



DETROIT LAKES PUBLIC SCHOOLS

AGENDA

WORK SESSION SCHOOL BOARD MEETING

Wednesday, August 6, 2025 - 6:00 PM

City Council Chambers, 1025 Roosevelt Avenue, Detroit Lakes, MN 56501

The mission of the Detroit Lakes Public schools is to fill our sails with Laker PRIDE.

District Office ~ 702 Lake Avenue, Detroit Lakes, MN 56501 ~ 218.847.9271 ~ Website: www.dlschools.net
Superintendent: Mark Jenson Director of Finance & Operations: Jason Kuehn Education Director: Renee Kerzman

BOARD MEMBERS:

Julie Smith-Yliniemi, Clerk
25961 Brolin Beach Rd
Detroit Lakes, MN 56501
218.204.0420

Michael Walther
28030 County Hwy 34
Callaway, MN 56521
218.841.3709

Michelle Okeson, Treasurer
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Mary Rotter, Vice Chair
23625 Pebble Beach LN
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651.335.0396

John Steffl, Chair
22370 Steffl Road
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Sanford Nelson
28633 North Buffalo Lake Rd
Callaway, MN 56521
218.847.8360

Student Representative: Marian Martin 26martimari@detlakes.k12.mn.us

- I. **CALL TO ORDER**
Presenter: Steffl, Board Chair
- II. **ROLL CALL**
Presenter: Steffl, Board Chair
- III. **PLEDGE OF ALLEGIANCE**
Presenter: Steffl, Board Chair
- IV. **APPROVAL OF AGENDA**
Presenter: Steffl, Board Chair
- V. **DISCUSSION ITEMS**
Presenter: Steffl, Board Chair
A. District Financial Outlook
- VI. **MEETING ADJOURNED**
Presenter: Steffl, Board Chair

I pledge allegiance to the flag
of the United States of America,
and to the Republic
for which it stands,
one Nation under God,
indivisible,
with Liberty and Justice
for all.





District Financial Projection FY26 - FY29

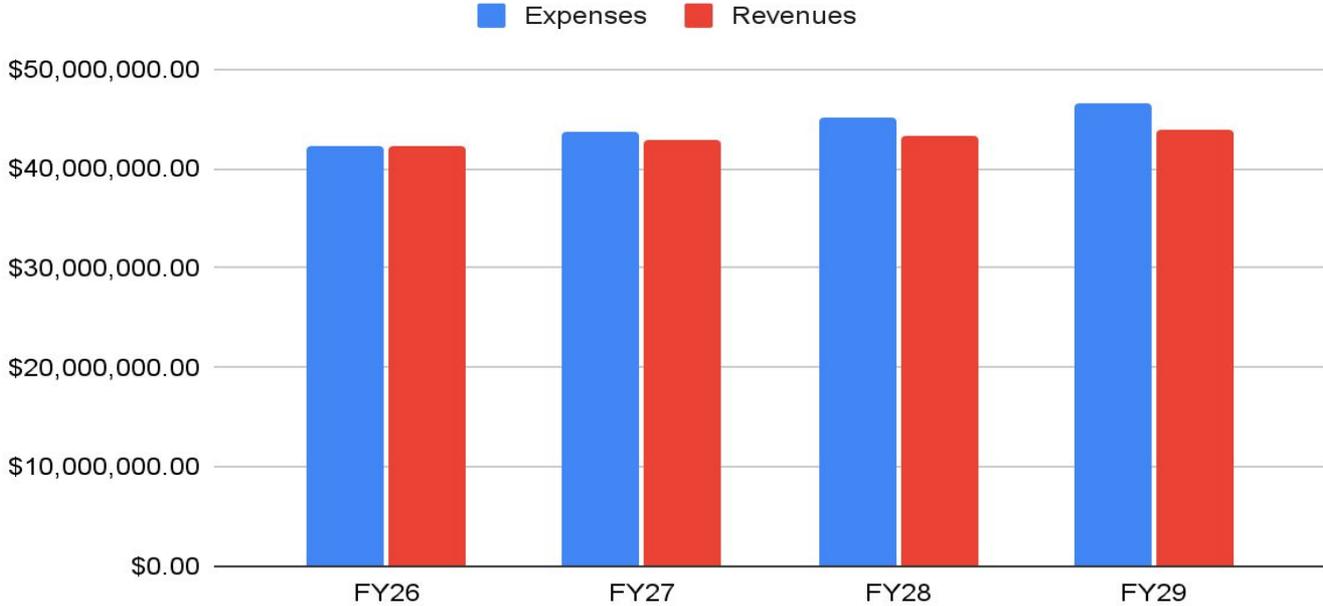
August 6, 2025

Average Daily Membership

DETROIT LAKES PUBLIC SCHOOLS ENROLLMENT HISTORY AND PROJECTIONS June 2025

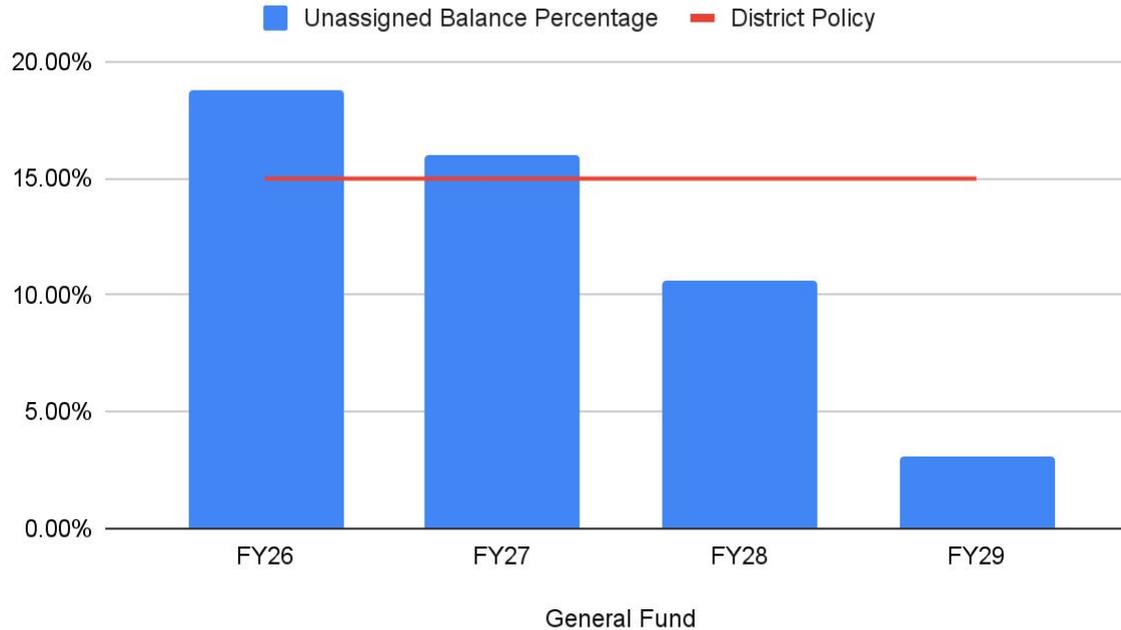
											Projected ADM					
Average Daily Membership (ADM) /Grade	Actual 2015-16	Actual 2016-17	Actual 2017-18	Actual 2018-19	Actual 2019-20	Actual 2020-21	Actual 2021-22	Actual 2022-23	Actual 2023-24	Actual 2024-25	Projected ADM for Budget 2024-25	Projected ADM for Budget 2025-26	Projected ADM for Budget 2026-27	Projected ADM for Budget 2027-28	Projected ADM for Budget 2028-29	Projected ADM for Budget 2029-30
Pre K	65.23	55.27	61.03	72.00	51.81	41.09	43.76	43.34	40.07	45.00	45.00	50.00	50.00	50.00	50.00	50.00
HK	41.50	52.92	42.39	46.74	50.45	37.53	40.60	42.99	-	-	-	-	-	-	-	-
K	182.05	173.78	166.50	170.82	150.55	138.34	156.35	144.36	191.41	175.00	175.00	175.00	175.00	175.00	175.00	175.00
Kindergarten Total	223.55	226.70	208.89	217.56	201.00	175.87	196.95	187.35	191.41	175.00	175.00	175.00	175.00	175.00	175.00	175.00
1	214.22	226.49	216.57	206.18	212.58	181.28	180.34	194.19	188.02	189.00	175.00	175.00	175.00	175.00	175.00	175.00
2	207.58	212.82	226.22	212.20	214.31	198.01	186.06	183.80	190.26	184.00	189.00	175.00	175.00	175.00	175.00	175.00
3	240.69	214.73	206.97	227.05	208.18	188.35	207.57	184.22	196.67	193.00	184.00	189.00	175.00	175.00	175.00	175.00
4	245.05	244.27	215.50	212.31	223.54	196.60	195.09	209.75	192.19	193.00	193.00	184.00	189.00	175.00	175.00	175.00
5	234.80	248.66	242.36	207.73	206.30	204.82	210.20	194.30	212.03	191.00	193.00	193.00	184.00	189.00	175.00	175.00
Grades 1-5 Total	1,142.34	1,146.97	1,107.62	1,065.47	1,064.91	969.06	979.26	966.26	979.17	950.00	934.00	916.00	898.00	889.00	875.00	875.00
6	224.73	245.19	254.48	246.59	210.27	191.59	204.15	210.89	196.50	211.00	196.00	195.00	195.00	186.00	191.00	191.00
7	241.89	225.52	244.99	250.35	251.00	194.25	181.06	199.96	211.83	201.00	211.00	196.00	195.00	195.00	186.00	186.00
8	214.86	239.08	219.86	233.33	248.62	230.43	194.09	181.41	202.96	209.00	201.00	211.00	196.00	195.00	195.00	195.00
Grades 6-8 Total	681.48	709.79	719.33	730.27	709.89	616.27	579.30	592.26	611.29	621.00	608.00	602.00	586.00	576.00	572.00	572.00
9	217.23	236.13	242.81	232.12	248.39	245.69	257.93	208.71	209.28	208.00	224.00	211.00	221.00	206.00	205.00	205.00
10	231.52	214.54	232.42	246.82	226.37	230.02	251.26	252.29	210.79	214.00	208.00	224.00	211.00	221.00	206.00	206.00
11	213.52	219.97	212.71	222.10	241.45	206.13	234.38	240.43	249.63	208.00	214.00	208.00	224.00	211.00	221.00	221.00
12	208.14	205.85	216.84	207.91	206.37	203.04	199.75	233.98	239.49	265.00	250.00	239.00	233.00	244.00	236.00	236.00
Grades 9-12 Total	870.41	876.49	904.78	908.95	922.58	884.88	943.32	935.41	909.19	895.00	896.00	882.00	889.00	882.00	868.00	868.00
Total ADM	2,983.01	3,015.22	3,001.65	2,994.25	2,950.19	2,687.17	2,742.59	2,724.62	2,731.13	2,686.00	2,663.00	2,625.00	2,598.00	2,572.00	2,540.00	2,540.00
	1.56%	1.08%	-0.45%	-0.25%	-1.56%	-10.09%	2.06%	-0.66%	0.24%	-1.65%	-0.86%	-1.43%	-1.03%	-1.00%	-1.24%	-1.24%

Projected General Fund Expenses and Revenues



General Fund	FY26	FY27	FY28	FY29
Expenses	\$42,262,935.00	\$43,698,011.55	\$45,184,499.82	\$46,540,034.82
Revenues	\$42,288,317.00	\$42,799,817.00	\$43,321,547.00	\$43,853,711.60

Projected Unassigned Fund Balance (FY26-FY30)



General Fund	FY26	FY27	FY28	FY29
Projected Unassigned Balance	\$6,566,718.00	\$5,668,523.45	\$3,805,570.63	\$1,119,247.41
Unassigned Balance Percentage	18.76%	16.04%	10.66%	3.10%

Long Term Facility Planning

- Deferred Maintenance Project Timeline
- Capital Projects





Detroit Lakes Public Schools, No. 22

August 6, 2025

Tax Base by Property Type

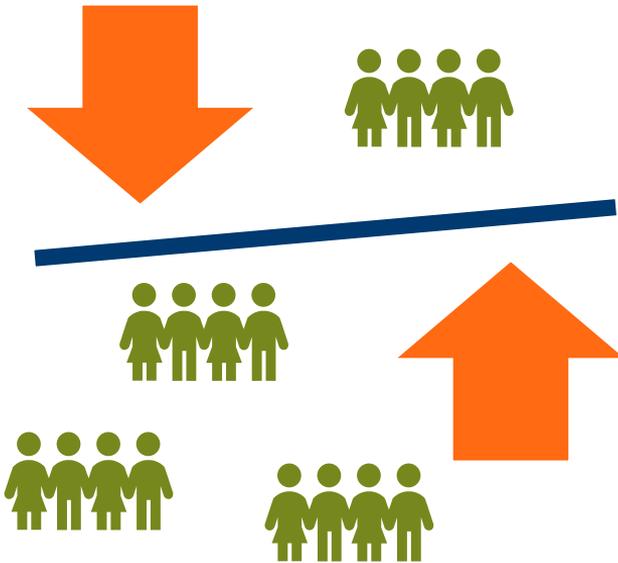
School District: Detroit Lakes

Assessment Year 2023 (Taxes Payable 2024) Tax Base by Property Type

	Market Value	Referendum Market Value	Net Tax Capacity**
	Percent of Total	Percent of Total	Percent of Total
Residential Homestead	42.7%	64.2%	39.2%
Other Residential	11.8%	17.8%	11.8%
Commercial / Industrial	9.5%	14.5%	16.8%
Non Qualifying Agricultural	1.9%	2.8%	1.6%
Qualifying Agriculture *	7.0%	0.0%	5.0%
Seasonal Recreational	27.1%	0.7%	27.0%
TIF & FD			-1.5%

School District Tax Levies

School District Enrollment



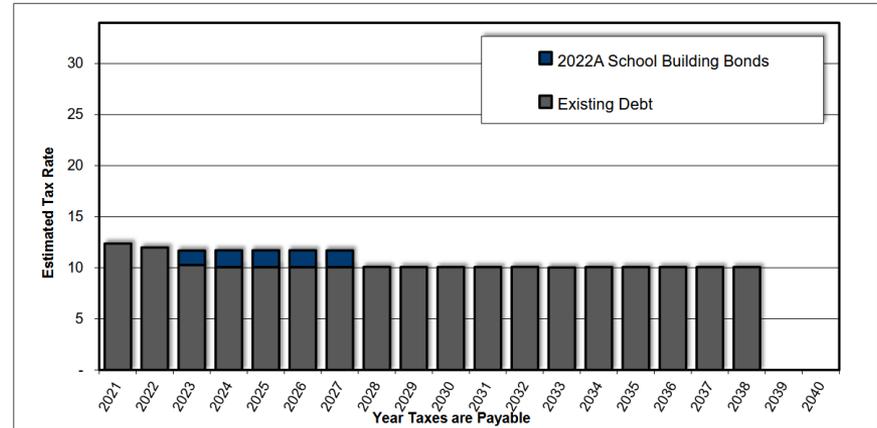
Scheduled Debt Service Payments

RESULTS OF BOND SALE

Detroit Lakes Public Schools I.S.D. No. 22
 Estimated Tax Rates for Capital and Debt Service Levies
 Existing Commitments and Proposed New Debt

\$2,435,000
 Remaining Voter Approved Portion
 5 Tax Levies

Date Prepared: October 27, 2022



School District Property Data - Homes

Tax Year	Avg. Home – Est. Market Value
2021	\$252,987
2022	\$264,986
2023	\$307,909
2024	\$352,638
2025	\$375,296

Voter-Approved Funding



“Levies are for Learning”

- Operating Referendum
- Capital Project Levy

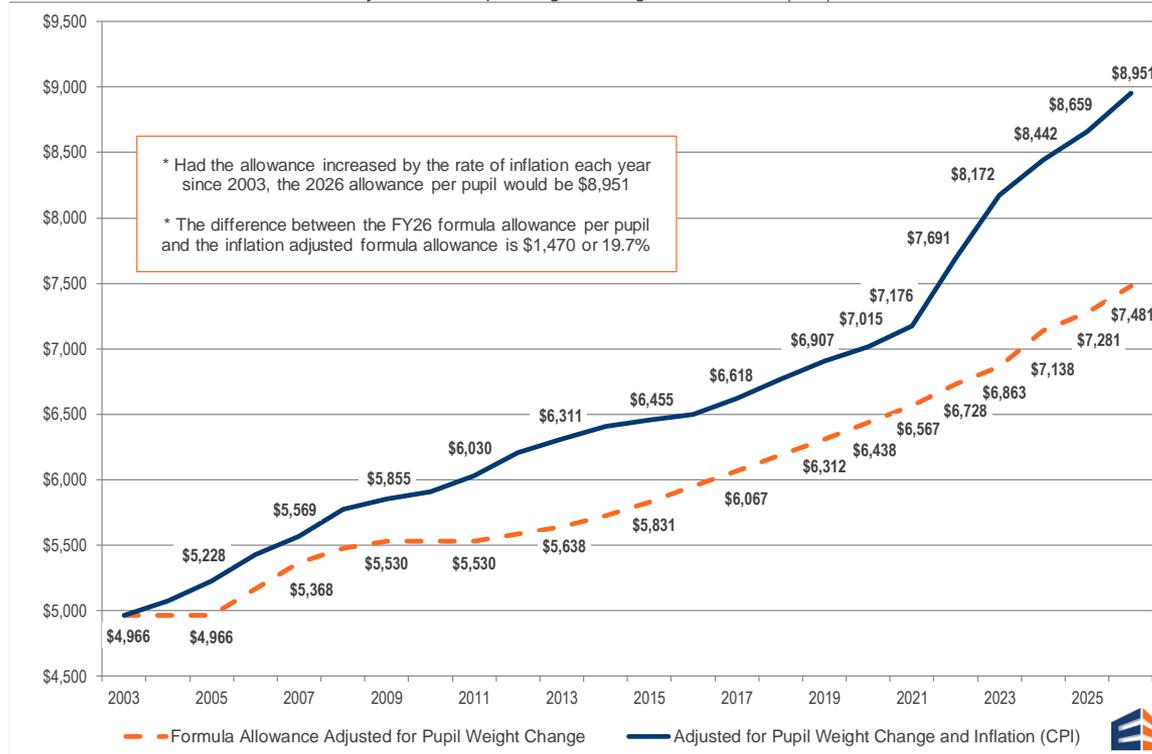


“Bonds are for Building”

- Building Bonds

General Education Formula Allowance

General Education Formula Allowance, 2003-2026
Adjusted for Pupil Weight Change and Inflation (CPI)

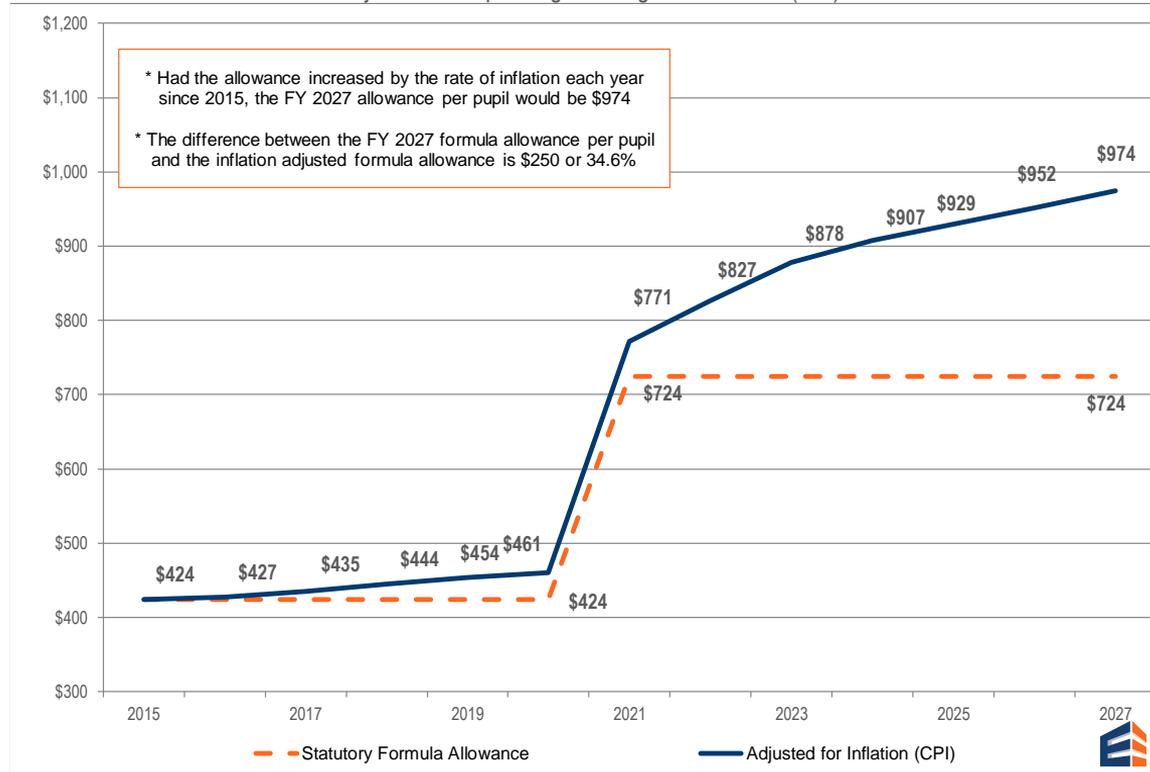


Source: MDE December 2024 CPI Inflation Estimates and Minnesota Laws 2023

Financial Trends – Local Optional Revenue

Local Optional Revenue (LOR) Allowance, 2015-2027

Adjusted for Pupil Weight Change and Inflation (CPI)



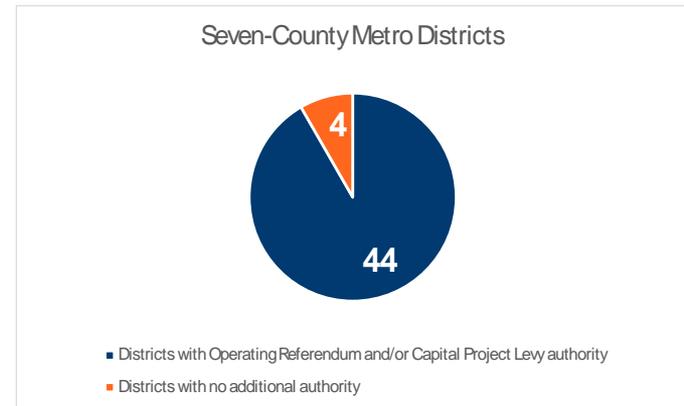
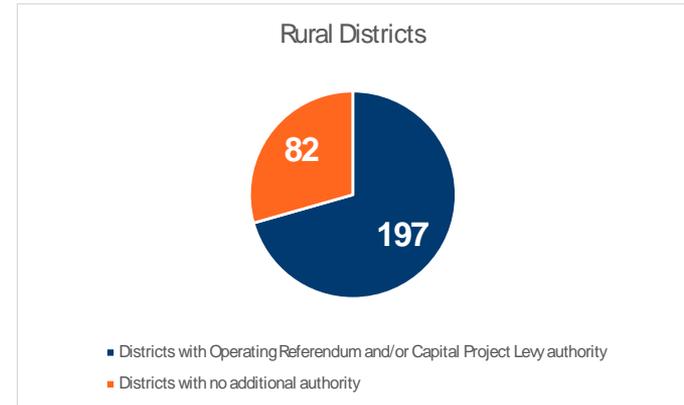
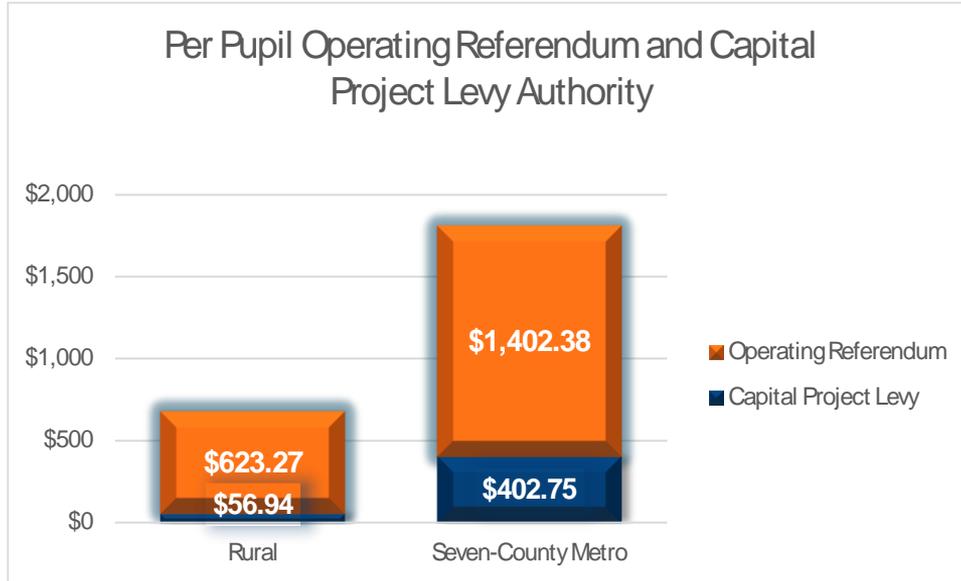
* Had the allowance increased by the rate of inflation each year since 2015, the FY 2027 allowance per pupil would be \$974

* The difference between the FY 2027 formula allowance per pupil and the inflation adjusted formula allowance is \$250 or 34.6%

Reliance on Referendums

- Other funding sources (e.g., special education) also have not kept pace with inflation or costs of providing services
- Only options for districts to bridge funding gap are to cut budgets or request operating referendum and/or capital project levy revenue authority from voters; most districts have done both

Voter-Approved Operating Revenue



Operating Referendum & Capital Project Levy

	Operating Referendum	Capital Project Levy
Tax Levy Based On	Referendum Market Value	Net Tax Capacity
Funding Source	Tax Levy / State Aid	Tax Levy
Authority	Per Pupil	Tax Rate
Inflationary Factor	Optional / CPI	No / Changes with Tax Base
Maximum Amount	\$2,341 per pupil (FY 2027)	No maximum
Allowable Uses	Any Operating Expenditure	Technology / Capital Expenditures
Election Dates	November	Feb, Apr, May, Aug, Nov
Maximum Length	10 years	10 years
Board Renewal	Yes (one-time)	No

Operating Referendum & Capital Project Levy

		Capital Project Levy	Operating Referendum Revenue	Difference
Taxes Payable 2026 (Revenue Fiscal Year 2026-27)		\$1,000,000	\$1,000,000	\$0
Type of Property	Estimated Market Value	Estimated Annual Tax Impact*		
Residential Homestead	\$150,000	\$24	\$52	-\$28
	200,000	36	70	-34
	250,000	47	87	-40
	300,000	58	104	-46
	350,000	70	122	-52
	400,000	81	139	-58
	450,000	92	156	-64
	500,000	104	174	-70
	600,000	130	209	-79
Commercial/ Industrial	\$250,000	\$88	\$87	\$1
	500,000	192	174	18
	750,000	296	261	35
	1,000,000	400	348	52
Agricultural Homestead** (average value per acre of land & buildings)	\$3,000	\$0.31	\$0	\$0.31
	4,000	0.42	0	0.42
	5,000	0.52	0	0.52
	6,000	0.62	0	0.62
Agricultural Non-Homestead** (average value per acre of land & buildings)	\$3,000	\$0.62	\$0	\$0.62
	4,000	0.83	0	0.83
	5,000	1.04	0	1.04
	6,000	1.25	0	1.25
Seasonal	\$200,000	42	0	-42
Recreational	300,000	62	0	-62
Residential	400,000	83	0	-83
	500,000	104	0	-104

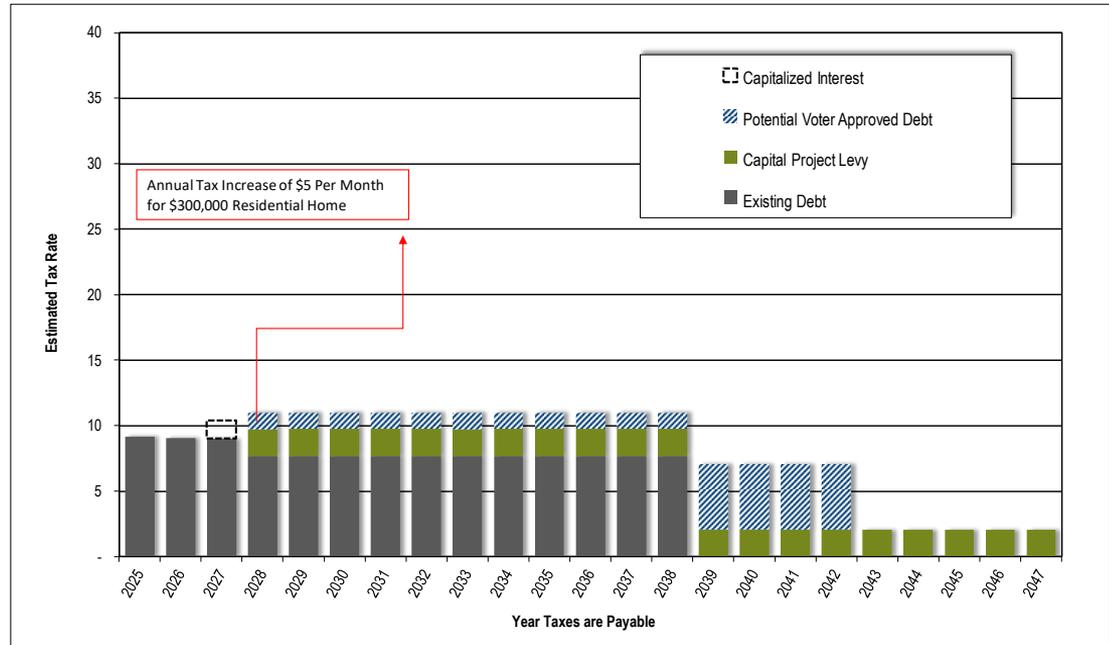
Potential Capital & Debt Levies

- Scheduled drop in the existing tax rate beginning with taxes payable in 2028
- Provides capacity for a bond issuance or capital project levy

Detroit Lakes Public School District No. 22

Estimated Tax Rates for Capital and Debt Service Levies
Existing Commitments and Proposed New Debt

\$10,000,000 Bond Issue
Wrapped Around Existing Debt
\$1m Annual Capital Project Levy



Date Prepared:

August 2, 2025

Combined Ballot Question

Authorized Bond Issue Amount	\$10,000,000
Number of Years	15
Capital Project Levy Amount	\$1,000,000
Number of Years	10

Type of Property	Estimated Market Value	Estimated Impact on Annual Taxes Payable 2028 Compared to 2027*
Residential Homestead	\$100,000	\$12
	200,000	33
	300,000	55
	400,000	76
	500,000	97
Commercial/Industrial	\$100,000	\$29
	500,000	180
Agricultural Homestead** (average value per acre of land & buildings)	1,000,000	376
	\$2,000	\$0.20
	3,000	0.30
	4,000	0.40
Agricultural Non-Homestead** (average value per acre of land & buildings)	5,000	0.50
	\$2,000	\$0.40
	3,000	0.60
	4,000	0.80
Seasonal Recreational Residential	4,000	1.01
	5,000	1.01
	5,000	1.01
Seasonal Recreational Residential	\$250,000	\$49
Recreational Residential	500,000	98
Residential	750,000	159

School District Question Approval of Bond Issue and Capital Project Levy Authorization

The school board of Independent School District No. ### (### Public Schools) has proposed a project for the acquisition and betterment of school sites and facilities, including safety and security improvements at school sites and facilities; the construction and equipping of an elementary school addition to the high school building; replacement of the existing bus garage; deferred maintenance, repair and renovation projects at school sites and facilities; the acquisition, installation, replacement, support and maintenance of software, educational software, software licenses, computers, improved technology equipment, networks, infrastructure, the costs of technology related personnel and training; the purchase and replacement of school buses and school-related transportation vehicles; and the acquisition of curriculum, textbooks and materials. To provide funds for a portion of the project costs, the school board has proposed to issue general obligation school building bonds in an amount not to exceed \$###,###. To provide funds for the remaining portion of the project costs, the school board has proposed a capital project levy authorization in the amount of #.##% times the net tax capacity of the school district. The proposed capital project levy will raise approximately \$###,### for taxes payable in 2028, the first year it is to be levied, and would be authorized for ten (10) years. The estimated total cost of the projects to be funded by the capital project levy authorization is approximately \$###,###. The projects to be funded have received a positive Review and Comment from the Commissioner of Education.

- Yes** Shall the issuance of the general obligation school building bonds and the capital project levy authorization proposed by the school board of Independent School District No. ### be approved?
- No**

BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ARE VOTING FOR A PROPERTY TAX INCREASE.

Separate Ballot Questions

Authorized Bond Issue Amount		Question 1	Question 2	Total Both Questions
Number of Years			\$10,000,000 15	
Capital Project Levy Amount		\$1,000,000		
Number of Years		10		

Type of Property	Estimated Market Value	Estimated Impact on Annual Taxes Payable 2028 Compared to 2027*		
Residential Homestead	\$100,000	\$4	\$8	\$12
	200,000	11	22	33
	300,000	19	36	55
	400,000	26	50	76
	500,000	33	64	97
Commercial/Industrial	\$100,000	\$10	\$19	\$29
	500,000	62	119	180
	1,000,000	128	247	376
Agricultural Homestead** (average value per acre of land & buildings)	\$2,000	0.16	0.04	\$0.20
	3,000	0.24	0.06	0.30
	4,000	0.33	0.08	0.40
	5,000	0.41	0.10	0.50
	Agricultural Non-Homestead** (average value per acre of land & buildings)	\$2,000	0.33	0.08
3,000		0.49	0.12	0.60
4,000		0.65	0.15	0.80
5,000		0.81	0.19	1.01
Seasonal		\$250,000	\$17	32
Recreational	500,000	33	64	98
Residential	750,000	54	104	159

School District Question 1 Approval of Capital Project Levy Authorization for Technology

The school board of Independent School District No. ### (### Schools) has proposed a capital project levy authorization of ###% times the net tax capacity of the school district. The money raised from the capital project levy authorization will provide funds for school district technology, including technology systems related to safety and security, classroom and building technology, digital curriculum, support and maintenance of software, software licenses, computers, technology infrastructure and network improvements, device replacement, and to pay the costs of technology related personnel and training. The proposed capital project levy authorization will raise approximately \$###,### for taxes payable in 2028, the first year it is to be levied, and would be authorized for ten years. The estimated total costs of the projects to be funded over that time period is approximately \$###,000.

Yes Shall the capital project levy proposed by the school board of Independent School District No. ### be approved?

No

BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ARE VOTING FOR A PROPERTY TAX INCREASE.

School District Question 2 Approval of School District Bond Issue



Yes Shall the school board of Independent School District No. ## (### Public Schools) be authorized to issue its general obligation school building bonds in an amount not to exceed \$##,###,### to provide funds for the acquisition and betterment of school sites and facilities, including the construction, acquisition and installation of safety and security improvements at all school district facilities; the completion of various deferred maintenance and infrastructure projects at school district sites and facilities, including mechanical and HVAC improvements, roof repairs, window replacement, exterior masonry, and flooring repair and improvements; the acquisition and installation of furniture at sites and facilities districtwide; renovations and updates to restrooms; and the construction and installation of various site improvements districtwide?

No

BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ARE VOTING FOR A PROPERTY TAX INCREASE.

Referendum - Considerations

- **Timing Considerations:**

- ✓ Referendum must be held between **Spring 2026 and November 2027** to utilize available levy capacity.

- **Capital Project Levy / School Building Bond Question(s):**

- ✓ School districts may run these questions up to **five times per calendar year** — in **February, April, May, August, and November**.

- **Operating Referendum Question(s):**

- ✓ School districts are limited to **one operating referendum per calendar year**, including mail ballot elections.

Potential Referendum - Considerations

- Number of Ballot Questions
- Amount for Each Ballot Question
- Inflation Adjustment for Operating Referendum Question(s)
- Length of Operating Referendum or Capital Project Levy (in Years)
- If Multiple Questions, Are Subsequent Questions Contingent on Approval of Previous Questions?

Questions?

