



ALEXANDRIA PUBLIC SCHOOLS ISD #206

2017 PAYABLE 2018 FINAL LEVY CERTIFICATION

**Regular School Board Meeting
Monday, December 18th, 2017 – 7:00 PM**

Agenda

- Background on Property Tax Levies
- Information on School Funding & District Budget
- Proposed Taxes Payable in 2018
- Estimated Impact on Taxpayers
- Minnesota Property Tax Refunds
- Public Comments & Questions



Background on Property Tax Levies

Truth in Taxation Law

- Minnesota Truth in Taxation Law was revised in 2009
- Requirements:
 - Public meeting may be held at a regularly scheduled board meeting
 - Discussion of proposed property tax levy for taxes payable in 2018
 - 2016-17 budget must be discussed
 - Levy may be adopted at same meeting
 - Must allow for public comment and question

Governing Entities



- State Legislature & Governor's Administration
 - Establish overall tax policy for the state
 - Sole authority to create levy options for school districts
 - Controls school levy parameters including amount of state aid and tax bases used for levies
- School Board
 - Participate in state education programs that are financed entirely by levies or a combination of levy and state aid
 - Ask voters to approve referendums for general operations and major capital projects

Key Steps in the Levy Process

- Step 1 – County Assessors offices (Douglas & Pope Counties) determine the estimated market value and assign a property class for each parcel of property in the School District.
- Step 2 – The Minnesota State Legislature sets the formulas (class rates) for tax capacity and market value. These class rates determine how much of the tax burden will fall on different types of properties. (ex. residential up to \$500K = 1.00%, residential over \$500K = 1.25%, commercial up to \$150K = 1.50%, commercial over \$150K = 2.00%, etc.)
- Step 3 – The County Auditors calculate the tax capacity and market value for each parcel of property in the School District, as well as the total tax capacity.
 - A property's tax capacity is determined by multiplying the property's market value by the relevant class rate. Class rates are set by statute, vary by property type, and are uniform statewide.

Key Steps in the Levy Process

- Step 4 – The Minnesota State Legislature sets the formulas which determine the maximum amounts of taxes the School District may levy in every category.
 - Each category has its own unique set of calculations. Many formulas are based on a per-pupil basis, while others are more specific.
 - Operating Capital is based on age and square footage of district buildings
 - Transportation Sparsity is based on attendance area and number of square miles per resident student
 - Equity Revenue is based on a district's per-pupil revenue (only certain funding sources) compared to the state average. We are \$6,627.12 while the 5th percentile is \$6,570.43.
- Step 5 – The Minnesota Department of Education calculates detailed levy limits for the School District. These calculations are based on the formulas approved by the Minnesota State Legislature. These limits tell the School District the exact amounts that may be levied in every category.

Key Steps in the Levy Process

- Step 6 – The School Board adopts a proposed levy in September based on the limits set by the Minnesota State Legislature.
- Step 7 – The School Board adopts a final levy in December, where the public is given the opportunity to discuss the levy. The final levy cannot be greater than the preliminary levy, except for amounts approved by the voters or changes made by the Minnesota Department of Education.
- Step 8 – The County Auditors divide the final levy by the tax capacity to determine the tax rate needed to fund the approved levy amount. Multiplying the tax rate by each parcel's tax capacity and market value will determine the School District Tax amount.

City / County vs. School Levy Cycle

- City & County

- Budget Year is same as Calendar Year (January 1 – December 31)
- 2018 taxes provide revenue for Calendar Year 2018

- School District

- Budget Year is July 1 – June 30
- 2018 taxes provide revenue for Fiscal Year '19 (7/1/18 – 6/30/19)

Tax Rates by Classification

(Statistics for Douglas County, not the School District)

- The Estimated Market Value (EMV) of Douglas County was \$5,697,252,100 in 2017 (increase from \$5,517,675,100 in 2016 or 3.3%)
- The majority of Douglas County's EMV (94.0%) comes from these four property classifications:

• Residential	\$2,619,521,450	(46.0% of total)
• Agricultural	\$1,182,642,650	(20.8% of total)
• Seasonal / Recreational	\$1,035,704,500	(18.2% of total)
• Commercial / Industrial	\$514,593,700	(9.0% of total)
- The remaining 6.0% comes from Apartments, Resorts, Personal Property, & Public Utilities
- EMV is reduced by \$378,809,543 (6.65%) for targeted properties eligible for exclusions or deferment, resulting in Taxable Market Value of \$5,318,442,557



Spruce County
 Jane Smith, Auditor-Treasurer
 345 12th Street East, Box 78
 Spruceville, MN 55555-5555
 (555) 345-6789
 www.co.spruce.mn.us

TAXPAYER(S):

John and Mary Johnson
 123 Pine Rd S
 Spruceville, MN 55555-5555

Property Information

PIN Number: 01.234.56.789.R1
Property Address: 789 Pine Rd S
 Spruceville, MN 55555

Property Description:
 Lot 1, Block 1, Spruce Acres Subdivison

PROPOSED TAXES 2018			
THIS IS NOT A BILL. DO NOT PAY.			
VALUES AND CLASSIFICATION			
Step	Taxes Payable Year	2017	2018
1	Estimated Market Value	\$125,000	\$150,000
	Homestead Exclusion	\$	\$23,800
	Taxable Market Value	\$125,000	\$126,200
	Class	Res NHmstd	Res Hmstd
PROPOSED TAX			
Step	Property Taxes before credits	\$1,467.52	
2	School building bond credit	\$ 12.00	
	Agricultural market value credit Other credits		
	Property Taxes after credits	\$1,455.52	
PROPERTY TAX STATEMENT			
3	Coming in 2018		
The time to provide feedback on PROPOSED LEVIES is NOW			
It is too late to appeal your value without going to Tax Court.			

Reading your Tax Statement

Change in property value has a large impact

Value excluded or deferred from taxation

What classification is your property being valued and taxed as?

Can appeal classification for the following year each spring

Amount of state equalization aid depends on overall district property wealth per pupil

As pupil counts decline, or as property wealth increases, the district's wealth per pupil increases, which results in a reduction of state equalization aid.

Proposed Property Taxes and Meetings by Jurisdiction for Your Property

Contact Information	Meeting Information	Actual 2017	Proposed 2018	
State General Tax	No public meeting	\$0	\$0	
County of Spruce Spruce County Courthouse 123 Spruce St Spruceville, MN 55555 www.co.spruce.mn.us (555) 123-4567	December 8, 7:00 PM	\$438.06	\$484.18	
City of Spruceville Mayor's Office 456 Spruce St Spruceville, MN 55555 www.ci.spruceville.mn.us (555) 123-7654	December 1, 6:30 PM Spruceville City Hall	\$273.79	\$312.06	
Spruceville School District 999 150 1st St N Spruceville, MN 55555 www.spruceville.k12.mn.us (555) 123-6789	December 4, 7:00 PM Spruceville High School Cafeteria			
Voter Approved Levies		\$289.35	\$296.68	
Other Levies		\$340.11	\$374.60	
Total excluding any special assessments		\$1,341.31	\$1,455.52	9.0%

Your school district was scheduled to hold a referendum at the November general election. If the referendum was approved by the voters, the school district's voter approved property tax for 2018 may be higher than the proposed amount shown on this notice.

School District Levy Categories

Voter Approved Levies

- Operating Referendum Levies
- Voter Approved Bonded Debt Levies

Other Local Levies

- Everything else

School District Levy Categories

- Recent Legislation has affected “Voter Approved” and “Other Local” levies a great deal:
 - **Pay 2011** Voter Approved: \$4,555,284.78 (\$1,789,202.39 Op. Levy)
Other Local: \$3,487,387.80 (\$0.00 Op. Levy)
 - **Pay 2012** Voter Approved: \$7,785,730.59 (New HS & \$1,747,721.02)
Other Local: \$3,218,231.43 (\$0.00 Op. Levy)
 - **Pay 2018** Voter Approved: \$5,645,093.02 (\$0.00 Op. Levy)
Other Local: \$8,347,632.23* (\$1,965,070.40 LOR)
(\$1,014,999.13 Op. Levy)

*Long-Term Facilities Maintenance, Alternative Teacher Compensation, School Aged Child Care

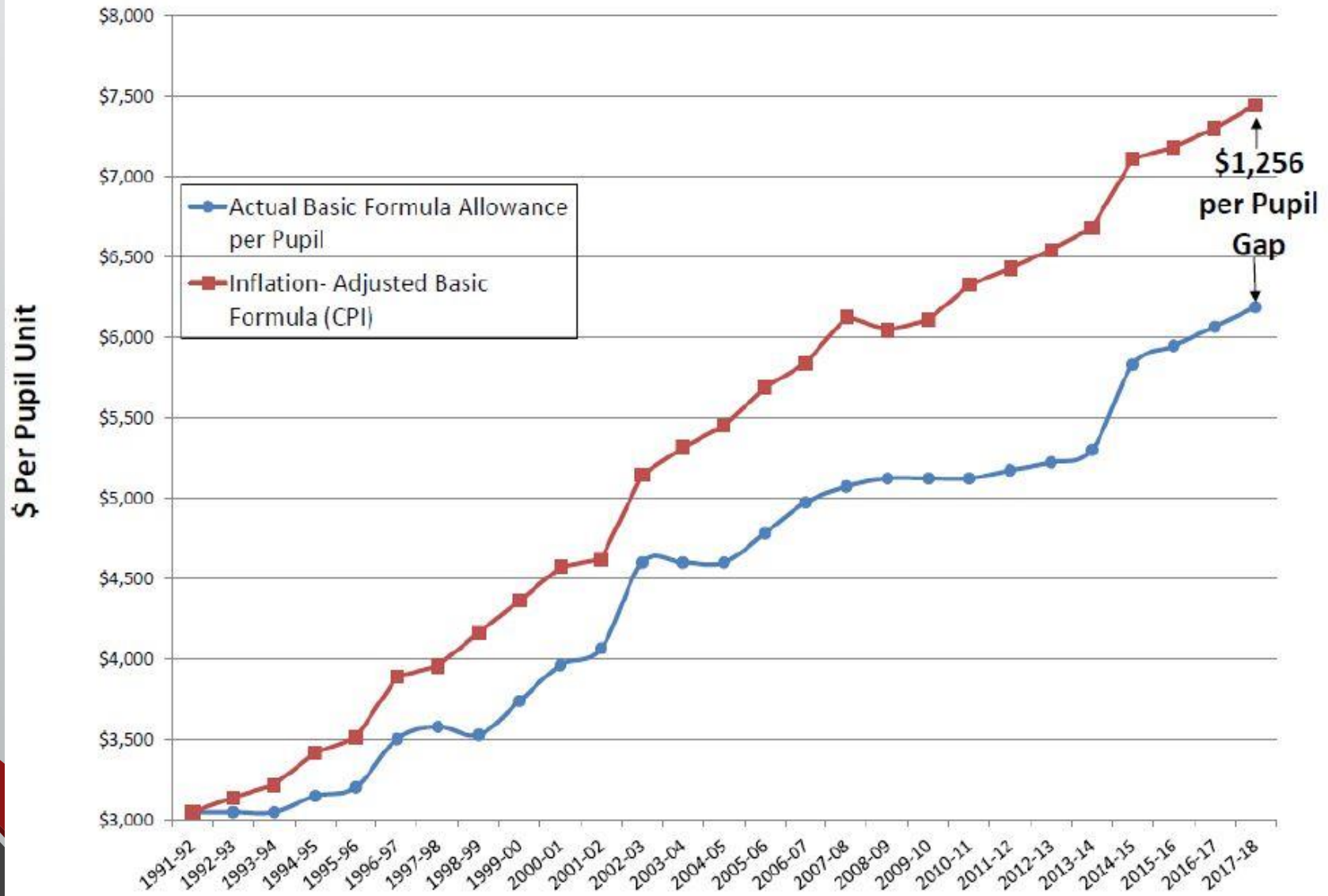
Factors That Cause Property Tax Changes

- Many factors may cause the individual property tax statement to increase or decrease from year to year:
 - Voter approved referendums
 - Changes in enrollment
 - Levy adjustments to prior years
 - Legislative changes
 - Changes in market values
 - Changes in class rates
 - Changes in property classification



Information on School Funding & District Budget

General Education Formula History



General Education Aid per ADM

General Education Aid per ADM – Comparable Districts & State Rank

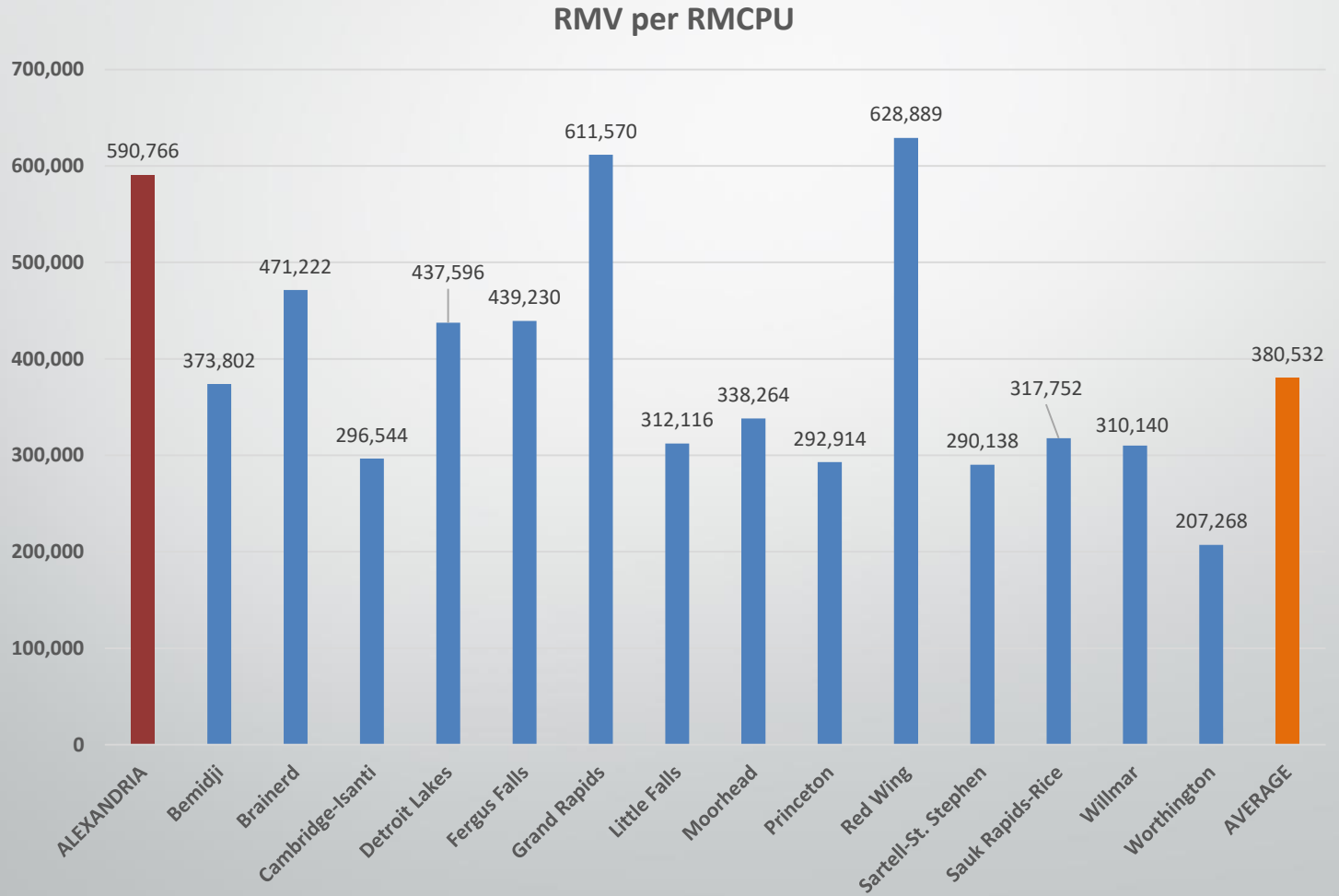
District	Aid per ADM	Comparable Rank (15)	State Rank (333)
Alexandria	\$7,098	15	312
Bemidji	\$7,900	4	166
Brainerd	\$7,447	10	251
Cambridge-Isanti	\$7,329	12	277
Detroit Lakes	\$7,511	8	239
Fergus Falls	\$7,396	11	262
Grand Rapids	\$7,468	9	247
Little Falls	\$8,076	3	137
Moorhead	\$7,712	5	199
Princeton	\$7,627	6	214
Red Wing	\$7,162	14	304
Sartell-St. Stephen	\$7,300	13	282
Sauk Rapids-Rice	\$7,557	7	229
Willmar	\$8,428	2	90
Worthington	\$9,108	1	45
Averages		\$7,715	\$8,140

Equalization Aid

- Based on Referendum Market Value (RMV) per Resident Student
- Higher RMV per Resident Student equates to less equalization aid and more responsibility to local levy
- Our district calculates to be a property-rich district.
 - This leads to limited ability to receive equalization aid and mandates the balance to be shifted heavily toward local lev

RMV Per Resident Pupil Unit

Comparable Districts

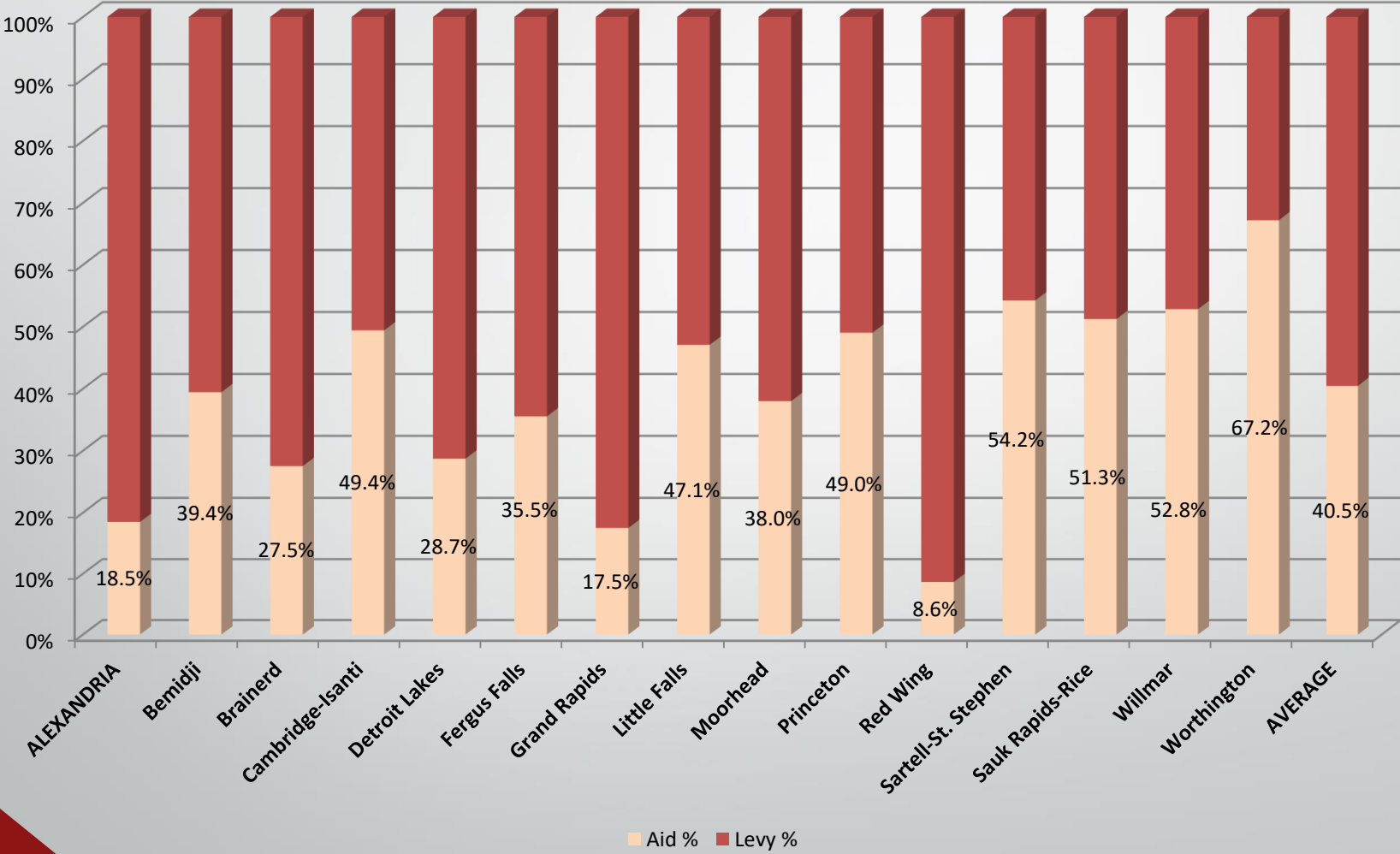


Equalization Aid

- Based on Referendum Market Value (RMV) per Resident Student
- Higher RMV per Resident Student equates to less equalization aid and more responsibility to local levy
- 5 major aid/levy split funding categories (2017-18 revenue):

Category	Aid	%	Levy	%	Total
Operating Capital	\$520,959.19	54.3%	\$438,960.53	45.7%	\$959,919.72
Local Optional Revenue	\$0.00	0.0%	\$1,960,152.00	100.0%	\$1,960,152.00
Equity Allowance	\$0.00	0.0%	\$731,273.54	100.0%	\$731,273.54
Transition	\$0.00	0.0%	\$69,899.76	100.0%	\$69,899.76
Referendum Revenue	\$423,234.31	30.5%	\$963,665.69	69.5%	\$1,386,900.00
TOTALS	\$944,193.50	18.5%	\$4,163,951.52	81.5%	\$5,108,145.02

Equalization Aid



Legislative Actions to Close Opportunity Gap

- 2013 Legislature addressed funding gap with increased equalization and up to \$300/APU School Board-authorized Operating Referendum Revenue
- 2014 Legislature created up to \$424/APU School Board-authorized Local Optional Revenue
- 2015 Legislature addressed facility needs of districts statewide with new Long Term Facility Maintenance Revenue with equalization aid

Opportunity Gap

Gap Between 95th and 5th Percentiles

- Includes Referendum, Equity, & Local Optional Revenue



Current Referendum / Local Optional Revenue

	<u>Revenue per APU</u>
Alexandria	\$724*
Comparable Districts Average	\$837
Median District/APU	\$930
Non-Metro >2,000 Students	\$938
Average District	\$1,162
State Average/APU	\$1,302

*Only 28 districts (out of 333) have less than \$724.

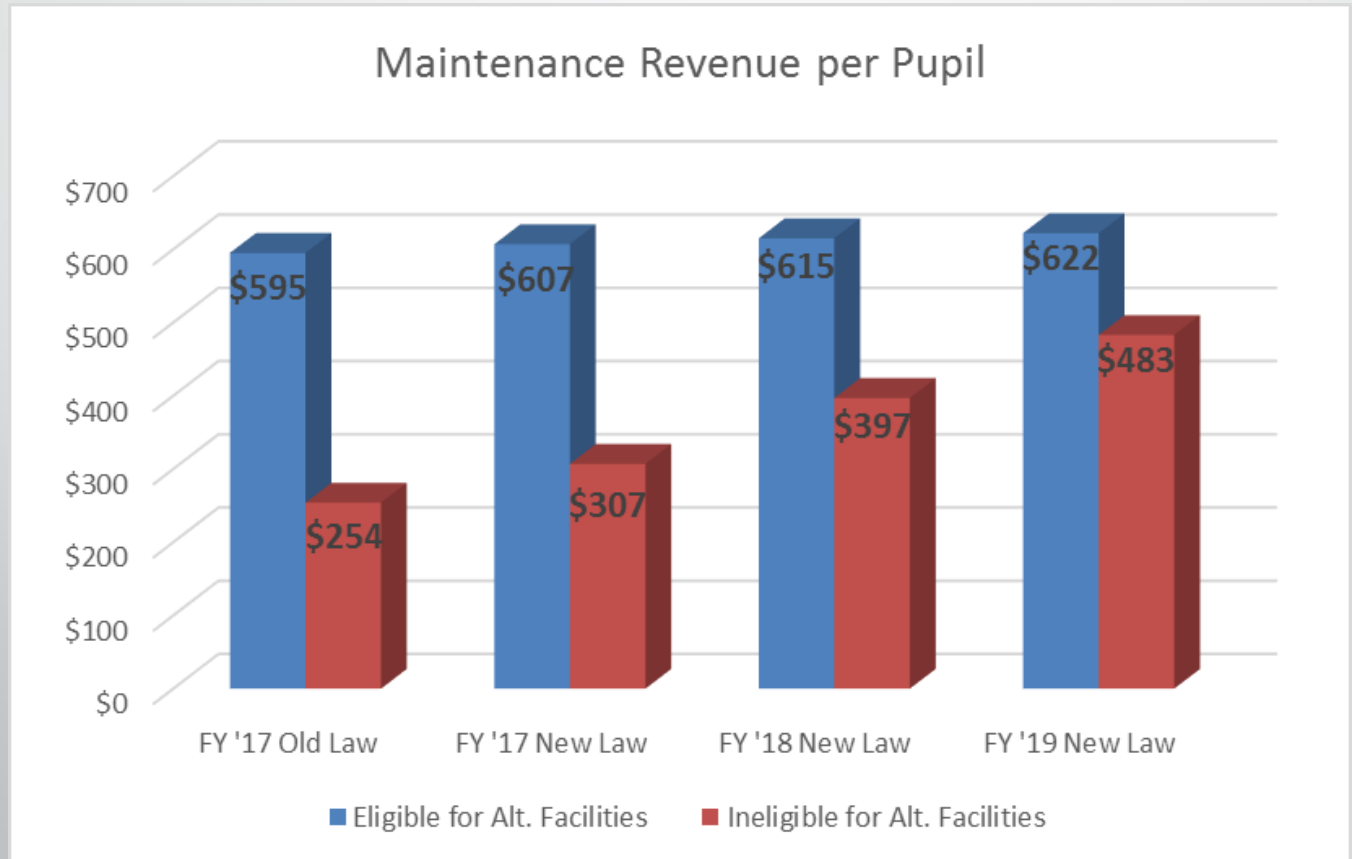
89 districts have \$724.

**Does NOT include updated information from November 2017 elections, which will increase averages across the board

Long-Term Facilities Maintenance Revenue

- LTFM, passed in 2015, based on idea that all districts statewide should have equal opportunity to generate facility maintenance funds from net tax capacity tax base with equalization.
- Before LTFM, the 25 largest school districts in Minnesota were investing \$2.79/sf in maintenance projects, compared to \$0.58/sf for all other districts.
- Revenue began in FY '17 calculated at \$193 per pupil, increasing to \$292 per pupil in FY '18, and \$380 in FY '19
- Replaced Health & Safety, Deferred Maintenance, and Alternative Facilities funding sources

Long-Term Facilities Maintenance Revenue Largest 25 Districts vs. Others



School District Funds

- The School District is required to record revenues and expenditures in different funds. Each fund has a definitive purpose.
 - **GENERAL FUND**
 - **Revenue**
 - Local levy, general education aid, federal aid, other local revenue (fees & admissions)
 - **Expenditures**
 - Daily Operating Costs (salaries, benefits, utilities, supplies, etc.)
 - Local operating referendum levy
 - Maintenance (facility improvements, health & safety code compliance, handicap accessibility, etc.)
 - Pupil Transportation
 - Capital Expenditures
 - Technology

School District Funds

- **FOOD SERVICE FUND (No levy)**
 - **Revenue**
 - Meal payments, state & federal meal program aid
 - **Expenditures**
 - Daily Operating Costs (salaries, benefits, food, etc.)
 - Capital Expenditures

- **COMMUNITY SERVICE FUND**
 - **Revenue**
 - Local levy, state & federal aid, program fees & tuition
 - **Expenditures**
 - Daily Operating Costs (salaries, benefits, supplies, etc.)

School District Funds

- **DEBT SERVICE FUND**

- **Revenue**

- Local levy

- **Expenditures**

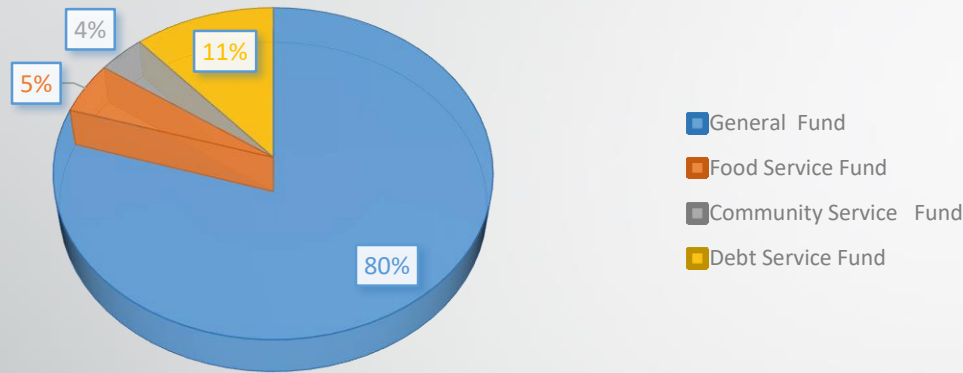
- Principal & interest payments for voter-approved building project bonds and Alternative Facility Bonds related to health & safety projects (now Long-Term Facility Maintenance funding)

Fiscal Year 2016-17 Budget

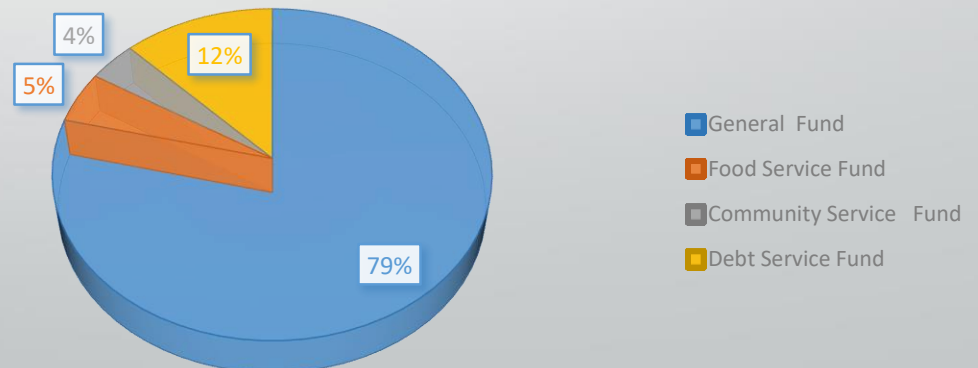
Fiscal Year 2016-17 Budget					
	General Fund	Food Service Fund	Community Service Fund	Debt Service Fund	TOTAL
REVENUES					
Levy & County Apportionment	5,240,025	0	445,920	6,715,405	12,401,350
Misc Local Revenue	1,781,723	1,787,070	1,278,462	6,949	4,854,204
General Education Aid	30,424,232	0	0	0	30,424,232
Special Education Aid	6,199,230	0	0	0	6,199,230
Other State Aid	2,284,653	142,534	529,848	49,798	3,006,834
Federal Aid	1,426,051	1,032,221	7,557	0	2,465,829
Total Revenues	47,355,914	2,961,826	2,261,787	6,772,152	59,351,679
EXPENDITURES					
Salaries & Wages	27,465,427	995,431	1,507,340	0	29,968,198
Employee Benefits	7,763,909	260,935	300,197	0	8,325,041
Purchased Services	6,031,959	135,912	313,174	0	6,481,044
Supplies & Materials	2,100,618	1,409,252	174,827	0	3,684,697
Capital Expenditures	1,599,355	146,379	19,411	0	1,765,145
Debt Service	0	0	0	7,270,425	7,270,425
Misc Expenditures	1,764,082	0	6,013	0	1,770,095
Total Expenditures	46,725,350	2,947,909	2,320,962	7,270,425	59,264,646
Annual Excess / (Deficit)	630,564	13,916	(59,174)	(498,273)	87,033

Fiscal Year 2016-17 Budget

REVENUES BY FUND

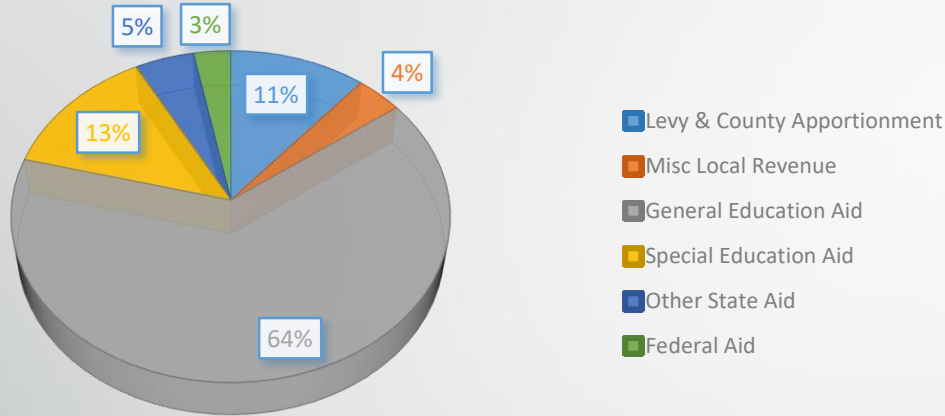


EXPENDITURES BY FUND

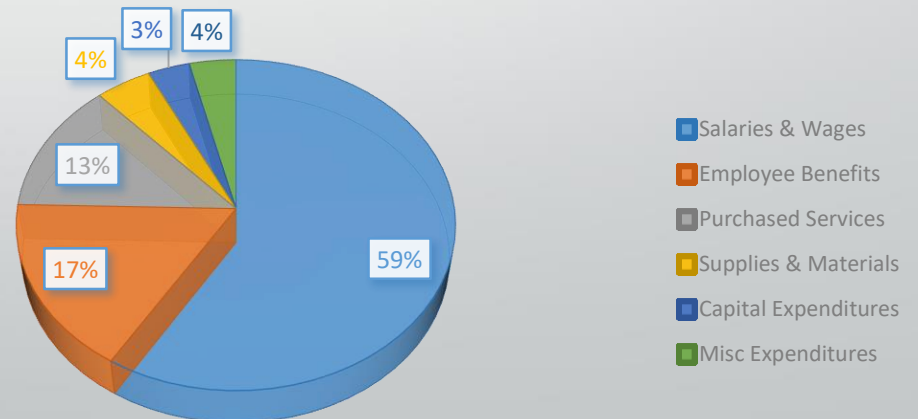


Fiscal Year 2016-17 Budget

GENERAL FUND REVENUES BY SOURCE



GENERAL FUND EXPENDITURES BY OBJECT





Proposed Taxes Payable in 2018

Proposed Taxes Payable in 2018

- 22.89% proposed increase from Payable 2017 to 2018 is more substantial than normal (\$2,606,466.92)
- Payable 2017 was an anomaly that included a 12.70% DECREASE from Payable 2016 (\$1,655,689.85)
 - Due to large debt service adjustment enforced by Minnesota Department of Education
 - Adjustment needed to “right-size” the Debt Service fund

Proposed Taxes Payable in 2018

- % increases can not be compared to % decreases
 - In other words, they are not direct inverses
 - Start with \$100, give away \$50, you end up with \$50 (50% decrease)
 - Now with \$50, take back \$50, you end up with \$100 again (100% increase)
- Payable 2016 levy was \$13,041,948.18
- Payable 2017 levy decreased 12.70% to \$11,386,258.33
- Going back up to Payable 2016 amount would be a 14.54% increase
- Payable 2018 levy increased back up to the Payable 2016 level, as well as an additional \$950,777.07, or 8.35%
 - $14.54\% + 8.35\% = 22.89\%$
- The \$950,777.07 net increase from 2 years ago = 6.79% TOTAL increase, or 3.40% average each year

Proposed Taxes Payable in 2018

- Due to large debt service adjustment in Payable 2017, we will be focusing on the additional \$950,777.07
- \$291,865.52 due to enrollment growth
 - Many levy calculations based on a per pupil basis
- \$179,415.66 due to Long-Term Facilities Maintenance legislation
- \$382,848.83 due to implementation of Alternative Teacher Compensation program (Q-Comp / A-Comp)
 - Increased state aid for the district
- \$417,988.05 due to growth in the School-Aged Childcare program
 - TOTAL = **\$1,272,118.06** (rest of levy decreased \$321,340.99)
 - \$327,362.74 of decrease due to levy categories with aid equalization

General Fund Levy

GENERAL FUND	2017 Payable 2018	2016 Payable 2017	Change from	2015 Payable 2016	Change from
Description	Final Levy	Final Levy	Pay '17 to Pay '18	Final Levy	Pay '16 to Pay '18
Student Achievement	-	60,815.20	(60,815.20)	127,842.11	(127,842.11)
Operating Capital	395,427.98	449,749.92	(54,321.94)	594,948.61	(199,520.63)
Equity Allowance	721,926.08	706,409.65	15,516.43	635,500.80	86,425.28
Local Optional Revenue	1,965,070.40	1,912,155.20	52,915.20	1,871,196.80	93,873.60
Reemployment Insurance	8,520.34	10,609.28	(2,088.94)	27,246.72	(18,726.38)
1st Tier Referendum - Voter Approved	-	-	-	-	-
1st Tier Referendum - Board Approved	1,014,999.13	968,912.65	46,086.48	911,402.89	103,596.24
Safe Schools	166,845.60	162,352.80	4,492.80	158,875.20	7,970.40
Health & Safety	-	-	-	-	-
Lease Levy	82,376.12	80,063.00	2,313.12	85,000.00	(2,623.88)
Transition Revenue	70,075.15	68,188.17	1,886.98	66,551.05	3,524.10
Career & Technical	169,333.46	169,333.46	-	149,924.43	19,409.03
Deferred Maintenance	-	-	-	-	-
Long-Term Facilities Maintenance	1,061,720.65	760,769.76	300,950.89	467,731.11	593,989.54
Alternative Teacher Compensation	382,848.83	371,320.04	11,528.79	-	382,848.83
Previous Years Adjustments					
1st Tier Referendum	(8,129.06)	14,002.83	(22,131.89)	(15,321.25)	7,192.19
Equity	4,677.33	(7,751.04)	12,428.37	9,935.50	(5,258.17)
Local Optional Revenue	3,909.28	(2,007.64)	5,916.92	37,396.80	(33,487.52)
Operating Capital	(7,984.06)	(70,938.82)	62,954.76	(35,024.17)	27,040.11
Health & Safety	(30,242.57)	11,742.14	(41,984.71)	102,742.40	(132,984.97)
Transition	315.03	182.08	132.95	949.85	(634.82)
Reemployment Insurance	(16,637.44)	23,894.55	(40,531.99)	(14,366.58)	(2,270.86)
Safe Schools	3,507.12	13,233.24	(9,726.12)	(801.00)	4,308.12
Career & Technical	1,318.17	(29,232.07)	30,550.24	155.65	1,162.52
Deferred Maintenance	(108,930.79)	(125,225.27)	16,294.48	(19,682.36)	(89,248.43)
Long-Term Facilities Maintenance	(1,521.36)	-	(1,521.36)	-	(1,521.36)
Lease	(8,260.00)	3,567.04	(11,827.04)	5,357.06	(13,617.06)
Facility & Equipment Bond	(485,081.00)	(434,184.68)	(50,896.32)	(128,410.73)	(356,670.27)
Alternative Teacher Compensation	(404.04)	362,999.00	(363,403.04)	-	(404.04)
Abatement/ Other	17,562.03	(683.85)	18,245.88	880.73	16,681.30
TOTAL GENERAL FUND	5,403,242.38	5,480,276.64	(77,034.26)	5,040,031.62	363,210.76

Community Service Fund Levy

<i>COMMUNITY SERVICE FUND</i>	2017 Payable 2018	2016 Payable 2017	Change from	2015 Payable 2016	Change from
Description	Final Levy	Final Levy	Pay '17 to Pay '18	Final Levy	Pay '16 to Pay '18
Basic Levy	219,556.15	219,556.15	-	219,556.15	-
Early Childhood Family Educ.	144,041.10	142,310.18	1,730.92	144,857.89	(816.79)
Home Visit	2,631.39	2,423.97	207.42	2,336.00	295.39
School Age Care	325,700.66	75,000.00	250,700.66	75,000.00	250,700.66
<i>Previous Years Adjustments</i>					
Early Childhood Family Educ.	(132.93)	-	(132.93)	(269.15)	136.22
Home Visit	-	(20.80)	20.80	126.40	(126.40)
School Age Care	175,012.73	55,039.11	119,973.62	7,725.34	167,287.39
Abatement	1,816.82	61.19	1,755.63	-	1,816.82
TOTAL COMMUNITY SERVICE FUND	868,625.92	494,369.80	374,256.12	449,332.63	419,293.29

Debt Service & OPEB Fund Levy

<u>DEBT SERVICE FUND</u>	2017 Payable 2018	2016 Payable 2017	Change from	2015 Payable 2016	Change from
Description	Final Levy	Final Levy	Pay '17 to Pay '18	Final Levy	Pay '16 to Pay '18
Basic Levy	5,642,813.00	5,785,187.00	(142,374.00)	5,761,140.80	(118,327.80)
Alternative / Capital Facilities Bonds	485,081.00	482,404.00	2,677.00	130,068.75	355,012.25
Long-Term Facilities Maintenance	841,327.00	819,224.00	22,103.00	1,163,472.72	(322,145.72)
Debt Excess Reduction	(26,556.28)	(2,071,422.13)	2,044,865.85	(288,193.97)	261,637.69
<i>Prior Years Adjustments</i>					
Long-Term Facilities Maintenance	(0.35)	(354,276.57)	354,276.22	-	(0.35)
Abatement	23,782.02	842.59	22,939.43	-	23,782.02
TOTAL DEBT SERVICE FUND	6,966,446.39	4,661,958.89	2,304,487.50	6,766,488.30	199,958.09
<u>OPEB DEBT SERVICE FUND</u>	2017 Payable 2018	2016 Payable 2017	Change from	2015 Payable 2016	Change from
Description	Final Levy	Final Levy	Pay '17 to Pay '18	Final Levy	Pay '16 to Pay '18
Basic Levy	752,932.00	749,653.00	3,279.00	786,095.63	(33,163.63)
Debt Excess Reduction	-	-	-	-	-
<i>Prior Years Adjustments</i>					
Abatement	1,478.56	-	1,478.56	-	1,478.56
TOTAL OPEB DEBT SERVICE FUND	754,410.56	749,653.00	4,757.56	786,095.63	(31,685.07)

Proposed Taxes Payable 2018

	2017 Payable 2018 Final Levy	2016 Payable 2017 Final Levy	Change from Pay '17 to Pay '18	2015 Payable 2016 Final Levy	Change from Pay '16 to Pay '18
TOTAL - ALL FUNDS	13,992,725.25	11,386,258.33	2,606,466.92	13,041,948.18	950,777.07
			22.89%		6.79%
				Average Increase (2yrs)	3.40%

Changes from Preliminary Levy

Preliminary Levy:	\$13,916,277.80	(22.22%)
Final Levy:	<u>\$13,992,725.25</u>	(22.89%)
Change	\$76,447.45	

Increase of \$76,499.08 due to Projected Enrollment Changes:

Local Optional Revenue, Equity, Transition, Referendum, Alternative Teacher Compensation, Safe Schools, Long-Term Facilities Maintenance, Operating Capital

Decrease of \$51.63 in Home Visits (Community Ed)

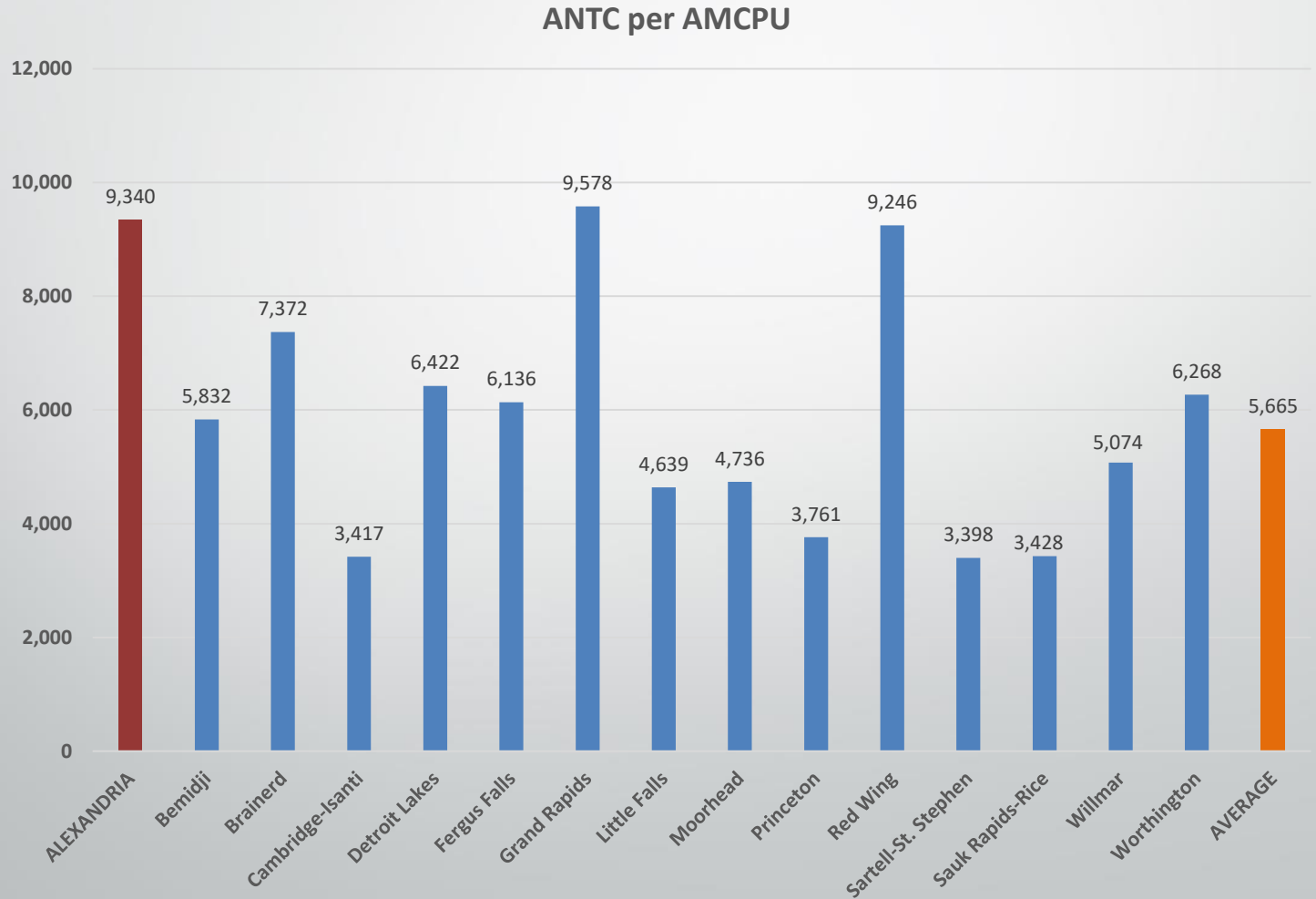


Estimated Impact on Taxpayers

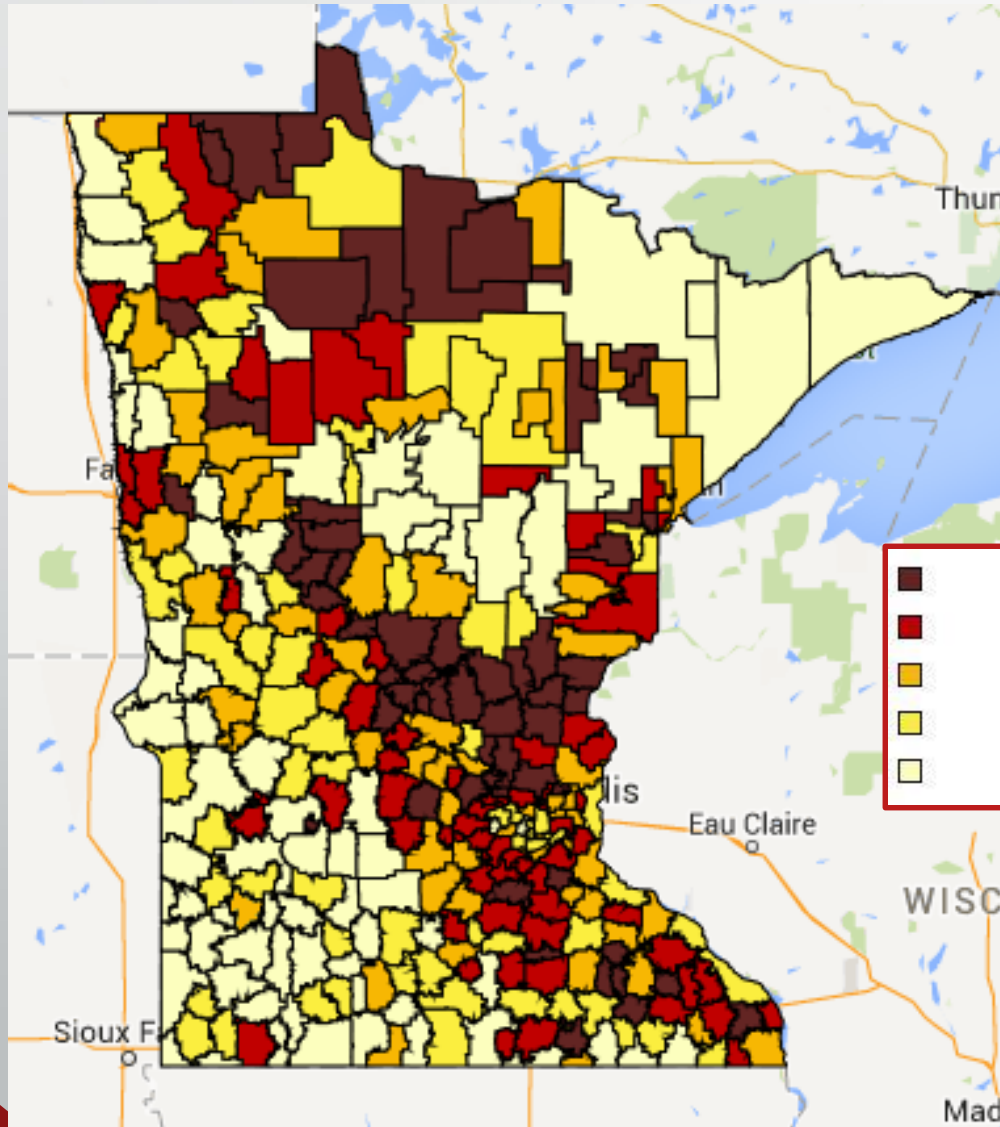
The following charts and comparisons reflect only the School District portion of property taxes. Calculations are estimates based on data available from the County and may change slightly. Impact will vary for individual properties based on the many factors that play a role in property taxes.

ANTC Per Adjusted Pupil Unit

Comparable Districts



ANTC Per Adjusted Pupil Unit



Alexandria \$9,340
Comparable \$5,665
State Avg \$8,903

■	0.00 to	4,499.99
■	4,500.00 to	5,964.99
■	5,965.00 to	8,280.99
■	8,281.00 to	11,999.99
■	12,000.00 to	53,000.00

New in 2018: 40% Ag Bond Credit

- Ag2School passed into law in June
- Annually appropriated from the General Fund
- Farm and Private Timber Lands property taxes will decrease in 284 school districts beginning in 2018
- Over \$40 million in tax relief statewide

Find your Ag Bond Credit

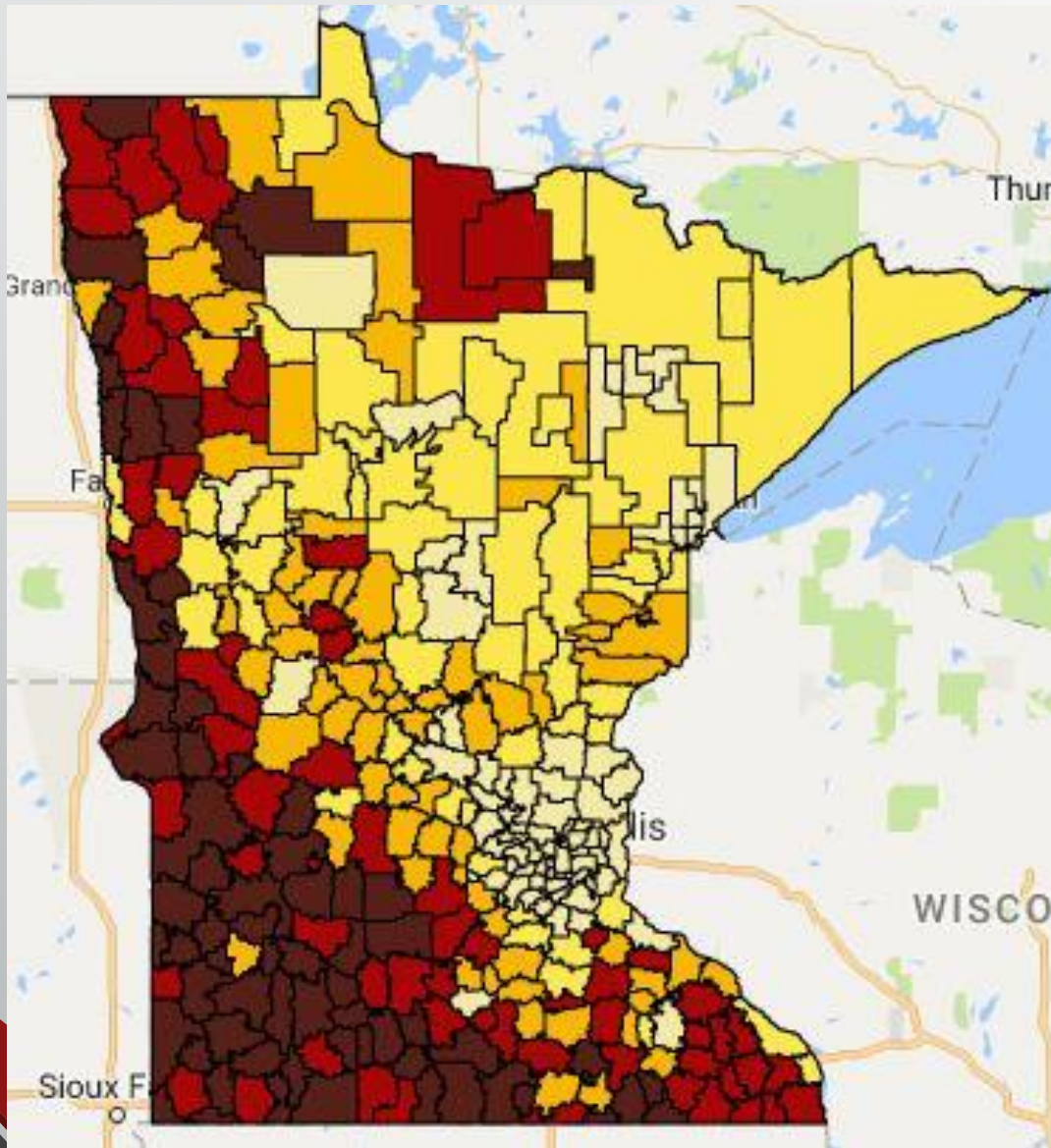
PROPOSED TAXES 2018			
THIS IS NOT A BILL. DO NOT PAY.			
Step	VALUES AND CLASSIFICATION		
1	Taxes Payable Year	2017	2018
	Estimated Market Value	\$125,000	\$150,000
	Homestead Exclusion	\$	\$23,800
	Taxable Market Value	\$125,000	\$126,200
	Class	Res NHmstd	Res Hmstd
Step	PROPOSED TAX		
2	Property Taxes before credits	\$1,467.52	
	School building bond credit	\$ 12.00	
	Agricultural market value credit		
	Other credits		
	Property Taxes after credits	\$1,455.52	
Step	PROPERTY TAX STATEMENT		
3	Coming in 2018		
	<p>The time to provide feedback on PROPOSED LEVIES is NOW</p> <p><i>It is too late to appeal your value without going to Tax Court.</i></p>		

Calculated on each parcel statement

- Applies to all current and future capital referendums.
- If a levy for a school building referendum was \$100 per acre, for example, the state would provide property owner a credit of \$40 per acre (40%).
- For our district, Ag2School will reduce 2018 property taxes by \$152.58 per \$500,000 value of agriculture and privately managed forest land.
- This will total an estimated \$173,761 of tax relief for farmers with land in the district.



Ag Tax Capacity Exemption from RMV



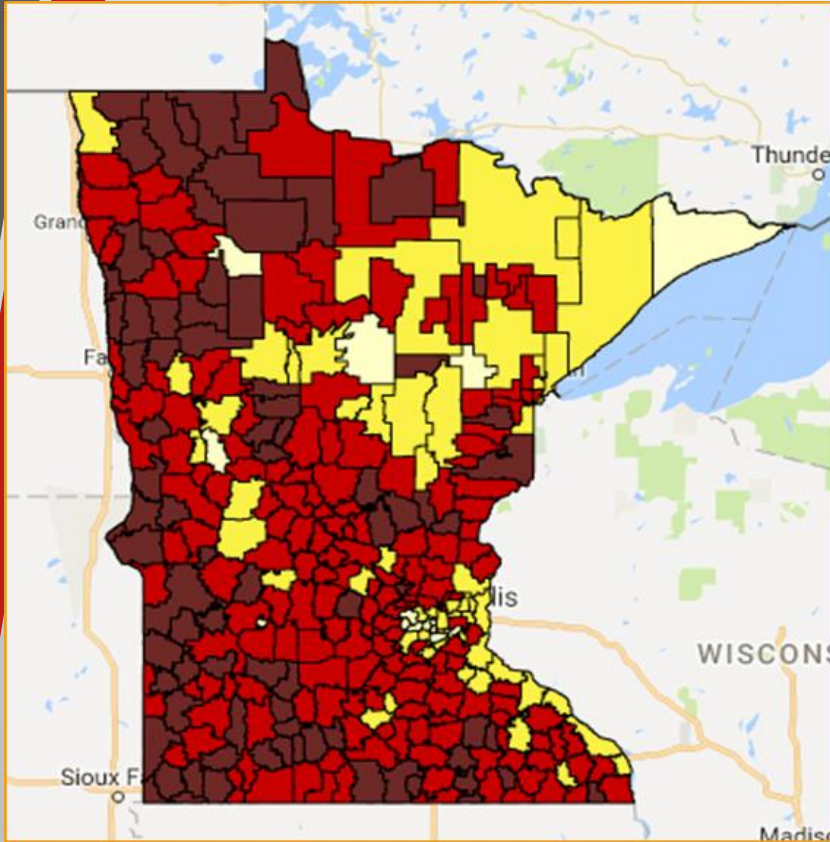
Alexandria 6.66%
Comparable 11.36%
State Avg 26.54%

Ag Tax Capacity
as % of ANTC

0.00 to	8.49
8.50 to	21.49
21.50 to	41.49
41.50 to	75.49
75.50 to	99.50

RMV Per Resident Pupil Unit

Largest Factor in Equalization Aid Calculations



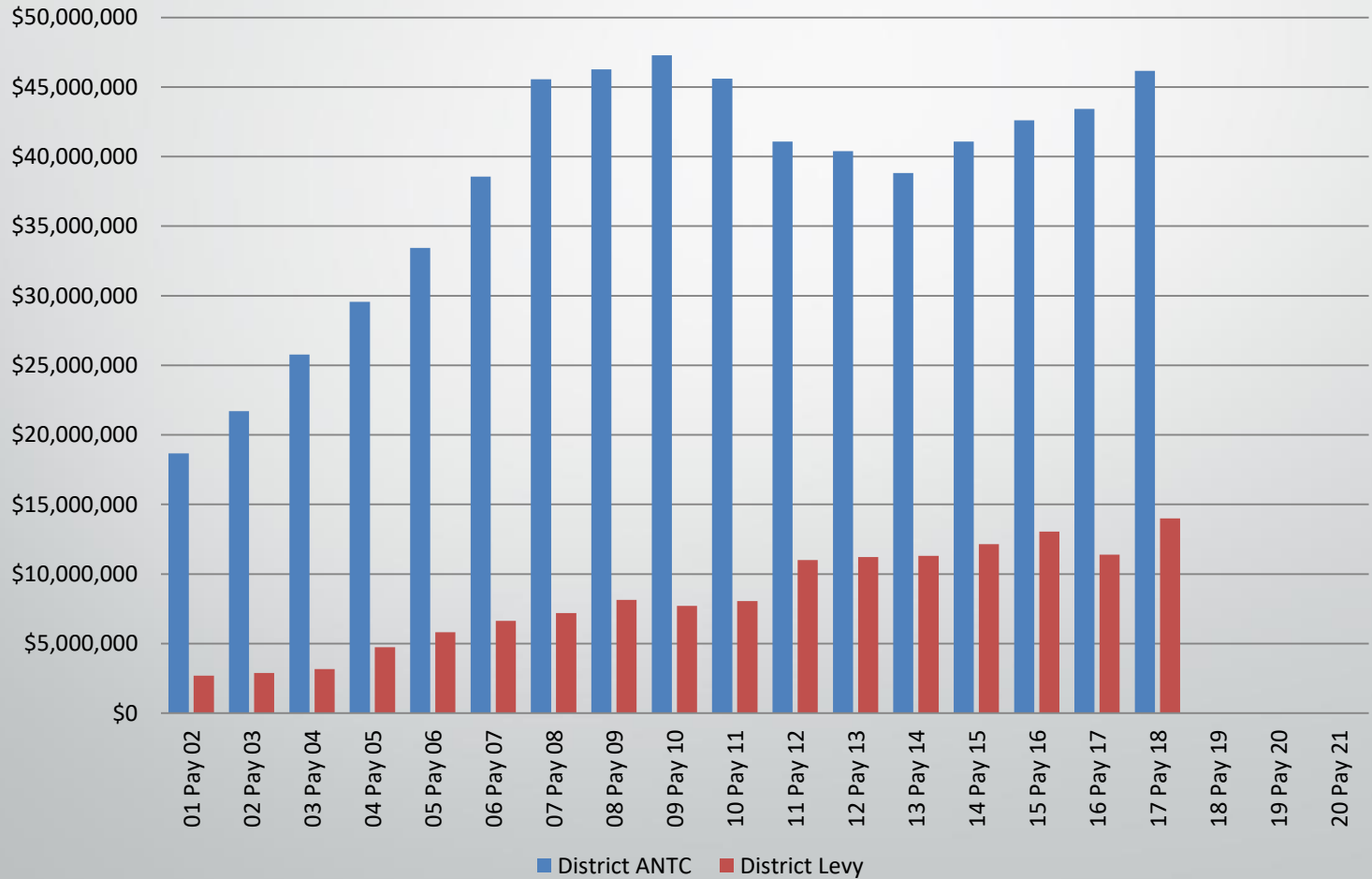
Alexandria	\$590,766
Comparable	\$380,532
Median	\$381,500
Average District	\$446,585
Average/RPU	\$549,688

Wealth of MN School Districts measured in Referendum Market Value (RMV) per Student (RPU)

■	0.00 to 289,000.49	Eligible for Tiers I, II and III Equalization <\$290,000 RMV per RPU
■	289,000.50 to 509,000.49	Eligible for Tiers I and II Equalization <\$510,000 RMV pr RPU
■	509,000.50 to 879,000.49	Eligible for Tier I Equalization <\$880,000 RMV per RPU
■	879,000.50 to 1,500,000.00	Not Eligible for Equalization

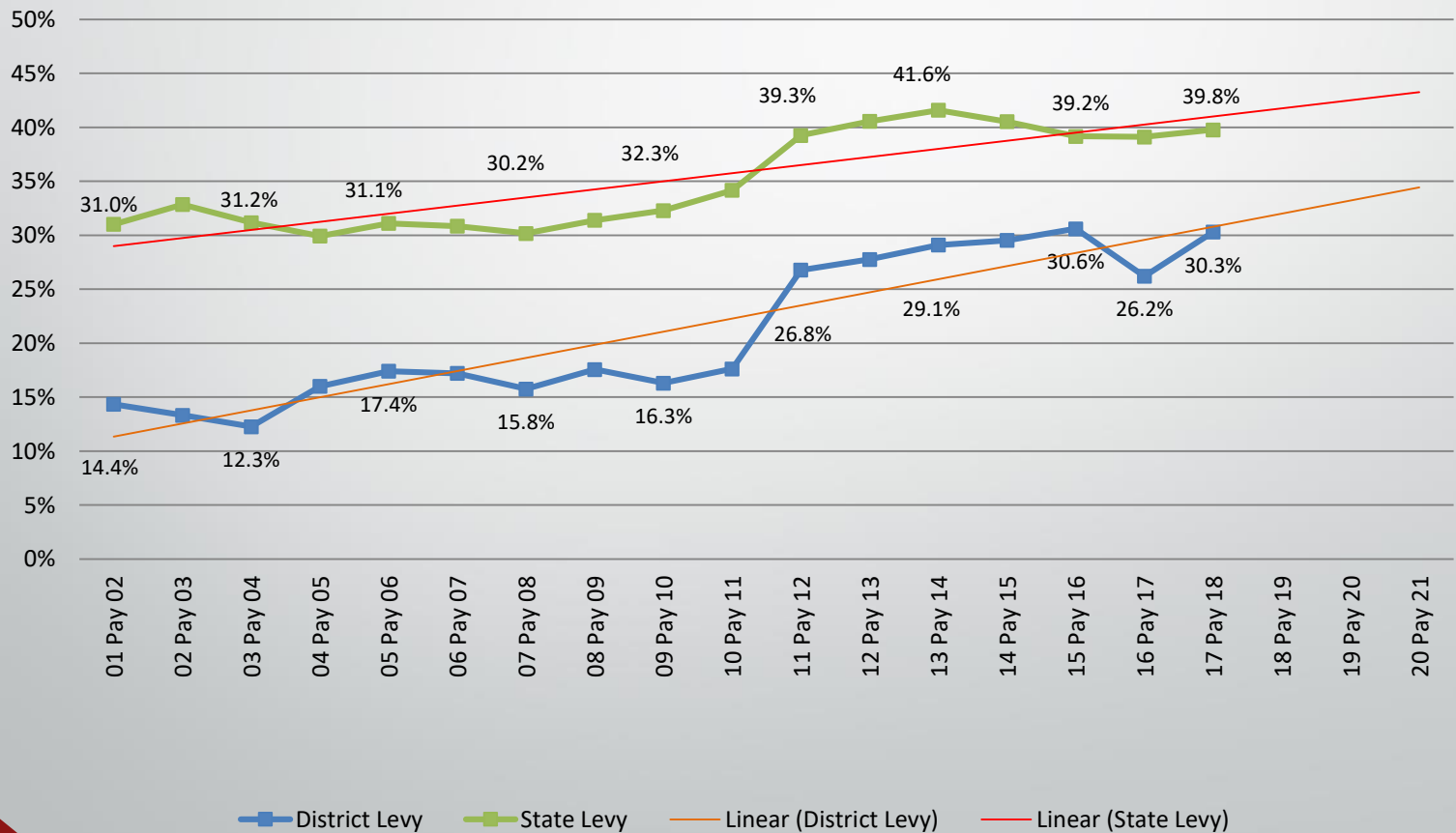
ANTC vs. Certified Levy Ratio

ANTC vs. Certified Levy



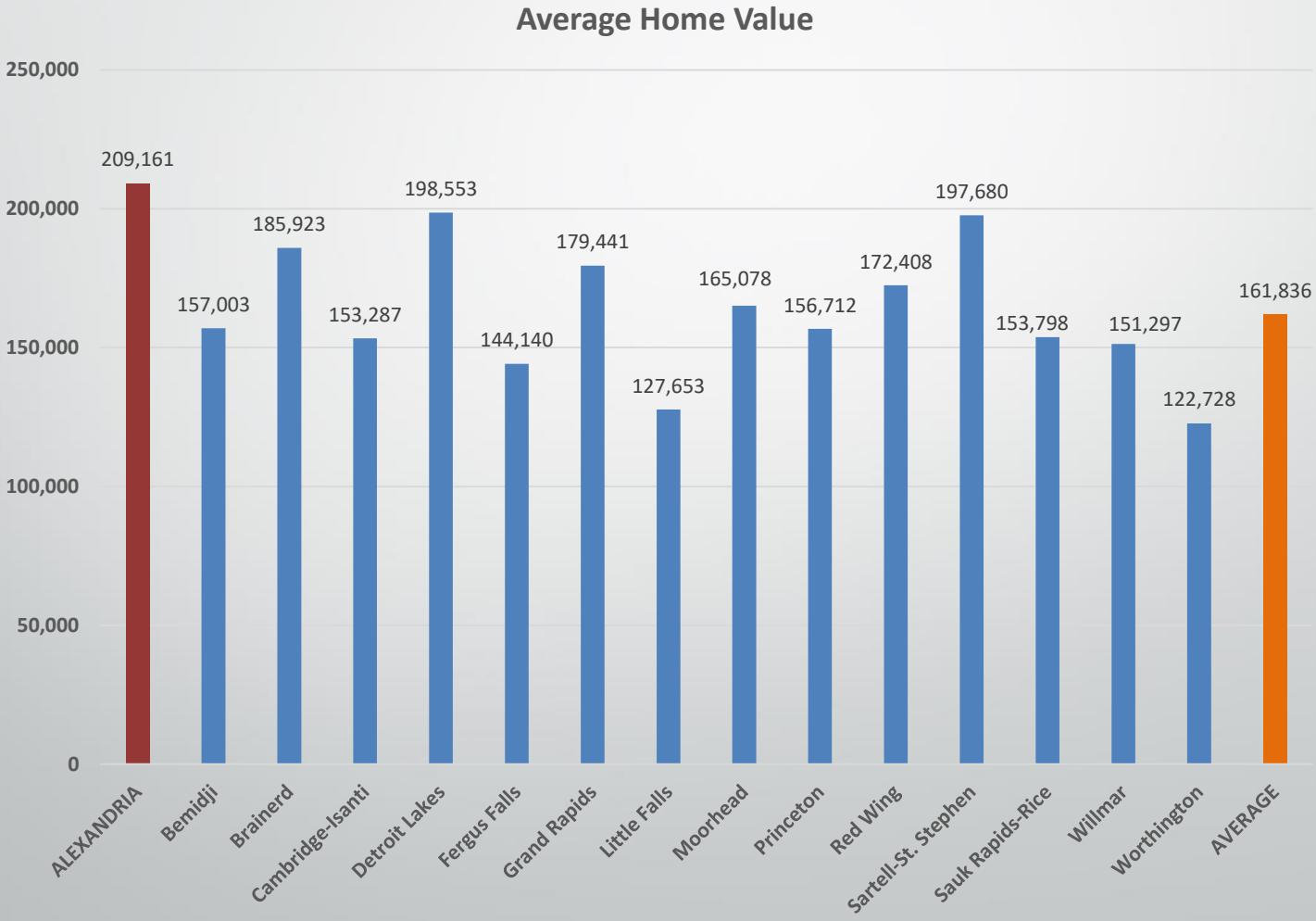
District vs. State % of Certified Levy vs. ANTC

District vs. State



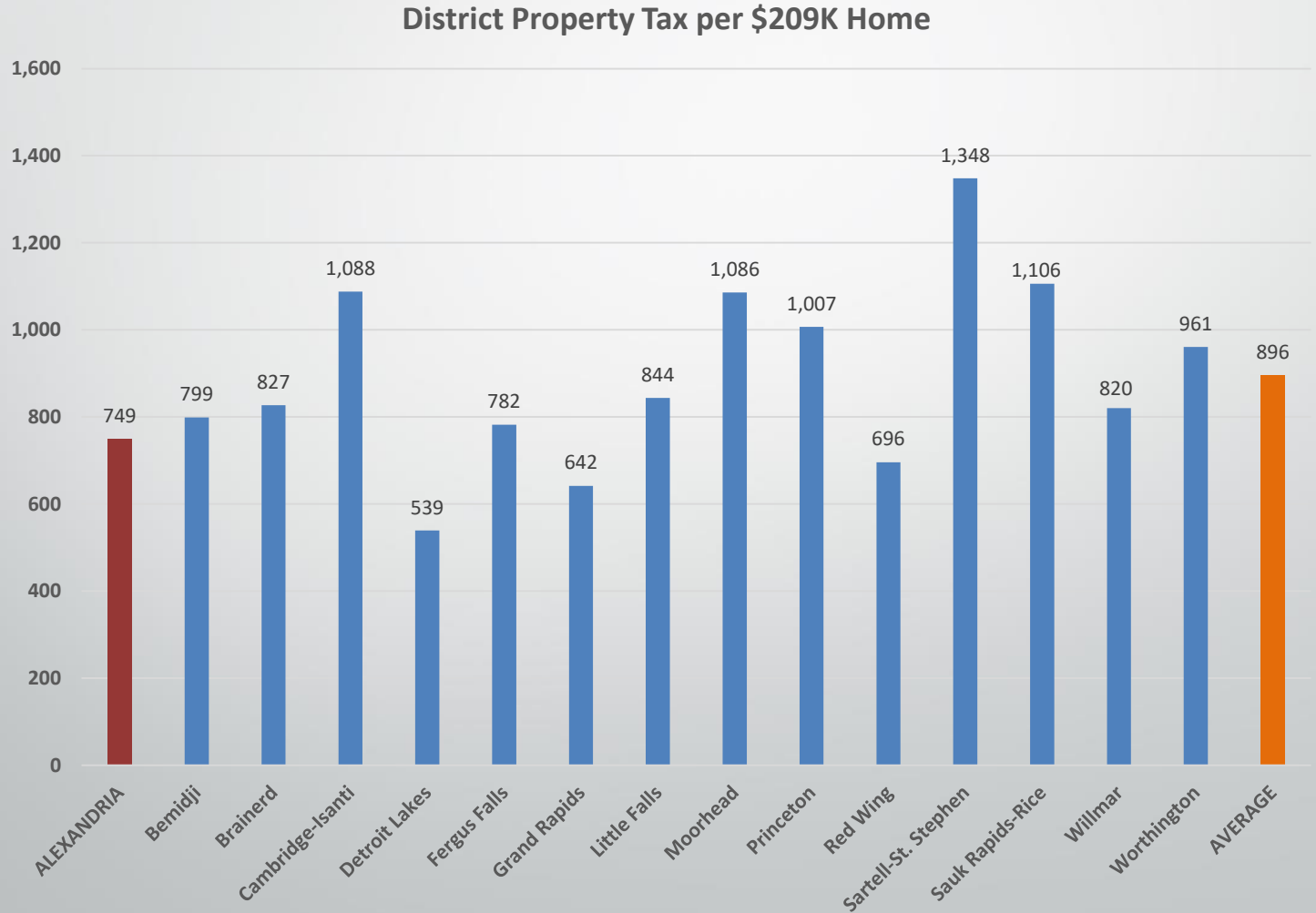
Home Value

Comparable Districts



District Property Tax Per \$209K Home

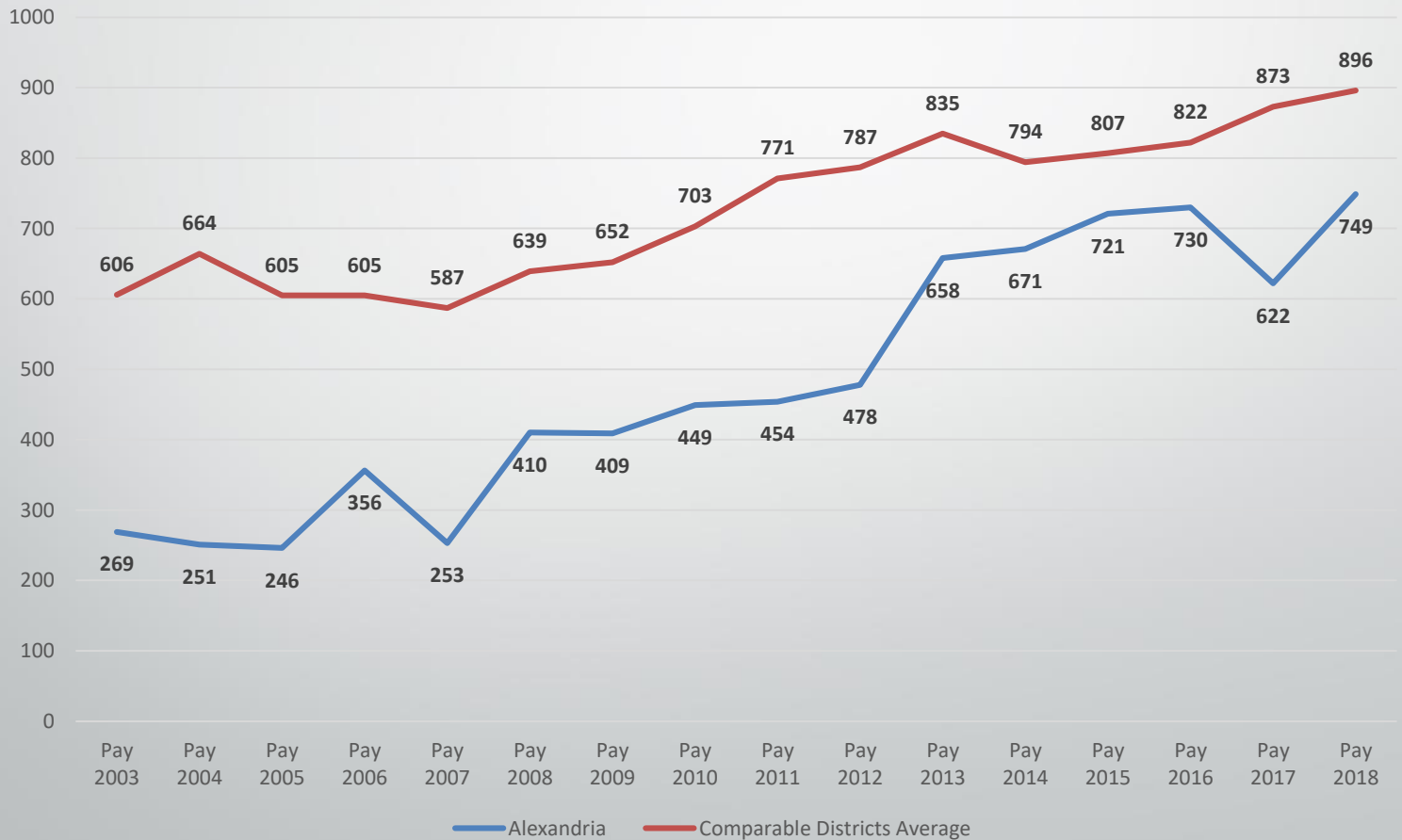
Comparable Districts



District Property Tax Per \$209K Home

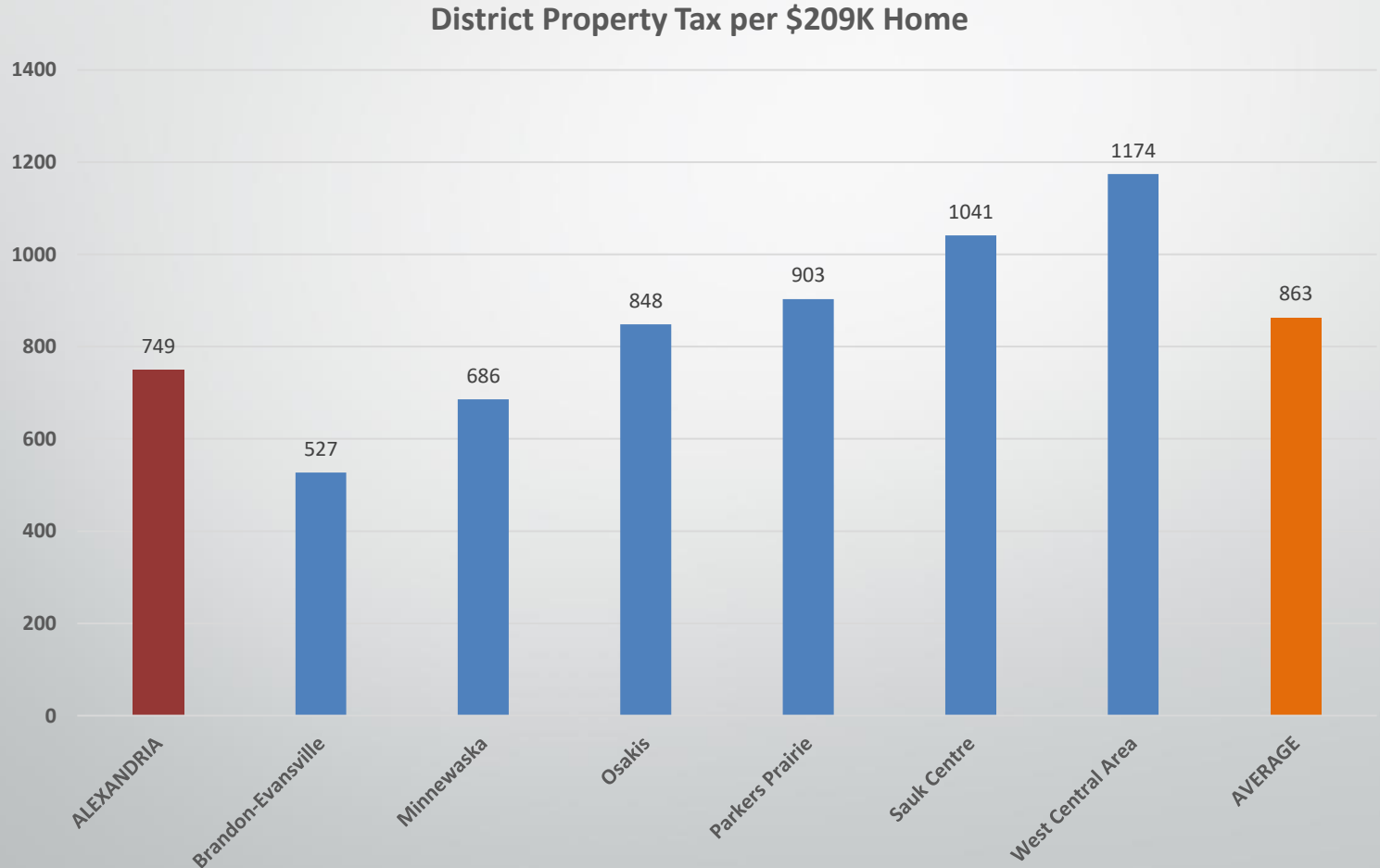
Comparable Districts

District Property Tax per \$209K Residential Home

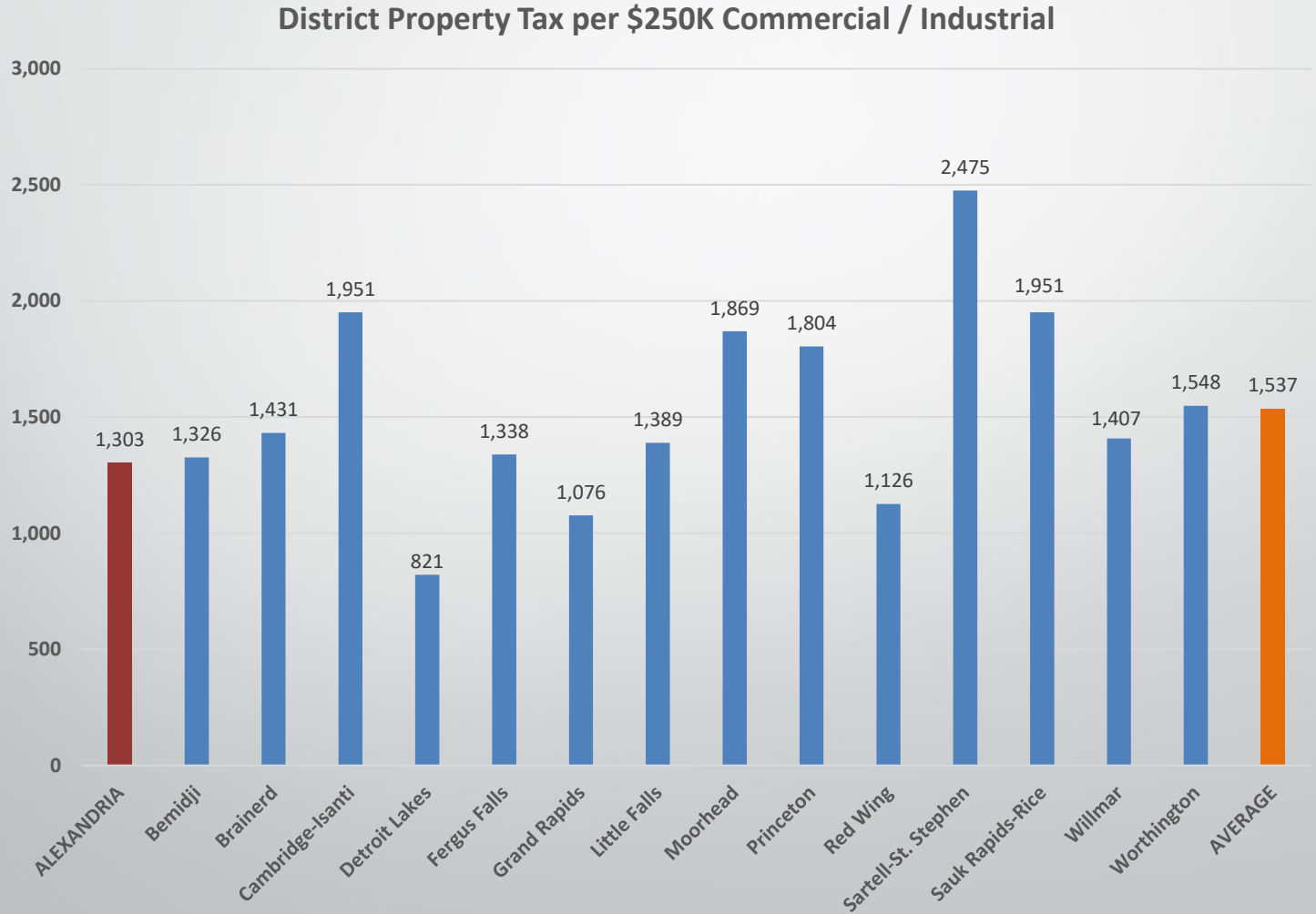


District Property Tax Per \$209K Home

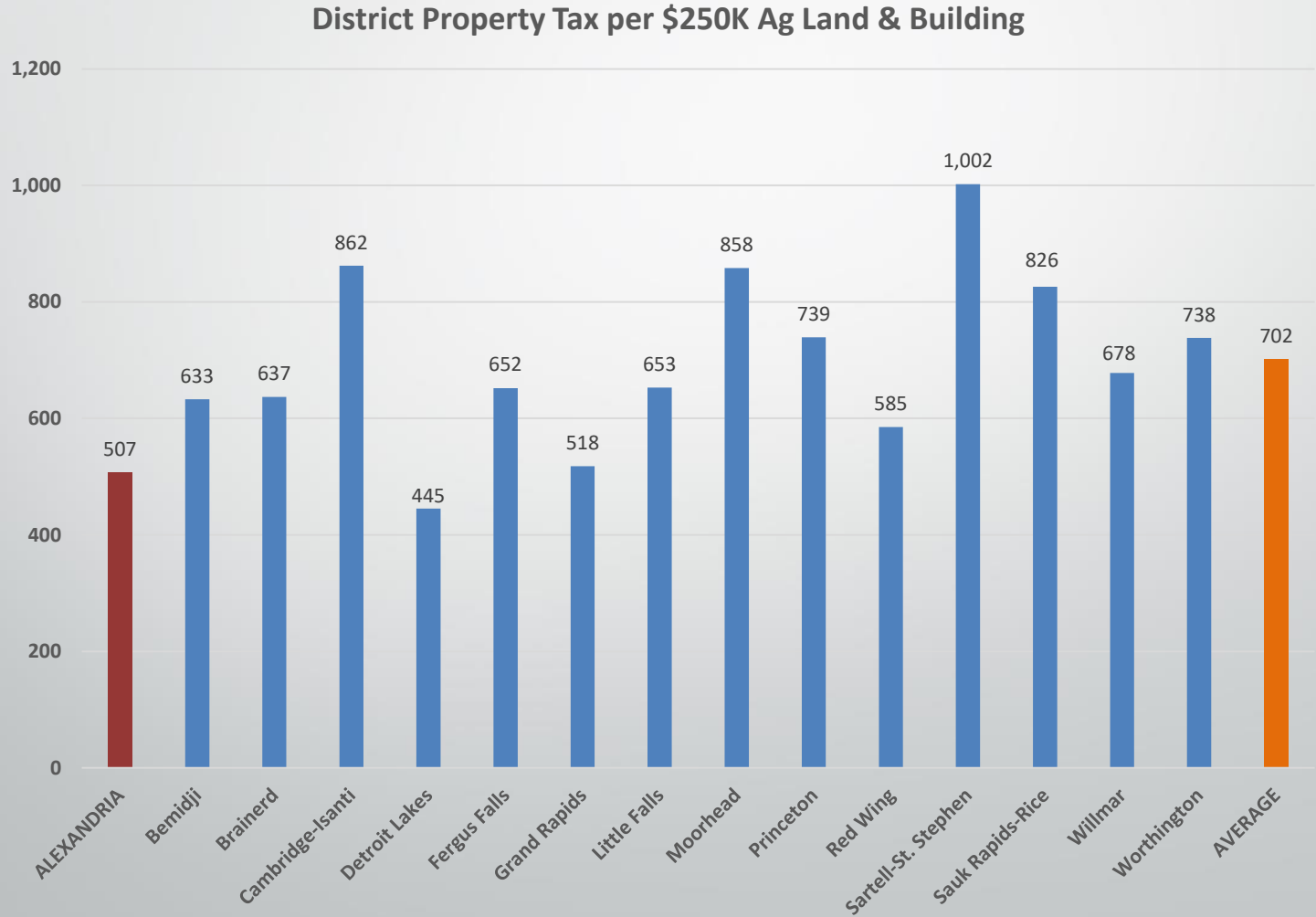
Surrounding Districts



District Property Tax Per \$250K Commercial / Industrial Comparable Districts

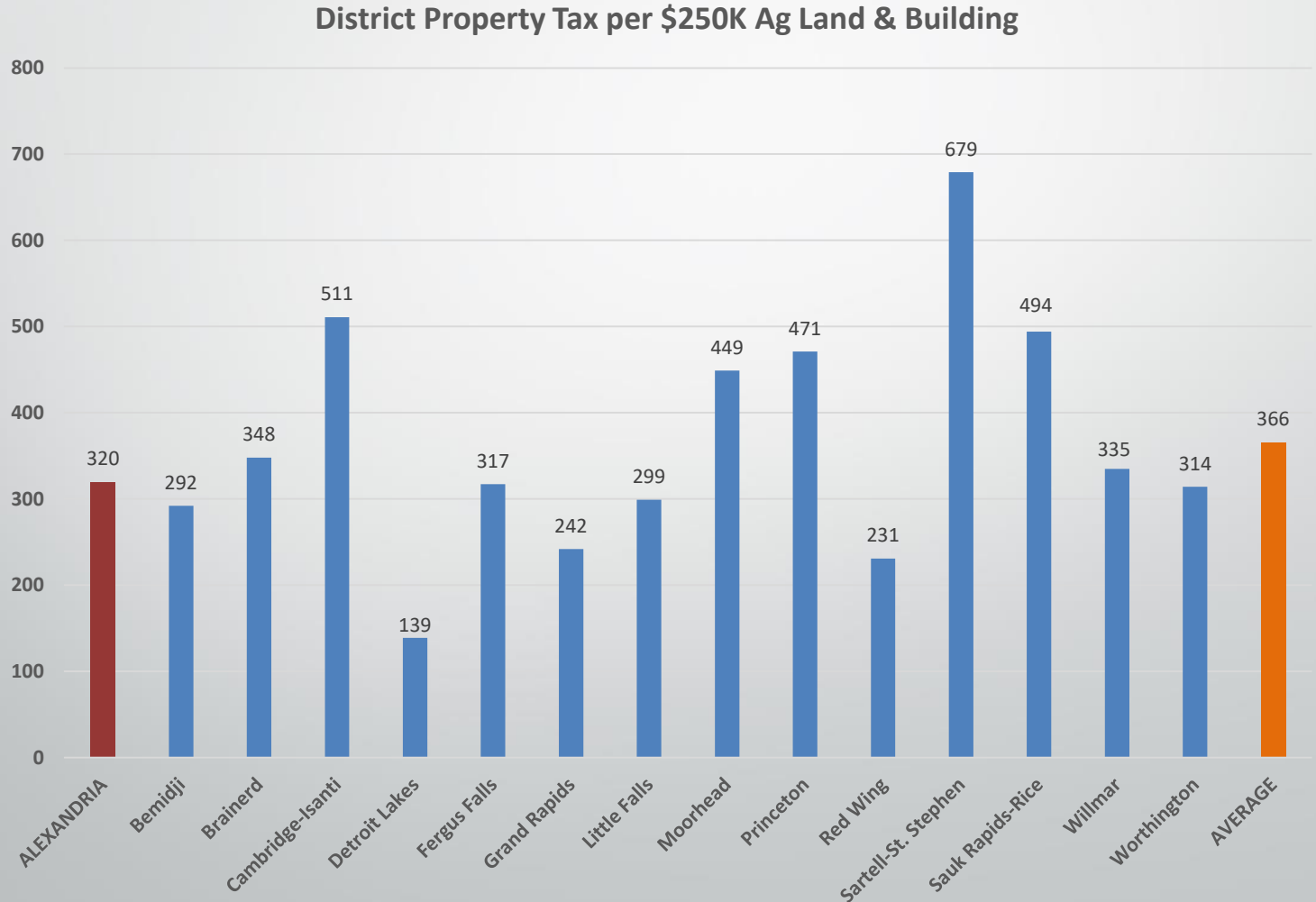


District Property Tax Per \$250K Agriculture Land & Building Comparable Districts – Prior to Ag Tax Credit



District Property Tax Per \$250K Agriculture Land & Building

Comparable Districts – After Ag Tax Credit






Minnesota Property Tax Refunds

Minnesota Property Tax Refunds

- Two different tax refund programs available from the state
 - Minnesota Property Tax Refund
 - Special Property Tax Refund
- Complete form M-1PR
- For help with the forms and instructions contact:
 - Your tax professional
 - Minnesota Department of Revenue
 - (651) 296-4444
 - www.taxes.state.mn.us



2017 Payable 2018 Final
Levy Certification

Questions &
Comments