

**FOCUSED FORUM
TAXES PAYABLE
2019**



Meeting Goals

- I. Explanation of the property tax statement (school portion only)
- II. Discussion of taxes payable 2019
- III. Discussion of FY 18-19 budget
- IV. Comments



2019 PROPOSED PROPERTY TAX STATEMENT

Independent School District 621

1. Voter Approved Levies
2. Other Local Levies



SCHOOL PORTION OF YOUR TAX STATEMENT

1. VOTER APPROVED LEVIES:

- 1999 **bond levy** for \$80 million for building renovations
- 2017 **bond levy** for \$164.8 million for building renovations
- 2013 **operating levy** for \$1024 per student that expires in 2022
- 2010 **operating levy** for \$535 per student that expires in 2019



SCHOOL PORTION OF YOUR TAX STATEMENT

2. STATE AUTHORIZED LEVIES (Other Local Levies)

- **Operating Capital**
- **Safe Schools**
- **Building Leases**
- **Long-Term Facilities**
- **Alternative Teacher Compensation**
- **Location Equity**
- **Other Debt Service**



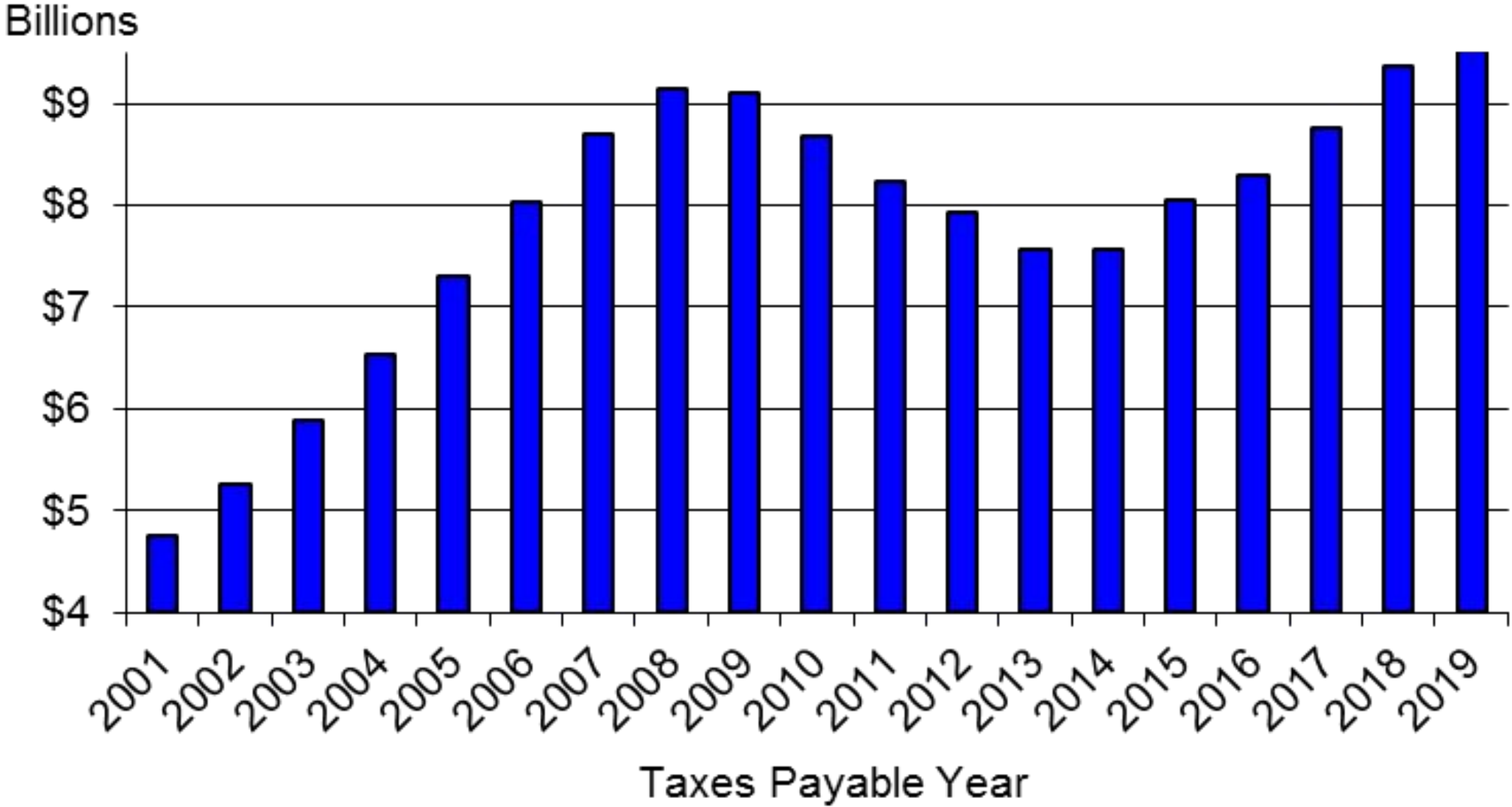
WHAT VARIABLES WOULD CAUSE THE SCHOOL PORTION OF YOUR TAXES TO INCREASE OR DECREASE?

What the District can't control:

- 1. Changes in market values**
- 2. State formulas and mandates**
- 3. Changes in enrollment**

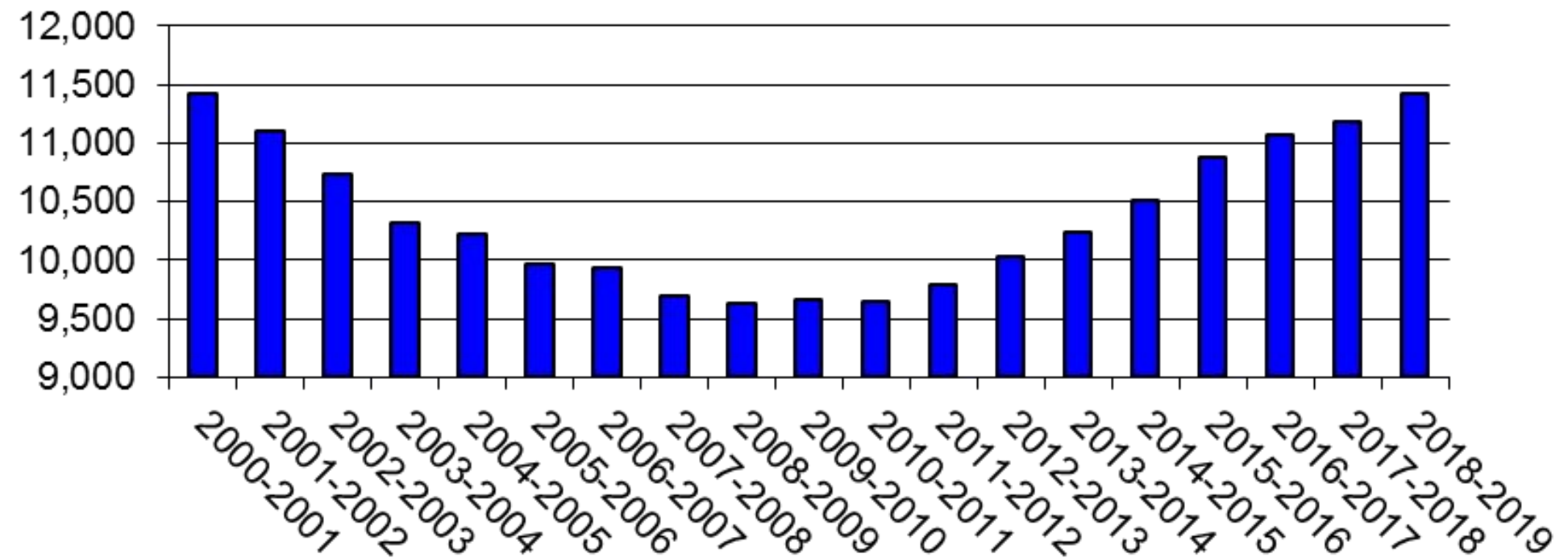


Changes in Market Value



Student Enrollment

(October 1st)



WHAT VARIABLES WOULD CAUSE THE SCHOOL PORTION OF YOUR TAXES TO INCREASE OR DECREASE?

What the District can consider:

- 1. Mission, vision & goals of the District**
- 2. Level of service provided with each levy authority**



Taxes Payable 2019 Summary

- The School District's total tax revenue projected for 2019 is estimated to increase slightly from the prior year. The levy is proposed to increase by \$600,000 or 1% from 2018.
- The change in the school's portion of taxes for property owners will vary based on many factors. A median-valued home across the communities in our district will see the school portion of their taxes range from a decrease of \$20 to an increase of \$50 annually.



THE FINAL SCHOOL TAX LEVY FOR 2019

Description	Payable 2018	Payable 2019	Dollar Increase	Percentage Increase
General	\$29,811,900.46	\$30,711,023.48	\$899,123.02	3.02%
Community Service	\$1,007,675.06	\$1,014,506.40	\$6,831.34	0.68%
Debt Service	\$18,991,947.53	\$18,662,334.70	(\$329,612.83)	-1.74%
Total Proposed Levy	\$49,811,523.05	\$50,387,864.58	\$576,341.53	1.16%



CHANGES IN PROPOSED SCHOOL TAX LEVY FOR 2019

The main areas of change:

- Increase in general fund of \$900,000 is due to:
 - Growing enrollments impacting referendum and operating capital authorizations
 - Prior period adjustment to Long Term Facility Maintenance
- Decrease in debt service of \$300,000 is due to:
 - Greater excess fund balance adjustment



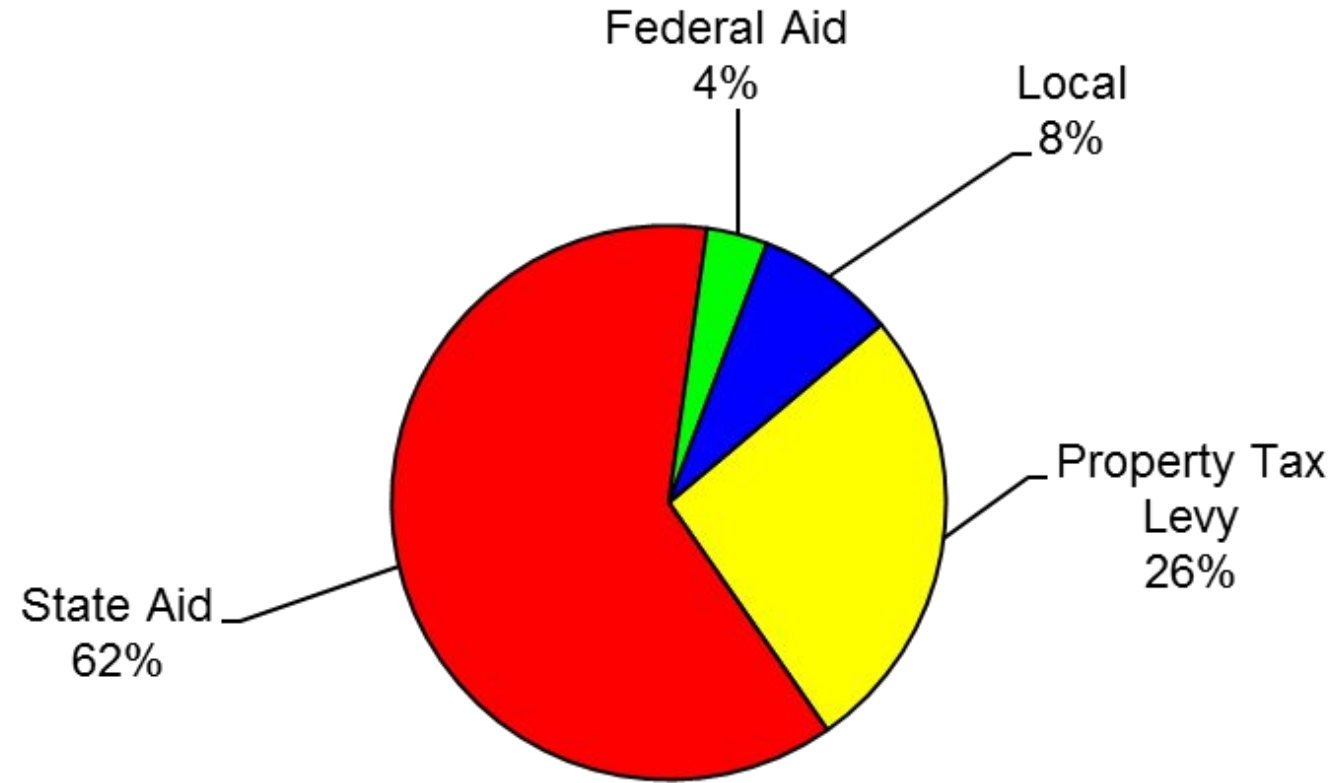
BUDGET SUMMARY 2018-2019

	<u>REVENUE</u>	<u>EXPENDITURES</u>
General Fund	\$154,727,891	\$154,659,069
Nutrition Service Fund	6,174,965	6,175,627
Community Service Fund	6,084,165	6,086,965
Buidling Construction Fund	4,362,856	63,882,723 *
Debt Service Fund	<u>19,929,188</u>	<u>36,339,442 *</u>
Total All Funds	<u><u>\$191,279,065</u></u>	<u><u>\$267,143,826</u></u>

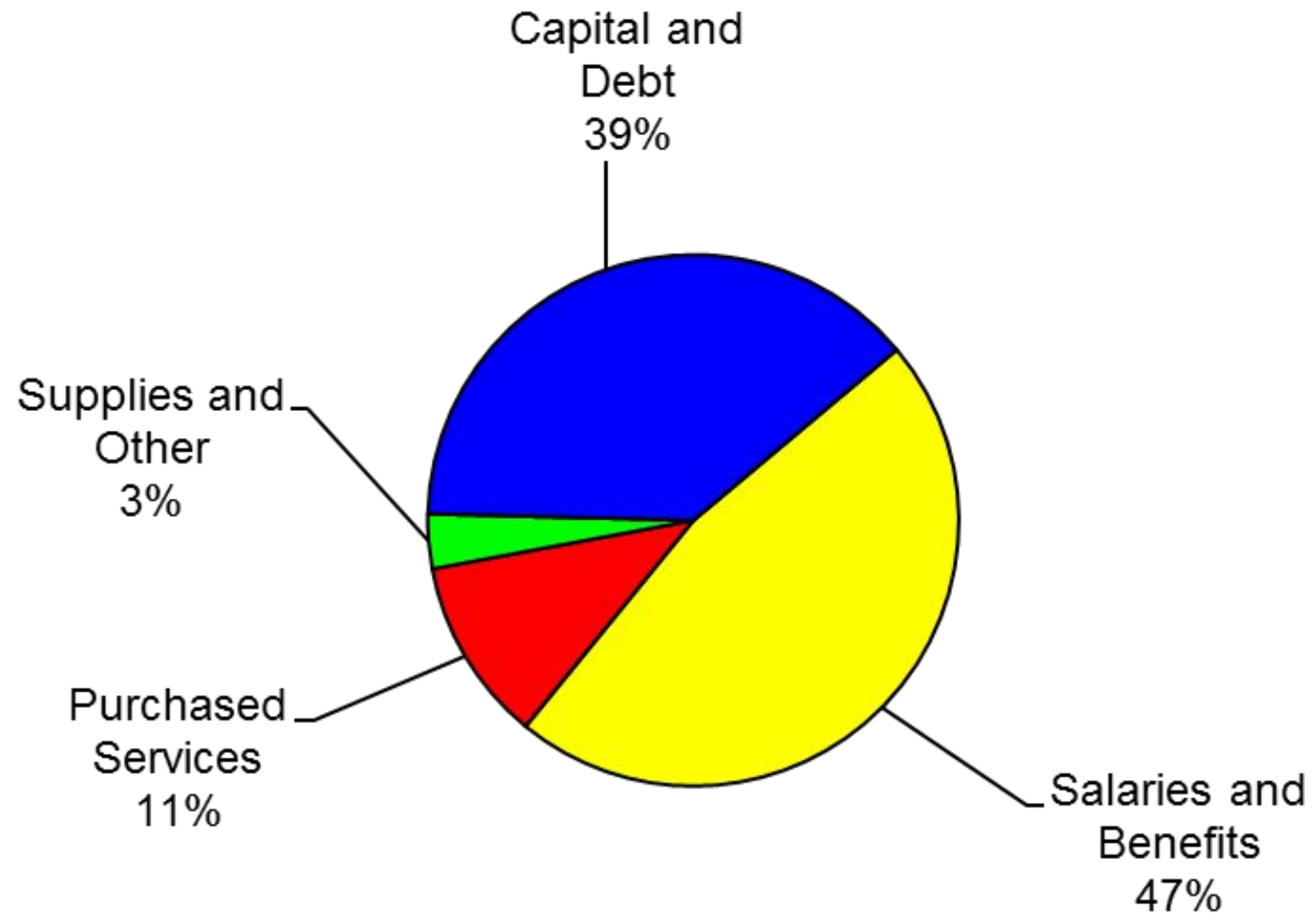
* Both the Buidling Construction Fund and the Debt Service Fund have designated reserve balances to cover the gap between revenues and expenditures.



APPROVED REVENUE BUDGETS 2018-2019 (\$191,279,065)



APPROVED EXPENDITURE BUDGETS 2018-2019 (\$267,143,825)



MAJOR COMPONENTS for the 2019-2020 BUDGET

Expenditure Adjustments

- **Salary & benefit negotiations**
- **Staffing levels**
- **Transportation costs**
- **Property & liability insurance**
- **Utility costs**

Revenue Adjustments

- **Enrollment changes**
- **Legislative changes**
- **Participation fees**
- **Grant changes**



To Summarize

- Public schools have a procedural process to follow in order to authorize tax levies.
- Tax revenues are an important component of school district budgets.
- An individual's property tax liability is influenced by many factors.
- The taxes collected for the School District in 2019 will increase by \$600,000 or 1% from taxes collected in 2018.
- Mounds View Public Schools will certify the final tax levy at the regular December 11th School Board meeting.