

Truth In Taxation Public Hearing for Taxes Payable 2024

December 4, 2023
Red Wing Public Schools

CREATIVE

COURAGEOUS

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RED WING PUBLIC SCHOOLS

Overview

- Background on School Funding , Property Tax Levies, and the Budgets
- Information on the District Budget
- Information on the District's Proposed Tax Levy for Taxes Payable in 2024
- Public Comments and Questions

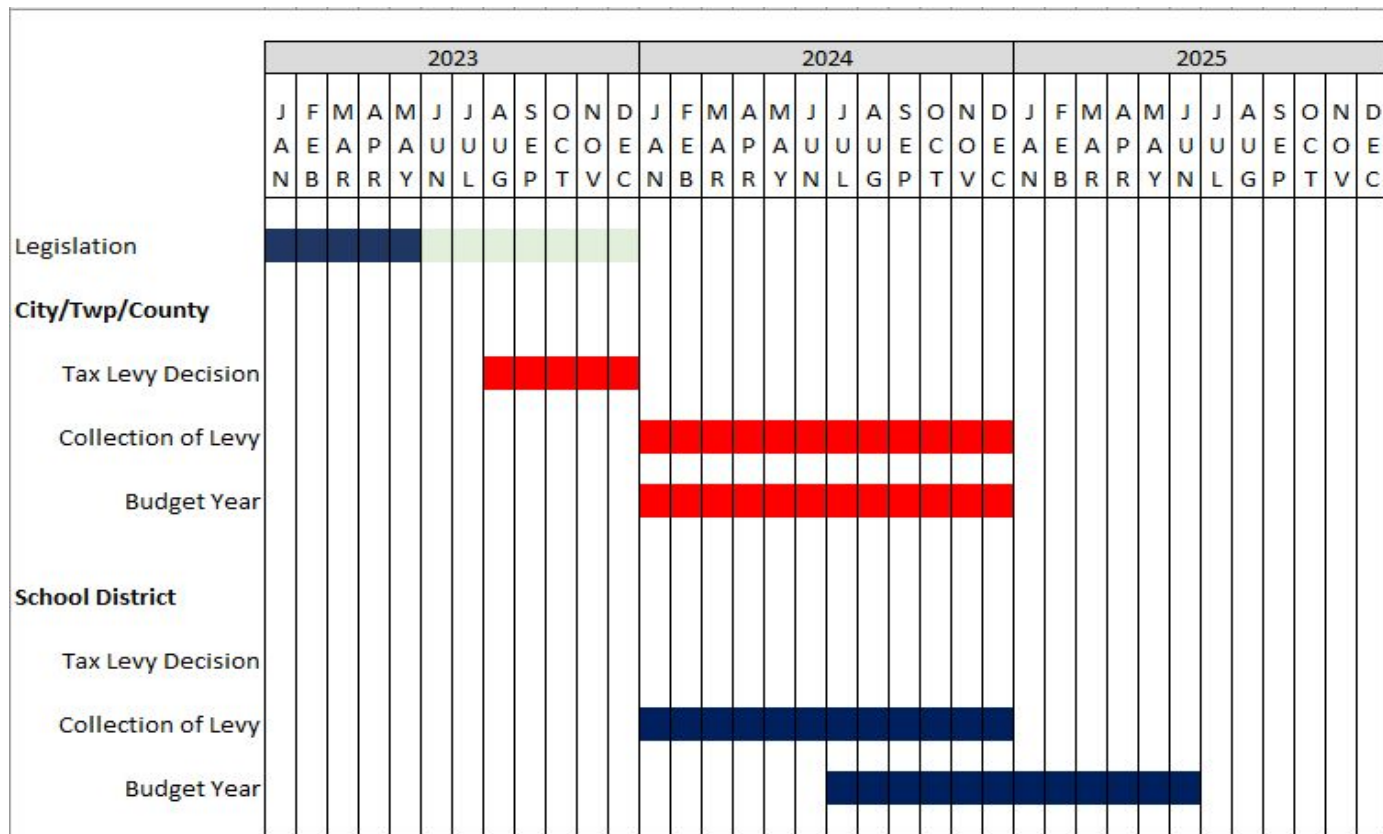
School Funding is Highly Regulated by the State Legislature and Governor's Administration

- State sets formulas which determine revenue; most revenue is based on specified amounts per pupil.
- State sets tax policy for local schools.
- State sets maximum authorized property tax levy (districts can levy less but not more than amount authorized by state, unless approved by the voters).
- State authorizes school board to submit referendums for operating and capital needs to voters for approval.

School Boards

- School Boards participate in state education programs for district's children, financed entirely by levies or combination of levy and state aid.
- School Boards ask voters to approve referendums for general operations and major capital projects.
- School Boards can only decrease the levy from the parameters set by the legislature without an election after September 30.

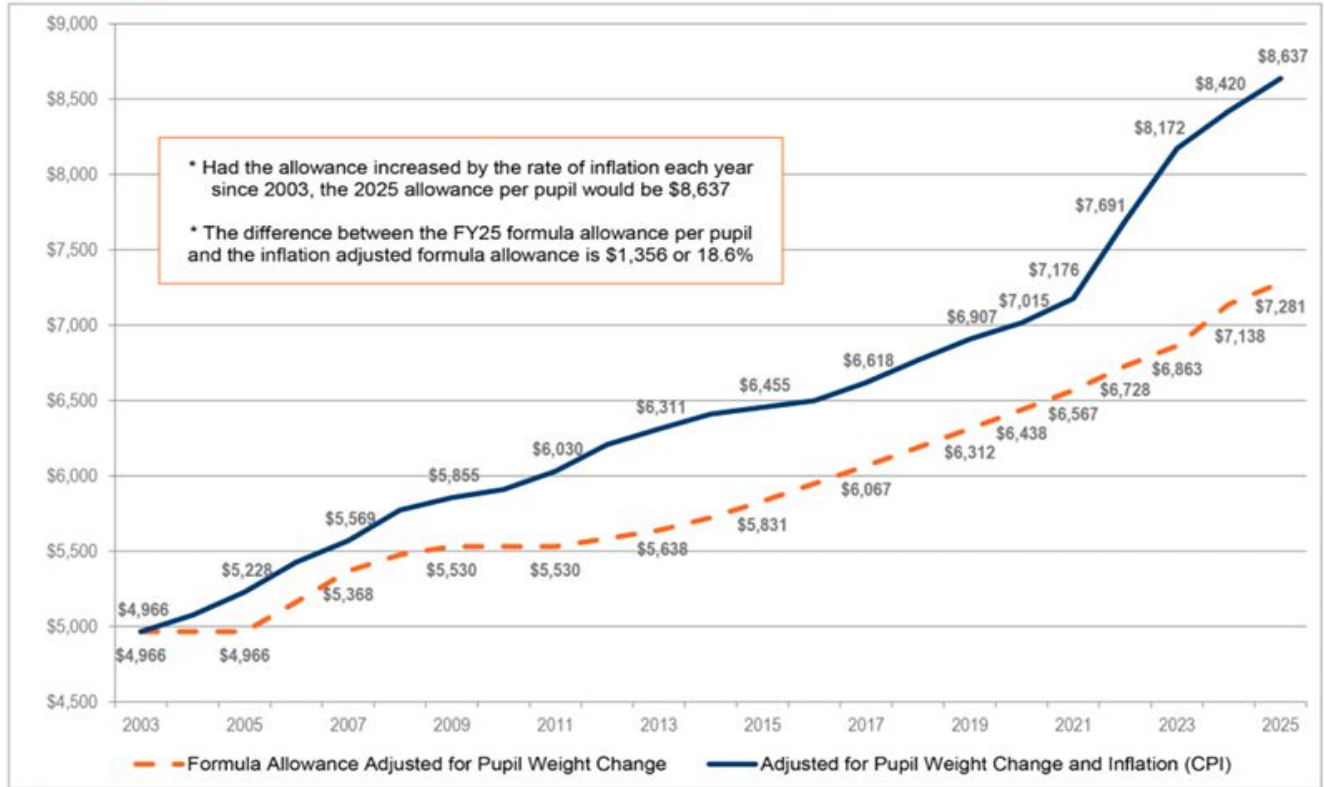
Tax Levy Calendars for City/Twp/County as compared to Schools



General Education Formula



General Education Formula Allowance, 2003-2025 Adjusted for Pupil Weight Change and Inflation (CPI)

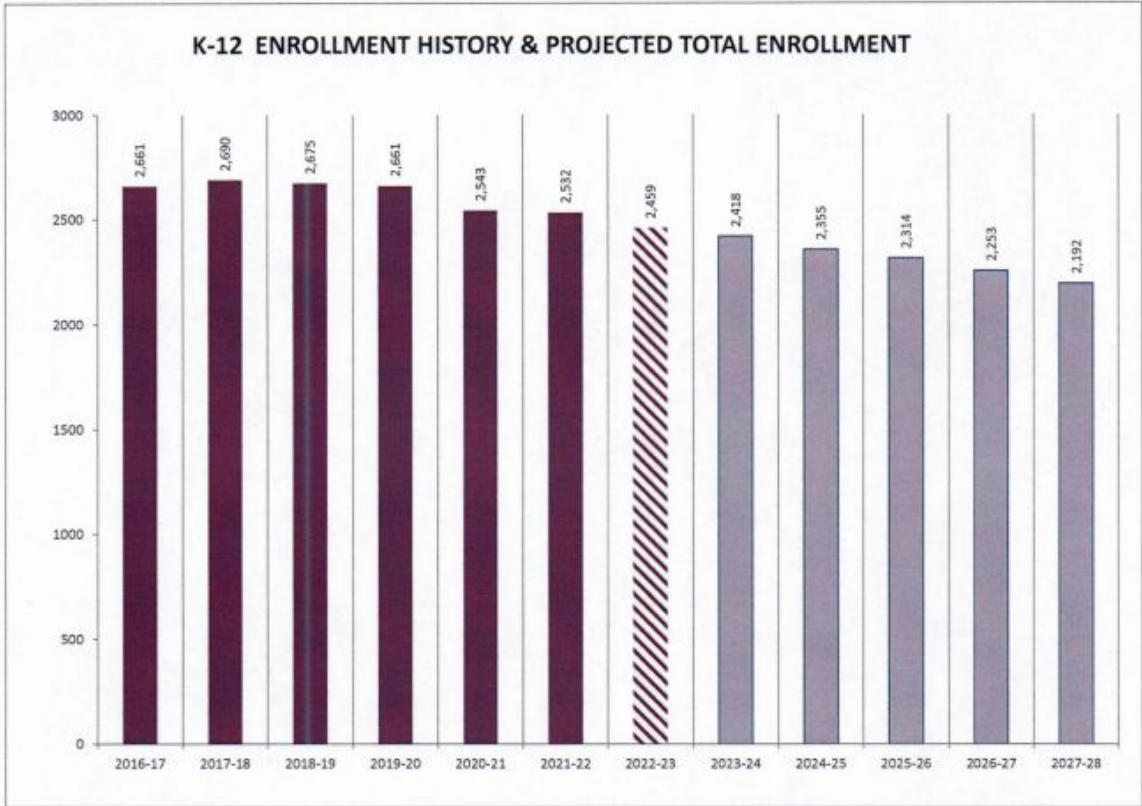


Audited Fund Balances Through June 30, 2023 (UFARS basis)

General Information: Minnesota Statutes 2021, section 123B.10, requires that every school board shall publish the subject data of this report.

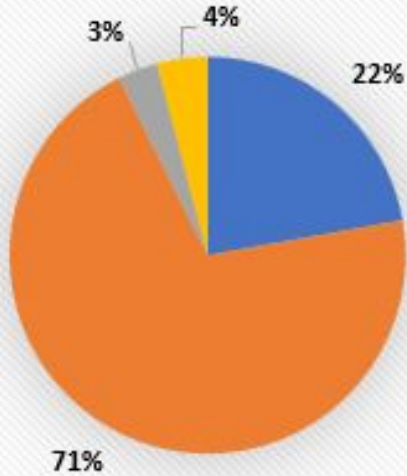
District Name:		Red Wing Public Schools					District Number:		0256-01
Fund	FY 2023 Beginning Fund Balances	FY 2023 Actual Revenues and Transfers In	FY 2023 Actual Expenditures and Transfers Out	June 30, 2023 Actual Fund Balances	FY 2024 Budget Revenues and Transfers In	FY 2024 Budget Expenditures and Transfers Out	June 30, 2024 Projected Fund Balances		
General Fund/Restricted	\$ 2,778,785	\$ 4,267,459	\$ 4,183,692	\$ 2,862,552	\$ 4,738,041	\$ 4,768,226	\$ 2,832,367		
General Fund/Other	\$ 5,717,124	\$ 32,407,197	\$ 33,515,746	\$ 4,608,575	\$ 34,437,755	\$ 33,963,573	\$ 5,082,757		
Food Service Fund	\$ 648,128	\$ 1,767,697	\$ 1,771,836	\$ 643,989	\$ 1,773,450	\$ 1,980,014	\$ 437,425		
Community Service Fund	\$ 724,979	\$ 3,173,532	\$ 3,147,035	\$ 751,476	\$ 2,588,719	\$ 2,857,207	\$ 482,988		
Building Construction Fund	\$ 1,759,709	\$ 36,961	\$ 1,648,457	\$ 148,213	\$ 26,000	\$ 174,213	\$ -		
Debt Service Fund	\$ 470,554	\$ 1,549,929	\$ 1,684,391	\$ 336,092	\$ 1,798,596	\$ 1,794,069	\$ 340,619		
Trust Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Internal Service Fund	\$ 47,513	\$ -	\$ -	\$ 53,398	\$ -	\$ -	\$ 63,918		
* OPEB Revocable Trust Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
OPEB Irrevocable Trust Fund	\$ 8,404,395	\$ 570,666	\$ 906,847	\$ 8,068,214	\$ 500,000	\$ 786,837	\$ 7,781,377		
OPEB Debt Service Fund	\$ 490,873	\$ -	\$ -	\$ 490,873	\$ -	\$ -	\$ 490,873		
Total - All Funds	\$ 21,042,060	\$ 43,773,441	\$ 46,858,004	\$ 17,963,382	\$ 45,862,561	\$ 46,324,139	\$ 17,512,324		

ISD 256 Enrollment Historic, Audit, Projected



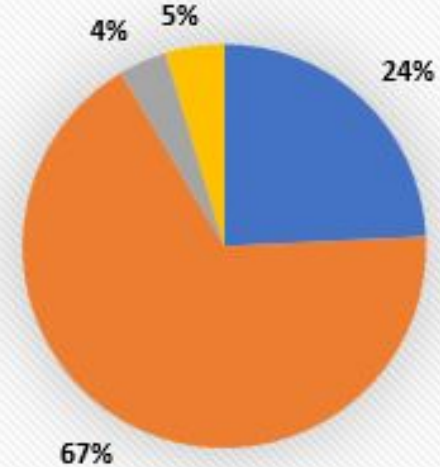
General Fund Revenue Compared

FY24 Budget Revenues



■ Property Taxes ■ State ■ Federal ■ Other

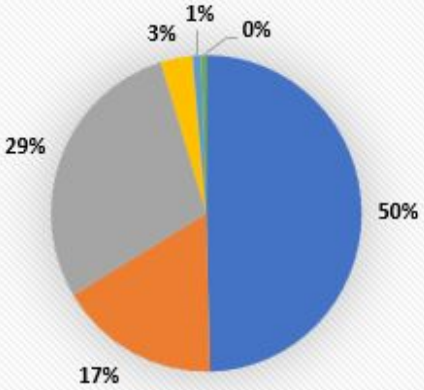
Audited FY23 Revenues



■ Property Taxes ■ State ■ Federal ■ Other

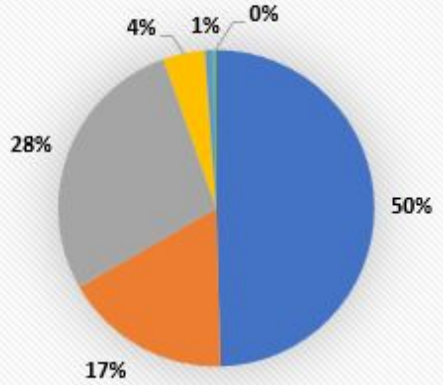
General Fund Expenditures Compared

Audited FY23 Expenditures



■ Salaries ■ Benefits ■ Purchased Services ■ General Supplies ■ Capital Expenses ■ Debt Service

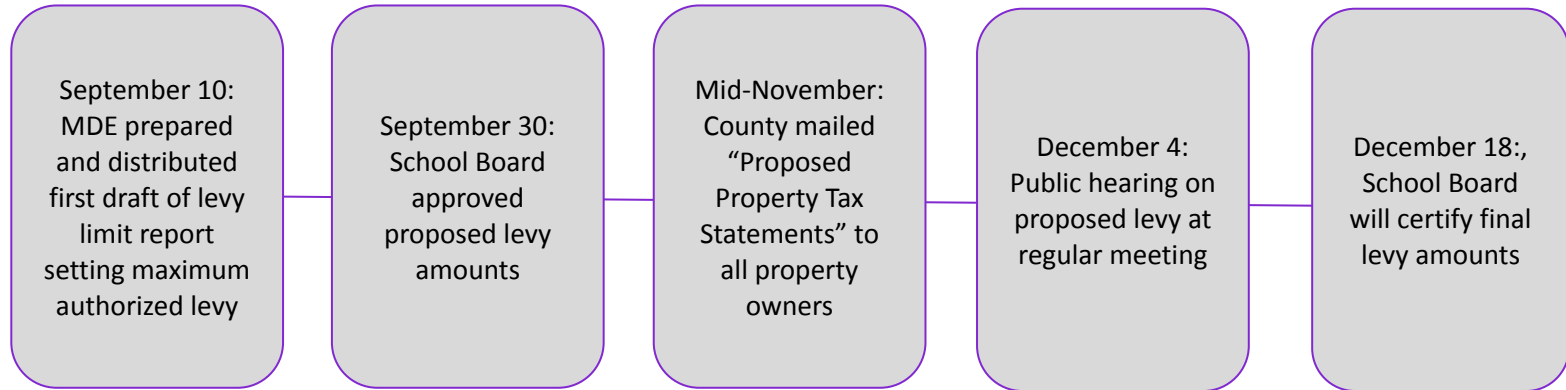
FY24 Budget Expenditures



■ Salaries ■ Benefits ■ Purchased Services ■ General Supplies ■ Capital Expenses ■ Debt Service

Timeline in Approval

Schedule of Events in Approval of District's 2023 (Payable 2024) Tax Levy



ISD 256 Comparison

Payable 2023 vs. Payable 2024 Certified Levies

Funds	2022 PAY 2023 Limitation	2023 PAY 2024 Limitation	Increase/ (Decrease)	Percent Change
General	\$ 8,762,332	\$ 8,455,753	\$ (306,579)	(3.50%)
Community Service	\$ 650,054	\$ 577,635	\$ (72,419)	(11.14%)
General Debt Service	\$ 1,794,596	\$ 1,786,099	\$ (8,497)	(0.47%)
Total	\$11,206,982	\$10,819,487	\$ (387,495)	(3.46%)

General Fund

Proposed
Tax Levy
for Taxes
Payable
2024

	2022 Payable 2023 Final Total	2023 Payable 2024 Final Total	Increase (Decrease)
General Levies:			
Equity Revenue	246,761.37	253,999.22	7,237.85
Referendum	4,473,059.66	4,342,447.60	(130,612.06)
Local Optional Revenue	1,913,862.91	1,909,820.44	(4,042.47)
Operating Capital	334,809.38	399,208.19	64,398.81
Achievement&Integration	158,742.18	(78,598.04)	(237,340.22)
Reemployment	(40,000.00)	57,741.05	97,741.05
Safe Schools	92,415.60	91,240.20	(1,175.40)
Career Technical	288,429.56	221,116.32	(67,313.24)
Long Term Facilities Maintenance	927,549.81	886,697.62	(40,852.19)
Building /Land Lease	366,702.00	372,080.32	5,378.32
Total General Levies	8,762,332.47	8,455,752.92	(306,579.55)

Community Service Fund

Proposed
Tax Levy
for Taxes
Payable
2024

	2022 Payable 2023 Final	2023 Payable 2024 Final	Increase / (Decrease)
Community Services Levies:			
Basic Community Education	149,952.85	172,124.83	22,171.98
Ice Arena	276,326.18	201,283.25	(75,042.93)
Early Child Family Education	110,156.46	96,728.90	(13,427.56)
Home Visiting	3,247.50	3,493.90	246.40
Adults w/ Disabilities	11,000.00	3,059.11	(7,940.89)
School-Age Care	99,370.85	100,945.51	1,574.66
Total Community Services Levies	650,053.84	577,635.50	(72,418.34)

General Debt Service and OPEB Fund

Proposed
Tax Levy
for Taxes
Payable
2024

	2022 Payable 2023 Final	2023 Payable 2024 Final	Increase / (Decrease)
Debt Service Levies:			
Debt Service	1,878,089.74	1,894,849.35	16,759.61
Reduction for Debt	(83,494.00)	(108,750.73)	(25,256.73)
Total Debt Service Levies	1,794,595.74	1,786,098.62	(8,497.12)

Reasons for (Decreases) in Total Levy

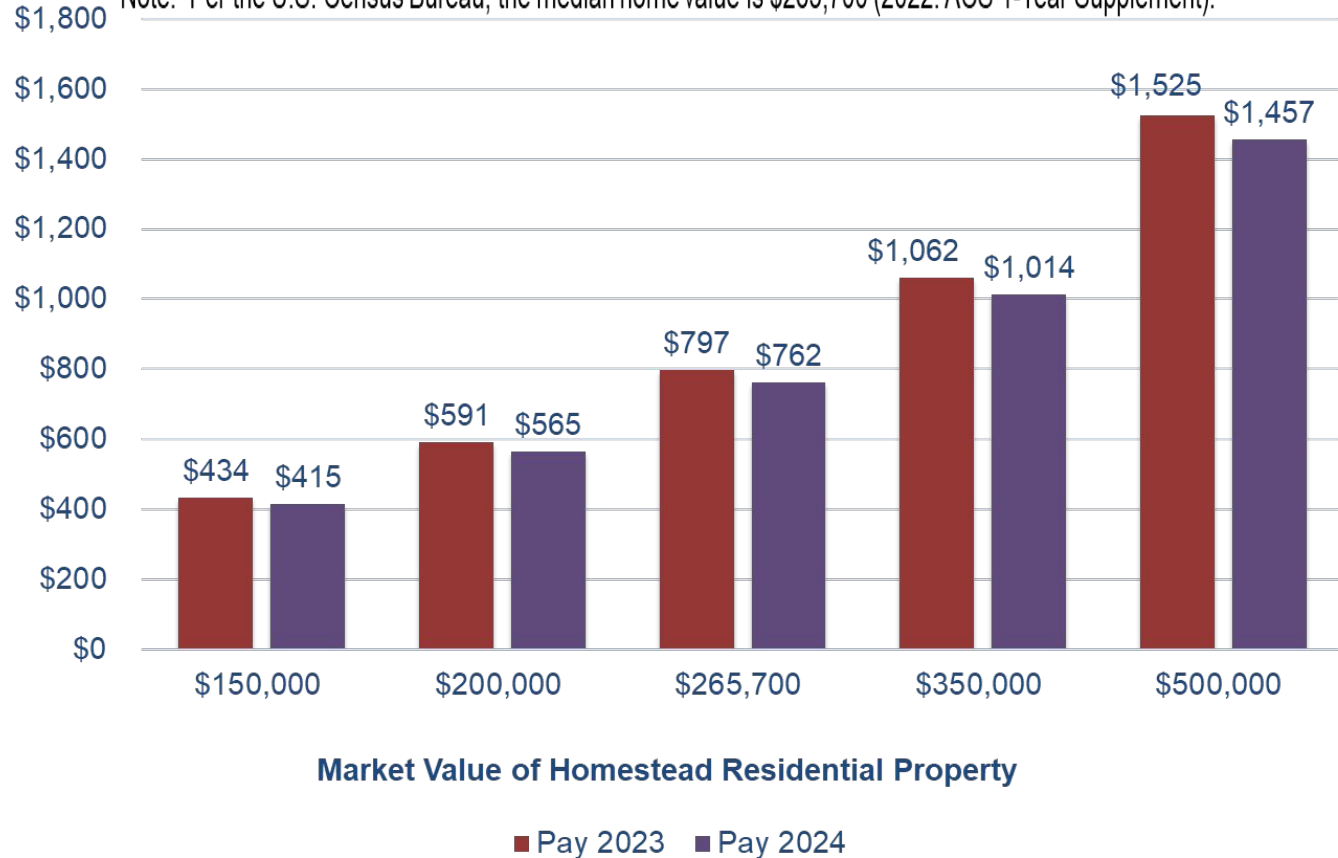
Total Levy decreased 3.46% or \$387,495

Decline is primarily due to the changes in the following:

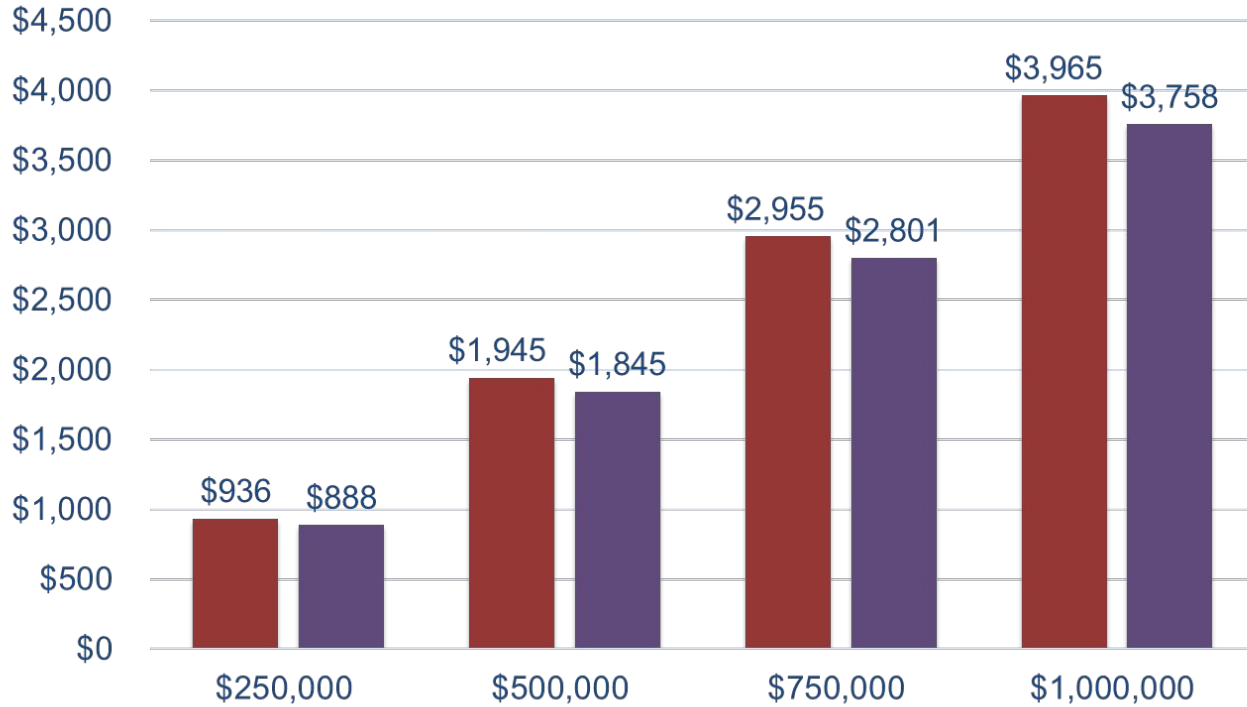
- Achievement and Integration Levy that has fluctuated for Red Wing Schools
- Lesser amount of Ice Arena Levy required and
- Levies dependent upon the enrollment which as projected

Property Tax Comparisons - Pay 2023 Versus Pay 2024

Note: Per the U.S. Census Bureau, the median home value is \$265,700 (2022: ACS 1-Year Supplement).



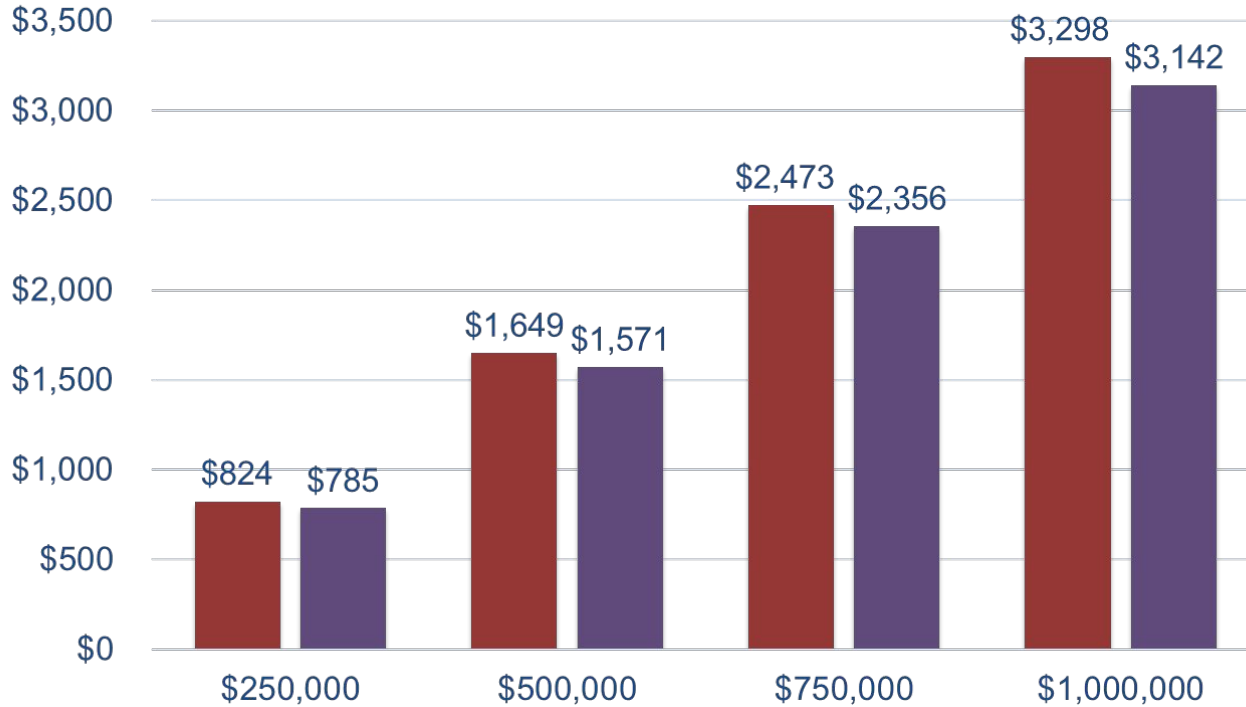
Property Tax Comparisons - Pay 2023 Versus Pay 2024



Market Value of Commercial/Industrial Property

■ Pay 2023 ■ Pay 2024

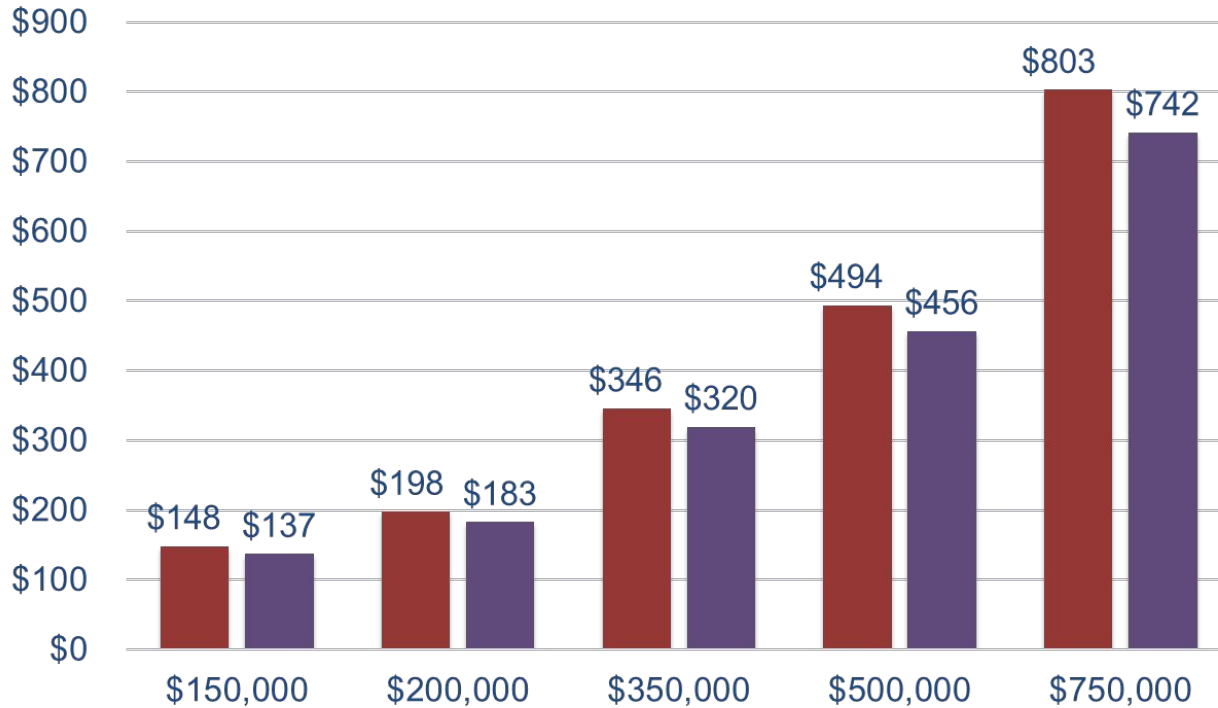
Property Tax Comparisons - Pay 2023 Versus Pay 2024



Market Value of Apartments (4 or more Units) Property

■ Pay 2023 ■ Pay 2024

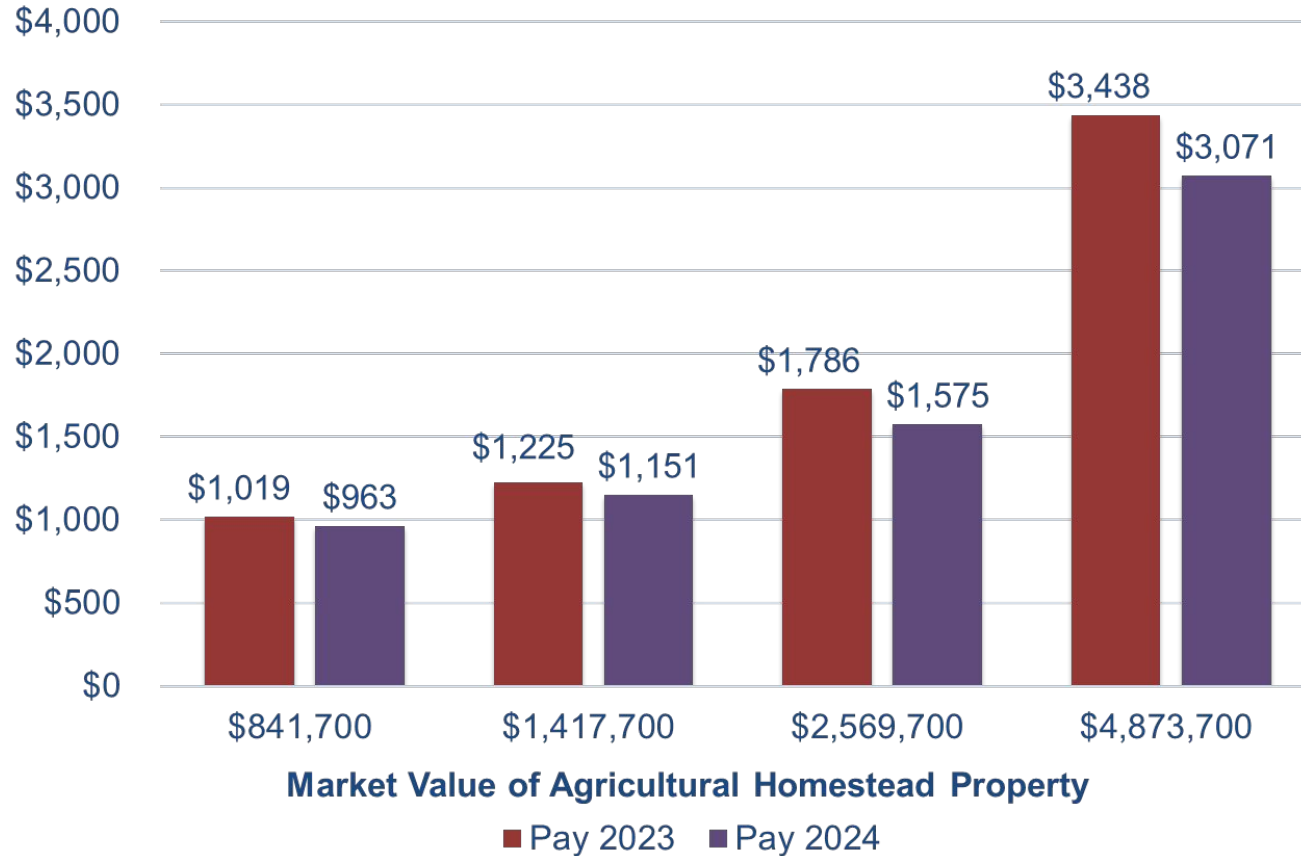
Property Tax Comparisons - Pay 2023 Versus Pay 2024



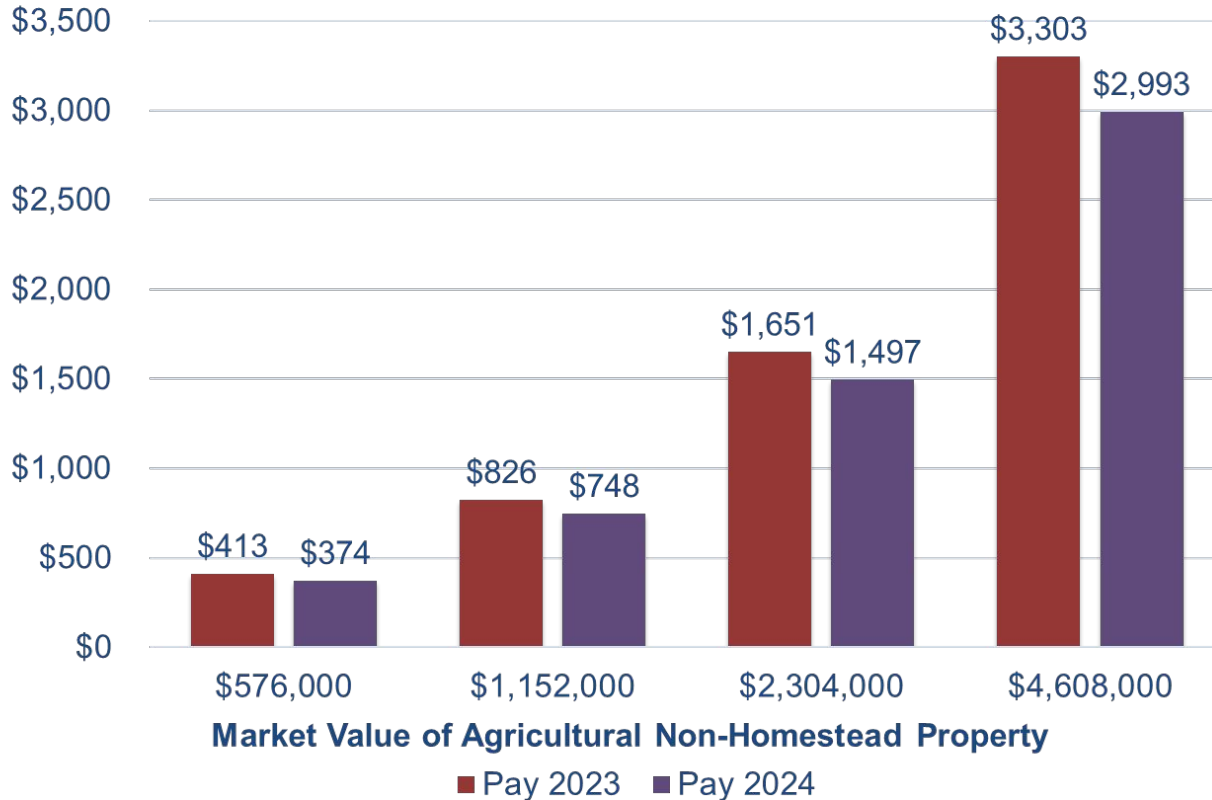
Market Value of Seasonal Recreational Residential Property

■ Pay 2023 ■ Pay 2024

Property Tax Comparisons - Pay 2023 Versus Pay 2024



Property Tax Comparisons - Pay 2023 Versus Pay 2024



Note: Per the Minnesota Department of Revenue, the average tillable land value is \$7,200/acre in Pay 2023 in Goodhue County.

Factors Impacting Individual Taxpayers' School Taxes

Many factors can cause tax bill for an individual property to increase or decrease from year to year

- Changes in value of individual property
- Changes in total value of all property in District
- Increases or decreases in levy amounts caused by changes in state funding formulas, local needs and costs, voter-approved referendums, and other factors.

Possible Property Tax Refund

- Resident taxpayers on a fixed income, or with significant increases to their property taxes, should inquire of a tax professional regarding eligibility for property tax refunds

Next Board Action

- December 18, 2023
 - Board of Education Certification of the Final levy for Payable 2024, funding School Year 2024-2025

Questions or Comments

- Public Comment and Questions

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*thank
you*

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