



# Edina Public Schools

## Edina School District 273


Proposed 2014 Payable 2015  
Levy Certification  
December 15, 2014

# AGENDA



- ▶ Tax Levy Calendar
- ▶ Basic School Funding
- ▶ Factors Contributing to the Levy Change
- ▶ Levy Certification 2014 pay 2015
- ▶ Graphical Analysis
- ▶ Budget – part of the regular Board meeting agenda

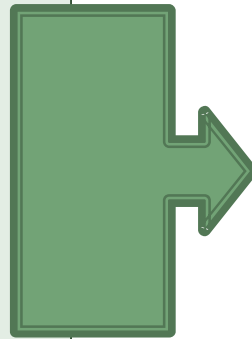
# TAX LEVY CALENDAR

- ▶ September Certify Proposed Levy (1)
  - ▶ November County mails levy notices to property owners
  - ▶ December Public hearing as part of regular board meeting
  - ▶ December Certify final tax levy (2)
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- ▶ (1) Except for new voter approved tax levies, the final levy cannot exceed the proposed levy certified in September
  - ▶ (2) The certification of the levy is the culmination of a five month process which began the previous July
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# AUTHORITY FOR SCHOOL LEVIES

- ▶ A School District Tax Levy Must Be Either:

- Set by State Formula
  - OR
- Voter Approved



- ▶ Authorized Total Revenue

- ▶ Minus

- ▶ Local Property Taxes

- ▶ Equals

- ▶ State Aid



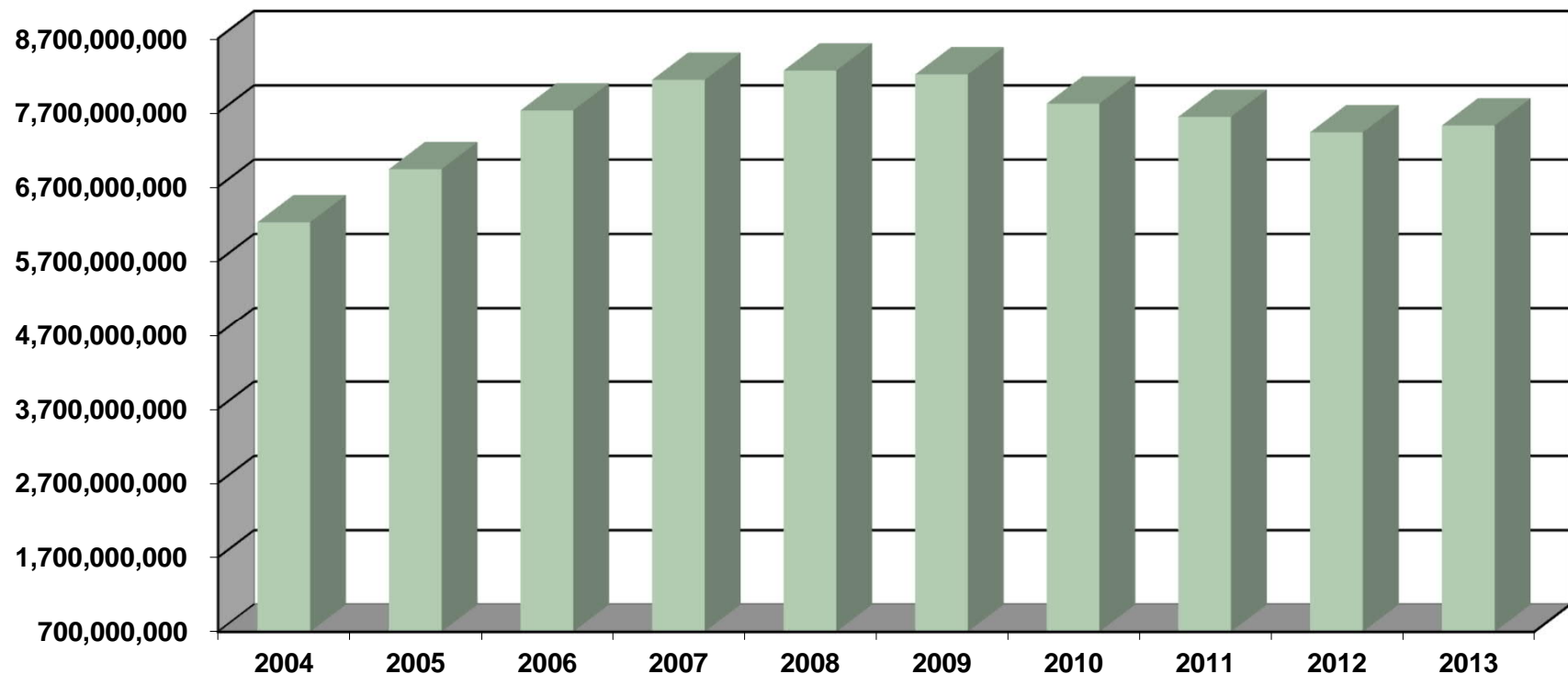
Authority for School  
Levies

Basic Formula for  
Calculating Revenue

# 2014 PAY 2015 REFERENDUM MARKET VALUE ANALYSIS

1.2% increase—state average .9% increase

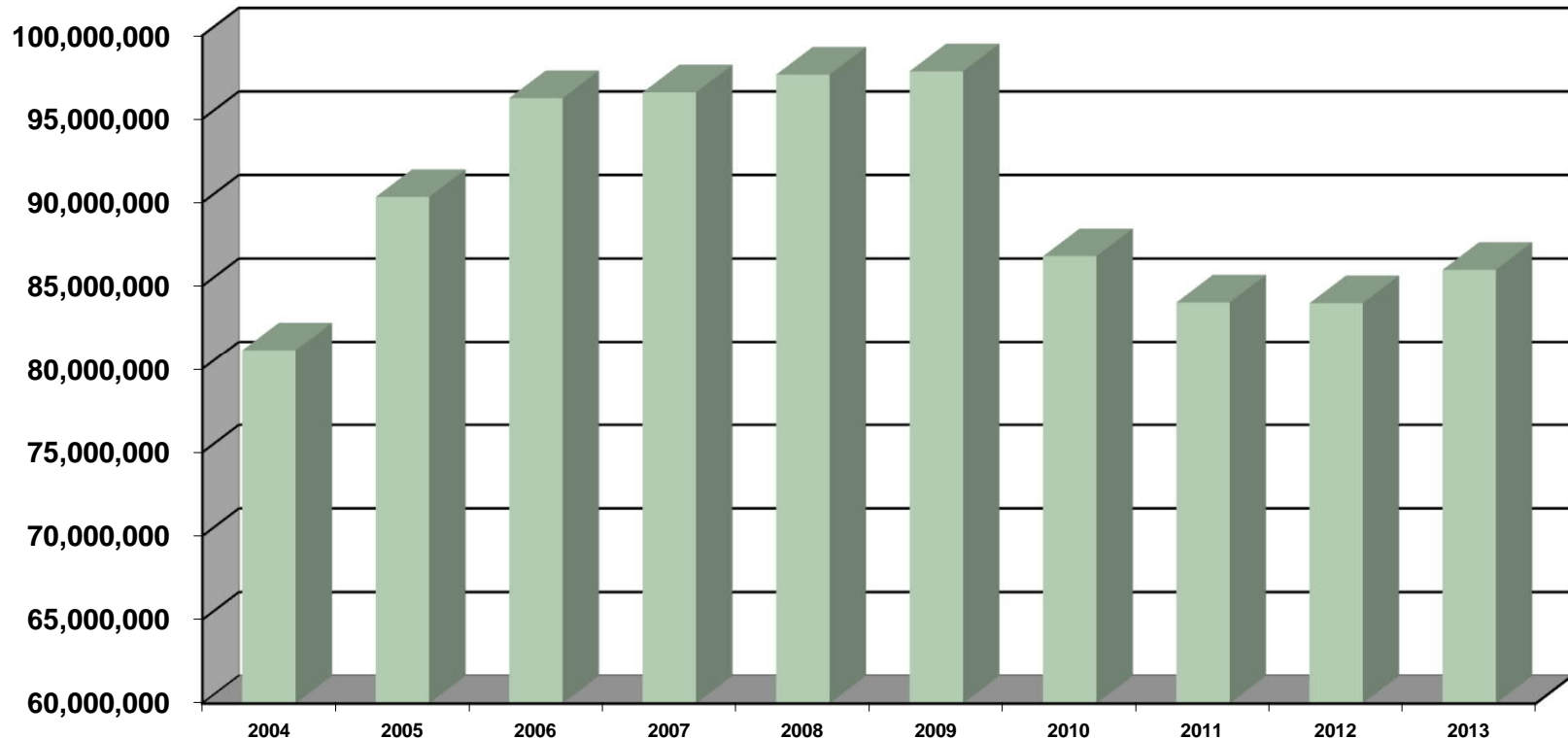
**14 PAY 15 LEVY LIMITATION  
REFERENDUM MARKET VALUE ANALYSIS**




# 2014 PAY 2015 ADJUSTED NET TAX CAPACITY ANALYSIS

2.4% increase—state average 7.5% increase

**14 PAY 15 LEVY LIMITATION  
ADJUSTED NET TAX CAPACITY ANALYSIS**



# FACTORS IMPACTING TAX CHANGE

- ▶ Issues Driven by State Level Decisions
    - Change in levies determined by state formula
    - Change in sales ratio (Impacting ANTC)
    - Laws mandating code compliance (Health & Safety)
  - ▶ Issues Determined by District Voters
    - Voter approved bond referendum
    - Voter approved operating levy referendum
    - Voter approved capital technology referendum
  - ▶ Local Factors
    - Inflationary pressure on real estate market
    - Abatements
    - Property improvements not previously taxed
    - Change in individual assessed market value
    - Possible change in classification (i.e.. homestead to rental)
- 



# WHAT IS INCLUDED IN THE SCHOOL DISTRICT LEVY CERTIFICATION?

- ▶ **Voter approved referendums**
    - Levy, bond, and capital technology
  - ▶ **Levies set by state formula**
    - equity, operating capital, transition, community service
  - ▶ **Levies authorized by the state based on local need**
    - reemployment, crime, career & technical, health & safety, facility leases, integration, deferred maintenance, extended day disabled and abatements
- 



# FACTORS CONTRIBUTING TO THE LEVY CHANGE

- ▶ Abatements + 1.5% increase (after adjustment)
- ▶ Legislative formula changes +.9%
- ▶ Enrollment, K addition & inflationary increases +.5%
- ▶ Funding more of the alternative facilities projects through annual levy vs. bonds +5.7% (after adjustment)
- ▶ Debt excess and other reductions -1%

2013 Tax capacity & market value changes 2% (used for district levy)

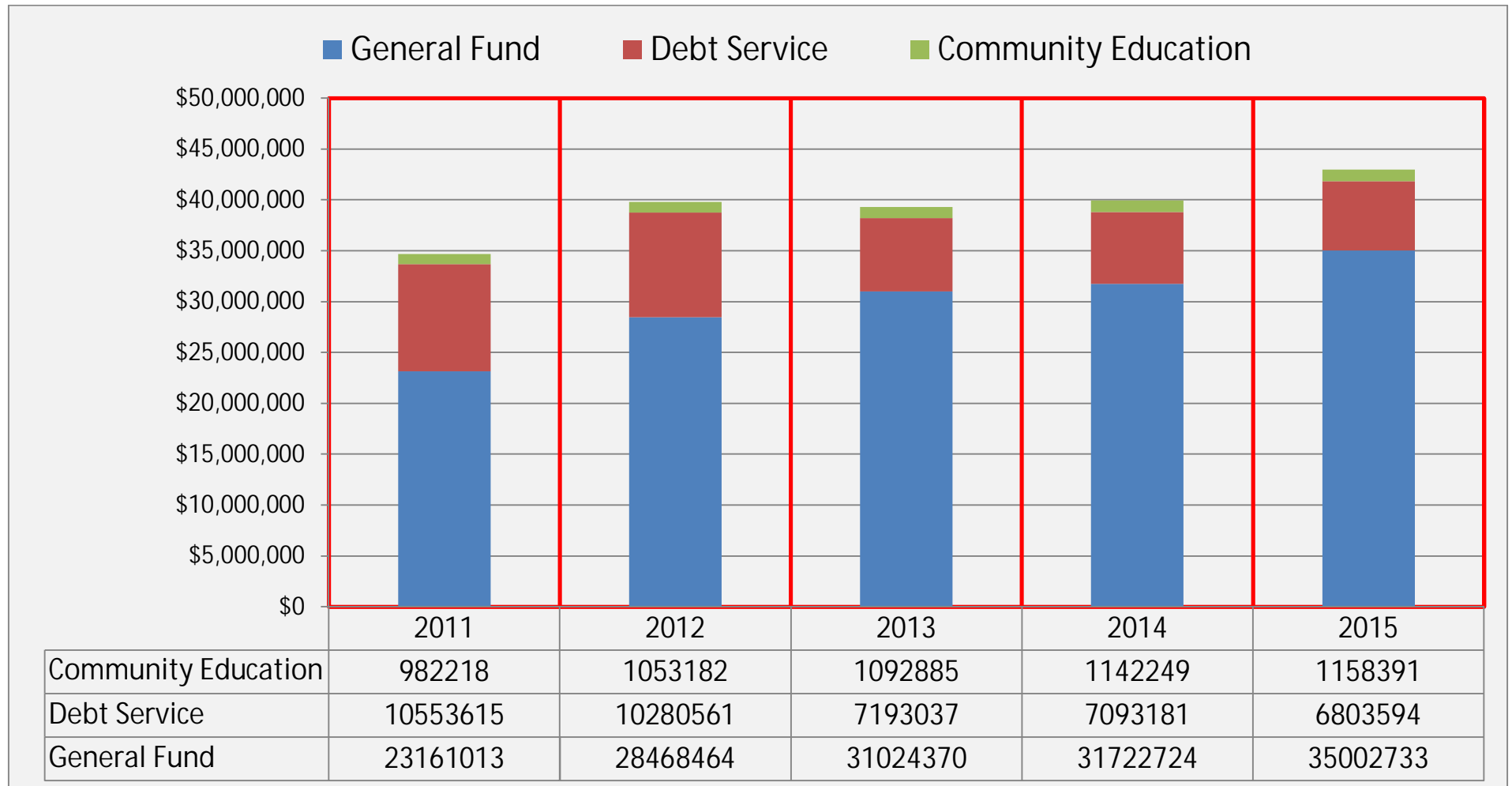
Estimated state average levy increase 5.9%



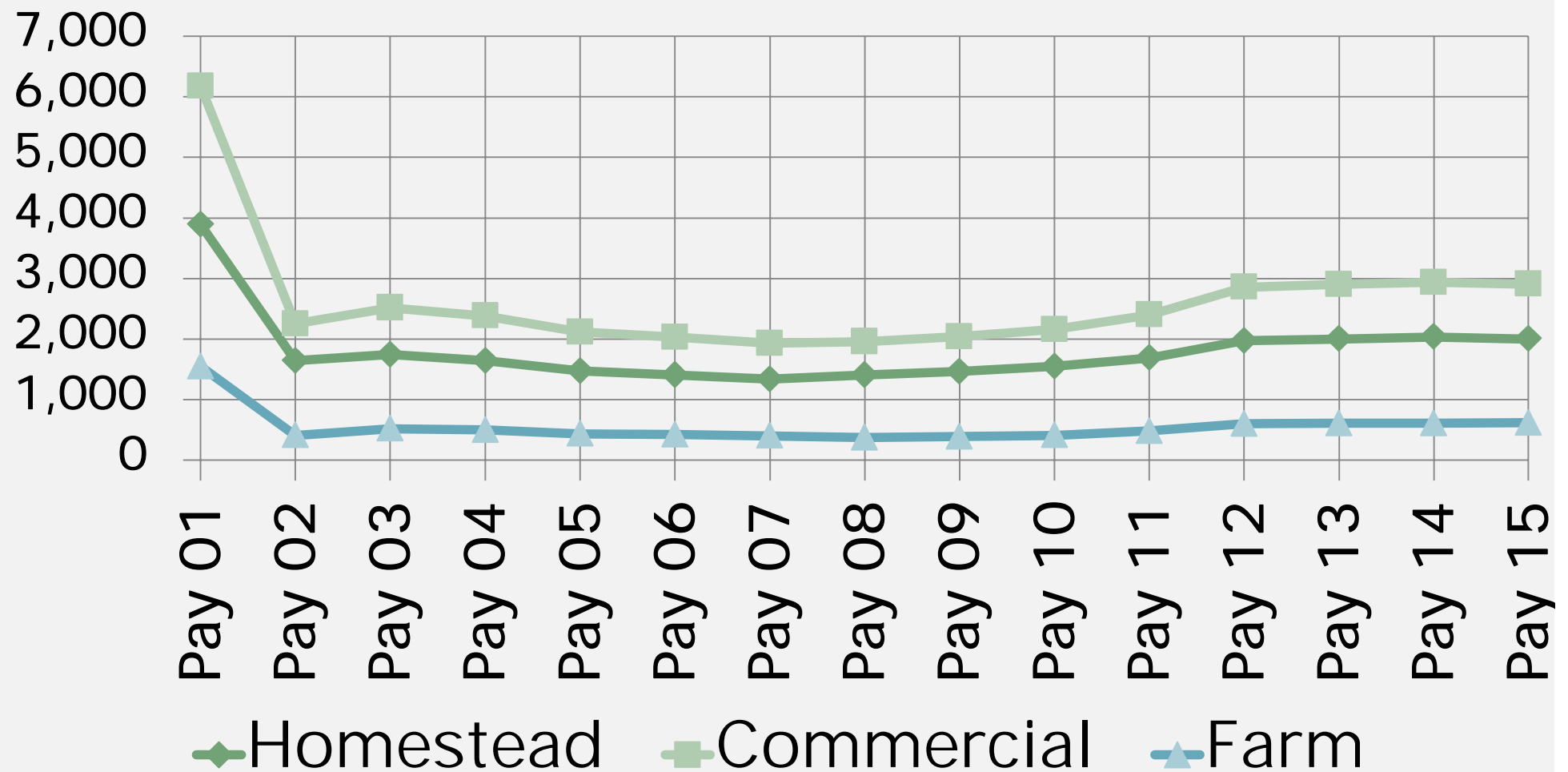
# 2014 PAY 2015 FINAL LEVY CERTIFICATION

	2010 LEVY For 2011-12	2011 LEVY For 2012-13	2012 LEVY For 2013-14	2013 LEVY For 2014-15	2014 LEVY For 2015-16
Voter Approved Levies					
Referendum Levy	\$15,379,970	\$16,241,981	\$15,901,024	\$12,646,480	\$13,029,843
Capital Technology Levy	1,000,000	4,500,000	4,638,103	4,558,717	4,587,812
Debt Service (Fund 7)	10,553,615	10,280,561	7,193,037	7,093,181	6,803,594
	\$26,933,585	\$31,022,542	\$27,732,164	\$24,298,378	\$24,421,249
Other Levies					
Equity Revenue	478,741	631,613	660,348	653,719	1,082,131
Location Equity	0	0	0	3,939,130	3,955,581
Student Achievement (Gen Ed)	0	0	0	293,931	283,731
Operating Capital	1,944,979	1,817,230	1,764,829	1,352,892	1,386,852
Alt. Comp	749,816	765,568	771,002	769,648	777,407
Integration	220,214	278,817	314,657	247,236	298,444
Reemployment	92,928	253,733	100,000	33,360	17,494
Safe Schools	388,207	395,394	398,292	424,778	470,020
Career & Technical	31,497	52,219	44,782	39,299	68,539
OPEB	856,076	704,323	663,811	696,430	782,287
Health/Safety	807,896	497,439	306,813	242,792	238,164
Alternative Facilities/Def Maint	885,412	1,730,064	4,218,529	4,640,567	6,921,785
Levy for lease	303,712	509,361	609,716	978,598	827,911
LCTS	50,554	0	0	0	0
Other	-28,988	90,721	632,465	205,147	274,730
Community Service (Fund 4)	\$982,218	\$1,053,182	\$1,092,885	\$1,142,249	\$1,158,391
	\$7,763,262	\$8,779,666	\$11,578,128	\$15,659,776	\$18,543,468
Total	\$34,696,847	\$39,802,207	\$39,310,292	\$39,958,154	\$42,964,717

# LEVY CERTIFICATION ANALYSIS



# Change in District Property Taxes 2001-2015



# Estimated Annual Tax impact of Proposed 2014 Pay 2015 Levy

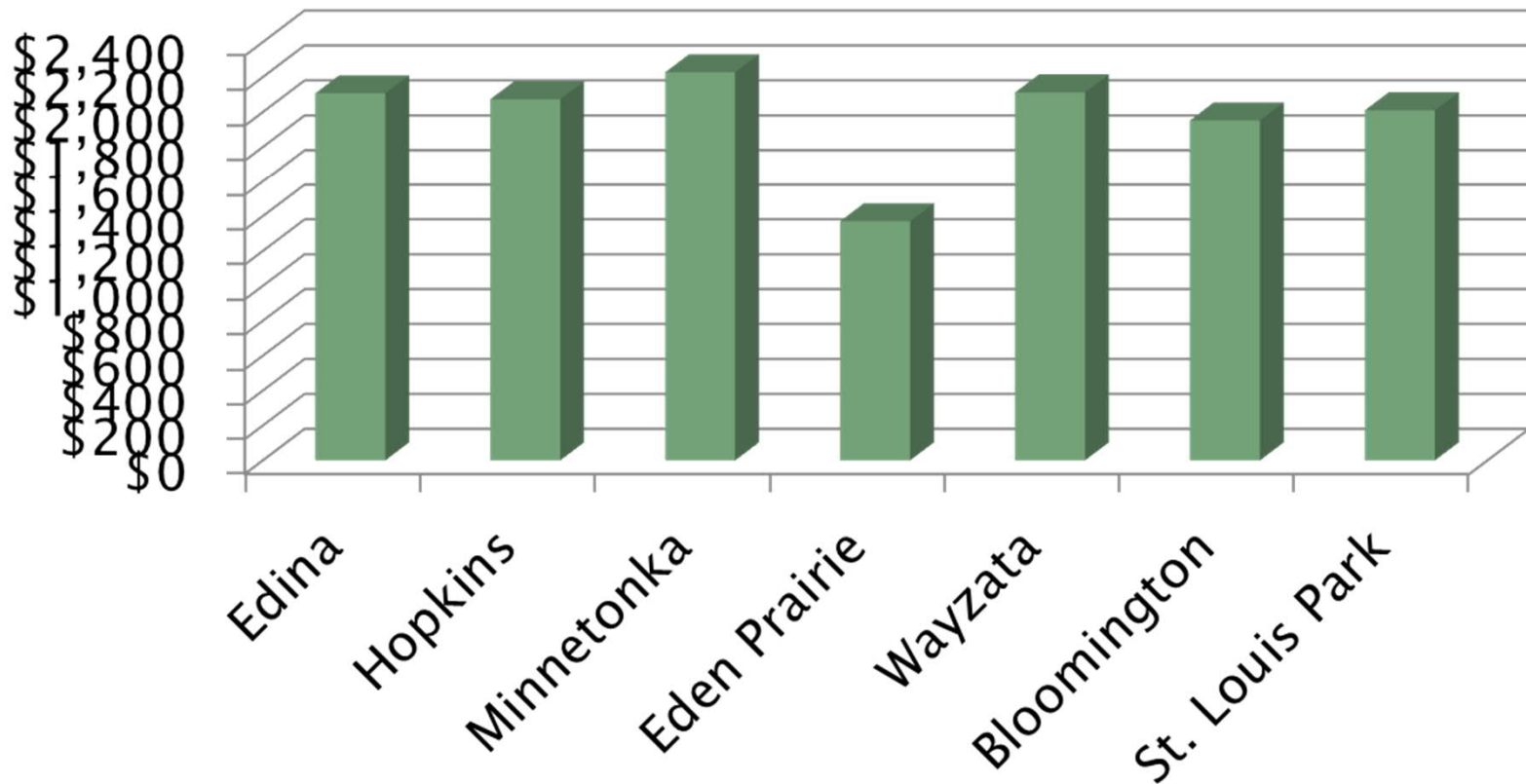
Market Value	Tax Impact with No Change in Market Value	Market Value with Average 8% Increase	Tax Impact with 8% Change in Market Value
\$250,000	-\$27	\$270,000	+\$76
\$400,000	-\$43	\$432,000	+\$116
\$550,000	-\$60	\$594,000	+\$155
\$700,000	+\$60	\$756,000	+\$372
\$1,000,000	+\$233	\$1,080,000	+\$677

- ❖ Per Hennepin County-average home value for 2014 = \$400,000 and 2015 = \$438,800
- ❖ Overall increase in district tax base for 2015 10.5%

# SCHOOL DISTRICT TAX COMPARISON on \$432,000 HOME

Information from Hennepin County based on school district tax by city

## Tax Impact





# Edina Public Schools



Questions