



***Thanks for letting us share
this time with you***



**to explain the basics of
the November 6, 2007
Operating Levy Referendum.**



November 6, 2007
Operating Levy
Election



Local
Funding
Making a
Quality
Difference
for New
Prague Area
Students



The operating levy is about

educating students



District schools impact everyone in the community.

Current New Prague Area students are your:

***sons
daughters
grandkids
nieces
nephews
neighbors.***





District schools impact everyone in the community.

Current students will be the future:

***business people
health-care providers
attorneys
farmers***



***teachers
mechanics
government workers
builders
technicians—
taking care of you!***



***Since the 2003 levy,
the district has added
700 more students,
leading to:***

***opening 2 new elementary schools,
refurbishing the Grade 6 annex, and
expanding the High School.***



State funding has not kept up with the costs of:

enrollment growth

(personnel, maintenance, transportation, utilities, equipment)

and inflation *(salaries, fuel, supplies).*

88% of Minnesota's 340 school districts currently have, or are seeking to have, a local operating levy.



by **Laura McCallum**, Minnesota Public Radio
September 4, 2007

“AS MOST MINNESOTA STUDENTS HEAD BACK TO SCHOOL, MANY SCHOOL DISTRICTS ARE PREPARING TO ASK THE PUBLIC TO HELP THEM PAY THE BILLS.

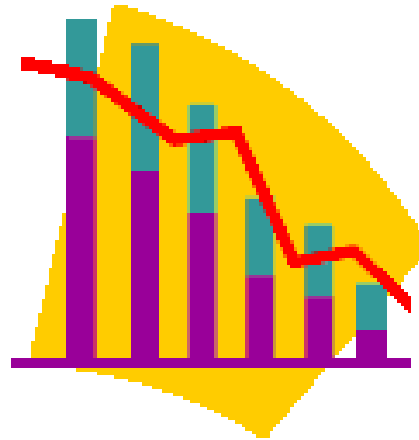
MORE THAN ONE IN EVERY FOUR DISTRICTS IS CONSIDERING ASKING LOCAL VOTERS TO APPROVE OPERATING LEVY REFERENDUMS THIS FALL.

SCHOOL OFFICIALS SAY THEY HAVE NO CHOICE, BECAUSE STATE FUNDING ISN'T KEEPING PACE WITH THEIR RISING COSTS. “



***And now, with these costs
being higher than in 2003,***

***the current operating levy
expires in 2008.***





Two parts of the budget will expire at the end of the school year 2007-08 if the levy does not pass:

BUDGET

~~Fed & State~~ ~~Local Fund~~

Levy Balance

\$0.00 \$0.00



With the new levy, the District:

- ***needs to replace the revenue lost when the current levy expires, and***
- ***needs to meet the higher costs of educating more students.***



What happens financially when the current levy expires if there is no new operating levy to replace it?

Operating revenues go down while costs are going up.
The fund balance that has been part of current budgets goes into debt.

	2006-07	2007-08	2008-09
State Funding Tied to Levy *	\$625,000	\$511,548	\$0
Local Operating Levy	\$1,119,891	\$1,361,811	Current levy ends \$0
Local Operating Levy per Student**	\$453	\$453	Current levy ends \$0
Fund Balance End of Year	\$773,299 →	\$156,980 →	<\$1,960,369>

(* ** Please see next slide)



What happens financially when the current levy expires if the proposed new operating levy replaces it?

	2006-07	2007-08	2008-09
State Funding Tied to Levy *	\$625,000	\$511,548	\$566,204
Local Operating Levy	\$1,119,891	\$1,361,811	\$2,706,776
Local Operating Levy per Student**	\$453	\$453	\$757
Fund Balance End of Year	\$773,299	\$156,980	\$694,477

* State Funding Tied to Levy: The first year a district levies local operating funds, the state matches 18% aid for the first \$700. So the proposed increase from \$453 to \$757 per student in local levy brings our district an additional \$54.72 per student in state aid.

** "Per Student" in Minnesota education financing means "Adjusted Marginal Cost Pupil Unit (AMPCU)." By state formula, students at each grade level are "weighted" in proportion to the average costs of education at their grade level (e.g., resident Kindergarten students are counted at .557; high school students are weighted at 1.3 times their number).



How does the current New Prague District levy compare with other levy elections occurring across Minnesota in 2007?

Districts across the State (some neighboring) showing a range of situations: some higher/lower and average.	Levy Now	Proposed levy	Increase	% Increase	Years
Bloomington	\$991	\$1,476	\$485	49%	10
Brainerd	\$199	\$986	\$787	395%	10
Burnsville-Eagan-Savage	\$845	\$1,476	\$631	75%	10
Elk River	\$697	\$1,000	\$303	43%	10
Grand Meadow	\$853	\$1,476	\$623	73%	TBA
Inver Grove	\$369	\$769	\$400	108%	10
Lakeville	\$839	\$1,211	\$372	44%	10
Mankato	\$445	\$636	\$191	43%	10
New Prague Area Schools	\$453	\$757	\$304	67%	5
Prior Lake	\$841	\$1,431	\$590	70%	10
Wabasso	\$500	\$1,000	\$500	100%	10
Windom Area	\$415	\$1,330	\$915	220%	7
Average of 77 Districts Decided by 9/12/07	\$498	\$934	\$437		
15 districts had still not notified MSBA of their levy proposal heading into the September 14 deadline for deciding it.					

Information from Minnesota School Boards Association website 09-12-07. Complete list after end of slide show.



What will local levy funding help the New Prague Area Schools achieve?

Replace the current operating levy of \$453 per student to continue meeting the operating costs of educating more students.

Maintain class sizes which allow teachers more time to work with each student, differentiating to meet the needs for remedial instruction as well as for Gifted and Talented instruction.

Accelerate academic goals and overall curriculum rigor to boost our rankings among the top schools in Minnesota.

Develop a prudent and responsible fund balance level.



If the levy does not pass:

The District will face a \$3.1 Million deficit in working to balance the upcoming budget.

Since 80% of the budget is personnel costs, cuts of this size will affect staffing.

Class size increases will result from reductions of the teaching staff.



If the levy doesn't pass:

As reductions are distributed across the budget, there would also be an expectation that staff reductions will affect all areas of district operations (administration, transportation, buildings and grounds, operations/technology)

Typically in these situations, school districts face cuts in activities programs and/or increases in participation fees. This area would also be affected.



If the levy doesn't pass:

Whatever number of teachers are cut, class sizes would increase.

An elementary grade of 100 students with 4 teachers = 25 students per room.

A cut of one teacher from that grade would result in 33 students per room.



← Teacher working with
24 students

Teacher working with
34 students →





A PASSED Operating Levy Referendum will help maintain:

Safe transportation (Students won't have to cross as many busy streets.)

A favorable 'bus service' policy-- Currently providing rides to:

ALL K-3

Grades 4 & 5 outside 1/2-mile radius

Grades 6-12 outside 1-mile radius, (with exceptions)

A maximum bus ride time of 65 min.



A FAILED Operating Levy Referendum will result in budget cuts:

Increasing the radius for the “no bus service” policy

Increasing bus ride times due to fewer buses filling from widely scattered stops

Adding additional traffic congestion during school hours with more parent cars.



Vote [vōt] Definition:

1. Formal choice for or against something.
2. Act of choosing.
3. Ballots cast.
4. Act of suffrage.
5. Means of expressing vote.
6. Result of balloting.
7. Group of voters.

A PASSED Operating Levy Referendum
will help maintain:
ACADEMIC opportunities for all children



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A FAILED Operating Levy Referendum will result in budget cuts:

Limiting class selection

Decreasing remedial education instruction

Cutting into gifted and talented programs

Reducing vocational training opportunities

Losing advanced placement and college-level classes within school

Cutting into technology and technology support

Limiting technology integration capabilities



What will the impact of the levy be on my property taxes?

If you own a home with a taxable market value of **\$200,000**

Current tax: \$160 per year

New tax: \$286 per year

Increase: \$126 per year (\$10.50 per month)

Increase: 35 cents per day

If you own a home with a taxable market value of **\$250,000**

Current tax: \$199 per year

New tax: \$358 per year

Increase: \$158 per year (\$13.17 per month)

Increase: 43 cents per day

(A more complete chart is available at the end of the slide program)



***95% of the students
who started their
2007 senior year at
NPAS graduated on
time—***

***That pathway to
graduation
is a year-by-year process
of quality education
from pre-school through
senior year—
and the results become a
lifetime benefit.***

***Local operating support
for schools
helps to make this
outstanding result
(and a more successful
future) happen!***



District schools impact everyone in the community



The opportunities provided for our students to succeed strengthen the future of our communities.



**New Prague Area Schools website for
more operating levy information:**



www.np.k12.mn.us

Thank you for your interest!



Additional Slides follow
for those
who may be interested



What would this new levy amount do to your property taxes?

<i>Taxable</i>	<i>Annual Property Tax</i>	<i>Annual Property Tax</i>	<i>Difference between the</i> <i>current levy at \$453</i> <i>and the proposed levy</i> <i>of \$757</i>	<i>Difference between the</i> <i>current levy at \$453</i> <i>and the proposed levy</i> <i>of \$757</i>
<i>Market Value</i> <i>of House</i>	<i>With <u>current</u> levy</i> <i>of \$453</i> <i>per student unit</i>	<i>With <u>proposed</u> levy</i> <i>of \$757</i> <i>per student unit</i>	<i>Property tax</i> <i>Increase <u>per YEAR</u></i>	<i>Property tax</i> <i>Increase <u>per MONTH</u></i>

\$100,000	\$80	\$143	\$63	\$5.25
\$125,000	\$100	\$179	\$79	\$6.58
\$150,000	\$120	\$215	\$95	\$7.92
\$175,000	\$140	\$250	\$111	\$9.25
\$200,000	\$160	\$286	\$126	\$10.50
\$225,000	\$180	\$322	\$142	\$11.83
\$250,000	\$199	\$358	\$158	\$13.17
\$275,000	\$219	\$393	\$174	\$14.50
\$300,000	\$239	\$429	\$190	\$15.83
\$350,000	\$279	\$501	\$221	\$18.42
\$400,000	\$319	\$572	\$253	\$21.08
\$450,000	\$359	\$644	\$285	\$23.75



<i>Taxable</i> <i>Market Value of House</i>	<i>Annual Property Tax</i> <i>With <u>current</u> levy of <u>\$453</u> per student unit</i>	<i>Annual Property Tax</i> <i>With <u>proposed</u> levy of <u>\$757</u> per student unit</i> ****	<i>Difference between the current levy at <u>\$453</u> and the proposed levy of <u>\$757</u></i> <i>Property tax Increase <u>per YEAR</u></i>	<i>Difference between the current levy at <u>\$453</u> and the proposed levy of <u>\$757</u></i> <i>Property tax Increase <u>per MONTH</u></i>
\$500,000	\$399	\$715	\$316	\$26.33
\$600,000	\$479	\$858	\$379	\$31.58
\$800,000	\$638	\$1,144	\$506	\$42.17
\$1,000,000	\$798	\$1,430	\$632	\$52.67
\$2,000,000	\$1,596	\$2,860	\$1,265	\$105.42
<p><i>For operating levies, <u>agricultural land</u> is taxed only on the value of the house, garage, and one acre of land. <u>Seasonal recreational property</u> is not taxed for an operating levy.</i></p>				
<p>**** <i>Historically, this number has decreased over the life of the levy based on increased growth in the district.</i></p>				



Why the differences?

***The New Prague Area School District
receives some state aid for transportation due to
the many miles covered by its buses***

but receives less state aid than schools:

- ***with higher free/reduced lunch enrollment.***
- ***with metro adjustment for higher personnel costs.***
- ***with higher levels of economic poverty.***

***So, the funding received from the local operating levy
makes an important impact in determining
the competitive quality of education
the District is able to provide for its students.***



District Contacts:

James Rouse , Superintendent	952-758-1701	jrouse@np.k12.mn.us
Dan Pyan , Finance Director	952-758-1702	dpyan@np.k12.mn.us
Bob Reed , Board Chair	952-758-3104	breed@np.k12.mn.us
Jerry Walerius , Vice Chair	952-758-3744	jwalerius@np.k12.mn.us
Dennis Havlicek , Clerk	952-758-4386	dennyhav@np.k12.mn.us
Marty Beckius , Treasurer	952-492-3852	mbeckius@np.k12.mn.us
Dan Carlson , Director	952-758-7881	dcarlson@np.k12.mn.us
Tom Fadden , Director	952-7581444	tfadden@np.k12.mn.us
Don Dvorak , Director	952-758-3995	ddvorak@np.k12.mn.us



Minnesota School Boards Association Levy Activity Fall, 2007

1	ACGC					Board meeting Sep 13 to decide	
2	Albert Lea					Board meeting Sep to decide	
3	Big Lake					Board meeting Sep to decide	
4	Canby					Board meeting Sep to decide	
5	Chokio-Alberta					Looking to restore \$2,360	
6	Comfrey					Board meeting Sep to decide	
7	Farmington					Board meeting Aug to decide	
8	Lake Superior					TBD	
9	MACCRAY					TBD after Aug 28 Board workshop	
10	Milaca					Board meeting Sep to decide	
11	Montgomery-Lonsdale					Board meeting Sep to decide	
12	Morris Area					Board meeting Sep to decide	
13	Norman Co East					TBD after Aug 28 Board workshop	
14	Owatonna					Board meeting Sep to decide	
15	Upsala					Board meeting Sep to decide	



Minnesota School Boards Association Levy Activity Fall, 2007

	District	levy now	Proposed	increase	% +	Situation	Yrs
16	Albany	\$ 405	\$ 700	\$ 295	73%		10
17	Anoka-Hennepin	\$ 562	\$ 1,113	\$ 551	98%		5
18	Balaton	\$ 887	\$ 1,200	\$ 313	35%		10
19	Belle Plaine	\$ -	\$ 300	\$ 300	#DIV/0!		10
20	Bemidji	\$ 501	\$ 700	\$ 199	40%		6
21	Blooming Prairie	350	\$ 700	\$ 350	100%		10
22	Bloomington	\$ 991	\$ 1,476	\$ 485	49%		10
23	Braham	\$ 297	\$ 475	\$ 178	60%		6
24	Brainerd	\$ 199	\$ 986	\$ 787	395%		10
25	Breckenridge	\$ -	\$ 700	\$ 700	#DIV/0!		7
26	Burnsville-Eagan-Savage	\$ 845	\$ 1,476	\$ 631	75%		10
27	Caledonia	\$ 725	\$ 725	\$ -	0%		10
28	Crosby-Ironton	\$ 405	\$ 1,000	\$ 595	147%		10
29	Cannon Falls	\$ 502	\$ 502	\$ -	0%		6
30	Cedar Mountain	\$ 538	\$ 700	\$ 162	30%		10



Minnesota School Boards Association Levy Activity Fall, 2007

District	levy now	Proposed	increase	% +	Situation	Yrs	
31	Dassel-Cokato	\$ -	\$ 429	\$ 429	#DIV/0!	with inflationary increases	7
32	Delano	\$ 475	\$ 710	\$ 235	49%		10
33	Dilworth-Glyndon-Felton	\$ -	\$ 500	\$ 500	#DIV/0!		6
34	East Grand Forks	\$ 126	\$ 626	\$ 500	397%		5
35	Edgerton	\$ 887	\$ 1,200	\$ 313	35%		10
36	Edina	\$ 1,505	\$ 1,783	\$ 278	18%		?
37	Elk River	\$ 697	\$ 1,000	\$ 303	43%		10
38	Frazee-Vergas	\$ -	\$ 1,000	\$ 1,000	#DIV/0!		5
39	Glencoe-Silver Lake	\$ 680	\$ 680	\$ -	0%		10
40	Grand Meadow	\$ 853	\$ 1,476	\$ 623	73%		?
41	Grand Rapids	\$ -	\$ 295	\$ 295	#DIV/0!		10
42	Granada-Huntley-EC	\$ 758	\$ 1,658	\$ 900	119%		10
43	Hancock	\$ 800	\$ 1,150	\$ 350	44%		10
44	Hayfield	\$ 400	\$ 600	\$ 200	50%		5
45	Hibbing	\$ 593	\$ 700	\$ 107	18%		10



Minnesota School Boards Association Levy Activity Fall, 2007

	District	levy now	Proposed	increase	% +	Situation	Yrs
46	Hinckley-Finlayson	\$ 126	\$ 300	\$ 174	138%		7
47	Holdington	\$ 500	\$ 700	\$ 200	40%		3
48	Houston	\$ 839	\$ 1,077	\$ 238	28%		7
49	Howard Lake-Waverly	\$ 101	\$ 295	\$ 194	192%		10
50	Inver Grove	\$ 369	\$ 769	\$ 400	108%		10
51	Jackson Co Central	\$ 50	\$ 1,000	\$ 950	1900%		10
52	Kenyon-Wanamingo	\$ 405	\$ 700	\$ 295	73%		6
53	Lake City	\$ 600	\$ 800	\$ 200	33%		8
54	Lake of the Woods	\$ 126	\$ 700	\$ 574	456%		10
55	Lakeville	\$ 839	\$ 1,211	\$ 372	44%		10
56	LeRoy Ostrander	\$ 844	\$ 1,444	\$ 600	71%		10
57	Mankato	\$ 445	\$ 636	\$ 191	43%		10
58	Marshall	\$ 200	\$ 675	\$ 475	238%		5
59	McCleod West	\$ 703	\$ 1,476	\$ 773	110%		10
60	Milroy	\$ 841	\$ 1,241	\$ 400	48%		5



Minnesota School Boards Association Levy Activity Fall, 2007

	District	levy now	Proposed	increase	% +	Situation	Yrs
61	Minnetonka	\$ 1,378	\$ 1,814	\$ 436	32%		10
62	Monticello	\$ 209	\$ 821	\$ 612	293%		10
63	Mountain Lake	\$ 860	\$ 1,470	\$ 610	71%		10
64	New Prague	\$ 453	\$ 757	\$ 304	67%		5
65	Northland Community	\$ 375	\$ 550	\$ 175	47%		5
66	Onamia	\$ 1	\$ 651	\$ 650	65000%		10
67	Osseo	\$ 842	\$ 1,470	\$ 628	75%		10
68	Parker's Prairie	\$ 402	\$ 850	\$ 448	111%		10
69	Pierz	\$ 500	\$ 700	\$ 200	40%		?
70	Pipestone	\$ 401	\$ 1,070	\$ 669	167%		10
71	Prior Lake	\$ 841	\$ 1,431	\$ 590	70%		10
72	Robbinsdale	\$ 848	\$ 1,472	\$ 624	74%		10
73	ROCORI	\$ 128	\$ 472	\$ 344	269%		6
74	St. Clair	\$ -	\$ 675	\$ 675	#DIV/0!		10
75	St. Cloud	\$ 551	\$ 650	\$ 99	18%		5



Minnesota School Boards Association Levy Activity Fall, 2007

	District	levy now	Proposed	increase	% +	Situation	Yrs
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76	St.Louis Co	\$ 126	\$ 626	\$ 500	397%		?
77	Sauk Centre	\$ 650	\$ 990	\$ 340	52%		?
78	Southland	\$ 847	\$ 1,440	\$ 593	70%		10
79	So. Washington Co	\$ 708	\$ 929	\$ 221	31%		10
80	Stillwater	\$ 818	\$ 1,311	\$ 493	60%		6
81	Tracy	\$ -	\$ 600	\$ 600	#DIV/0!		10
82	Triton	\$ 400	\$ 700	\$ 300	75%		10
83	Truman	\$ 10	\$ 1,475	\$ 1,465	14650%		10
84	United So Central	\$ 642	\$ 1,000	\$ 358	56%		5
85	Wabasso	\$ 500	\$ 1,000	\$ 500	100%		10
86	Waconia	\$ 440	\$ 675	\$ 235	53%		10
87	Wadena-Deer Creek	\$ 101	\$ 700	\$ 599	593%		10
88	White Bear Lake	\$ 841	\$ 1,470	\$ 629	75%		5
89	Windom Area	\$ 415	\$ 1,330	\$ 915	220%		7
90	West St. Paul-Mend Hgt	\$ 948	\$ 1,168	\$ 220	23%		10
91	Westonka	\$ 1,136	\$ 1,471	\$ 335	29%		10
92	Wrenshall	\$ -	\$ 629	\$ 629	#DIV/0!		5
	averages	\$ 498	\$ 934	\$ 437			