



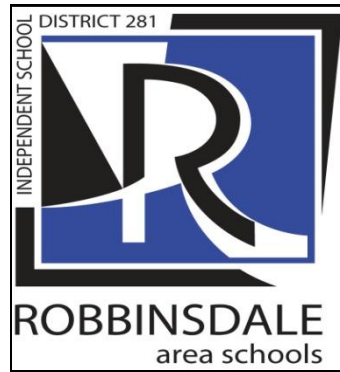
Robbinsdale Area Schools School Board Meeting Agenda

Monday, December 2, 2013 at 6:05 PM

Truth in Taxation Hearing

Education Service Center Boardroom, 4148 Winnetka Avenue North,
New Hope, Minnesota

1. Call to Order and Roll Call
Presenter: Chair Tyrrell
2. Acceptance of Agenda (*Action*)
Presenter: Chair Tyrrell
3. Special Order of Business
 - A. Truth in Taxation Hearing 2
Presenter: Jeff Priess
4. Public Input
Presenter: Chair Tyrrell
 - A. Chair Tyrrell will state purpose of Public Input
Presenter: Chair Tyrrell
 - B. Chair Tyrrell will invite all who wish to speak
Presenter: Chair Tyrrell
5. Set Truth in Taxation Continuance, if necessary, to December 16, 2013 at 6:00 p.m.
or Adjourn (*Action*)
Presenter: Chair Tyrrell



TO: Members of the School Board
Dr. Aldo Sicoli, Superintendent

FROM: Jeff Priess, Executive Director of Business Services

DATE: December 2, 2013

RE: Truth in Taxation Public Hearing

The Truth in Taxation Public Hearing affords the public an opportunity to receive information and provide input on the District's current budget and the proposed levy for taxes payable in 2014. The levy information presented is the Payable 2014 levy that will fund school operations for the 2014-2015 school year.

The total proposed levy for taxes payable in 2014 is \$54,877,376.76 which is an increase of 3.64% from the prior year.

The attached power point provides information on the various levy categories that make up the total levy for the district. All levy categories are either set by state statute or are voter approved. The voter approved referendum levy along with referendum prior year adjustments, and location equity revenue accounts for over 46% of the District's total levy or \$25,406,391.15.

The debt service levy provides funds to cover current interest and principal payments due on outstanding bonds. The total levy required for debt service payments during the 2014-15 fiscal year is \$18,715,266.91. This levy has been mitigated over the years through the sale of refunding bonds that provide for lower interest payments.

Please feel free to contact me if you have any questions regarding the proposed levy for 2014.

Truth in Taxation Hearing



December 2, 2013

Truth in Taxation

School Districts are required by law to provide information on:

- Proposed Property Tax Levy
- Current Budget

Truth in Taxation

School Districts Tax Levy Cycle:

- September 23-School Board approves preliminary levy
- Mid November-County prepares and mails “Proposed Property Tax Statements”
- December 2-District holds Public meeting on Taxes and Budget and School Board adopts final levy

Levy Certification Calendar

Taxes Payable 2014

School Year 2014-15

Sep 8 Deadline for MDE to certify levy limitations to school districts

o **Oct 1 Deadline for Districts to submit data changes to MDE**
Deadline for school boards to certify proposed property tax levy

Nov 25 Deadline for county auditor to prepare notice of proposed property taxes to each taxpayer

Nov 25-

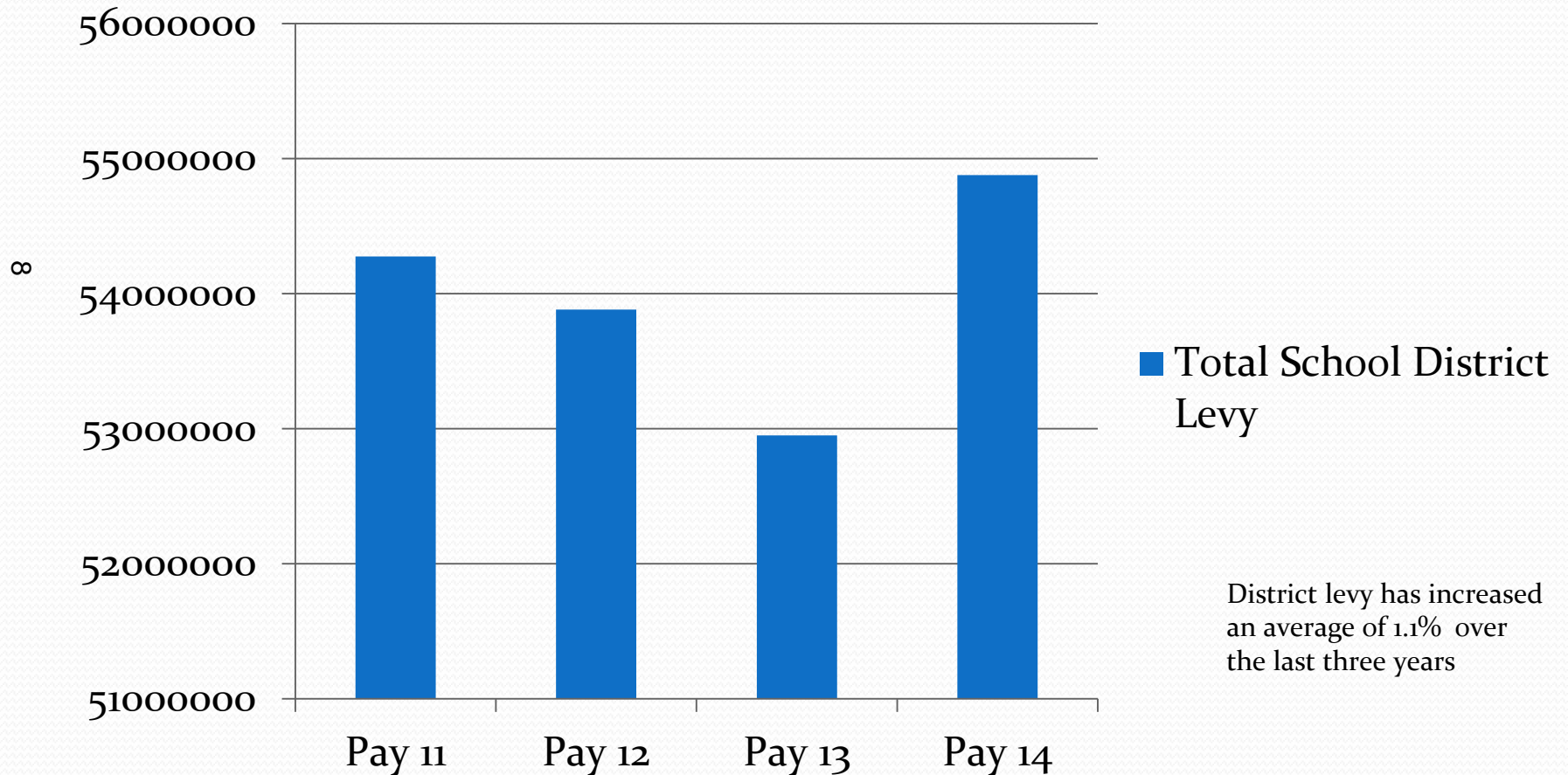
Dec 28 Districts required to discuss Payable 2014 levy at a regularly scheduled meeting. *December 2, 2013*

Deadline for districts to adopt final levy

Tax Levy Comparison

Levy Limitation and Certification Report				
	TAX PAY 13	TAX PAY 14	Levy	Levy
	Local	Local	Incr/Decr	% Incr/Decr
	Levy	Levy		
TOTAL GENERAL FUND	32,996,098	34,369,357	1,373,259	4.16%
TOTAL COMMUNITY SERVICE FUND	1,904,756	1,793,113	-111,643	-5.86%
TOTAL DEBT SERVICE FUND	18,049,389	18,715,267	665,878	3.69%
TOTAL LEVY	<u>52,950,244</u>	<u>54,877,737</u>	<u>1,927,493</u>	<u>3.64%</u>

Levy Comparison (Pay 11- Pay 14)



New programs

Alternative Teacher Compensation-

The Pay15 levy includes a new component for Alternative Teacher Compensation (Q Comp)

Total (Q Comp) revenue is estimated to be \$3,162,380.

Levy portion is 35% of total or \$1,106,833

Other levy items

General Fund –

Prior year referendum adjustments are made reflecting actual resident pupil units (FY12) and revisions to earlier estimates (FY14).

FY12 1,668,500

FY14 1,174,418

Debt Service

Debt service levy is increased by \$413,754. This levy includes principal and interest payments on bonded debt. Pay14 levy adds the principal and interest from the 2012A \$8.5 million alternative facilities bond sale.

Levy Changes

Legislative Changes-Effective with Taxes Payable in 2014

Operating Referendum

-Existing authority will now contain a component called *Location Equity Revenue*

⇒ -Existing authority is now based on adjusted pupil units (pupil units served) rather than resident pupil units. (For FY15 referendum authority is automatically adjusted to provide the same level of revenue as received in FY14)

Equalizing factors used in determining referendum levy and aid mix are increased over 80% enabling the district to qualify for referendum aid.

Referendum Legislative changes

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	Old Law	New Law
Operating Referendum Revenue	24,346,642	18,700,842
<i>Location Equity Revenue</i>	0	5,645,800
Total Revenue	24,346,642	24,346,642

Levy/ Aid Component	Old Law	New Law
Operating Referendum Aid	0	1,696,643
Operating Referendum Levy	24,346,642	17,004,199
Location Equity Aid	NA	45,076
Location Equity Levy	NA	5,600,724

School Tax Rates

	Tax Capacity	Market Value
2013	32.34%	.2967%
2014	34.32%	.3069%

Residential Homestead School Tax Example

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Taxes Payable 2013 and 2014 Residential Homestead School Tax Examples							
Assume no change to Market Value							
Taxes Payable 2013			Taxes Payable 2014				
Tax Capacity Rate		32.34%	Tax Capacity Rate		34.32%		
Ref Market Value Rate		0.2967%	Ref Market Value		0.3069%		
Market Value	Tax Capacity	Total Tax Amount	Market Value	Tax Capacity	Total Tax Amount	\$ Tax Change	% Tax Change
\$76,000	\$760	\$471.27	\$76,000	\$760	\$494.08	\$22.81	4.84%
\$100,000	\$1,000	\$620.10	\$100,000	\$1,000	\$650.11	\$30.01	4.84%
\$150,000	\$1,500	\$930.15	\$150,000	\$1,500	\$975.17	\$45.02	4.84%
\$200,000	\$2,000	\$1,240.19	\$200,000	\$2,000	\$1,300.22	\$60.03	4.84%
\$500,000	\$5,000	\$3,100.49	\$500,000	\$5,000	\$3,250.55	\$150.06	4.84%
\$750,000	\$8,125	\$4,852.88	\$750,000	\$8,125	\$5,090.33	\$237.46	4.89%
\$1,000,000	\$11,250	\$6,605.27	\$1,000,000	\$11,250	\$6,930.11	\$324.85	4.92%

Truth in Taxation

Budget Information

Adopted June, 2013

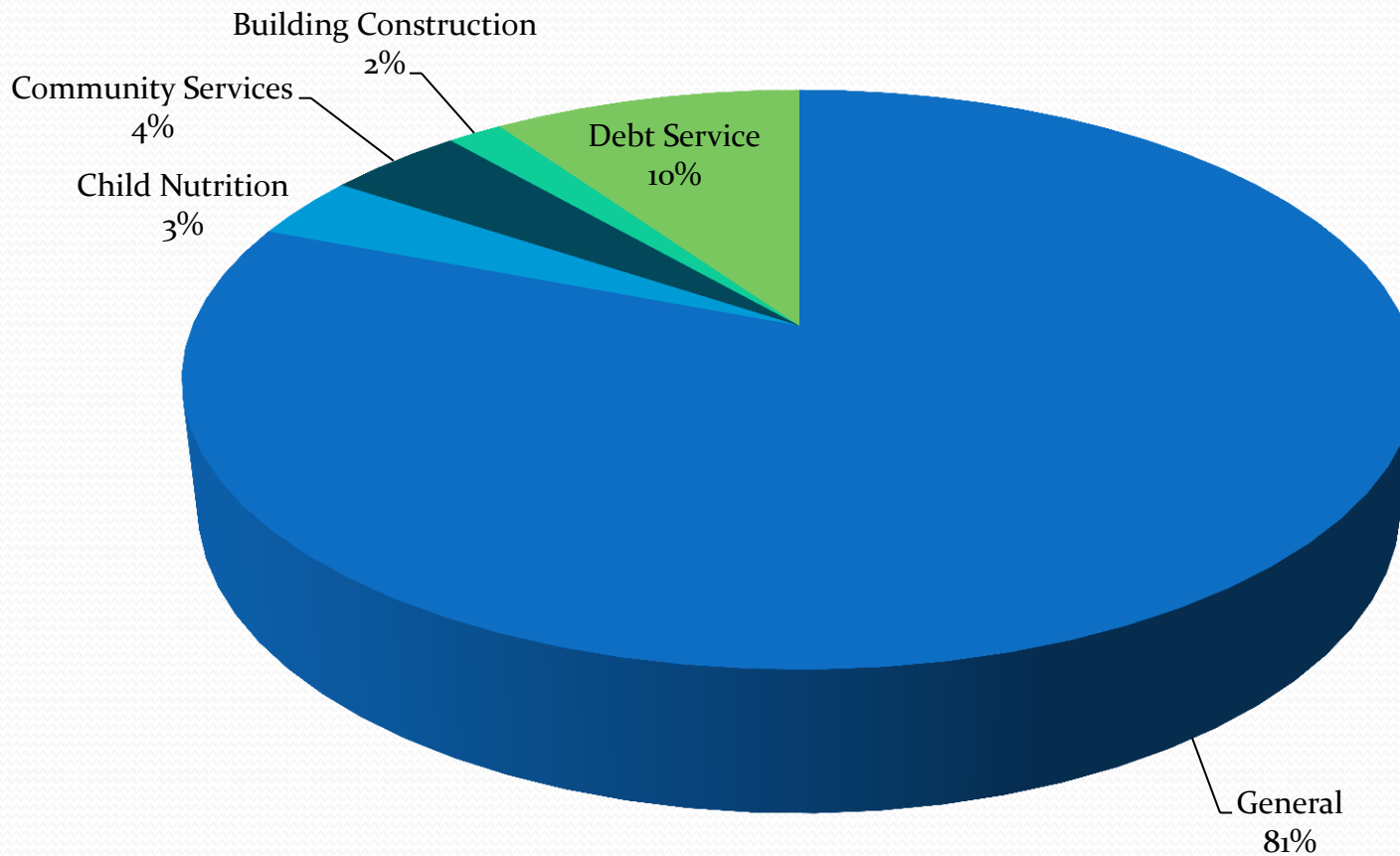
Revised October, 2013

General Fund (All)

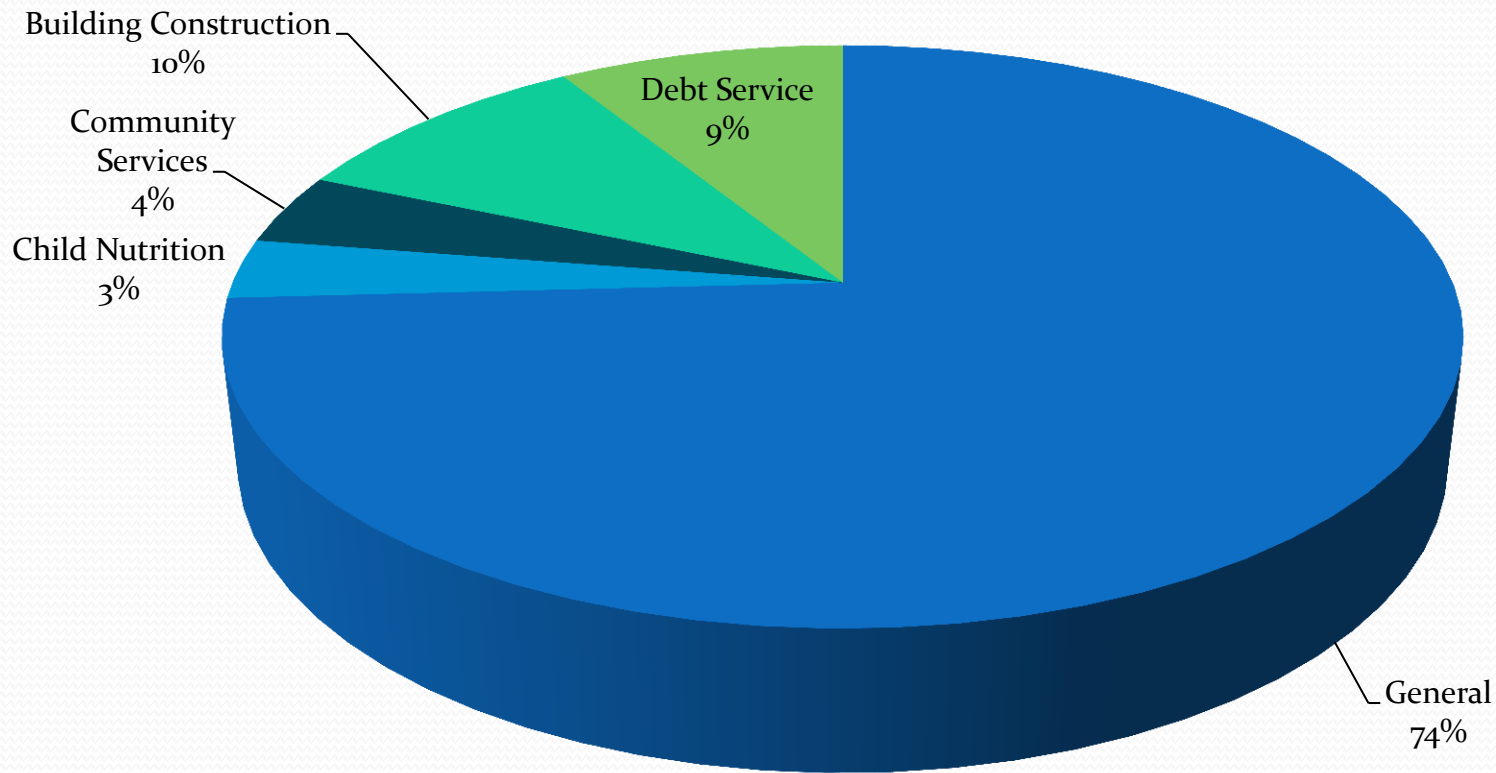
2013-2014 (In Millions)

• Beg. Balance 7/1/13	\$17.3
• Revenue	\$149.9
• Expenditures	\$150.0
• End Balance 6/30/14	\$17.2

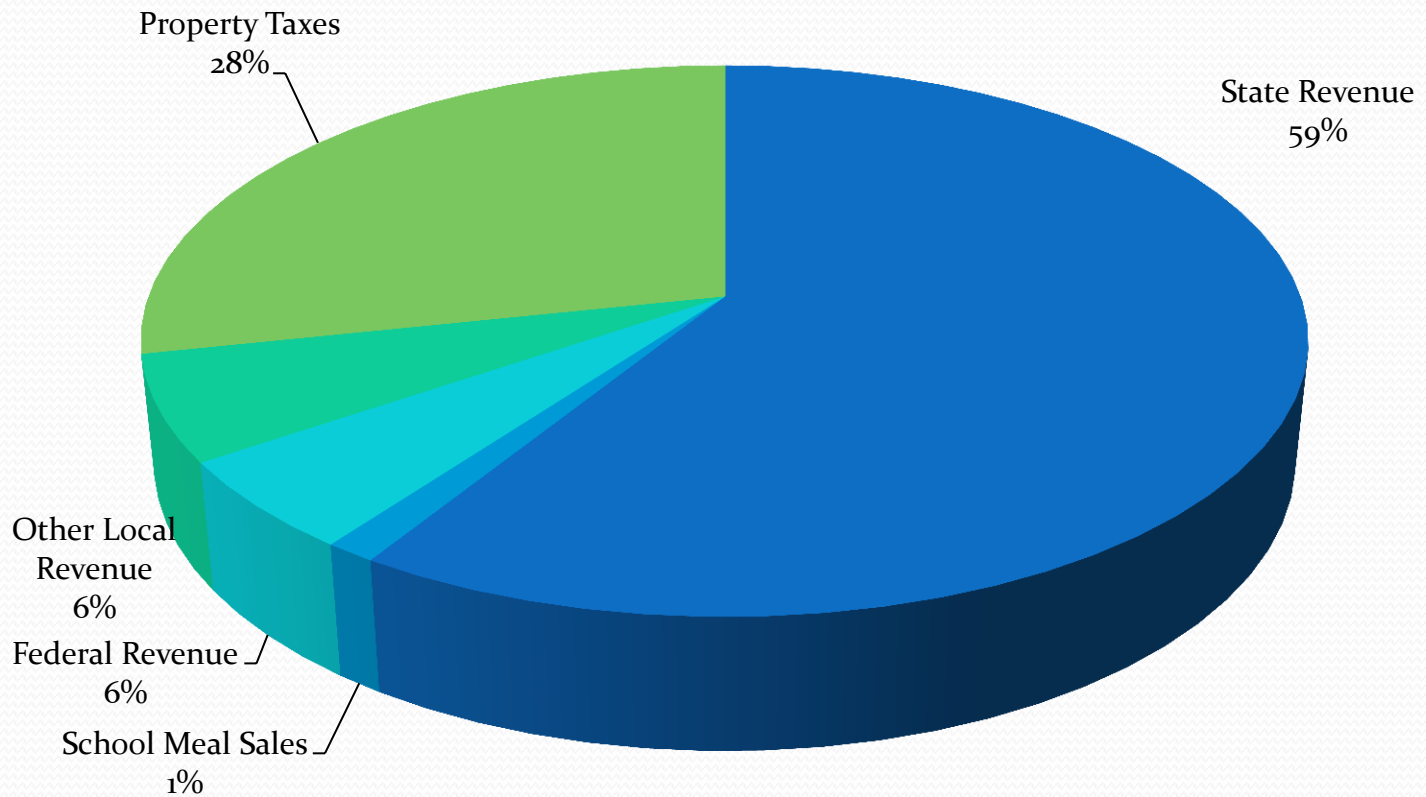
Revenue (\$185.4 Million) by Fund - FY14



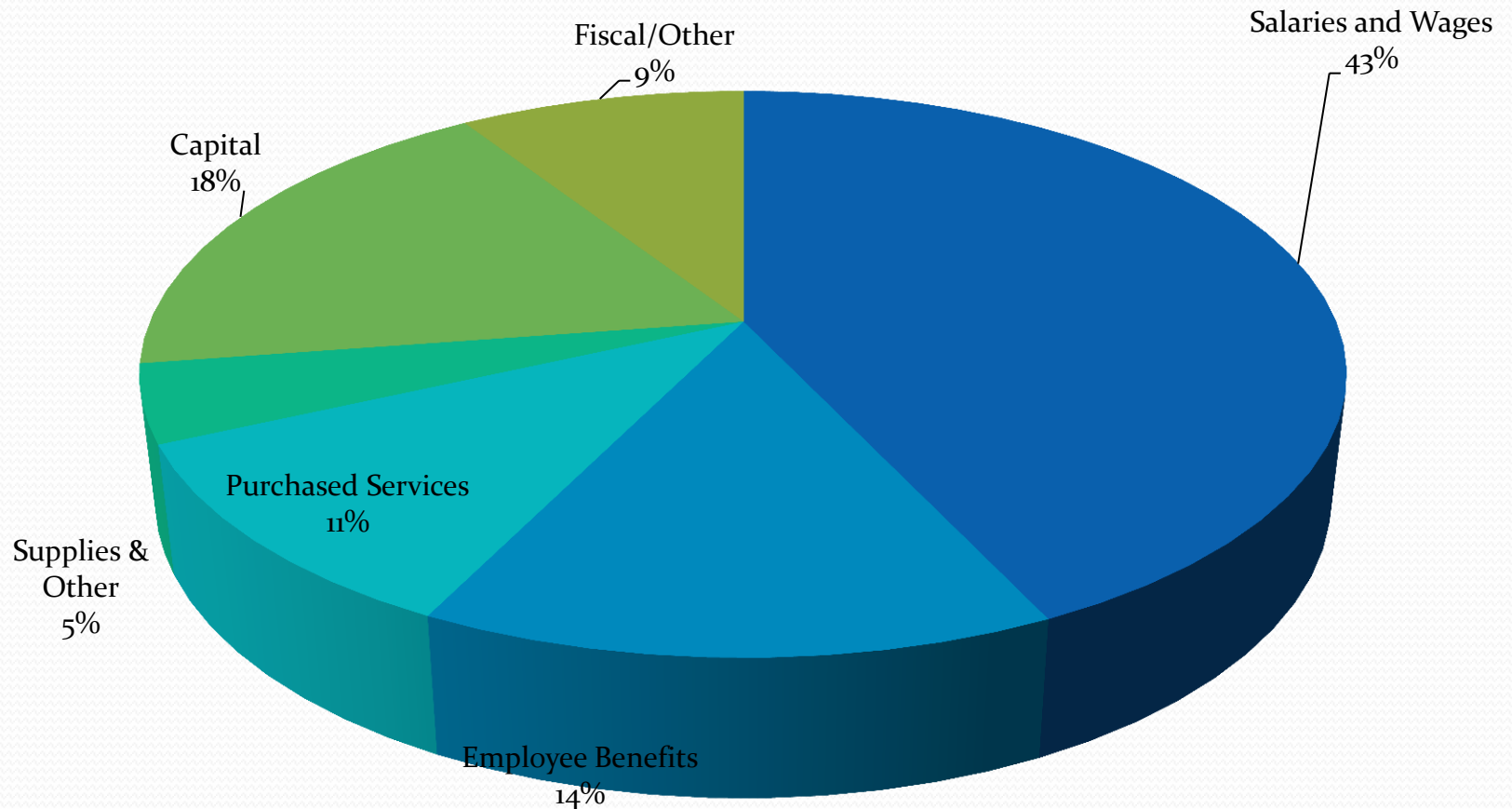
Expenditures (\$202.3 Million) by Fund - FY14



Revenue (\$185.4 Million) by Source - FY 14



Expenditures (\$202.3 Million) by Object - FY 14



Truth In Taxation

Levy Adoption

December 02, 2013

\$54,877,737