COMMUNITY AND
SCHOOL WORKING
TOGETHER TO ENSURE
CHILDREN
RECEIVE AN EDUCATION
THAT EMPOWERS THEM
TO ACHIEVE THEIR
INDIVIDUAL BEST.

Milroy Public School

Student Focused - Dedicated - Positive - Teamwork

## Milroy Public School

Student Focused - Dedicated - Positive - Teamwork

October 1, 2020

#### DEAR MILROY PUBLIC SCHOOL DISTRICT RESIDENTS,

At the upcoming, November 3rd 2020 Election, Milroy Public School will be presenting voters with a two question ballot including a Capital Project Levy and an Operating Referendum. The goal of the referendum election is to provide a reduction in taxes for homeowners in taxes payable in 2021 by rebalancing property taxes across property types.

The net change of the passing of both referendum questions would result in a tax decrease in annual property taxes for residential, commercial, and industrial properties. For agriculture land owners, the net change would result in an increase on taxes paid on agriculture land, while keeping agriculture property tax levels at some of the lowest in the area. You will find more information enclosed and further information on our website at milroy.k12.mn.us.

The purpose of this mailing is to provide information to voters to help in understanding the ballot questions. There will be a subsequent mailing that will provide you with the wording that will be found on ballots, which is a required referendum notice and is more formal in nature. Please visit the school website for additional information regarding the upcoming referendum. You are welcome to call the school at 507.336.2563 if you have questions.

#### SINCERELY,

Heidi C. Sachariason Milroy Public School Principal & Superintendent Heidi.Sachariason@milroyschools.org

Kim Jenniges
Milroy Public School
Board Chair
Kim.Jenniges@milroyschools.org

103 Prospect Street Milroy, MN 56263 507.336.2563

Website: www.milroy.k12.mn.us

## Milroy Public School

CAPITAL PROJECT LEVY & OPERATING REFERENDUM

During the November 3rd Election, Milroy Public School District will present voters with a two question ballot, including a capital project levy and an operating referendum

### SUMMARY OF BALLOT QUESTIONS

#### **Ouestion 1**

Capital Project Levy authority to raise approximately \$120,000 annually



The result of Question 1 would be to balance property tax burden across property types and provide additional reduction to homeowners for taxes payable in 2021.

REFERENDUM ELECTION GOAL

#### Question 2

(contingent on passage of Question 1) Revoke a portion (\$1,160.09 per pupil) of existing operating referendum authority



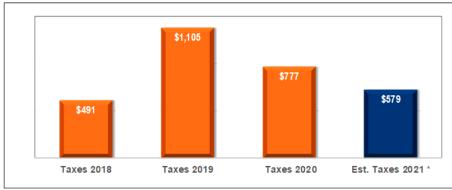
The result of Question 2 would be to reduce taxes payable 2021, which would more than offset the tax impact of the proposed capital project referendum in Question 1 for residential (including HGAs) and commercial properties

#### Milroy Public School

4 year Comparsion of Total School Property Taxes on a Home with an Estimated Market Value of \$100,000

#### 4 YEAR COMPARISION

If both questions pass on November 3rd, homeowners with an estimated market value of \$100,000 would see a 34% decrease in taxes from taxes payable 2020, bringing taxes much closer to the levels prior to 2019 as you can see on the table to the right.



Source: Pay 20 School Tax Report

- \* Does not include changes for any other school tax levies as compared to taxes payable in 2020
- \* Assumes passage of a November 2020 referendum with increase of \$120,000 Capital Projects Levy and decrease of \$100,000 Capital Projects Levy and decrease of

The tax impact would vary based on property type. Please turn over this mailing to see a table that will help you estimate what the tax impact would be for you and your property in the MPS District.

#### ESTIMATED TAX IMPACT

# Voting YES On Both Questions

By voting YES on both Questions on November 3, Home Owners of the Milroy Public School District will see a *net decrease* in property taxes beginning with taxes payable 2021.

# Voting NO On Both Questions

By voting NO on on both Questions on November 3, Home Owners of the Milroy Public School District will have taxes at similar levels on taxes they paid in 2020.

### Milroy Public School District, ISD 635 Estimated Tax Impact of November 3, 2020 Election

	Question 1  Capital  Project Levy	Revoke Portion of	Net Change
Taxes Payable 2021 Revenue (Fiscal Year 2021-22)	\$120,000	-\$100,000	\$20,000

Type of Property	Estimated Market Value	Estimated Annual Tax Impact in 2021*		
Residential Homestead	\$50,000 75,000 100,000 125,000 150,000 200,000 250,000 300,000 400,000 500,000	\$11 17 27 38 48 69 90 111 153 191	-\$112 -169 -225 -281 -337 -450 -562 -675 -900 -1,125	-\$101 -152 -198 -243 -289 -381 -472 -564 -747 -934
Commercial/ Industrial	\$50,000 100,000 250,000 500,000	\$29 57 163 354	-\$112 -225 -562 -1,125	-\$83 -168 -399 -771
Agricultural Homestead** (dollars per acre)** of land & buildings)	\$4,000 5,000 6,000 7,000 8,000	\$0.77 0.96 1.15 1.34 1.53	\$0 0 0 0	\$0.77 0.96 1.15 1.34 1.53
Agricultural Non-Homestead** (dollars per acre)** of land & buildings)	\$4,000 5,000 6,000 7,000 8,000	\$1.53 1.91 2.30 2.68 3.06	\$0 0 0 0	\$1.53 1.91 2.30 2.68 3.06

NOTE: Question 2 is contingent on Question 1 passing. For Question 2 agricultural property will receive a reduction in taxes for the proposed revoked operating referendum authority, based only on the value of the house, garage and one acre.

<sup>\*\*</sup> For all agricultural property, average value per acre is the total estimated market value of all land & buildings divided by total acres. If the property includes a home, then the tax impact on the house, garage, and one acre of land will be calculated in addition to the taxes per acre, on the same basis as a residential homestead or non-homestead property. If the same property owner owns more than \$1.9 million of agricultural homestead land and buildings, a portion of the property will be taxed at the higher non-homestead rate.



<sup>\*</sup> The amounts in the table are based on school district taxes for the proposed capital project levy or operating referendum only, and do not include tax levies for other purposes.