



2020-21 Preliminary Levy Certification

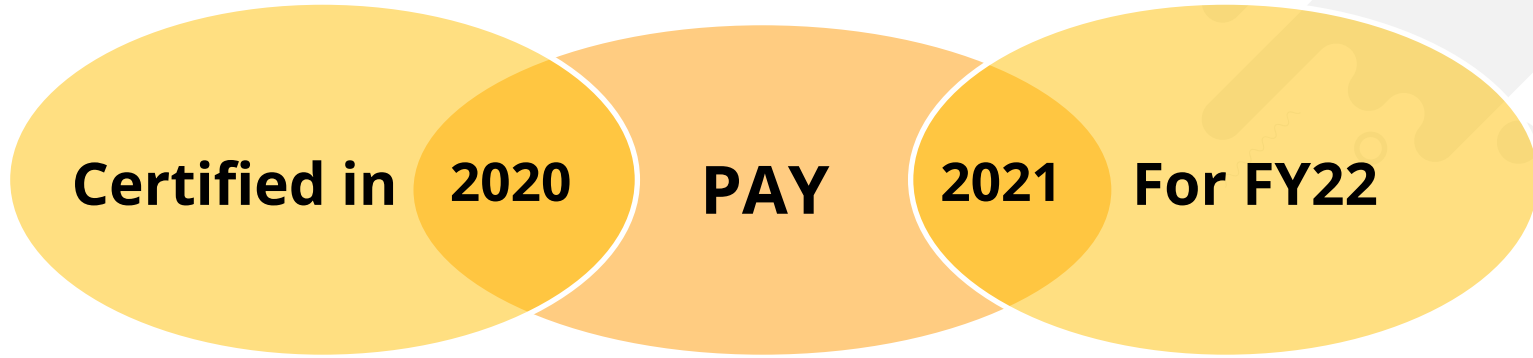
September 28, 2020
Presented by Julie Cink, SFO
Executive Director of Business Services

○ Agenda

- Levy Cycle
- Basic School Funding
- Factors Contributing to the Levy Change
- Levy Certification 2020 pay 2021
- Graphical Analysis



○ Levy Certification



School Board approves Preliminary Levy in September 2020 and Adopts Final Levy in December 2020

Property Owners pay taxes in May 2021 and October 2021 based on amounts approved by the school board

School district recognizes revenue from collection of taxes from Calendar Year 2021 in Fiscal year 2021-22.



○ Authority for School Levies

A School District Tax Levy must be either:

- Set by State Formula
- or
- Voter Approved



○ Basic Formula for Calculating State Aid

Authorized Total Revenue

— (minus)

Local Property Taxes

= (equals)

State Aid



○ 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
- Issues Determined by District Voters
 - Voter approved bond referendum
 - Voter approved excess levy referendum
 - Voter approved capital projects levy
- 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 projects
- Levies set by state formula
 - equity, operating capital, transition, community service, Long Term Facility Maintenance
- Levies authorized by the state based on local need
 - reemployment, safe schools, achievement & integration, career & technical, facility leases, integration, Q-Comp, and OPEB.

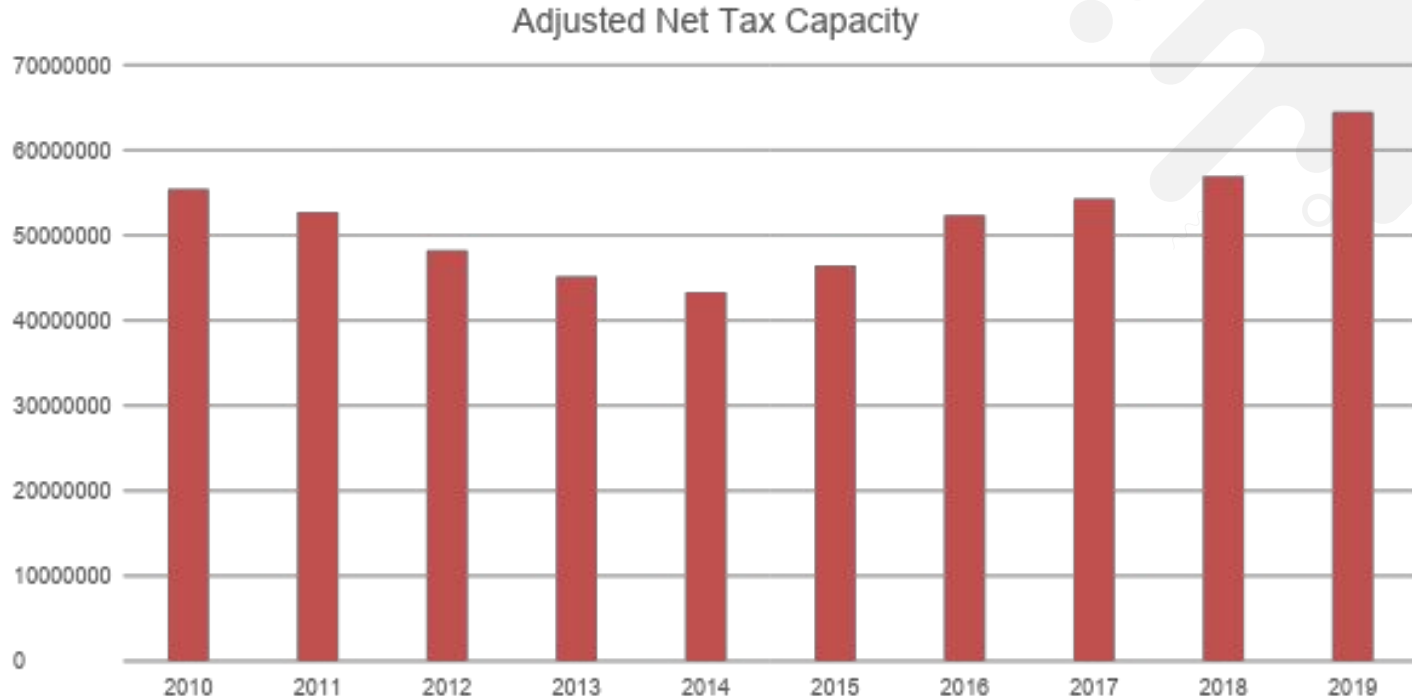


○ Factors Contributing to Levy Change

- Adjusted Net Tax Capacity-7.2% increase
- Referendum Market Value-7.1% increase
- Decreasing pupil units



Adjusted Net Tax Capacity Analysis



○ Referendum Market Value Analysis ○

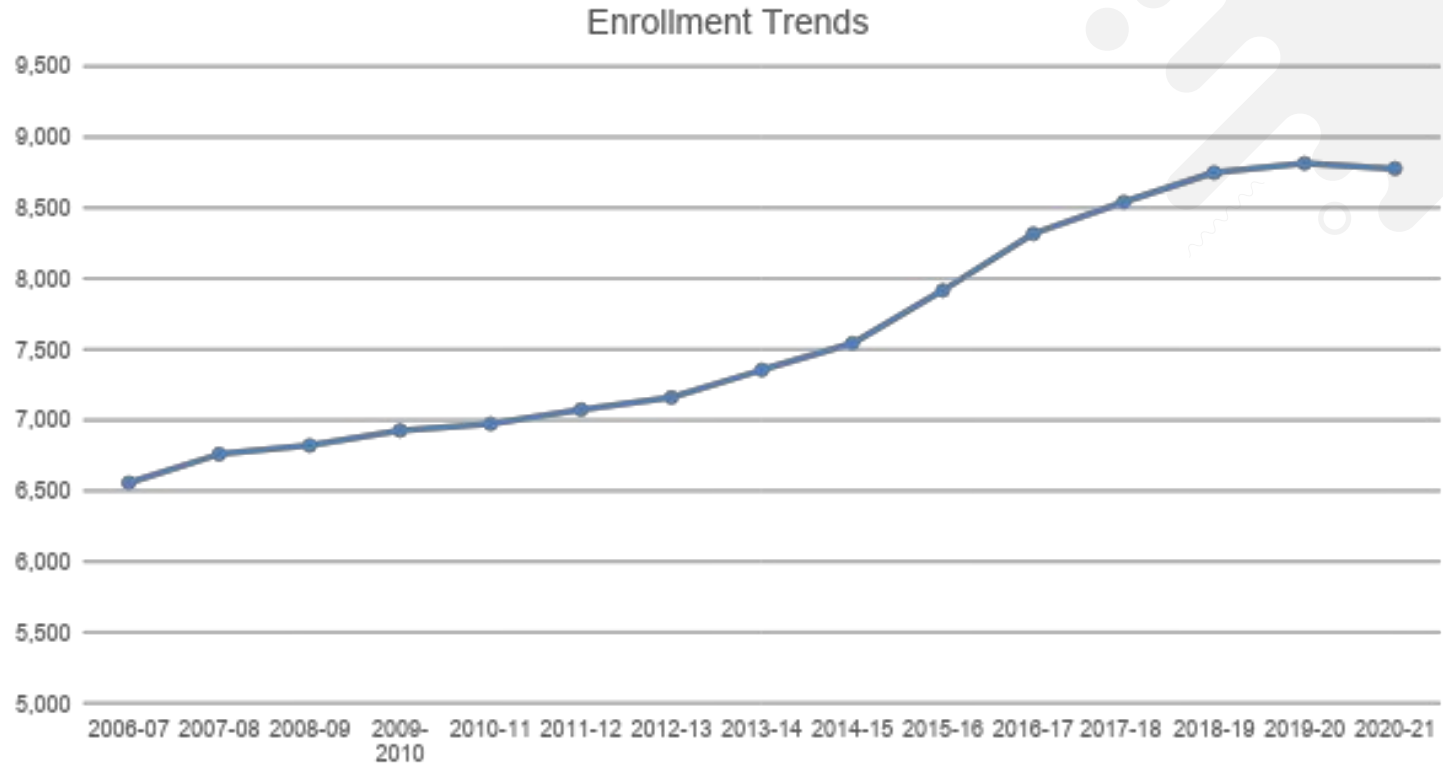


○ Enrollment

5-Year Enrollment by Grade					
	FINAL 2016-17	FINAL 2017-18	FINAL 2018-19	FINAL 2019-20	SEPT 2020-21
Kindergarten	616	615	636	597	562
First	612	624	635	650	578
Second	611	620	653	647	616
Third	612	631	637	656	638
Fourth	645	626	634	647	639
Fifth	584	671	649	650	635
Sixth	632	660	723	698	699
Seventh	649	648	688	745	714
Eighth	697	664	672	700	760
Ninth	651	758	721	721	748
Tenth	693	643	749	706	724
Eleventh	672	691	649	729	706
Twelfth	643	689	703	669	759
TOTAL	8,317	8,540	8,749	8,815	8,778



○ Enrollment History Trends



○ 20 Pay 21 Preliminary Levy Certification

	Tax Levy By Year			Difference	Percent
	2019	2020	2020		
<u>School District Fund</u>	<u>Actual</u>	<u>Preliminary</u>	<u>Est. Final Dec 2019</u>		
<u>General Fund</u>					
Local Optional	6,113,526	6,327,592	6,327,592	214,067	
Equity Levy	1,318,740	1,312,026	1,312,026	(6,714)	
Transition Levy	27,570	27,458	27,458	(112)	
Operating Capital Levy	603,564	677,786	677,786	74,223	
Long Term Facilities Maint	1,532,257	1,603,671	1,603,671	71,414	
Levy Referendums	6,217,148	6,187,285	6,187,285	(29,863)	
Q-Comp	861,357	860,160	860,160	(1,197)	
Reemployment Levy	24,237	105,262	105,262	81,025	
Safe Schools levy	360,199	348,713	348,713	(11,486)	
Career Technical	100,104	115,832	115,832	15,729	
Leased Facilities	978,830	1,254,599	1,254,599	275,769	
Achievement & Integration Levy	118,194	218,718	218,718	100,524	
Other Post Emp Benefits (OPEB)	703	0	0	(703)	
Facility & Equip Bond Adj	(735,440)	(733,970)	(733,970)	1,470	
Prior year levy adjustments	<u>25,954</u>	<u>11,065</u>	<u>11,065</u>	<u>(14,890)</u>	
Total General Fund	17,546,941	18,316,197	18,316,197	769,255	4.38%

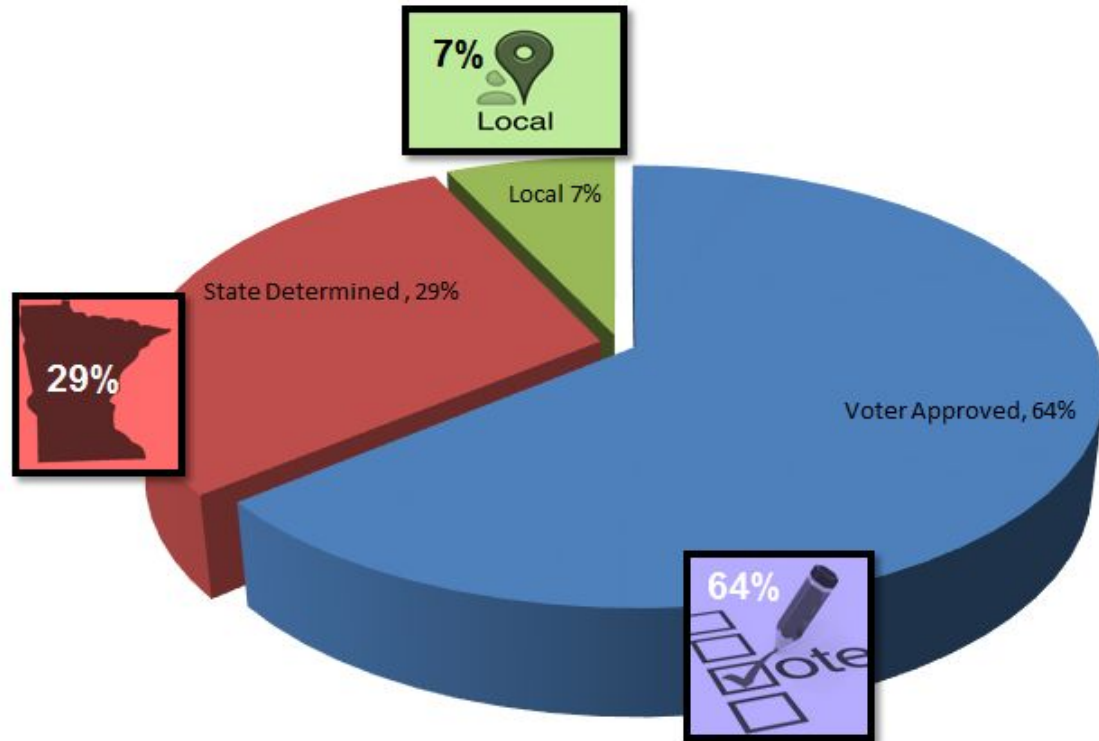
○ 20 Pay 21 Preliminary Levy Certification

	Tax Levy By Year			Difference	Percent
	2019	2020	2020		
<u>School District Fund</u>	<u>Actual</u>	<u>Preliminary</u>	<u>Est. Final Dec 2019</u>		
<u>Community Service Fund</u>					
Basic Community Ed	310,072	309,005	309,005	(1,067)	
Early Childhood Family Ed	190,955	191,588	191,588	633	
Home Visiting	4,057	7,531	7,531	3,473	
Extended Day - Disabled	<u>69,187</u>	<u>142,242</u>	<u>142,242</u>	<u>73,055</u>	
Total Community Svc. Fund	574,271	650,366	650,366	76,095	13.25%
<u>Debt Service Fund</u>					
Building Bonds	15,787,618	15,607,258	15,607,258	(180,360)	
Long Term Facilities Debt Service	887,401	1,266,849	1,266,849	379,448	
Reduction in Debt Excess	<u>(1,000,000)</u>	<u>(800,000)</u>	<u>(800,000)</u>	<u>200,000</u>	
Total Debt Service Fund	<u>15,675,019</u>	<u>16,074,107</u>	<u>16,074,107</u>	<u>399,088</u>	<u>2.55%</u>

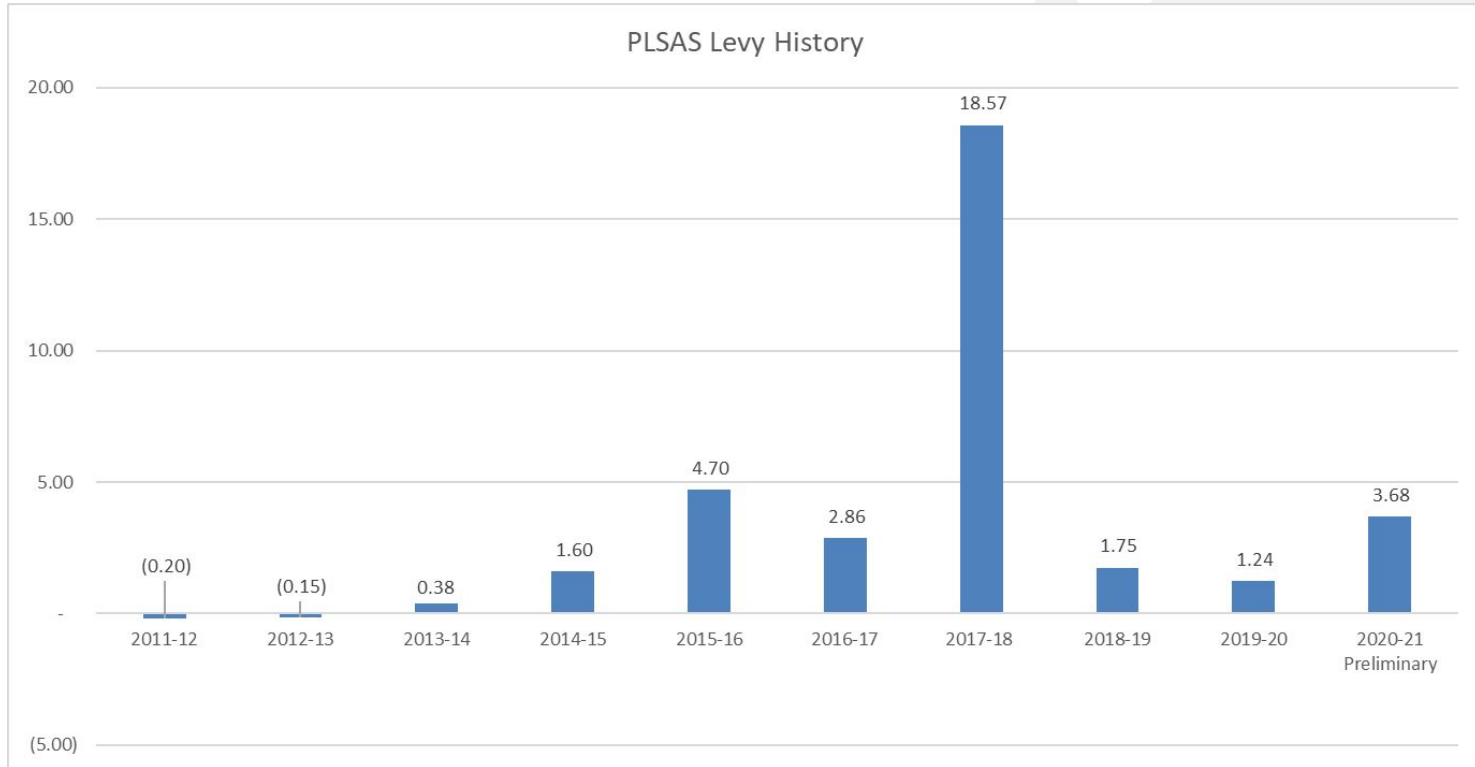
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	<u>2020 Actual</u>	<u>2021 Preliminary</u>	<u>2021 Final Dec 2020</u>		
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Total Community Svc. Fund	574,271	650,366	650,366	76,095	13.25%
Total Debt Service Fund	15,675,019	16,074,107	16,074,107	399,088	2.55%
Property Tax Levy	33,796,231	35,040,670	35,040,670	1,244,438	3.68%

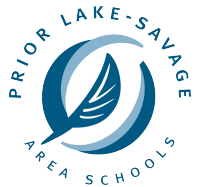
○ Levy Limitation Analysis



○ 10-Year Levy History



- **Questions**



○ 2020 Payable 2021 Tax Levy Calendar

Thursday, June 04, 2020	Deadline for districts to have submitted Career and Technical estimated expenditures
Wednesday, July 01, 2020	Deadline for board resolution adopting a population estimate for community ed and/or adult basic education revenue
Wednesday, July 15, 2020	Deadline for ECFE Annual Report - district may only levy if MDE receives this report Deadline for county auditors to submit six-month school tax abatement report to MDE
Friday, July 31, 2020	Deadline for school districts to submit the LTFM Application with school board approval
Friday, August 14, 2020	Deadline for school districts to submit Debt Service data via Levy Information System
Monday, August 17, 2020	Last day for school districts to review and update enrollment
Friday, August 28, 2020	Deadline for school districts to submit the following data via the Levy Information System OPEB, Pupil Transportation, Sparsity, Building/Land Lease, General and Community Service
Tuesday, September 08, 2020	Deadline for MDE to certify school district levy limits to county auditors
Wednesday, September 30, 2020	Deadline for school boards to certify proposed property tax levies to home county auditor
Wednesday, October 07, 2020	Deadline for School Districts to submit copy of proposed levies to MDE
Thursday, October 15, 2020	Deadline for districts to submit career & technical actual expenditures change for 19-20 for levy report
Sunday, November 01, 2020	Annual Community Education Report is due to MDE
Monday, November 02, 2020	MDE removes ECFE and home visiting levy if Comm Ed report is not submitted
Tuesday, November 03, 2020	General Election Day
Tuesday, November 24, 2020	Deadline for county auditor to prepare and deliver proposed property taxes to each taxpayer
On or before December 28, 2020	Districts are required to hold the Truth in Taxation Hearing District may adopt the final levy at the same meeting
No later than December 28, 2020	Districts must adopt their final property tax levy
Thursday, January 07, 2021	Deadline for school districts to notify MDE of final certified levies
Monday, February 01, 2021	Deadline for county auditors to submit School Tax Abatement Report for previous year to MDE