

**WARROAD  
PUBLIC  
SCHOOL  
DISTRICT**

**2023 PAYABLE 2024**

**TRUTH IN TAXATION PUBLIC MEETING**

6:00 PM

DECEMBER 18, 2023

AT THE

DISTRICT OFFICE CONFERENCE ROOM

## 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. ONE IMPORTANT PART OF THAT 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 SUCH A LEVY WOULD MEAN IN DOLLARS.

# WARROAD PUBLIC SCHOOL DISTRICT

# WARROAD PUBLIC SCHOOL DISTRICT

- **POINTS TO REMEMBER:**
- REVENUE FORMULAS ARE SET BY THE STATE LEGISLATURE EXCEPT FOR VOTER APPROVED REFERENDUMS.
- LOCAL LEVY AND STATE AID MIX ARE SET BY THE STATE LEGISLATURE.
- AN INCREASE IN LOCAL TAXES DOES NOT NECESSARILY MEAN AN INCREASE IN REVENUES FOR THE SCHOOL DISTRICT.

SCHOOL  
DISTRICT  
BUDGET

# WARROAD PUBLIC SCHOOL DISTRICT

---

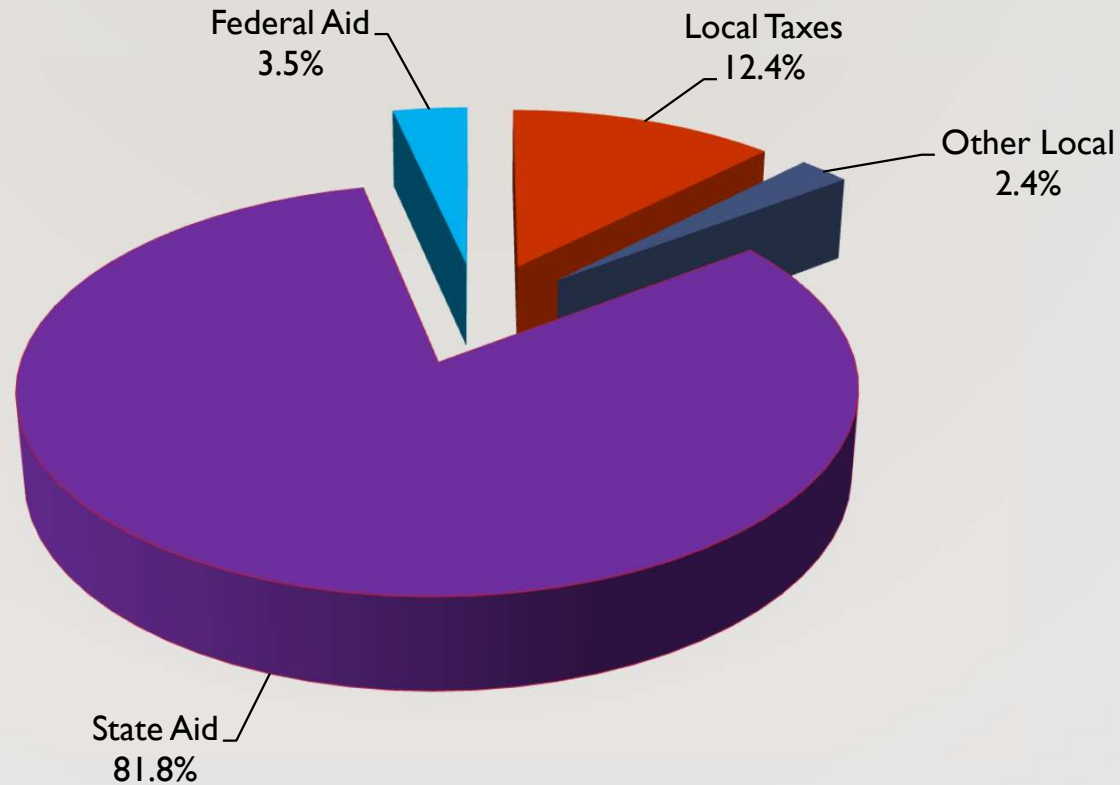
CURRENT SCHOOL  
YEAR

2023-2024

# Warroad Public School District

## General Fund Revenue Budget

*Where Do Our School Revenues Come From?*



# WARROAD PUBLIC SCHOOL DISTRICT

## 2022-23 BUDGET OVERVIEW

### REVENUES

|                     | 22-23<br>Actual      | 23-24<br>Budget      | Percent<br>Change |
|---------------------|----------------------|----------------------|-------------------|
| General Fund        | 14,000,806           | 14,847,047           | 6.04%             |
| Food Service        | 715,040              | 743,100              | 3.92%             |
| Community Service   | 567,964              | 554,957              | -2.29%            |
| Construction        | -                    | -                    | 0.00%             |
| Debt Service & OPEB | <u>1,522,586</u>     | <u>1,610,961</u>     | <u>5.80%</u>      |
| Totals              | <u>\$ 16,806,396</u> | <u>\$ 17,756,065</u> | <u>5.65%</u>      |

# WARROAD PUBLIC SCHOOL DISTRICT

## HOW ARE GENERAL FUND DOLLARS SPENT?

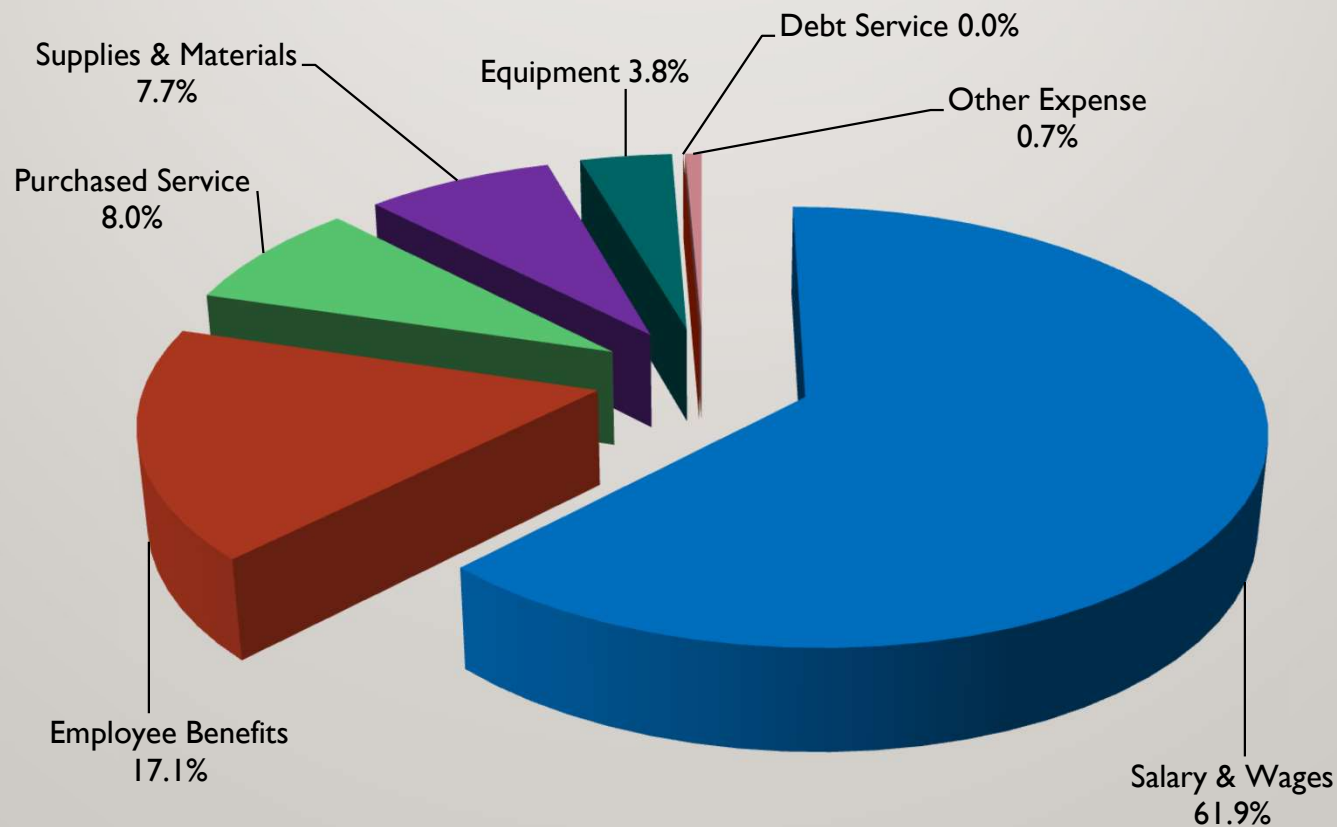
*EXPENSES INCURRED IN THE OPERATION OF THE DISTRICT ARE PAID FROM THE GENERAL FUND. THE FOLLOWING SCHEDULE RELATES HOW THE DOLLARS ALLOCATED TO THE GENERAL FUND ARE SPENT:*

|                                  |               |
|----------------------------------|---------------|
| District & School Administration | 5.7%          |
| District Support Services        | 2.9%          |
| Regular Instruction              | 35.3%         |
| Extracurricular                  | 5.3%          |
| Vocational Instruction           | 2.1%          |
| Special Education Instruction    | 22.0%         |
| Instructional Support Services   | 5.7%          |
| Pupil Support Services           | 9.7%          |
| Sites-Buildings, Equipment       | 9.2%          |
| Fiscal and Other                 | 2.1%          |
|                                  | <u>100.0%</u> |
|                                  |               |

# WARROAD PUBLIC SCHOOL DISTRICT

## General Fund Expenditure Budget

*What Do Our Expenditures Pay For?*





# WARROAD PUBLIC SCHOOL DISTRICT

## 2023-24 BUDGET OVERVIEW EXPENDITURES

|                   | 22-23<br>Actual      | 23-24<br>Budget      | Percent<br>Change |
|-------------------|----------------------|----------------------|-------------------|
| General Fund      | 13,450,442           | 14,529,585           | 8.02%             |
| Food Service      | 761,621              | 759,152              | -0.32%            |
| Community Service | 629,417              | 663,506              | 5.42%             |
| Debt Service      | 1,516,590            | 1,528,284            | 0.77%             |
| Totals            | <u>\$ 16,358,069</u> | <u>\$ 17,480,527</u> | <u>6.86%</u>      |

# WARROAD PUBLIC SCHOOL DISTRICT

- **AUTHORITY FOR SCHOOL LEVIES**
- A SCHOOL DISTRICT TAX LEVY MUST BE EITHER:
  - Set by State Formula
  - -or-
  - Voter Approved
  - Board Approved & L.O.R. –  
Max \$724 per A.P.U.

# WARROAD PUBLIC SCHOOL DISTRICT

- **FACTORS IMPACTING TAX CHANGE**

- **ISSUES DRIVEN BY LEGISLATIVE DECISIONS:**

- Change in sales ratio (impacting ANTC)
- Change in tax capacity rate structure
- Laws mandating code compliance (Health & Safety and Buildings)

- **ISSUES DETERMINED BY DISTRICT VOTERS:**

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

# WARROAD PUBLIC SCHOOL DISTRICT

- **FACTORS IMPACTING TAX CHANGE  
(CONT.)**

- **Local Factors:**

- Inflationary pressure on real estate market
- Abatements
- Property improvements not previously taxed
- Change in individual assessed market value
- Possible change in property classification  
(e.g. *homestead to rental*)

# WARROAD PUBLIC SCHOOL DISTRICT

## HOW WILL YOUR 2023 SCHOOL TAXES BE SPENT?

PERCENT

### GENERAL FUND

PROVIDES ADDITIONAL FUNDING FOR DISTRICT INSTRUCTIONAL PROGRAMS  
BY MEANS OF THE APPROVED EXCESS REFERENDUM. PROVIDES  
FUNDS FOR OPERATING CAPITAL EXPENSES, BUILDING/LAND LEASE,  
AND HEALTH & SAFETY COSTS:

**56.3%**

### COMMUNITY EDUCATION FUND

LEVY FOR COMMUNITY EDUCATION PROGRAMS:

1.6%

### DEBT SERVICE

LEVY FOR REPAYMENT OF PRINCIPAL AND INTEREST ON DISTRICT DEBT:

42.1%

**TOTAL LEVY BEFORE CREDITS:**

**100.0%**

# WARROAD PUBLIC SCHOOL DISTRICT

## Comparison of Certified Payable 2023 Levy with Proposed Payable 2024 Levy

| GROSS LEVIES BY FUND   | ACTUAL<br>22 Pay 23 | PROPOSED<br>23 Pay 24 | DOLLAR<br>DIFFERENCE | PERCENT<br>DIFFERENCE |
|------------------------|---------------------|-----------------------|----------------------|-----------------------|
| <b>General Fund</b>    | <b>1,453,896.76</b> | <b>1,825,316.51</b>   | <b>371,419.75</b>    | <b>25.55%</b>         |
| Community Services     | 68,558.13           | 50,570.99             | (17,987.14)          | -26.24%               |
| Debt Redemption & OPEB | 1,381,893.01        | 1,364,162.33          | (17,730.68)          | -1.28%                |
| <b>Total</b>           | <b>2,904,347.90</b> | <b>3,240,049.83</b>   | <b>335,701.93</b>    | <b>11.56%</b>         |
|                        |                     |                       |                      |                       |
|                        |                     |                       |                      |                       |
|                        |                     |                       |                      |                       |

# WARROAD PUBLIC SCHOOL DISTRICT

| Category               | Pay 23              | Pay 24              | Change            |
|------------------------|---------------------|---------------------|-------------------|
| <b>General Fund</b>    |                     |                     | -                 |
| Swimming Pool Levy     | 177,571.01          | 199,841.57          | 22,270.56         |
| Safe Schools           | 37,324.44           | 37,514.88           | 190.44            |
| LTFM (includes DM)     | 37,377.82           | 48,127.85           | 10,750.03         |
| Operating Capital      | 68,411.46           | 82,119.68           | 13,708.22         |
| Career and Tech. (CTE) | 68,445.73           | 68,400.74           | (44.99)           |
| Building/Land Lease    | 97,018.00           | 101,573.00          | 4,555.00          |
| Other General Fund     | 967,748.30          | 1,287,738.78        | 319,990.48        |
| <b>Sub-Total</b>       | <u>1,453,896.76</u> | <u>1,825,316.50</u> | <u>371,419.74</u> |
| Community Service      | 68,558.13           | 50,570.99           | (17,987.14)       |
| Debt Service& OPEB     | 1,381,893.01        | 1,364,162.33        | (17,730.68)       |
| <b>Total Change</b>    |                     |                     | <u>335,701.92</u> |

# WARROAD PUBLIC SCHOOL DISTRICT

- **WHAT ARE THE MAIN VARIABLES THAT CAUSE PROPERTY TAX INCREASES AND DECREASES?**

- Changes in market values, classification or class rates
- Change in property tax credits (e.g. *change in Homestead Benefit from a credit to an exclusion*)
- Voter approved referendums
- Increases or decreases in levy amounts caused by changes in state funding formulas



# WARROAD PUBLIC SCHOOL DISTRICT

- **WHAT ARE THE MAIN VARIABLES THAT CAUSE PROPERTY TAX INCREASES AND DECREASES?  
(CONT.)**

- The value of your property may increase or decrease
- The value of other properties may increase or decrease and change the share that your property is of the total tax base, whether your property's value changed or not.
- Ag Credit Legislation

# WARROAD PUBLIC SCHOOL DISTRICT

**Whereas,** Pursuant to Minnesota Statutes the School Board of Warroad Public Schools, Warroad, Minnesota, is authorized to make the following proposed tax levies for general purposes:

|                                       |                       |
|---------------------------------------|-----------------------|
| Maintenance (General Fund)            | \$ 1,825,316.50       |
| • Includes Referendum                 |                       |
| Community Service                     | \$50,570.99           |
| Debt Service                          | \$1,364,162.33        |
| <b>Total Proposed School Tax Levy</b> | <b>\$3,240,049.82</b> |

**Now Therefore,** Be it resolved by the School Board of Warroad Public Schools, Warroad, Minnesota, that the levy to be levied in 2023 to be collected in 2024 is set at \$3,148,084.57. The clerk of the Warroad Public School is authorized to certify the proposed levy to the County Auditor of Roseau County, Minnesota.