

Dawson-Boyd School Board
Thursday, August 8, 2024 8:00 am
Upstairs High School Commons Area

School Board Retreat

Google Meet joining info:

meet.google.com/sdv-pxgj-taw

Meeting ID
meet.google.com/sdv-pxgj-taw
Edit

Phone Numbers
(?US?)?+1 413-758-2930?

PIN: ?480 560 003#?

Meeting Agenda

1. Call to order
2. Adopt/Amend Agenda
3. Referendum Conversation
Michael Hart of PMA
4. Strategic Plan Review
5. Lunch
6. Superintendent Goals
7. Board Goals
8. Adjournment



PMATM
SECURITIES

August 8, 2024

ISD 378,
Dawson-Boyd Public Schools

Operating Referendum Discussion

Michael Hart

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Operating Referendum



2021 Operating Referendum Authority

November 2, 2021

SCHOOL DISTRICT QUESTION 1 (ISD #378)

Approval of New School District Referendum Revenue Authorization

The board of Independent School District No. 378 (Dawson-Boyd), Minnesota has proposed to increase the School District's general education revenue to \$460 per pupil, which is \$190.46 per pupil over the existing referendum levy authorization of \$269.54 per pupil that is scheduled to expire after taxes payable in 2021.

The proposed new referendum revenue authorization would be levied in 2021 for taxes payable in 2022 and applicable for ten (10) years unless otherwise revoked or reduced as provided by law. Shall the increase in the general education revenue proposed by the board of Independent School District No. 378 (Dawson-Boyd), Minnesota be approved? BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ARE VOTING FOR A PROPERTY TAX INCREASE

- ▶ Results
 - ▶ 381 Yes (72%)
 - ▶ 149 No (28%)
- ▶ Expires after taxes payable in 2031



Current Operating Referendum (Pay 2024 / FY 2025)

\$460 per Pupil

X

605.20 Pupils

=

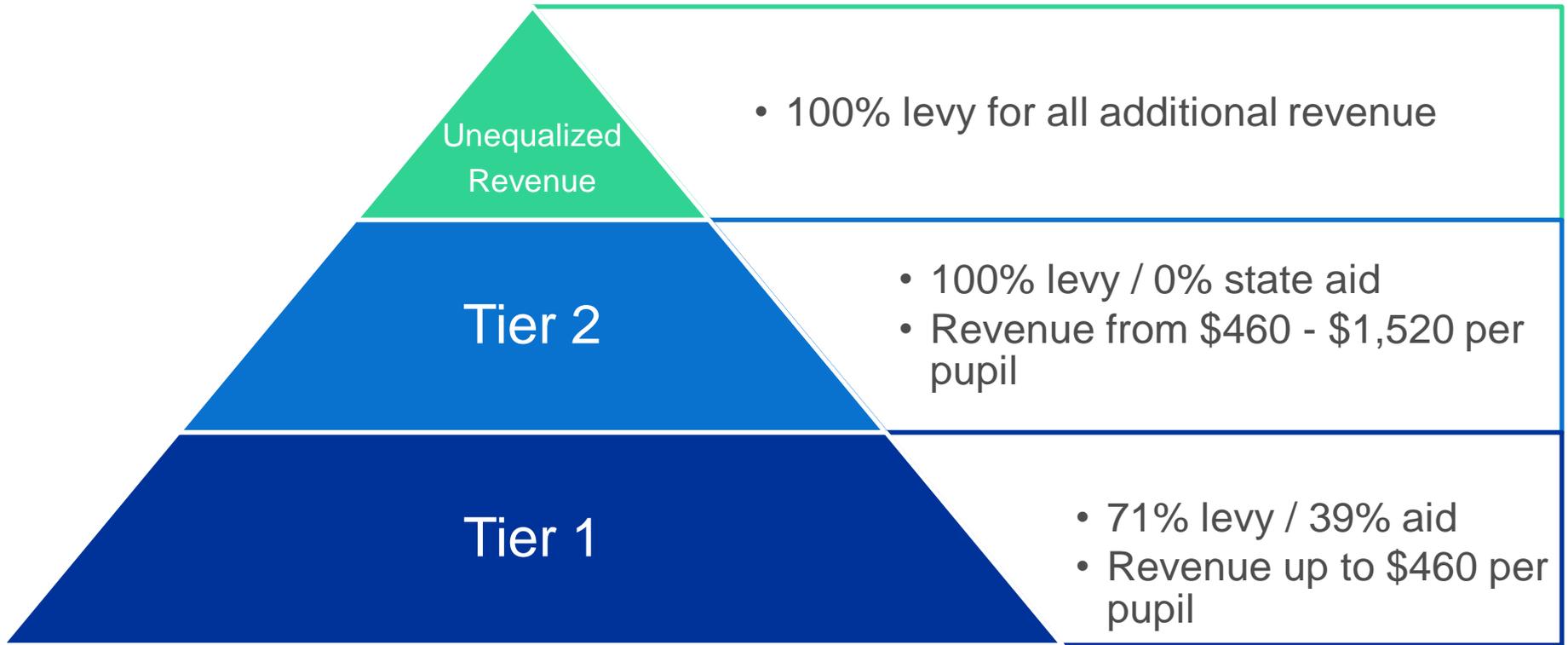
\$278,392

Current Referendum Revenue prior to adjustments for taxes payable in 2024 for Fiscal Year 2025



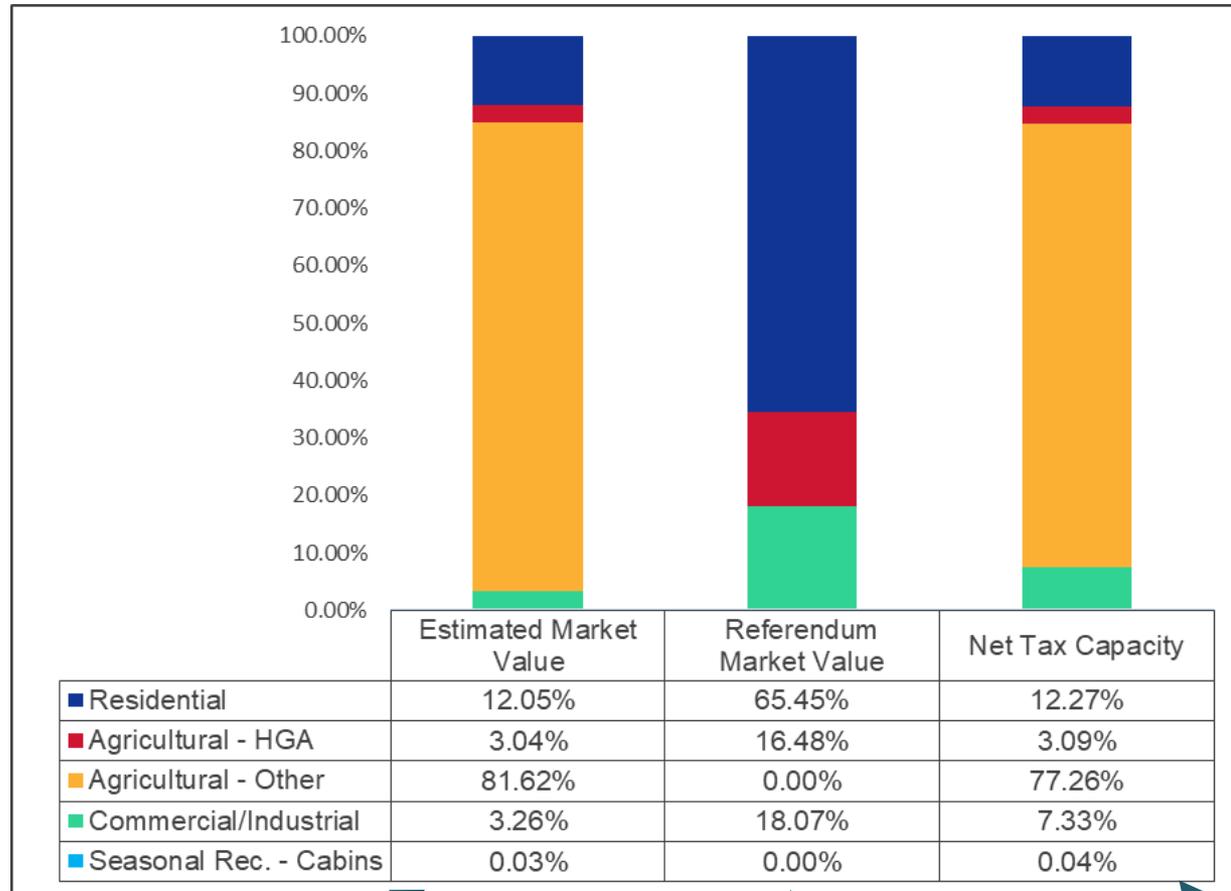
Operating Referendum State Aid

Equalization based on ratio of $\frac{\text{Referendum Market Value}}{\text{Resident Pupil Unit}}$





ISD 378 Valuations – Tax Base Differences



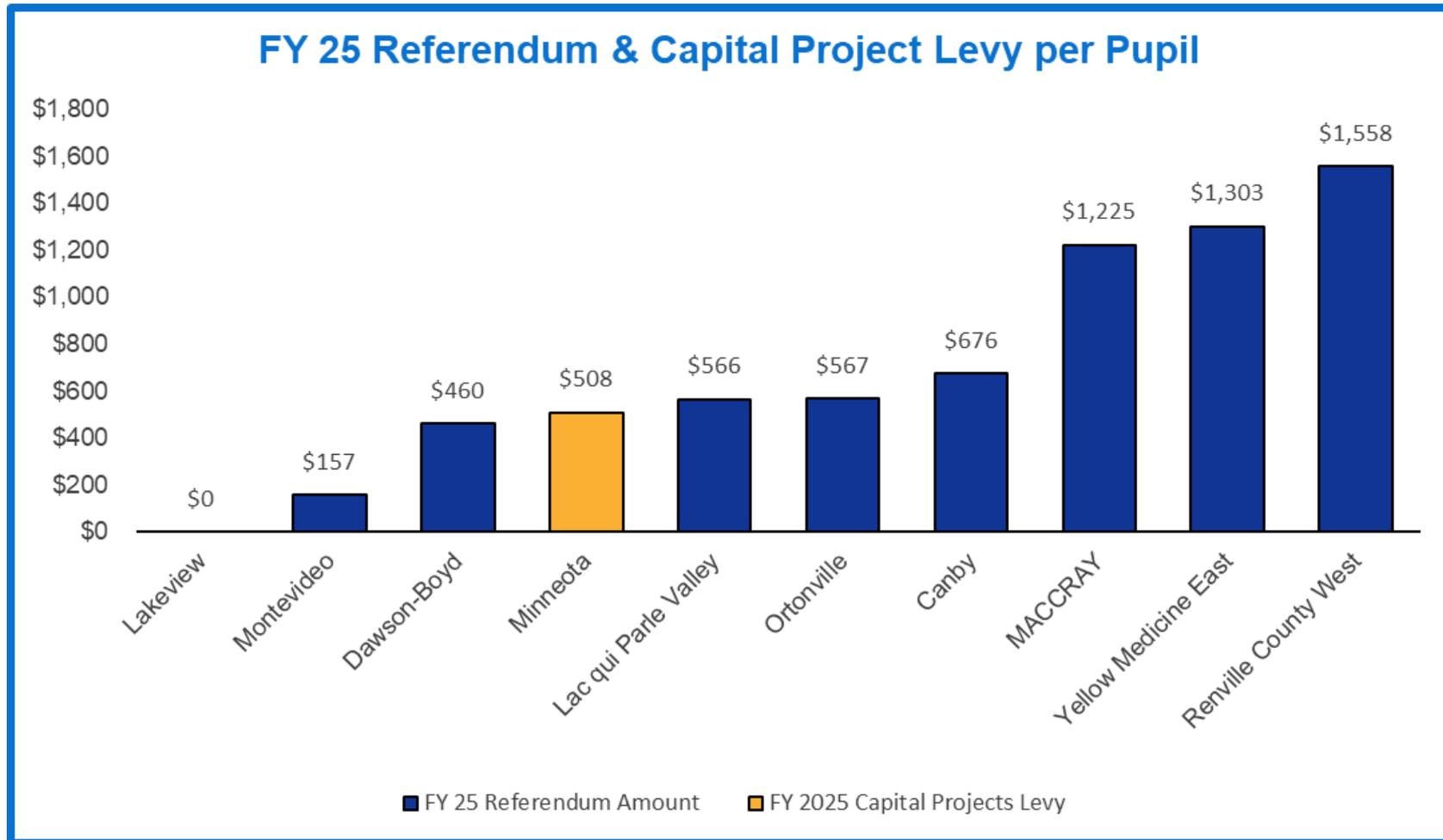
Value set by county based on market value

Tax base for operating referendum

Tax base for capital project levy & bonds



Operating Referendum & Capital Project Levy Comparison





Potential November Referendum

- ▶ Need to determine two key aspects if board want to proceed:
 1. Amount of new referendum
 2. Structure of the Ballot Language



Tax Impacts

Tax Impact Analysis - Operating Referendum

		Scenario A	Scenario B	Scenario C			
	New Referendum	\$1,160	\$1,330	\$1,500			
	Referendum Increase	\$700	\$870	\$1,040			
	Additional Referendum Levy	\$423,640	\$526,524	\$629,408			
	Change in Equity Levy	-\$18,663	-\$23,194	-\$27,724			
	Change in Equity Aid	-\$1,407	-\$1,748	-\$2,090			
	Net Change in Revenue	\$403,570	\$501,582	\$599,594			
	Additional Levy	\$404,977	\$503,330	\$601,684			
	RMV (Pay 2024+3%)	224,799,792	224,799,792	224,799,792			
	Tax Rate Increase	0.180150%	0.223901%	0.267653%			
Estimated Tax Impact							
		Annual	Monthly	Annual	Monthly	Annual	Monthly
Referendum Market Value	\$50,000	\$90	\$8	\$112	\$9	\$134	\$11
	\$75,000	\$135	\$11	\$168	\$14	\$201	\$17
	\$100,000	\$180	\$15	\$224	\$19	\$268	\$22
	\$125,000	\$225	\$19	\$280	\$23	\$335	\$28
	\$150,000	\$270	\$23	\$336	\$28	\$401	\$33
	\$175,000	\$315	\$26	\$392	\$33	\$468	\$39
	\$200,000	\$360	\$30	\$448	\$37	\$535	\$45
	\$250,000	\$450	\$38	\$560	\$47	\$669	\$56
	\$300,000	\$540	\$45	\$672	\$56	\$803	\$67
	\$400,000	\$721	\$60	\$896	\$75	\$1,071	\$89

*Additional Revenue, Aid and Levy is based on changes to the operating referendum and equity revenues.

*Assumes APU of 605.20 & 3% increase in districtwide RMV from Pay 2024 to Pay 2025 taxes



Operating Referendum Question

- ▶ Revoke current referendum and replace with new referendum for 10 years
- ▶ Include inflationary increase?



Sample Question

School District Question Revoking Existing Referendum Revenue Authorization; Approving New Authorization

The board of Independent School District No. 378 (Dawson-Boyd), Minnesota has proposed to revoke the School District's existing referendum revenue authorization of \$460 per pupil and replace that authorization with a new authorization of \$1,330 per pupil, subject to an annual increase at the rate of inflation. The proposed new referendum revenue authorization would be first levied in 2024 for taxes payable in 2025 and applicable for ten (10) years unless otherwise revoked or reduced as provided by law.

- YES** Shall the revocation of the existing referendum authorization and the new authorization proposed by the Board of Independent School District No. 378 (Dawson-Boyd), Minnesota be approved?
- NO**

PASSAGE OF THIS REFERENDUM WILL RESULT IN AN INCREASE IN YOUR PROPERTY TAXES.



Process/Timeline

- ▶ August 8 – Board discussion at retreat
- ▶ August 12 – School Board Action calling for election
- ▶ August 13 – Notify counties and commissioner of education of election
- ▶ September 20 – Voting Begins

Other Background Info

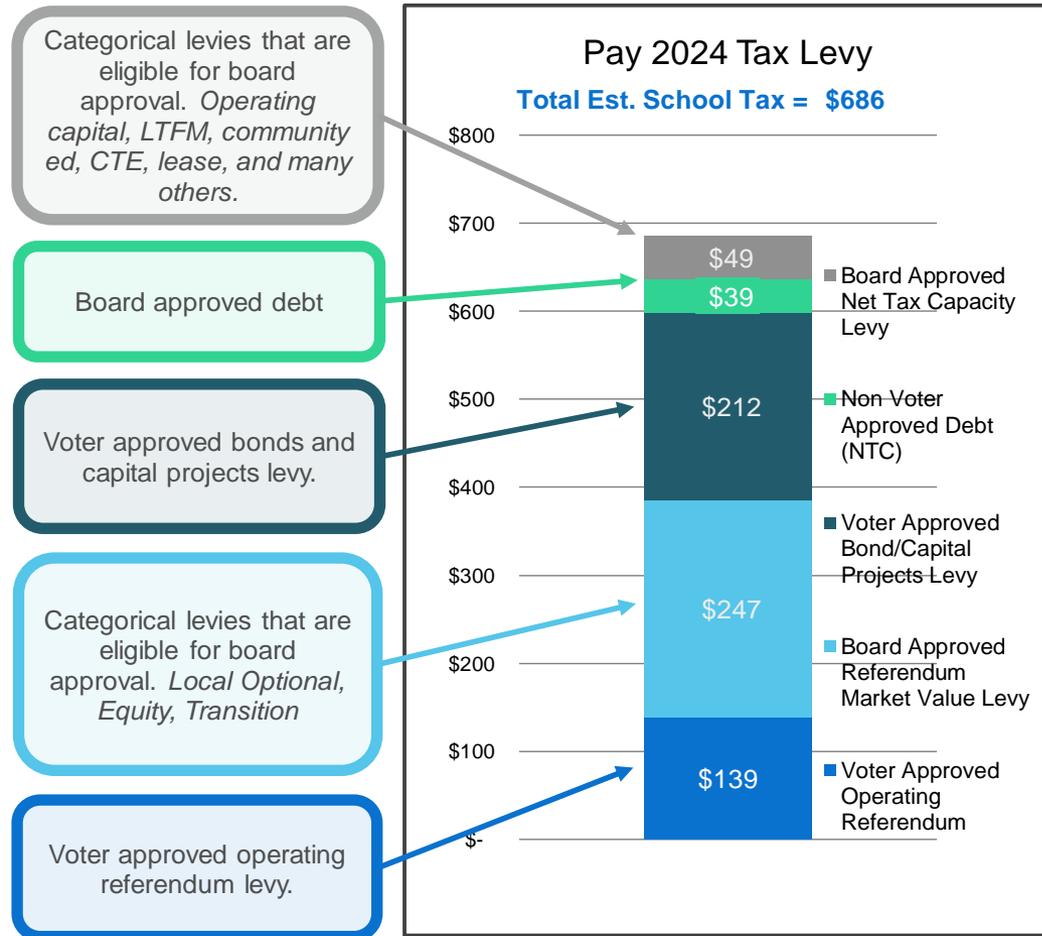


Pay 2024 School Taxes

Dawson-Boyd Public School District

Pay 2024 Tax Levies for Residential Homestead

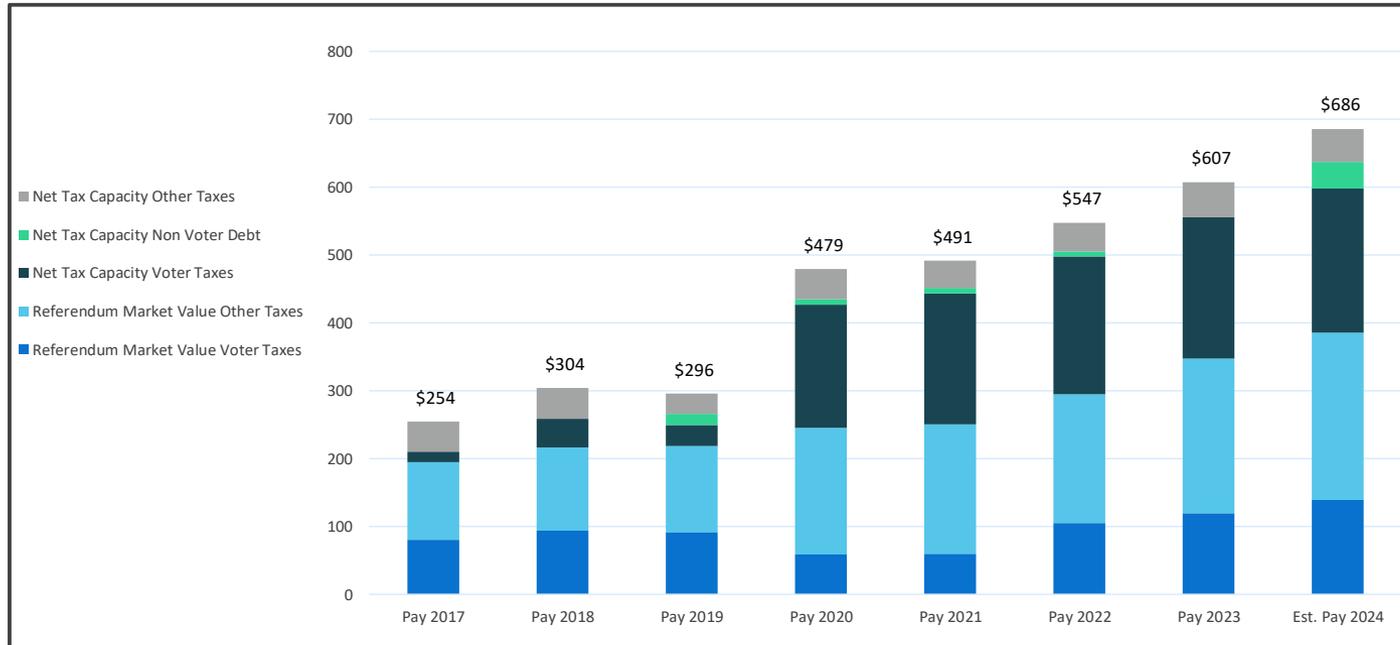
Home Value = \$150,000





School Taxes Trend

Dawson-Boyd Public School District Residential Homestead School Tax Trend



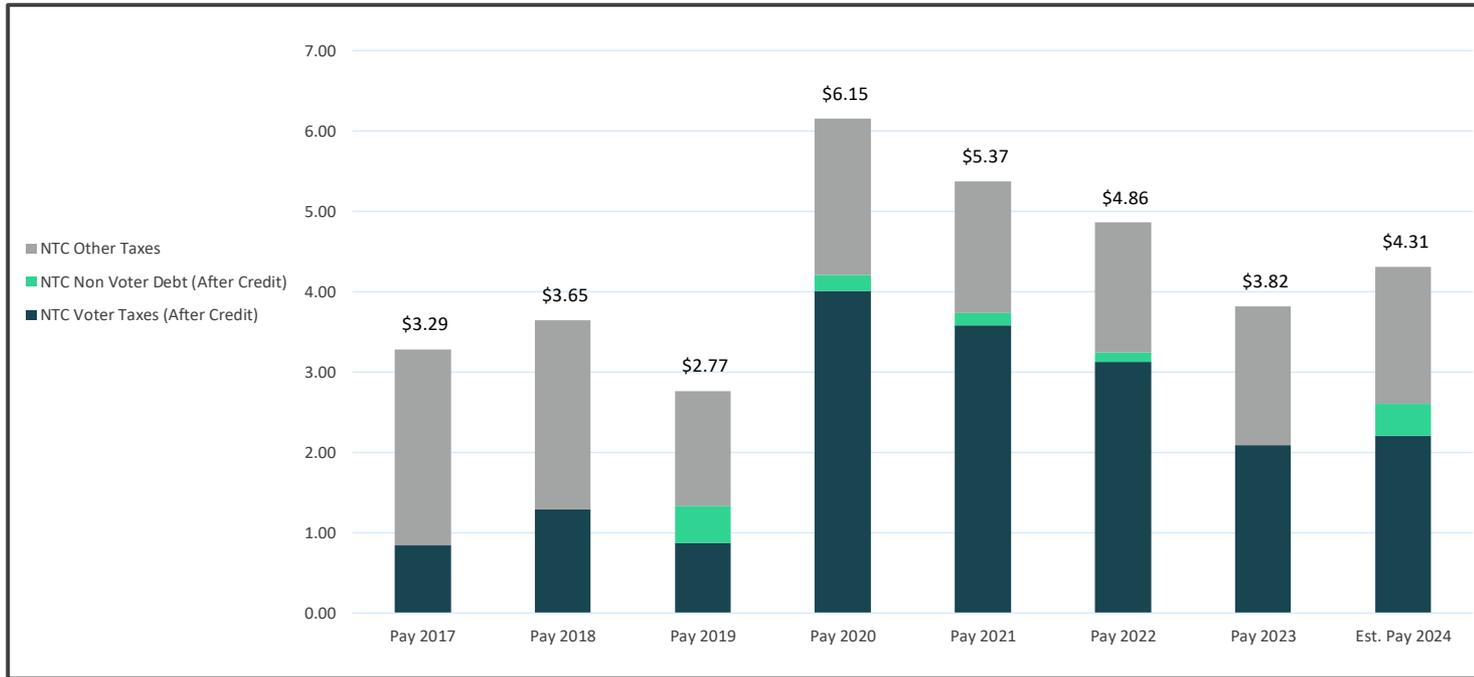
	Pay 2017	Pay 2018	Pay 2019	Pay 2020	Pay 2021	Pay 2022	Pay 2023	Est. Pay 2024
Home Value*	92,071	96,675	101,509	106,584	111,913	117,509	130,000	150,000
Referendum Market Value Voter Taxes	80	94	92	59	60	106	120	139
Referendum Market Value Other Taxes	115	122	127	187	191	189	228	247
Net Tax Capacity Voter Taxes	15	42	31	181	193	203	208	212
Net Tax Capacity Non Voter Debt	0	0	16	9	8	8	0	39
Net Tax Capacity Other Taxes	44	46	30	44	40	42	52	49
Total School Taxes	\$ 254	\$ 304	\$ 296	\$ 479	\$ 491	\$ 547	\$ 607	\$ 686

*The chart assumes a 5% annual increase in the home value for taxes payable from 2017 to 2022. A 15% increase in value is assumed for taxes payable in 2023 and a 15% increase in 2024.



School Taxes Trend

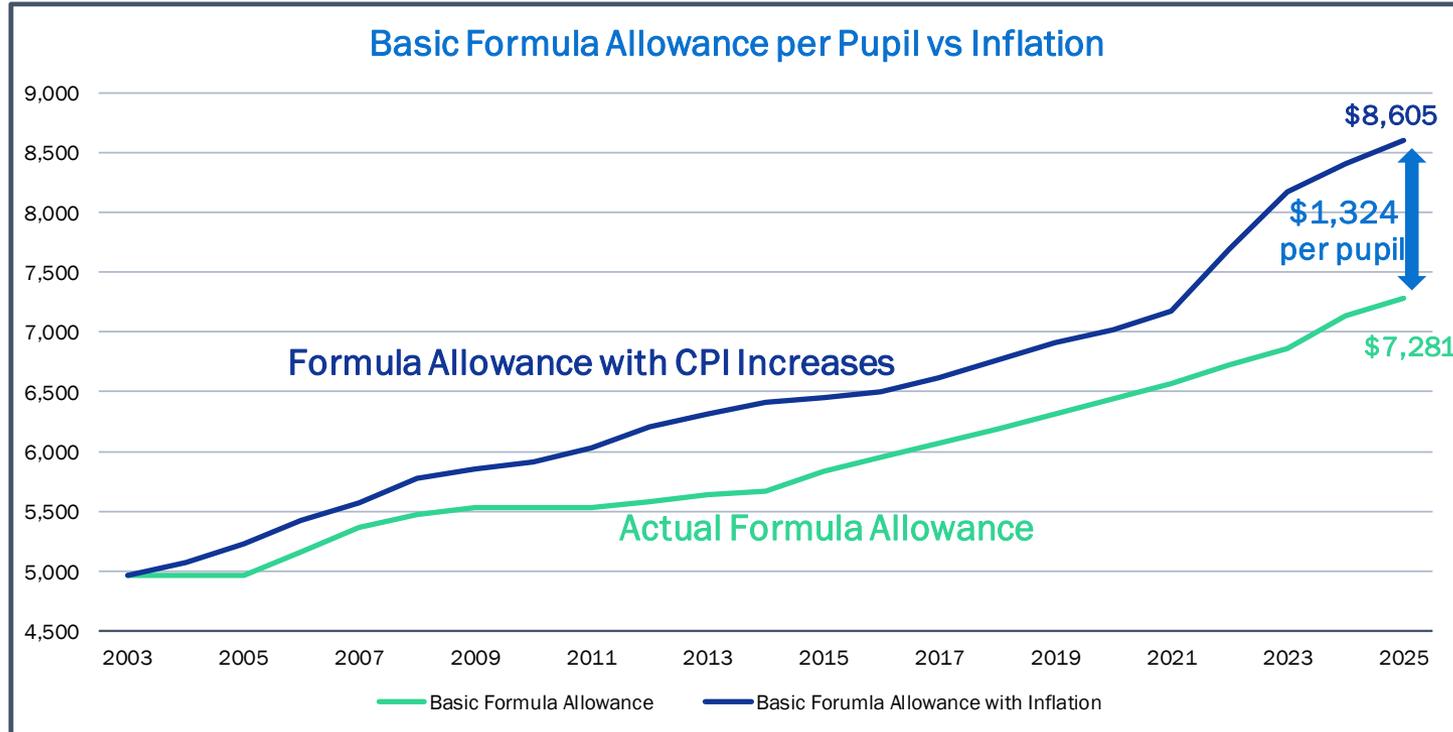
Dawson-Boyd Public School District
Agricultural Homestead Land School Tax Trend



	Pay 2017	Pay 2018	Pay 2019	Pay 2020	Pay 2021	Pay 2022	Pay 2023	Est. Pay 2024
Value per Acre	7,000	7,000	7,000	7,000	7,000	7,000	7,000	8,750
NTC Voter Taxes (After Credit)	0.85	1.29	0.88	4.01	3.58	3.13	2.09	2.21
NTC Non Voter Debt (After Credit)	0.00	0.00	0.46	0.19	0.15	0.12	0.00	0.40
NTC Other Taxes	2.44	2.36	1.43	1.95	1.64	1.61	1.73	1.70
Total School Taxes	\$ 3.29	\$ 3.65	\$ 2.77	\$ 6.15	\$ 5.37	\$ 4.86	\$ 3.82	\$ 4.31



Basic Formula Allowance Trends



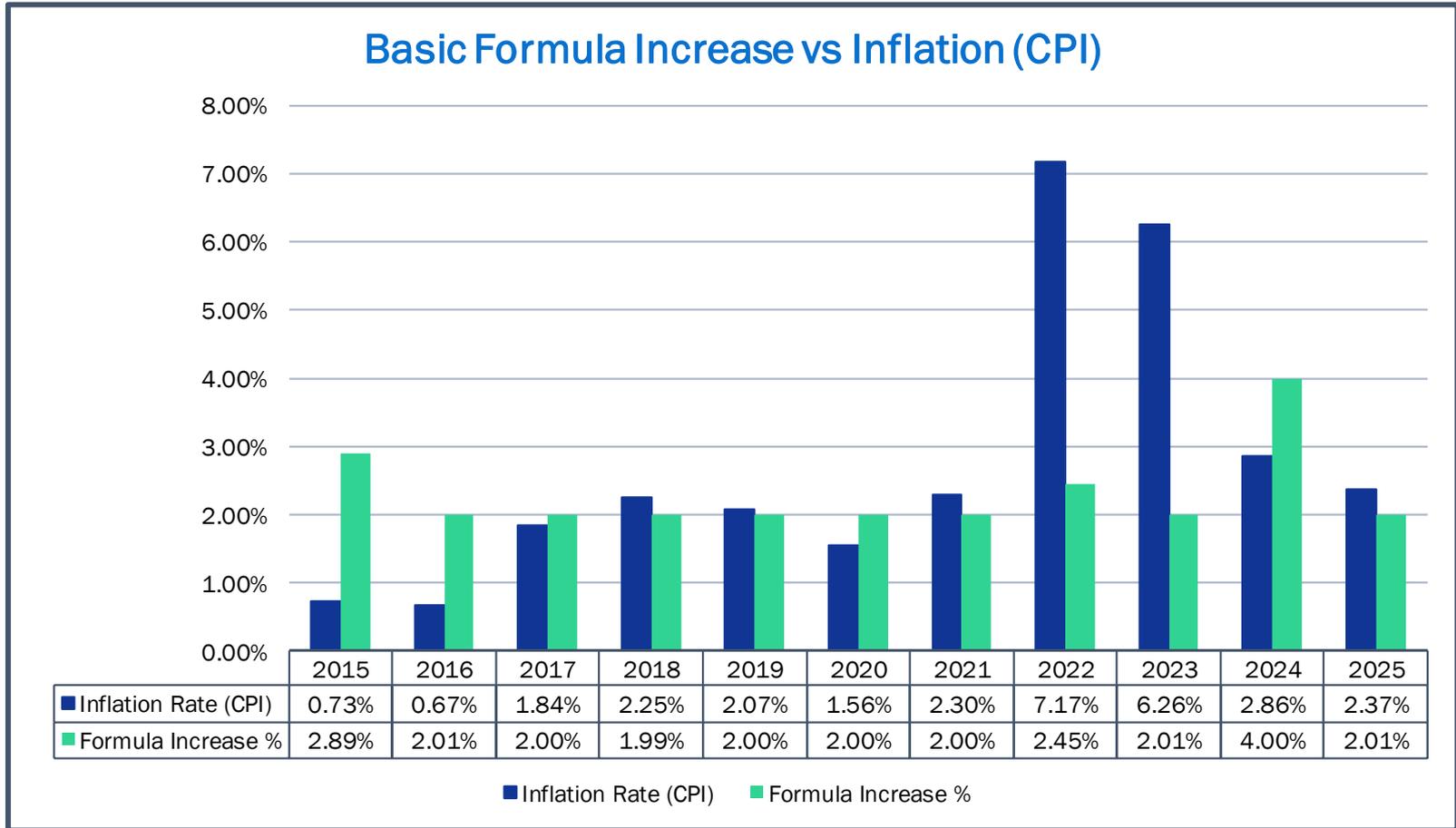
¹ Inflation is based on consumer price index

² Basic formula allowance includes changes made by legislature in 2023 and is adjusted for FY 2014 and earlier due to pupil weight changes

³ FY 2023-25 are based on estimated inflation forecasts updated in September 2023 by the State of Minnesota



Formula Increase vs Inflation



¹ Inflation is based on consumer price index

² FY 2023-25 are based on estimated inflation forecasts updated in September 2023 by the State of Minnesota



Formula Impact for ISD 378

$$\begin{aligned} & \$1,324 \text{ inflation adjusted decrease in formula} \\ & \quad \times \\ & \quad 605 \text{ Pupil Units} \\ & \quad = \\ & \quad \$801,020 \end{aligned}$$



Statewide Operating Referendum

FY 2025

- ▶ 329 public school districts
 - ▶ 72% with voter approved referendum
 - ▶ 28% without voter approved referendum
- ▶ State Average Referendum = \$739
- ▶ State Median Referendum = \$523



Contact Us



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