


Richfield Public Schools Truth in Taxation

December 5, 2016

- 
- School Funding & 2016-2017 Budget
 - Levy Certification Process
 - Proposed 2017 Levy
 - Public Questions and Comments

Agenda



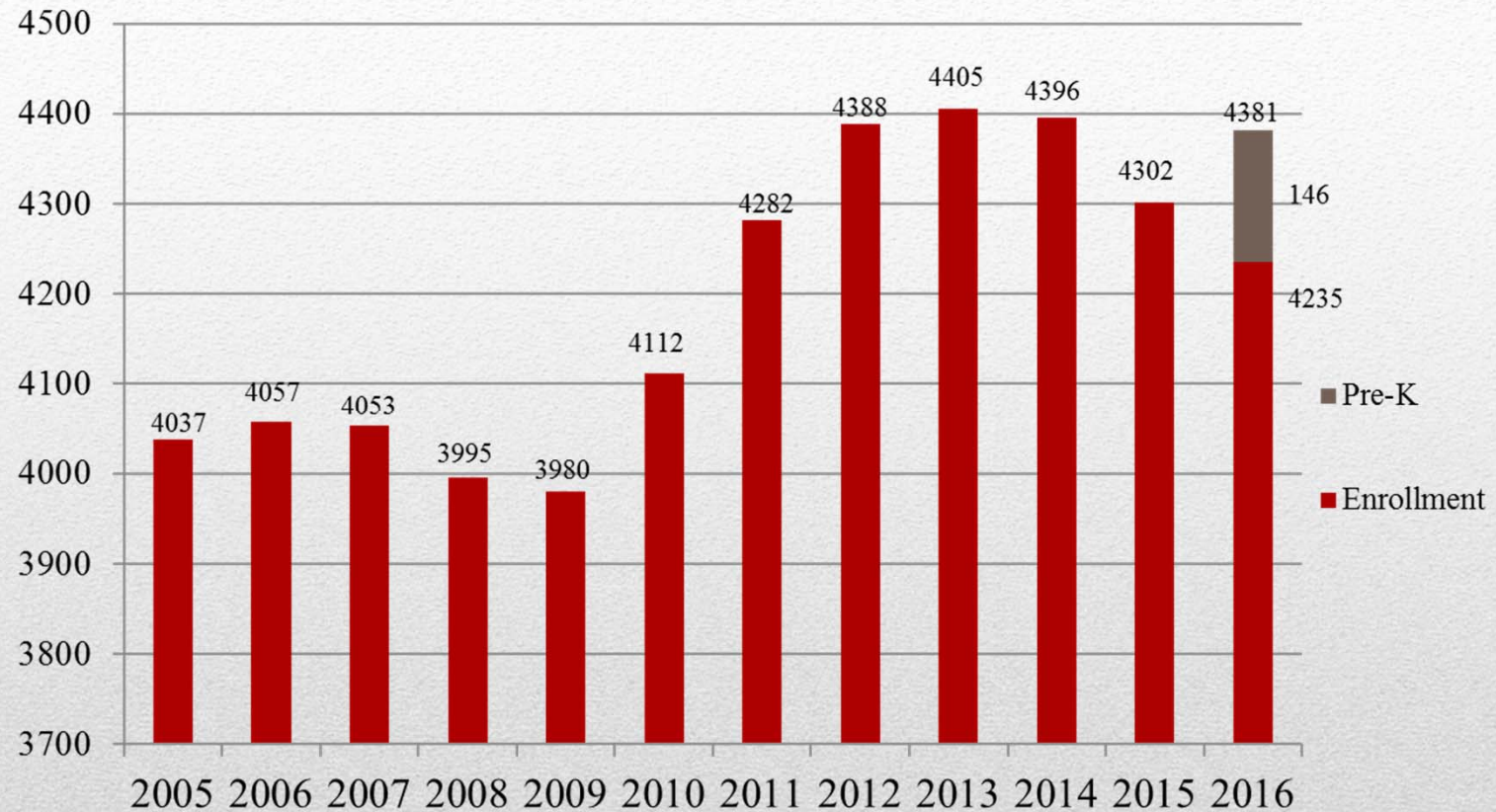
School Funding

- 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.

School Funding - Constitution

- As a result... School funding is highly regulated by the state
 - **State sets** *formulas* which determine revenue; mostly based on per pupil
 - **State sets** *tax policy* for local schools
 - **State sets** *maximum authorized property tax levy* (districts can levy less, but not more than authorized by the state unless approved by voters)
 - **State authorizes** *school boards to submit referendums* for operating and capital needs *to voters* for approval, but regulates these with limits

School Funding



ENROLLMENT INFORMATION

- **General***
 - **Transportation**
 - **Student Activities**
- **Food Service**
- **Community Education***
- **Debt Service***
- **Internal Service**
- **OPEB Trust**
- **OPEB Debt Service Fund***

***Impacted by levy**

Richfield Fund Types



2016-2017 Budget

Richfield Public Schools ISD #280
2016-2017 Adopted Budget
Fund Balance

Fund	Projected Fund Balance June 30, 2016	16-17 Adopted Budget Revenue	16-17 Adopted Budget Expenditure	Difference	Projected Fund Balance June 30, 2017
01 - General	\$5,258,014	\$58,140,206	\$57,616,923	\$523,283	\$5,781,297
03 - Transportation	(\$757,880)	\$1,907,081	\$2,609,396	(\$702,315)	(\$1,460,195)
05 - Facilities/Capital	\$0	\$0	\$0	\$0	\$0
50 - Student Activities	\$111,352	\$175,000	\$175,000	\$0	\$111,352
General Fund Total	\$4,611,486	\$60,222,287	\$60,401,319	(\$179,032)	\$4,432,454
02 - Food Service	\$349,478	\$2,483,822	\$2,490,271	(\$6,449)	\$343,029
04 - Community Education	\$124,801	\$1,812,583	\$1,812,583	\$0	\$124,801
07 - Debt Service	\$147,366	\$4,083,003	\$4,066,781	\$16,222	\$163,588
20 - Internal Service	\$2,543,494	\$6,458,404	\$6,057,770	\$400,634	\$2,944,128
45 - OPEB TRUST	\$10,917,619	\$125,000	\$523,000	(\$398,000)	\$10,519,619
47 - OPEB Debt Service	\$213,837	\$1,043,982	\$1,023,756	\$20,226	\$234,063
Grand Total	\$18,908,081	\$76,229,081	\$76,375,480	(\$146,399)	\$18,761,682

2016-2017 Budget Summary

Minnesota Department of Education

Division of School Finance
1500 Highway 36 West
Roseville, MN 55113-4266

DISTRICT REVENUES AND EXPENDITURES
BUDGET FOR FY 2016 AND FY 2017

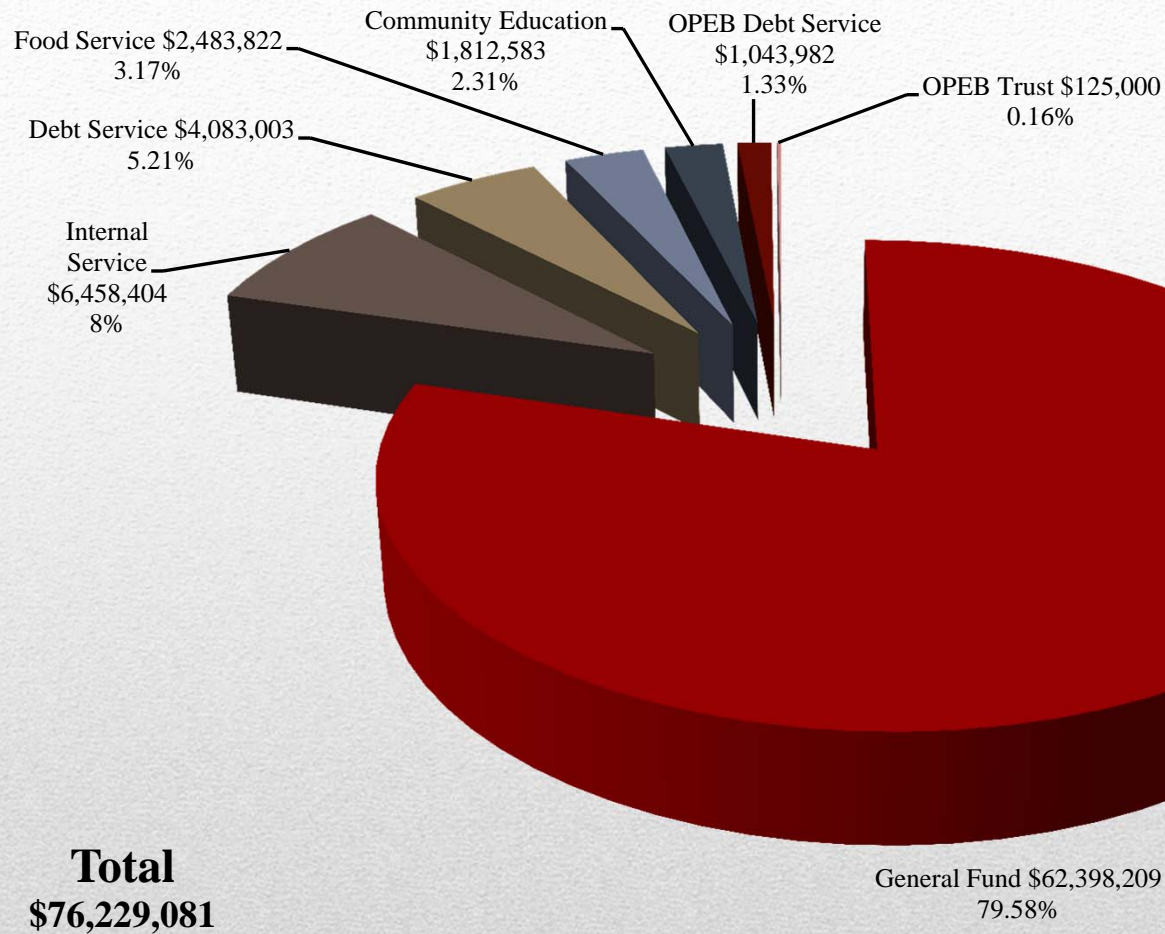
ED-00110-39

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

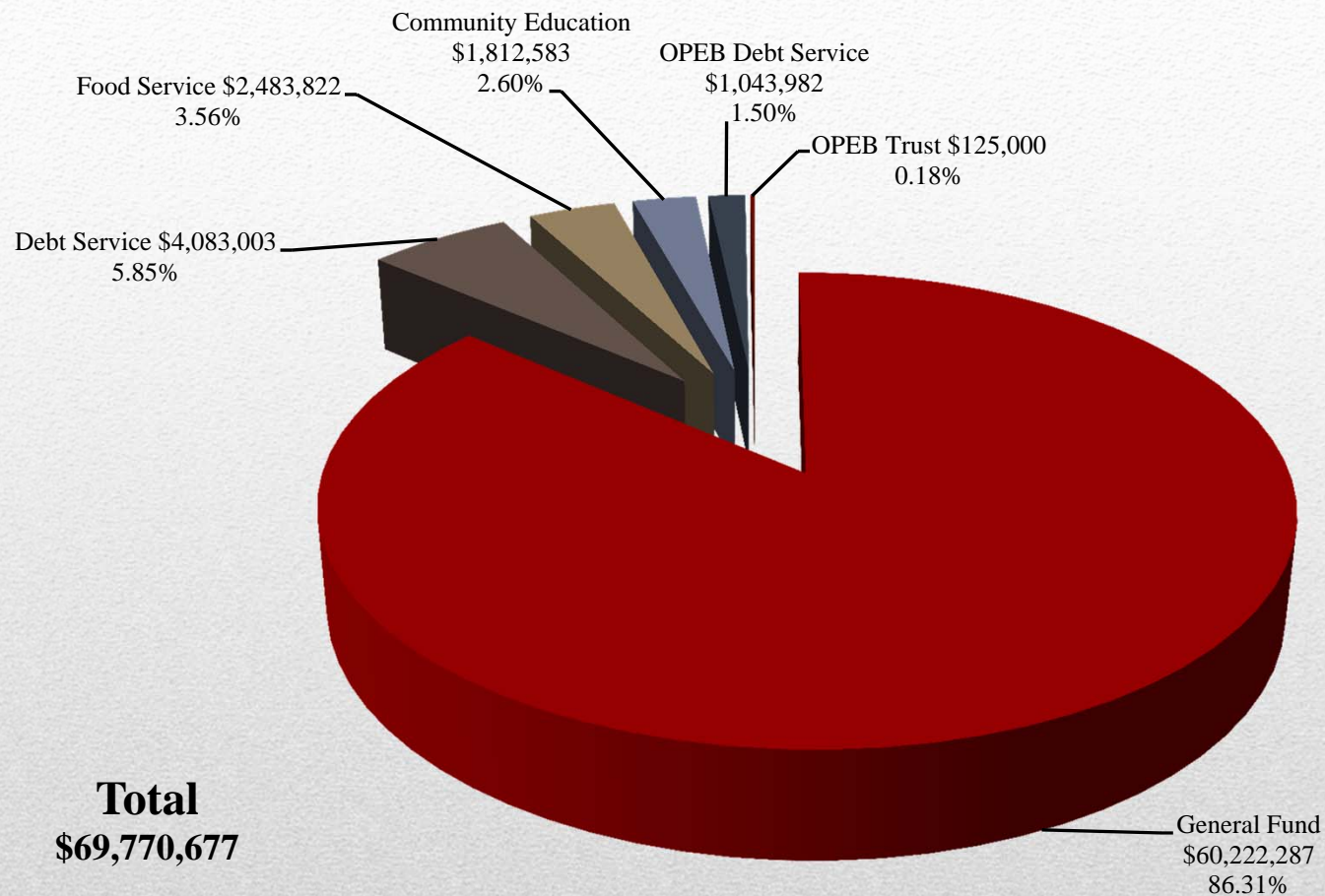
District Name: Richfield Public Schools						District Number: 0280-01	
FUND	FY 2016 BEGINNING FUND BALANCES	FY 2016 ACTUAL REVENUES AND TRANSFERS IN	FY 2016 ACTUAL EXPENDITURES AND TRANSFERS OUT	JUNE 30, 2016 ACTUAL FUND BALANCES	FY 2017 BUDGET REVENUES AND TRANSFERS IN	FY 2017 BUDGET EXPENDITURES AND TRANSFERS OUT	JUNE 30, 2017 PROJECTED FUND BALANCES
General Fund/Restricted	\$ 1,282,780	\$ 16,783,634	\$ 17,122,782	\$ 943,632	\$ 15,238,644	\$ 15,182,748	\$ 999,528
General Fund/Other	\$ 3,053,895	\$ 45,359,807	\$ 43,492,488	\$ 4,921,213	\$ 44,983,643	\$ 45,218,571	\$ 4,686,285
Food Service Fund	\$ 132,613	\$ 2,686,764	\$ 2,626,458	\$ 192,920	\$ 2,483,822	\$ 2,490,271	\$ 186,471
Community Service Fund	\$ 188,995	\$ 1,476,325	\$ 1,493,656	\$ 171,663	\$ 1,812,583	\$ 1,812,583	\$ 171,663
Building Construction Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service Fund	\$ 548,912	\$ 9,023,371	\$ 9,413,648	\$ 158,636	\$ 4,083,003	\$ 4,066,781	\$ 174,858
Trust Fund	\$ 432,860	\$ 51,770	\$ 41,137	\$ 443,494	\$ -	\$ -	\$ 443,494
Internal Service Fund	\$ 2,117,354			\$ 2,697,047			\$ 3,097,681
* OPEB Revocable Trust Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OPEB Irrevocable Trust Fund	\$ 11,215,039	\$ 186,406	\$ 664,373	\$ 10,737,072	\$ 125,000	\$ 523,000	\$ 10,339,072
OPEB Debt Service Fund	\$ 207,071	\$ 1,150,172	\$ 1,135,758	\$ 221,485	\$ 1,043,982	\$ 1,023,756	\$ 241,711
TOTAL - ALL FUNDS	\$ 19,179,519	\$ 76,718,249	\$ 75,990,299	\$ 20,487,162	\$ 69,770,677	\$ 70,317,710	\$ 20,340,763
LONG-TERM DEBT	\$ -		CURRENT STATUTORY OPERATING DEBT PER MINNESOTA STATUTES, SECTION 123B.81				
Outstanding July 1, 2015	\$ 43,085,000		AMOUNT OF GENERAL FUND DEFICIT, IF ANY, IN EXCESS OF 2.5% OF EXPENDITURES 06/30/2016				\$ -
Plus: New Issues	\$ 4,880,000		COST PER STUDENT - AVERAGE DAILY MEMBERSHIP (ADM) 06/30/2016				
Less: Redeemed Issues	\$ 8,580,000		TOTAL OPERATING EXPENDITURES				\$ 59,697,240.73
Outstanding June 30, 2016	\$ 39,385,000		FY 2016 TOTAL ADM SERVED + TUITIONED OUT ADM + ADJUSTED EXTENDED ADM				4,362.93
SHORT-TERM DEBT			FY 2016 OPERATING COST PER ADM				\$ 13,682.83
Certificates of Indebtedness	\$ -						
Other Short-Term Indebtedness	\$ -						
The complete budget may be inspected upon request to the superintendent.							
Comments:							

* Other Post-Employment Benefits (OPEB)

2016-2017 Budget Summary

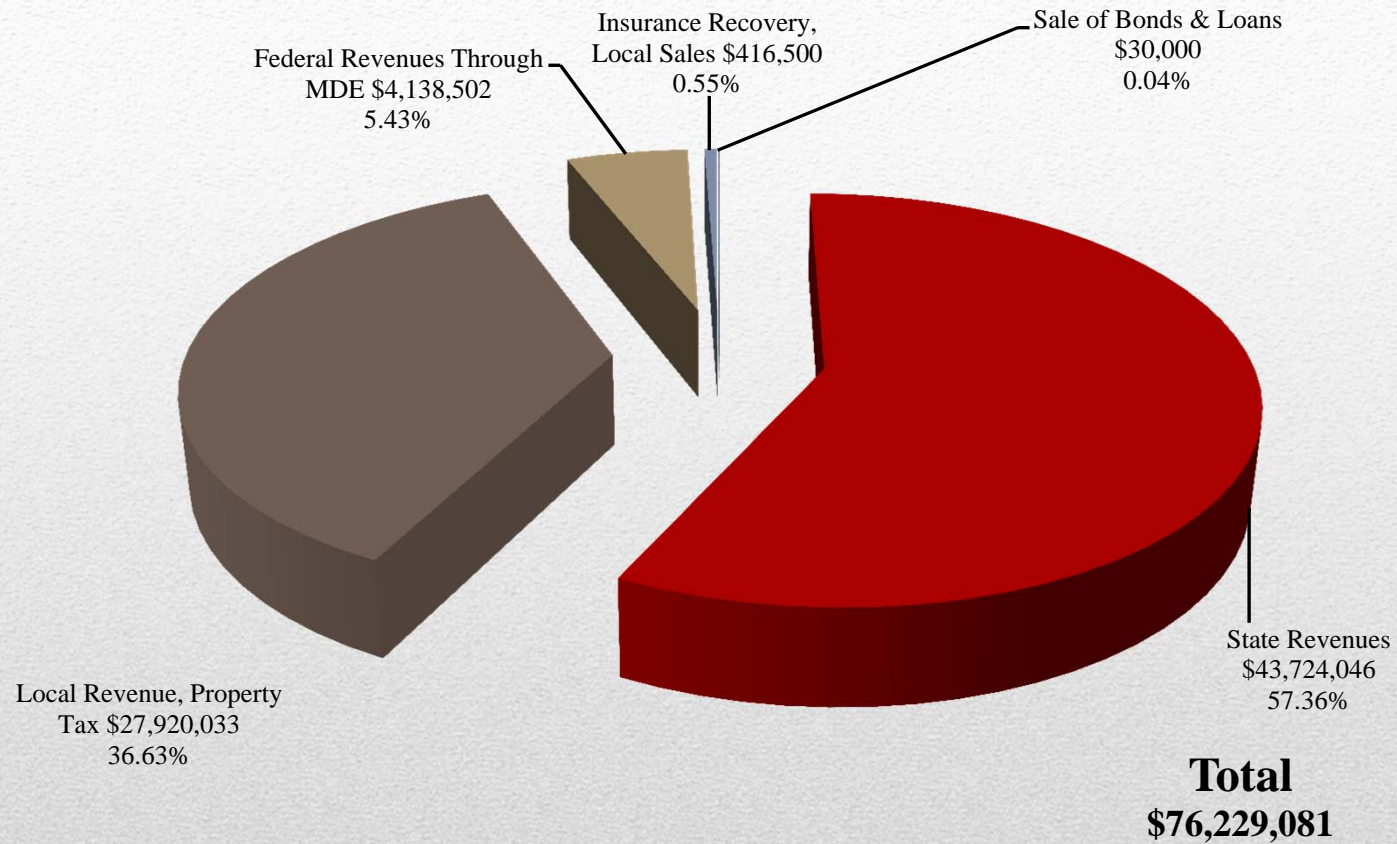


Revenue by Fund

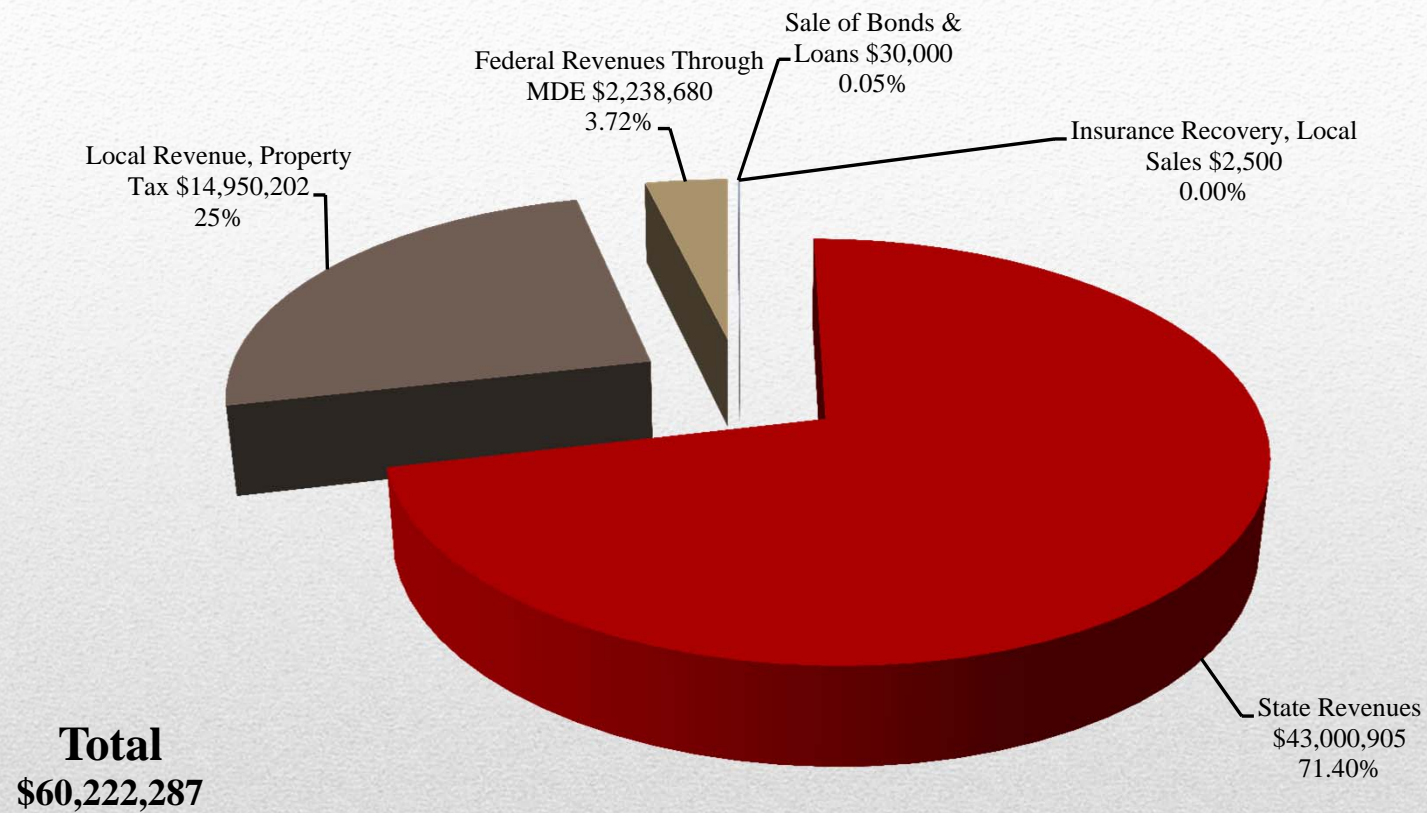


Revenue by Fund

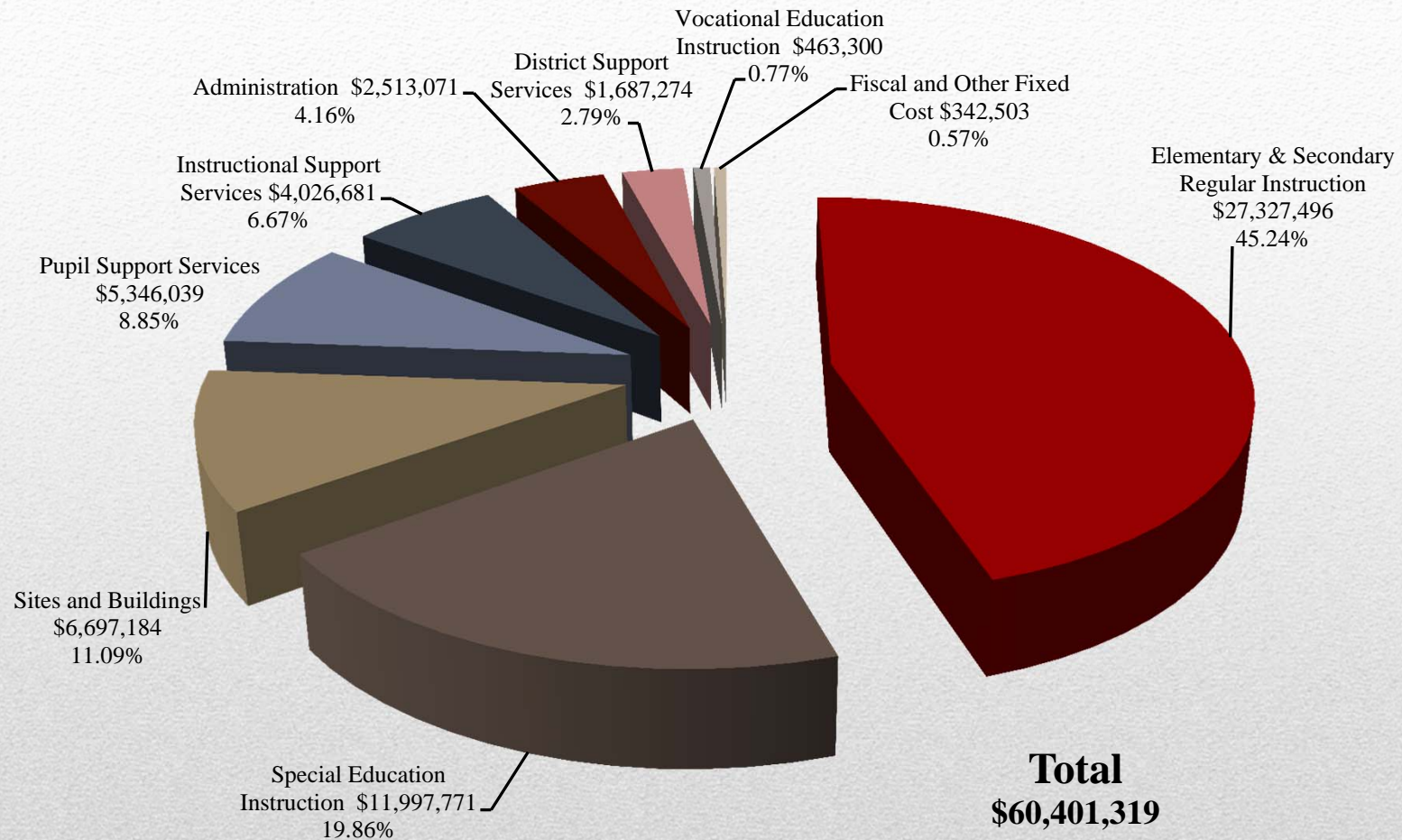
Without Internal Service



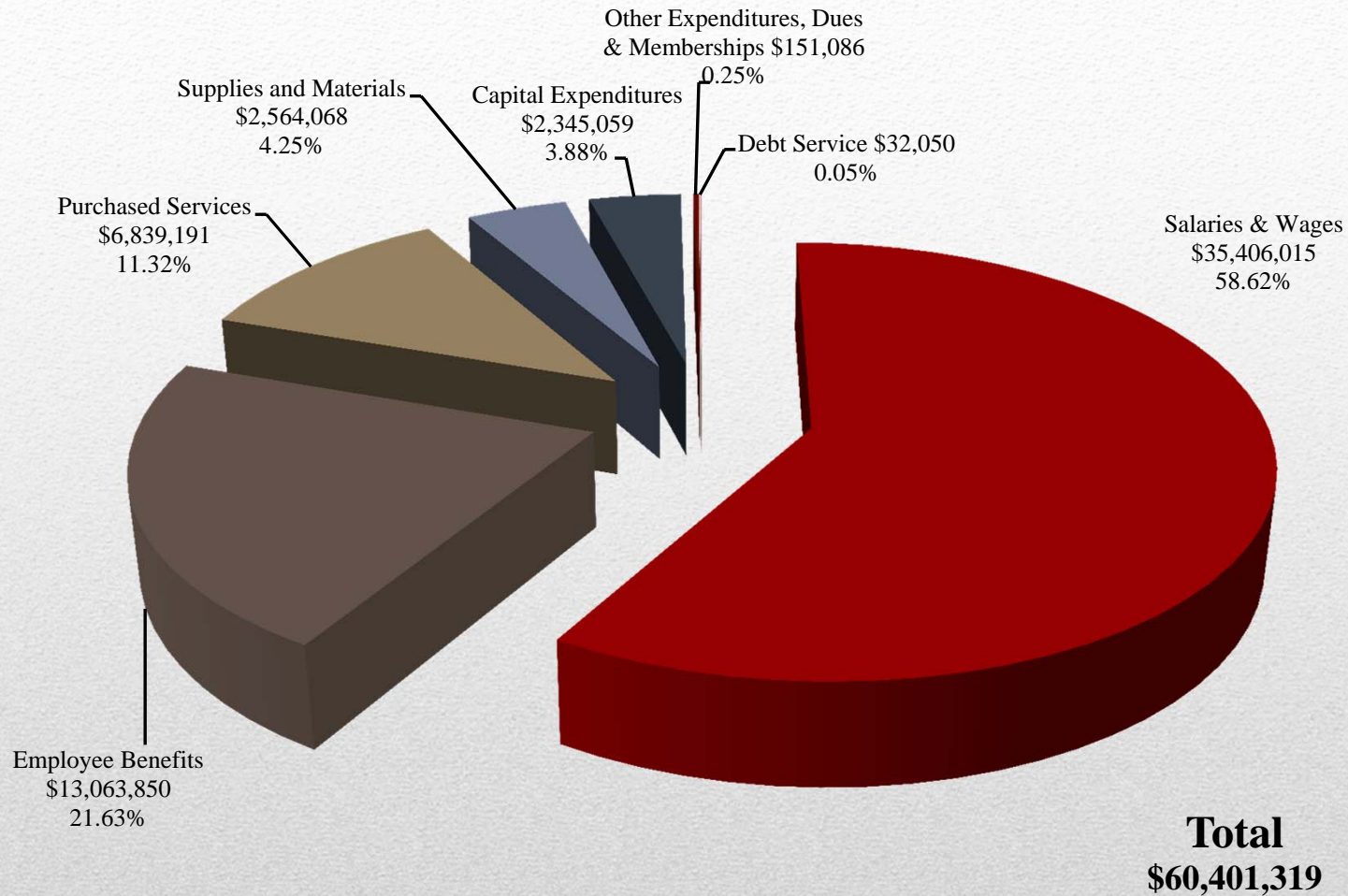
Revenue Sources



Revenue Sources (General)

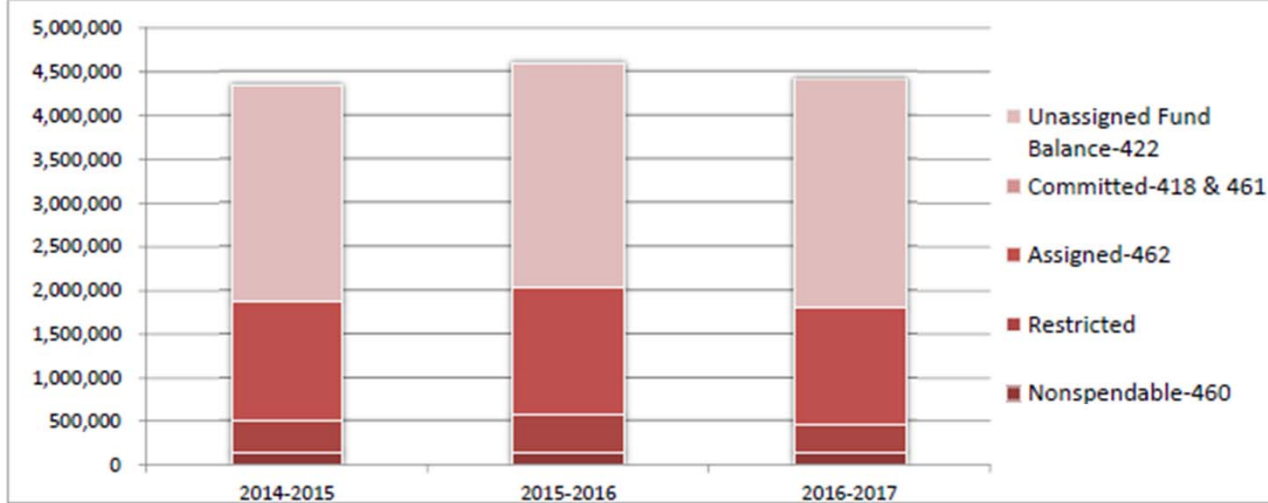


Expenditures Program (General)



Expenditures Object (General)

General Fund Balance



	2014-2015	2015-2016	2016-2017
Nonspendable-460	147,063	147,063	147,063
Restricted	360,546	435,144	323,016
Assigned-462	1,371,390	1,445,988	1,333,860
Committed-418 & 461	-	-	-
Unassigned Fund Balance	2,457,677	2,583,291	2,628,514
Total Fund Balance	4,336,676	4,611,486	4,432,454
Total General Fund Expense	57,982,515	59,678,436	60,047,287
Unassigned Fund Balance as % of Total Expense	4.24%	4.33%	4.38%

Fund Balance



School Levy

- Property taxes based on state-determined formulas
- Some increases in tax levies are revenue neutral with state aid offsets
- 30 different categories of school levies
- Levy limits set either by
 - State law, or
 - Voter approval
- Minnesota Department of Education (MDE) calculates district levy limits
- County administers the process


School Levy

- **Cities and Counties** – Budget year is *same as calendar year*. 2017 taxes provide revenue for the 2017 budget.
- **Schools** – *Budget year begins July 1* and coincides with the school year. The 2017 taxes provide revenue for the *2017-2018 school fiscal year*. Budget will be adopted in June


Government Levy Cycles

	2016												2017												2018														
	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C			
<u>Legislation</u>																																							
<u>City/Twp/County</u>																																							
Tax Levy Decision																																							
Collection of Levy																																							
Budget Year																																							
<u>School District</u>																																							
Tax Levy Decision																																							
Collection of Levy																																							
Budget Year																																							

Government Levy Cycle

- 
- September – MDE established levy authority
 - September-Preliminary Levy Certification
 - November - County mailed proposed tax statements
 - December – Public hearing
 - December-Final levy certification by School Board

Levy Certification Process

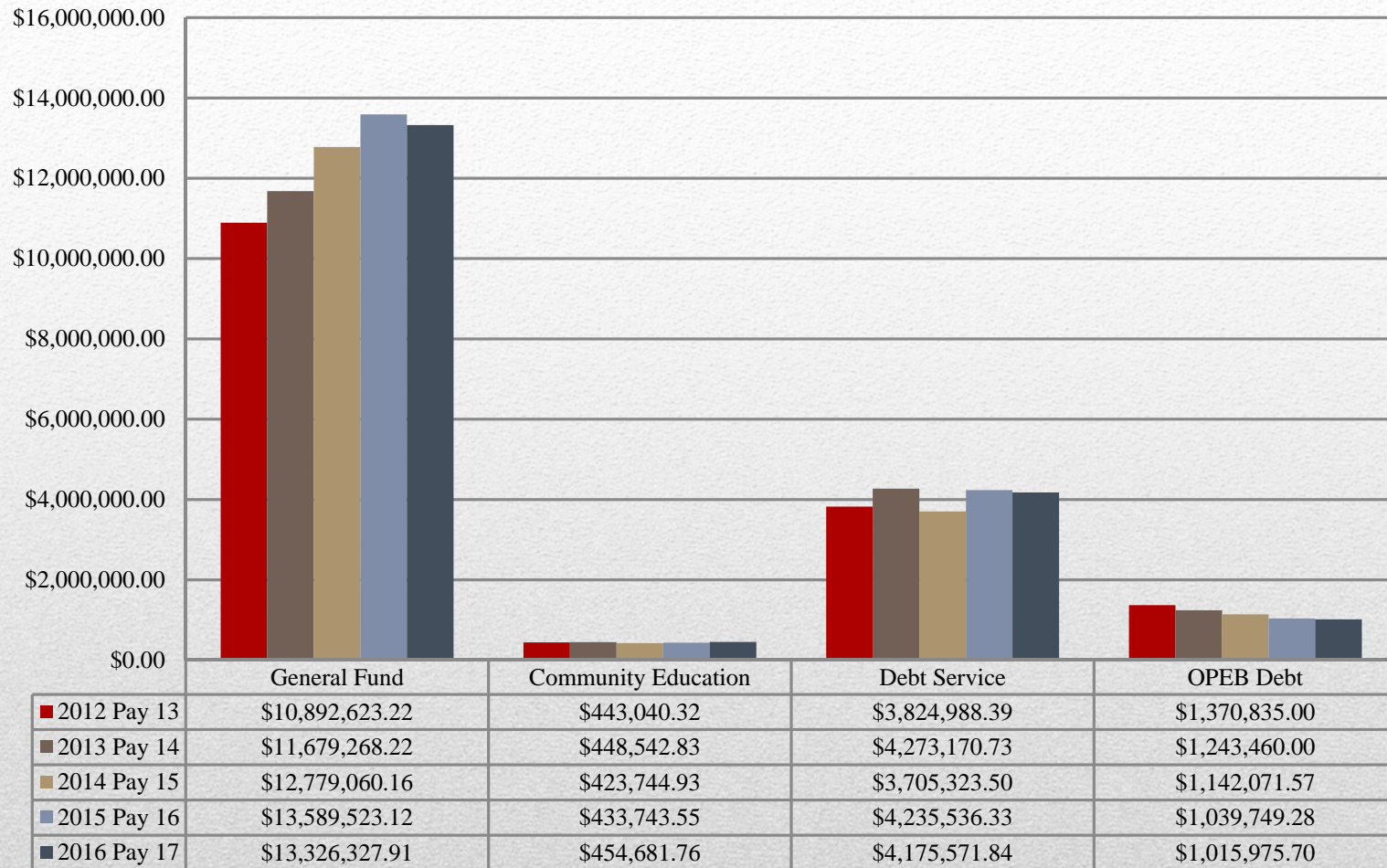


**2017 proposed property tax levy
will decrease
1.7% or \$325,995.07
from 2016 final levy**

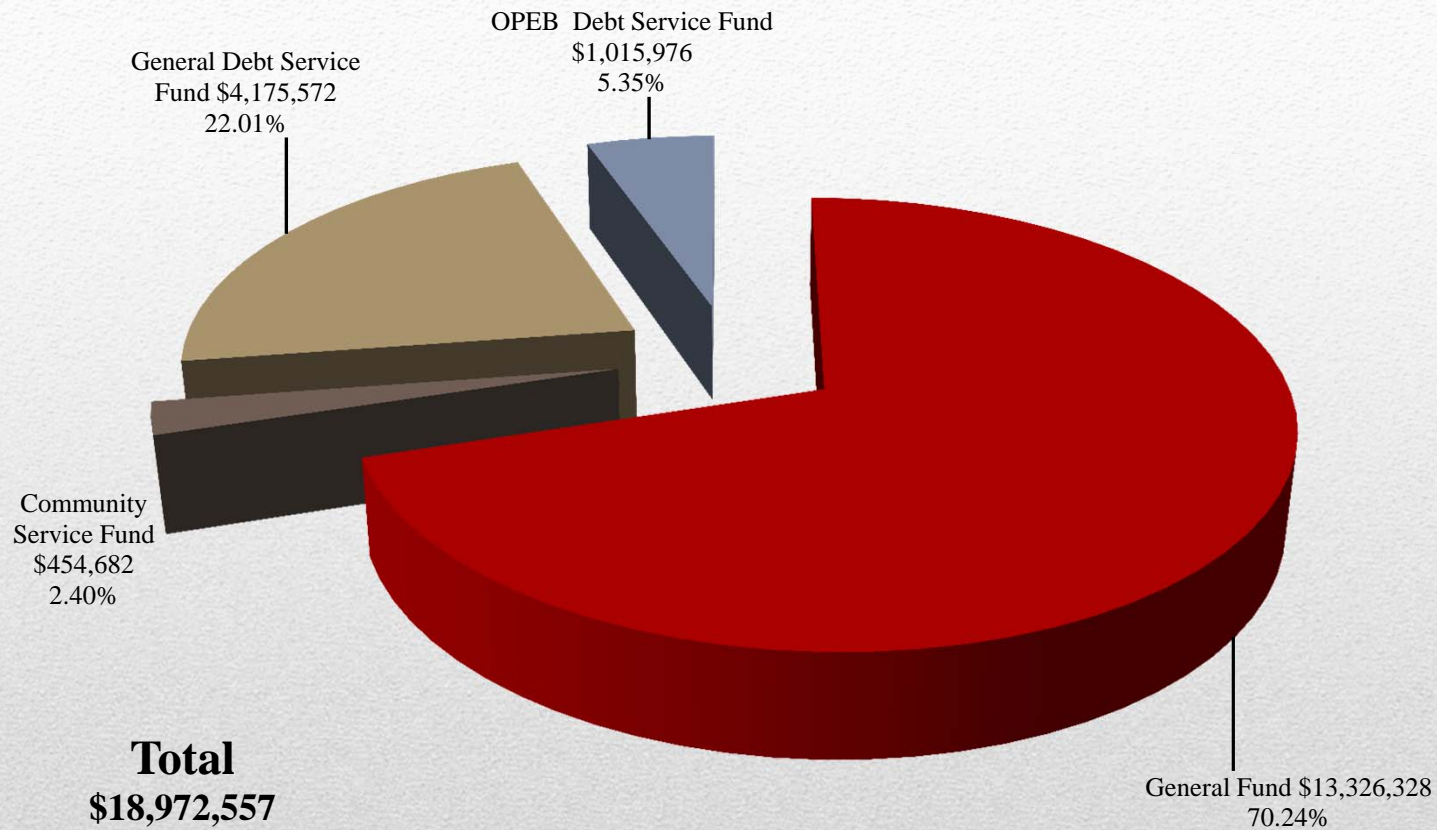
2016 Payable 2017 Levy

- **Richfield Schools ISD #280**
 - **Pay 2013 Certified Amount = \$17,644,441.68**
 - **Pay 2014 Certified Amount = \$18,361,040.78**
 - **Pay 2015 Certified Amount = \$18,050,200.16**
 - **Pay 2016 Certified Amount = \$19,298,552.28**
 - ***Pay 2017 Proposed Amount = \$18,972,557.21***

Historical Levy Summary



Levy History



Levy Summary

	2015-16	2016-2017	2017-2018	Change
GENERAL FUND				
Equity	\$690,388.63	\$593,475.05	\$446,960.00	(\$146,515.05)
Operating Capital	\$558,509.19	\$653,625.52	\$522,073.11	(\$131,552.41)
Deferred Maintenance	\$311,604.80	\$103.20	(\$15,162.88)	(\$15,266.08)
Alternative Teacher Comp	\$398,348.86	\$401,980.67	\$378,270.62	(\$23,710.05)
LCTS Levy	\$0.00	\$0.00	\$0.00	\$0.00
Achieve & Integration	\$329,311.69	\$384,387.14	\$318,510.31	(\$65,876.83)
Referendum	\$4,105,460.45	\$4,348,629.34	\$4,059,041.84	(\$289,587.50)
Referendum - Technology	\$2,245,959.48	\$2,655,386.86	\$2,771,333.10	\$115,946.24
Location Optional Levy	\$1,968,292.80	\$2,003,315.20	\$1,806,477.44	(\$196,837.76)
Safe Schools	\$247,528.20	\$241,859.80	\$242,960.66	\$1,100.86
Student Achievement Levy	\$111,049.35	\$120,135.20	\$65,505.38	(\$54,629.82)
Health and Safety	\$580,775.20	\$65,983.56	(\$2,321.65)	(\$68,305.21)
LT Facilities	\$0.00	\$950,388.55	\$1,334,063.60	\$383,675.05
Building/ Lease	\$1,066,270.12	\$1,035,509.39	\$1,006,674.78	(\$28,834.61)
Health Benefits	\$23,035.64	\$73,682.10	\$104,684.40	\$31,002.30
Re-employment Ins.	(\$12,138.45)	\$17,494.28	\$55,832.37	\$38,338.09
Career Technical	\$77,968.63	\$76,766.45	\$137,003.15	\$60,236.70
Abatement & Other Adjustment	\$76,695.57	(\$33,199.19)	\$94,421.68	\$127,620.87
LEVY TOTAL	\$12,779,060.16	\$13,589,523.12	\$13,326,327.91	(\$263,195)

General Fund

	FY16	FY17	FY18	
	2014 Pay 15	2015 Pay 16	2016 Pay 17	Dollar
	2015-16	2016-2017	2017-2018	Change
COMMUNITY EDUCATION FUND				
Basic Levy	\$287,665.70	\$287,665.70	\$287,665.70	\$0.00
Early Child & Family	\$125,242.05	\$135,904.78	\$153,285.40	\$17,380.62
Home Visiting	\$3,638.40	\$3,747.20	\$4,155.65	\$408.45
Disabled Adults	\$5,475.40	\$5,429.00	\$5,429.00	\$0.00
Abate/Excess Fund Bal Adj	\$1,723.38	\$996.87	\$4,146.01	\$3,149.14
LEVY TOTAL	\$423,744.93	\$433,743.55	\$454,681.76	\$20,938

Community Education

	FY16	FY17	FY18	
	2014 Pay 15	2015 Pay 16	2016 Pay 17	Dollar
	2015-16	2016-2017	2017-2018	Change
DEBT SERVICE FUND				
Debt Levy	\$0.00	\$0.00	\$0.00	\$0.00
Debt Excess	(\$600,000.00)	\$0.00	\$0.00	\$0.00
LT Facilities Debt Service	\$0.00	\$4,215,970.41	\$4,128,158.80	(\$87,811.61)
Alternative Bond	\$4,262,381.55	\$0.00	\$0.00	\$0.00
OPEB Bond	\$1,192,071.57	\$1,074,471.57	\$1,071,788.00	(\$2,683.57)
Debt Excess (OPEB)	(\$50,000.00)	(\$34,722.29)	(\$55,812.30)	(\$21,090.01)
Abatement Adjustment	\$42,941.95	\$19,565.92	\$47,413.04	\$27,847.12
LEVY TOTAL	\$4,847,395.07	\$5,275,285.61	\$5,191,547.54	(\$83,738.07)

Debt Service

2016 Payable 2017 Total = \$18,972,557.21
-\$325,995.07 or 1.7% reduction

Significant Changes

- **General reductions due to projected enrollment**
- **Long Term Facilities increase of \$383,675**
 - **Rate increase \$99/APU (\$292 total)**
- **Technology Referendum increase of \$115,946**
 - **Tax capacity**

Local Levy

RICHFIELD PUBLIC SCHOOLS
LEVY SUMMARY
Preliminary Levy Certification Payable 2017

	FY16 2014 Pay 15 2015-16	FY17 2015 Pay 16 2016-2017	FY18 2016 Pay 17 2017-2018	Dollar Change
1 GENERAL FUND				
2 Equity	\$690,388.63	\$593,475.05	\$446,960.00	(\$146,515.05)
3 Operating Capital	\$558,509.19	\$653,625.52	\$522,073.11	(\$131,552.41)
4 Deferred Maintenance	\$311,604.80	\$103.20	(\$15,162.88)	(\$15,266.08)
5 Alternative Teacher Comp	\$398,348.86	\$401,980.67	\$378,270.62	(\$23,710.05)
6 LCTS Levy	\$0.00	\$0.00	\$0.00	\$0.00
7 Achieve & Integration	\$329,311.69	\$384,387.14	\$318,510.31	(\$65,876.83)
8 Referendum	\$4,105,460.45	\$4,348,629.34	\$4,059,041.84	(\$289,587.50)
9 Referendum - Technology	\$2,245,959.48	\$2,655,386.86	\$2,771,333.10	\$115,946.24
10 Location Optional Levy	\$1,968,292.80	\$2,003,315.20	\$1,806,477.44	(\$196,837.76)
11 Safe Schools	\$247,528.20	\$241,859.80	\$242,960.66	\$1,100.86
12 Student Achievement Levy	\$111,049.35	\$120,135.20	\$65,505.38	(\$54,629.82)
13 Health and Safety	\$580,775.20	\$65,983.56	(\$2,321.65)	(\$68,305.21)
14 LT Facilities	\$0.00	\$950,388.55	\$1,334,063.60	\$383,675.05
15 Building/ Lease	\$1,066,270.12	\$1,035,509.39	\$1,006,674.78	(\$28,834.61)
16 Health Benefits	\$23,035.64	\$73,682.10	\$104,684.40	\$31,002.30
17 Re-employment Ins.	(\$12,138.45)	\$17,494.28	\$55,832.37	\$38,338.09
18 Career Technical	\$77,968.63	\$76,766.45	\$137,003.15	\$60,236.70
19 Abatement & Other Adjustment	\$76,695.57	(\$33,199.19)	\$94,421.68	\$127,620.87
20 LEVY TOTAL	\$12,779,060.16	\$13,589,523.12	\$13,326,327.91	(\$263,195)
21 COMMUNITY EDUCATION FUND				
22 Basic Levy	\$287,665.70	\$287,665.70	\$287,665.70	\$0.00
23 Early Child & Family	\$125,242.05	\$135,904.78	\$153,285.40	\$17,380.62
24 Home Visiting	\$3,638.40	\$3,747.20	\$4,155.65	\$408.45
25 Disabled Adults	\$5,475.40	\$5,429.00	\$5,429.00	\$0.00
26 Abate/Excess Fund Bal Adj	\$1,723.38	\$996.87	\$4,146.01	\$3,149.14
27 LEVY TOTAL	\$423,744.93	\$433,743.55	\$454,681.76	\$20,938
28 DEBT SERVICE FUND				
29 Debt Levy	\$0.00	\$0.00	\$0.00	\$0.00
30 Debt Excess	(\$600,000.00)	\$0.00	\$0.00	\$0.00
31 LT Facilities Debt Service	\$0.00	\$4,215,970.41	\$4,128,158.80	(\$87,811.61)
32 Alternative Bond	\$4,262,381.55	\$0.00	\$0.00	\$0.00
33 OPEB Bond	\$1,192,071.57	\$1,074,471.57	\$1,071,788.00	(\$2,683.57)
34 Debt Excess (OPEB)	(\$50,000.00)	(\$34,722.29)	(\$55,812.30)	(\$21,090.01)
35 Abatement Adjustment	\$42,941.95	\$19,565.92	\$47,413.04	\$27,847.12
36 LEVY TOTAL	\$4,847,395.07	\$5,275,285.61	\$5,191,547.54	(\$83,738.07)
37 LEVY GRAND TOTAL	\$18,050,200.16	\$19,298,552.28	\$18,972,557.21	(\$325,995.07)

11.23.2016

Taxes Payable 2017



Public Comments and Questions
