Roseville Area Schools, ISD 623
Public Hearing for Taxes Payable in 2020

December 17, 2019
Presented by:
Shari Thompson,
Director of Business Services
Minnesota State Law Requires:

A Public Meeting...
- Between November 24th & December 30th
- After 6:00 PM
- May be part of regularly scheduled meeting
- May adopt final levy at same meeting
- Must allow for public comments

...and Presentation of:
- Current year budget
- Prior year actual revenue & expenditures
- Proposed property tax levy including % increase
- Specific purposes & reasons taxes are being increased
Hearing Agenda

• Background Information on School Funding
• District’s Budget
• District’s Proposed Tax Levy for Taxes Payable in 2020
• Public Comments
MN Legislature Must Set Funding for Minnesota Public Schools

Minnesota Constitution ARTICLE XIII
MISCELLANEOUS SUBJECTS
Section 1

“UNIFORM SYSTEM OF PUBLIC SCHOOLS. The stability of a republican form of government depending mainly upon the intelligence of the people, it is the duty of the legislature to establish a general and uniform system of public schools. The legislature shall make such provisions by taxation or otherwise as will secure a thorough and efficient system of public schools throughout the state.”
Funding is Highly Regulated

State Sets:
• Formulas which determine revenue; most revenue based on specified amounts per pupil
• Tax policy for local schools
• Maximum authorized property tax levy (districts can levy less but not more than amount authorized by state, unless approved by voters)

State also authorizes school board to submit referendums for operating and capital needs to voters for approval
Challenge: State Set Basic General Education Formula Lags Inflation

Since 2002-03, state General Education Revenue formula has not kept pace with inflation.

For Fiscal Year 2019-20, Legislature approved an increase of 2% or $126 per year, and for Fiscal Year 2020-21 an increase of 2% or $129 was approved.

Per-pupil allowance for Fiscal Year 2020-21 of $6,567 would need to increase by another $639 (9.7%) to have kept pace with inflation since 2002-03.
Basic General Education Formula Lags Inflation

General Education Formula Allowance, 2003-2021
Adjusted for Pupil Weight Change and Inflation (CPI)

- Had the allowance increased by the rate of inflation each year since 2003, the 2021 allowance per ADM would be $7,206.
- The difference between the FY 21 formula allowance per ADM and the inflation-adjusted formula allowance is $638 or 9.7%.

Source: MDE August 2019 Inflation Estimates
Underfunding of Special Education

MDE reports the FY 2018 cost of providing special education programs was underfunded by $822 million, or an average of 40% underfunded.

Translating into a statewide average funding shortfall of $5,705 per special education student.

Underfunding of special education costs requires a transfer from regular program resources to support an underfunded program mandated by state and federal law.

Primary options to bridge special education funding gap are to cut regular program budgets or increase referendum revenue, most districts have done both.
Result: Growing Dependence on Referendum Revenue

In 1992-93, 65% of districts had operating referendum revenue averaging $332 per pupil.

For 2020-21, all Minnesota districts have referendum revenue and/or local optional revenue levy and technology levy authority averaging a total of $1,794 per pupil.

- Referendum revenue including Local Optional Revenue (LOR) provides 13.2% of General Fund operating revenue.
- Of this amount, $1,070 is a voter approved operating referendum, and $724 is Local Optional Revenue (LOR).
- Roseville has operating referendum authority of $1,652 per pupil, $928 is voter approved.
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<tbody>
<tr>
<td></td>
<td>Tax levy is based on many state-determined formulas plus voter approved referendums</td>
<td>Some increases in tax levies are revenue neutral, offset by reductions in state aid</td>
<td><strong>Expenditure budget is limited</strong> by state-set revenue formulas, voter-approved levies, and fund balance</td>
<td>An increase in school taxes does not always correlate to an equal increase in budget</td>
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</table>

### Change in Tax Levy Does not Determine Change in Budget
School District Levy Cycle Differs from City/County Levy Cycle

**City/County:**
- Budget Year same as calendar year
- 2020 taxes provide revenue for 2020 calendar year budget

**Schools:**
- Budget year begins July 1st and coincides with school year
- 2020 taxes provide revenue for 2020-21 school fiscal year
- Budget will be adopted in June 2020
All school district budgets are divided into separate funds, based on purposes of revenue, as required by law

Our District’s Funds:

- General
- Food Service
- Community Service
- Building Construction
- Debt Service
- Trust
- Internal Service
- OPEB* Trust
- OPEB* Debt Service

* Other Post-Employment Benefits

Because approval of school district budget lags certification of tax levy by six months, state requires only current year budget information and prior year actual financial results be presented at this hearing. The Fiscal 2020-21 budget will be set in June 2020.
## Roseville Area Schools

**District Revenues and Expenditures**

**Actual for FY 2019, Budget for FY 2020**

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</thead>
<tbody>
<tr>
<td>General/Restricted</td>
<td>$1,991,844</td>
<td>$3,926,809</td>
<td>$4,022,104</td>
<td>$1,896,549</td>
<td>$12,657,427</td>
<td>$12,623,583</td>
<td>$1,930,393</td>
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<tr>
<td>General/Other</td>
<td>2,225,463</td>
<td>102,221,619</td>
<td>101,593,356</td>
<td>2,853,726</td>
<td>91,697,186</td>
<td>91,463,583</td>
<td>3,087,329</td>
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<td>Food Service</td>
<td>232,763</td>
<td>1,284,762</td>
<td>1,195,859</td>
<td>321,665</td>
<td>4,547,341</td>
<td>4,529,987</td>
<td>339,019</td>
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<tr>
<td>Community Service</td>
<td>853,774</td>
<td>1,151,433</td>
<td>1,019,572</td>
<td>985,635</td>
<td>7,881,879</td>
<td>7,881,955</td>
<td>985,559</td>
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<tr>
<td>Building Construction</td>
<td>151,504,110</td>
<td>4,941,289</td>
<td>28,931,670</td>
<td>127,513,729</td>
<td>7,355,721</td>
<td>91,000,000</td>
<td>43,869,450</td>
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<tr>
<td>Debt Service</td>
<td>686,662</td>
<td>11,544,900</td>
<td>11,098,490</td>
<td>1,133,072</td>
<td>11,856,415</td>
<td>11,304,950</td>
<td>1,684,537</td>
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<tr>
<td>Trust</td>
<td>10,569</td>
<td>1,144</td>
<td>-</td>
<td>11,713</td>
<td>10,000</td>
<td>10,000</td>
<td>11,713</td>
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<tr>
<td>Internal Service</td>
<td>381,980</td>
<td>-</td>
<td>-</td>
<td>408,100</td>
<td>-</td>
<td>-</td>
<td>421,979</td>
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<tr>
<td>OPEB* Irrevocable Trust</td>
<td>8,722,088</td>
<td>509,313</td>
<td>566,213</td>
<td>8,665,188</td>
<td>110,000</td>
<td>988,000</td>
<td>7,787,188</td>
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<tr>
<td>OPEB* Debt Service</td>
<td>17,951,934</td>
<td>1,213,887</td>
<td>18,866,352</td>
<td>299,469</td>
<td>831,600</td>
<td>905,213</td>
<td>225,856</td>
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<tr>
<td>Total All Funds</td>
<td>$184,561,187</td>
<td>$126,795,156</td>
<td>$167,293,617</td>
<td>$144,088,846</td>
<td>$136,947,569</td>
<td>$220,707,271</td>
<td>$60,343,023</td>
</tr>
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</table>

*Other Post-Employment Benefits*
Roseville Area Schools
Revenue - All Funds
2019-20 Budget $136,947,569

- General $104,354,613 76.2%
- Food Service $4,547,341 3.3%
- Community Service $7,881,879 5.8%
- Building Construction $7,355,721 5.4%
- Debt Service $11,856,415 8.7%
- OPEB Trust $110,000 0.1%
- OPEB Debt Service $831,600 0.6%
- General $104,354,613 76.2%
Roseville Area Schools
General Fund Revenue
2019-20 Budget $104,354,613

- State: $78,773,213 (75.5%)
- Local: $22,095,541 (21.2%)
- Federal Sources: $3,485,859 (3.3%)
Roseville Area Schools
General Fund Expenditures by Program
2019-20 Budget $104,087,166

- Regular Instruction: $43,720,852 (42.0%)
- Special Education: $21,374,433 (20.5%)
- Vocational Ed Instruction: $2,061,064 (2.0%)
- Instructional Support Services: $9,444,920 (9.1%)
- Pupil Support Services: $10,183,057 (9.8%)
- District Support Services: $4,205,975 (4.0%)
- Administration: $5,118,926 (4.9%)
- Sites and Buildings: $7,677,937 (7.4%)
- Other: $300,000 (0.3%)

Total: $104,087,166
Roseville Area Schools
General Fund Expenditure by Object
2019-20 Budget $104,087,166

- Salaries and Wages: $60,717,190 (58.3%)
- Employee Benefits: $24,740,717 (23.8%)
- Purchased Services: $13,266,625 (12.7%)
- Supplies and Materials: $3,570,463 (3.4%)
- Capital Expenditures: $1,643,136 (1.6%)
- Other: $149,035 (0.1%)

Total Expenditure: $104,087,166
Payable 2020 Property Tax Levy

- Determination of levy
- Comparison of 2019 to 2020 levies
- Specific reasons for changes in tax levy
- Impact on taxpayers
Property Tax Background

Every owner of taxable property pays property taxes to various “taxing jurisdictions” (county, city/township, school district, special districts) in which property is located.

Each taxing jurisdiction sets its own tax levy, often based on limits in state law.

County sends bills, collects taxes from property owners, and distributes funds back to other taxing jurisdictions.
Parcel Specific Notice:
This is a sample of the notice mailed to every property owner between November 11-24 with information on the impact of the Proposed 2020 levy on their property.

Contents:
- Proposed property tax compared to last year
- By voter approved and other
- By taxing jurisdiction
- Contains time and place of public meeting
School District Property Taxes

Each school district may levy taxes in over 40 different categories.

“Levy limits” (maximum levy amounts) for each category are set by:

- State law
- Voter approval

Minnesota Department of Education (MDE) calculates detailed levy limits for each district.
Schedule of Events in Approval of District’s 2019 (Payable 2020) Tax Levy

- **September 8:** MDE prepared and distributed first draft of levy limit report setting maximum authorized levy
- **September 24:** School Board approved proposed levy amounts
- **Mid-November:** County mailed “Proposed Property Tax Statements” to all property owners
- **December 17:** Public hearing on proposed levy at regular meeting
- **Following hearing:** School Board will certify final levy amounts
Overview of Proposed Levy Payable in 2020

Total 2020 proposed property tax levy is a decrease from 2019 of $455,694 (-1.1%)

Includes decrease of $90,563 from proposed levy approved by School Board in September of 2019

- District refinanced some of its existing bonds
- Total savings from the refinancing was $403,771, with an average annual reduction in debt service levies of approximately $85,000 for taxes payable in 2020 through 2024

State law requires that we explain reasons for major increases in levy

Some decreases in specific levies will also be explained
## Roseville Area Schools

### Comparison of Actual Tax Levy Payable in 2019 to Proposed Levy Payable in 2020

<table>
<thead>
<tr>
<th>Fund Levy Category</th>
<th>Actual Levy Payable in 2019</th>
<th>Proposed Levy Payable in 2020</th>
<th>$ Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Voter Approved Operating Referendum</td>
<td>$10,356,499</td>
<td>$7,993,166</td>
<td>($2,363,333)</td>
<td>-22.6%</td>
</tr>
<tr>
<td>Local Optional Revenue (LOR)</td>
<td>3,582,715</td>
<td>6,063,999</td>
<td>2,481,284</td>
<td>69.4%</td>
</tr>
<tr>
<td>Total Referendum and LOR</td>
<td>13,939,214</td>
<td>14,057,165</td>
<td>117,951</td>
<td>0.8%</td>
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<tr>
<td>Equity</td>
<td>968,981</td>
<td>959,575</td>
<td>(9,406)</td>
<td>-0.9%</td>
</tr>
<tr>
<td>Operating Capital</td>
<td>793,675</td>
<td>769,085</td>
<td>(24,590)</td>
<td>-3.1%</td>
</tr>
<tr>
<td>Alternate Teacher Compensation</td>
<td>725,665</td>
<td>721,064</td>
<td>(4,600)</td>
<td>-0.6%</td>
</tr>
<tr>
<td>Achievement and Integration</td>
<td>525,044</td>
<td>520,988</td>
<td>(4,056)</td>
<td>-0.8%</td>
</tr>
<tr>
<td>Safe Schools</td>
<td>430,940</td>
<td>427,455</td>
<td>(3,484)</td>
<td>-0.8%</td>
</tr>
<tr>
<td>Career Technical</td>
<td>409,226</td>
<td>409,226</td>
<td>0</td>
<td>0%</td>
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<tr>
<td>Long Term Facilities Maintenance</td>
<td>6,650,726</td>
<td>7,073,096</td>
<td>422,370</td>
<td>6.4%</td>
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<tr>
<td>Instructional Lease</td>
<td>682,204</td>
<td>585,936</td>
<td>(116,268)</td>
<td>-17.1%</td>
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<tr>
<td>Other</td>
<td>255,387</td>
<td>301,742</td>
<td>46,356</td>
<td>18.0%</td>
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<tr>
<td>Prior Year Adjustments</td>
<td>1,236,484</td>
<td>268,217</td>
<td>(970,247)</td>
<td>-78.6%</td>
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<tr>
<td>Total, General Fund</td>
<td>$26,617,525</td>
<td>$26,071,549</td>
<td>($545,976)</td>
<td>-2.1%</td>
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<tr>
<td><strong>Community Service</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic Community Education</td>
<td>$389,053</td>
<td>$389,053</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Early Childhood Family Education</td>
<td>224,745</td>
<td>214,875</td>
<td>(9,870)</td>
<td>-4.4%</td>
</tr>
<tr>
<td>School-Age Child Care</td>
<td>350,000</td>
<td>350,000</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Other</td>
<td>12,490</td>
<td>12,594</td>
<td>105</td>
<td>0.8%</td>
</tr>
<tr>
<td>Prior Year Adjustments</td>
<td>110,396</td>
<td>(1,576)</td>
<td>(111,972)</td>
<td>-100%</td>
</tr>
<tr>
<td>Total, Community Service Fund</td>
<td>$1,086,683</td>
<td>$964,946</td>
<td>($121,738)</td>
<td>-11.2%</td>
</tr>
<tr>
<td><strong>Debt Service</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Voter Approved</td>
<td>$11,443,058</td>
<td>$11,368,013</td>
<td>($75,045)</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Long-Term Facility Maintenance</td>
<td>389,701</td>
<td>674,125</td>
<td>284,424</td>
<td>72.9%</td>
</tr>
<tr>
<td>Other Post Employment Benefits</td>
<td>949,949</td>
<td>957,508</td>
<td>7,559</td>
<td>0.8%</td>
</tr>
<tr>
<td>Reduction for Debt Excess</td>
<td>(129,024)</td>
<td>(159,518)</td>
<td>(30,493)</td>
<td>24.0%</td>
</tr>
<tr>
<td>Prior Year Adjustments</td>
<td>34,331</td>
<td>59,906</td>
<td>25,574</td>
<td>74.4%</td>
</tr>
<tr>
<td>Total, Debt Service Fund</td>
<td>$12,688,015</td>
<td>$12,900,034</td>
<td>$212,019</td>
<td>1.7%</td>
</tr>
<tr>
<td><strong>Total Levy, All Funds</strong></td>
<td>$40,392,223</td>
<td>$39,936,529</td>
<td>($455,694)</td>
<td>-1.1%</td>
</tr>
</tbody>
</table>

### Subtotal by Truth in Taxation Categories:

| Voter Approved                           | $22,492,077                 | 19,509,108                   | (2,982,969)| -13.2% |
| Other                                    | 17,900,146                  | 20,427,421                   | 2,527,275 | 14.2%  |
| **Total**                                | $40,392,223                 | $39,936,529                  | ($455,694)| -1.1%  |
Explanation of Levy Changes

**Categories:** Voter Approved Operating Referendum & Local Optional Revenue (LOR)

**Changes:** -$2,363,333 and +$2,481,284 (net change +$117,951)

**Use of Funds:** General Operating Expenses

**Reason for Changes:**
- Legislative change subtracted $300 per pupil from voter approved operating referendum authority and added it to LOR formula
- Voter approved operating referendum authority includes an annual inflationary increase
Explanation of Levy Changes

**Category:** General and Debt Service Funds – Long Term Facility Maintenance (LTFM)

**Change:** +$422,370 (General Fund) and +$284,424 (Debt Service Fund)

**Use of funds:** Facilities Maintenance

**Reason for increase:**
- District is eligible for LTFM revenue based on state-approved project costs
- Projects are financed through a combination of annual General Fund levies and bond issues
- Levies are coordinated with other capital and debt levies to maintain a level tax rate for the levies
Explanation of Levy Changes

**Category:** General Fund - Prior Year Adjustments

**Change:** -$970,247

**Use of Funds:** General Operating Expenses

**Reason for Change:**
- Each year, initial levies are based on estimates of enrollment, values, and expenditures for future years
- In later years, estimates are updated and levies are retroactively adjusted
- Positive adjustments in several categories for taxes payable in 2019 were larger than the adjustments for taxes payable in 2020
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
Four Year School Levy Comparison

Following are a table and graphs showing examples of changes in school district portion of property taxes from 2017 to 2020

Examples include school district taxes only

All examples are based on a 13.6% increase in property value over this four year period

- Actual changes in value may be more or less than this for any parcel of property
- Intended to provide a fair representation of what has happened to school district property taxes over this period for typical properties
Impact on Taxpayers

Amounts for 2020 are preliminary estimates, based on best available data – final amounts could change slightly

For commercial-industrial property, examples are for property in City of Roseville; school taxes in other parts of the District may be slightly higher or lower due to variations in impact of Fiscal Disparities Program

Estimates prepared by Ehlers, District’s municipal financial advisors
# Roseville Area Schools

**Estimated Changes in School Property Taxes, 2017 to 2020**

Based on 13.6% Cumulative Changes in Property Value from 2017 to 2020 Taxes

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</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>$154,093</td>
<td>$546</td>
<td>$160,256</td>
<td>$825</td>
<td>$168,269</td>
<td>$842</td>
<td>$175,000</td>
<td>$817</td>
<td>$272</td>
<td>-$25</td>
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<td>Homestead</td>
<td>176,106</td>
<td>633</td>
<td>183,150</td>
<td>961</td>
<td>192,308</td>
<td>979</td>
<td>200,000</td>
<td>951</td>
<td>318</td>
<td>-28</td>
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<td></td>
<td>198,119</td>
<td>721</td>
<td>206,044</td>
<td>1,097</td>
<td>216,346</td>
<td>1,117</td>
<td>225,000</td>
<td>1,084</td>
<td>363</td>
<td>-33</td>
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<td>220,132</td>
<td>809</td>
<td>228,938</td>
<td>1,233</td>
<td>240,385</td>
<td>1,254</td>
<td>250,000</td>
<td>1,217</td>
<td>408</td>
<td>-37</td>
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<td></td>
<td>264,159</td>
<td>985</td>
<td>274,725</td>
<td>1,505</td>
<td>288,462</td>
<td>1,528</td>
<td>300,000</td>
<td>1,483</td>
<td>498</td>
<td>-45</td>
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<td></td>
<td>308,185</td>
<td>1,161</td>
<td>320,513</td>
<td>1,777</td>
<td>336,538</td>
<td>1,803</td>
<td>350,000</td>
<td>1,749</td>
<td>588</td>
<td>-54</td>
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<tr>
<td></td>
<td>352,212</td>
<td>1,337</td>
<td>366,300</td>
<td>2,049</td>
<td>384,615</td>
<td>2,077</td>
<td>400,000</td>
<td>2,015</td>
<td>678</td>
<td>-62</td>
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<tr>
<td></td>
<td>396,238</td>
<td>1,512</td>
<td>412,088</td>
<td>2,321</td>
<td>432,692</td>
<td>2,346</td>
<td>450,000</td>
<td>2,271</td>
<td>759</td>
<td>-75</td>
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<tr>
<td></td>
<td>440,265</td>
<td>1,684</td>
<td>457,875</td>
<td>2,580</td>
<td>480,769</td>
<td>2,607</td>
<td>500,000</td>
<td>2,524</td>
<td>840</td>
<td>-83</td>
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<tr>
<td></td>
<td>484,291</td>
<td>1,852</td>
<td>503,663</td>
<td>2,841</td>
<td>528,846</td>
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<td>550,000</td>
<td>2,815</td>
<td>963</td>
<td>-75</td>
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<tr>
<td>Commercial/</td>
<td>$88,053</td>
<td>$338</td>
<td>$91,575</td>
<td>$516</td>
<td>$96,154</td>
<td>$520</td>
<td>$100,000</td>
<td>$496</td>
<td>$158</td>
<td>-$24</td>
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<tr>
<td>Industrial #</td>
<td>264,159</td>
<td>1,086</td>
<td>274,725</td>
<td>1,691</td>
<td>288,462</td>
<td>1,706</td>
<td>300,000</td>
<td>1,639</td>
<td>553</td>
<td>-67</td>
</tr>
<tr>
<td></td>
<td>528,318</td>
<td>2,268</td>
<td>549,451</td>
<td>3,554</td>
<td>576,923</td>
<td>3,569</td>
<td>600,000</td>
<td>3,426</td>
<td>1,158</td>
<td>-143</td>
</tr>
<tr>
<td></td>
<td>880,530</td>
<td>3,843</td>
<td>915,751</td>
<td>6,039</td>
<td>961,538</td>
<td>6,054</td>
<td>1,000,000</td>
<td>5,810</td>
<td>1,967</td>
<td>-244</td>
</tr>
<tr>
<td></td>
<td>1,320,795</td>
<td>5,812</td>
<td>1,373,626</td>
<td>9,144</td>
<td>1,442,308</td>
<td>9,160</td>
<td>1,500,000</td>
<td>8,790</td>
<td>2,978</td>
<td>-370</td>
</tr>
</tbody>
</table>

# General Notes

1. Amounts in the table are based on school district taxes only, and do not include taxes for the city or township, county, state, or other taxing jurisdictions.
2. Estimates of taxes payable in 2020 are preliminary, based on the best data available.
3. Taxes are based on changes in estimated market value of 4.0% from 2017 to 2018 taxes, 5.0% from 2018 to 2019, and 4.0% from 2019 to 2020.

# General Notes

For commercial-industrial property, amounts above are for property in the City of Roseville. Taxes for commercial-industrial property in other municipalities may be slightly different, due to the impact of the Fiscal Disparities Program.
Roseville Area Schools
Estimated Changes in School Property Taxes, 2017 to 2020
*Based on 13.6% Cumulative Changes in Property Value from 2017 to 2020 Taxes*

*The value shown in the title of the chart is the estimated market value for taxes payable in 2020. Taxes are calculated based on changes in market value of 4.0% from 2017 to 2018 taxes, 5.0% from 2018 to 2019, and 4.0% from 2019 to 2020.*
Roseville Area Schools
Estimated Changes in School Property Taxes, 2017 to 2020
*Based on 13.6% Cumulative Changes in Property Value from 2017 to 2020 Taxes*

Example 3: $350,000* Residential Homestead Property

<table>
<thead>
<tr>
<th>Year Taxes are Payable</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020 est.</th>
</tr>
</thead>
<tbody>
<tr>
<td>School Property Taxes</td>
<td>$1,161</td>
<td>$1,777</td>
<td>$1,803</td>
<td>$1,749</td>
</tr>
</tbody>
</table>

Example 4: $1,000,000* Commercial-Industrial Property

<table>
<thead>
<tr>
<th>Year Taxes are Payable</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020 est.</th>
</tr>
</thead>
<tbody>
<tr>
<td>School Property Taxes</td>
<td>$3,843</td>
<td>$6,039</td>
<td>$6,054</td>
<td>$5,810</td>
</tr>
</tbody>
</table>

* The value shown in the title of the chart is the estimated market value for taxes payable in 2020. Taxes are calculated based on changes in market value of 4.0% from 2017 to 2018 taxes, 5.0% from 2018 to 2019, and 4.0% from 2019 to 2020.
Minnesota Homestead Credit Refund
“Circuit Breaker”

Has existed since 1970s

Available **each year** to owners of homestead property
(applies to taxes paid on house, garage and one acre for ag homestead property)

Annual income must be approximately $113,150 or less
(income limit is higher if you have dependents)

Sliding scale - refund based on income and total property taxes

Maximum refund for homeowners is $2,770

Also available to renters

Complete state tax form M-1PR (www.revenue.state.mn.us)
Minnesota Special Property Tax Refund

Available each year to owners of homestead properties with a gross tax increase of at least 12% and $100 over prior year

Helpful in first year after referendum

Refund is 60% of amount by which tax increase exceeds greater of 12% or $100, up to a maximum of $1,000

No income limits

Complete state tax form M-1PR (www.revenue.state.mn.us)
Senior Citizen Property Tax Deferral

Allows people age 65 and older with household income of $60,000 or less to defer a portion of property taxes on their home

You have lived in, owned your home, and had it homesteaded for the last 15 years

Limits maximum amount of property tax paid to 3% of household income

Additional taxes are deferred, not forgiven

Provides predictability; amount of tax you pay will not change for as long as you participate in the program

Deferred property taxes plus accrued interest must be paid when home is sold or homeowner(s) dies
Next Steps

1. Board will accept public comments on proposed levy

2. Board will certify 2020 property tax levy
Public Comments