

E-12 FY 2006-2007 Budget Supplemental

Property Tax Levy Tracking, Based on Feb 06 Fcst

2006 Session

(\$ in thousands)

	FY 2002 Pay 2001 Certified	FY 2003 Pay 2002 Certified	FY 2004 Pay 2003 Certified	FY 2005 Pay 2004 Certified	FY 2006 Pay 2005 Certified	FY 2007 Pay 2006 Cert. Est.	FY 2008 Pay 2007 Cert. Est.	FY 2009 Pay 2008 Cert. Est.
1 GENERAL FUND								
2 General Ed	1,330,684.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3 Attached Machinery Adj	(808.7)	(810.1)	(810.1)	0.0	810.1	0.0	0.0	0.0
4 Facilities & Equipment Bond Adj.	(8,706.2)	(7,927.6)	(7,257.9)	(6,534.7)	(6,414.2)	(6,256.2)	(6,550.0)	(6,750.0)
5 Training & Experience Levy	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6 Transition -- Old Formula	4,655.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7 Transition -- New Formula	0.0	0.0	0.0	19,221.6	17,925.4	22,075.0	23,342.0	24,292.8
8 Equity	0.0	0.0	0.0	21,705.4	24,697.5	61,937.3	70,602.6	76,112.6
9 Operating Capital	0.0	0.0	0.0	39,859.1	44,092.9	101,597.2	112,276.1	122,263.5
10 Alternative Compensation (Q.Comp)	0.0	0.0	0.0	0.0	0.0	6,153.8	23,199.1	25,392.7
11 Supplemental	4,617.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12 Subtotal-General Educ	1,330,442.5	(8,737.7)	(8,068.0)	74,251.4	81,111.7	185,507.1	222,869.8	241,311.6
13								
14 Referendum	364,493.0	226,359.4	347,654.5	377,373.2	403,914.4	474,844.3	569,022.1	665,636.5
15								
16 Additional Retirement	8,391.3	9,168.1	9,649.4	9,885.0	10,354.4	10,735.1	11,271.9	11,835.5
17 St. Paul Severance	525.9	433.3	662.2	777.9	834.3	911.9	946.7	1,055.6
18 Minneapolis Health Insurance	0.0	261.9	291.5	323.3	355.1	389.8	445.5	496.7
19 Early Retirement Health Insurance	2,613.7	1,592.5	751.7	164.2	0.0	0.0	0.0	0.0
20 Early Retirement Health Benefits	3,625.4	4,071.4	4,278.7	3,319.9	2,674.8	3,338.8	3,171.9	3,013.3
21 Reorganization Severance	1,330.7	866.0	621.3	630.1	668.3	316.8	316.8	316.8
22 Integration	15,322.4	27,374.4	19,513.4	24,324.8	24,661.9	25,271.1	25,617.6	25,179.2
23 Unemployment Insurance	1,989.4	3,775.1	8,251.1	3,333.5	3,201.6	9,420.6	9,891.6	10,386.2
24 Operating Debt	593.1	502.9	525.4	174.1	175.7	187.7	103.7	0.0
25 Reorganization Operating Debt	705.4	378.1	378.1	212.4	196.1	0.0	0.0	0.0
26 Safe Schools (Crime)	9,984.5	10,065.9	27,615.2	24,395.1	24,196.1	24,055.1	24,718.9	24,513.8
27 Judgments	451.7	494.9	185.7	87.0	85.5	1,740.8	1,740.8	1,740.8
28 Swimming Pool	0.0	411.7	383.4	424.2	457.0	508.5	585.0	673.0
29 Ice Arena	608.4	751.4	840.1	747.2	742.5	895.2	967.0	1,044.0
30 Lost Interest Earnings	0.0	0.0	5,990.4	2,992.8	2,987.7	2,975.1	0.0	0.0
31 Tree Growth	0.0	0.0	631.1	630.2	618.0	620.8	630.2	630.2
33 Staff Development	34.9	33.7	36.3	0.0	0.0	0.0	0.0	0.0
34 MDE Reconciliation -- Misc. Levies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
35 Career and Technical	0.0	12,497.9	12,620.3	12,505.7	12,678.2	12,689.2	12,689.2	15,278.2
36 Carpenter Bus	0.0	0.0	0.0	0.0	0.0	3,170.9	1,067.5	711.6
37 Administrative District Levy	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
38 Economic Development Abatement	0.0	353.0	299.6	359.5	413.7	491.6	540.8	594.9
39 Other General	173.7	135.2	342.1	232.0	116.4	123.2	123.2	123.2
40								
41 Hazardous/ Health & Safety	76,623.2	122,775.9	127,277.2	89,326.5	83,014.1	66,702.4	70,531.5	75,646.0
42 Alternative Facilities H&S	0.0	0.0	0.0	9,827.6	4,953.8	6,496.9	7,276.6	8,149.7
43 Alternative Facilities H&S Debt Aid	0.0	0.0	0.0	(346.6)	0.0	0.0	0.0	0.0
44 Alternative Facilities	27,268.6	39,683.1	39,934.7	47,697.8	59,227.3	56,466.5	71,658.7	79,541.2
45 Alternative Facilities Aid	(2,829.8)	(2,829.8)	(2,829.8)	(2,829.8)	(2,828.8)	(2,829.8)	(2,829.8)	(2,829.8)
46 Alternative Facilities Debt Aid	(120.5)	(838.7)	(98.5)	0.0	0.0	0.0	0.0	0.0
47 Disabled Access	1,789.2	1,126.2	1,062.5	414.0	326.0	465.6	450.0	400.0
48 Building Lease	33,569.0	39,326.1	40,959.5	37,057.5	35,652.0	39,989.4	41,429.0	42,879.0

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49 Deferred Maintenance	0.0	0.0	0.0	0.0	0.0	0.0	24,231.3	25,638.4
50								
51 Historic Building	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
52 Capital Projects Refer/Facilities Down Payment	2,659.1	7,192.7	10,926.1	13,603.5	21,076.8	25,349.5	26,849.5	28,000.0
53 Interactive TV / Technology	1,032.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
54 Technology	699.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
55 Other Capital	27.2	439.0	39.0	39.0	39.0	56.0	39.0	39.0
56								
57 Last Year General Education Adjustment	(505.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
58 Last Year Transition, Equity, Op Cap Adjustment	(880.3)	(774.8)	0.0	0.0	(2,011.3)	3,114.9	3,381.2	0.0
59 Last Year Alternative Compensation Adjustment	0.0	0.0	0.0	0.0	0.0	0.0	9,678.1	0.0
59 Last Year Supplemental & Referendum Adjust	1,209.0	14.7	(1,656.7)	2,307.5	(286.3)	4,219.8	8,705.0	0.0
60 Alternative Compensation -- Catch Up	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
61 Last Year Integration Adjustment	0.0	2,552.9	1,490.3	(247.1)	(60.9)	559.9	819.5	0.0
62 Career & Technical Adjustment	0.0	0.0	(21.5)	0.0	0.0	0.0	0.0	0.0
63 Special Education Adjustment -- Final Data	223.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
64 Debt Surplus Transfer Adjustment	0.0	(189.2)	0.0	(67.4)	0.0	0.0	0.0	0.0
65 Final Health & Safety Adjustment	(1,204.4)	(215.4)	(1,785.4)	(298.2)	(787.6)	(1,299.4)	(1,000.0)	(800.0)
66 2nd Prior Year Health & Safety Adjustment	(508.6)	(3,525.0)	(4,177.8)	(1,292.9)	(1,215.4)	(770.1)	(600.0)	(600.0)
67 Last Year Health & Safety Adjustment	(5,156.6)	(1,695.9)	(12,803.3)	(22,957.9)	(16,354.4)	(9,281.9)	(8,000.0)	(7,000.0)
68 Other Capital Limit Adjustment	(287.4)	24.3	4.4	4.7	0.0	0.0	0.0	0.0
69 Other General Limit Adjustment	4,603.8	1,710.1	834.1	1,631.1	75.8	(2,591.3)	4,792.8	4,565.5
70								
71 Abatement Adjustment-Initial	1,378.4	1,417.1	3,187.9	1,854.0	2,645.4	3,391.8	3,397.5	3,350.7
72 Abatement Change	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
73 Abatement Interest	78.1	205.7	289.7	1,424.4	32.1	35.5	36.2	36.9
74 Abatement Final Adjustment	0.0	(512.4)	0.0	0.0	(112.6)	0.0	0.0	0.0
75 Abatement Carryover	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
76 Abatement Advance	(154.9)	(936.2)	(1,553.1)	(32.0)	279.8	(324.5)	0.0	0.0
77 Net Offset Adjustment	0.0	311.9	21.4	354.1	356.1	(489.0)	0.0	0.0
78								
79 Total -- General Fund	1,880,798.9	496,051.4	634,554.2	714,613.3	754,464.3	947,455.8	1,147,566.3	1,261,557.8
80								
81 COMMUNITY SERVICE FUND								
82								
83 Basic Community Education	19,218.2	31,245.4	33,640.5	33,715.0	35,000.5	36,378.0	37,565.4	38,429.2
84 Early Childhood Family Education	20,984.0	22,084.2	22,179.9	22,130.5	22,120.1	22,147.5	22,135.0	22,135.0
85 ECFE Home Visiting	513.1	528.9	534.1	537.5	539.1	553.0	564.6	570.2
86 Community Education Grandfather	595.1	528.3	525.4	0.0	0.0	0.0	0.0	0.0
87 School Age Care/Extended Day	5,753.4	6,645.9	7,749.9	8,099.0	8,893.3	9,668.1	14,171.0	15,967.0
88 Adults with Disabilities	669.0	669.0	643.4	670.0	670.0	670.0	670.0	670.0
89 Other Community Ed	0.0	24.4	19.3	34.6	51.7	56.8	56.8	56.8
90								
91 Limit Adjustment	436.1	422.2	632.3	1,058.8	1,023.6	647.2	1,798.9	2,237.2
92 Community Education Excess Fund Balance	0.0	0.0	0.0	(5,226.2)	(879.3)	(682.5)	(478.0)	(248.0)
93 ECFE Excess Fund Balance	0.0	0.0	0.0	(896.3)	(360.6)	(269.7)	(370.0)	(163.0)
94 Abatement Levy	99.6	33.5	184.5	192.3	120.6	153.7	243.8	262.8

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95 Abatement Interest	0.0	0.0	0.0	0.0	2.5	2.9	3.0	3.1
96 Abatement Final Adjustment	0.0	0.0	0.0	0.0	(29.5)	0.0	0.0	0.0
97 Carry-Over Abatement Adjustment	0.0	27.4	0.0	0.3	0.0	0.0	0.0	0.0
98 Advance Abatement Adjustment	(0.4)	(16.1)	106.1	(24.9)	(0.9)	(21.5)	0.0	0.0
99 Net Offset Adjustment	0.0	(271.8)	(57.0)	(78.9)	(95.3)	2.0	0.0	0.0
100								
101 Total -- Community Service Fund	48,268.1	61,921.3	66,158.4	60,211.7	67,055.8	69,305.5	76,360.5	79,920.3
102								
103 DEBT SERVICE FUND								
104								
105 Basic Debt Levy or Max Effort	470,750.6	501,047.8	529,201.3	557,095.6	581,797.6	608,861.8	626,345.0	643,464.3
106 Debt Equalization (Fund 7)	(25,878.9)	(32,141.2)	(37,426.9)	(29,293.6)	(25,050.8)	(17,672.4)	(20,218.1)	(15,640.9)
107 Additional Maximum Effort	0.0	2,591.2	2,156.7	2,200.5	2,217.7	920.3	850.0	800.0
108								
109 Energy Loan	2,579.2	2,035.5	1,642.9	1,702.5	1,725.6	468.7	450.0	400.0
110 Lease Purchase (Fund 7)	36,693.1	38,254.6	41,698.9	39,592.8	38,401.8	34,664.2	35,164.0	35,000.0
111 Alternative Facilities Health and Safety Offset	0.0	0.0	0.0	4,356.8	8,222.8	15,064.9	18,083.9	20,796.5
112 Alternative Facilities Debt	35,327.1	43,709.6	59,429.5	54,359.1	57,922.3	63,029.8	64,952.1	68,346.8
113 Alternative Facilities Debt Aid (Fund 7)	(16,456.2)	(16,456.2)	(17,279.0)	(17,279.0)	(17,279.0)	(17,279.0)	(17,279.0)	(17,279.0)
114 Adjustment for Alternative Aid	0.0	(838.7)	0.0	0.0	0.0	0.0	0.0	0.0
115 Adjust for Taconite on Bonds	0.0	(4,501.7)	(5,061.3)	(5,189.8)	(5,086.1)	(4,911.3)	(4,900.0)	(4,900.0)
116								
117 Facilities	5,933.1	6,376.3	5,622.8	6,950.7	6,683.2	5,706.4	5,800.0	6,000.0
118 Equipment	3,466.1	2,148.7	1,904.3	27.8	42.1	746.6	750.0	750.0
119 Secondary Cooperative Facilities Debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
120								
121 Limit Adjustment	(895.2)	(175.0)	16.4	(61.2)	(481.0)	6.3	0.0	0.0
122 Abatement Levy	1,153.0	1,718.9	5,950.3	4,754.2	2,641.4	2,868.6	3,091.5	3,147.5
123 Abatement Interest	0.0	0.0	0.0	0.0	23.2	29.6	30.2	30.8
124 Abatement Final Adjustment	0.0	0.0	0.0	0.0	(142.1)	0.0	0.0	0.0
125 Reconcile for Abatements	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
126 Abatement Carry-over	482.5	622.9	0.0	121.7	0.0	12.4	0.0	0.0
127 Abatement Advance	(53.4)	268.2	909.5	(265.8)	(23.6)	(222.1)	0.0	0.0
128 Net Offset Adjustment	0.0	0.0	0.0	0.0	0.0	(4.5)	0.0	0.0
128								
129 Reduction for Debt Excess	(23,726.8)	(34,387.8)	(14,508.7)	(28,195.5)	(24,562.6)	(25,159.8)	(24,500.0)	(24,500.0)
130								
131 Total -- Debt Service Fund	489,374.2	510,273.1	574,256.7	590,876.8	627,052.5	667,130.5	688,619.6	716,416.0
132								
133								
134 Total School District Levies	2,418,441.2	1,068,245.8	1,274,969.3	1,365,701.8	1,448,572.6	1,683,891.8	1,912,546.4	2,057,894.1
135								
136 Subtotal -- Operating Levies	1,929,067.0	557,972.7	700,712.6	774,825.0	821,520.1	1,016,761.3	1,223,926.8	1,341,478.1
137 Subtotal -- Non-Operating Levies	489,374.2	510,273.1	574,256.7	590,876.8	627,052.5	667,130.5	688,619.6	716,416.0
138								
139 Statutory Operating Debt	50.4	49.7	18.8	0.0	0.0	0.0	0.0	0.0

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140								
141	2,418,491.6	1,068,295.5	1,274,988.1	1,365,701.8	1,448,572.8	1,683,891.8	1,912,546.4	2,057,894.1
142	136,367.1	(1,350,196.1)	206,692.6	90,713.7	82,871.0	235,319.0	228,654.6	145,347.7
143	6.0%	-55.8%	19.3%	7.1%	6.1%	16.2%	13.6%	7.6%
144								
145								
146	HACA 13,468.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
147	Education Homestead Credit 404,102.4	806.0	111.0	6.0	9.0	0.0	0.0	0.0
148	Education Agricultural Credit 55,116.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
149	Market Value Homestead Credit 0.0	68,860.0	68,531.0	67,982.0	58,749.0	58,959.0	56,468.0	53,776.0
150	Market Value Agriculture Credit 3,854.0	3,854.0	5,879.0	5,209.0	5,296.0	5,545.0	5,545.0	5,545.0
151	Other Credits 12,290.9	8,351.0	9,003.0	9,195.0	8,774.0	9,394.0	9,427.0	9,461.0
152	CREDITS SUBTOTAL 484,978.2	81,871.0	83,524.0	82,392.0	72,828.0	73,898.0	71,440.0	68,782.0
153								
154	TOTAL CERTIFIED LEVIES (Post Credits)* 1,933,513.4	986,424.5	1,191,464.1	1,283,309.8	1,375,744.8	1,609,993.8	1,841,106.4	1,989,112.1
155	Change from Prior Year 128,898.5	(947,088.9)	205,039.6	91,845.7	92,435.0	234,249.0	231,112.6	148,005.7
156	Percent Change from Prior Year 7.1%	-49.0%	20.8%	7.7%	7.2%	17.0%	14.4%	8.0%
157								
158	Change from Base							
159	Percent Change from Base							
160								
161								
162	TOTAL CERTIFIED K-12 LEVIES (Post Credits)* 1,885,245.3	924,503.2	1,125,305.7	1,223,098.1	1,308,688.8	1,540,688.3	1,764,745.9	1,909,191.8
163	Change from Prior Year 124,555.5	(960,742.1)	200,802.5	97,792.4	85,590.7	231,999.5	224,057.6	144,445.9
164	Percent Change from Prior Year 7.1%	-51.0%	21.7%	8.7%	7.0%	17.7%	14.5%	8.2%
165								
166	Change from Base							
167	Percent Change from Base							
168								
169	*Does not include taconite adjustments							

REFERENDUM, EQUITY, AND TRANSITION REVENUE EQUALIZATION
Increase First Tier to \$750,000
FY 2008, Taxes Payable 2007

	Adjusted ADMs	CURRENT LAW								INCREASE FACTOR TO \$750,000								Aid Difference	Diff Per AADM
		Equity Levy	Equity Aid	Refndm Levy	Refndm Aid	Trans Levy	Trans Aid	Aid Grand Tot.	Per AADM	Equity Levy	Equity Aid	Refndm Levy	Refndm Aid	Trans Levy	Trans Aid	Aid Grand Tot.	Per AADM		
Grand Totals	813,770	70,602,566	23,588,940	569,022,140	92,507,515	23,342,045	6,606,665	122,424,052	150	49,166,116	45,025,390	461,127,125	200,402,530	16,444,139	13,504,571	258,653,424	318	136,229,371	167
1 Aitkin	1,225	256,609	34,548	74	10	51,051	6,873	41,431	34	162,861	128,296	47	37	32,400	25,524	153,857	126	112,426	92
1.03 Minneapolis	33,395	1,770,227	0	26,558,616	0	6,849,990	0	0	0	1,456,312	313,915	21,858,748	4,699,868	5,635,279	1,214,711	6,228,494	187	6,228,494	187
2 Hill City	308	15,673	28,461	0	0	6,203	11,264	39,725	129	9,947	34,187	0	0	3,937	13,530	47,717	155	7,992	26
4 McGregor	431	95,733	7,989	474	40	0	0	8,029	19	60,758	42,964	301	213	0	0	43,177	100	35,148	82
6 South St. Paul	2,905	337,379	23,020	2,599,476	140,871	88,075	6,010	169,901	58	214,123	146,276	1,845,030	895,317	55,899	38,186	1,079,779	372	909,878	313
11 Anoka-Hennepin	40,380	4,092,068	1,217,135	25,788,845	7,658,206	1,057,620	314,576	9,189,917	228	2,597,099	2,712,104	16,367,320	17,079,731	671,236	700,960	20,492,795	507	11,302,878	280
12 Centennial	6,961	609,932	310,243	3,646,593	1,854,851	0	0	2,165,094	311	387,103	533,072	2,314,371	3,187,073	0	0	3,720,145	534	1,555,051	223
13 Columbia Heights	2,766	302,124	0	3,023,830	0	0	0	0	0	206,133	95,991	2,258,747	765,083	0	0	861,074	311	861,074	311
14 Fridley	2,533	312,797	0	2,415,492	0	0	0	0	0	208,938	103,859	1,852,424	563,068	0	0	666,927	263	666,927	263
15 St. Francis	6,133	673,773	297,164	2,051,909	904,981	50,452	22,252	1,224,397	200	427,622	543,315	1,302,278	1,654,612	32,020	40,684	2,238,611	365	1,014,214	165
16 Spring Lake Park	4,496	549,460	0	4,150,356	0	233,748	0	0	0	434,885	114,575	3,443,444	706,912	185,006	48,742	870,229	194	870,229	194
22 Detroit Lakes	2,600	260,034	101,408	660,422	256,987	18,173	7,087	365,482	141	165,035	196,407	419,148	498,261	11,534	13,726	708,394	272	342,912	132
23 Frazee	1,029	80,712	79,056	0	0	19,232	18,837	97,893	95	51,225	108,543	0	0	12,206	25,863	134,406	131	36,513	35
25 Pine Point	69	0	10,037	0	0	0	14,034	24,071	349	0	10,037	0	0	0	14,034	24,071	349	0	0
31 Bemidji	4,488	325,827	224,161	1,703,685	1,172,095	2,068	1,423	1,397,679	311	206,791	343,197	1,081,272	1,794,508	1,313	2,178	2,139,883	477	742,204	165
32 Blackduck	644	61,481	89,606	295	431	12,816	18,678	108,715	169	39,020	112,067	187	539	8,134	23,360	135,966	211	27,251	42
36 Kelliher	234	12,288	29,698	3,095	7,480	12,354	29,859	67,037	286	7,799	34,187	1,964	8,611	7,841	34,372	77,170	330	10,133	43
38 Red Lake	1,470	65	99,373	2,271	2,567,373	216	330,296	2,997,042	2,039	41	99,397	1,939	2,567,705	137	330,375	2,997,477	2,039	435	0
47 Sauk Rapids	3,627	216,554	129,382	0	0	17,587	10,508	139,890	39	137,439	208,497	0	0	11,162	16,933	225,430	62	85,540	24
51 Foley	1,633	125,044	107,851	221,421	190,976	9,017	7,777	306,604	188	79,361	153,534	140,528	271,869	5,723	11,071	436,474	267	129,870	80
62 Ortonville	399	20,990	24,971	203,767	177,725	0	0	202,696	508	13,322	32,639	154,261	227,231	0	0	259,870	651	57,174	143
75 St. Clair	632	55,430	22,881	0	0	2,697	1,113	23,994	38	35,180	43,131	0	0	1,712	2,098	45,229	72	21,235	34
77 Mankato	6,960	869,344	32,156	3,416,760	101,403	203,307	7,520	141,079	20	551,744	349,756	2,168,503	1,349,660	129,032	81,795	1,781,211	256	1,640,132	236
81 Comfrey	153	3,109	8,248	89,771	66,548	4,464	11,841	86,637	566	1,973	9,384	73,518	82,801	2,833	13,472	105,657	691	19,020	124
84 Sleepy Eye	577	54,367	33,936	0	0	4,277	2,669	36,605	63	34,505	53,798	0	0	2,714	4,232	58,030	101	21,425	37
85 Springfield	565	19,936	50,336	115,118	290,650	2,305	5,821	346,807	614	12,653	57,619	73,061	332,707	1,463	6,663	396,989	703	50,182	89
88 New Ulm	2,000	215,150	47,365	890,861	193,852	0	0	241,217	121	136,549	125,966	565,400	519,313	0	0	645,279	323	404,062	202
91 Barnum	638	43,699	47,571	67,885	73,900	5,463	5,947	127,418	200	27,734	63,536	43,084	98,701	3,467	7,943	170,180	267	42,762	67
93 Carlton	560	41,688	27,765	240,025	159,865	653	435	188,065	336	26,458	42,995	152,336	247,554	414	674	291,223	520	103,158	184
94 Cloquet	2,493	210,049	162,257	143,556	110,893	2,618	2,022	275,172	110	133,311	238,995	91,110	163,339	1,661	2,979	405,313	163	130,141	52
95 Cromwell	327	24,046	21,082	0	0	6,512	5,709	26,791	82	15,261	29,867	0	0	4,133	8,088	37,955	116	11,164	34
97 Moose Lake	741	65,462	39,658	120,154	72,790	0	0	112,448	152	41,547	63,573	76,258	116,686	0	0	180,259	243	67,811	92
99 Esko	1,139	81,531	70,872	246,616	214,375	2,086	1,814	287,061	252	51,745	100,658	156,519	304,472	1,324	2,576	407,706	358	120,645	106
100 Wrenshall	316	33,092	11,955	0	0	3,766	1,361	13,316	42	21,002	24,045	0	0	2,390	2,737	26,782	85	13,466	43
108 Norwood	1,005	137,976	12,254	560,707	49,798	0	0	62,052	62	87,569	62,661	355,862	254,643	0	0	317,304	316	255,252	254
110 Waconia	3,030	432,199	18,715	1,734,630	57,808	0	0	76,523	25	274,302	176,612	1,100,912	691,526	0	0	868,138	287	791,615	261
111 Watertown-Mayer	1,707	232,858	67,747	367,042	106,786	0	0	174,533	102	147,787	152,818	232,949	240,879	0	0	393,697	231	219,164	128
112 Chaska	9,152	1,069,759	68,283	7,728,395	380,726	38,850	2,480	451,489	49	678,940	459,102	5,170,255	2,938,866	24,657	16,673	3,414,641	373	2,963,152	324
113 Walker-Akeley	954	144,332	0	0	0	35,016	0	0	0	117,849	26,483	0	0	28,591	6,425	32,908	34	32,908	34
115 Cass Lake	1,084	56,074	94,396	0	0	154,578	260,220	354,616	327	35,588	114,882	0	0	98,105	316,693	431,575	398	76,959	71
116 Pillager	739	99,577	18,297	0	0	34,894	6,412	24,709	33	63,198	54,676	0	0	22,146	19,160	73,836	100	49,127	66
118 Remer	509	67,698	0	247,190	0	0	0	0	0	52,784	14,914	192,732	54,458	0	0	69,372	136	69,372	136
129 Montevideo	1,520	71,096	128,642	282,387	510,951	4,466	8,081	647,674	426	45,122	154,616	179,222	614,116	2,834	9,713	778,445	512	130,771	86

Senator LeClair introduced-

S.F. No. 2353: Referred to the Committee on Taxes.

1

A bill for an act

2

relating to education finance; indexing school funding
formula equalizing factors to the growth in tax base;
amending Minnesota Statutes 2004, sections 123B.53,
subdivision 5; 123B.57, subdivision 4; 126C.01, by
adding subdivisions; 126C.10, subdivisions 13a, 29,
32; 126C.17, subdivision 6.

3

4

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6

7

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

8

Section 1. Minnesota Statutes 2004, section 123B.53,

9

subdivision 5, is amended to read:

10

Subd. 5. [EQUALIZED DEBT SERVICE LEVY.] (a) The equalized

11

debt service levy of a district equals the sum of the first tier

12

equalized debt service levy and the second tier equalized debt

13

service levy.

14

(b) A district's first tier equalized debt service levy

15

equals the district's first tier debt service equalization

16

revenue times the lesser of one or the ratio of:

17

(1) the quotient derived by dividing the adjusted net tax

18

capacity of the district for the year before the year the levy

19

is certified by the adjusted pupil units in the district for the

20

school year ending in the year prior to the year the levy is

21

certified; to

22

(2) \$3,200 times the equalizing factor adjustment under

23

section 126C.01, subdivision 12.

24

(c) A district's second tier equalized debt service levy

25

equals the district's second tier debt service equalization

26

1 revenue times the lesser of one or the ratio of:

2 (1) the quotient derived by dividing the adjusted net tax
3 capacity of the district for the year before the year the levy
4 is certified by the adjusted pupil units in the district for the
5 school year ending in the year prior to the year the levy is
6 certified; to

7 (2) \$8,000 times the equalizing factor adjustment under
8 section 126C.01, subdivision 12.

9 [EFFECTIVE DATE.] This section is effective for revenue for
10 fiscal year 2008.

11 Sec. 2. Minnesota Statutes 2004, section 123B.57,
12 subdivision 4, is amended to read:

13 Subd. 4. [HEALTH AND SAFETY LEVY.] To receive health and
14 safety revenue, a district may levy an amount equal to the
15 district's health and safety revenue as defined in subdivision 3
16 multiplied by the lesser of one, or the ratio of the quotient
17 derived by dividing the adjusted net tax capacity of the
18 district for the year preceding the year the levy is certified
19 by the adjusted marginal cost pupil units in the district for
20 the school year to which the levy is attributable, to
21 \$2,935 times the equalizing factor adjustment under section
22 126C.01, subdivision 12.

23 [EFFECTIVE DATE.] This section is effective for revenue for
24 fiscal year 2008.

25 Sec. 3. Minnesota Statutes 2004, section 126C.01, is
26 amended by adding a subdivision to read:

27 Subd. 12. [NET TAX CAPACITY EQUALIZING FACTOR ADJUSTMENT.]
28 The net tax capacity equalizing factor adjustment equals the
29 greater of one or ratio of net tax capacity for the most recent
30 assessment year to the net tax capacity for assessment year 2004.

31 [EFFECTIVE DATE.] This section is effective for revenue for
32 fiscal year 2008.

33 Sec. 4. Minnesota Statutes 2004, section 126C.01, is
34 amended by adding a subdivision to read:

35 Subd. 13. [REFERENDUM MARKET VALUE EQUALIZING FACTOR
36 ADJUSTMENT.] The referendum market value equalizing factor

1 adjustment equals the greater of one or the ratio of referendum
2 market value for the most recent assessment year to the
3 referendum market value for assessment year 2004.

4 [EFFECTIVE DATE.] This section is effective for revenue for
5 fiscal year 2008.

6 Sec. 5. Minnesota Statutes 2004, section 126C.10,
7 subdivision 13a, is amended to read:

8 Subd. 13a. [OPERATING CAPITAL LEVY.] To obtain operating
9 capital revenue for fiscal year 2005 and later, a district may
10 levy an amount not more than the product of its operating
11 capital revenue for the fiscal year times the lesser of one or
12 the ratio of its adjusted net tax capacity per adjusted marginal
13 cost pupil unit to \$22,222 times the equalizing factor
14 adjustment under section 126C.01, subdivision 12.

15 [EFFECTIVE DATE.] This section is effective for revenue for
16 fiscal year 2008.

17 Sec. 6. Minnesota Statutes 2004, section 126C.10,
18 subdivision 29, is amended to read:

19 Subd. 29. [EQUITY LEVY.] To obtain equity revenue for
20 fiscal year 2005 and later, a district may levy an amount not
21 more than the product of its equity revenue for the fiscal year
22 times the lesser of one or the ratio of its referendum market
23 value per resident marginal cost pupil unit to \$476,000 times
24 the equalizing factor adjustment under section 126C.01,
25 subdivision 12.

26 [EFFECTIVE DATE.] This section is effective for revenue for
27 fiscal year 2008.

28 Sec. 7. Minnesota Statutes 2004, section 126C.10,
29 subdivision 32, is amended to read:

30 Subd. 32. [TRANSITION LEVY.] To obtain transition revenue
31 for fiscal year 2005 and later, a district may levy an amount
32 not more than the product of its transition revenue for the
33 fiscal year times the lesser of one or the ratio of its
34 referendum market value per resident marginal cost pupil unit to
35 \$476,000 times the equalizing factor adjustment under section
36 126C.01, subdivision 13.

1 Sec. 8. Minnesota Statutes 2004, section 126C.17,
2 subdivision 6, is amended to read:

3 Subd. 6. [REFERENDUM EQUALIZATION LEVY.] (a) For fiscal
4 year 2003 and later, a district's referendum equalization levy
5 equals the sum of the first tier referendum equalization levy
6 and the second tier referendum equalization levy.

7 (b) A district's first tier referendum equalization levy
8 equals the district's first tier referendum equalization revenue
9 times the lesser of one or the ratio of the district's
10 referendum market value per resident marginal cost pupil unit to
11 \$476,000 times the equalizing factor adjustment under section
12 126C.01, subdivision 13.

13 (c) A district's second tier referendum equalization levy
14 equals the district's second tier referendum equalization
15 revenue times the lesser of one or the ratio of the district's
16 referendum market value per resident marginal cost pupil unit to
17 \$270,000 times the equalizing factor adjustment under section
18 126C.01, subdivision 13.

19 [EFFECTIVE DATE.] This section is effective for revenue for
20 fiscal year 2008.

1.1 Senator moves to amend S.F. No. 2353 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2004, section 126C.10, subdivision 29, is amended
1.4 to read:

1.5 Subd. 29. **Equity levy.** To obtain equity revenue for fiscal ~~year~~ years 2005 and ~~later~~
1.6 2006, a district may levy an amount not more than the product of its equity revenue for the
1.7 fiscal year times the lesser of one or the ratio of its referendum market value per resident
1.8 marginal cost pupil unit to \$476,000. To obtain equity revenue for fiscal year 2007 and
1.9 later, a district may levy an amount not more than the product of its equity revenue for
1.10 the fiscal year times the lesser of one or the ratio of its referendum market value per
1.11 resident marginal cost pupil unit to \$750,000.

1.12 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2007.

1.13 Sec. 2. Minnesota Statutes 2004, section 126C.10, subdivision 32, is amended to read:

1.14 Subd. 32. **Transition levy.** To obtain transition revenue for fiscal ~~year~~ years 2005
1.15 and ~~later~~ 2006, a district may levy an amount not more than the product of its transition
1.16 revenue for the fiscal year times the lesser of one or the ratio of its referendum market
1.17 value per resident marginal cost pupil unit to \$476,000. To obtain transition revenue for
1.18 fiscal year 2007 and later, a district may levy an amount not more than the product of its
1.19 transition revenue for the fiscal year times the lesser of one or the ratio of its referendum
1.20 market value per resident marginal cost pupil unit to \$750,000.

1.21 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2007.

1.22 Sec. 3. Minnesota Statutes 2004, section 126C.17, subdivision 6, is amended to read:

1.23 Subd. 6. **Referendum equalization levy.** (a) For fiscal year 2003 and later,
1.24 a district's referendum equalization levy equals the sum of the first tier referendum
1.25 equalization levy and the second tier referendum equalization levy.

2.1 (b) For fiscal years 2005 and 2006, a district's first tier referendum equalization levy
2.2 equals the district's first tier referendum equalization revenue times the lesser of one or
2.3 the ratio of the district's referendum market value per resident marginal cost pupil unit
2.4 to \$476,000. For fiscal year 2007 and later, a district's first tier referendum equalization
2.5 revenue times the lesser of one or the ratio of the district's referendum market value per
2.6 resident marginal cost pupil unit to \$750,000.

2.7 (c) For fiscal year 2005 and later, a district's second tier referendum equalization
2.8 levy equals the district's second tier referendum equalization revenue times the lesser
2.9 of one or the ratio of the district's referendum market value per resident marginal cost
2.10 pupil unit to \$270,000.

2.11 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2007."

2.12 Amend the title accordingly

Fiscal Year 2008 General Education Entitlement

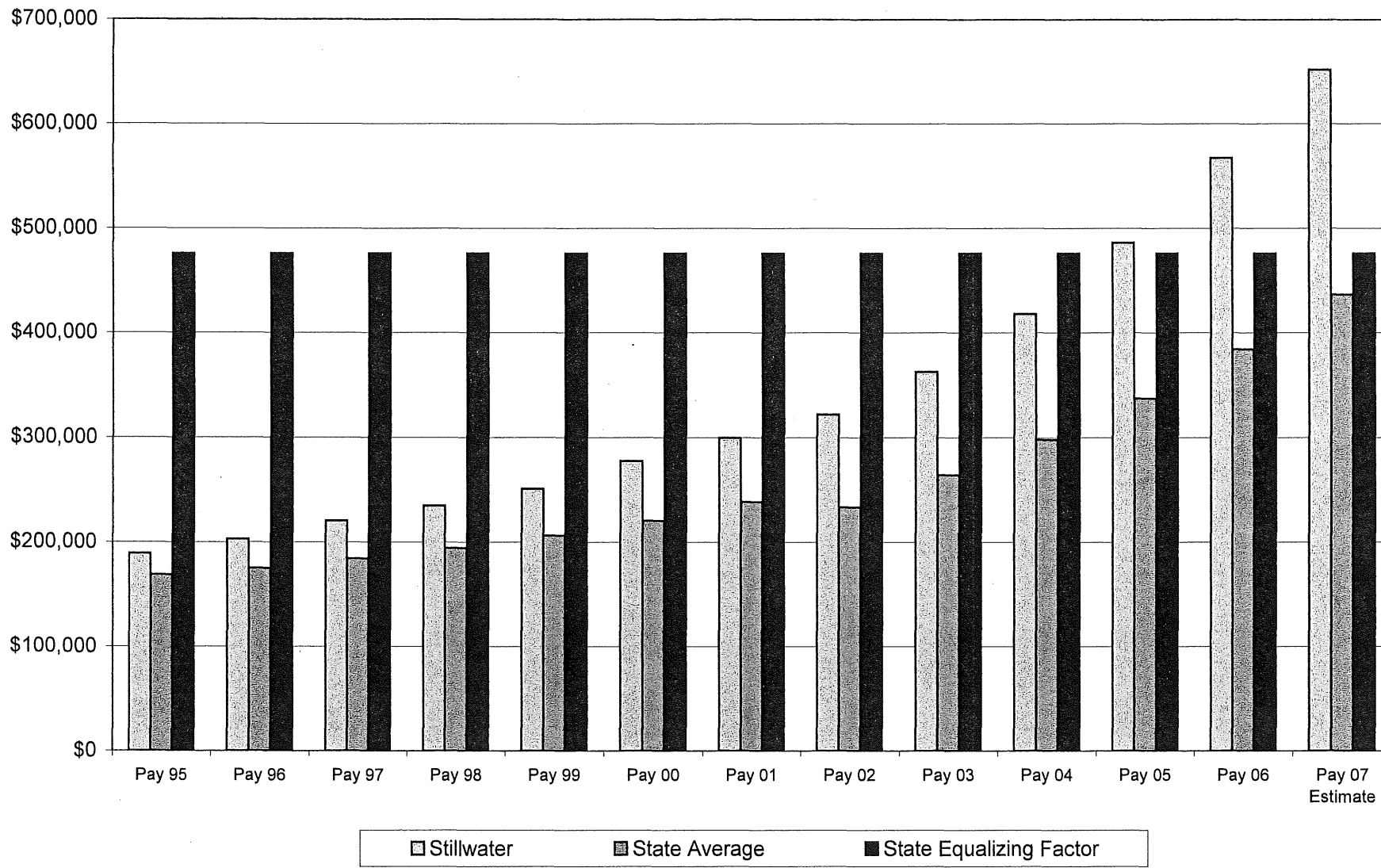
FEBRUARY 2006 FORECAST				
		AID	LEVY	TOTAL
TOTAL REVENUE	A. BASIC	4,704,299,033	0	4,704,299,033
	B. EXTENDED TIME	55,933,762	0	55,933,762
	C. GIFTED & TALENTED	8,512,004	0	8,512,004
	D. BASIC SKILLS			
	* COMPENSATORY	315,794,118	0	315,794,118
	* TOT LEP	30,278,648	0	30,278,648
	* LEP CONCENTRATION	7,994,548	0	7,994,548
	* AOM	0	0	0
	E. SPARSITY	20,163,375	0	20,163,375
	F. TRANSPORT SPARSITY	59,448,238	0	59,448,238
	G. OPER CAPITAL	80,121,740	112,276,134	192,397,874
	H. TRAIN & EXPER	2,725,390	0	2,725,390
	I. EQUITY	23,588,940	70,602,567	94,191,506
	J. LATE CONTRACT PENALTY	(150,000)	0	(150,000)
	K. A THROUGH J	5,308,709,796	182,878,701	5,491,588,496
	L. TRANSITION	6,606,665	23,342,045	29,948,710
	M. Q.COMP	78,006,651	23,199,074	101,205,725
	N. REFERENDUM	92,507,515	569,022,140	670,233,654
	O. TAX BASE REPL	8,704,000	0	0
	P. ALT ATT ADJ	(559,970)	0	(559,970)
Q. J+K+M+N+O+P	5,493,974,656	798,441,960	6,292,416,616	

SCS2353A-1				
		AID	LEVY	TOTAL
TOTAL REVENUE	A. BASIC	4,704,299,033	0	4,704,299,033
	B. EXTENDED TIME	55,933,762	0	55,933,762
	C. GIFTED & TALENTED	8,512,004	0	8,512,004
	D. BASIC SKILLS			
	* COMPENSATORY	315,794,118	0	315,794,118
	* TOT LEP	30,278,648	0	30,278,648
	* LEP CONCENTRATION	7,994,548	0	7,994,548
	* AOM	0	0	0
	E. SPARSITY	20,163,375	0	20,163,375
	F. TRANSPORT SPARSITY	59,448,238	0	59,448,238
	G. OPER CAPITAL	80,121,740	112,276,134	192,397,874
	H. TRAIN & EXPER	2,725,390	0	2,725,390
	I. EQUITY	45,025,390	49,166,116	94,191,506
	J. LATE CONTRACT PENALTY	(150,000)	0	(150,000)
	K. A THROUGH J	5,330,146,246	161,442,250	5,491,588,496
	L. TRANSITION	13,504,571	16,444,139	29,948,710
	M. Q.COMP	78,006,651	23,199,074	101,205,725
	N. REFERENDUM	200,402,530	461,127,125	670,233,655
	O. TAX BASE REPL	8,704,000	0	0
	P. ALT ATT ADJ	(2,029,038)	0	(2,029,038)
Q. J+K+M+N+O+P	5,628,734,960	662,212,588	6,290,947,548	

DIFFERENCE				
		AID	LEVY	TOTAL
TOTAL REVENUE	A. BASIC	0	0	0
	B. EXTENDED TIME	0	0	0
	C. GIFTED & TALENTED	0	0	0
	D. BASIC SKILLS			
	* COMPENSATORY	0	0	0
	* TOT LEP	0	0	0
	* LEP CONCENTRATION	0	0	0
	* AOM	0	0	0
	E. SPARSITY	0	0	0
	F. TRANSPORT SPARSITY	0	0	0
	G. OPER CAPITAL	0	0	0
	H. TRAIN & EXPER	0	0	0
	I. EQUITY	21,436,450	(21,436,450)	0
	J. LATE CONTRACT PENALTY	0	0	0
	K. A THROUGH J	21,436,450	(21,436,450)	0
	L. TRANSITION	6,897,906	(6,897,906)	0
	M. Q.COMP	0	0	0
	N. REFERENDUM	107,895,015	(107,895,015)	0
	O. TAX BASE REPL	0	0	0
	P. ALT ATT ADJ	(1,469,068)	0	(1,469,068)
Q. J+K+M+N+O+P	134,760,304	(136,229,371)	(1,469,068)	

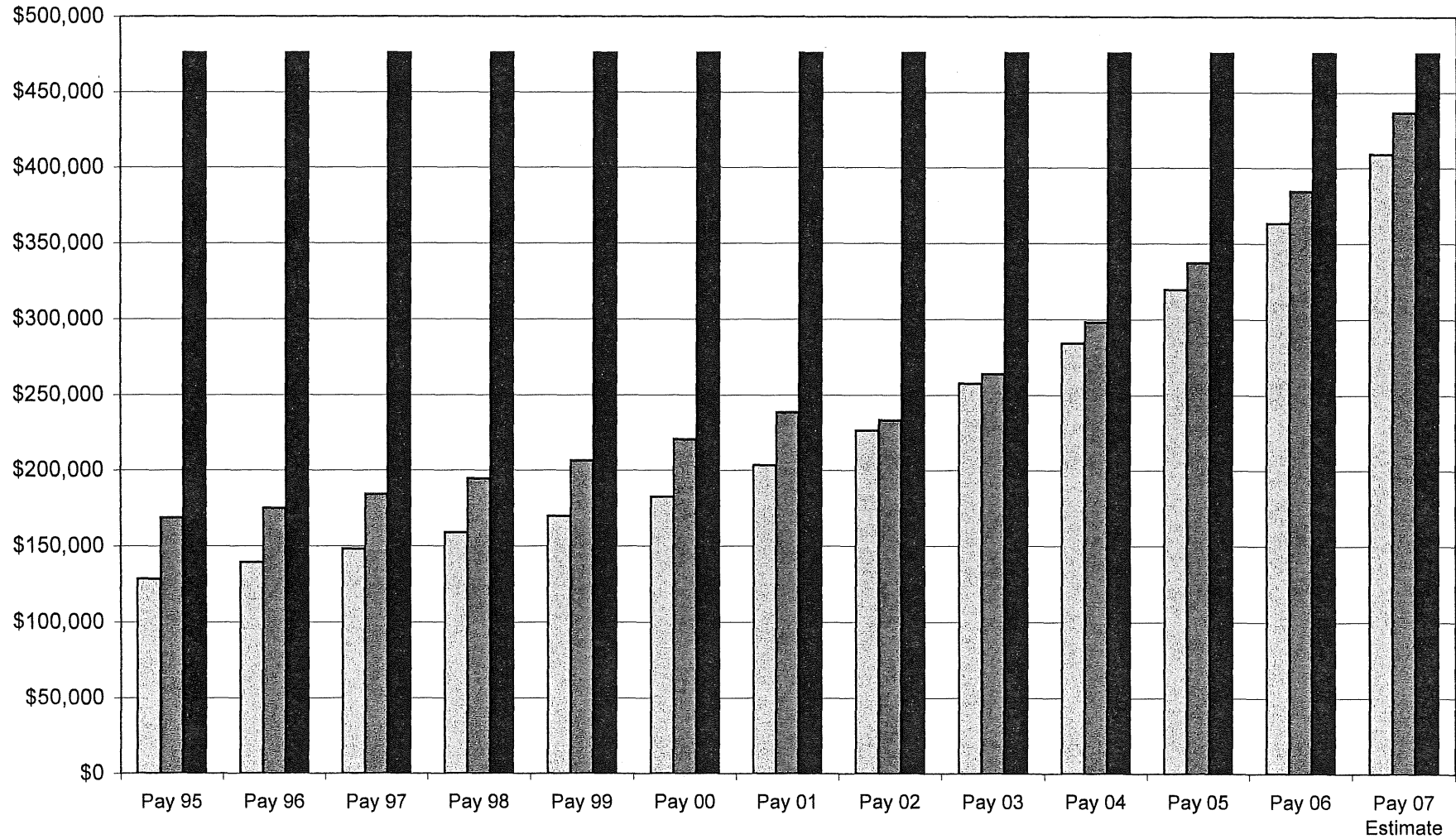
Referendum Market Value Growth--Stillwater

Pay 1995 to Pay 2007



Referendum Market Value Growth--South Washington County

Pay 1995 to Pay 2007



South Washington State Average State Equalizing Factor

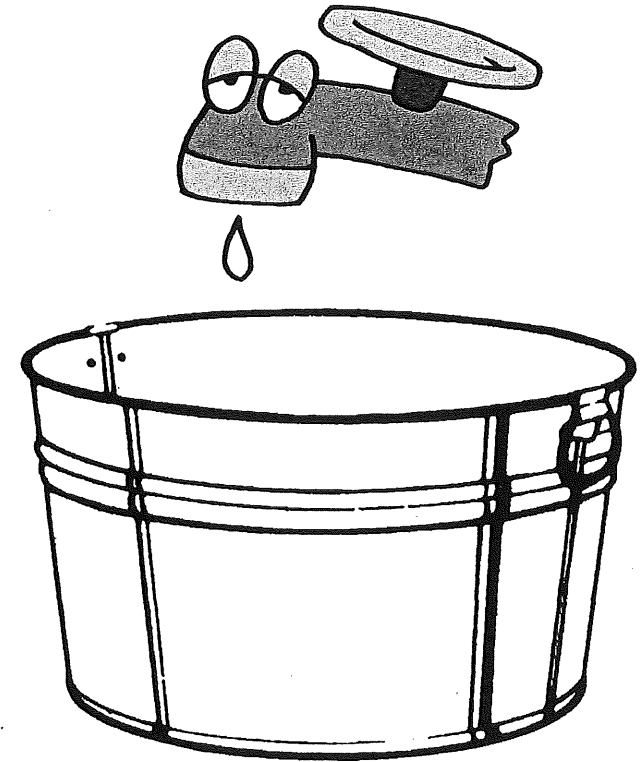
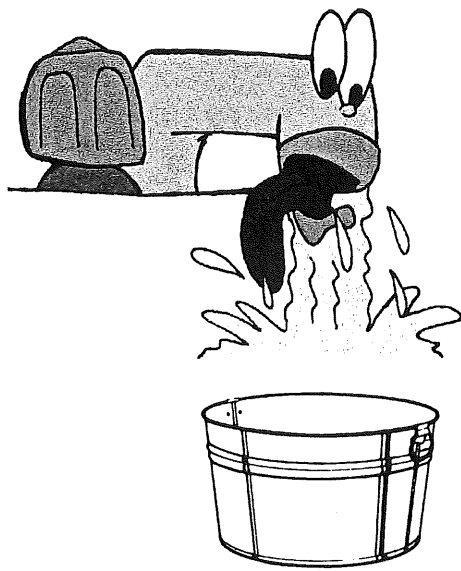
Stillwater Comparison at District 2 Referendum/PU Level

Burden on
\$250,000
Property

	Total Levy	Tax Rate	
Stillwater @ \$1,389/PU	\$14,579,974	0.002131666	\$533

Referendum Effort Comparison--West Metro vs. East Metro

	Referendum per Pupil Unit	Total Referendum	Equalization Aid	Total Levy	Referendum Market Value	Tax Rate	Burden on \$250,000 Property
District 1	\$1,561	\$7,833,056	\$0	\$7,833,056	\$4,481,099,025	0.001748021	\$437
District 2	\$1,389	\$14,863,616	\$0	\$14,863,616	\$8,868,114,000	0.001676074	\$419
District 3	\$1,200	\$2,772,948	\$0	\$2,772,948	\$2,781,212,900	0.000997028	\$249
Stillwater	\$818	\$8,589,223	\$0	\$8,589,223	\$6,839,709,100	0.001255788	\$314
South Washington County	\$929	\$18,175,766	\$1,928,338	\$16,247,429	\$7,997,200,880	0.002031639	\$508



THE BASICS OF EQUALIZATION

The equalization rate determines the speed, or rate, of the aid coming out of the faucet. The tub represents the amount of the referendum that is subject to equalization. The tiers have grown steadily over the past twelve years and full equalization with an equalizing factor of \$476,000 per resident pupil unit applied against \$700/PU in referendum revenue. However, the rate of equalization has decreased steadily over these same twelve years because the equalizing factor has not been adjusted to account for either inflation or property value increase.

Total Referendum Equalization Aid Changes with Rising Equalization Factors

District 833	Current	\$600,000	\$650,000	\$750,000
Aid	\$1,928,338	\$4,358,859	\$5,076,557	\$6,224,873
Levy	\$15,161,853	\$13,339,743	\$11,940,833	\$10,541,923
Revenue	\$18,175,766	\$18,175,766	\$18,175,766	\$18,175,766

Total Referendum Equalization Aid Changes with Rising Equalization Factors

Stillwater	Current	\$600,000	\$650,000	\$750.000
Aid	\$0	\$0	\$0	\$963,409
Levy	\$8,664,207	\$8,664,207	\$8,664,207	\$7,700,799
Revenue	\$8,664,207	\$8,664,207	\$8,664,207	\$8,664,207

Senator Skoe introduced-

S.F. No. 2701: Referred to the Committee on Finance.

A bill for an act

relating to education finance; increasing the referendum equalization levy factor; amending Minnesota Statutes 2004, sections 126C.10, subdivisions 29, 32; 126C.17, subdivision 6.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2004, section 126C.10, subdivision 29, is amended to read:

Subd. 29. **Equity levy.** To obtain equity revenue for fiscal ~~year~~ years 2005 and ~~later~~ 2006, a district may levy an amount not more than the product of its equity revenue for the fiscal year times the lesser of one or the ratio of its referendum market value per resident marginal cost pupil unit to \$476,000. To obtain equity revenue for fiscal year 2007 and later, a district may levy an amount not more than the product of its equity revenue for the fiscal year times the lesser of one or the ratio of its referendum market value per resident marginal cost pupil unit to \$750,000.

EFFECTIVE DATE. This section is effective for taxes payable in 2006.

Sec. 2. Minnesota Statutes 2004, section 126C.10, subdivision 32, is amended to read:

Subd. 32. **Transition levy.** To obtain transition revenue for fiscal ~~year~~ years 2005 and ~~later~~ 2006, a district may levy an amount not more than the product of its transition revenue for the fiscal year times the lesser of one or the ratio of its referendum market value per resident marginal cost pupil unit to \$476,000. To obtain transition revenue for fiscal year 2007 and later, a district may levy an amount not more than the product of its transition revenue for the fiscal year times the lesser of one or the ratio of its referendum market value per resident marginal cost pupil unit to \$750,000.

2.1 **EFFECTIVE DATE. This section is effective for taxes payable in 2006.**

2.2 Sec. 3. Minnesota Statutes 2004, section 126C.17, subdivision 6, is amended to read:

2.3 Subd. 6. **Referendum equalization levy.** (a) For fiscal year 2003 and later,
2.4 a district's referendum equalization levy equals the sum of the first tier referendum
2.5 equalization levy and the second tier referendum equalization levy.

2.6 (b) For fiscal years 2005 and 2006, a district's first tier referendum equalization levy
2.7 equals the district's first tier referendum equalization revenue times the lesser of one or
2.8 the ratio of the district's referendum market value per resident marginal cost pupil unit
2.9 to \$476,000. For fiscal year 2007 and later, a district's first tier referendum equalization
2.10 levy equals the district's first tier referendum equalization revenue times the lesser of one
2.11 or the ratio of the district's referendum market value per resident marginal cost pupil
2.12 unit to \$750,000.

2.13 (c) For fiscal year 2005 and later, a district's second tier referendum equalization
2.14 levy equals the district's second tier referendum equalization revenue times the lesser
2.15 of one or the ratio of the district's referendum market value per resident marginal cost
2.16 pupil unit to \$270,000.

2.17 **EFFECTIVE DATE. This section is effective for taxes payable in 2006.**

Analysis of 2004 School District Sales Ratios

Dist No	District Name	2004 ACTUAL SALES RATIO	2004 EMV SALES RATIO	Total Under-Assessment†	Under-Assessment due to LMV & Green Acres	Under-Assessment due to Assessor Error**	Pctg Under-Assessment due to LMV & Green Acres	Pctg Under-Assessment due to Assessor Error**
	Statewide Avg	79.5%	85.8%	20.5%	6.3%	14.2%	31%	69%
1	AITKIN	63.3%	80.2%	36.7%	16.9%	19.8%	46%	54%
2	HILL CITY	64.5%	77.3%	35.5%	12.8%	22.7%	36%	64%
4	MC GREGOR	57.8%	78.6%	42.2%	20.8%	21.4%	49%	51%
11	ANOKA	85.5%	89.8%	14.5%	4.3%	10.2%	29%	71%
12	CENTENNIAL	84.2%	88.4%	15.8%	4.2%	11.6%	26%	74%
13	COLUMBIA HEIGHTS	82.0%	90.1%	18.0%	8.1%	9.9%	45%	55%
14	FRIDLEY	86.5%	91.0%	13.5%	4.5%	9.0%	33%	67%
15	ST FRANCIS	76.7%	84.2%	23.3%	7.5%	15.8%	32%	68%
16	SPRING LAKE PARK	83.6%	85.6%	16.4%	2.0%	14.4%	12%	88%
22	DETROIT LAKES	82.4%	88.2%	17.6%	5.8%	11.8%	33%	67%
23	FRAZEE-VERGAS	72.7%	84.1%	27.3%	11.4%	15.9%	42%	58%
31	BEMIDJI	76.1%	81.1%	23.9%	5.0%	18.9%	21%	79%
32	BLACKDUCK	64.2%	70.8%	35.8%	6.6%	29.2%	19%	81%
36	KELLIHER	54.4%	58.3%	45.6%	3.9%	41.7%	8%	92%
38	RED LAKE	93.1%	94.6%	6.9%	1.5%	5.4%	22%	78%
47	SAUK RAPIDS	80.1%	85.7%	19.9%	5.6%	14.3%	28%	72%
51	FOLEY	75.9%	89.4%	24.1%	13.5%	10.6%	56%	44%
62	ORTONVILLE	73.7%	77.6%	26.3%	3.9%	22.4%	15%	85%
75	ST CLAIR	86.7%	89.7%	13.3%	3.0%	10.3%	23%	77%
77	MANKATO	83.8%	85.6%	16.2%	1.8%	14.4%	11%	89%
81	COMFREY	85.7%	86.0%	14.3%	0.3%	14.0%	2%	98%
84	SLEEPY EYE	87.8%	87.1%	12.2%	-0.7%	12.9%	-5%	105%
85	SPRINGFIELD	90.3%	89.7%	9.7%	-0.6%	10.3%	-6%	106%
88	NEW ULM-HANSKA	87.0%	87.4%	13.0%	0.4%	12.6%	3%	97%
91	BARNUM	65.1%	76.1%	34.9%	11.0%	23.9%	32%	68%
93	CARLTON	72.5%	83.5%	27.5%	11.0%	16.5%	40%	60%
94	CLOQUET	80.4%	83.6%	19.6%	3.2%	16.4%	17%	83%
95	CROMWELL	53.0%	74.6%	47.0%	21.6%	25.4%	46%	54%
97	MOOSE LAKE	66.2%	79.9%	33.8%	13.7%	20.1%	40%	60%
99	ESKO	81.1%	85.9%	18.9%	4.8%	14.1%	25%	75%
100	WRENSHALL	74.2%	85.4%	25.8%	11.2%	14.6%	43%	57%
108	NORWOOD	75.0%	82.8%	25.0%	7.8%	17.2%	31%	69%
110	WACONIA	80.1%	85.5%	19.9%	5.4%	14.5%	27%	73%
111	WATERTOWN-MAYER	71.7%	84.2%	28.3%	12.5%	15.8%	44%	56%
112	CHASKA	78.6%	79.7%	21.4%	1.1%	20.3%	5%	95%
113	WALKER-AKELEY	68.3%	83.5%	31.7%	15.2%	16.5%	48%	52%
115	CASS LAKE	75.8%	86.2%	24.2%	10.4%	13.8%	43%	57%
116	PILLAGER	68.7%	82.6%	31.3%	13.9%	17.4%	44%	56%
118	REMER	60.1%	75.4%	39.9%	15.3%	24.6%	38%	62%
129	MONTEVIDEO	92.5%	95.5%	7.5%	3.0%	4.5%	40%	60%
138	NORTH BRANCH	74.9%	89.1%	25.1%	14.2%	10.9%	57%	43%
139	RUSH CITY	71.2%	86.5%	28.8%	15.3%	13.5%	53%	47%
146	BARNESVILLE	83.5%	85.6%	16.5%	2.1%	14.4%	13%	87%
150	HAWLEY	79.0%	80.6%	21.0%	1.6%	19.4%	8%	92%
152	MOORHEAD	87.9%	86.7%	12.1%	-1.2%	13.3%	-10%	110%
162	BAGLEY	73.5%	80.2%	26.5%	6.7%	19.8%	25%	75%
166	COOK COUNTY	80.3%	86.2%	19.7%	5.9%	13.8%	30%	70%
173	MOUNTAIN LAKE	85.9%	88.1%	14.1%	2.2%	11.9%	16%	84%
177	WINDOM	91.1%	92.2%	8.9%	1.1%	7.8%	12%	88%
181	BRAINERD	76.0%	83.6%	24.0%	7.6%	16.4%	32%	68%
182	CROSBY-IRONTON	67.2%	82.5%	32.8%	15.3%	17.5%	47%	53%
186	PEQUOT LAKES	70.1%	86.6%	29.9%	16.5%	13.4%	55%	45%
191	BURNSVILLE	86.6%	88.5%	13.4%	1.9%	11.5%	14%	86%
192	FARMINGTON	84.9%	88.7%	15.1%	3.8%	11.3%	25%	75%
194	LAKEVILLE	87.6%	90.7%	12.4%	3.1%	9.3%	25%	75%
195	RANDOLPH	68.3%	80.4%	31.7%	12.1%	19.6%	38%	62%

Analysis of 2004 School District Sales Ratios

Dist No	District Name	2004 ACTUAL SALES RATIO	2004 EMV SALES RATIO	Total Under-Assessment'	Under-Assessment due to LMV & Green Acres	Under-Assessment due to Assessor Error**	Pctg Under-Assessment due to LMV & Green Acres	Pctg Under-Assessment due to Assessor Error**
	Statewide Avg	79.5%	85.8%	20.5%	6.3%	14.2%	31%	69%
196	ROSEMOUNT	87.4%	90.3%	12.6%	2.9%	9.7%	23%	77%
197	WEST ST PAUL	85.4%	89.3%	14.6%	3.9%	10.7%	27%	73%
199	INVER GROVE	89.0%	92.4%	11.0%	3.4%	7.6%	31%	69%
200	HASTINGS	83.0%	89.1%	17.0%	6.1%	10.9%	36%	64%
203	HAYFIELD	86.2%	88.5%	13.8%	2.3%	11.5%	17%	83%
204	KASSON-MANTORVILLE	84.8%	85.6%	15.2%	0.8%	14.4%	5%	95%
206	ALEXANDRIA	83.9%	90.0%	16.1%	6.1%	10.0%	38%	62%
207	BRANDON	71.1%	79.8%	28.9%	8.7%	20.2%	30%	70%
208	EVANSVILLE	71.7%	83.9%	28.3%	12.2%	16.1%	43%	57%
213	OSAKIS	72.0%	85.6%	28.0%	13.6%	14.4%	48%	52%
227	CHATFIELD	73.6%	86.7%	26.4%	13.1%	13.3%	50%	50%
229	LANESBORO	69.1%	78.1%	30.9%	9.0%	21.9%	29%	71%
238	MABEL-CANTON	83.2%	89.2%	16.8%	6.0%	10.8%	35%	65%
239	RUSHFORD-PETERSON	73.4%	85.8%	26.6%	12.4%	14.2%	47%	53%
241	ALBERT LEA	86.3%	87.1%	13.7%	0.8%	12.9%	6%	94%
242	ALDEN	81.3%	82.8%	18.7%	1.5%	17.2%	8%	92%
252	CANNON FALLS	77.5%	83.5%	22.5%	6.0%	16.5%	27%	73%
253	GOODHUE	77.0%	82.4%	23.0%	5.4%	17.6%	23%	77%
255	PINE ISLAND	84.3%	89.6%	15.7%	5.3%	10.4%	34%	66%
256	RED WING	89.7%	92.5%	10.3%	2.8%	7.5%	27%	73%
261	ASHBY	73.0%	80.1%	27.0%	7.1%	19.9%	26%	74%
264	HERMAN	82.5%	84.0%	17.5%	1.5%	16.0%	9%	91%
270	HOPKINS	83.8%	88.8%	16.2%	5.0%	11.2%	31%	69%
271	BLOOMINGTON	92.3%	95.6%	7.7%	3.3%	4.4%	43%	57%
272	EDEN PRAIRIE	89.0%	90.7%	11.0%	1.7%	9.3%	16%	84%
273	EDINA	82.7%	88.2%	17.3%	5.5%	11.8%	32%	68%
276	MINNETONKA	83.1%	89.8%	16.9%	6.7%	10.2%	40%	60%
277	WESTONKA	77.9%	89.5%	22.1%	11.6%	10.5%	53%	47%
278	ORONO	80.1%	89.1%	19.9%	9.0%	10.9%	45%	55%
279	OSSEO	86.3%	90.0%	13.7%	3.7%	10.0%	27%	73%
280	RICHFIELD	79.2%	83.0%	20.8%	3.8%	17.0%	18%	82%
281	ROBBINSDALE	86.0%	92.0%	14.0%	6.0%	8.0%	43%	57%
282	ST ANTHONY VILLAGE	82.6%	89.5%	17.4%	6.9%	10.5%	40%	60%
283	ST LOUIS PARK	82.0%	87.9%	18.0%	5.9%	12.1%	33%	67%
284	WAYZATA	85.9%	89.3%	14.1%	3.4%	10.7%	24%	76%
286	BROOKLYN CENTER	85.3%	91.9%	14.7%	6.6%	8.1%	45%	55%
294	HOUSTON	75.6%	86.6%	24.4%	11.0%	13.4%	45%	55%
297	SPRING GROVE	77.1%	89.8%	22.9%	12.7%	10.2%	55%	45%
299	CALEDONIA	78.4%	86.3%	21.6%	7.9%	13.7%	36%	64%
300	LA CRESCENT	85.0%	88.4%	15.0%	3.4%	11.6%	22%	78%
306	LAPORTE	62.0%	81.4%	38.0%	19.4%	18.6%	51%	49%
308	NEVIS	67.4%	81.0%	32.6%	13.6%	19.0%	42%	58%
309	PARK RAPIDS	75.4%	88.5%	24.6%	13.1%	11.5%	53%	47%
314	BRAHAM	66.7%	85.7%	33.3%	19.0%	14.3%	57%	43%
316	COLERAINE	81.2%	88.6%	18.8%	7.4%	11.4%	39%	61%
317	DEER RIVER	71.7%	81.5%	28.3%	9.8%	18.5%	35%	65%
318	GRAND RAPIDS	78.1%	84.6%	21.9%	6.5%	15.4%	30%	70%
319	NASHWAUK-KEEWATIN	74.6%	83.9%	25.4%	9.3%	16.1%	37%	63%
330	HERON LAKE-OKABEN/	89.4%	90.2%	10.6%	0.8%	9.8%	7%	93%
332	MORA	71.3%	86.0%	28.7%	14.7%	14.0%	51%	49%
333	OGILVIE	60.4%	83.0%	39.6%	22.6%	17.0%	57%	43%
345	NEW LONDON-SPICER	75.5%	81.0%	24.5%	5.5%	19.0%	22%	78%
347	WILLMAR	85.3%	86.3%	14.7%	1.0%	13.7%	7%	93%
356	LANCASTER	80.5%	88.2%	19.5%	7.7%	11.8%	39%	61%
361	INTERNATIONAL FALLS	79.7%	84.1%	20.3%	4.4%	15.9%	22%	78%
362	LITTLE FORK-BIG FALLS	70.5%	75.0%	29.5%	4.5%	25.0%	15%	85%

Analysis of 2004 School District Sales Ratios

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	Statewide Avg	79.5%	85.8%	20.5%	6.3%	14.2%	31%	69%
363	SOUTH KOOCHICHING	57.8%	67.3%	42.2%	9.5%	32.7%	23%	77%
371	BELLINGHAM	76.8%	79.7%	23.2%	2.9%	20.3%	12%	88%
378	DAWSON-BOYD	81.8%	83.3%	18.2%	1.5%	16.7%	8%	92%
381	LAKE SUPERIOR	68.2%	78.7%	31.8%	10.5%	21.3%	33%	67%
390	LAKE OF THE WOODS	75.6%	80.8%	24.4%	5.2%	19.2%	21%	79%
391	CLEVELAND	75.8%	86.6%	24.2%	10.8%	13.4%	44%	56%
392	LE CENTER	76.5%	88.9%	23.5%	12.4%	11.1%	53%	47%
394	MONTGOMERY	79.7%	88.3%	20.3%	8.6%	11.7%	42%	58%
402	HENDRICKS	80.7%	85.2%	19.3%	4.5%	14.8%	23%	77%
403	IVANHOE	67.4%	76.3%	32.6%	8.9%	23.7%	27%	73%
404	LAKE BENTON	69.3%	76.3%	30.7%	7.0%	23.7%	23%	77%
409	TYLER	73.7%	79.6%	26.3%	5.9%	20.4%	23%	77%
411	BALATON	73.8%	82.3%	26.2%	8.5%	17.7%	33%	67%
413	MARSHALL	90.6%	90.8%	9.4%	0.2%	9.2%	2%	98%
414	MINNEOTA	84.0%	85.5%	16.0%	1.5%	14.5%	9%	91%
415	LYND	83.9%	84.3%	16.1%	0.4%	15.7%	3%	97%
417	TRACY	84.7%	85.7%	15.3%	1.0%	14.3%	7%	93%
418	RUSSELL	84.7%	85.1%	15.3%	0.4%	14.9%	3%	97%
423	HUTCHINSON	84.5%	85.6%	15.5%	1.1%	14.4%	7%	93%
424	LESTER PRAIRIE	79.8%	82.5%	20.2%	2.7%	17.5%	13%	87%
432	MAHNOMEN	85.1%	86.4%	14.9%	1.3%	13.6%	9%	91%
435	WAUBUN	68.8%	83.8%	31.2%	15.0%	16.2%	48%	52%
441	NEWFOLDEN	87.0%	87.2%	13.0%	0.2%	12.8%	2%	98%
447	GRYGLA-GATZKE	69.3%	72.2%	30.7%	2.9%	27.8%	10%	90%
458	TRUMAN	89.1%	91.4%	10.9%	2.3%	8.6%	21%	79%
463	EDEN VALLEY-WATKINS	72.8%	85.3%	27.2%	12.5%	14.7%	46%	54%
465	LITCHFIELD	82.1%	86.6%	17.9%	4.5%	13.4%	25%	75%
466	DASSEL-COKATO	70.6%	82.7%	29.4%	12.1%	17.3%	41%	59%
473	ISLE	65.6%	82.6%	34.4%	17.0%	17.4%	49%	51%
477	PRINCETON	76.2%	87.2%	23.8%	11.0%	12.8%	46%	54%
480	ONAMIA	65.7%	84.8%	34.3%	19.1%	15.2%	56%	44%
482	LITTLE FALLS	77.0%	86.5%	23.0%	9.5%	13.5%	41%	59%
484	PIERZ	71.5%	89.2%	28.5%	17.7%	10.8%	62%	38%
485	ROYALTON	68.6%	81.5%	31.4%	12.9%	18.5%	41%	59%
486	SWANVILLE	61.4%	79.9%	38.6%	18.5%	20.1%	48%	52%
487	UPSALA	64.6%	80.4%	35.4%	15.8%	19.6%	45%	55%
492	AUSTIN	87.2%	87.8%	12.8%	0.6%	12.2%	5%	95%
495	GRAND MEADOW	91.8%	93.9%	8.2%	2.1%	6.1%	25%	75%
497	LYLE	83.5%	84.6%	16.5%	1.1%	15.4%	7%	93%
499	LE ROY-OSTRANDER	83.8%	87.7%	16.2%	3.9%	12.3%	24%	76%
500	SOUTHLAND	87.2%	87.8%	12.8%	0.6%	12.2%	4%	96%
505	FULDA	91.1%	91.7%	8.9%	0.6%	8.3%	7%	93%
507	NICOLLET	86.2%	86.6%	13.8%	0.4%	13.4%	3%	97%
508	ST PETER	89.0%	91.8%	11.0%	2.8%	8.2%	25%	75%
511	ADRIAN	83.4%	83.7%	16.6%	0.3%	16.3%	2%	98%
513	BREWSTER	84.9%	85.3%	15.1%	0.4%	14.7%	3%	97%
514	ELLSWORTH	85.5%	86.1%	14.5%	0.6%	13.9%	4%	96%
516	ROUND LAKE	88.0%	87.8%	12.0%	-0.2%	12.2%	-2%	102%
518	WORTHINGTON	88.0%	87.9%	12.0%	-0.1%	12.1%	-1%	101%
531	BYRON	77.5%	81.9%	22.5%	4.4%	18.1%	19%	81%
533	DOVER-EYOTA	86.9%	95.5%	13.1%	8.6%	4.5%	65%	35%
534	STEWARTVILLE	85.7%	89.8%	14.3%	4.1%	10.2%	29%	71%
535	ROCHESTER	84.0%	85.7%	16.0%	1.7%	14.3%	11%	89%
542	BATTLE LAKE	71.9%	86.5%	28.1%	14.6%	13.5%	52%	48%
544	FERGUS FALLS	86.8%	88.3%	13.2%	1.5%	11.7%	12%	88%
545	HENNING	74.8%	86.3%	25.2%	11.5%	13.7%	45%	55%

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	Statewide Avg	79.5%	85.8%	20.5%	6.3%	14.2%	31%	69%
547	PARKERS PRAIRIE	67.0%	80.9%	33.0%	13.9%	19.1%	42%	58%
548	PELICAN RAPIDS	74.2%	87.3%	25.8%	13.1%	12.7%	51%	49%
549	PERHAM	76.1%	87.4%	23.9%	11.3%	12.6%	47%	53%
550	UNDERWOOD	69.4%	79.7%	30.6%	10.3%	20.3%	34%	66%
553	NEW YORK MILLS	76.5%	84.3%	23.5%	7.8%	15.7%	33%	67%
561	GOODRIDGE	73.9%	73.8%	26.1%	-0.1%	26.2%	0%	100%
564	THIEF RIVER FALLS	82.6%	83.2%	17.4%	0.6%	16.8%	4%	96%
577	WILLOW RIVER	66.4%	85.8%	33.6%	19.4%	14.2%	58%	42%
578	PINE CITY	73.9%	85.6%	26.1%	11.7%	14.4%	45%	55%
581	EDGERTON	88.0%	89.1%	12.0%	1.1%	10.9%	9%	91%
584	RUTHTON	87.4%	88.3%	12.6%	0.9%	11.7%	8%	92%
592	CLIMAX	94.2%	94.3%	5.8%	0.1%	5.7%	2%	98%
593	CROOKSTON	82.5%	85.3%	17.5%	2.8%	14.7%	16%	84%
595	EAST GRAND FORKS	84.4%	84.8%	15.6%	0.4%	15.2%	3%	97%
599	FERTILE	78.5%	84.5%	21.5%	6.0%	15.5%	28%	72%
600	FISHER	83.4%	84.4%	16.6%	1.0%	15.6%	6%	94%
601	FOSSTON	77.6%	81.2%	22.4%	3.6%	18.8%	16%	84%
611	CYRUS	68.1%	76.3%	31.9%	8.2%	23.7%	26%	74%
621	MOUNDS VIEW	86.6%	92.6%	13.4%	6.0%	7.4%	45%	55%
622	NO ST PAUL-MAPLEWC	87.0%	93.0%	13.0%	6.0%	7.0%	46%	54%
623	ROSEVILLE	81.9%	89.4%	18.1%	7.5%	10.6%	41%	59%
624	WHITE BEAR LAKE	85.5%	92.0%	14.5%	6.5%	8.0%	45%	55%
625	ST PAUL	75.6%	91.1%	24.4%	15.5%	8.9%	64%	36%
627	OKLEE	78.7%	78.9%	21.3%	0.2%	21.1%	1%	99%
628	PLUMMER	86.8%	86.9%	13.2%	0.1%	13.1%	1%	99%
630	RED LAKE FALLS	77.7%	77.7%	22.3%	0.0%	22.3%	0%	100%
635	MILROY	85.4%	85.1%	14.6%	-0.3%	14.9%	-2%	102%
640	WABASSO	83.0%	83.6%	17.0%	0.6%	16.4%	4%	96%
656	FARIBAULT	84.1%	89.1%	15.9%	5.0%	10.9%	31%	69%
659	NORTHFIELD	80.9%	87.1%	19.1%	6.2%	12.9%	32%	68%
671	HILLS-BEAVER CREEK	85.0%	85.2%	15.0%	0.2%	14.8%	1%	99%
676	BADGER	82.6%	82.2%	17.4%	-0.4%	17.8%	-2%	102%
682	ROSEAU	84.8%	84.7%	15.2%	-0.1%	15.3%	-1%	101%
690	WARROAD	85.1%	86.8%	14.9%	1.7%	13.2%	11%	89%
695	CHISHOLM	89.0%	92.1%	11.0%	3.1%	7.9%	29%	71%
696	ELY	65.3%	81.6%	34.7%	16.3%	18.4%	47%	53%
698	FLOODWOOD	78.6%	88.6%	21.4%	10.0%	11.4%	47%	53%
700	HERMANTOWN	80.8%	83.5%	19.2%	2.7%	16.5%	14%	86%
701	HIBBING	88.6%	93.1%	11.4%	4.5%	6.9%	40%	60%
704	PROCTOR	79.2%	84.0%	20.8%	4.8%	16.0%	23%	77%
706	VIRGINIA	84.6%	88.0%	15.4%	3.4%	12.0%	22%	78%
707	NETT LAKE	53.5%	68.0%	46.5%	14.5%	32.0%	31%	69%
709	DULUTH	77.3%	85.9%	22.7%	8.6%	14.1%	38%	62%
712	MOUNTAIN IRON-BUHL	81.8%	86.7%	18.2%	4.9%	13.3%	27%	73%
716	BELLE PLAINE	77.1%	88.3%	22.9%	11.2%	11.7%	49%	51%
717	JORDAN	76.1%	88.3%	23.9%	12.2%	11.7%	51%	49%
719	PRIOR LAKE	83.0%	87.0%	17.0%	4.0%	13.0%	24%	76%
720	SHAKOPEE	90.5%	94.1%	9.5%	3.6%	5.9%	38%	62%
721	NEW PRAGUE	76.5%	86.8%	23.5%	10.3%	13.2%	44%	56%
726	BECKER	86.5%	91.9%	13.5%	5.4%	8.1%	40%	60%
727	BIG LAKE	81.8%	89.2%	18.2%	7.4%	10.8%	41%	59%
728	ELK RIVER	83.7%	88.5%	16.3%	4.8%	11.5%	29%	71%
738	HOLDINGFORD	79.9%	88.5%	20.1%	8.6%	11.5%	43%	57%
739	KIMBALL	76.8%	85.4%	23.2%	8.6%	14.6%	37%	63%
740	MELROSE	84.1%	92.7%	15.9%	8.6%	7.3%	54%	46%
741	PAYNESVILLE	80.9%	86.9%	19.1%	6.0%	13.1%	31%	69%

Analysis of 2004 School District Sales Ratios

Dist No	District Name	2004 ACTUAL SALES RATIO	2004 EMV SALES RATIO	Total Under-Assessment'	Under-Assessment due to LMV & Green Acres	Under-Assessment due to Assessor Error**	Pctg Under-Assessment due to LMV & Green Acres	Pctg Under-Assessment due to Assessor Error**
	Statewide Avg	79.5%	85.8%	20.5%	6.3%	14.2%	31%	69%
742	ST CLOUD	85.0%	88.0%	15.0%	3.0%	12.0%	20%	80%
743	SAUK CENTRE	80.2%	86.9%	19.8%	6.7%	13.1%	34%	66%
745	ALBANY	72.8%	85.3%	27.2%	12.5%	14.7%	46%	54%
748	SARTELL	91.3%	92.7%	8.7%	1.4%	7.3%	16%	84%
750	COLD SPRING	80.5%	86.9%	19.5%	6.4%	13.1%	33%	67%
756	BLOOMING PRAIRIE	87.5%	88.2%	12.5%	0.7%	11.8%	5%	95%
761	OWATONNA	88.9%	89.2%	11.1%	0.3%	10.8%	3%	97%
763	MEDFORD	87.3%	89.0%	12.7%	1.7%	11.0%	13%	87%
768	HANCOCK	80.8%	86.7%	19.2%	5.9%	13.3%	31%	69%
769	MORRIS	86.7%	90.0%	13.3%	3.3%	10.0%	25%	75%
771	CHOKIO-ALBERTA	81.9%	87.7%	18.1%	5.8%	12.3%	32%	68%
775	KERKHOVEN-MURDOCI	82.5%	88.5%	17.5%	6.0%	11.5%	34%	66%
777	BENSON	80.2%	84.4%	19.8%	4.2%	15.6%	21%	79%
786	BERTHA-HEWITT	69.8%	78.9%	30.2%	9.1%	21.1%	30%	70%
787	BROWERVILLE	73.9%	87.7%	26.1%	13.8%	12.3%	53%	47%
801	BROWNS VALLEY	76.9%	82.8%	23.1%	5.9%	17.2%	26%	74%
803	WHEATON	95.3%	97.1%	4.7%	1.8%	2.9%	38%	62%
806	ELGIN-MILLVILLE	82.4%	90.3%	17.6%	7.9%	9.7%	45%	55%
810	PLAINVIEW	83.9%	87.3%	16.1%	3.4%	12.7%	21%	79%
811	WABASHA	80.4%	85.5%	19.6%	5.1%	14.5%	26%	74%
813	LAKE CITY	80.6%	84.4%	19.4%	3.8%	15.6%	19%	81%
818	VERNDALE	75.8%	89.0%	24.2%	13.2%	11.0%	55%	45%
820	SEBEKA	72.1%	88.2%	27.9%	16.1%	11.8%	58%	42%
821	MENAHGA	72.0%	84.0%	28.0%	12.0%	16.0%	43%	57%
829	WASECA	87.0%	89.2%	13.0%	2.2%	10.8%	17%	83%
831	FOREST LAKE	80.9%	88.3%	19.1%	7.4%	11.7%	39%	61%
832	MAHTOMEDI	82.6%	86.3%	17.4%	3.7%	13.7%	21%	79%
833	SO. WASHINGTON COU	85.5%	90.2%	14.5%	4.7%	9.8%	33%	67%
834	STILLWATER	85.0%	90.5%	15.0%	5.5%	9.5%	37%	63%
836	BUTTERFIELD	88.6%	92.0%	11.4%	3.4%	8.0%	30%	70%
837	MADELIA	84.5%	85.2%	15.5%	0.7%	14.8%	5%	95%
840	ST JAMES	86.7%	87.4%	13.3%	0.7%	12.6%	5%	95%
846	BRECKENRIDGE	92.0%	93.3%	8.0%	1.3%	6.7%	16%	84%
850	ROTHSAY	82.0%	85.7%	18.0%	3.7%	14.3%	20%	80%
852	CAMPBELL	85.8%	87.2%	14.2%	1.4%	12.8%	10%	90%
857	LEWISTON	78.6%	91.8%	21.4%	13.2%	8.2%	62%	38%
858	ST CHARLES	82.1%	88.9%	17.9%	6.8%	11.1%	38%	62%
861	WINONA	83.8%	87.3%	16.2%	3.5%	12.7%	22%	78%
876	ANNANDALE	64.8%	80.0%	35.2%	15.2%	20.0%	43%	57%
877	BUFFALO	77.0%	88.1%	23.0%	11.1%	11.9%	48%	52%
879	DELANO	75.2%	88.7%	24.8%	13.5%	11.3%	54%	46%
881	MAPLE LAKE	74.1%	87.0%	25.9%	12.9%	13.0%	50%	50%
882	MONTICELLO	77.2%	89.3%	22.8%	12.1%	10.7%	53%	47%
883	ROCKFORD	74.9%	86.5%	25.1%	11.6%	13.5%	46%	54%
885	ST MICHAEL-ALBERTVII	83.3%	86.5%	16.7%	3.2%	13.5%	19%	81%
891	CANBY	80.8%	83.7%	19.2%	2.9%	16.3%	15%	85%
911	CAMBRIDGE	70.4%	83.8%	29.6%	13.4%	16.2%	45%	55%
912	MILACA	75.6%	91.5%	24.4%	15.9%	8.5%	65%	35%
914	ULEN-HITTERDAL	76.5%	82.1%	23.5%	5.6%	17.9%	24%	76%
991	MINNEAPOLIS	75.8%	88.4%	24.2%	12.6%	11.6%	52%	48%
993	FRANCONIA	71.9%	86.8%	28.1%	14.9%	13.2%	53%	47%
996	SOUTH ST PAUL	83.1%	90.2%	16.9%	7.1%	9.8%	42%	58%
998	PRINSBURG	80.4%	81.7%	19.6%	1.3%	18.3%	7%	93%
###	LAKE CRYSTAL-WELCC	84.7%	90.0%	15.3%	5.3%	10.0%	35%	65%
###	TRITON	76.8%	78.2%	23.2%	1.4%	21.8%	6%	94%
###	UNITED SOUTH CENTR	86.9%	87.5%	13.1%	0.6%	12.5%	5%	95%

Analysis of 2004 School District Sales Ratios

Dist No	District Name	2004 ACTUAL SALES RATIO	2004 EMV SALES RATIO	Total Under-Assessment'	Under-Assessment due to LMV & Green Acres	Under-Assessment due to Assessor Error**	Pctg Under-Assessment due to LMV & Green Acres	Pctg Under-Assessment due to Assessor Error**
	Statewide Avg	79.5%	85.8%	20.5%	6.3%	14.2%	31%	69%
###	MAPLE RIVER	87.6%	90.4%	12.4%	2.8%	9.6%	23%	77%
###	KINGSLAND	78.2%	90.6%	21.8%	12.4%	9.4%	57%	43%
###	ST LOUIS COUNTY	66.8%	80.1%	33.2%	13.3%	19.9%	40%	60%
###	WATERVILLE-ELYS.-MC	76.0%	88.4%	24.0%	12.4%	11.6%	52%	48%
###	CHISAGO LAKES AREA	75.7%	86.6%	24.3%	10.9%	13.4%	45%	55%
###	MINNEWASKA	68.3%	80.1%	31.7%	11.8%	19.9%	37%	63%
###	EVELETH-GILBERT	83.5%	90.7%	16.5%	7.2%	9.3%	44%	56%
###	WADENA-DEER CREEK	82.0%	87.4%	18.0%	5.4%	12.6%	30%	70%
###	BUFFALO LAKE-HECTO	83.3%	83.7%	16.7%	0.4%	16.3%	3%	97%
###	DILWORTH-GLYNDON-F	90.4%	90.8%	9.6%	0.4%	9.2%	4%	96%
###	HINCKLEY-FINLAYSON	69.3%	82.8%	30.7%	13.5%	17.2%	44%	56%
###	LAKEVIEW	82.6%	84.4%	17.4%	1.8%	15.6%	10%	90%
###	NRHEG	87.0%	88.9%	13.0%	1.9%	11.1%	14%	86%
###	MURRAY COUNTY	87.6%	88.0%	12.4%	0.4%	12.0%	3%	97%
###	STAPLES-MOTLEY	68.5%	82.6%	31.5%	14.1%	17.4%	45%	55%
###	KITSON CENTRAL	84.4%	88.0%	15.6%	3.6%	12.0%	23%	77%
###	KENYON-WANAMINGO	79.4%	85.3%	20.6%	5.9%	14.7%	29%	71%
###	PINE RIVER-BACKUS	62.6%	80.1%	37.4%	17.5%	19.9%	47%	53%
###	WARREN-ALVARADO-O	88.6%	89.4%	11.4%	0.8%	10.6%	7%	93%
###	MACCRAY	82.2%	88.3%	17.8%	6.1%	11.7%	34%	66%
###	LUVERNE-MAGNOLIA	90.0%	89.9%	10.0%	-0.1%	10.1%	-1%	101%
###	YELLOW MEDICINE EAS	84.6%	85.6%	15.4%	1.0%	14.4%	7%	93%
###	FILLMORE CENTRAL	77.0%	84.8%	23.0%	7.8%	15.2%	34%	66%
###	NORMAN COUNTY EAS	62.9%	62.0%	37.1%	-0.9%	38.0%	-2%	102%
###	SIBLEY EAST	82.1%	85.1%	17.9%	3.0%	14.9%	17%	83%
###	CLEARBROOK-GONVIC	86.1%	89.8%	13.9%	3.7%	10.2%	26%	74%
###	WEST CENTRAL AREA	78.5%	82.9%	21.5%	4.4%	17.1%	21%	79%
###	KARLSTAD-STRANDQU	85.7%	88.3%	14.3%	2.6%	11.7%	18%	82%
###	BELGRADE-BROOTEN-I	66.1%	75.8%	33.9%	9.7%	24.2%	29%	71%
###	GIBBON-FAIRFAX-WINT	82.5%	85.1%	17.5%	2.6%	14.9%	15%	85%
###	A.C.G.C.	75.1%	79.2%	24.9%	4.1%	20.8%	17%	83%
###	LE SUEUR-HENDERSOI	78.0%	86.3%	22.0%	8.3%	13.7%	38%	62%
###	MARTIN COUNTY WEST	95.5%	96.3%	4.5%	0.8%	3.7%	18%	82%
###	HALSTAD-HENDRUM	88.2%	89.3%	11.8%	1.1%	10.7%	9%	91%
###	BIRD ISLAND-OLIVIA	81.6%	81.8%	18.4%	0.2%	18.2%	1%	99%
###	GRANADA-HUNT.-E CH	86.0%	86.2%	14.0%	0.2%	13.8%	1%	99%
###	EAST CENTRAL	67.4%	84.7%	32.6%	17.3%	15.3%	53%	47%
###	WIN-E-MAC	72.7%	80.5%	27.3%	7.8%	19.5%	29%	71%
###	GREENBUSH-MIDDLE R	72.9%	73.1%	27.1%	0.2%	26.9%	1%	99%
###	HOWARD LK-WAVERLY	75.8%	84.8%	24.2%	9.0%	15.2%	37%	63%
###	PIPESTONE-JASPER	88.2%	88.8%	11.8%	0.6%	11.2%	5%	95%
###	MESABI EAST	74.0%	84.1%	26.0%	10.1%	15.9%	39%	61%
###	FAIRMONT AREA	92.7%	95.3%	7.3%	2.6%	4.7%	36%	64%
###	LONG PRAIRIE-GREY E	77.1%	88.8%	22.9%	11.7%	11.2%	51%	49%
###	CEDAR MOUNTAIN	85.6%	85.7%	14.4%	0.1%	14.3%	1%	99%
###	EAGLE VALLEY	71.8%	82.9%	28.2%	11.1%	17.1%	39%	61%
###	ZUMBROTA-MAZEPPA	78.3%	84.2%	21.7%	5.9%	15.8%	27%	73%
###	JANESVILLE-WALD-PEM	87.0%	88.4%	13.0%	1.4%	11.6%	11%	89%
###	LAC QUI PARLE VALLEY	74.4%	78.8%	25.6%	4.4%	21.2%	17%	83%
###	ADA-BORUP	90.6%	91.3%	9.4%	0.7%	8.7%	7%	93%
###	STEPHEN-ARGYLE CEN	91.5%	91.8%	8.5%	0.3%	8.2%	3%	97%
###	GLENCOE-SILVER LAKE	80.8%	83.8%	19.2%	3.0%	16.2%	16%	84%
###	BLUE EARTH AREA	84.9%	84.9%	15.1%	0.0%	15.1%	0%	100%
###	STORDEN-JEFFERS	88.5%	89.1%	11.5%	0.6%	10.9%	5%	95%
###	GLENVILLEN-EMMONS	80.8%	82.7%	19.2%	1.9%	17.3%	10%	90%
###	BROWNTON-STEWART	82.8%	84.3%	17.2%	1.5%	15.7%	9%	91%

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	Statewide Avg	79.5%	85.8%	20.5%	6.3%	14.2%	31%	69%
###	CLINTON-GRACEVILLE-	81.3%	83.6%	18.7%	2.3%	16.4%	12%	88%
###	LAKE PARK-AUDUBON	71.8%	82.3%	28.2%	10.5%	17.7%	37%	63%
###	DANUBE-RENVILLE-SAK	81.4%	83.2%	18.6%	1.8%	16.8%	10%	90%
###	JACKSON COUNTY CEN	90.3%	90.3%	9.7%	0.0%	9.7%	0%	100%
###	REDWOOD FALLS ARE/	91.5%	92.6%	8.5%	1.1%	7.4%	13%	87%
###	WESTBROOK WALNUT	82.7%	83.6%	17.3%	0.9%	16.4%	5%	95%

* Defined as the percentage that the actual sales ratio is less than 100%.

** Defined as the percentage that the EMV sales ratio is less than 100%.

Debt Service Revenue: Baseline vs. Alternative

Tiers at 12% and 22%, Equalizing Factor \$5,500/\$8,000, EMV Sales Ratio

Dist. No.	District Name	Total All Debt Including Alt Fac	Nov 05 data AWADM04	NTC per pupil	Increase in Aid	Proposed Total Aid	Proposed Total Levy	Proposed NTC Tax Rate	Baseline ANTC Aid	Baseline ANTC Levy	Baseline NTC Tax Rate	Change in on Homest \$125,000
		726,855,779	937,831	4,702	34,552,432	52,417,854	677,656,832	15.4%	17,865,423	710,324,323	16.1%	
1	Aitkin	232,294	1,500	6,677	0	0	232,294	2.3%	0	232,294	2.3%	\$0
1.03	Minneapolis	55,585,513	47,177	6,263	0	0	55,585,513	18.8%	0	55,585,513	18.8%	\$0
2	Hill City	310,526	426	1,910	66,606	112,221	295,326	36.3%	45,615	307,686	37.8%	-\$19
4	Mcgregor	747,755	592	8,619	0	0	747,755	14.6%	0	747,755	14.6%	\$0
6	South St. Paul	2,247,507	3,923	3,724	75,724	75,724	2,171,783	14.9%	0	2,247,507	15.4%	-\$6
11	Anoka-Hennepin	24,162,963	46,833	3,731	202,669	202,669	23,960,294	13.7%	0	24,162,963	13.8%	-\$1
12	Centennial	9,881,126	8,067	2,955	1,782,929	3,356,486	6,524,640	27.4%	1,573,557	8,307,569	34.8%	-\$93
13	Columbia Heights	2,398,806	3,432	5,303	0	0	2,398,806	13.2%	0	2,398,806	13.2%	\$0
14	Fridley	1,157,864	2,977	4,142	0	0	1,157,864	9.4%	0	1,157,864	9.4%	\$0
15	St. Francis	4,109,833	6,654	3,712	117,873	117,873	3,991,960	16.2%	0	4,109,833	16.6%	-\$6
16	Spring Lake Park	4,441,394	4,902	5,865	0	0	4,441,394	15.4%	0	4,441,394	15.4%	\$0
22	Detroit Lakes	1,322,640	3,159	3,939	0	0	1,322,640	10.6%	0	1,322,640	10.6%	\$0
23	Fazee	971,186	1,354	3,055	129,679	129,679	841,507	20.3%	0	971,186	23.5%	-\$39
25	Pine Point	0	71	0	0	0	0	#DIV/0!	0	0	0.0%	#DIV/0!
31	Bemidji	4,575,407	5,395	3,410	438,087	438,087	4,137,320	22.5%	0	4,575,407	24.9%	-\$30
32	Blackduck	503,365	862	2,219	84,383	93,351	410,013	21.4%	8,968	494,397	25.9%	-\$55
36	Kelliher	244,464	324	1,788	48,363	79,450	244,074	42.2%	31,088	244,464	42.2%	-\$1
38	Red Lake	3,543	1,668	6	355	2,235	3,048	29.6%	1,879	3,100	30.1%	-\$6
47	Sauk Rapids	5,412,787	4,040	3,076	931,472	1,729,533	3,683,254	29.6%	798,062	4,614,725	37.1%	-\$94
51	Foley	1,930,387	1,917	2,728	545,368	659,197	1,636,609	31.3%	113,829	1,930,387	36.9%	-\$70
62	Ortonville	763,581	584	2,702	129,919	253,349	510,231	32.3%	123,430	640,150	40.6%	-\$103
75	St. Clair	1,033,347	748	3,045	159,216	370,364	662,983	29.1%	211,148	822,199	36.1%	-\$87
77	Mankato	2,638,991	7,919	5,117	0	0	2,638,991	6.5%	0	2,638,991	6.5%	\$0
81	Comfrey	0	185	7,267	0	0	0	0.0%	0	0	0.0%	\$0
84	Sleepy Eye	275,661	718	5,411	0	0	275,661	7.1%	0	275,661	7.1%	\$0
85	Springfield	478,576	787	2,890	75,078	75,078	403,498	17.7%	0	478,576	21.0%	-\$41
88	New Ulm	1,499,521	2,839	4,244	0	0	1,499,521	12.4%	0	1,499,521	12.4%	\$0
91	Barnum	779,680	734	2,666	170,906	214,850	718,366	36.7%	43,944	779,680	39.8%	-\$39
93	Carlton	0	764	3,406	0	0	0	0.0%	0	0	0.0%	\$0
94	Cloquet	1,543,272	2,963	2,668	171,991	171,991	1,371,281	17.3%	0	1,543,272	19.5%	-\$27
95	Cromwell	475,848	346	3,175	84,999	104,702	412,084	37.5%	19,703	475,848	43.3%	-\$73
97	Moose Lake	0	897	3,316	0	0	0	0.0%	0	0	0.0%	\$0
99	Esko	1,084,800	1,289	2,234	232,433	411,128	673,672	23.4%	178,695	906,105	31.5%	-\$101
100	Wrenshall	363,715	450	3,448	38,705	38,705	325,010	20.9%	0	363,715	23.4%	-\$31
108	Norwood	320,501	1,153	5,556	0	0	320,501	5.0%	0	320,501	5.0%	\$0
110	Waconia	3,922,193	2,721	5,754	0	0	3,922,193	25.1%	0	3,922,193	25.1%	\$0
111	Watertown-Maye	2,343,071	1,698	4,541	122,115	122,115	2,220,956	28.8%	0	2,343,071	30.4%	-\$20
112	Chaska	12,671,670	9,384	4,765	326,991	326,991	12,344,680	27.6%	0	12,671,670	28.3%	-\$9
113	Walker-Hackens	994,619	1,143	10,750	0	0	994,619	8.1%	0	994,619	8.1%	\$0
115	Cass Lake	1,908,180	1,245	2,656	341,012	822,792	1,085,388	32.8%	481,780	1,426,400	43.1%	-\$129
116	Pillager	473,485	902	6,648	0	0	473,485	7.9%	0	473,485	7.9%	\$0
118	Remer-Longville	0	591	15,569	0	0	0	0.0%	0	0	0.0%	\$0
129	Montevideo	914,036	1,799	2,240	170,696	234,174	679,863	16.9%	63,478	850,558	21.1%	-\$53

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		726,855,779	937,831	4,702	34,552,432	52,417,854	677,656,832	15.4%	17,865,423	710,324,323	16.1%	
138	North Branch	4,673,721	4,493	3,179	1,200,663	1,200,663	3,473,058	24.3%	0	4,673,721	32.7%	-\$105
139	Rush City	1,506,820	1,123	3,194	347,494	456,152	1,050,668	29.3%	108,658	1,398,162	39.0%	-\$121
146	Barnesville	286,048	887	3,125	0	0	286,048	10.3%	0	286,048	10.3%	\$0
150	Hawley	910,671	1,045	1,793	111,709	443,261	467,410	24.9%	331,552	579,119	30.9%	-\$75
152	Moorhead	6,360,204	6,156	2,686	1,108,058	2,217,547	4,142,658	25.1%	1,109,489	5,250,716	31.8%	-\$84
160	Minn Academies	0	0	#DIV/0!	0	0	0	#DIV/0!	0	0	#DIV/0!	#DIV/0!
162	Bagley	967,686	1,258	2,240	274,966	299,118	668,568	23.7%	24,152	943,534	33.5%	-\$122
166	Cook County	248,149	737	13,468	0	0	248,149	2.5%	0	248,149	2.5%	\$0
173	Mountain Lake	0	595	4,044	0	0	0	0.0%	0	0	0.0%	\$0
177	Windom	1,275,136	1,213	3,289	231,787	331,014	944,121	23.7%	99,227	1,175,909	29.5%	-\$73
181	Brainerd	7,033,336	8,131	4,875	0	0	7,033,336	17.7%	0	7,033,336	17.7%	\$0
182	Crosby-Ironton	1,512,374	1,624	8,063	0	0	1,512,374	11.6%	0	1,512,374	11.6%	\$0
186	Pequot Lakes	1,971,656	1,572	12,693	0	0	1,971,656	9.9%	0	1,971,656	9.9%	\$0
191	Burnsville	7,597,360	12,749	4,631	0	0	7,597,360	12.9%	0	7,597,360	12.9%	\$0
192	Farmington	11,673,567	6,141	3,464	1,319,309	3,970,622	7,702,945	36.2%	2,651,313	9,022,254	42.4%	-\$78
194	Lakeville	11,712,712	11,957	4,277	705,764	705,764	11,006,948	21.5%	0	11,712,712	22.9%	-\$17
195	Randolph	563,509	547	4,937	0	0	563,509	20.9%	0	563,509	20.9%	\$0
196	Rosemount-Appl	31,156,809	32,680	4,279	1,739,860	1,739,860	29,416,949	21.0%	0	31,156,809	22.3%	-\$16
197	West St. Paul-Mc	7,802,191	5,529	9,087	0	0	7,802,191	15.5%	0	7,802,191	15.5%	\$0
199	Inver Grove	2,483,654	4,498	5,436	0	0	2,483,654	10.2%	0	2,483,654	10.2%	\$0
200	Hastings	4,099,090	5,957	4,685	15,226	15,226	4,083,865	14.6%	0	4,099,090	14.7%	-\$1
203	Hayfield	608,105	1,065	4,011	4,103	4,103	604,001	14.1%	0	608,105	14.2%	-\$1
204	Kasson-Mantorvi	968,029	2,136	2,573	87,704	87,704	880,325	16.0%	0	968,029	17.6%	-\$20
206	Alexandria	1,720,953	4,856	5,774	0	0	1,720,953	6.1%	0	1,720,953	6.1%	\$0
207	Brandon	0	356	4,388	0	0	0	0.0%	0	0	0.0%	\$0
208	Evansville	0	254	4,622	0	0	0	0.0%	0	0	0.0%	\$0
213	Osakis	971,854	772	3,288	216,875	255,446	830,547	32.7%	38,571	987,770	38.9%	-\$77
227	Chatfield	140,706	1,064	3,358	0	0	140,706	3.9%	0	140,706	3.9%	\$0
229	Lanesboro	263,479	413	3,457	8,766	8,766	254,713	17.8%	0	263,479	18.4%	-\$8
238	Mabel-Canton	384,602	403	3,750	45,155	45,155	339,447	22.5%	0	384,602	25.4%	-\$37
239	Rushford-Petersc	8,036	793	3,248	0	0	8,036	0.3%	0	8,036	0.3%	\$0
241	Albert Lea	2,876,238	4,174	3,227	333,169	333,169	2,543,069	18.9%	0	2,876,238	21.4%	-\$31
242	Alden	259,044	495	2,850	20,473	20,473	238,571	16.9%	0	259,044	18.4%	-\$18
252	Cannon Falls	787,296	1,640	4,150	0	0	787,296	11.6%	0	787,296	11.6%	\$0
253	Goodhue	515,796	679	3,439	42,617	42,617	473,179	20.3%	0	515,796	22.1%	-\$23
255	Pine Island	498,410	1,422	2,887	0	0	498,410	12.1%	0	498,410	12.1%	\$0
256	Red Wing	3,132,347	3,445	6,425	0	0	3,132,347	14.2%	0	3,132,347	14.2%	\$0
261	Ashby	496,378	337	3,025	83,215	154,423	341,954	33.6%	71,208	425,170	41.7%	-\$102
264	Herman-Norcros	0	148	11,473	0	0	0	0.0%	0	0	0.0%	\$0
270	Hopkins	9,399,553	9,609	8,814	0	0	9,399,553	11.1%	0	9,399,553	11.1%	\$0
271	Bloomington	11,899,914	12,387	8,272	0	0	11,899,914	11.6%	0	11,899,914	11.6%	\$0
272	Eden Prairie	10,335,722	11,879	6,915	0	0	10,335,722	12.6%	0	10,335,722	12.6%	\$0
273	Edina	8,011,440	8,359	8,028	0	0	8,011,440	11.9%	0	8,011,440	11.9%	\$0

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		726,855,779	937,831	4,702	34,552,432	52,417,854	677,656,832	15.4%	17,865,423	710,324,323	16.1%	
276	Minnetonka	7,504,421	8,896	7,047	0	0	7,504,421	12.0%	0	7,504,421	12.0%	\$0
277	Westonka	1,064,660	2,648	10,111	0	0	1,064,660	4.0%	0	1,064,660	4.0%	\$0
278	Orono	1,668,562	2,899	9,506	0	0	1,668,562	6.1%	0	1,668,562	6.1%	\$0
279	Osseo	22,274,717	25,139	4,864	123,956	123,956	22,150,760	18.1%	0	22,274,717	18.2%	-\$1
280	Richfield	2,971,471	4,934	6,718	0	0	2,971,471	9.0%	0	2,971,471	9.0%	\$0
281	Robbinsdale	21,032,117	16,191	5,391	36,812	36,812	20,995,305	24.1%	0	21,032,117	24.1%	-\$1
282	St. Anthony-New	362,623	1,922	4,575	0	0	362,623	4.1%	0	362,623	4.1%	\$0
283	St. Louis Park	5,723,961	5,030	8,691	0	0	5,723,961	13.1%	0	5,723,961	13.1%	\$0
284	Wayzata	10,985,381	11,210	7,926	0	0	10,985,381	12.4%	0	10,985,381	12.4%	\$0
286	Brooklyn Center	2,240,789	2,008	3,020	476,534	734,922	1,505,868	24.8%	258,387	1,982,402	32.7%	-\$98
294	Houston	0	740	2,412	0	0	0	0.0%	0	0	0.0%	\$0
297	Spring Grove	132,947	442	2,955	0	0	132,947	10.2%	0	132,947	10.2%	\$0
299	Caledonia	1,211,079	1,094	3,099	270,448	336,099	1,087,613	32.1%	65,652	1,211,079	35.7%	-\$46
300	Lacrescent-Hoka	718,745	1,864	2,756	9,120	9,120	709,624	13.8%	0	718,745	14.0%	-\$2
306	Laporte	684,783	355	4,625	59,495	69,732	615,051	37.4%	10,237	684,783	41.7%	-\$53
308	Nevis	282,321	639	5,881	0	0	282,321	7.5%	0	282,321	7.5%	\$0
309	Park Rapids	2,478,672	2,007	6,414	0	0	2,478,672	19.3%	0	2,478,672	19.3%	\$0
314	Braham	620,929	1,086	3,100	51,538	51,538	569,391	16.9%	0	620,929	18.4%	-\$19
316	Coleraine	106,530	1,470	2,732	0	0	106,530	2.7%	0	106,530	2.7%	\$0
317	Deer River	834,779	1,172	4,002	15,540	15,540	819,240	17.5%	0	834,779	17.8%	-\$4
318	Grand Rapids	3,355,349	4,588	5,989	0	0	3,355,349	12.2%	0	3,355,349	12.2%	\$0
319	Nashwauk	0	781	2,699	0	0	0	0.0%	0	0	0.0%	\$0
323	Franconia	0	40	5,696	0	0	0	0.0%	0	0	0.0%	\$0
330	Heron Lake-Okal	265,669	387	4,738	979	979	264,690	14.4%	0	265,669	14.5%	-\$1
332	Mora	639,034	2,170	2,956	0	0	639,034	10.0%	0	639,034	10.0%	\$0
333	Ogilvie	722,049	788	2,304	220,222	265,945	612,007	33.7%	45,723	722,049	39.8%	-\$76
345	New London-Spir	1,477,671	2,007	3,889	44,029	44,029	1,433,643	18.4%	0	1,477,671	18.9%	-\$7
347	Willmar	2,326,949	4,825	2,912	140,879	140,879	2,186,070	15.6%	0	2,326,949	16.6%	-\$13
356	Lancaster	0	238	2,602	0	0	0	0.0%	0	0	0.0%	\$0
361	International Falls	0	1,611	3,466	0	0	0	0.0%	0	0	0.0%	\$0
362	Littlefork-Big F	300,064	395	2,031	59,788	97,250	299,176	37.3%	37,461	300,064	37.4%	-\$1
363	South Koochichir	311,665	467	1,624	54,199	118,503	296,722	39.1%	64,305	296,722	39.1%	\$0
371	Bellingham	0	141	4,350	0	0	0	0.0%	0	0	0.0%	\$0
378	Dawson-Boyd	206,675	684	3,463	0	0	206,675	8.7%	0	206,675	8.7%	\$0
381	Lake Superior	2,537,363	1,970	5,901	0	0	2,537,363	21.8%	0	2,537,363	21.8%	\$0
390	Lake Of The Wor	1,185,163	831	2,885	193,609	398,613	831,039	34.7%	205,004	980,158	40.9%	-\$78
391	Cleveland	144,012	495	5,504	0	0	144,012	5.3%	0	144,012	5.3%	\$0
392	Lecenter	670,872	779	3,499	85,091	85,091	585,780	21.5%	0	670,872	24.6%	-\$39
394	Montgomery-Lon	1,280,099	1,240	4,711	15,260	15,260	1,264,839	21.7%	0	1,280,099	21.9%	-\$3
402	Hendricks	0	210	3,582	0	0	0	0.0%	0	0	0.0%	\$0
403	Ivanhoe	0	257	3,975	0	0	0	0.0%	0	0	0.0%	\$0
404	Lake Benton	0	277	4,188	0	0	0	0.0%	0	0	0.0%	\$0
409	Tyler	60,334	344	3,076	0	0	60,334	5.7%	0	60,334	5.7%	\$0

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		726,855,779	937,831	4,702	34,552,432	52,417,854	677,656,832	15.4%	17,865,423	710,324,323	16.1%	
411	Balaton	0	114	9,735	0	0	0	0.0%	0	0	0.0%	\$0
413	Marshall	3,140,087	2,543	3,636	435,164	728,341	2,411,746	26.1%	293,177	2,846,910	30.8%	-\$59
414	Minneota	188,754	550	3,502	0	0	188,754	9.8%	0	188,754	9.8%	\$0
415	Lynd	0	137	6,048	0	0	0	0.0%	0	0	0.0%	\$0
417	Tracy	0	880	4,046	0	0	0	0.0%	0	0	0.0%	\$0
418	Russell	0	172	4,314	0	0	0	0.0%	0	0	0.0%	\$0
423	Hutchinson	1,112,783	3,488	3,470	0	0	1,112,783	9.2%	0	1,112,783	9.2%	\$0
424	Lester Prairie	149,087	569	2,902	0	0	149,087	9.0%	0	149,087	9.0%	\$0
432	Mahnomen	254,856	873	2,051	3,704	3,704	251,152	14.0%	0	254,856	14.2%	-\$3
435	Waubun	754,730	687	3,039	198,107	198,107	556,623	26.7%	0	754,730	36.2%	-\$119
441	Newfolden	0	421	4,190	0	0	0	0.0%	0	0	0.0%	\$0
447	Grygla	90,252	250	2,065	5,528	5,528	84,724	16.4%	0	90,252	17.5%	-\$13
458	Truman	0	450	5,384	0	0	0	0.0%	0	0	0.0%	\$0
463	Eden Valley-Wat	679,948	977	3,154	81,769	81,769	598,179	19.4%	0	679,948	22.1%	-\$33
465	Litchfield	1,188,284	2,231	3,221	64,424	64,424	1,123,860	15.6%	0	1,188,284	16.5%	-\$11
466	Dassel-Cokato	2,012,110	2,599	2,600	481,323	481,323	1,530,787	22.7%	0	2,012,110	29.8%	-\$89
473	Isle	593,726	663	5,139	0	0	593,726	17.4%	0	593,726	17.4%	\$0
477	Princeton	2,059,438	3,868	3,280	100,759	100,759	1,958,679	15.4%	0	2,059,438	16.2%	-\$10
480	Onamia	529,511	875	5,426	0	0	529,511	11.2%	0	529,511	11.2%	\$0
482	Little Falls	694,215	3,414	2,725	0	0	694,215	7.5%	0	694,215	7.5%	\$0
484	Pierz	413,941	1,142	2,638	4,441	4,441	409,500	13.6%	0	413,941	13.7%	-\$2
485	Royalton	722,064	852	2,678	176,201	176,201	545,863	23.9%	0	722,064	31.7%	-\$97
486	Swanville	327,441	425	2,794	54,819	54,819	272,622	23.0%	0	327,441	27.6%	-\$58
487	Upsala	886,620	445	2,285	169,981	453,830	432,790	42.6%	283,849	602,771	59.3%	-\$209
492	Austin	1,338,639	4,635	2,694	0	0	1,338,639	10.7%	0	1,338,639	10.7%	\$0
495	Grand Meadow	562,771	401	4,470	53,422	82,784	479,987	26.8%	29,362	533,409	29.8%	-\$37
497	Lyle	557,801	312	3,488	54,778	165,741	392,060	36.0%	110,963	446,838	41.1%	-\$63
499	Leroy	236,964	432	4,473	0	0	236,964	12.3%	0	236,964	12.3%	\$0
500	Southland	169,906	774	4,366	0	0	169,906	5.0%	0	169,906	5.0%	\$0
505	Fulda	0	616	3,931	0	0	0	0.0%	0	0	0.0%	\$0
507	Nicollet	446,386	332	7,839	0	0	446,386	17.2%	0	446,386	17.2%	\$0
508	St. Peter	581,602	2,190	3,401	0	0	581,602	7.8%	0	581,602	7.8%	\$0
511	Adrian	773,988	759	2,628	145,765	256,093	517,895	26.0%	110,327	663,660	33.3%	-\$91
513	Brewster	0	202	5,253	0	0	0	0.0%	0	0	0.0%	\$0
514	Ellsworth	0	240	4,047	0	0	0	0.0%	0	0	0.0%	\$0
516	Round Lake	0	165	4,723	0	0	0	0.0%	0	0	0.0%	\$0
518	Worthington	1,575,225	2,593	2,860	230,716	230,716	1,344,509	18.1%	0	1,575,225	21.2%	-\$39
531	Byron	2,400,822	1,790	2,797	357,605	848,929	1,551,893	31.0%	491,324	1,909,498	38.1%	-\$89
533	Dover-Eyota	1,375,810	1,415	1,970	227,604	732,537	643,274	23.1%	504,933	870,878	31.2%	-\$102
534	Stewartville	1,191,252	2,027	2,770	194,911	194,911	996,340	17.7%	0	1,191,252	21.2%	-\$43
535	Rochester	20,238,786	18,557	4,943	0	0	20,238,786	22.1%	0	20,238,786	22.1%	\$0
542	Battle Lake	645,945	608	11,033	0	0	645,945	9.6%	0	645,945	9.6%	\$0
544	Fergus Falls	521,085	3,210	3,662	0	0	521,085	4.4%	0	521,085	4.4%	\$0

Debt Service Revenue: Baseline vs. Alternative
Tiers at 12% and 22%, Equalizing Factor \$5,500/\$8,000, EMV Sales Ratio

Dist. No.	District Name	Total All Debt Including Alt Fac	Nov 05 data AWADM04	NTC per pupil	Increase in Aid	Proposed Total Aid	Proposed Total Levy	Proposed NTC Tax Rate	Baseline ANTC Aid	Baseline ANTC Levy	Baseline NTC Tax Rate	Change in on Homest \$125,000
		726,855,779	937,831	4,702	34,552,432	52,417,854	677,656,832	15.4%	17,865,423	710,324,323	16.1%	
709	Duluth	4,033,215	12,587	3,938	0	0	4,033,215	8.1%	0	4,033,215	8.1%	\$0
712	Mountain Iron-Bu	0	671	3,390	0	0	0	0.0%	0	0	0.0%	\$0
716	Belle Plaine	2,170,564	1,611	4,279	229,834	269,699	1,900,866	27.6%	39,864	2,130,700	30.9%	-\$42
717	Jordan	1,975,761	1,692	4,590	60,988	60,988	1,914,773	24.7%	0	1,975,761	25.4%	-\$10
719	Prior Lake	10,832,724	6,517	5,340	421,227	490,089	10,342,635	29.7%	68,862	10,763,862	30.9%	-\$15
720	Shakopee	8,041,293	5,594	6,104	16,071	16,071	8,025,222	23.5%	0	8,041,293	23.6%	-\$1
721	New Prague	4,160,971	3,371	4,155	456,883	456,883	3,704,088	26.5%	0	4,160,971	29.7%	-\$41
726	Becker	3,282,131	2,756	7,137	0	0	3,282,131	16.7%	0	3,282,131	16.7%	\$0
727	Big Lake	4,574,200	3,619	2,712	907,860	1,830,241	3,076,984	31.4%	922,381	3,651,819	37.2%	-\$73
728	Elk River	14,925,017	11,855	4,020	1,998,730	2,274,255	12,650,762	26.5%	275,525	14,649,492	30.7%	-\$52
738	Holdingsford	783,961	1,226	2,273	200,387	229,456	554,505	19.9%	29,070	754,891	27.1%	-\$90
739	Kimball	1,222,495	968	3,285	234,874	322,248	900,248	28.3%	87,373	1,135,122	35.7%	-\$92
740	Melrose	825,402	1,757	2,934	67,503	67,503	757,899	14.7%	0	825,402	16.0%	-\$16
741	Paynesville	810,918	1,293	3,576	43,749	43,749	767,169	16.6%	0	810,918	17.5%	-\$12
742	St. Cloud	4,378,054	11,226	5,303	0	0	4,378,054	7.4%	0	4,378,054	7.4%	\$0
743	Sauk Centre	732,372	1,361	3,246	39,360	39,360	693,012	15.7%	0	732,372	16.6%	-\$11
745	Albany	1,273,535	1,819	2,709	246,555	246,555	1,026,980	20.8%	0	1,273,535	25.8%	-\$63
748	Sartell	4,837,123	3,132	3,329	613,869	1,691,846	3,145,277	30.2%	1,077,977	3,759,147	36.1%	-\$74
750	Rocori	1,184,285	2,719	3,359	0	0	1,184,285	13.0%	0	1,184,285	13.0%	\$0
756	Blooming Prairie	223,929	889	3,882	0	0	223,929	6.5%	0	223,929	6.5%	\$0
761	Owatonna	3,097,340	5,667	3,491	126,967	126,967	2,970,374	15.0%	0	3,097,340	15.7%	-\$8
763	Medford	926,333	762	3,208	151,704	273,882	652,451	26.7%	122,178	804,155	32.9%	-\$78
768	Hancock	246,915	250	3,851	22,759	22,759	224,156	23.3%	0	246,915	25.7%	-\$30
769	Morris	2,287,706	1,119	3,265	248,535	901,585	1,386,121	37.9%	653,050	1,634,656	44.7%	-\$85
771	Chokio-Alberta	2,996	245	7,985	0	0	2,996	0.2%	0	2,996	0.2%	\$0
775	Kerkhoven-Murdr	537,203	721	3,915	30,294	30,294	506,908	18.0%	0	537,203	19.0%	-\$13
777	Benson	338,324	1,243	3,689	0	0	338,324	7.4%	0	338,324	7.4%	\$0
786	Bertha-Hewitt	481,879	567	1,468	65,269	261,389	295,582	35.5%	196,120	312,290	37.5%	-\$25
787	Browerville	200,603	600	1,967	21,515	21,515	179,088	15.2%	0	200,603	17.0%	-\$23
801	Browns Valley	3,045	159	2,664	0	0	3,045	0.7%	0	3,045	0.7%	\$0
803	Wheaton Area St	170,753	517	5,471	0	0	170,753	6.0%	0	170,753	6.0%	\$0
806	Elgin-Millville	268,525	621	2,864	13,848	13,848	254,677	14.3%	0	268,525	15.1%	-\$10
810	Plainview	773,831	1,313	2,821	109,163	109,163	664,668	17.9%	0	773,831	20.9%	-\$37
811	Wabasha-Kellogg	549,267	816	4,600	491	491	548,776	14.6%	0	549,267	14.6%	\$0
813	Lake City	234,575	1,648	4,094	0	0	234,575	3.5%	0	234,575	3.5%	\$0
815	Prinsburg	0	31	18,363	0	0	0	0.0%	0	0	0.0%	\$0
818	Verndale	207,191	537	1,588	46,949	61,694	145,498	17.1%	14,745	192,447	22.6%	-\$69
820	Sebeka	0	678	2,175	0	0	0	0.0%	0	0	0.0%	\$0
821	Menahga	352,518	865	2,268	36,946	36,946	315,571	16.1%	0	352,518	18.0%	-\$24
829	Waseca	1,199,442	2,443	3,079	70,331	70,331	1,129,111	15.0%	0	1,199,442	15.9%	-\$12
831	Forest Lake	4,227,915	8,821	4,813	0	0	4,227,915	10.0%	0	4,227,915	10.0%	\$0
832	Mahtomedi	2,898,173	3,558	5,111	0	0	2,898,173	15.9%	0	2,898,173	15.9%	\$0
833	South Washingtc	17,439,112	18,215	4,357	837,401	837,401	16,601,711	20.9%	0	17,439,112	22.0%	-\$13

Senators Stumpf, Kelley, Bonoff and Sparks introduced-
S.F. No. 2959: Referred to the Committee on Finance.

1.1 A bill for an act
1.2 relating to education finance; reducing education property tax levies; eliminating
1.3 alternative compensation revenue from the general education program;
1.4 creating an alternative compensation aid program; amending Minnesota
1.5 Statutes 2004, sections 126C.10, subdivisions 29, 32; 126C.17, subdivision
1.6 6; Minnesota Statutes 2005 Supplement, sections 122A.415, subdivision 1;
1.7 126C.10, subdivision 13a; 126C.13, subdivision 4; proposing coding for new
1.8 law in Minnesota Statutes, chapter 122A; repealing Minnesota Statutes 2005
1.9 Supplement, section 126C.10, subdivisions 34, 35, 36.

1.10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.11 Section 1. Minnesota Statutes 2005 Supplement, section 122A.415, subdivision 1,
1.12 is amended to read:

1.13 Subdivision 1. ~~Revenue Aid~~ amount. (a) In fiscal years 2006 and 2007, a school
1.14 district, intermediate school district, school site, or charter school that meets the conditions
1.15 of section 122A.414 and submits an application approved by the commissioner is eligible
1.16 for alternative teacher compensation revenue under section 126C.10, subdivision 34. In
1.17 fiscal year 2008 and later, a school district, intermediate school district, school site, or
1.18 charter school that meets the conditions of section 122A.414, and submits an application
1.19 approved by the commissioner, is eligible for alternative teacher compensation revenue
1.20 aid under section 122A.416.

1.21 (b) For school district and intermediate school district applications, the commissioner
1.22 must consider only those applications to participate that are submitted jointly by a
1.23 district and the exclusive representative of the teachers. The application must contain an
1.24 alternative teacher professional pay system agreement that:

1.25 (1) implements an alternative teacher professional pay system consistent with
1.26 section 122A.414; and

2.1 (2) is negotiated and adopted according to the Public Employment Labor Relations
2.2 Act under chapter 179A, except that notwithstanding section 179A.20, subdivision 3, a
2.3 district may enter into a contract for a term of two or four years.

2.4 In fiscal years 2006 and 2007, alternative teacher compensation revenue, under
2.5 section 126C.10, subdivision 34, for a qualifying school district or site in which the
2.6 school board and the exclusive representative of the teachers agree to place teachers in
2.7 the district or at the site on the alternative teacher professional pay system equals \$260
2.8 times the number of pupils enrolled at the district or site on October 1 of the previous
2.9 fiscal year. For fiscal year 2008 and later, alternative teacher compensation revenue under
2.10 section 122A.416, for a qualifying school district or site in which the school board and the
2.11 exclusive representative of the teachers agree to place teachers in the district or at the site
2.12 on the alternative teacher professional pay system, equals \$260 times the number of pupils
2.13 enrolled at the district or site on October 1 of the previous fiscal year. Alternative teacher
2.14 compensation revenue for a qualifying intermediate school district must be calculated
2.15 under section 126C.10, subdivision 34, paragraphs (a) and (b) for fiscal years 2006 and
2.16 2007. Alternative teacher compensation aid for a qualifying intermediate school district
2.17 must be calculated under section 122A.416 for fiscal year 2008 and later.

2.18 (c) For a newly combined or consolidated district, the revenue under section
2.19 126C.10, subdivision 34, in fiscal years 2006 and 2007, and the aid in fiscal year 2008 and
2.20 later, shall be computed using the sum of pupils enrolled on October 1 of the previous
2.21 year in the districts entering into the combination or consolidation. The commissioner
2.22 may adjust the revenue or aid computed for a site using prior year data to reflect changes
2.23 attributable to school closings, school openings, or grade level reconfigurations between
2.24 the prior year and the current year.

2.25 (d) The revenue in fiscal years 2006 and 2007, and aid in fiscal year 2008 and later,
2.26 is available only to school districts, intermediate school districts, school sites, and charter
2.27 schools that fully implement an alternative teacher professional pay system by October 1
2.28 of the current school year.

2.29 **EFFECTIVE DATE.** This section is effective immediately.

2.30 **Sec. 2. [122A.416] BASIC ALTERNATIVE TEACHER COMPENSATION AID.**

2.31 (a) For fiscal year 2008 and later, the basic alternative teacher compensation aid for
2.32 a school district with a plan approved under section 122A.414, subdivision 2b, equals
2.33 73.1 percent of the alternative teacher compensation revenue under section 122A.415,
2.34 subdivision 1. The basic alternative teacher compensation aid for an intermediate school
2.35 district or charter school with a plan approved under section 122A.414, subdivisions 2a

3.1 and 2b, if the recipient is a charter school, equals \$260 times the number of pupils enrolled
 3.2 in the school on October 1 of the previous fiscal year, or on October 1 of the current fiscal
 3.3 year for a charter school in the first year of operation, times the ratio of the sum of the
 3.4 alternative teacher compensation aid and alternative teacher compensation levy for all
 3.5 participating school districts to the maximum alternative teacher compensation revenue
 3.6 for those districts under section 122A.415, subdivision 1.

3.7 (b) Notwithstanding paragraphs (a) and (b), and section 122A.415, subdivision 1,
 3.8 the state total basic alternative teacher compensation aid entitlement must not exceed
 3.9 \$101,205,800 for fiscal year 2008 and later. The commissioner must limit the amount
 3.10 of alternative teacher compensation aid approved under section 122A.415, so as not to
 3.11 exceed these limits.

3.12 **EFFECTIVE DATE.** This section is effective immediately.

3.13 Sec. 3. Minnesota Statutes 2005 Supplement, section 126C.10, subdivision 13a,
 3.14 is amended to read:

3.15 Subd. 13a. **Operating capital levy.** To obtain operating capital revenue for fiscal
 3.16 year 2007 and later, a district may levy an amount not more than the product of its
 3.17 operating capital revenue for the fiscal year times the lesser of one or the ratio of its
 3.18 adjusted net tax capacity per adjusted marginal cost pupil unit to the operating capital
 3.19 equalizing factor. The operating capital equalizing factor equals \$22,222 for fiscal year
 3.20 2006, ~~and~~ \$10,700 for fiscal year 2007, and \$22,222 for fiscal year 2008 and later.

3.21 **EFFECTIVE DATE.** This section is effective for revenue for taxes payable 2007.

3.22 Sec. 4. Minnesota Statutes 2004, section 126C.10, subdivision 29, is amended to read:

3.23 Subd. 29. **Equity levy.** To obtain equity revenue for fiscal ~~year~~ years 2005 and
 3.24 later through 2007, a district may levy an amount not more than the product of its equity
 3.25 revenue for the fiscal year times the lesser of one or the ratio of its referendum market
 3.26 value per resident marginal cost pupil unit to \$476,000. To obtain equity revenue for fiscal
 3.27 year 2008 and later, a district may levy an amount not more than the product of its equity
 3.28 revenue for the fiscal year times the lesser of one or the ratio of its referendum market
 3.29 value per resident marginal cost pupil unit to \$600,000.

3.30 **EFFECTIVE DATE.** This section is effective for revenue for taxes payable 2007.

3.31 Sec. 5. Minnesota Statutes 2004, section 126C.10, subdivision 32, is amended to read:

4.1 Subd. 32. **Transition levy.** To obtain transition revenue for fiscal year years 2005
 4.2 and later through 2007, a district may levy an amount not more than the product of its
 4.3 transition revenue for the fiscal year times the lesser of one or the ratio of its referendum
 4.4 market value per resident marginal cost pupil unit to \$476,000. To obtain transition
 4.5 revenue for fiscal year 2008 and later, a district may levy an amount not more than the
 4.6 product of its transition revenue for the fiscal year times the lesser of one or the ratio of its
 4.7 referendum market value per resident marginal cost pupil unit to \$600,000.

4.8 **EFFECTIVE DATE.** This section is effective for revenue for taxes payable 2007.

4.9 Sec. 6. Minnesota Statutes 2005 Supplement, section 126C.13, subdivision 4, is
 4.10 amended to read:

4.11 Subd. 4. **General education aid.** (a) For fiscal year 2006, a district's general
 4.12 education aid is the sum of the following amounts:

- 4.13 (1) general education revenue, excluding equity revenue, total operating capital, and
- 4.14 transition revenue;
- 4.15 (2) operating capital aid according to section 126C.10, subdivision 13b;
- 4.16 (3) equity aid according to section 126C.10, subdivision 30;
- 4.17 (4) transition aid according to section 126C.10, subdivision 33;
- 4.18 (5) shared time aid according to section 126C.01, subdivision 7;
- 4.19 (6) referendum aid according to section 126C.17; and
- 4.20 (7) online learning aid according to section 124D.096.

4.21 (b) For fiscal year 2007 and later, a district's general education aid is the sum of
 4.22 the following amounts:

- 4.23 (1) general education revenue, excluding equity revenue, total operating capital
- 4.24 revenue, alternative teacher compensation revenue, and transition revenue;
- 4.25 (2) operating capital aid under section 126C.10, subdivision 13b;
- 4.26 (3) equity aid under section 126C.10, subdivision 30;
- 4.27 (4) alternative teacher compensation aid under section 126C.10, subdivision 36;
- 4.28 (5) transition aid under section 126C.10, subdivision 33;
- 4.29 (6) shared time aid under section 126C.01, subdivision 7;
- 4.30 (7) referendum aid under section 126C.17; and
- 4.31 (8) online learning aid according to section 124D.096.

4.32 (c) For fiscal year 2008 and later, a district's general education aid is the sum of
 4.33 the following amounts:

- 4.34 (1) general education revenue, excluding equity revenue, total operating capital
- 4.35 revenue, and transition revenue;

- 5.1 (2) operating capital aid under section 126C.10, subdivision 13b;
- 5.2 (3) equity aid under section 126C.10, subdivision 30;
- 5.3 (4) transition aid under section 126C.10, subdivision 33;
- 5.4 (5) shared-time aid under section 126C.01, subdivision 7;
- 5.5 (6) referendum aid under section 126C.17; and
- 5.6 (7) online-learning aid according to section 124D.096.

5.7 **EFFECTIVE DATE.** This section is effective for fiscal year 2008.

5.8 Sec. 7. Minnesota Statutes 2004, section 126C.17, subdivision 6, is amended to read:

5.9 Subd. 6. **Referendum equalization levy.** (a) For fiscal year 2003 and later,
 5.10 a district's referendum equalization levy equals the sum of the first tier referendum
 5.11 equalization levy and the second tier referendum equalization levy.

5.12 (b) For fiscal years 2006 and 2007, a district's first tier referendum equalization levy
 5.13 equals the district's first tier referendum equalization revenue times the lesser of one or
 5.14 the ratio of the district's referendum market value per resident marginal cost pupil unit
 5.15 to \$476,000. For fiscal year 2008 and later, a district's first tier referendum equalization
 5.16 levy equals the district's first tier referendum equalization revenue times the lesser of one
 5.17 or the ratio of the district's referendum market value per resident marginal cost pupil
 5.18 unit to \$600,000.

5.19 (c) A district's second tier referendum equalization levy equals the district's second
 5.20 tier referendum equalization revenue times the lesser of one or the ratio of the district's
 5.21 referendum market value per resident marginal cost pupil unit to \$270,000.

5.22 **EFFECTIVE DATE.** This section is effective for revenue for taxes payable 2007.

5.23 Sec. 8. **REPEALER.**

5.24 Minnesota Statutes 2005 Supplement, section 126C.10, subdivisions 34, 35, and
 5.25 36, are repealed.

5.26 **EFFECTIVE DATE.** This section is effective for revenue for taxes payable 2007.

Fiscal Year 2008 General Education Entitlement

FEBRUARY 2006 FORECAST				
	AID	LEVY	TOTAL	
TOTAL REVENUE	A. BASIC	4,704,299,033	0	4,704,299,033
	B. EXTENDED TIME	55,933,762	0	55,933,762
	C. GIFTED & TALENTED	8,512,004	0	8,512,004
	D. BASIC SKILLS			
	* COMPENSATORY	315,794,118	0	315,794,118
	* TOT LEP	30,278,648	0	30,278,648
	* LEP CONCENTRATION	7,994,548	0	7,994,548
	* AOM	0	0	0
	E. SPARSITY	20,163,375	0	20,163,375
	F. TRANSPORT SPARSITY	59,448,238	0	59,448,238
	G. OPER CAPITAL	80,121,740	112,276,134	192,397,874
	H. TRAIN & EXPER	2,725,390	0	2,725,390
	I. EQUITY	23,588,940	70,602,567	94,191,506
	J. LATE CONTRACT PENALTY	(150,000)	0	(150,000)
	K. A THROUGH J	5,308,709,796	182,878,701	5,491,588,496
	L. TRANSITION	6,606,665	23,342,045	29,948,710
	M. Q.COMP	78,006,651	23,199,074	101,205,725
	N. REFERENDUM	92,507,515	569,022,140	670,233,654
	O. TAX BASE REPL	8,704,000	0	0
	P. ALT ATT ADJ	(559,970)	0	(559,970)
	Q. J+K+M+N+O+P	5,493,974,656	798,441,960	6,292,416,616

S.F. 2959				
	AID	LEVY	TOTAL	
TOTAL REVENUE	A. BASIC	4,704,299,033	0	4,704,299,033
	B. EXTENDED TIME	55,933,762	0	55,933,762
	C. GIFTED & TALENTED	8,512,004	0	8,512,004
	D. BASIC SKILLS			
	* COMPENSATORY	315,794,118	0	315,794,118
	* TOT LEP	30,278,648	0	30,278,648
	* LEP CONCENTRATION	7,994,548	0	7,994,548
	* AOM	0	0	0
	E. SPARSITY	20,163,375	0	20,163,375
	F. TRANSPORT SPARSITY	59,448,238	0	59,448,238
	G. OPER CAPITAL	137,190,897	55,206,977	192,397,874
	H. TRAIN & EXPER	2,725,390	0	2,725,390
	I. EQUITY	34,820,846	59,370,661	94,191,506
	J. LATE CONTRACT PENALTY	(150,000)	0	(150,000)
	K. A THROUGH J	5,377,010,859	114,577,638	5,491,588,496
	L. TRANSITION	9,722,696	20,226,014	29,948,710
	M. Q.COMP	101,205,725	0	101,205,725
	N. REFERENDUM	146,371,692	515,157,962	670,233,654
	O. TAX BASE REPL	8,704,000	0	0
	P. ALT ATT ADJ	(826,307)	0	(826,307)
	Q. J+K+M+N+O+P	5,642,188,664	649,961,614	6,292,150,278

DIFFERENCE				
	AID	LEVY	TOTAL	
TOTAL REVENUE	A. BASIC	0	0	0
	B. EXTENDED TIME	0	0	0
	C. GIFTED & TALENTED	0	0	0
	D. BASIC SKILLS			
	* COMPENSATORY	0	0	0
	* TOT LEP	0	0	0
	* LEP CONCENTRATION	0	0	0
	* AOM	0	0	0
	E. SPARSITY	0	0	0
	F. TRANSPORT SPARSITY	0	0	0
	G. OPER CAPITAL	57,069,157	(57,069,157)	0
	H. TRAIN & EXPER	0	0	0
	I. EQUITY	11,231,906	(11,231,906)	0
	J. LATE CONTRACT PENALTY	0	0	0
	K. A THROUGH J	68,301,063	(68,301,063)	0
	L. TRANSITION	3,116,031	(3,116,031)	0
	M. Q.COMP	23,199,074	(23,199,074)	0
	N. REFERENDUM	53,864,177	(53,864,178)	(1)
	O. TAX BASE REPL	0	0	0
	P. ALT ATT ADJ	(266,337)	0	(266,337)
	Q. J+K+M+N+O+P	148,214,008	(148,480,346)	(266,338)

OPCAP, REF, EQUITY, QCOMP AND TRANS REVENUE EQUALIZATION
 Increase First Tier to \$600,000
 Elm. Q.Comp Levy

Senate CRFA
 ELNauman

Adjusted ADMs	CURRENT LAW																	
	Op Cap Levy	Op Cap Aid	Op Cap Rev	Equity Levy	Equity Aid	Equity Revenue	Refndm Levy	Refndm Aid	Refndm Revenue	Trans Levy	Trans Aid	Trans Revenue	Q.Comp Levy	Q.Comp Aid	Q.Comp Revenue	Aid Grand Tot.	Per AADM	
2609 2609 Win-E-Mac	497	48,731	56,909	105,640	27,867	48,802	76,669	0	0	0	278	488	766	0	0	0	106,199	214
2683 2683 Greenbush-Middle Riv	461	38,270	75,882	114,152	13,386	40,738	54,124	85,086	201,085	342,339	0	0	0	0	0	0	317,705	689
2687 2687 Howard Lake-Waverly-1	1,030	185,764	75,707	261,471	86,452	25,947	112,399	752,194	211,252	977,956	6,611	1,984	8,595	0	0	0	314,890	306
2689 2689 Pipestone-Jasper	1,171	121,790	130,676	252,466	49,110	106,135	155,245	178,705	385,594	564,299	8,094	17,492	25,586	0	0	0	639,897	546
2711 2711 Mesabi East	873	122,438	102,542	224,980	72,290	57,186	129,476	84,069	63,636	150,573	718	568	1,286	0	0	0	223,932	257
2752 2752 Fairmont Area Schools	1,775	186,857	255,997	442,854	122,068	104,133	226,201	571,401	487,444	1,058,845	32,292	27,547	59,839	0	0	0	875,121	493
2753 2753 Long Prairie-Grey Ea	1,048	121,928	132,355	254,283	82,320	65,066	147,386	290,965	229,468	520,433	0	0	0	0	0	0	426,889	407
2754 2754 Cedar Mountain	412	67,226	35,865	103,091	15,760	37,119	52,879	72,577	74,464	243,509	0	0	0	0	0	0	147,448	358
2759 2759 Eagle Bend-Clarissa	328	34,909	47,697	82,606	11,819	20,815	32,634	153,395	230,743	384,138	0	0	0	0	0	0	299,255	912
2805 2805 Zumbrota-Mazepa	1,082	135,953	126,343	262,296	80,523	44,172	124,695	604,077	271,056	935,429	4,653	2,552	7,205	0	0	0	444,123	410
2835 2835 Janesville-Waldo	576	104,640	29,751	134,391	30,375	22,531	52,906	495,047	85,528	744,297	0	0	0	0	0	0	137,810	239
2853 2853 Madison-Marietta-Lacq	945	160,467	67,822	228,289	26,056	57,721	83,777	538,834	817,400	1,356,234	0	0	0	0	0	0	942,943	998
2854 2854 Ada-Borup	492	47,632	60,484	108,116	15,817	40,577	56,394	129,884	292,604	422,488	2,260	5,797	8,057	0	0	0	399,462	812
2856 2856 Stephen-Argyle	342	53,520	34,255	87,775	20,113	10,354	30,467	220,304	118,396	486,830	0	0	0	0	0	0	172,764	505
2859 2859 Glencoe-Silver Lake	1,645	201,162	203,728	404,890	115,590	74,317	189,907	831,425	497,410	1,365,976	37,355	24,016	61,371	0	0	0	799,471	486
2860 2860 Blue Earth-Delavan-El	1,230	173,588	128,474	302,062	62,093	85,419	147,512	395,003	500,604	938,392	0	0	0	0	0	0	714,497	581
2884 2884 Red Rock Central	464	105,757	11,814	117,571	16,603	30,592	47,195	212,811	290,910	503,721	0	0	0	0	0	0	333,316	718
2886 2886 Glenville-Emmons	381	68,586	29,530	98,116	16,605	22,094	38,699	226,013	71,195	454,369	0	0	0	0	0	0	122,819	322
2887 2887 Mcleod West Schools	445	74,990	36,603	111,593	24,063	24,972	49,035	194,066	199,994	394,060	7,146	7,416	14,562	0	0	0	268,985	604
2888 2888 Clinton-Graceville-Be	378	80,868	14,615	95,483	13,583	43,549	57,132	15,316	49,106	64,422	0	0	0	0	0	0	107,270	284
2889 2889 Lake Park-Audubon	680	161,628	3,306	164,934	67,240	17,765	85,005	308,887	81,612	390,499	0	0	0	0	0	0	102,683	151
2890 2890 Drsh	626	121,739	38,518	160,257	23,063	41,551	64,614	267,993	169,250	683,399	0	0	0	0	0	0	249,319	398
2895 2895 Jackson County Centra	1,165	167,491	106,584	274,075	86,855	118,661	205,516	29,032	39,098	68,130	0	0	0	0	0	0	264,343	227
2897 2897 Redwood Area Schools	1,266	117,204	169,501	286,705	63,111	96,565	159,676	314,360	480,995	795,355	16,660	25,490	42,150	0	0	0	772,551	610
2898 2898 Westbrook-Walnut Grov	577	82,558	64,266	146,824	19,949	56,760	76,709	73,975	79,584	284,455	18,545	52,764	71,309	0	0	0	253,374	439

OPCAP, REF, EQUITY, QCOMP AND TRANS
 Increase First Tier to \$600,000
 Elim. Q.Comp Levy

Senate CRFA
 ELNauman

Adjusted ADMs	S. F. 2959																Aid Grand Tot.	Per AADM	Aid Difference	Diff Per AADM
	Op Cap Levy	Op Cap Aid	Op Cap Rev	Equity Levy	Equity Aid	Equity Revenue	Refndm Levy	Refndm Aid	Refndm Revenue	Trans Levy	Trans Aid	Trans Revenue	Q.Comp Levy	Q.Comp Aid	Q.Comp Revenue					
2609 2609 Win-E-Mac	497	23,464	82,176	105,640	22,108	54,561	76,669	0	0	0	221	545	766	0	0	0	137,282	276	31,083	63
2683 2683 Greenbush-Middle Riv	461	18,427	95,725	114,152	10,620	43,504	54,124	67,501	218,670	342,339	0	0	0	0	0	0	357,899	776	40,194	87
2687 2687 Howard Lake-Waverly-1	1,030	89,447	172,024	261,471	68,585	43,814	112,399	596,741	366,705	977,956	5,245	3,350	8,595	0	0	0	585,893	569	271,003	263
2689 2689 Pipestone-Jasper	1,171	58,642	193,824	252,466	38,961	116,284	155,245	141,773	422,526	564,299	6,421	19,165	25,586	0	0	0	751,799	642	111,902	96
2711 2711 Mesabi East	873	58,954	166,026	224,980	57,350	72,126	129,476	66,695	81,010	150,573	570	716	1,286	0	0	0	319,878	366	95,946	110
2752 2752 Fairmont Area Schools	1,775	89,972	352,882	442,854	96,841	129,360	226,201	453,312	605,533	1,058,845	25,618	34,221	59,839	0	0	0	1,121,996	632	246,875	139
2753 2753 Long Prairie-Grey Ea	1,048	58,709	195,574	254,283	65,307	82,079	147,386	230,832	289,601	520,433	0	0	0	0	0	0	567,254	541	140,365	134
2754 2754 Cedar Mountain	412	32,370	70,721	103,091	12,503	40,376	52,879	57,577	89,464	243,509	0	0	0	0	0	0	200,561	487	53,113	129
2759 2759 Eagle Bend-Clarissa	328	16,809	65,797	82,606	9,377	23,257	32,634	128,419	255,719	384,138	0	0	0	0	0	0	344,773	1,051	45,518	139
2805 2805 Zumbrota-Mazeppa	1,082	65,462	196,834	262,296	63,882	60,813	124,695	479,243	395,890	935,429	3,691	3,514	7,205	0	0	0	657,051	607	212,928	197
2835 2835 Janesville-Waldo	576	50,384	84,007	134,391	24,098	28,808	52,906	425,601	154,974	744,297	0	0	0	0	0	0	267,789	465	129,979	226
2853 2853 Madison-Marietta-Lacq	945	77,266	151,023	228,289	20,671	63,106	83,777	483,360	872,874	1,356,234	0	0	0	0	0	0	1,087,003	1,150	144,060	152
2854 2854 Ada-Borup	492	22,935	85,181	108,116	12,548	43,846	56,394	108,481	314,007	422,488	1,793	6,264	8,057	0	0	0	449,298	913	49,836	101
2856 2856 Stephen-Argyle	342	25,770	62,005	87,775	8,214	22,253	30,467	200,972	137,728	486,830	0	0	0	0	0	0	221,986	649	49,222	144
2859 2859 Glencoe-Silver Lake	1,645	96,860	308,030	404,890	91,702	98,205	189,907	659,598	669,237	1,365,976	29,635	31,736	61,371	0	0	0	1,107,208	673	307,737	187
2860 2860 Blue Earth-Delavan-EI	1,230	83,584	218,478	302,062	49,261	98,251	147,512	313,369	582,238	938,392	0	0	0	0	0	0	898,967	731	184,470	150
2884 2884 Red Rock Central	464	50,922	66,649	117,571	13,172	34,023	47,195	185,832	317,889	503,721	0	0	0	0	0	0	418,561	902	85,245	184
2886 2886 Glenville-Emmons	381	33,024	65,092	98,116	13,173	25,526	38,699	193,956	103,252	454,369	0	0	0	0	0	0	193,870	509	71,051	186
2887 2887 Mcleod West Schools	445	36,108	75,485	111,593	19,090	29,945	49,035	154,288	239,772	394,060	5,669	8,893	14,562	0	0	0	354,095	796	85,110	191
2888 2888 Clinton-Graceville-Be	378	38,938	56,545	95,483	10,776	46,356	57,132	12,151	52,271	64,422	0	0	0	0	0	0	155,172	411	47,902	127
2889 2889 Lake Park-Audubon	680	77,825	87,109	164,934	53,343	31,662	85,005	245,051	145,448	390,499	0	0	0	0	0	0	264,219	389	161,536	238
2890 2890 Drsh	626	58,618	101,639	160,257	18,296	46,318	64,614	224,101	213,142	683,399	0	0	0	0	0	0	361,099	577	111,780	179
2895 2895 Jackson County Centra	1,165	80,648	193,427	274,075	68,905	136,611	205,516	23,032	45,098	68,130	0	0	0	0	0	0	375,136	322	110,793	95
2897 2897 Redwood Area Schools	1,266	56,434	230,271	286,705	50,068	109,608	159,676	249,392	545,963	795,355	13,217	28,933	42,150	0	0	0	914,775	723	142,224	112
2898 2898 Westbrook-Walnut Grov	577	39,752	107,072	146,824	15,826	60,883	76,709	58,687	94,872	284,455	14,712	56,597	71,309	0	0	0	319,424	554	66,050	114

Senator Skoe introduced—

S.F. No. 2670: Referred to the Committee on Finance.

A bill for an act

relating to education finance; increasing equalizing factor for debt service equalization aid program; indexing the equalizing factor; amending Minnesota Statutes 2004, sections 123B.53, subdivision 5; 126C.01, by adding a subdivision.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2004, section 123B.53, subdivision 5, is amended to read:

Subd. 5. **Equalized debt service levy.** (a) The equalized debt service levy of a district equals the sum of the first tier equalized debt service levy and the second tier equalized debt service levy.

(b) A district's first tier equalized debt service levy equals the district's first tier debt service equalization revenue times the lesser of one or the ratio of:

(1) the quotient derived by dividing the adjusted net tax capacity of the district for the year before the year the levy is certified by the adjusted pupil units in the district for the school year ending in the year prior to the year the levy is certified; to

(2) ~~\$3,200~~ \$5,000 times the equalizing factor adjustment under section 126C.01, subdivision 12.

(c) A district's second tier equalized debt service levy equals the district's second tier debt service equalization revenue times the lesser of one or the ratio of:

(1) the quotient derived by dividing the adjusted net tax capacity of the district for the year before the year the levy is certified by the adjusted pupil units in the district for the school year ending in the year prior to the year the levy is certified; to

(2) \$8,000 times the equalizing factor adjustment under section 126C.01, subdivision 12.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2008.

2.1 Sec. 2. Minnesota Statutes 2004, section 126C.01, is amended by adding a subdivision
2.2 to read:

2.3 Subd. 12. Net tax capacity equalizing factor adjustment. The net tax capacity
2.4 equalizing factor adjustment equals the greater of one or the ratio of the statewide net
2.5 tax capacity for the most recent assessment year divided by the statewide adjusted
2.6 marginal cost pupil units for the third subsequent year to the statewide net tax capacity
2.7 for assessment year 2004 divided by the statewide adjusted marginal cost pupil units
2.8 for fiscal year 2007.

2.9 EFFECTIVE DATE. This section is effective for revenue for fiscal year 2008.

1.1 Senator moves to amend S.F. No. 2670 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2004, section 123B.53, subdivision 4, is amended to
1.4 read:

1.5 Subd. 4. **Debt service equalization revenue.** (a) The debt service equalization
1.6 revenue of a district equals the sum of the first tier debt service equalization revenue and
1.7 the second tier debt service equalization revenue.

1.8 (b) The first tier debt service equalization revenue of a district equals the greater
1.9 of zero or the eligible debt service revenue minus the amount raised by a levy of ~~15~~ 12
1.10 percent times the ~~adjusted~~ debt service net tax capacity of the district minus the second
1.11 tier debt service equalization revenue of the district.

1.12 (c) The second tier debt service equalization revenue of a district equals the greater
1.13 of zero or the eligible debt service revenue, excluding alternative facilities levies under
1.14 section 123B.59, subdivision 5, minus the amount raised by a levy of ~~25~~ 22 percent times
1.15 the ~~adjusted~~ debt service net tax capacity of the district.

1.16 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2008.

1.17 Sec. 2. Minnesota Statutes 2004, section 123B.53, subdivision 5, is amended to read:

1.18 Subd. 5. **Equalized debt service levy.** (a) The equalized debt service levy of a
1.19 district equals the sum of the first tier equalized debt service levy and the second tier
1.20 equalized debt service levy.

1.21 (b) A district's first tier equalized debt service levy equals the district's first tier debt
1.22 service equalization revenue times the lesser of one or the ratio of:

1.23 (1) the quotient derived by dividing the ~~adjusted~~ debt service net tax capacity of the
1.24 district for the year before the year the levy is certified by the adjusted pupil units in the
1.25 district for the school year ending in the year prior to the year the levy is certified; to

2.1 (2) ~~\$3,200~~ \$5,500 times the equalizing factor adjustment under section 126C.01,
 2.2 subdivision 12.

2.3 (c) A district's second tier equalized debt service levy equals the district's second
 2.4 tier debt service equalization revenue times the lesser of one or the ratio of:

2.5 (1) the quotient derived by dividing the ~~adjusted~~ debt service net tax capacity of the
 2.6 district for the year before the year the levy is certified by the adjusted pupil units in the
 2.7 district for the school year ending in the year prior to the year the levy is certified; to

2.8 (2) \$8,000 times the equalizing factor adjustment under section 126C.01, subdivision
 2.9 12.

2.10 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2008.

2.11 Sec. 3. Minnesota Statutes 2004, section 126C.01, is amended by adding a subdivision
 2.12 to read:

2.13 **Subd. 2a. Debt service net tax capacity.** A school district's debt service net tax
 2.14 capacity means the net tax capacity of the taxable property of the district as adjusted by
 2.15 the commissioner of revenue under section 127A.48, subdivision 17. The debt service net
 2.16 tax capacity for any given calendar year must be used to compute the debt service levy
 2.17 limitations for levies certified in the succeeding calendar year and aid for the school year
 2.18 beginning in the second succeeding calendar year.

2.19 **EFFECTIVE DATE.** This section is effective the day following final enactment for
 2.20 computing taxes payable in 2007.

2.21 Sec. 4. Minnesota Statutes 2004, section 126C.01, is amended by adding a subdivision
 2.22 to read:

2.23 **Subd. 12. Net tax capacity equalizing factor adjustment.** The net tax capacity
 2.24 equalizing factor adjustment equals the greater of one or the ratio of the statewide net
 2.25 tax capacity for the most recent assessment year divided by the statewide adjusted
 2.26 marginal cost pupil units for the third subsequent year to the statewide net tax capacity
 2.27 for assessment year 2004 divided by the statewide adjusted marginal cost pupil units
 2.28 for fiscal year 2007.

2.29 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2008.

2.30 Sec. 5. Minnesota Statutes 2004, section 127A.48, is amended by adding a subdivision
 2.31 to read:

2.32 **Subd. 17. Debt service net tax capacity.** To calculate each district's debt service
 2.33 net tax capacity, the commissioner of revenue must recompute the amounts in this section

3.1 using an alternative sales ratio comparing the sales price to the estimated market value
3.2 of the property.

3.3 **EFFECTIVE DATE.** This section is effective the day following final enactment for
3.4 computing taxes payable in 2007.

3.5 Sec. 6. Minnesota Statutes 2005 Supplement, section 273.11, subdivision 1a, is
3.6 amended to read:

3.7 Subd. 1a. **Limited market value.** In the case of all property classified as
3.8 agricultural homestead or nonhomestead, residential homestead or nonhomestead, timber,
3.9 or noncommercial seasonal residential recreational, the assessor shall compare the value
3.10 with the taxable portion of the value determined in the preceding assessment.

3.11 For assessment years 2004, 2005, and 2006, the amount of the increase shall not
3.12 exceed the greater of (1) 15 percent of the value in the preceding assessment, or (2) 25
3.13 percent of the difference between the current assessment and the preceding assessment.

3.14 For assessment year 2007, the amount of the increase shall not exceed the greater of
3.15 (1) 15 percent of the value in the preceding assessment, or (2) 33 percent of the difference
3.16 between the current assessment and the preceding assessment.

3.17 For assessment year 2008, the amount of the increase shall not exceed the greater of
3.18 (1) 15 percent of the value in the preceding assessment, or (2) 50 percent of the difference
3.19 between the current assessment and the preceding assessment.

3.20 This limitation shall not apply to increases in value due to improvements. For
3.21 purposes of this subdivision, the term "assessment" means the value prior to any exclusion
3.22 under subdivision 16.

3.23 The provisions of this subdivision shall be in effect through assessment year 2008
3.24 as provided in this subdivision.

3.25 For purposes of the assessment/sales ratio study conducted under section 127A.48,
3.26 and the computation of state aids paid under chapters 122A, 123A, 123B; excluding
3.27 section 123B.53, 124D, 125A, 126C, 127A, and 477A, market values and net tax
3.28 capacities determined under this subdivision and subdivision 16, shall be used.

3.29 **EFFECTIVE DATE.** This section is effective the day following final enactment for
3.30 computing taxes payable in 2007."

3.31 Amend the title accordingly

ISD #435 Debt Service Equalization Fact Sheet

Our ANTC has increased dramatically over the last few years. At the same time, our equalization aid from the state decreased. In simple terms, increases in ANTC decrease state equalization (contribution) dollars. We no longer receive equalization aid on our debt service, which is a direct result of increasing property values.

The following information is taken directly from our levy sheets regarding debt service equalization aid:

<u>Levy</u>	<u>Gross Aid</u>	<u>Fiscal Year</u>
2002 Payable 2003	\$204,098.86	04
2003 Payable 2004	\$100,430.41	05
2004 Payable 2005	\$67,203.89	06
2005 Payable 2006	\$0.00	07

At the same time, there was a corresponding escalation of property values as shown by our ANTC taken from the levy sheets:

<u>Year</u>	<u>ANTC</u>
2000	\$1,730,373
2001	\$1,981,755
2002	2,358,288
2003	2,580,208
2004	3,032,719

ISD 435 has under levied three of the past four years in order to help relieve some of the tax burden that has been caused by decreased equalization aid. The following information is taken from the levy sheets:

<u>Levy</u>	<u>Maximum Levy Allowable</u>	<u>Levied Amount</u>	<u>Under levied Difference</u>
2002 Payable 2003	\$724,629.26	\$576,650.24	\$147,979.05
2003 Payable 2004	\$833,622.86	\$833,622.86	\$0
2004 Payable 2005	\$852,559.26	\$830,000.00	\$22,559.26
2005 Payable 2006	\$1,090,498.46	\$940,081.88	\$150,416.58

Reforming and Restoring Debt Service Equalization Aid SF 3090

Representative Sondra Erickson
Dr. Fred Nolan,
Superintendent Foley Public Schools
fnolan@foley.k12.mn.us

Credit and Recognition to Gary Olsen
of Ehlers & Associates
for generously sharing data slides

March 14, 2006
Minnesota House Education
Finance Committee

History of Equalization

- Debt Service and Operating Referendum Levies
 - Prior to 1992-93, all school debt service payments and levy referendums were funded by local property tax levies
 - Impact was very disequalizing
 - “Poorer” districts often couldn’t afford equitable facilities or additional operating dollars
 - If they had equitable facilities, if often required a very high tax rate
 - Only alternative was the Maximum Effort Capital Loan Program which has been in law since the 1960’s

History of Equalization

- Skeen Case – plaintiffs alleged lack of equalization violated constitution
- District Court ruled in favor of plaintiffs
- While case was pending appeal, Legislature instituted referendum and debt service equalization programs
- Began with fiscal year 1992-93
 - 3 year phase-in
 - Fully phased in for 1994-95 (taxes payable 1994)

History of Debt Service Equalization

- Several changes in the formula since program's inception
- Most recent changes in the 2001 Legislature
 - Two-tier aid formula was created
 - Changes to maximum effort school loan eligibility

How Debt Service Equalization Works

- District's debt service levy must exceed a "minimum threshold" before receiving any aid – currently 15% of ANTC
- For amounts above the threshold, local share is based on district's ANTC per pupil unit, compared with a state-determined "equalizing factor"
 - Tier 1 equalizing factor is currently \$3,200 per pupil unit (next 10% of ANTC)
 - Tier 2 equalization factor is currently \$8,000 per pupil unit (everything above 25% of ANTC)

How Debt Service Equalization Works (end result and with the math)

- “Poorer” districts (low ANTC/pupil unit) with high debt service tax rates receive the greatest aid

- Tier 1

- Required Debt Service Levy - 15% of ANTC = Debt Service Levy Eligible for State Equalization Aid (Bond payments X 1.05)

$$\text{Debt Service Eligible for Aid} \times \frac{\text{ANTC}}{\text{Adj PU}} \div \text{Equalization Factor} = \text{Local Levy Portion}$$

$$\text{Debt Service Eligible for Aid} - \text{Local Levy Portion} = \text{State Debt Service Equalization Aid}$$

$$\text{Total Local levy} = 15\% \text{ of ANTC} + \text{Local Levy portion of Debt Service Eligible for Aid}$$

**Minnesota School Districts
State Totals of Debt Service Aid and Levy
Fiscal Years 1994 through 2006
(\$ in Thousands)**

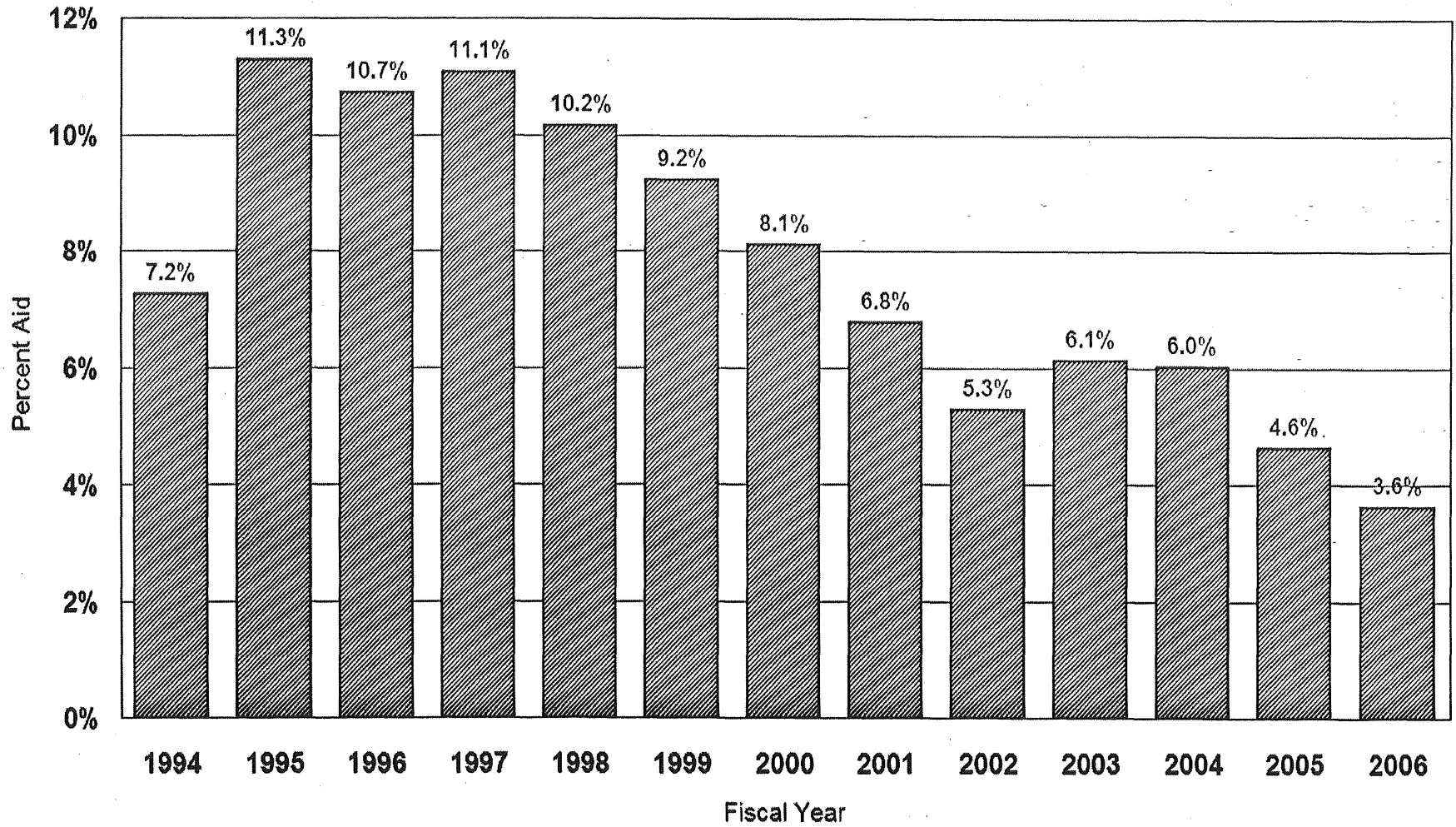
Fiscal Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Unequalized Revenue	162,941	178,763	209,803	219,369	261,081	278,918	305,749	337,461	382,439	408,201	474,348	509,986	559,586
First Tier Revenue	30,396	65,187	70,135	79,824	90,567	88,597	95,877	92,592	103,730	98,883	103,771	92,121	89,911
Second Tier Revenue	NA	NA	NA	NA	NA	NA	NA	NA	NA	31,911	44,788	38,445	38,606
Total Eligible Revenue	193,337	243,950	279,938	299,193	351,648	367,515	401,626	430,053	486,168	538,994	622,907	640,552	688,103
Unequalized Levy	162,941	178,763	209,803	219,369	261,081	278,918	305,749	337,461	382,439	408,201	474,348	509,986	559,586
First Tier Levy	16,396	37,660	40,082	46,659	54,830	54,716	63,324	63,543	78,067	88,521	96,359	87,326	87,428
Second Tier Levy	NA	NA	NA	NA	NA	NA	NA	NA	NA	9,292	14,782	13,595	16,038
Total Levy	179,337	216,423	249,885	266,028	315,911	333,634	369,072	401,003	460,506	506,014	585,489	610,907	663,052
First Tier Aid	14,000	27,527	30,053	33,165	35,737	33,881	32,554	29,049	25,663	10,361	7,412	4,795	2,483
Second Tier Aid	NA	NA	NA	NA	NA	NA	NA	NA	NA	22,619	30,006	24,850	22,568
Total Aid	14,000	27,527	30,053	33,165	35,737	33,881	32,554	29,049	25,663	32,980	37,419	29,645	25,051
Percent Aid	7.2%	11.3%	10.7%	11.1%	10.2%	9.2%	8.1%	6.8%	5.3%	6.1%	6.0%	4.6%	3.6%

SOURCE: Minnesota Department of Education

Statewide Trends in Debt Service Equalization Aid

- Since 1994 debt service revenue eligible for equalization has more than tripled
 - \$193 million in FY 1994
 - \$688 million in FY 2006
- Relative small portion paid by state aid
 - \$27.5 million in FY 1995 (first year fully phased in) 11.3%
 - \$37.4 million in FY 2004 (highest year) 4.6%

Debt Equalization Aid as a Percent of Eligible Debt Revenue



Statewide Trends in Debt Service Equalization Aid

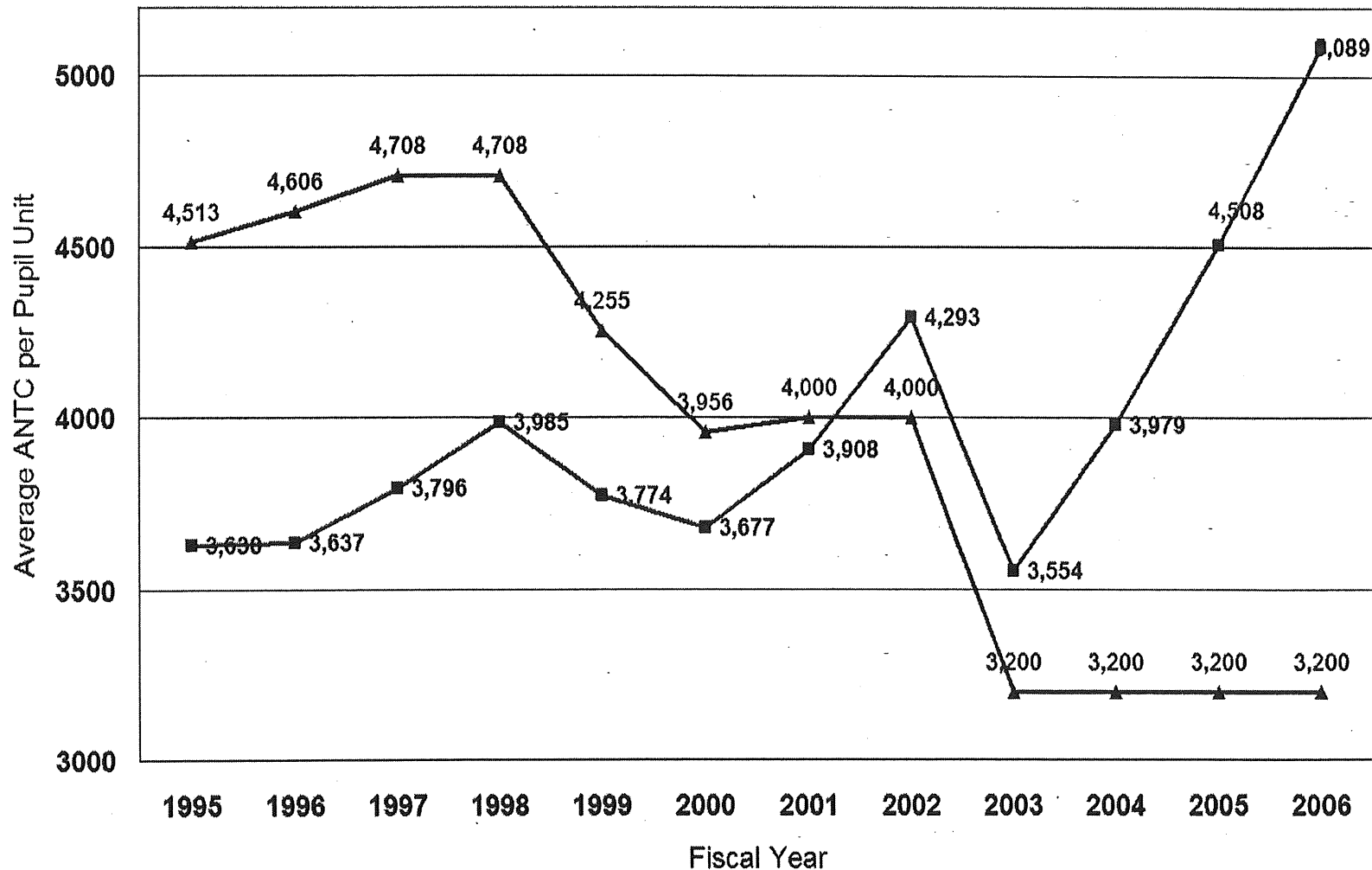
- Portion of debt service costs paid by the state has declined steadily
 - All-time high of 11.3% in FY 1995
 - All-time low of 3.6% in FY 2006
- 2001 Legislative changes did not solve the problem
 - Slight increase for FY 2003
 - Continued decrease since FY 2003

**Minnesota School Districts
Data Relating to Debt Service Aid and Levy
Fiscal Years 1995 through 2006**

Fiscal Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
ANTC (\$000s)	3,012,878	3,102,418	3,348,309	3,633,169	3,509,434	3,472,173	3,712,333	4,105,783	3,443,714	3,855,996	4,354,956	4,812,393
Pupil Units for Debt Service	830,052	853,108	882,023	911,790	929,954	944,191	949,843	956,453	969,046	968,997	966,127	945,625
Average ANTC per Pupil Unit	3,630	3,637	3,796	3,985	3,774	3,677	3,908	4,293	3,554	3,979	4,508	5,089
First Tier Equalizing Factor	4,513	4,605.50	4,707.50	4,707.50	4,255	3,956	4,000	4,000	3,200	3,200	3,200	3,200
Equalizing Factor/Avg. ANTC	124%	127%	124%	118%	113%	108%	102%	93%	90%	80%	71%	63%
Second Tier Equalizing Factor	NA	NA	NA	NA	NA	NA	NA	NA	8,000	8,000	8,000	8,000
Average Aid Percent 1st Tier	19.6%	21.0%	19.4%	15.4%	11.3%	7.0%	2.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Average Aid Percent 2nd Tier	NA	NA	NA	NA	NA	NA	NA	NA	55.6%	50.3%	43.7%	36.4%
Districts with ANTC / PU greater than the Equalizing Factor												
First Tier												
Number of Districts	50	44	44	50	61	68	84	112	130	171	219	262
Percent of Districts	14.4%	12.7%	12.7%	14.4%	17.6%	19.6%	24.2%	32.5%	37.9%	49.9%	63.8%	76.4%
Second Tier												
Number of Districts	NA	NA	NA	NA	NA	NA	NA	NA	5	11	17	26
Percent of Districts	NA	NA	NA	NA	NA	NA	NA	NA	1.5%	3.2%	5.0%	7.6%
Threshold Amount (\$000s)	301,288	310,242	334,831	363,317	386,038	416,661	445,480	492,694	516,557	578,399	653,243	721,859
Threshold Amount per Pupil Unit	362.97	363.66	379.62	398.47	415.11	441.29	469.00	515.13	533.06	596.91	676.15	763.37

SOURCE: Minnesota Department of Education

Comparison of State Average ANTC/Pupil Unit and the Debt Service First Tier Equalizing Factor

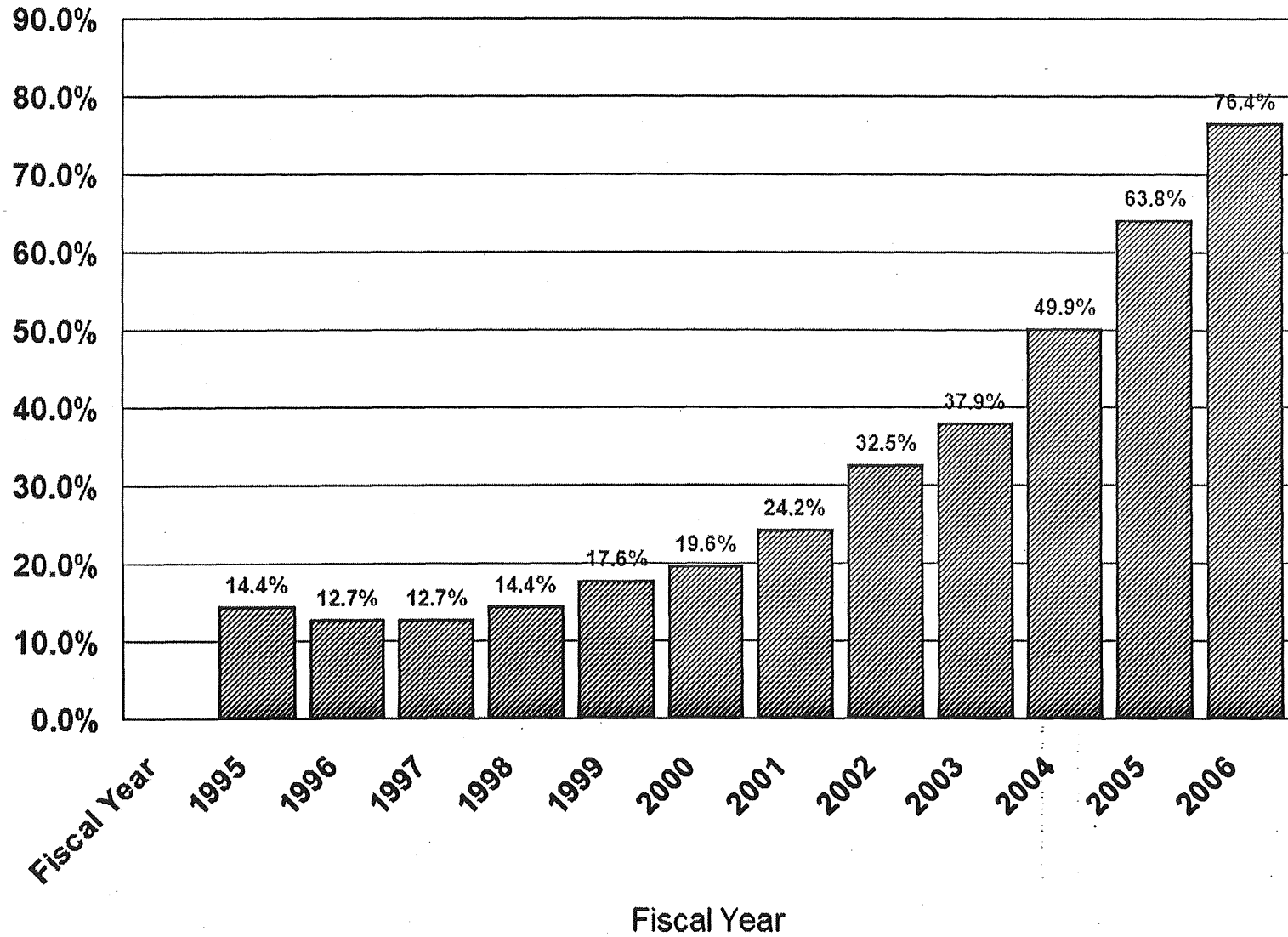


■ Average ANTC per Pupil Unit
▲ First Tier Equalizing Factor

Statewide Trends in Debt Service Equalization Aid

- Equalizing Factor
 - For the first three years it was adjusted each year and stayed at about 125% of the state average ANTC / PU
 - Since then, it has remained the same or been reduced to offset class rate changes
- ANTC per Pupil Unit
 - Continues to increase each year (except for changes in class rates)
 - 43% increase over the last three years

Percent of Districts with ANTC per Pupil Unit Greater than the First Tier Equalizing Factor



What Went Wrong

- Property values have increased
 - State total of ANTC up 59% since 1994-95
- ANTC/Pupil has increased 42% since 2003
- Statewide enrollment decline 2003-2006
- Formulas haven't kept pace
(Haven't changed in four years)
- Limited Market Value (LMV) is distorting the ANTC by 31% state-wide lowering the state-wide sales ratio by 6.3%
- Construction costs from 1995-2005 (pre Katrina) increased 47% as measured by Engineering News Report (ENR), 2006 construction cost inflation are estimated to be 7% due in part to Katrina

**Example of Changes in Debt Equalization Aid
Janesville-Waldorf-Pemberton School District**

Fiscal Year Year Taxes are Payable	1994-95 1994	2002-03 2002	2005-06 2005
Local Variables			
1. Adjusted Net Tax Capacity	2,757,060	3,436,239	4,228,157
2. Pupil Units	1,102.76	738.56	666.72
3. ANTC per Pupil Unit (#1 / #2)	2,500	4,653	6,342
Local Tax Levy as Percentage of Revenue			
4. First Tier Equalizing Factor	4,513	3,200	3,200
5. Second Tier Equalizing Factor	N/A	8,000	8,000
6. Unequalized Revenue - 100%	100.00%	100.00%	100.00%
7. First Tier (#3 / #4)	55.40%	100.00%	100.00%
8. Second Tier of Aid (#3 / #5)	N/A	58.16%	79.27%
Threshold Percent of ANTC			
9. Unequalized Revenue	10.00%	15.00%	15.00%
10. First Tier Revenue		10.00%	10.00%
Maximum Revenue by Tier			
10. Unequalized Revenue (#7 x #1)	275,706	515,436	634,224
11. First Tier (#10 x #1)	N/A	343,624	422,816
12. Required Debt Service Levy	1,000,000	1,000,000	1,000,000
Unequalized Revenue			
13. Levy (lesser of #10 or #12)	275,706	515,436	634,224
First Tier			
14. Revenue (lesser of (#12 - #13) or #11)	724,294	343,624	365,776
15. Levy (#5 x #11)	401,250	343,624	365,776
16. Aid (#11 - #12)	323,044	0	0
Second Tier			
17. Revenue (#12 - #13 - #14)	0	140,940	0
18. Levy (#8 x #17)	0	81,968	0
19. Aid (#17 - #18)	0	58,973	0
Total Debt Service Revenue			
20. Levy (#13+ #15 + #18)	676,956	941,027	1,000,000
Levy Percent of Total	67.70%	94.10%	100.00%
21. Aid (#16 + #19)	323,044	58,973	0
Aid Percent of Total	32.30%	5.90%	0.00%

**Example of Changes in Debt Equalization Aid
Albert Lea School District**

Fiscal Year Year Taxes are Payable	1994-95 1994	2002-03 2002	2005-06 2005
Local Variables			
1. Adjusted Net Tax Capacity	10,701,846	11,713,688	14,496,693
2. Pupil Units	4,777.54	4,579.05	4,227.93
3. ANTC per Pupil Unit (#1 / #2)	2.240	2,558	3,429
Local Tax Levy as Percentage of Revenue			
4. First Tier Equalizing Factor	4,513	3,200	3,200
5. Second Tier Equalizing Factor	N/A	8,000	8,000
6. Unequalized Revenue - 100%	100.00%	100.00%	100.00%
7. First Tier (#3 / #4)	49.64%	79.94%	100.00%
8. Second Tier of Aid (#3 / #5)	N/A	31.98%	42.86%
Threshold Percent of ANTC			
9. Unequalized Revenue	10.00%	15.00%	15.00%
10. First Tier Revenue		10.00%	10.00%
Maximum Revenue by Tier			
10. Unequalized Revenue (#7 x #1)	1,070,185	1,757,053	2,174,504
11. First Tier (#10 x #1)	N/A	1,171,369	1,449,669
12. Required Debt Service Levy	3,083,518	3,083,518	3,083,518
Unequalized Revenue			
13. Levy (lesser of #10 or #12)	1,070,185	1,757,053	2,174,504
First Tier			
14. Revenue (lesser of (#12 - #13) or #11)	2,013,333	1,171,369	909,014
15. Levy (#5 x #11)	999,320	936,401	909,014
16. Aid (#11 - #12)	1,014,013	234,968	0
Second Tier			
17. Revenue (#12 - #13 - #14)	0	155,096	0
18. Levy (#8 x #17)	0	49,594	0
19. Aid (#17 - #18)	0	105,502	0
Total Debt Service Revenue			
20. Levy (#13+ #15 + #18)	2,069,505	2,743,048	3,083,518
Levy Percent of Total	67.12%	88.96%	100.00%
21. Aid (#16 + #19)	1,014,013	340,470	0
Aid Percent of Total	32.88%	11.04%	0.00%

**Example of Changes in Debt Equalization Aid
Centennial School District**

Fiscal Year Year Taxes are Payable	1994-95 1994	2002-03 2002	2005-06 2005
Local Variables			
1. Adjusted Net Tax Capacity	11,430,360	17,404,862	25,803,931
2. Pupil Units	5,089.00	7,698.43	8,026.88
3. ANTC per Pupil Unit (#1 / #2)	2,246	2,261	3,215
Local Tax Levy as Percentage of Revenue			
4. First Tier Equalizing Factor	4,513	3,200	3,200
5. Second Tier Equalizing Factor	N/A	8,000	8,000
6. Unequalized Revenue - 100%	100.00%	100.00%	100.00%
7. First Tier (#3 / #4)	49.77%	70.65%	100.00%
8. Second Tier of Aid (#3 / #5)	N/A	28.26%	40.18%
Threshold Percent of ANTC			
9. Unequalized Revenue	10.00%	15.00%	15.00%
10. First Tier Revenue		10.00%	10.00%
Maximum Revenue by Tier			
10. Unequalized Revenue (#7 x #1)	1,143,036	2,610,729	3,870,590
11. First Tier (#10 x #1)	N/A	1,740,486	2,580,393
12. Required Debt Service Levy	8,527,685	8,527,685	8,527,685
Unequalized Revenue			
13. Levy (lesser of #10 or #12)	1,143,036	2,610,729	3,870,590
First Tier			
14. Revenue (lesser of (#12 - #13) or #11)	7,384,649	1,740,486	2,580,393
15. Levy (#5 x #11)	3,675,293	1,229,671	2,580,393
16. Aid (#11 - #12)	3,709,356	510,815	0
Second Tier			
17. Revenue (#12 - #13 - #14)	0	4,176,470	2,076,702
18. Levy (#8 x #17)	0	1,180,287	834,494
19. Aid (#17 - #18)	0	2,996,182	1,242,208
Total Debt Service Revenue			
20. Levy (#13+ #15 + #18)	4,818,329	5,020,688	7,285,477
Levy Percent of Total	56.50%	58.88%	85.43%
21. Aid (#16 + #19)	3,709,356	3,506,997	1,242,208
Aid Percent of Total	43.50%	41.12%	14.57%

SF 3090 Reforms and Restores Debt Service Equalization Three Ways

- **Restores** Debt Service Equalization by increasing the state debt service aid and lowering 141 local districts' debt service levies by increasing the first Tier Equalization Factor to \$5500, and reducing the thresholds for Tier 1 and Tier 2 to 12% and 22% of ANTC respectively,
- **Reforms** Debt Service Equalization through the elimination of the effects of limited market values on levy and aid calculations by changing the sales ratio to one based on county assessors estimated market value,
- **Reforms** Debt Service Equalization by adjusting the Equalization Factors annually by the state-wide property inflation rate.

SF 3090 Reforms Debt Service Equalization by adjusting the Equalization Factors annually by the state-wide property inflation rate.

- State total of ANTC up 59% since 1994-95, including the class rate compression reform of 2001.
- State ANTC/pupil is up 42% since 2003 after the last class compression reform, 14% per year.
- Up to 75 school districts which formerly received Debt Service aid have been “forced off the formula” and no longer receive any aid.
- Historically, this inflation may be abnormally high, but there is likely to be growth in property values state-wide.
- HF 3043 directs the Revenue Department to calculate an ANTC/pupil adjustment annually to keep the Debt Service Equalization state aid proportion relatively constant, rather than the large drop we have experienced in the last ten years.
- This will tend to create more faith in the system among tax payers rather than shift burden to levy because the equalization factors are frozen and ANTC/pupil value continues to grow.

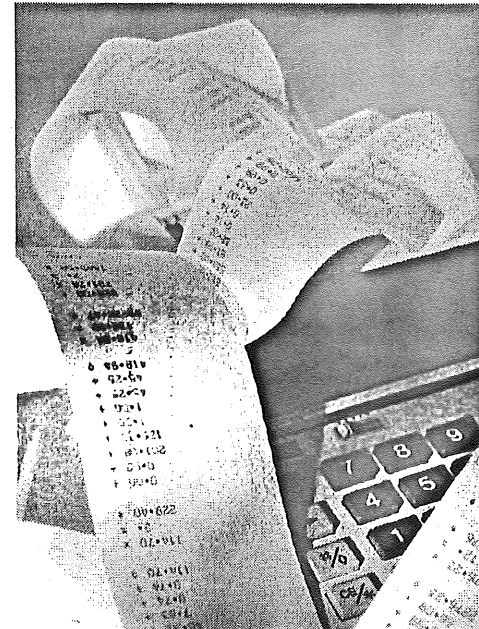
SF 3090 Reforms Debt Service Equalization through the elimination of the effects of limited market values on levy and aid calculations by changing the sales ratio to one based on county assessors estimated market value

Adjusted Net Tax Capacity (ANTC) =

The state's school finance formulas use the sales ratio to form adjusted net tax capacity which is the primary tax base used to compute school district levy amounts.

Currently

**Adjusted Net Tax Capacity (ANTC) =
Net Tax Capacity (NTC)/Sales Ratio**



Current Sales ratio calculation

$$\text{The Current Sales Ratio} = \frac{\text{Assessor's Market Value* or Limited Market Value, Which ever is lower}}{\text{Sale Price}}$$

*Assessors Market Value is known as the Estimated Market Value (EMV)

Uses of Sales Ratio Studies

Oversight Agencies:

- Provide technical assistance
- Equalize
 - Direct equalization, State Board of Equalization
 - Indirect equalization, School aids, levy apportionment
 - Tax court

Defining Limited Market Value (LMV)

- **Limited Market Value was created by the legislature as a way to slow the growth in property taxes paid by properties with rapidly rising values.**
- **Limited market value is a tool designed to limit year-to-year increases in a homeowner's market value.**
- **Another form of Limited Market Value is "Green Acres" which primarily affects districts in areas where farm land is being purchased for future development or for non-farm use.**
- **Green Acres usage is expanding as development pressure extends out from the Brainerd-St. Cloud-Twin Cities- Rochester corridor and in seasonal recreational areas.**
- **Limited Market Value was extended by the 2005 Legislature for two more years through 2008 which will affect ANTC through 2010.**

Limited Market Value's Impact

- Limited Market Value distorts the sales ratio.
- Because the sales ratio is computed by comparing the Limited Market Value of the property to its actual sales price, a taxing jurisdiction with a significant number of properties subject to Limited Market Value will have a lower sales ratio, leading to a higher ANTC.
- A higher ANTC increases the district's levy share of equalized school finance formulas and raises the total tax bill for Maximum Effort School Districts.
- HF 3043 is not pro or con limited market value, it simply seeks to remove the effects of LMV on school debt service levies.

SF 3090 Proposed Sales ratio calculation

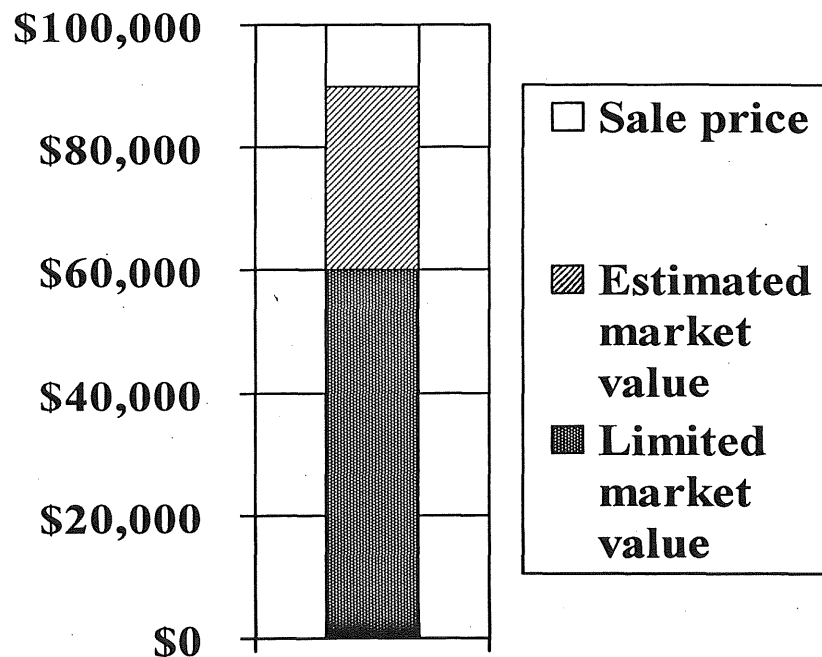
$$\text{Proposed Sales Ratio} = \frac{\text{Assessor's Market Value}^*}{\text{Sale Price}}$$

This proposal removes the effect of LMV from the sales ratio and returns the sales ratio to its original purpose, adjusting for assessor practices across the State of Minnesota to truly equalize aid and levies.

MSBA adopted this position at the 2005 Delegate Assembly

*Assessors Market Value is known as the Estimated Market Value (EMV)

An example of Adjusted Net Tax Capacity under SF 3090



- Under current law, the sales ratio for this property (type) is 60%
- Under current law, adjusted net tax capacity is $\$600 / 60\%$, or \$1,000
- Under HF 3043, the sales ratio is 90%
- The adjusted net tax capacity is $\$600 / 90\%$, or \$667

How will this change reform ANTC and result in greater equalization of the Debt Service Formula state-wide?

- It will decouple LMV from debt aid formula by moving to ANTC based on EMV so LMV does not affect School District Debt Aid and Maximum Effort required levies.
- This will increase the sales ratio for districts with significant LMV. A higher sales ratio will result in a lower ANTC per pupil, thereby resulting in more aid and less levy under the current Debt Service Equalization Formula.
- So there are no losers, within HF 3043, approximately \$10 million of the \$34.5 million dollars of property tax relief is to make this correction in ANTC.
- So there are no “losers” in this formula change, the state needs to assume the cost of a transition to an ANTC based on EMV (all districts’ taxpayers are helped). The estimated cost is \$4,728,062 in the first year for this change without any changes to debt service formula.
- Find your district on the attached debtservicepay05 worksheet for the change in levy and aid and effect on \$125,000 homeowner.

Reforming ANTC from NTC to EVM and the Effect on School Districts

- Statewide average sales ratio rises from 79.5 to 85.8%
- 31% of average sales ratio is due to limited market value including green acres.
- Most affected types of school districts
 - Seasonal/rec and Residential -15.9% EMV to LMV
 - Farm and Seasonal/rec -15.8% EMV to LMV
- For 100 School Districts 40% or more of their sales ratio is due to limited market value
- For 35 School Districts, 50% or more of their sales ratio is due limited market value
- And the top three are:
- Milaca and Dover Eyota at 65% of their sales ratio due to LMV
- St. Paul at 64% of its sales ratio due to LMV
- Whether this translates directly to increased debt service aid depends upon whether the school district qualifies for aid and its debt level.

SF 3090 Restores Debt Service Equalization by increasing the state debt service aid and lowering 141 local districts' debt service levies

- by increasing the first Tier Equalization Factor to \$5500 (so it is greater than the average ANTC per pupil),
- And reducing the thresholds for Tier 1 and Tier 2 to 12% and 22% of ANTC respectively.
- Increasing the Equalization Factors makes more school districts eligible for aid provides more property tax relief for those districts that qualify.
- Reducing the thresholds increases the property tax relief for those districts that qualify.
- This restoration provides about \$24.5 million in property tax relief to property owners in 141 school districts, including about 75 which currently do not receive any debt service equalization aid.

Some General Thoughts on Debt Service Equalization

- Equalization factors and threshold numbers depend on the state policy desired and resources devoted to this form of property tax relief.
- The role of “grants” needs to be weighed versus increasing the equalization factors to “capture” those districts in a state-wide formula.
- To focus only on equalization factors and thresholds overlooks the need to reform ANTC to remove the effects of LMV and to reform the formula to adjust for ANTC per pupil inflation.

Other Aids & Levies in which ANTC and equalization factors matter

- Levies with equalizing factors
 - Health and Safety
 - Equity
 - Transition
 - School-Age Child Care
 - QComp
 - Referendum Equalization aid (based on referendum market value)
- Levies with fixed tax rates
 - Community Education
 - Early Childhood Family Education
 - Maximum effort capital loans
- LGA for cities is based on ANTC
- The more formulas affected, the more tax relief that is directed through school levy formulas