Levy 101

September 8, 2026
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Chief Financial Officer

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What is a Levy?

- A levy is the amount of revenue a school district intends to raise from property taxes in the upcoming year
  - School district levies are limited by state statute and are either based on statutory formulas or provide revenue for specific costs

- The estimated data provided by districts during the summer levy timeframe will determine which programs a district can levy for and how much revenue the levies will generate

Source: MN Department of Education

Levy Basics

- School budgets are a combination of state, federal and local funding, including voter approved operating, bond & technology levies

- Unlike cities and counties, the 2026 Payable 2027 Levy for school districts is for the following school year (2027-2028)

- Levy revenue is approximately 29% of the district's general fund budget

Factors Impacting School Levies

- Changes in tax base
- Changes in enrollment
- Legislative changes to education formulas
- Referendum
- Employment changes that drive severance and unemployment levies
- Capital bonds, refunding of bonds, abatements, long term facilities maintenance & health and safety projects, lease costs

Levy Timeline

Date	Action
July – September	District submits levy information to MDE
September 8	MDE provides preliminary levy limit calculations to school districts
September 22	School Board meeting to certify the Preliminary Proposed 2026 Payable 2027 Property Tax Levy & set truth in taxation hearing date
September 30	Deadline for the district to provide the county with the preliminary proposed levy and the date of the truth in taxation meeting. The proposed levy and current school year budget will be discussed at the truth in taxation hearing.
mid November	County mails property tax statements showing estimated Payable 2027 property taxes and meeting date/time/location for the final levy and budget discussions
December 8*	Truth in Taxation meeting, 6:00 p.m. (time certain)*pending school board approval on 9/22
December 22	School Board meeting to adopt the final 2026 Payable 2027 Property Tax Levy
December 28	School district deadline to certify final adopted levies to home county auditor

Summer Levy Process

- Districts enter initial levy data into the MN Department of Education (MDE) levy information system (July-August)
- Long Term Facilities Maintenance (LTFM) 10-year plan is approved by the School Board & submitted to MDE by the end of July
- Data reflected on first MDE levy limitation calculation report in September

September – Preliminary Levy Certification

- Preliminary levy certification is part of the overall levy process & due to the county auditor and the Minnesota Department of Education (MDE) by Sept. 30
- Based on MDE levy limitation calculations provided to school districts in September (September 8)
- Adjustments to the levy are likely still being made which will may change the total amount
- Certifying the “Maximum” allows for greater flexibility
- Levy can only move down after Oct. 1

General Fund Levies

General Fund	Certified 2025 Payable 2026 RMV Amount	Certified 2025 Payable 2026 NTC Amount	Certified 2025 Payable 2026 Total	Proposed 2026 Payable 2027 (TBD) RMV Amount	Proposed 2026 Payable 2027 (TBD) NTC Amount	Proposed 2026 Payable 2027 (TBD) Total
Operating Referendum - Voter Approved	$ 16,959,178.26	0.00	$ 16,959,178.26			
Prior Years Adjustments	137,561.57	0.00	137,561.57			
Subtotal	**17,096,739.83**	**0.00**	**17,096,739.83**			
Equity	782,046.07	0.00	782,046.07			
Local Optional	6,394,099.81	0.00	6,394,099.81			
Transition	27,342.04	0.00	27,342.04			
1st Tier Board Approved Referendum	0.00	0.00	0.00			
Prior Years Adjustments	81,920.63	0.00	81,920.63			
Subtotal	**7,285,408.55**	**0.00**	**7,285,408.55**			
Capital Projects Referendum/Tech Levy	0.00	7,087,369.63	7,087,369.63			
Operating Capital	0.00	1,832,988.34	1,832,988.34			
Alt Teacher Comp (QComp)	0.00	773,122.35	773,122.35			
Achievement & Integration	0.00	384,482.07	384,482.07			
Reemployment Insurance	0.00	92,000.00	92,000.00			
Safe Schools	0.00	330,343.20	330,343.20			
Safe Schools Intermediate	0.00	137,643.00	137,643.00			
Career and Technical	0.00	385,308.34	385,308.34			
Annual Other Post Employment Benefits	0.00	1,128,037.00	1,128,037.00			
Long Term Facilities Maintenance	0.00	6,353,773.54	6,353,773.54			
Building/Land Lease	0.00	2,068,806.00	2,068,806.00			
Total Before Adjustments	**0.00**	**13,486,503.84**	**13,486,503.84**			
Prior Years Adjustments	0.00	166,312.75	166,312.75			
Subtotal	**0.00**	**13,652,816.59**	**13,652,816.59**			
Total General Fund	**$ 24,382,148.38**	**$ 20,740,186.22**	**$ 45,122,334.60**	$ -	$ -	TBD

RMV = Referendum Market Value
NTC = Net Tax Capacity

Community Service Fund Levies

Community Service Fund	Certified 2025 Payable 2026			Proposed 2026 Payable 2027 (TBD)		
	RMV Amount	NTC Amount	Total	RMV Amount	NTC Amount	Total
Basic Community Education	0.00	$ 561,211.80	$ 561,211.80			
Early Child Family	0.00	289,480.05	289,480.05			
Home Visiting	0.00	9,960.00	9,960.00			
Adults w/ Disabilities	0.00	9,241.11	9,241.11			
School Age Care	0.00	375,000.00	375,000.00			
Prior Years Adjustments	0.00	77,581.16	77,581.16			
Total Community Service Fund	0.00	$ 1,322,474.12	$ 1,322,474.12	$ -	$ -	TBD

RMV = Referendum Market Value
NTC = Net Tax Capacity

Debt Service Fund Levies

	Certified 2025 Payable 2026			Proposed 2026 Payable 2027 (TBD)		
Debt Service Fund	**RMV Amount**	**NTC Amount**	**Total**	**RMV Amount**	**NTC Amount**	**Total**
Debt Service Voter-Approved	0.00	$ 15,889,336.00	**$ 15,889,336.00**			
Debt Service Voter-Approved	0.00	3,536,926.00	**3,536,926.00**			
Debt Excess	0.00	(605,944.60)	**(605,944.60)**			
Prior Years Adjustments	0.00	64,897.34	**64,897.34**			
Subtotal	**0.00**	**18,885,214.74**	**18,885,214.74**			
Debt Service Other	0.00	1,284,751.00	**1,284,751.00**			
Debt Excess	0.00	(48,994.44)	**(48,994.44)**			
Prior Years Adjustments	0.00	0.00	**0.00**			
Subtotal	**0.00**	**1,235,756.56**	**1,235,756.56**			
Total Debt Service Fund	**0.00**	**$ 20,120,971.30**	**$ 20,120,971.30**	$ -	$ -	TBD
Total - All Funds	**$ 24,382,148.38**	**$ 42,183,631.64**	**$ 66,565,780.02**	$ -	$ -	TBD

RMV = Referendum Market Value
NTC = Net Tax Capacity

Expect More.

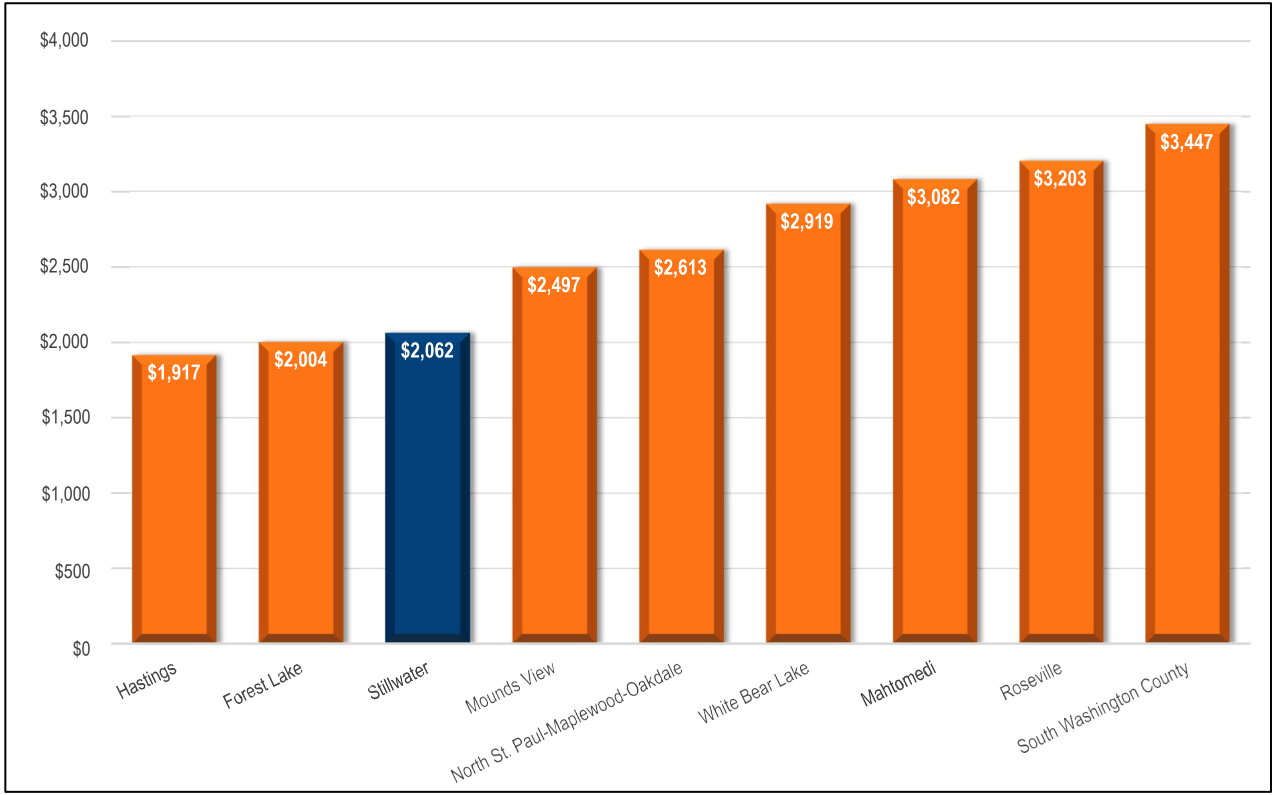
Factors Impacting Individual Taxpayers’ School Taxes

Many factors can cause a 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 within District
- Increases or decreases in levy amounts caused by changes in state funding formulas, local needs & costs, voter-approved referendums & other factors

Stillwater School District

Total School Property Taxes, Payable 2026, on a Home with an Estimated Market Value of $550,000



Source: Pay 26 School Tax Report.

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December – Truth in Taxation Hearing

- State statute requires all local governments (cities, counties and school districts) to hold a public hearing prior to finalizing their levy authority and allow for public comment
- School districts are required to discuss the levy and the budget
- The hearing must follow the release of the proposed tax notices from the county

December – Final Levy Certification

- The School Board approves the final levy amount at the school board meeting following the truth in taxation hearing

- The final levy must be adopted by the school board by December 28

Questions?