# Community Connections Rush City Building Strong Foundations for a Successful Entres



for a Successful Future

From Superintendent Teresa Dupre | October 19, 2016

### Dear Rush City Community Members:

Election Day 2016 is only 20 days away and I have received feedback recently that there are many people in our community who are not aware of the details pertaining to the Operating Referendum. I value the feedback and therefore have added an additional Community Connections edition to provide some brief details, tax relief information from our school board meeting, and the offer for you to contact me directly with any questions or concerns via email tdupre@rushcity.k12.mn.us, phone 320-358-4855 or in person. Additional information can also be found on the school website under the School Board tab.



Simply stated, our expenses exceed the revenue we receive from the state. This past year in order to balance the budget we cut \$240,000.00 worth of expenses. Without additional revenue we will need to make more cuts. The school board DOES NOT WANT TO DO THIS! Therefore the board voted to approve an Operating Referendum of \$700.00 per student for 7 years. The cost to individual tax payers will be about \$149.00 per year on a \$100,000.00 property value. The additional revenue will prevent further reductions, allow us to reinstate reductions, and make a few improvements and additions such as a counselor at the Elementary School, additional class offerings at the High School and expand our safety and security measures.

Rush City has an amazing school district and despite the low funding, you have so much to be proud of! The Operating Referendum is needed to keep those points of pride in place.

The school board anticipated questions from the community about the impact an increase in taxes will have. and therefore held an information meeting dedicated to this topic in September. Summary notes from the meeting are provided here:

On Thursday September 16 during the school board meeting, representatives from Ehlers Leaders in Public Finance shared detailed information with community members about the tax implications of the operating referendum of \$149.00 per year on a \$100,000.00 property value. The operating referendum question will be on the November 8 ballot. Part of their presentation included information about tax refunds and / or deferrals. Rush City School believes this information should be shared with all of our community members, and therefore are publishing them for you. Please understand, as a school, we are not tax experts. After visiting the websites listed it may be best to contact your tax advisor. The following information can be found on the websites listed. We have also included a copy of the question as it will appear on the ballot. We hope you find this information helpful.

Thank you for taking the time to share this information with any community members you may meet that are not aware of the upcoming Operating Referendum that will appear on the November 8 ballot.

Kindest regards and wishes for a safe and wonderful *long* weekend.

Teresa

#### **Minnesota Property Tax Refund**

- Applies only to the taxes attributable to the house, garage, and one acre on agricultural homestead property
- Available to all owners of residential homestead and agricultural homestead property with incomes of less than \$107,930
- Refund is on a sliding scale, based on your income and your total property tax burden
- May receive an additional refund of up to 80% of the amount of the property tax increase caused by the referendum
- The maximum refund is \$2,640
- Complete form M1PR at <u>www.taxes.state.mn.us</u> to see if you qualify

#### **Special Property Tax Refund**

- May qualify if your total property taxes increase by more than 12 percent and more than \$100 from one year to the next
- Helpful in first year of referendum increase
- No income limit
- Complete form M1PR at <u>www.taxes.state.mn.us</u> to see if you qualify

#### **Senior Citizen Property Tax Deferral**

- May be eligible if 65 years or older and have a household income of \$60,000 or less
- Limits maximum amount of property tax paid to 3 percent of total household income
- Low-interest loan from the state, NOT tax forgiveness
- For more information visit <u>www.revenue.state.mn.us</u> and search "Senior Citizen Property Tax Deferral"
- (Note the taxes are only deferred and must be paid in the future.)

This is an example of how the question will appear on the November 8 ballot:

## SCHOOL DISTRICT QUESTION 1 APPROVAL OF SCHOOL DISTRICT REFERENDUM REVENUE AUTHORIZATION

The board of Independent School District No. 139 (Rush City Public Schools) has proposed to increase its general education revenue by \$700 per pupil. The proposed referendum revenue authorization would be applicable for 7 years unless otherwise revoked or reduced as provided by law.

Shall the increased referendum revenue authorization proposed by the school board of Independent School District No. 139 (Rush City Public Schools) be approved?

YES

NO

BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ARE VOTING FOR A PROPERTY TAX INCREASE.

