

**Impact of Local Optional Revenue on Referendum Related Aids and Levies**

	Pay 2015 / FY 2016	Pay 2016 / FY 2017	
		Option 1	Option 2
Description:	Current	Maintain Current \$300 of LOR	Increase LOR to Maximum of \$424
LER / LOR Allowance	\$300	\$300	\$424
Voter Approved Allowance	\$0	\$0	\$0
Board Approved Allowance	\$300	\$300	\$300
Total Referefendum Allowance	\$300	\$300	\$300
<b>Referendum + LER/LOR per RPU</b>	<b>\$600</b>	<b>\$600</b>	<b>\$724</b>
<b>Grand Total Revenue</b>	<b>\$570,240</b>	<b>\$570,240</b>	<b>\$688,090</b>
Grand Total Levy	\$307,581	\$322,580	\$406,992
Grand Total Aid	\$262,659	\$247,660	\$281,098
<b>Change in Revenue, vs. FY 16</b>		<b>\$0</b>	<b>\$117,850</b>
Change in Levy, vs. FY 16		\$14,998	\$99,411
Change in Aid, vs. FY 16		-\$14,998	\$18,439
Annual Tax on \$100,000 RMV	\$86	\$90	\$114
Annual Change in Taxes, vs. FY 16		\$4	\$28
Monthly Change in Taxes, vs. FY 16		\$0	\$2

# **Rush City Public Schools, No. 139**

## **Analysis of Tax Impact for Referendum Levy**

July 8, 2015

	Pay 2015 / FY 2016	Pay 2016 / FY 2017 Options	
		Option 1	Option 2
	Current	Maintain Current \$300 of LOR	Increase LOR to Maximum of \$424
Total Revenue	\$570,240	\$570,240	\$688,090
Est. Market Value Tax Rate	0.08613%	0.09033%	0.11397%

Type of Property	Estimated Market Value	Estimated Taxes for LOR Only*		
		Pay 2015	Pay 2016	
	\$50,000	\$43	\$45	\$57
	75,000	65	68	85
	100,000	86	90	114
	125,000	108	113	142
	150,000	129	135	171
	175,000	151	158	199
	200,000	172	181	228
Residential	225,000	194	203	256
Homesteads,	250,000	215	226	285
Apartments,	275,000	237	248	313
and Commercial-	300,000	258	271	342
Industrial Property	325,000	280	294	370
	350,000	301	316	399
	375,000	323	339	427
	400,000	345	361	456
	425,000	366	384	484
	450,000	388	406	513
	475,000	409	429	541
	500,000	431	452	570
	550,000	474	497	627

The figures in the table are based on school district taxes for the local optional revenue levy only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the Minnesota Homestead Credit Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net effect of the referendum levy for many property owners.

**NOTE: Agricultural property will pay taxes for the proposed referendum based only on the value of the house, garage and one acre. Seasonal recreational residential property (i.e., cabins) will pay no taxes for the proposed referendum.**

# PRELIMINARY INFORMATION - FOR DISCUSSION ONLY

Rush City School District No. 139

July 8, 2015

## Estimate of Long Term Facilities Maintenance Revenue

Year Taxes Payable	Fiscal Year	Estimated Adjusted Pupil Units <sup>1</sup>	Rev. per Pupil	Estimated Revenue	Equalized Remainder <sup>2</sup>	Existing Law Health & Safety Rev.	Existing Law Deferred Maint. Rev.	Potential Net Change in Revenue <sup>3</sup>
2015	2016	950.40				\$105,762	\$45,115	
2016	2017	950.40	\$149	\$141,291	\$42,136	\$105,762	\$46,853	(\$11,323)
2017	2018	950.40	\$233	\$221,696	\$55,821	\$105,762	\$48,591	\$67,344
2018	2019	950.40	\$314	\$298,827	\$62,325	\$105,762	\$50,329	\$142,737

<sup>1</sup> FY 2017 - FY 2019 pupil units are based on a change of 0.00% per year from FY 2016 pupil units

<sup>2</sup> The Equalized Remainder is the amount of additional health and safety revenue that would be equalized at the LTFM rate

<sup>3</sup> Assumes ongoing Health and Safety Revenue at the same rate as FY 2016

Year Taxes Payable	Fiscal Year	Percent Aid <sup>4</sup>	Aid	Levy	Estimated Tax Rate for LTFM	Est. Levy Reduction Def Maint / H&S	Est. Net Change in Levy <sup>5</sup>
2016	2017	50.42%	\$71,235	\$70,056	1.60%	-\$142,740	-\$72,684
2017	2018	50.42%	\$111,774	\$109,923	2.51%	-\$144,111	-\$34,189
2018	2019	50.42%	\$150,661	\$148,166	3.38%	-\$145,483	\$2,683

<sup>4</sup> Estimates of aid and levy for 18 and 19 assume no change in the district's ANTC and no change in the state totals of ANTC and pupil units.

<sup>5</sup> Doesn't include any potential changes in health and safety levy.

Net Estimated Tax Impact, New LTFM vs. Current Deferred Maintenance & Health and Safety					
Type of Property	Estimated Market Value	Estimated Annual LTFM Levy <sup>6</sup>			Pay 15 Levy for Def. Maint. And Health & Safety <sup>6</sup>
		Pay 2016	Pay 2017	Pay 2018	
Residential Homestead	\$75,000	\$7	\$11	\$15	-\$15
	100,000	11	18	24	-23
	150,000	20	32	43	-41
	200,000	29	45	61	-58
	300,000	46	73	98	-93
	400,000	64	100	135	-129
	500,000	80	125	169	-161
Commercial/Industrial <sup>7</sup>	\$200,000	\$52	\$81	\$110	-\$105
	500,000	148	232	313	-298
	750,000	228	357	482	-460
	1,000,000	308	483	651	-621
Agricultural Homestead <sup>8</sup>	\$500,000	\$112	\$176	\$237	-\$226
	750,000	132	207	279	-266
	1,250,000	172	270	363	-347
	1,500,000	192	301	406	-387
Agricultural Non-Homestead (dollars per acre)	\$2,000	\$0.32	\$0.50	\$0.68	-\$0.65
	4,000	0.64	1.00	1.35	-1.29
	6,000	0.96	1.50	2.03	-1.94
Seasonal	100,000	\$16	\$25	\$34	-\$32
Recreational	250,000	40	63	85	-81
Residential (Cabins)	500,000	80	125	169	-161

<sup>6</sup> The net estimated annual Long Term Facilities Maintenance Levy shown here is the annual levy. The Pay 15 Levy for Deferred Maintenance and Health and Safety shows the reduction based on what the district levied for that year.

<sup>7</sup> For commercial-industrial property in the seven county metro area and the Iron Range fiscal disparities area, the tax impact shown above is overstated because it does not account for the impact of the fiscal disparities program.

<sup>8</sup> For agricultural homestead property, a value of \$100,000 was assumed for the house, garage, and one acre.