

Central Public Schools

2019 Payable 2020

Truth In Taxation Public Meeting

6:10pm

Dec. 16, 2019 at the

Central Public Schools HS Media Center

531 Morse St.

Norwood Young America, MN 55368

Truth in Taxation Law

Minnesota's Truth in Taxation Law requires that cities, counties and school districts follow certain steps before adopting a tax levy for the following year.

- The law requires a mailed notice to each property owner in the county, which describes the tax levies proposed by the city, county and school district and what percent increase (decrease) such a levy would mean in dollars.
- School districts are required to hold a single meeting in which the public is allowed to speak and the budget and levy is discussed. This meeting may be part of a regularly scheduled meeting but must occur after 6:00 P.M.
- The meeting date and location must be provided at the same time or prior to certifying the proposed property tax levy. The meeting date must be between November 25 and December 27.
- You are here tonight as part of the school district's public meeting process.

Requirements of the Truth in Taxation Public Meeting

1. Discuss proposed property tax levy for taxes payable 2020
2. Provide and discuss information on the current budget (2019).
3. Public must be given a reasonable amount of time to comment on the proposed property tax levy and budget and to ask questions.

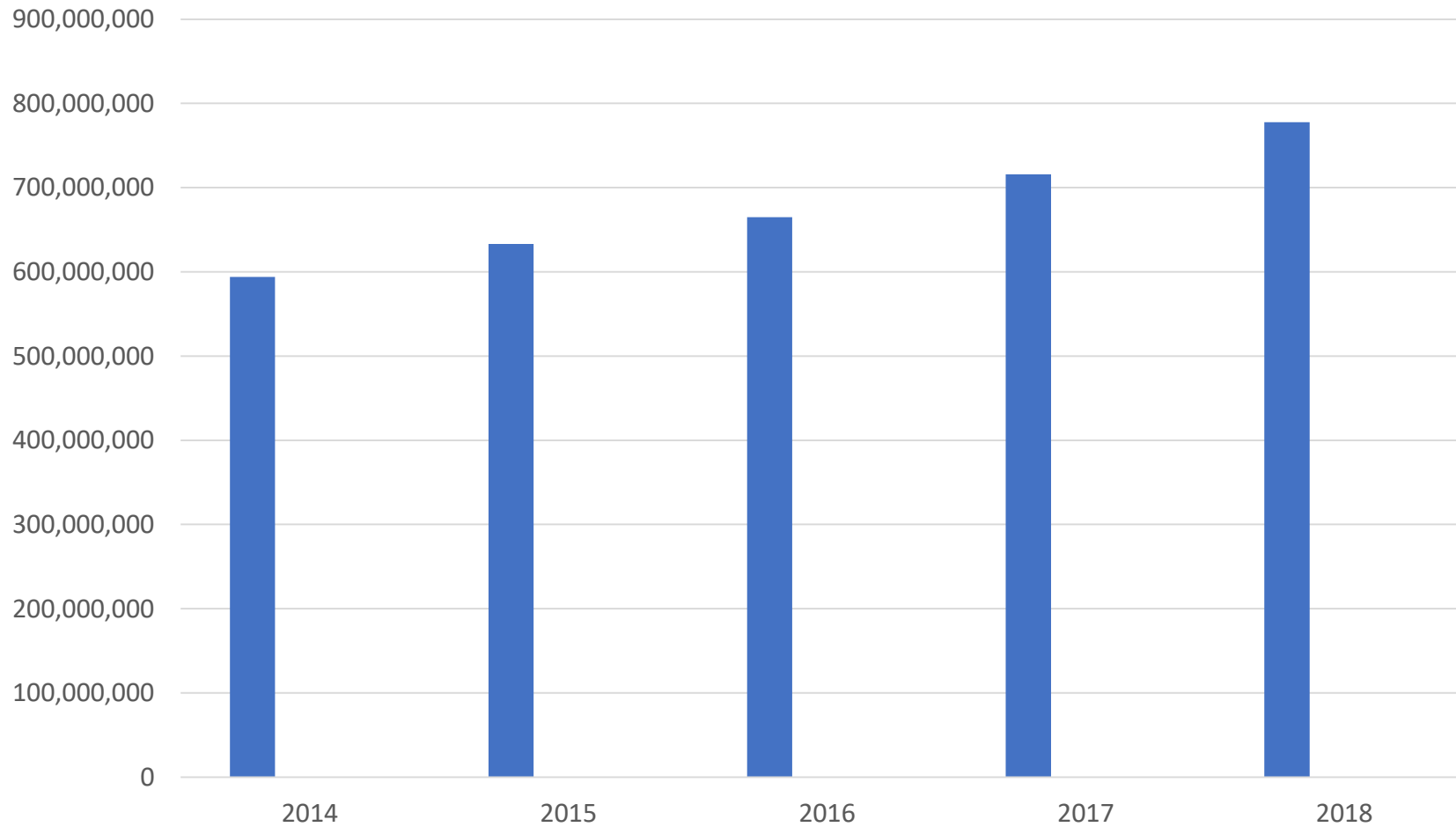
- Minnesota Statute 275.065

Points to Remember

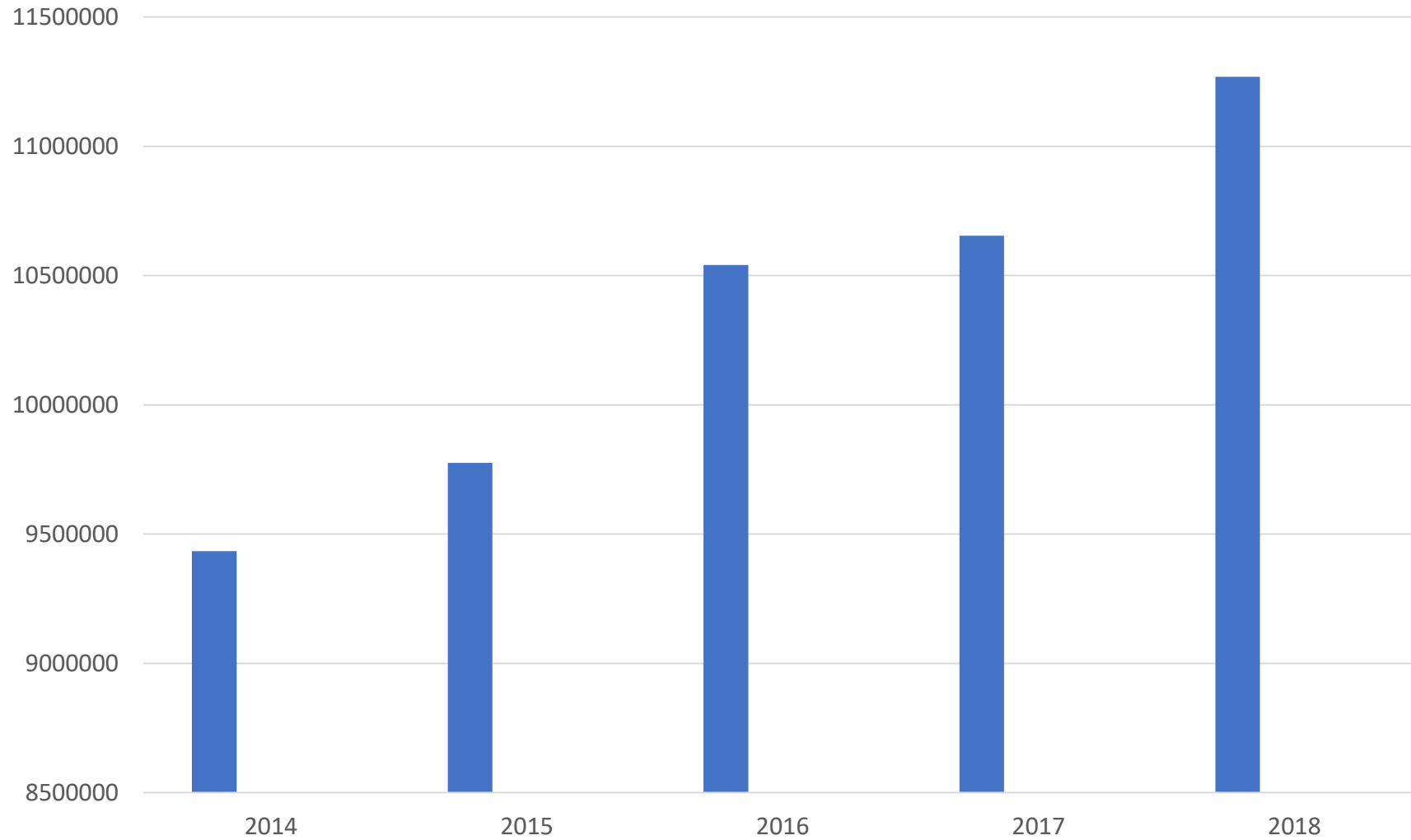
1. Revenue formulas are set by the State Legislature except for voter approved referendums.
2. Local Levy and State Aid mix are set by the State Legislature.
3. An increase in local taxes does not necessarily mean an increase in revenues for the school district.

- Minnesota Statute 275.065

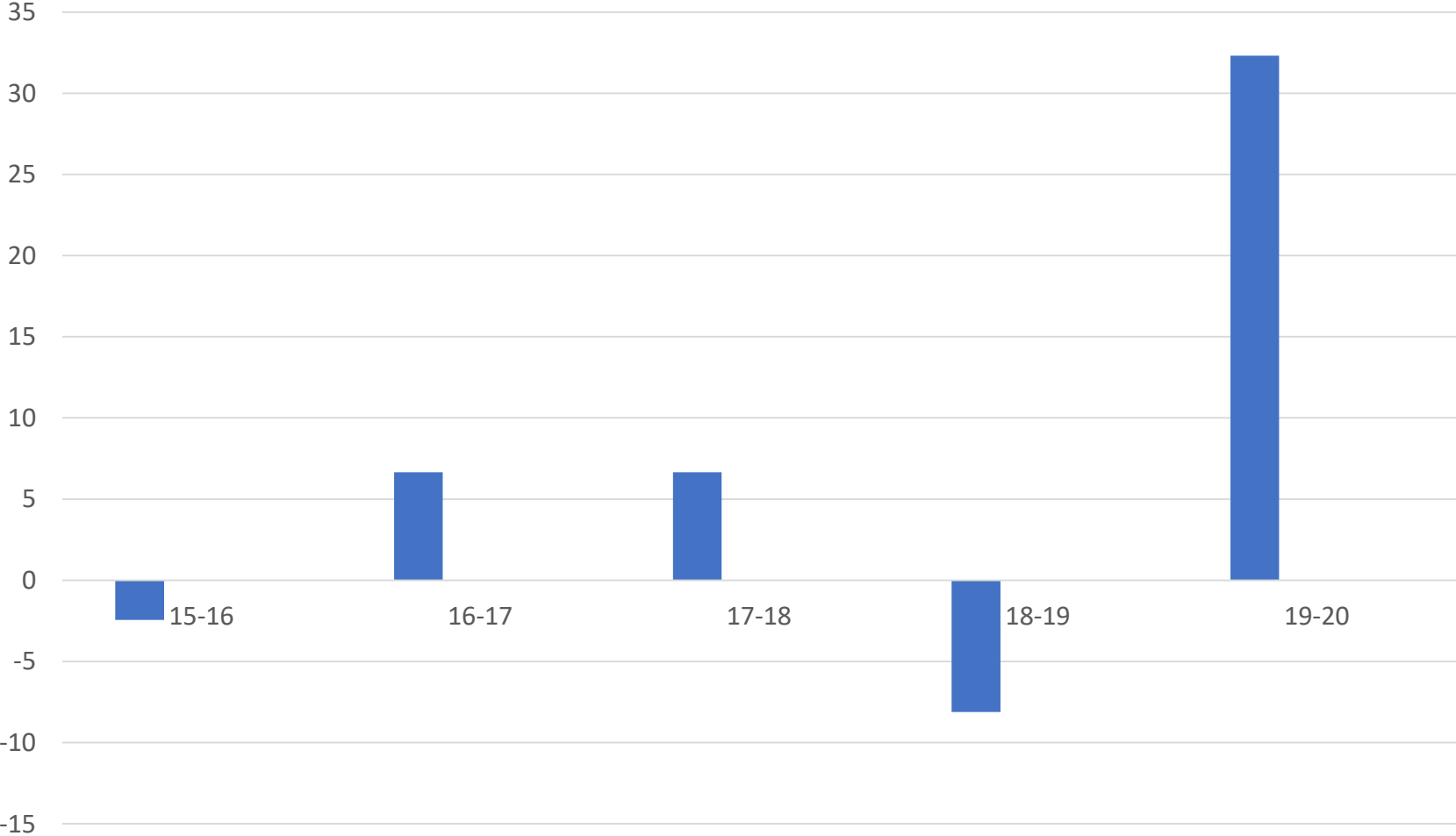
Referendum Market Value Analysis



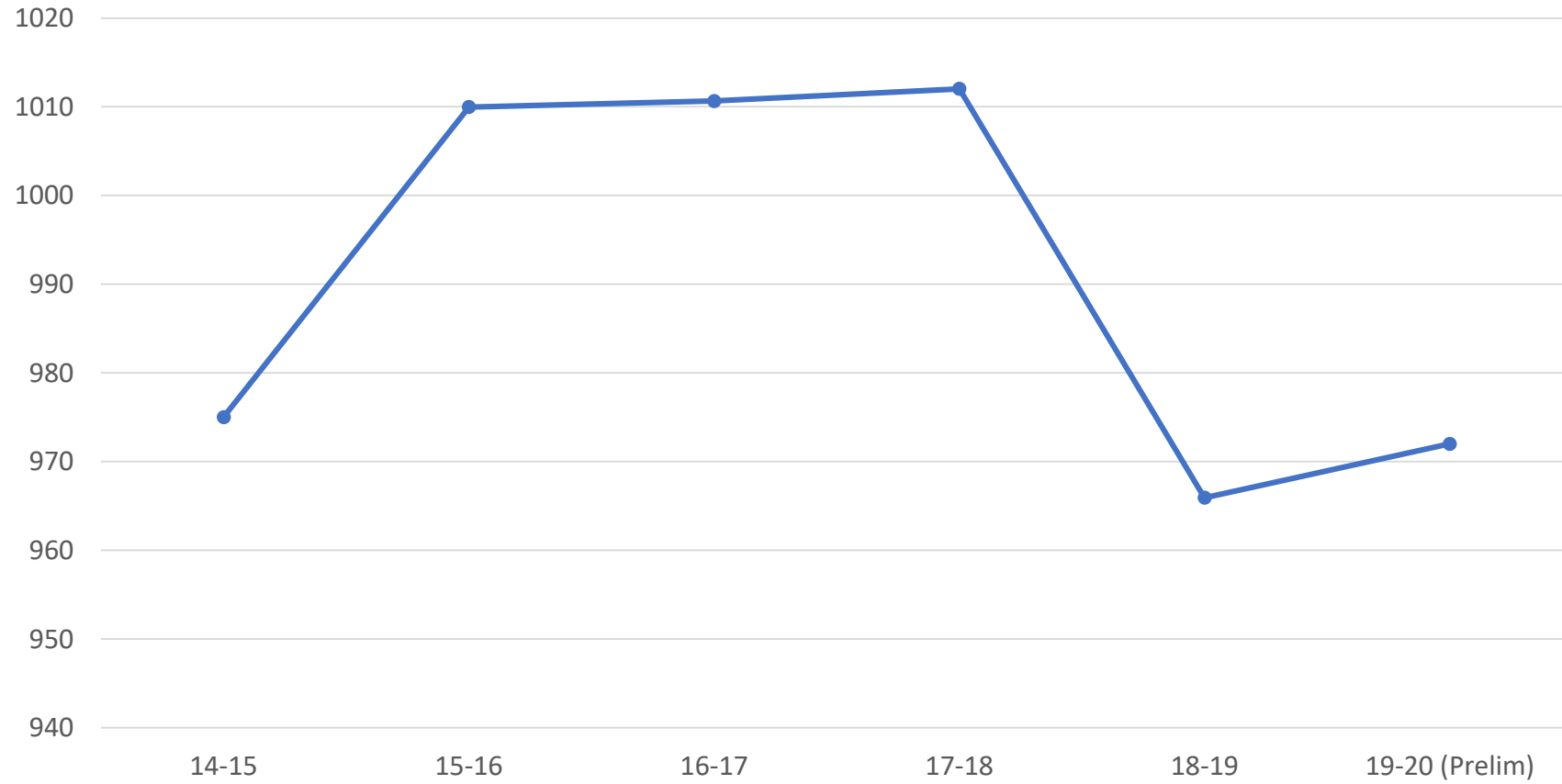
Adjusted Net Tax Capacity Analysis



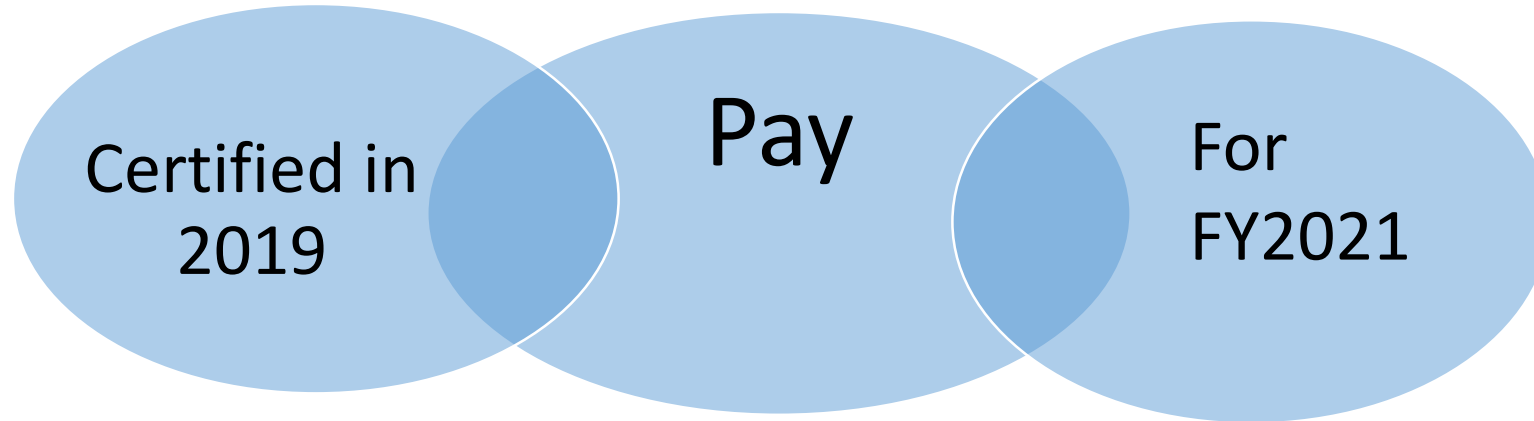
5-Year Levy History



Enrollment History Trends



Levy Certification



School Board approves Preliminary Levy in September 2019 and Adopts Final Levy in December, 2019

Property Owners pay taxes in May, 2020 and October 2020 based on amounts approved by the school board

School district recognizes revenue from collection of taxes from Calendar Year 2020 in Fiscal year 2020-21.



Central School District

**School District Budget
Current School Year
2019-20**

Central Public Schools

2019-2020 BUDGET OVERVIEW

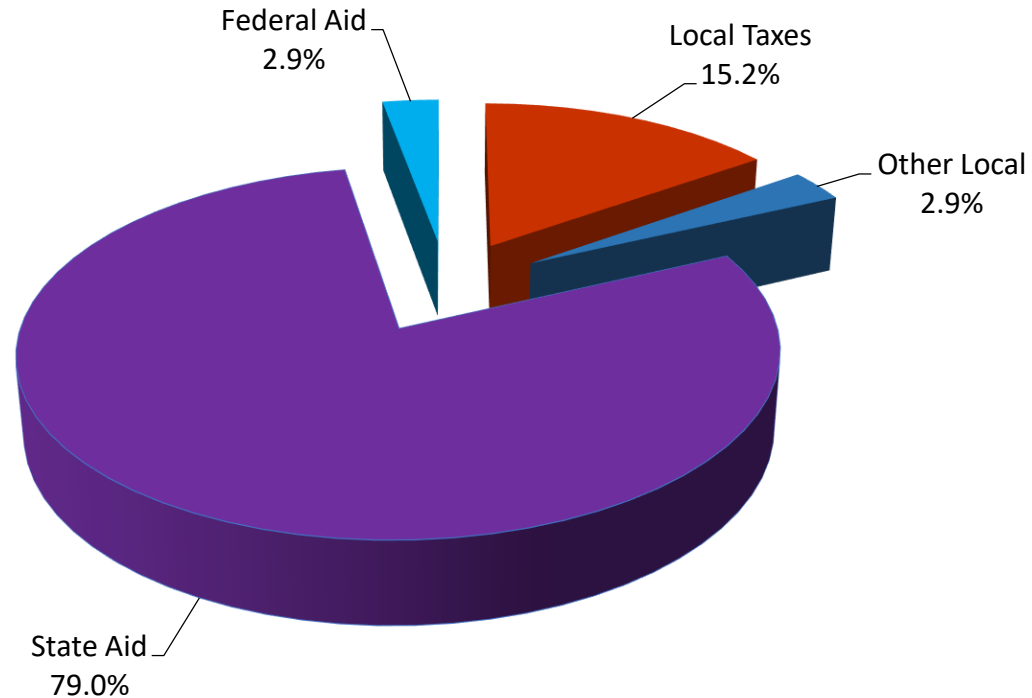
REVENUES

	18-19 Audited	19-20 Budget	Percent Change
General Fund	10,848,355	10,302,206	-5.03%
Food Service	458,829	452,729	-1.33%
Community Service	957,272	944,356	-1.35%
Debt Service	<u>992,858</u>	<u>996,297</u>	<u>0.35%</u>
Totals	<u>\$ 13,257,314</u>	<u>\$ 12,695,588</u>	<u>-4.24%</u>

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General Fund Revenue Budget

Where Do Our School Revenues Come From?



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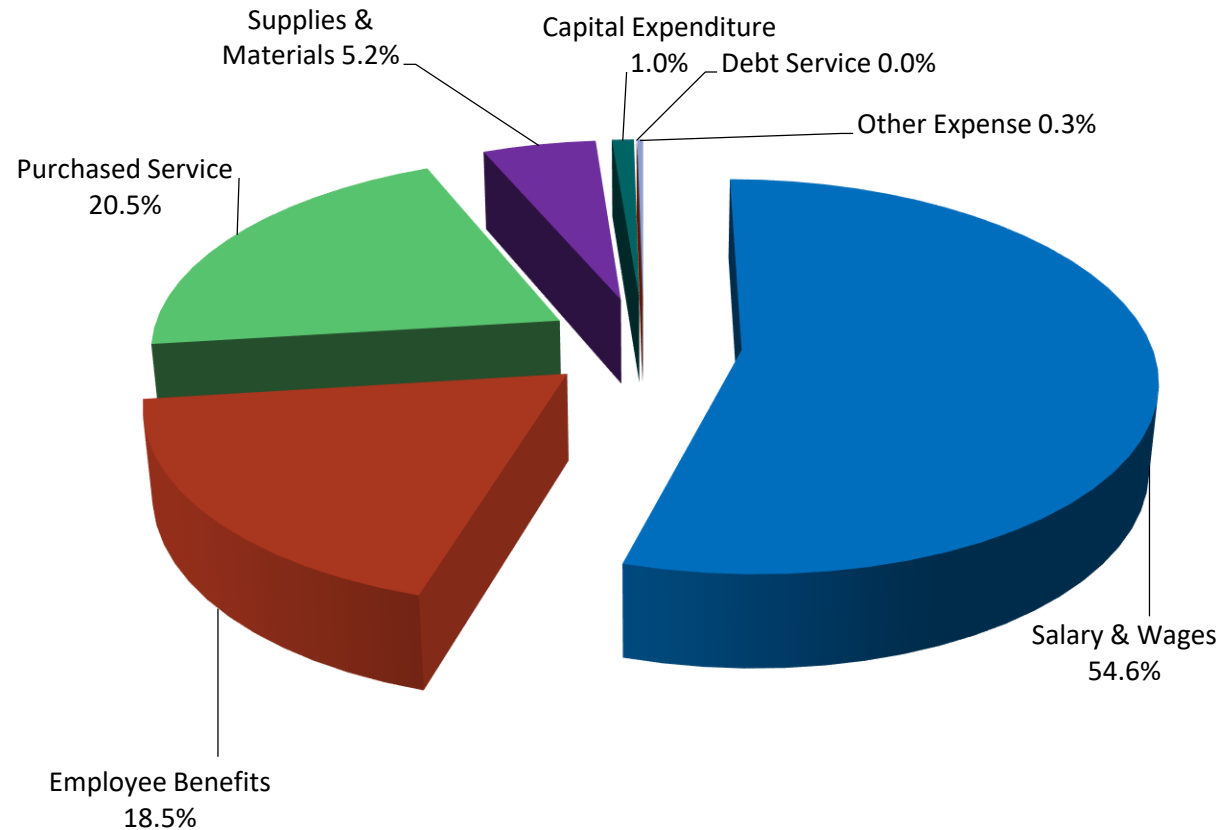
2018-2019 BUDGET OVERVIEW EXPENDITURES

	18-19 Audited	19-20 Budget	Percent Change
General Fund	10,999,546	10,393,210	-5.51%
Food Service	470,220	508,221	8.08%
Community Service	857,137	953,893	11.29%
Debt Service	<u>987,110</u>	<u>986,239</u>	<u>-0.09%</u>
Totals	<u>\$ 13,314,013</u>	<u>\$ 12,841,563</u>	<u>-3.55%</u>

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General Fund Expenditure Budget

What Do Our Expenditures Pay For?



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Authority for School Levies

A School District Tax Levy must be either:

- Set by State Formula
- or-
- Voter Approved



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Factors Impacting Tax Change

Issues Driven by Legislative Decisions:

- Change in sales ratio (impacting ANTC)
- Change in tax capacity rate structure (Ag2School)

Issues Determined by District Voters:

- Voter approved building bond issue
- Voter approved excess levy referendum

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Factors Impacting Tax Change (*cont.*)

Local Factors:

- Addition of voter approved levy
- Abatements
- Property improvements not previously taxed
- Change in individual assessed market value
- Possible change in property classification (*e.g. homestead to rental*)

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LEVY LIMITATION AND CERTIFICATION 2019 Payable 2020

Comparison of Certified Payable 2019 Levy with Proposed Payable 2020 Levy

GROSS LEVIES BY FUND	ACTUAL 18 PAY 19	PROPOSED 19 PAY 20	DOLLAR DIFFERENCE	PERCENT DIFFERENCE
General Fund	1,422,873.00	2,271,905.00	849,032.00	59.67%
Community Services	145,755.00	132,367.00	(13,388.00)	-9.19%
Debt Redemption	992,297.00	984,392.00	(7,905.00)	-0.80%
Total	2,560,925.00	3,388,664.00	827,739.00	32.32%