



# 2021 Levy Request Discussion

---

School Board Work Session  
July 22, 2021

# Time is running out

- Existing operating levy was passed in 2013
- Levy expires at the end of 2021-2022 school year
- Levy generates between \$11 to \$12 million in annual funding (about 10% of annual budget)
- Without a levy, we face significant budget cuts and reductions in staff and programs

In the past 8 years, costs have increased and state funding hasn't kept pace with inflation

Existing levy doesn't buy what it once did

We've cut our budget 3 times - totaling \$7 million - since levy was approved

# Investing in Kids

- Academic achievement
- Mental health, social/emotional learning and student engagement
- Learning technology

**Stillwater Area Public Schools, ISD 834**

July 22, 2021

Q1: Increase Operating Referendum Revenue (by \$335 per pupil, \$2.25m additional revenue);

Q2: \$4.7 million Capital Project Levy; Total New Revenue \$6.95m

Includes Tax Impact of Changes in Other Levies

Ballot Questions	Question 1			Question 2	Changes in Other Levies**	Net Change
	Operating Referendum			Capital Project Levy		
Year Taxes are Payable	2021	2022	2022	2022	2022	2022
	Expiring Authority	Renewed Authority	Net Change	New Authority		
Revenue per Pupil Unit	-\$1,307.55	\$1,642.55	\$335.00			
Estimated Change in Revenue	-\$12,250,697	\$14,493,533	\$2,242,835	\$4,700,000		\$6,942,835

Type of Property	Estimated Market Value	Estimated Annual Tax Impact		Estimated Change in Annual Tax Payable in 2022*			
Residential Homestead	350,000	-\$368	\$430	62	138	-75	125

\* The amounts in the table are based on school district taxes for the Operating Referendum, Capital Project Levy and other capital levies only, and do not include tax levies for other purposes. Tax changes shown above are gross changes, not including the impact of the state Property Tax Refund ("Circuit Breaker") program. Homestead Credit Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax increase for many property owners.

\*\* If the proposed ballot questions are approved by voters, the district intends to make reductions in other tax levies payable in 2022, which will result in a net reduction in taxes paid as shown in this column. The intent of these reductions is to offset a portion of the tax increases from the proposed ballot questions.

Q1: Increase Operating Referendum Revenue (by \$390 per pupil, \$2.75m additional revenue);

Q2: \$4.7 million Capital Project Levy; Total New Revenue \$7.5m

Includes Tax Impact of Changes in Other Levies

Ballot Questions	Question 1			Question 2	Changes in Other Levies**	Net Change
	Operating Referendum			Capital Project Levy		
Year Taxes are Payable	2021	2022	2022	2022	2022	2022
	Expiring Authority	Renewed Authority	Net Change	New Authority		
Revenue per Pupil Unit	-\$1,307.55	\$1,697.55	\$390.00			
Estimated Change in Revenue	-\$12,250,697	\$14,978,842	\$2,728,144	\$4,700,000		\$7,428,144

Type of Property	Estimated Market Value	Estimated Annual Tax Impact		Estimated Change in Annual Tax Payable in 2022*			
Residential Homestead	350,000	-\$368	\$445	77	138	-75	140

\* The amounts in the table are based on school district taxes for the Operating Referendum, Capital Project Levy and other capital levies only, and do not include tax levies for other purposes. Tax changes shown above are gross changes, not including the impact of the state Property Tax Refund ("Circuit Breaker") program. Homestead Credit Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax increase for many property owners.

\*\* If the proposed ballot questions are approved by voters, the district intends to make reductions in other tax levies payable in 2022, which will result in a net reduction in taxes paid as shown in this column. The intent of these reductions is to offset a portion of the tax increases from the proposed ballot questions.

**Stillwater Area Public Schools, ISD 834**

July 22, 2021

Q1: Increase Operating Referendum Revenue (by \$425 per pupil, \$3m additional revenue);

Q2: \$4.7 million Capital Project Levy; Total New Revenue \$7.7m

Includes Tax Impact of Changes in Other Levies

Ballot Questions	Question 1			Question 2	Changes in Other Levies**	Net Change
	Operating Referendum			Capital Project Levy		
Year Taxes are Payable	2021	2022	2022	2022	2022	2022
	Expiring Authority	Renewed Authority	Net Change	New Authority		
Revenue per Pupil Unit	-\$1,307.55	\$1,732.55	\$425.00			
Estimated Change in Revenue	-\$12,250,697	\$15,287,675	\$3,036,977	\$4,700,000		\$7,736,977

Type of Property	Estimated Market Value	Estimated Annual Tax Impact		Estimated Change in Annual Tax Payable in 2022*			
Residential Homestead	350,000	-\$368	\$455	87	138	-75	150

\* The amounts in the table are based on school district taxes for the Operating Referendum, Capital Project Levy and other capital levies only, and do not include tax levies for other purposes. Tax changes shown above are gross changes, not including the impact of the state Property Tax Refund ("Circuit Breaker") program. Homestead Credit Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax increase for many property owners.

\*\* If the proposed ballot questions are approved by voters, the district intends to make reductions in other tax levies payable in 2022, which will result in a net reduction in taxes paid as shown in this column. The intent of these reductions is to offset a portion of the tax increases from the proposed ballot questions.

**Stillwater Area Public Schools, ISD 834**

July 22, 2021

**Q1: Increase Operating Referendum Revenue to \$1,881.81 Cap (\$4.4 million additional revenue)**

Ballot Questions	Question 1			Changes in Other Levies**	Net Change
	Operating Referendum				
Year Taxes are Payable	2021	2022	2022	2022	2022
	Expiring Authority	Renewed Authority	Net Change		
Revenue per Pupil Unit	-\$1,307.55	\$1,881.81	\$574.26		
Estimated Change in Revenue	-\$12,250,697	\$16,604,715	\$4,354,018		\$4,354,018

Type of Property	Estimated Market Value	Estimated Annual Tax Impact		Estimated Change in Annual Taxes Payable in 2022*		
Residential Homestead	350,000	-\$368	\$496	128	-75	53

\* The amounts in the table are based on school district taxes for the Operating Referendum and other capital levies only, and do not include tax levies for other purposes. Tax changes shown above are gross changes, not including the impact of the state Property Tax Refund ("Circuit Breaker") program. Homestead Credit Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax increase for many property owners.

\*\* If the proposed ballot questions are approved by voters, the district intends to make reductions in other tax levies payable in 2022, which will result in a net reduction in taxes paid as shown in this column. The intent of these reductions is to offset a portion of the tax increases from the proposed ballot questions.

**Stillwater Area Public Schools, ISD 834**

July 22, 2021

Q1: Increase Operating Referendum Revenue to \$1,881.81 Cap (\$4.4m additional revenue);

Q2: \$3 million Capital Project Levy; Total New Revenue \$7.4m

Includes Tax Impact of Changes in Other Levies

Ballot Questions	Question 1			Question 2	Changes in Other Levies**	Net Change
	Operating Referendum			Capital Project Levy		
Year Taxes are Payable	2021	2022	2022	2022	2022	2022
	Expiring Authority	Renewed Authority	Net Change	New Authority		
Revenue per Pupil Unit	-\$1,307.55	\$1,881.81	\$574.26			
Estimated Change in Revenue	-\$12,250,697	\$16,604,715	\$4,354,018	\$3,050,000		\$7,404,018

Type of Property	Estimated Market Value	Estimated Annual Tax Impact		Estimated Change in Annual Tax Payable in 2022*			
Residential Homestead	350,000	-\$368	\$496	128	89	-75	142

\* The amounts in the table are based on school district taxes for the Operating Referendum, Capital Project Levy and other capital levies only, and do not include tax levies for other purposes. Tax changes shown above are gross changes, not including the impact of the state Property Tax Refund ("Circuit Breaker") program. Homestead Credit Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax increase for many property owners.

\*\* If the proposed ballot questions are approved by voters, the district intends to make reductions in other tax levies payable in 2022, which will result in a net reduction in taxes paid as shown in this column. The intent of these reductions is to offset a portion of the tax increases from the proposed ballot questions.

# Sample Ballot Language: Question 1

---

The board of Independent School District No. 834 (Stillwater Area Public Schools) has proposed to increase its general education revenue by \$\_\_\_\_\_ per pupil. A portion of this proposed new authority would replace the existing referendum revenue authorization of \$1,307.55 per pupil which is scheduled to expire after taxes payable in 2022. The proposed referendum revenue authorization would increase each year by the rate of inflation and be applicable for ten years unless otherwise revoked or reduced as provided by law.

☐

**Yes**

Shall the increase in the revenue proposed by the board of Independent School District No. 834 be approved?

☐

**No**

**BY VOTING "YES" ON THIS BALLOT QUESTION, YOU  
ARE VOTING FOR A PROPERTY TAX INCREASE.**

# Sample Ballot Language: Question 2

---

The board of Independent School District No. 834 (Stillwater Area Public Schools) has proposed a capital project levy authorization in the amount of 4.001% times the net tax capacity of the school district. The proposed authorization will raise approximately \$4,700,000 for taxes payable in 2022, the first year it is to be levied, and would be authorized for ten (10) years. The estimated total cost of the projects to be funded by the proposed capital project levy authorization during that time period is approximately \$47,000,000. The additional revenue from the proposed capital project levy authorization will provide funds for the acquisition, installation, replacement, support and maintenance of software, software licenses, computers, improved technology equipment, networks, infrastructure, and the costs of technology related personnel and training.

☐

**Yes**

If School District Question 1 is approved, shall the capital project levy proposed by the board of Independent School District No. 834 be approved?

☐

**No**

**BY VOTING "YES" ON THIS BALLOT QUESTION,  
YOU ARE VOTING FOR A PROPERTY TAX INCREASE.**

# 2021 Capital Project Levy on a Home with Estimated Market Value of \$350,000

Dist #	District Name	Pay 21 Capital Project Taxes	Certified Levy	FY 22 Est. Adj Pupil Units	Pay 21 Levy Per APU
1	Minneapolis	\$ 72.29	14,849,591	33,629	\$ 441.58
6	South Saint Paul	\$ 125.31	770,695	3,389	\$ 227.40
13	Columbia Heights	\$ 200.94	1,536,600	3,639	\$ 422.28
14	Fridley	\$ 176.54	987,134	3,026	\$ 326.20
16	Spring Lake Park	\$ 93.54	1,416,816	6,618	\$ 214.10
108	Norwood	\$ 113.78	416,431	973	\$ 428.07
112	E. Carver Cty	\$ 162.49	4,808,681	10,202	\$ 471.33
113	Walker - Hackensack - Akeley	\$ 32.70	210,538	798	\$ 263.77
138	North Branch	\$ 75.87	500,000	2,920	\$ 171.26
182	Crosby-Ironton	\$ 30.78	207,338	1,097	\$ 189.07
191	Burnsville	\$ 117.81	3,411,906	8,327	\$ 409.74
194	Lakeville	\$ 96.53	2,781,077	12,910	\$ 215.42
196	Rosemount-AV-Eagan	\$ 97.98	6,589,708	32,401	\$ 203.38
197	West St. Paul	\$ 71.02	1,788,544	5,543	\$ 322.67
199	Inver Grove Heights	\$ 70.50	831,816	3,685	\$ 225.74
264	Herman-Norcross	\$ 42.38	65,729	110	\$ 599.71
270	Hopkins	\$ 281.54	11,924,180	7,394	\$ 1,612.77
271	Bloomington	\$ 180.56	8,685,049	11,063	\$ 785.03
272	Eden Prairie	\$ 215.89	7,599,850	9,444	\$ 804.71
273	Edina	\$ 187.45	6,490,673	9,181	\$ 707.00
276	Minnetonka	\$ 214.71	6,916,127	12,187	\$ 567.52
277	Westonka	\$ 106.38	1,576,199	2,681	\$ 587.83
278	Orono	\$ 81.97	1,122,409	3,213	\$ 349.36
279	Osseo	\$ 119.66	7,859,504	23,290	\$ 337.47
280	Richfield	\$ 211.89	3,729,369	4,374	\$ 852.62
281	Robbinsdale	\$ 137.50	5,279,520	12,280	\$ 429.91
282	Saint Anthony-New Brighton	\$ 198.60	807,509	1,957	\$ 412.63
283	St. Louis Park	\$ 123.76	2,898,472	4,863	\$ 596.07
284	Wayzata	\$ 163.49	8,385,892	14,331	\$ 585.17
356	Lancaster	\$ 320.57	150,000	218	\$ 686.81
447	Grygla	\$ 217.16	114,861	157	\$ 731.60
458	Truman	\$ 65.00	125,000	251	\$ 498.80
473	Isle	\$ 88.16	152,118	428	\$ 355.25

### 2021 Capital Project Levy on a Home with Estimated Market Value of \$350,000

Dist #	District Name	Pay 21 Capital Project Taxes	Certified Levy	FY 22 Est. Adj Pupil Units	Pay 21 Levy Per APU
486	Swanville	\$ 98.73	75,375	352	\$ 213.89
542	Battle Lake	\$ 74.43	327,865	444	\$ 738.77
545	Henning	\$ 157.71	244,065	373	\$ 653.98
547	Parkers Prairie	\$ 73.64	100,000	557	\$ 179.60
600	Fisher	\$ 236.68	292,882	249	\$ 1,174.35
624	White Bear Lake	\$ 70.95	2,138,058	9,195	\$ 232.53
659	Northfield	\$ 78.49	750,000	4,324	\$ 173.46
676	Badger	\$ 168.65	52,347	221	\$ 237.08
720	Shakopee	\$ 178.09	3,850,865	8,966	\$ 429.51
726	Becker	\$ 59.73	476,669	3,168	\$ 150.48
727	Big Lake	\$ 102.66	563,770	3,345	\$ 168.55
741	Paynesville	\$ 108.41	296,063	987	\$ 300.08
743	Sauk Centre	\$ 74.95	247,940	1,116	\$ 222.09
750	Rocori	\$ 60.73	310,120	2,600	\$ 119.26
832	Mahtomedi	\$ 89.99	742,512	3,634	\$ 204.31
833	S. Washington County	\$ 58.80	2,522,921	20,339	\$ 124.04
861	Winona	\$ 95.12	1,000,000	2,840	\$ 352.11
2071	Lake Crystal-Wellcome	\$ 48.85	175,000	1,046	\$ 167.37
2149	Minnewaska	\$ 45.61	234,902	1,409	\$ 166.72
2888	Clinton-Graceville	\$ 59.69	197,992	336	\$ 588.56
2904	Tracy Area	\$ 25.48	100,000	686	\$ 145.86
	<b>Totals/Average</b>	<b>\$ 123.23</b>	<b>\$ 129,688,679</b>	<b>312,762</b>	<b>\$ 414.66</b>

Source: Pay 21 School Tax Report and MDE Projected 2022 Enrollment (FY 2022 Whatif Model)

Note: Excludes Prinsburg

# Operating Referendum Authority Seven County Metro Area

Taxes Payable in 2021 (Fiscal Year 2021-22)

ISD #	District Name	Voter-Approved Authority	ISD #	District Name	Voter-Approved Authority
11	Anoka-Hennepin*	1,044.38	277	Westonka*	1,479.01
12	Centennial*	834.33	278	Orono*	1,810.75
13	Columbia Heights	308.93	279	Osseo*	1,504.79
14	Fridley*	508.92	280	Richfield	1,114.60
15	Saint Francis	-	281	Robbinsdale*	1,781.68
16	Spring Lake Park	193.98	282	Saint Anthony-New Brighton*	929.86
108	Norwood*	654.78	283	St. Louis Park*	1,850.65
110	Waconia*	951.26	284	Wayzata*	1,794.08
111	Watertown-Mayer*	503.65	286	Brooklyn Center*	219.87
112	Eastern Carver County	979.54	621	Mounds View*	1,775.50
6	South Saint Paul*	664.43	622	North St. Paul-Maplewood-Oakdale*	880.13
191	Burnsville*	1,943.89	623	Roseville*	962.20
192	Farmington*	530.51	624	White Bear Lake*	1,286.04
194	Lakeville*	1,366.24	625	St. Paul*	916.06
195	Randolph	-	716	Belle Plaine	-
196	Rosemount-Apple Valley-Eagan*	1,602.86	717	Jordan	-
197	West St. Paul*	1,229.16	719	Prior Lake-Savage	623.97
199	Inver Grove Heights*	557.52	720	Shakopee	-
200	Hastings*	1,360.27	721	New Prague	246.70
1.2	Minneapolis*	1,919.75	831	Forest Lake	986.67
270	Hopkins*	1,872.61	832	Mahtomedi	1,020.00
271	Bloomington*	1,788.84	833	South Washington County	1,536.60
272	Eden Prairie*	1,601.87	834	Stillwater*	1,297.46
273	Edina*	1,823.00			
276	Minnetonka*	1,936.34			
				<b>Average Authority</b>	<b>1,047.08</b>

Source: MDE Referendum Phaseout Report 1/14/21

\* Authorities subject to inflationary adjustment

**Note:** The above numbers reflect voter approved uncapped operating referendum authority. As a result, the amount listed in the MDE Phaseout Report and listed above may vary slightly from final levy authority.

	Capital Project Levy	Operating Referendum Revenue	Difference (CPL - OR)
Taxes Payable 2022 Revenue (Fiscal Year 2022-23)	\$4,084,750	\$4,354,018	-\$269,268
Reduction in Equity Revenue	0	-269,268	269,268
Net Revenue	\$4,084,750	\$4,084,750	\$0

Type of Property	Estimated Market Value	Estimated Annual Tax Impact *		
Residential Homestead	\$100,000	\$25	\$39	-\$14
	200,000	63	78	-15
	250,000	82	98	-16
	300,000	101	117	-16
	350,000	120	137	-17
	400,000	139	157	-18
	450,000	156	176	-20
	500,000	174	196	-22
	750,000	283	293	-10
	1,000,000	391	391	0
Commercial/ Industrial **	\$100,000	\$34	\$39	-\$5
	250,000	96	98	-2
	500,000	208	196	12
	1,000,000	434	391	43
Apartments and Residential Non-Homestead (2 or more units)	\$250,000	\$109	\$98	\$11
	500,000	217	196	21
	1,000,000	435	391	44
	2,000,000	869	783	86

\* The amounts in the table are based on school district taxes for the proposed capital project levy or operating referendum only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the state Homestead Credit Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax increase for many property owners.

\*\* For commercial-industrial property, the estimates above are for property in the City of Stillwater. The tax impact for commercial-industrial property in other municipalities in the school district may be slightly different due to the varying impact of the Twin Cities Fiscal Disparities program.

# External Factors

- COVID-19 variants
- Federal COVID-19 relief funds (CARES)
- Minnesota's 2021 Legislative session
- Economy and consumer confidence
- Inflation and consumer price index
- District enrollment

# Administration Recommendation

Stillwater Area Public Schools, ISD 834

July 22, 2021

Q1: Increase Operating Referendum Revenue (by \$390 per pupil, \$2.75m additional revenue);

Q2: \$4.7 million Capital Project Levy; Total New Revenue \$7.5m

Includes Tax Impact of Changes in Other Levies

Ballot Questions	Question 1			Question 2	Changes in Other Levies**	Net Change
	Operating Referendum			Capital Project Levy		
Year Taxes are Payable	2021	2022	2022	2022	2022	2022
	Expiring Authority	Renewed Authority	Net Change	New Authority		
Revenue per Pupil Unit	-\$1,307.55	\$1,697.55	\$390.00			
Estimated Change in Revenue	-\$12,250,697	\$14,978,842	\$2,728,144	\$4,700,000		\$7,428,144

Type of Property	Estimated Market Value	Estimated Annual Tax Impact		Estimated Change in Annual Tax Payable in 2022*			
Residential Homestead	350,000	-\$368	\$445	77	138	-75	140

\* The amounts in the table are based on school district taxes for the Operating Referendum, Capital Project Levy and other capital levies only, and do not include tax levies for other purposes. Tax changes shown above are gross changes, not including the impact of the state Property Tax Refund ("Circuit Breaker") program. Homestead Credit Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax increase for many property owners.

\*\* If the proposed ballot questions are approved by voters, the district intends to make reductions in other tax levies payable in 2022, which will result in a net reduction in taxes paid as shown in this column. The intent of these reductions is to offset a portion of the tax increases from the proposed ballot questions.

# Board Discussion