Disclaimer...

- Information for the upcoming Summer Levy Certification process is not yet available from the Minnesota Department of Education (MDE), so we will be using examples from last year's documents to walk through the process. Pending Legislative changes, MDE policy changes, or other factors could change the way the Summer Levy System will work this summer. Always refer to the MDE website and memos for the latest information and instructions.

Levy Limitation and Certification Document – What do the dates mean?

- The first year is the year that the levy is CERTIFIED by the school board. You start the process in the summer of that year.

- The second year is the year that taxes are COLLECTED by the County and sent to the school districts.

The Levy is attributed to the NEXT Fiscal Year from the calendar year taxes are collected.

In this example, the Levy is Certified in 2018 (December), Taxes are Collected in 2019 (May & October), and Districts will record these revenues in Fiscal Year 2020 (FY20).

BUT... we have some EXCEPTIONS!! (we'll look at those in a bit)
Where do we find information to complete the annual Levy Limitation and Certification Report?

Each year school districts that have levy authority must complete several steps in order to properly prepare their annual Levy Limitation & Certification Report.

The MDE has excellent instructions posted on their website to help districts complete the required submissions. Depending on the timing of the Legislature, this information should become available at the end of June. (This is last year’s info)

This is an online process.

What should you review on the MDE’s Web Site?

These will all be found on the Levy Certification Process Web Page

To access the following information for the levy certification process on the Minnesota Department of Education (MDE) site, select Business and Finance > Levy Certification Process. Here you will find:

- Access to the Minnesota School Finance Board’s (MFB) web site
- Access to the Minnesota Department of Education’s information on the Levy Certification Process
- Access to the MDE’s Levy Information System instructions
- Access to the MDE’s Levy Information System Help sections

To access the following data reporting systems, select Business and Finance > Data Submissions:

- Levy Information System
- Health and Safety
- ADW Web Estimates System (ADWES)

What should you review on the MDE’s Web Site?

Levy Information System

Instructions

July 16, 2008

The Levy Information System is a web-based interactive data collection system. Data submitted in this system is not available to the Minnesota Department of Education (MDE) until required for MDE’s use to compete the district’s levy allow. (Minnesota Statutes, chapters 123A, 221, 220B, 124D, 626, 72B and 60B)

Instructions for using the Levy Information System, revision and/or update the data on each of the following screens using the menu on the MS site.

This is usually a 15-20 page document with explanations of what districts need to do.
How do I log into the Levy Information System?

Click on "Levy Information System" link on Levy Certification Process and you should see a screen like this:

MDE will send a password for the system to Superintendents & Business Managers when the system is ready for districts to enter data.

Levy Information System

Remember, these are the instructions for last year’s levy process (Payable 2019) – dates and other categories may be added for the Payable 2020 levy.

After logging into the levy information system, review and/or update the data on each of the following screens by using the menu on the left side:

- Announcements
- Contact Information
- Health Benefits and Annual Other Post-employment Benefits (OPEB)
- Payroll/Transportation
- Elementary Specialty
- Secondary Specialty
- Boarding/Lunch/Pays - Payable 2019
- Building/Lunch/Pays - Payable 2019/2020
- Building/Lunch/Pays - Payable 2020/2021
- Debt Service
- General and Community Service
- Levy Information Status

** Can’t get into the Levy Information System? MDE will provide contact information on troubleshooting and questions for the summer levy in their annual memo.

Levy Information System

- Be sure to check the Announcements page and the Contact Information page before you begin entering levy data.

- A valid email address is critical in case MDE needs to contact the district with questions or guidance on data.
- School districts will be able to submit two email addresses for an additional contact
  - Please do not submit the same email address twice. Find someone at your organization who can receive emails for coverage during the levy process.
  - If staff turnover occurs during the Summer Levy process, please update the contact information. After the levy system is closed, please contact Melissa Johnson with updated information.
Levy Information System

• Health Benefits and Other Post Employment Benefits (OPEB)
  – Your district may or may not be eligible for levy authority for these two levy categories. The Levy Information System instructions will explain the eligibility criteria.
  • Health Benefits will be ongoing at this point. If you are new, check your prior year levy (NTC_Other), or test your FIN796 in UFARS to see if you’ve had prior year expenses.
  • OPEB (Pay-As-You-Go) gives you reimbursement authority to levy for prior year retiree costs that aren’t already being levied for or paid for from another source such as Health Benefits or an OPEB Trust Account.

Levy Information System

• If you are eligible for Health Benefits levy authority – remember – this is an early recognition item. The amount you are levying for is for expenses in the Fiscal Year prior to the majority of the levy.
  – Normally, for the Payable 2019 levy you would have estimated costs for FY20. For Health Benefits, you are estimating costs for FY19 instead.
  – Health Benefits is adjusted based on actual expenses coded to FIN796. Should your actual FY19 costs be different from your summer levy submission, a future levy will be adjusted to account for it.

Levy Information System

• If you have OPEB retiree costs not already accounted for through another payment option, you may have authority to levy for the 2nd Prior Year ACTUAL COST of those benefits.
  • For example, for the Payable 2019 certification, you would levy for your costs from FY18 (the FY that just finished). The revenue will be recognized in FY20.
  • You must have a sunset clause in your contracts and an actuarial study on file at MDE in order to qualify for this levy option.
  • There is also a statewide cap on how much can be levied in this category. For the Payable 2019 levy all districts could levy 100% (we didn’t hit the cap).
  • They are testing the costs in UFARS against your levy using FIN797, so make sure you have these costs coded correctly.
Levy Information System

• You can find the definitions of sunset clauses and actuarial studies in the Levy Information System Instructions.

⚠️ Remember – each retiree benefit obligation can only be applied to 1 method of payment or reimbursement. You must be able to document all of your costs and how they relate to different funding. Correct UFARS coding is critical in order to avoid future adjustments.

Levy Information System

• Pupil Transportation Projections
  – MDE populates part of this section with estimates, and the information is used to estimate non-public transportation aid and integration transportation aid. If you are an Integration District, you may need to provide information.

⚠️ Check your Aid Entitlement reports in MFR to find prior year non-public transportation reports. This AID is shown on the levy certification, but has no impact on taxes. Contact MDE if you have any questions.

Levy Information System

• Elementary and Secondary Sparsity
  – These two AID categories should already be populated in the summer levy system and are there for your review. Since both are based on miles to the next qualifying building, be sure to check if buildings have closed in neighboring districts.
  – Be sure to check with proper MDE staff if you see differences.
<table>
<thead>
<tr>
<th>Levy Information System</th>
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<tbody>
<tr>
<td><strong>Building/Land Lease Authority</strong></td>
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<tr>
<td>- Be sure to review instructions on updating, adding, or removing lease authority. Information could be based on different fiscal years depending on the start of the lease so be sure to follow proper dates.</td>
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<tr>
<td>- Districts are also asked to provide actual costs for prior lease authority.</td>
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<tr>
<td>- Prior Year lease authority will be adjusted based on actual.</td>
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<td>- There is a levy limit of $212 per Adjusted Pupil Unit</td>
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<td><strong>Required Debt Service Levy</strong></td>
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<td>- Districts should submit newly issued debt service principal &amp; interest schedules to MDE to be included on the yearly Levy Certification.</td>
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<tr>
<td>- Districts should review the data (FY20 payments) to make sure that current schedules are being used. Along with updating any needed amounts, be sure to send entire bond payment schedules to MDE for their records.</td>
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<td>- This is for both Regular Debt Service (Fund 07) and OPEB Debt Service (Fund 47)</td>
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<tr>
<td><strong>General &amp; Community Service Levies</strong></td>
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<td>- There will be a group of other levy categories that you may or may not be eligible for.</td>
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<td>- These include in the General Fund: Reemployment, Judgment, Integration, Safe Schools, and possibly NEW Location Optional.</td>
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<tr>
<td>- The Community Service Fund includes: Youth Service, After-school Enrichment, School Age Care, Early Childhood Family Education (ECFE), and Home Visiting.</td>
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Levy Information System

- On each screen there should be a “Save” button. Be sure to check that all dates on the status screen have been updated and MDE is receiving your most current information. If you aren’t eligible for certain levies, you do not have to go and click save.
- Check the Levy Information Status page for the last saved date.
- You can go in and change information as long as it’s within the MDE’s data collection timeframe.

Do I need to do anything else to prepare for the levy?

YES!

Other Levy Certification Check List Items:

- ADM/LEP Projections: All districts should update their ADM/LEP student estimates. A majority of levy components use some type of student count to drive the calculation. Check with MDE on pupil upload deadlines.

The “ADM Web Estimates (ADMWE)” can be found by:
1. Clicking on ‘Data Submissions’ at the dropdown menu on the MDE homepage.
2. Hovering over ‘Business and Finance’ and then clicking ‘Data Submissions’.

Each district should have a staff person authorized for access on ADMWE to update the data. This system uses the MIDMS security.
Other Levy Certification Check List Items:

**Other Items: Long-Term Facilities Maintenance (LTFM)**

- LTFM Ten-Year Plan
  - For School districts (not including charter schools), intermediates or cooperative units
  - LTFM ten-year plan is updated annually and submitted by July 31
  - LTFM guidance and required documentation may be found on the LTFM webpage
  - Minnesota Statutes, section 128B.595

**A Quick Review:**

- Check the MDE web site for summer levy instructions, passwords, and updates.
- Be sure to update contact information on the Levy Information System so MDE can contact you with any questions or changes.
- You may not qualify for every levy item, so be sure to check a prior levy to see what categories were levied in the past.

Other Levy Certification Check List Items:

- Watch for... Information on Career & Technical Education Levy submission requirements.
- Submission of the Early Childhood Family Education Report. It is due July 15. If not submitted by November, districts can lose ECFE & Home Visiting levy authority.
- Review levy forms and instructions memo for procedures for applying for other levy authorities that may apply to your district, such as ice arena, swimming pool, or special severance levies.

Legislative Changes!!
A Quick Review:
• You may need to submit information in other systems on MDE’s web site, such as ADM/LEP and LTFM/Health & Safety
• Be sure to check deadlines:
  – LTFM submissions by July 31 need school board approval.
  – Pupil Data will be uploaded through the Proposed process, but check with MDE if there are late changes needed to assure there will be another upload.

A Quick Review:
• MDE staff is there to help you! If you have questions, be sure to contact the appropriate contacts for assistance.
• Don’t forget to think about potential impacts of referendums you may be running in November.
• Errors can happen. Even if you submitted data correctly, be sure to review all pages of your levy for accuracy.

Any Questions?
• Thank you for coming!
  And watch for your Summer Levy Memo from MDE in late June or early July!
  (It is the best time of the year!)