include any positive adjustments to the levy. Otherwise, the final levy amount cannot exceed the preliminary levy amount, except for some very limited exceptions. The District administration recommends that the Board adopt this preliminary levy at the "maximum" amount allowed by state statute.

The Board will set the final levy certification amounts at its Regular Board Meeting in December 2025, following the required Truth in Taxation hearing

Recommendation: Approve and certify the preliminary property taxes payable in 2026 at the maximum amount allowed by the law.

Desired Outcomes from the Board: Compliance with Minn. Stat. § 275.065 Subd. 1(c)

Attachments:

1. Memo – Preliminary Levy: Property Taxes Payable in 2026

TAXES PAYABLE IN 2026

Preliminary Property Tax Levy

Prepared By: Mert Woodard – Director, Finance & Operations
Date: September 23, 2025



Introduction

The District has received the preliminary Levy Limitation and Certification report for taxes payable in 2026 from the Minnesota Department of Education (“the MDE”). Based on state authorization, enclosed are several sections of information summarizing the District’s preliminary property tax levy that will finance approximately 35% of the District’s fiscal year 2027 operations.

The District’s levy for taxes payable in 2026 levy must be certified by the Board of Education and submitted to the County Auditor by September 30, 2025. Once the District has submitted its preliminary tax levy certification to the Hennepin County auditor, it can only be increased with authorization from the MDE. However, individual items may be decreased by the Board prior to final approval, which will occur in December 2025. The District administration will formally recommend approval of the preliminary tax levy at the maximum amount allowable by law.

Property tax levies are allocated to individual parcels of property within the District using formulas based upon market values assessed by Hennepin County. The preliminary estimate of the District’s total assessed referendum market value (RMV) is estimated to increase by \$522.92 million from \$13.56 billion to approximately \$14.09 billion. This represents a 3.86% increase in market value and includes existing and new properties. The net tax capacity (NTC) of properties in the District is estimated to increase by 3.12%. A sample of individual parcel school property tax estimates will be available prior to approval of the final levy scheduled in December.

Legislative changes combined with revenue formula adjustments, student enrollment growth, fluctuations to individual taxpayer market values, and adjustments to levies from prior years add complexity to a school district’s local property tax levy. The purpose of this document is to discuss the significant changes that have occurred in the payable 2025 levy and to provide clarity to the Board and to the community

Proposed Property Tax Levy

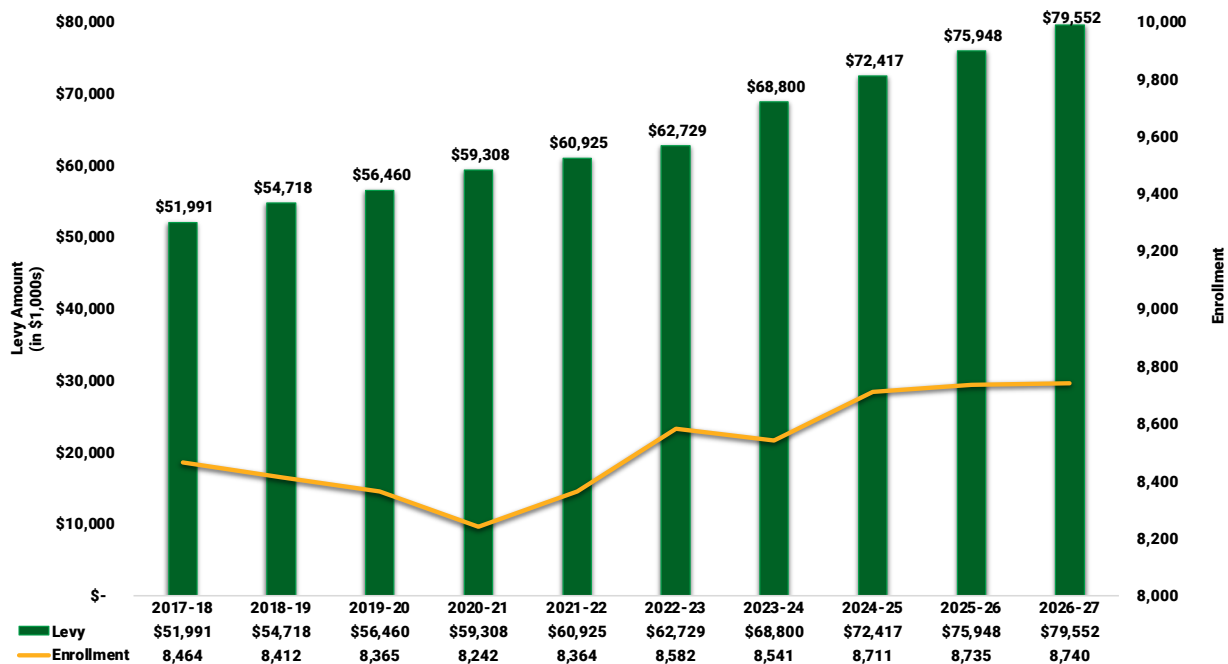
The District’s total preliminary levy for taxes payable in 2026 is approximately \$79.55 million. This amount represents an overall increase of just over \$3.60 million or 4.75% from the previous year. An overwhelming majority of school finance revenue formulas, including those within each district’s property tax levy, rely on enrollment as a key driver of overall revenues. For taxes payable in 2026, the administration is using enrollment of 8,740 in average daily membership which translates to adjusted pupil(revenue) units of 9,759.



The following table shows a comparison of the preliminary levy payable in 2026 with the District's certified levy payable in 2025. While the levy detail is presented by fund, it is important to focus on the District's total levy when comparing to the prior year:

Fund	2025		2026	
	Certified Levy	Proposed Levy	Change (\$)	Change (%)
General	\$ 56,503,096	\$ 59,213,689	\$ 2,710,593	4.80%
Community Service	1,535,903	1,402,700	(133,203)	(8.67%)
Debt Service	17,909,166	18,935,919	1,026,753	5.73%
Total Levy	\$ 75,948,166	\$ 79,552,308	\$ 3,604,143	4.75%

Year-over-year changes to the District's property tax levy are due to some or all of the following: legislative changes, enrollment changes, voter approved referendums, population changes, market value changes, the debt service payment schedule, and to a lesser degree, decisions made by District administration and the Board. The following chart displays the District's total levy and enrollment history over the last decade:



Note: Levy amounts displayed in thousands.

As displayed on the above chart, the District has experienced relatively stable student enrollment in recent years, excluding 2020-21 which was greatly impacted by the COVID-19 pandemic. Over the course of the previous five years the District's total levy has seen an average yearly increase of 5.10%. The District's property market value growth, an average of 6.23% over the last five years, has minimized the tax impact to the property owners within the District's boundaries. The following sections provide a detailed analysis of the levy by fund.



General Fund

Operating Referendum Revenue

The District’s General Fund property tax levy contains 14 different revenue formulas that combine to finance between 30.00-35.00% of the District’s operations in any given year. The most significant component of the General Fund levy is the District’s voter-approved operating referendum authority. An operating referendum is a request of resident voters of a district to provide a funding source used to finance day-to-day, core school operations. This revenue stream is particularly valuable for districts, as the primary funding source, basic per-pupil revenue, has fallen significantly behind inflation over the past two decades.

Operating referendum authority is expressed as a per-pupil revenue amount, with the maximum amount set annually by the state. The standard cap is raised each year by an inflationary calculation, and districts have the option of asking their residents to approve a flat amount or an amount that is tied to inflation. Of the 328 independent school districts in Minnesota, 117 have operating referendum authority for fiscal year 2026 and just 40 are within \$500 per pupil of the cap. In 2017 residents of the District voted in favor of an operating referendum of \$1,775.07 per pupil for taxes payable in 2020, with annual inflationary increases each year thereafter. The actual cap for 2020 was \$1,779.50, leaving the District \$4.43 short of the maximum. The following table displays information regarding the standard cap by year, inflationary increases, and the District’s authority:

Taxes Payable	Fiscal Year	Actual/Estimate	Projected Inflation Standard Cap	Per Pupil Amount	
				Cap	Edina
2020	2021	Actual	1.0000	1,779.50	1,775.07
2021	2022	Actual	1.0717	1,928.60	1,923.85
2022	2023	Actual	1.1388	2,068.13	2,063.07
2023	2024	Actual	1.1764	2,146.32	2,141.05
2024	2025	Actual	1.2075	2,211.00	2,205.49
2025	2026	Estimate	1.2405	2,279.62	2,273.89
2026	2027	Estimate	1.2699	2,340.76	2,234.89
2027	2028	Estimate	1.2976	2,398.36	2,392.61
2028	2029	Estimate	1.3248	2,454.92	2,449.05
2029	2030	Estimate	1.3534	2,514.40	2,508.40

Note: Figures from Minnesota Department of Education "Referendum Cap Inflation Estimates" report dated June 2025

Projected student enrollment for the 2026–27 school year, combined with an inflationary increase in the per-pupil funding amount, will result in a modest increase to the District’s total operating referendum—from \$21,447,478 in the current fiscal year to \$22,365,911 for fiscal year 2027. It is important to note that the District’s tax revenue for fiscal year 2027 also reflects adjustments based on actual enrollment figures from fiscal year 2025 and estimated



enrollment for fiscal year 2026. Additionally, it includes corrections for differences between the per-pupil amounts originally levied in prior years and the actual amounts received.

In 2023, the State amended its Referendum Revenue statute, allowing school boards to renew existing operating referendums without voter approval. At the July 14, 2025 Regular Meeting, the Board adopted a resolution authorizing the District to renew its existing operating referendum for ten years, beginning with taxes payable in 2028, at the same per pupil amount approved by voters in 2017, adjusted annually for inflation. This will provide the District with some financial stability and predictability through fiscal year 2038.

Local Optional Revenue

Like basic education aid provided by the state, but paid via property taxes, all independent school districts in Minnesota have access to local optional revenue (LOR). Additionally, LOR was developed to provide school districts that are unable to pass an operating referendum with the ability to access funds above what the state provides. LOR is currently \$724 and is not adjusted annually for inflation, meaning the only way to increase revenue is by serving additional students. Had LOR been tied to inflation over the last five years, the per pupil amount would be an estimated \$952 per pupil.

The District's LOR for fiscal year 2027 is estimated to be \$6,930,724, up \$66,326 from the current year.

Capital Projects Levy Revenue

Another way school districts can generate additional revenue for operations is through a voter-approved property tax known officially as the capital projects levy, though it is more commonly referred to as the *tech levy*. This funding can be used for fixed assets and equipment, curriculum materials, pupil transportation vehicles, and telecommunications infrastructure. In recent years, many districts have increasingly relied on this levy to address growing technology needs—hence the more familiar name. The District's technology infrastructure, student and staff devices, instructional and administrative software, and technology personnel are all funded through the tech levy.

Unlike most revenue sources, the capital projects levy is not tied to student enrollment. Instead, revenue from this levy is calculated by multiplying the voter-approved tax rate by the NTC of all properties within the District's boundaries. As a result, capital projects levy revenue fluctuates directly with changes in property values—rising when property values increase and falling when they decline. It is the only levy category directly influenced by property value changes. In May 2021, the District successfully asked voters to revoke and replace the existing tech levy rate of 5.56% of NTC with a new rate of 5.93%. For taxes payable in 2026, capital projects levy revenue will be \$9.47 million, \$286,271 more than the current year.



In the three years post-COVID, property values in Hennepin County, particularly the Western part of Hennepin County, increased significantly. From 2021 to 2023 the District's NTC and capital projects levy increased by an average of 9.29%. As expected, this trend is beginning to return to *normal* – the ten years prior to 2021 saw an average increase of 3.36%. The District is planning for 3.00% increases in future years:

Taxes Payable	Fiscal Year	Net Tax Capacity	Actual/Estimate	Revenue
2020	2021	112,615,801	Actual	6,277,202.62
2021	2022	116,453,509	Actual	6,477,668.94
2022	2023	118,793,566	Actual	6,977,669.00
2023	2024	125,283,792	Actual	7,431,834.54
2024	2025	142,891,874	Actual	8,476,345.97
2025	2026	154,831,318	Actual	9,184,593.78
2026	2027	159,657,194	Actual	9,470,864.75
2027	2028	164,446,910	Estimate	9,754,990.69
2028	2029	169,380,317	Estimate	10,047,640.41
2029	2030	174,461,727	Estimate	10,349,069.62

Long-Term Facilities Maintenance Revenue

The long-term facilities maintenance (LTFM) revenue program provides funding to districts for maintaining and improving existing school facilities, focusing on health, safety, accessibility, and deferred maintenance needs. To qualify, districts must submit and annually update a 10-year facilities plan approved by the school board and the MDE. Most districts in the state qualify for \$380 per pupil, however 28 of the largest districts in Minnesota qualify for uncapped authority as they meet certain criteria from the pre-2015 “alternative facilities maintenance” program. The criteria included enrollment of greater than 66 students per grade and either more than 1.85 million square feet and an average building age of over 15 years or at least 1.50 million square feet and an average building age of 35 years or older. With more than 1.85 million square feet and an average building age of greater than 59 years old, the District qualifies for uncapped authority.

Districts may levy their LTFM authority on a pay-as-you-go basis, issue bonds against future revenues to access more cash up front, or use a combination of both methods. Given the District's aging infrastructure and substantial deferred maintenance needs, it requires significant cash on hand each year to maintain facilities in good repair. To ensure sufficient funding for ongoing projects while minimizing the tax burden on residents, the District utilizes the combination of pay-as-you-go levy authority and general obligation debt.

For taxes payable the administration recommended that the Board approve pay-as-you-go revenue of \$18,842,493, a planned decrease of \$2,166,132 from the current year to accommodate additional principal and interest payments in the debt service fund.



Lease Levy Revenue

The school boards of all independent school districts in Minnesota can access up to \$212 per pupil for the purpose of leasing additional instructional space, which can be accessed in a pay-as-you-go manner or for principal and interest payments of financing arrangements. Based on estimated enrollment for fiscal year 2027 the District can generate a maximum of \$2,030,748, however, since the estimated cost of all lease payments is \$1,956,265, the District will receive lesser of the two figures. The majority of the District's lease levy authority is dedicated to making the principal and interest payments of the Certificates of Participation, Series 2022A, which were issued to construct the addition to Countryside Elementary. Other financing arrangements paid for by lease levy revenue include the Certificates of Participation, Series 2011C for an addition to South View Middle School, and privately placed debt for additions to Concord Elementary and Cornelia Elementary. Scheduled principal and interest payments for these financing arrangements are as follows:

Year	Countryside	Concord/Cornelia	South View
2026	1,356,100	192,152	139,775
2027	1,359,100	192,152	140,063
2028	1,355,100	192,152	-
2029	1,354,350	192,152	-
2030	1,356,600	-	-
2031	1,356,600	-	-
2032	1,354,350	-	-
2033	1,354,850	-	-
2034	1,357,850	-	-
2035	1,358,100	-	-
2036	1,355,600	-	-
2037	1,357,400	-	-
2038	1,357,200	-	-
2039	-	-	-

In addition to the previously mentioned financing arrangements, the District's lease levy revenue for taxes payable in 2026 also includes \$176,000 for the rental of various athletic facilities at the City of Edina's Braemar Arena.

Intermediate districts and special education service cooperatives can access lease levy authority of \$35 per pupil via the property taxes of their member districts. Edina is a member of Intermediate District No. 287 will levy \$622,365 on their behalf.

In total, the District's lease levy revenue for taxes payable in 2026 will be \$2,587,900, an increase of \$241,158 from the current year.



Other Post-Employment Benefits

The Other Post-Employment Benefits (OPEB) levy reflects the District's unfunded actuarial accrued liability (UAAL), as calculated by its actuary in accordance with Governmental Accounting Standards Board Statement No. 75 (GASB 75). Under certain collective bargaining agreements or individual employment contracts, eligible employees earn healthcare-related benefits or medical insurance premium contributions upon retirement.

These retiree healthcare costs are initially paid by the District and later reimbursed through the OPEB levy. The levy amount equals the actual eligible costs incurred for retirees, plus the implicit subsidy—i.e., the unfunded benefit retirees receive when allowed to remain on the District's health insurance plan at the same premium rates as active employees.

For fiscal year 2027, the OPEB levy—based on fiscal year 2025 expenditures—is projected to be \$1,865,010, representing an increase of \$157,938. According to the most recent actuarial report dated July 1, 2023, the District's total OPEB liability stands at \$19,549,838.

Location Equity Revenue

Location equity revenue is a revenue category designed to reduce funding disparities among districts. Because districts differ widely in their property tax base and local referendum revenue, some can raise far more money than others. Location equity revenue helps level the playing field by providing additional per-pupil funding to districts with lower revenue-raising capacity, ensuring students across the state have more equitable access to educational opportunities regardless of where they live.

The program operates through several components including regular equity, low-referendum equity, and a supplemental amount, and is structured around two tiers: the seven-county metro area and greater Minnesota. Within each tier, a district's per pupil revenue is compared against the 95th percentile of its region, with greater revenue directed to those below the threshold. Equalization further strengthens the program by using referendum market value per pupil: districts with weaker property tax bases receive more state support for every dollar they levy locally. In practice, this revenue formula mitigates large gaps in resources between metro and outstate districts that stem from variances in property wealth.

For taxes payable in 2026 the District's location equity revenue is estimated to be \$662,627, up \$5,862 from the current year.

Operating Capital

Operating capital revenue is a component of the general education funding formula dedicated to maintaining and improving the physical and instructional infrastructure of school districts. Its purpose is to ensure districts have resources to cover facility upkeep,



equipment purchases, technology, textbooks, and other assets that have useful lives of more than one year.

Revenue is calculated on a per pupil basis with two key components: a basic amount for all districts and an additional amount tied to the average age of district buildings, which recognizes that older facilities typically require more investment. Funding is provided through a mix of state aid and local property tax levy, with equalization applied so districts with lower property wealth receive greater state support per dollar of levy.

For taxes payable in 2026, the District's operating capital revenue is projected at \$1,696,518, an increase of \$34,843 from the current year. This amount excludes \$456,226 dedicated to principal and interest on the District's General Obligation Capital Notes, Series 2023A and 2024A. To cover these obligations, an equivalent reduction (negative NTC adjustment) will be applied to the General Fund levy and redirected to the Debt Service Fund levy. This transfer is structured as a neutral financing mechanism, ensuring no net impact on resident taxpayers.

Alternative Teacher Compensation

Alternative Teacher Compensation revenue, commonly referred to as *Q-Comp*, is a voluntary state program designed to enhance instructional quality and student achievement by supporting performance-based compensation systems. Participating districts implement locally negotiated plans that include career ladder opportunities, professional development, peer teacher evaluation, and performance pay. The program's purpose is to strengthen teaching practice, reward effectiveness, and create a culture of continuous improvement.

Q-Comp revenue provides up to \$260 per pupil unit and is funded through a combination of state aid and a local levy. The formula allocates \$169 per pupil in state aid and allows districts to raise the remaining \$91 per pupil through an equalized levy, ensuring that property-poor districts receive proportionally greater state support.

The District's estimated Q-Comp property tax revenue for fiscal year 2027 is \$799,519, an increase of \$7,902 from the current year.

Achievement & Integration

Achievement and Integration (A&I) revenue is a categorical funding source established to close Minnesota's persistent opportunity gaps, increase racial and economic integration, and improve academic outcomes for all students. Districts identified by the state as racially isolated, adjoining racially isolated, or voluntarily participating must develop state-approved plans that include measurable goals for reducing achievement disparities, increasing integration, and improving equitable access to educational opportunities.

Districts receive \$350 per pupil and is split between state aid and local levy, 70.00%/30.00%. At least 80.00% of funds must be used for direct student services, such as extended day and



year programs, culturally relevant curriculum, or targeted interventions, while up to 20.00% may support professional development and family engagement.

The District's estimated achievement & integration levy for taxes payable in 2026 is \$419,907 an increase of \$544 from the current year.

Safe Schools Revenue

Safe Schools revenue provides districts with dedicated levy authority to address student and staff safety. Districts may use the funds for police liaison officers, school counselors, nurses, social workers, chemical dependency services, violence prevention programs, security measures, and other initiatives that promote safe and supportive learning environments.

Revenue is \$36 per adjusted pupil unit for all districts, a figure that is not tied to inflation despite the increasing emphasis on physical and emotional safety in schools. In addition to the \$36 per pupil, districts that are members of an intermediate school district may levy up to \$15 per pupil unit specifically for intermediate-level safe schools activities, with those proceeds transferred to the intermediate district.

For taxes payable in 2026, the District's safe school levy is \$344,844, an increase of \$3,298. The safe schools levy that will be directed to Intermediate District No. 287 is \$143,685, an increase of \$1,374.

Reemployment Insurance Levy

The Reemployment Insurance Levy provides school districts with authority to levy for the costs of unemployment (reemployment) insurance costs incurred by the District. Specifically, districts may levy to cover unemployment insurance for full-year employees. This ensures districts have a dedicated funding mechanism for mandatory costs tied to staff layoffs, resignations, or other employment changes. By statute, employees not employed during the summer term are excluded from this levy; instead, their unemployment costs are reimbursed through a separate state funding program.

Districts have the autonomy to determine how much they levy, with positive or negative adjustments occurring in subsequent years based on the difference between how much was levied and what actual costs were.

The administration has determined a reemployment insurance levy of \$100,000 for taxes payable in 2026 compared to the \$30,000 of the current year.



Community Service Fund

School Age Care Levy

School age care revenue provides districts with funding authority to support the additional costs of serving children with disabilities or those experiencing temporary family or related problems in school age care programs.

Districts have relatively broad authority to determine locally how much they levy through property taxes, with positive or negative adjustments occurring in subsequent years based on the difference between how much was levied and what actual costs were.

For taxes payable in 2026 the District will levy \$750,000, up from \$660,000 the current year.

Early Childhood Family Education

Early Childhood Family Education (ECFE) programs provide parent education and early learning opportunities for children from birth to kindergarten, their families, and expectant parents. ECFE emphasizes substantial parental involvement, supporting school readiness by engaging families in activities that promote child development. Districts offering community education may establish ECFE programs and must appoint advisory councils, often coordinating efforts with special education, vocational education, and other local agencies.

ECFE revenue is funded through a combination of state aid, local levy, and participant fees, with the formula based on the district's population of children under age five—not the number served. For fiscal year 2027, the allowance is 2.30% of the general education basic formula, or \$167.46 per child under five.

The District's estimated ECFE property tax revenue for fiscal year 2027 is \$298,638, a *decrease* of \$31,412 from the current year. Note that the ECFE revenue formula does contain state aid component. Overall, aid plus levy revenue for fiscal year 2027 is expected to be \$567,104 compared to the current year figure of \$527,499.

Basic Community Education Revenue

Community education revenue supports lifelong learning opportunities by helping school districts provide programs that make public schools more accessible to the entire community. Districts offering community education must establish a citizen advisory council, and may provide services such as enrichment classes, recreational activities, and adult learning programs. Districts may also prepare youth development plans and youth service programs, as well as after-school enrichment initiatives that promote community involvement and student growth.



Funding is provided through a partially equalized aid and levy. The formula includes three components:

- General community education revenue = $\$6.35 \times$ the greater of 1,335 or district population
- Youth service revenue = $\$1.00 \times$ the greater of 1,335 or district population
- Youth after-school enrichment Revenue = $\$1.85 \times$ the first 10,000 residents, plus $\$0.43$ for each resident above 10,000

The District's estimated community education revenue property tax revenue for fiscal year 2027 is \$349,681, the same figure as the current year since the population estimate for the District's boundaries has not changed, nor has the per individual revenue authority.

Debt Service Fund

Minnesota requires a separate Debt Service Fund to segregate *most* resources used to pay principal and interest on a district's long-term, voter-approved or board-authorized debt (e.g., building bonds, refunding bonds). Restricting these resources to a separate fund protects bondholders, ensures legal compliance with use-restrictions, and provides transparent tracking. The fund is supported by a dedicated debt service levy, with state debt service equalization aid for eligible districts, rather than the general operating levy. Equalization, set in statute, offsets tax burden differences tied to local property wealth so property-poor districts receive more aid and don't face disproportionately high taxes to repay the same type of facility debt. Levy amounts are certified to meet scheduled bond payments.

Additionally, Minnesota requires school districts to levy slightly more than their scheduled bond payments to ensure funds are available even if tax collections fall short. This is known as the 105% requirement, meaning districts must levy at least 105% of their net debt service obligations for the coming year. The 5% cushion provides a safeguard against delinquencies or valuation changes, protecting bondholders and preserving the district's creditworthiness. If a district's Debt Service Fund balance grows beyond what is needed after meeting the 105% requirement, the excess must be applied as a debt excess levy reduction in the following year. This mechanism prevents over-collection and ensures that taxpayers are not charged more than necessary for bond repayment. The District's debt excess reduction for taxes payable in 2026 is (\$862,938).

For fiscal year 2027, the District will have six outstanding general obligation bonds that require a debt service levy from taxes payable in 2026. Details regarding outstanding general obligation bonds are as follows:



Taxes Payable	Fiscal Year	Principal	Interest	Levy Amount
2026	2027	\$ 12,485,000	\$ 6,172,900	\$ 19,590,795
2027	2028	13,655,000	5,629,750	20,248,988
2028	2029	15,715,000	5,015,750	21,767,288
2029	2030	16,335,000	4,386,000	21,757,050
2030	2031	15,330,000	3,732,550	20,015,678
2031	2032	15,235,000	3,093,950	19,245,398
2032	2033	15,520,000	2,469,700	18,889,185
2033	2034	14,695,000	1,803,100	17,323,005
2034	2035	15,075,000	1,175,550	17,063,078
2035	2036	12,755,000	725,300	14,154,315
2036	2037	9,925,000	331,150	10,768,958
2037	2038	-	-	-
	Total	\$ 156,725,000	\$ 34,535,700	\$ 200,823,735

Overall, the District's debt service levy for taxes payable in 2026, including abatements and debt excess reductions, will increase by 5.73% to \$18,935,919.

Tax Impact

Residents of the District often pay close attention to changes to the District's property tax levy as this directly affects the amount they will pay individually in property taxes. In the state of Minnesota, the amount a property owner will pay in property taxes is *mostly* determined the type of property, the estimated market value of the property, the estimated market value of all other properties, and the aggregate amount levied by taxing jurisdictions in which the property resides. Although the District's property tax levy for taxes payable in 2026 is estimated to rise by 4.74%, the estimated RMV increase of 3.86% and estimated NTC increase of 3.12% means that the majority of property owners will experience modest increases to the amount of property tax they pay that is attributable to the District. It is important to note that this does not include any taxes levied by other jurisdictions, such as the City of Edina. A detailed analysis of the tax impact to property owners will be shared after all jurisdictions have made available preliminary property tax levy information.

Closing Remarks

The preliminary property tax levy represents the total impact, across all funds, of the District's statutory property tax levy authority. As the MDE continues to refine the 39 pages of formulas that derive levy amounts, it is important to note that changes may still occur, and the information provided throughout this memo should be considered estimates and not facts at this time. State law allows local school boards to simply approve a "maximum" preliminary levy certification to allow positive changes to be made after September 30, which will then be reflected in the parcel specific notices mailed to property owners in November. The District administration recommends that the Board approve the maximum levy amount.



The Board retains the option to subsequently reduce the amount of the levy prior to certifying the levy in December 2025.

The public will have the opportunity to speak to the Board and administration about the District's budget and property tax levy at the required Truth and Taxation hearing, which is scheduled to take place at the Regular School Board Meeting at 7:00 p.m. on December 8, 2025, at the Edina Community Center.

Independent School District No. 273 - Edina Public Schools
Property Tax Levy Comparison - Taxes Payable in 2025 vs 2026

Levy Category	Payable 2025 for FY2026	Payable 2025 for FY2027	Change	
			\$	%
General Fund:				
1st Tier RMV Referendum	4,364,199	4,406,340	\$ 42,141	0.97%
2nd Tier RMV Referendum	10,495,425	11,171,509	676,084	6.44%
Unequalized RMV Referendum	6,587,854	6,788,063	200,209	3.04%
1st Tier Local Optional	2,841,745	2,869,228	27,483	0.97%
2nd Tier Local Optional	4,022,653	4,061,496	38,843	0.97%
Equity Levy	656,765	662,627	5,862	0.89%
Capital Projects Referendum	9,184,594	9,470,865	286,271	3.12%
Operating Capital	1,707,072	1,865,010	157,938	9.25%
Alt. Teacher Comp (Q Comp)	1,661,683	1,696,518	34,836	2.10%
Achievement & Integration	791,617	799,519	7,902	1.00%
Reemployment Insurance	419,363	419,907	544	0.13%
Safe Schools	30,000	100,000	70,000	233.33%
Safe Schools Intermediate 287	297,642	323,165	25,523	8.58%
Career & Technical Education	341,546	344,844	3,298	0.97%
Other Post-Employment Benefits	142,311	143,685	1,374	0.97%
Long-Term Facilities Maintenance	2,337,743	2,578,900	241,158	10.32%
Building Lease Levy	9,997,582	10,799,019	801,437	8.02%
Adjustments - RMV	624,319	77,508	(546,811)	(87.59%)
Adjustments - NTC	(367,450)	(168,006)	199,444	(54.28%)
Adjustments - Abatement	366,433	803,492	437,059	119.27%
Total General Fund Levy	56,503,096	59,213,689	2,710,593	4.80%
Community Service Fund:				
Basic Community Education	349,681	349,681	-	0.00%
Early Childhood Family Education	330,050	298,638	(31,412)	(9.52%)
Home Visiting	9,450	9,600	150	1.59%
Adults with Disabilities	8,750	8,431	(319)	(3.65%)
School-Age Care	660,000	750,000	90,000	13.64%
Abatement Adjustments	6,023	15,654	9,630	159.89%
Other Adjustments	171,948	(29,305)	(201,253)	(117.04%)
Total Community Service Fund	1,535,903	1,402,700	(133,203)	(8.67%)
Debt Service Fund:				
Debt Service - Voter Approved	6,997,054	11,091,098	4,094,044	58.51%
Debt Service - Long-Term Facilities Maintenance	11,011,043	8,043,473	(2,967,570)	(26.95%)
Debt Service - Capital Notes	446,896	456,226	9,330	2.09%
Debt Excess	(664,479)	(862,959)	(198,480)	29.87%
Abatement Adjustments	118,652	208,081	89,429	75.37%
Total Debt Service Fund	17,909,166	18,935,919	1,026,753	5.73%
Total Property Tax Levy	\$ 75,948,166	\$ 79,552,308	\$ 3,604,143	4.75%

IV. Discussion

IV.A. Superintendent Search Firm Interviews



Board Meeting Date: 9/23/2025

Title: Superintendent Search Firm Interviews

Type: Discussion

Presenter(s): Governance Committee

Description: The Edina School Board is entering the next phase of its superintendent search process, which includes identifying and selecting a search firm to assist with recruitment, screening, and candidate selection. At a previous meeting of the board, the board reviewed policy, discussed attributes of an ideal search firm, and based on those attributes, narrowed down a list of search firms for consideration.

Tonight the board will interview three superintendent search firms: School Exec Connect, Minnesota School Boards Association, and Hazard, Young, Attea & Associates, with the goal of selecting and approving one in which to enter into a contract with for search assistance.

Recommendation: The board should review the attached process document and be prepared to interview and evaluate each firm based on the board's agreed upon attributes.

Attachment(s): [Superintendent Search Firm Interview Guide](#)



Superintendent Search Firm Interview Guide

4:10-4:15: Review interview process, questions and rubric

4:15-5:15: Interview with School Exec Connect, Dr. Ken Dragseth, Dr. Toni Johns, and Dr. David Clough

5:15-6:15: Interview with Minnesota School Boards Association, Ms. Barb Dorn and Dr. John Ward

6:15-7:15: Interview with Hazard Young Associates, Dr. Max McGee and Dr. Mike Richie

7:15-8:00: Discussion and approval of search firm

Process Notes:

- Chair Gabler will make introductions and review the process.
- Each search firm will be given 20 minutes to present the firm's capabilities and proposal for Edina Public Schools.
- For the next 20 minutes, each School Board member will have the opportunity to ask questions.
 - We will each take a turn asking a question in a round robin format by last name: Allenburg, Arom, Birdman, Barry, Gabler, Huwe, Mann, Mann, Huwe, Gabler, Barry, Birdman, Arom, Allenburg
 - Interview questions are attached to the rubric
- The search firm will have 5 minutes to ask the board questions.
- We have slotted 15 minutes between the search firm interviews for the board to consult about the interview.

V. **Action**

V.A. Superintendent Search Firm Selection

Speaker (s) : Karen
Gabler, Chair, Edina
School Board



Board Meeting Date: 9/23/2025 Special Meeting

Title: Superintendent Search Firm Selection

Type: Action

Presenter(s): Karen Gabler, Chair, Edina School Board

Description: The board will discuss and vote to approve a search firm to assist in the selection of a new Superintendent.

Recommendation: To approve one of the three final search firms that were interviewed by the full board.

Primary Issue(s) to Consider: Superintendent Search Firm

Attachment(s): None

VI. Leadership and Committee Updates

VII. Adjournment