

Legislators have shifted school funding responsibility away from the state and onto the local taxpayers.

That's why it's more important than ever that residents better understand the relationship between property taxes and school funding.

How much am I paying in property taxes for schools?

Every spring, Ramsey County mails residents a property tax statement. This statement includes taxes payable to schools for both the current and previous year.

2006 Property Tax Statement

1. Use this amount on Form M1PR to see if you're eligible for a property tax refund. File by August 15. **If box is checked, you owe delinquent taxes and are not eligible**

2. Use this amount for the special property tax refund on schedule 1 of Form M1PR

Your property tax and how it is reduced by the State of Minnesota

For taxes Payable in 2005	For taxes Payable in 2006
\$ 2,352.69	\$ 2,756.58
4,535.90	5,102.90
1,996.39	2,185.15
186.82	161.17
2,352.69	2,756.58
860.11	950.18
15.78	54.02
8.91	9.25
63.71	67.61
640.17	751.90
.00	.00
386.28	441.28
284.01	376.45
63.30	66.37
30.42	39.52
.00	.00
.00	.00
2,352.69	2,756.58
131.31	125.42

Where your property tax dollars go

7. Ramsey County
 - a. Regional Rail Authority
 - b. Public Safety Radio System
 - c. County Library
8. City or Town - NEW BRIGHTON
9. State General Tax
10. School District
 - a. Voter approved levies
 - b. Other local levies
11. Special taxing districts
 - a. Metropolitan special taxing districts
 - b. Other special taxing districts
 - c. Tax increment
 - d. Fiscal disparity
12. Non-school voter approved referenda levies
13. Total property tax before special assessments
14. Special assessments/service charges added to this property tax statement for taxes paid

a. REG ASMT	63006638	101.92
b. RECYCLE	63009996	23.50
c.		
d.		
e.		

2

This area lists the total amount of property taxes a resident pays towards Mounds View Public Schools.

What's the difference between voter-approved levies and other local levies?

Ramsey County collects property taxes from property owners and distributes revenue to schools. The Legislature gives school districts authority to levy these taxes through two forms:

Voter-approved levies

- An operating levy that requires voter approval through the referendum process. Operating levies provide money above the state allocation to be used for operational expenses such as staff salaries, supplies, heating expenses, transportation and co-curricular programs. These are the funds that it takes to run and operate schools. **Mounds View currently levies \$9.7 million in this way because voters approved levies in 1986 and in 2003.**
- A bond levy that requires voter approval through the referendum process. Bond levies raise money that can only be used for new construction or additions to school buildings. These funds cannot be used to run schools or lower class sizes by hiring more teachers. **Mounds View currently levies \$6.8 million in this way because voters approved a bond levy in 1999.**

Other levies

- Levies that occur without voter approval. The Legislature created non-voter approved levies to help districts fund expenses that are restricted for specific purposes like crime prevention staffing and training, health and safety improvements or building leases.

For some of these purposes, if a district does not levy to the fullest degree, they would lose other state revenue yet must still provide services and find funding elsewhere. **Mounds View currently levies \$14.8 million in this way.**

Am I paying more property taxes for schools today than five years ago?

Some property owners are paying less, while others are paying more. It depends on several factors that affect your property taxes:

- **The change in taxable market value**

Many homeowners are experiencing increases in property values that are greater than increases in other properties.

- **The type of property**

Homes are charged at a different rate than businesses for a significant portion of school taxes.

- **Shifting burdens**

How your property changes relative to other properties can shift the tax burdens over time.

- **Student enrollment**

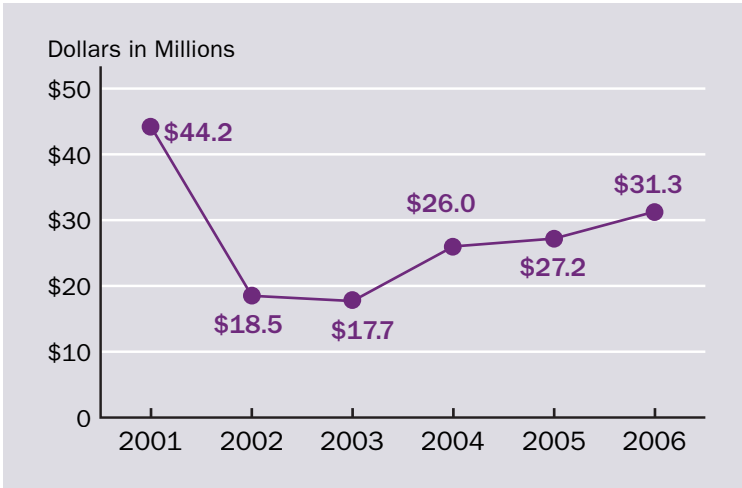
About half of school taxes are collected on a per-pupil basis. As enrollment continues to decline in Mounds View, the decline in property taxes may offset some increases experienced by rising property values.

Are Mounds View's schools receiving more money through property taxes today than five years ago?

No. Even though some residents may be paying more property taxes to schools, the District is collecting 29 percent less property tax revenue today than five years ago. The upward trend since 2001 is in response to the Legislature's actions that shifted funding responsibility away from the state and onto the local taxpayers as state aid has lost pace to inflation.

Property taxes less today than five years ago

Mounds View's Portion of Property Taxes

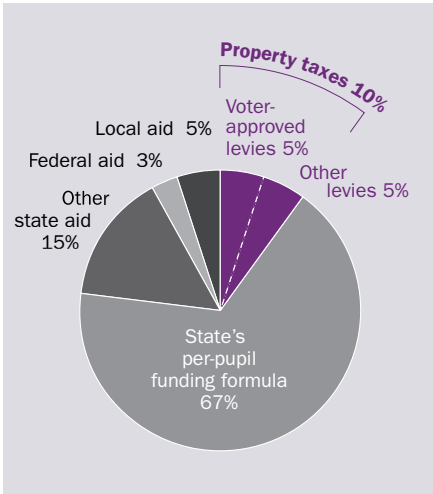


How do property taxes support schools?

In Minnesota, public schools gain revenue from several sources, but primarily the state's per-pupil funding formula and through local property taxes.

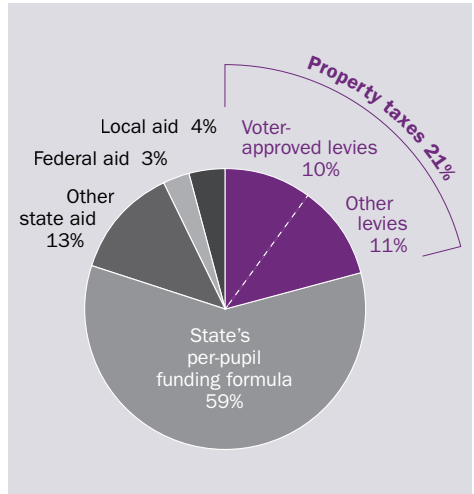
2002-03

District Revenue Budget



2006-07

District Revenue Budget



Why are property taxes increasingly important for school funding?

In 2001, the Legislature assumed greater responsibility for funding education. Yet state aid has lost pace to inflation. In response, the Legislature has given school boards more authority to ask for levy support. This signals a funding shift from the state to the local taxpayers.

Many school districts are asking residents to support voter-approved levies because, as state aid has lost pace to inflation, school districts have been forced to increasingly rely on levy referendums to fund core programs.

Who determines how much I pay in property taxes to support schools?

Your property tax is the result of actions taken by the following four entities:

- **The Legislature**

Legislators establish property classes and tax rates. They also determine the level of state aid given to schools, they set the amount of homestead credit, they set the state general tax rate, and they mandate schools to provide programs that the Legislature does not fund.

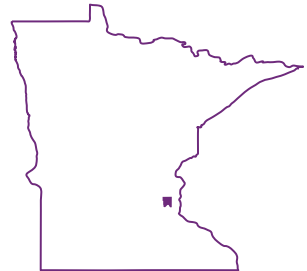


- **The School District**

Like other public school districts, Mounds View's School Board determines the tax levy amount. This action occurs annually at public hearings.

- **The County**

The Ramsey County Assessor's office assigns each property a market value and property classification as provided by state law.



- **Voters**

For levies that require resident approval, a majority of voters must approve a levy request at the ballot box.

How does the District determine how much to levy?

- The Minnesota Department of Education determines the levy limits for every school district based on legislative authority.
- The School Board is required by law to balance budgets.
- The Legislature gives districts authority to levy through non-voter approved levies and through voter-approved levies.
- The District annually holds a Truth in Taxation public hearing to communicate its plans for balancing its budget and the amount of property taxes proposed for collection.
- The final levy amount is certified by the School Board.

When have voters approved levies?

To view a timeline of voter-approved levies in
Mounds View Public Schools, visit:



www.moundsvIEWSchools.org

Property tax timeline

September 26, 2006	Mounds View School Board certifies proposed property tax levy to County Auditor.
November 17, 2006	Anticipated mail date for Ramsey County Truth in Taxation notices.
December 5, 2006 – 6:00 pm Snail Lake Education Center 350 Highway 96 W, Shoreview	Mounds View holds Truth in Taxation public hearing.
December 14, 2006 – 6:00 pm Snail Lake Education Center 350 Highway 96 W, Shoreview	If necessary, Mounds View holds continuation of Truth in Taxation public hearing. The School Board certifies the final 2007 property tax levy.
March 2007	Anticipated mail date for Ramsey County 2007 property tax statements.
May and October 2007	Residents' property tax payments for 2007 are due to Ramsey County.
2007-08 School Year	Mounds View receives 2007 property tax levy revenue.

What's the future of my property taxes paid towards schools?

On November 7, 2006, Mounds View Public Schools will ask voters to approve an operating levy. The request comes in response to:

- An existing levy that is about to expire, and has not increased with inflation since 1986.
- Enrollment that continues to decline.
- Revenue that declines with enrollment.
- Expenses and fixed costs that continue to outpace inflation.



What happens to my property taxes next year if voters approve the 2006 levy?

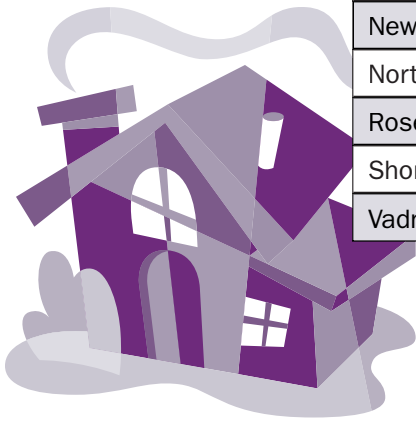
In 2007, residents' property taxes paid towards voter-approved levies will increase by about \$76 annually for every \$100,000 of the property's market value. This amount is expected to decrease annually as enrollment declines.

What happens to my property taxes next year if voters reject the 2006 levy?

In 2007, residents' property taxes paid towards voter-approved levies will not change because the 1986 levy will not yet expire. Residents will pay about \$114 annually for every \$100,000 of the property's market value.

What's the value of my home?

The Ramsey County Assessor's office determines your property's estimated taxable market value. This is provided on your property tax statement mailed by Ramsey County. It's important to note that this estimated taxable market value is usually lower than the value a homeowner would place on the home if selling it.



2006 Median Value Home	
Arden Hills	\$ 274,200
Mounds View	\$ 186,600
New Brighton	\$ 224,400
North Oaks	\$ 570,900
Roseville	\$ 216,900
Shoreview	\$ 244,800
Vadnais Heights	\$ 222,500

Source: Ramsey County

Would I qualify for tax relief?

The Homeowners' Property Tax Refund program is a state refund that provides tax relief to homeowners whose property taxes are high relative to their incomes.

For more information, see your tax advisor or visit:
www.taxes.state.mn.us

For more information:

Mounds View Public Schools
www.moundsviewschools.org
Finance office: 651-639-6205

Ramsey County's Department of
Property Records and Revenue
www.rrinfo.co.ramsey.mn.us
651-266-2000

House Research
www.house.leg.state.mn.us/hrd/issinfo/tx_prop.htm

Minnesota Department of Education
www.education.state.mn.us/mde/static/004108.pdf
651-582-8200



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