## New Prague Area Schools

**Independent School District No. 721** Website: www.np.k12.mn.us

District Office 410 Central Ave No New Prague MN 56071

Office of the Superintendent

Phone: 952-758-1700 Fax: 952-758-1799



Hi,

Our school board has made the decision to put a general operating fund referendum on this year's November 8<sup>th</sup> school board election. The general operating fund is our main fund, providing the bulk of the money to pay our bills. It is also the only fund that is not restricted in its use. All of our other funds are limited in what they may be used for.

As we all know too well the recent years have been difficult ones for our country and our state. Money has been sparse for everyone. Since schools get most of our funding from state sources, this has put an even more severe squeeze on all districts. Our state simply hasn't been able to provide us with adequate funding to support our schools. The burden to provide additional money to operate our schools has fallen back to the local districts. This has been in the form of the operating referendum. Today, 90% (304 of 337) of school districts have operating referendums in place. As yearly costs continue to increase in districts, local boards of education, across the state, are finding it necessary to ask their citizens for an increase in their operating referendums. According to the Minnesota School Boards' Association, 133 districts will have a referendum question on the ballot this November. Of this number 121 will be operating referendums. This is the second largest number in one year since 1991.

Our present operating referendum is set to expire after the 2012-2013 school year. This levy provides us with additional revenue of \$757 per pupil unit for an approximate dollar amount of \$3.1 million. This is approximately 10 % of our operating budget. We cannot afford to lose the money we receive from this levy. To do so would be devastating to our ability to meet the financial requirements of our district.

Our board has decided to run a replacement referendum to start in 2013-14. Like our expiring referendum it will be for five years. This referendum will ask for \$857 per pupil, which is an increase of \$100 per pupil over our present referendum amount. Their reasoning for asking for this small increase is that, despite our district making budget adjustments and reductions totaling over one million dollars the past several years, our financial projections indicate our fund balance will begin to decline again in 2013-2014, which would be the first year of this referendum. Too, using figures obtained from the MN. Dept. of Ed., our finance director, Sandy Linn, has computed that, to have the same buying power, the present \$757 referendum approved in 2007 would have to be over \$800 per pupil today. The proposed \$857 amount would put us near last year's state average of \$847. We anticipate this average going up this year.

When we talk about the dollar amount above, people sometimes confuse the increase with what their taxes will increase. However, this is not the case. The \$100 per pupil increase over the present referendum for example, will raise taxes on a home in our district approximately \$24 per year for each \$100,000 of assessed valuation.

Please note, when you go to vote, the question can be confusing. It says we are proposing to increase our general fund revenue by \$857. Because our \$757 levy is expiring this is how the wording must be. What we are asking is to keep our present \$757 levy and increase it by the \$100 amount. Please don't let this ballot language confuse you into thinking we are asking for an additional \$857. We are not.

Thank you for reading this. If you have questions, please call me at 952-758-1701, or e-mail me at lkauzlarich@np.k12.mn.us.

Sincerely,

Larry Kauzlarich, Supt.

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Below are some examples of estimated taxes for this levy



Below are some estimates you can use to see what your tax might be, if you don't want to use the tax calculator on our website.

## **Estimated Additional Taxes for Referendum Levy**

Taxable Market Value	Net Change	Tax Market Value	Net Change
\$ 50,000	\$12	\$ 400,000	\$ 96
\$100,000	\$24	\$ 450.000	\$108
\$150,000	\$36	\$ 500,000	\$120
\$200,000	\$48	\$ 550,000	\$132
\$250,000	\$60	\$ 600,000	\$144
\$300,000	\$72	\$ 650,000	\$156
\$350,000	\$84	\$ 700,000	\$168

<sup>\*\*</sup> Please note, the market value for farms is calculated on the house and one acre only. If you are a farmer and want to get this accurately, you will need to contact your county tax department. However, the above figures should be relatively close for a farm home plus one acre.

We have placed a tax calculator on our district website, which will allow you to plug in the assessed valuation for your home. If you are uncertain where to find your assessed valuation, it is on the property tax statement you receive from your county. To use the tax calculator follow these steps: (1) Go to the New Prague district's website. It can be found at <a href="www.np.k12.mn.us">www.np.k12.mn.us</a>. (2) click on the "school board" link on the top line. (3) Click on "Election Information. (4) On the left side links click on "tax impact". (5) under current: Nov. 8 election, you'll see "tax calculator", click on this. (6) under point "2" put your home's assessed valuation (again, found on your county property tax statement). (7) after doing #6, click on "calculate" in point #3. Your tax for this referendum will pop up.

The polling places for this election and the precincts served by those polling places will be as follows:

St Patrick's Social Hall Scott County residents living in Cedar Lake and Helena Townships

Eagle View Gym Scott County residents living in Elko New Market and New Market Township

Lonsdale City Hall District 721 residents living in the City of Lonsdale

Crusader Civic Center, Lonsdale
Central Educational Campus Gym

Rice County residents living in Erin , Forest, Webster, and Wheatland Townships
LeSueur and Scott County residents living in the City of New Prague, Precinct #1

and #2; Belle Plaine, Derrynane, and Lanesburg Townships

Any eligible voter residing in the school district may vote at said election at the polling place designated for the precinct in which he or she resides. The polls for said election will be opened at 7:00 a.m. and will close at 8:00p.m. on the date of the election. A voter must be registered to vote to be eligible to vote in this election. An unregistered person may register at the polling place on election day.