



# Tax levy Workshop: Levy Certification Process

School Finance

September 14, 2021

# Levy Certification Timelines

- MDE sends Levy Limits to districts by Sept. 8<sup>th</sup>
- School Board certifies proposed levy by Sept. 30<sup>th</sup>
  - This is the deadline for submitting data changes
- County mails out Truth-in-Taxation notices in November (after general election day)
- School Board
  - Holds public meeting between Nov. 24<sup>th</sup>—Dec. 28<sup>th</sup> and
  - Adopts final levy by Dec. 28<sup>th</sup>
- Detailed timelines on pages 9-12 of handout and page 13 for referendum election dates

# Proposed Property Tax Levy

- Certify Proposed to County Auditor by September 30<sup>th</sup>
- One-week extension if approved by County Auditor:
  - Apply to MDE
  - MDE informs county whether an increase would be approved under Commissioner's Approval
  - County Auditor (NOT MDE) makes determination to grant extension – NOT GUARANTEED AND DOES NOT HAVE TO BE FULL WEEK

# Where to Certify your Levy

<https://education.mn.gov/MDE/dse/datasub/LevyCertSys/>

The screenshot shows the top navigation bar of the Minnesota Department of Education website. The logo 'mn DEPARTMENT OF EDUCATION' is on the left. The navigation menu includes: Home, About, Students and Families, Licensing, Districts, Schools and Educators, and Data Center. The 'Data Center' dropdown menu is open, showing options: Counting All Students, Data Submissions, Forms, Grants, and School Finance. A large blue arrow points from the right towards the 'Counting All Students' option. Below the menu, a banner for 'Back to School' is partially visible with the text 'The first day of a new school year is an exciting time filled with the possibility of new'.

# Where to Certify your Levy Page 2

- Ed-Fi
- Facilities Age and Square Footage Report
- Fiscal Compliance Table
- Graduation Requirements (GRR)
- Health and Safety
- Help Me Grow
- Levy Certification System
- Levy Information System
- MARSS Web Edit System (WES)
- Minnesota Common Course Catalogue
- Minnesota Continuous Improvement Process: Self Review (MNCIMP:SR)



## Levy Certification System

The Levy Certification System provides the form districts must use to certify property tax levies to the home county auditor and the Minnesota Department of Education. Certification of the proposed levy is due by **September 30, 2019**. Certification of the final property tax levy is due **December 30, 2019**.

> [Enter the Levy Certification System.](#)



**m1 MINNESOTA**  
Education Identity & Access Management (EDIAM)  
User Account Login

User ID:

Password:

**LOGIN**



# Proposed Property Tax Levy

- “Maximum”
  - County will pick up changes made by MDE after school board meetingor
- Specific Dollar Amount
  - If changes increase levy after specific dollar amount is adopted, school board will need to recertify proposed levy before September 30th

# Specific Dollar Amount

- Levy Certification System will give you the options to choose each levy category
  - Within each levy category, can pick which levy program to change the proposed levy amount. Proposed levy can either be the calculated amount or a lesser amount
  - If you zero out a category, the cell cannot be left blank, must fill in with a 0

Section Links
<a href="#">Home/Levy Method</a>
<a href="#">Certification Status</a>
<a href="#">Validate/Certify Levy</a>
<a href="#">Help</a>
<a href="#">Logout</a>
<a href="#">General-RMV Voter-Jobz Exempt</a>
<a href="#">General-RMV Other-Jobz Exempt</a>
<a href="#">General-NTC Voter-Jobz Exempt</a>
<a href="#">General-NTC Other GenEd-Exempt</a>
<a href="#">General-NTC Other-Jobz Exempt</a>
<a href="#">Community Service-NTC Other-Jobz Exempt</a>
<a href="#">General Debt-NTC Voter-Jobz Nonexempt</a>
<a href="#">General Debt-NTC Other-Jobz Nonexempt</a>
<a href="#">OPEB Debt-NTC Voter-Jobz Nonexempt</a>
<a href="#">OPEB Debt-NTC Other-Jobz Nonexempt</a>
<a href="#">Refresh With Limit</a>

# Proposed Property Tax Levy

- Levy Certification System for Proposed:

- Validate before Certifying
- Fatal errors
  - Will not allow you to submit certified levy
- Warning errors
  - Informational, e.g.: aid penalty warnings
  - May submit with warnings

## Submit Levy

If you are sure your levy data is correct and ready to certify it, you can do so by clicking Ce

- By clicking Certify Levy button, you are certifying your levy data and data is bein
- If you certified your levy previously and are now making any changes, you have

For further information about Levy Certification, contact the following:

Program Finance at [mde.levy@state.mn.us](mailto:mde.levy@state.mn.us)

Emails will be redirected to the appropriate staff person within Program Finance.

Validate Levy



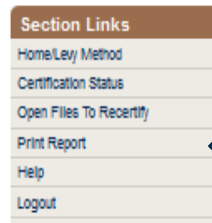
Certify Levy





# Proposed Property Tax Levy

- Levy Certification System for Proposed:
  - Must specify which levy method: Maximum or Specific Dollar Amount
  - May refresh data with limits then edit by exception
  - Printed Levy Certification Report will show proposed levy amounts only if certifying as Specific Dollar Amount – Maximum will not show numbers
  - Must be signed by the district's clerk and submitted to MDE and Home County Auditor



- Information from Department of Revenue

<https://www.revenue.state.mn.us/truth-taxation>

- Truth in Taxation Instructions
- Nonmetro/Metro Example

## Parcel Specific Notice

- This is the reason for proposed levy
- See page 14 of handout
- Prepared by County Auditor
- Mailed between November 11-24
- Contents:
  - Proposed property tax compared to last year
  - By Voter Approved and Other
  - By Taxing Jurisdiction
  - Contains time and place of public meeting

## Public Meeting

- Time and place must be announced when proposed levy adopted
- Must discuss current budget and proposed levy and allow the public to speak
- Must be held between Nov. 24th and Dec. 28<sup>th</sup> and after 6:00 pm
- May be part of a regularly scheduled meeting
- May adopt final levy at this meeting

# Final Property Tax Levy

- To County by December 28<sup>th</sup>
  - Copy to MDE by January 7<sup>th</sup>
- School Board must levy specific dollar amount
  - Cannot use “Maximum”
- **MAY NOT EXCEED PROPOSED LEVY**
  - With exceptions, e.g. new referendum

# Allowable Increases to Proposed Levy

- School Districts must not exceed the proposed levy except for the following instances:
    - Voters in the school district approve a referendum to increase taxes
    - An increase in the amount of principal and interest on bonds approved by the voters
    - Pay costs due to a natural disaster
    - Pay tort judgments against a taxing authority
    - Increases approved by the Commissioners of Education or Revenue
    - Default Avoidance, e.g.: Credit enhancement program
- (Minnesota Statutes 275.065, Subdivision 6)

# Commissioner's Levy Limitation Change

A school district may request approval from the Commission of Education to certify a final levy that exceeds the proposed levy. The commissioner evaluates requests on a case-by-case basis.

- If the commissioner approves the request, the district's levy limitation will be increased for the final levy to be certified in December and the district will be allowed to certify a final levy that exceeds the proposed levy.
- If the commissioner does not grant approval, the school district may request MDE to increase the district's levy limitation in one area of the final levy with a corresponding reduction in other areas of a district's final levy. The final levy may not exceed the proposed levy on the TNT notices.
- If the request is to decrease a district's levy limitations, the district's final levy in December may not exceed the reduced levy limitations.

# Commissioner's Levy Limitation Change

- Commissioners limitation changes are used very judiciously and only for extreme circumstances
- The changes will be considered primarily for levy changes outside of school district's control
  - Mistakes by MDE
  - Adjustments not correctly incorporated



# Final Property Tax Levy

- A certified levy does not have to be the proposed amount
  - Certified levy can be more than proposed based on reasons listed or lower based on school board recommendation
  - Unlike the proposed, final certified levy must be a specific dollar amount
- School Districts will certify the final levy amount to MDE through the Levy Certification System
  - May refresh with limits then edit by exception
    - If a district has entered data such as a specific underlevy and then refresh the limits, the data entered will be wiped out. Districts should be aware of that if a refresh is done, the underlevy information will need to be entered
- Certified levy form will be submitted after board certification but close to the end of the calendar year after the amount is certified by School District Board
  - The final certified form signed by the school district board clerk should be sent to the Home County Auditor

# Thank you!

**School Finance Team**

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