



AGENDA

Joint ISD 192 School Board and City Council Work Session

5:30 PM - Wednesday, August 21, 2024
Farmington City Hall, Council Chambers

Page

1. CALL TO ORDER

2. APPROVE AGENDA

3. DISCUSSION ITEMS

Joint discussion with Farmington City Council and Independent School District 192 School Board Members.

2 - 33

Not applicable

[Agenda Item: Joint discussion with Farmington City Council and Independent School District 192 School Board Members. - Pdf](#)

4. CITY COUNCIL COMMITTEE UPDATE

5. CITY ADMINISTRATOR UPDATE

6. ADJOURN

SPECIAL WORK SESSION AGENDA MEMO

To: Mayor, Councilmembers and City Administrator
From: Lynn Gorski, City Administrator
Department: Administration
Subject: Joint discussion with Farmington City Council and Independent School District 192 School Board Members.
Meeting: Joint ISD 192 School Board and City Council Work Session - Aug 21 2024

INTRODUCTION:

The joint meeting between the City Council and the School Board of Farmington is a vital opportunity for both entities to collaborate on matters that impact the broader community. This meeting is focused on aligning efforts to enhance the well-being and future growth of Farmington.

DISCUSSION:

The primary objective of this joint session is to discuss key issues related to the school district and the city's ongoing initiatives. Superintendent Berg will present an overview of school district enrollment, demographics, and financial information, providing valuable insights into current challenges and future projections. In parallel, the city will outline Farmington's community vision and priorities, including a discussion on how the city is transforming its vision into reality. A portion of the meeting will be dedicated to exploring the positive impacts of commercial development, particularly in relation to the city and school district budget impacts, as well as other broader benefits for the community. This collaborative discussion is intended to strengthen the partnership between the city and the school district, ensuring that both are working in harmony to achieve the best possible outcomes for Farmington's residents.

BUDGET IMPACT:

Not applicable

ACTION REQUESTED:

Not applicable

ATTACHMENTS:

[ISD 192 Demographic and Enrollment Update](#)
[ISD 192 School Finance](#)
[City of Farmington Community Vision & Priorities](#)



FARMINGTON
AREA PUBLIC SCHOOLS

Farmington Area Public Schools, ISD 192

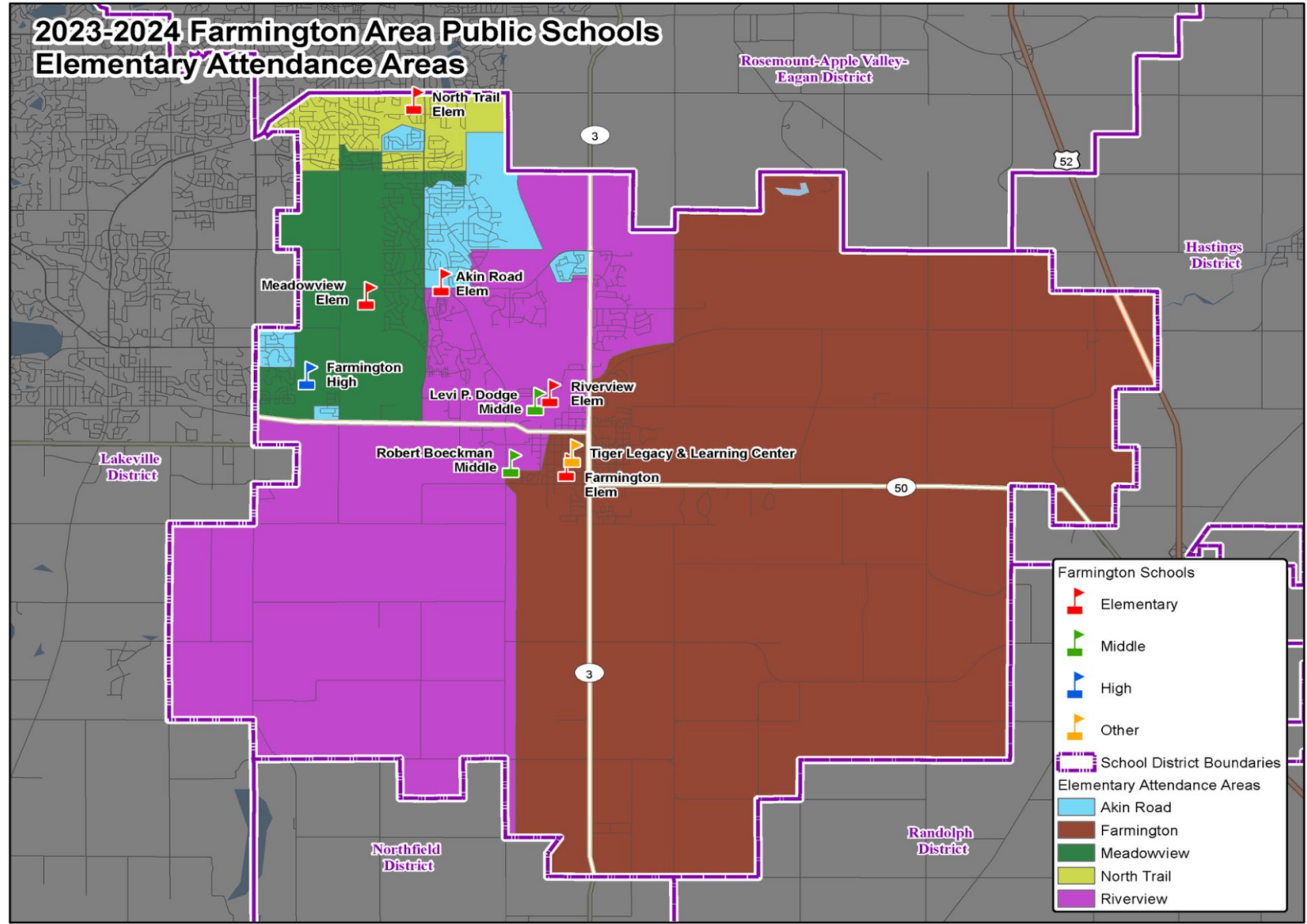
Demographics and Enrollment Update

August 21, 2024

Farmington Area Public Schools

- ISD 192 includes all of the City of Farmington, the City of Empire, a portion of the City of Lakeville, Castle Rock Township, portion of Eureka Township, portion of Vermillion Township, and portion of Hampton Township; total district population exceeds 41,000
- 6500 Learners EC - 12th grade
- 10 educational sites
 - 1.6 million square feet of space
 - 263.5 acres of land
- 1002 staff with 494 licensed teachers

2023-2024 Farmington Area Public Schools Elementary Attendance Areas



Farmington Schools

- Elementary (Red flag icon)
- Middle (Green flag icon)
- High (Blue flag icon)
- Other (Yellow flag icon)

School District Boundaries (Dashed purple line)

Elementary Attendance Areas

- Akin Road (Light blue)
- Farmington (Brown)
- Meadowview (Green)
- North Trail (Yellow-green)
- Riverview (Purple)

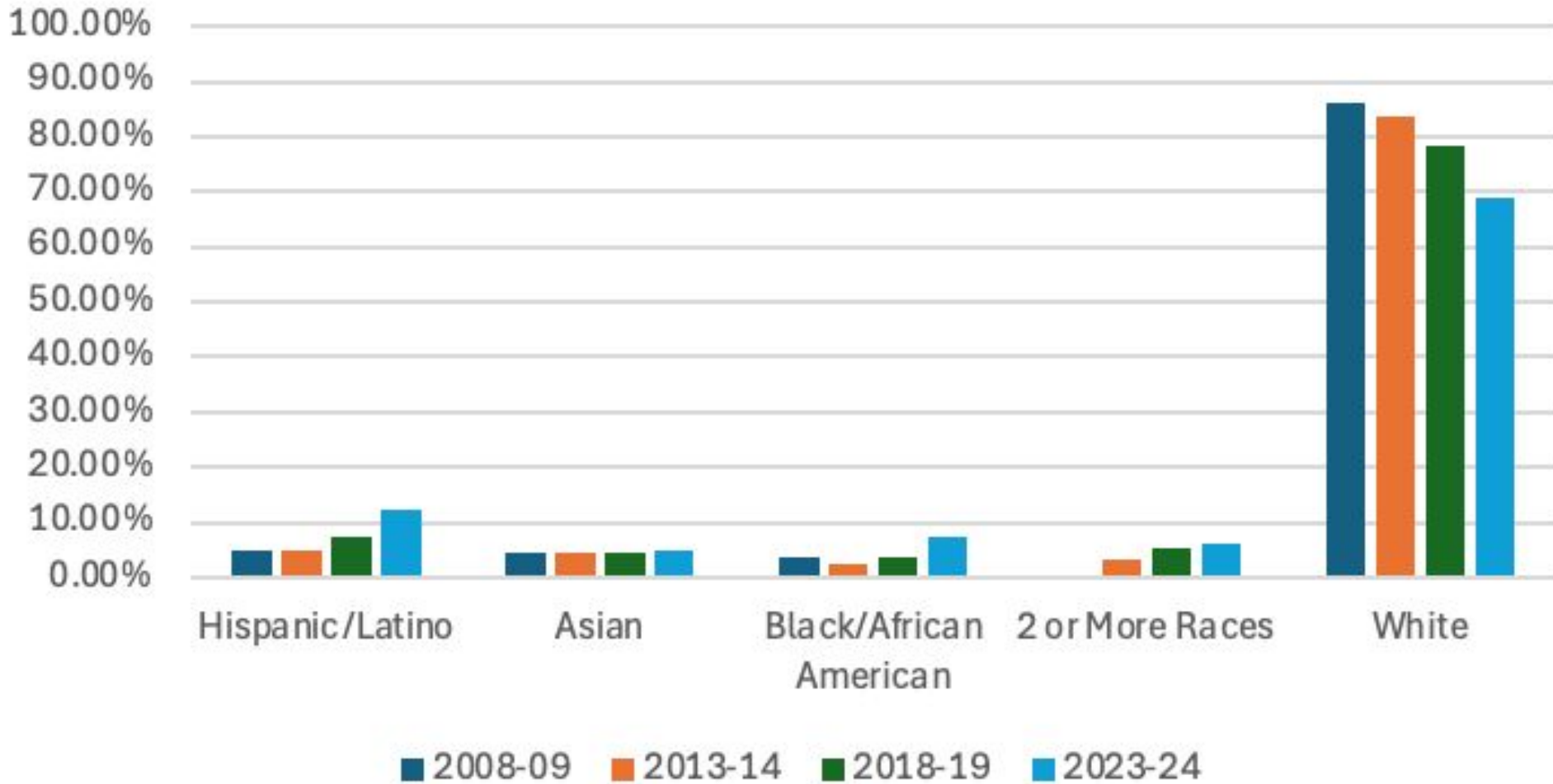
Our Community

**Persons of Color are defined here as all races and ethnicities other than Hispanic and white. Other races are those persons who identify as a race other than those listed, two or more races, or as Hawaiian/Pacific Islanders*

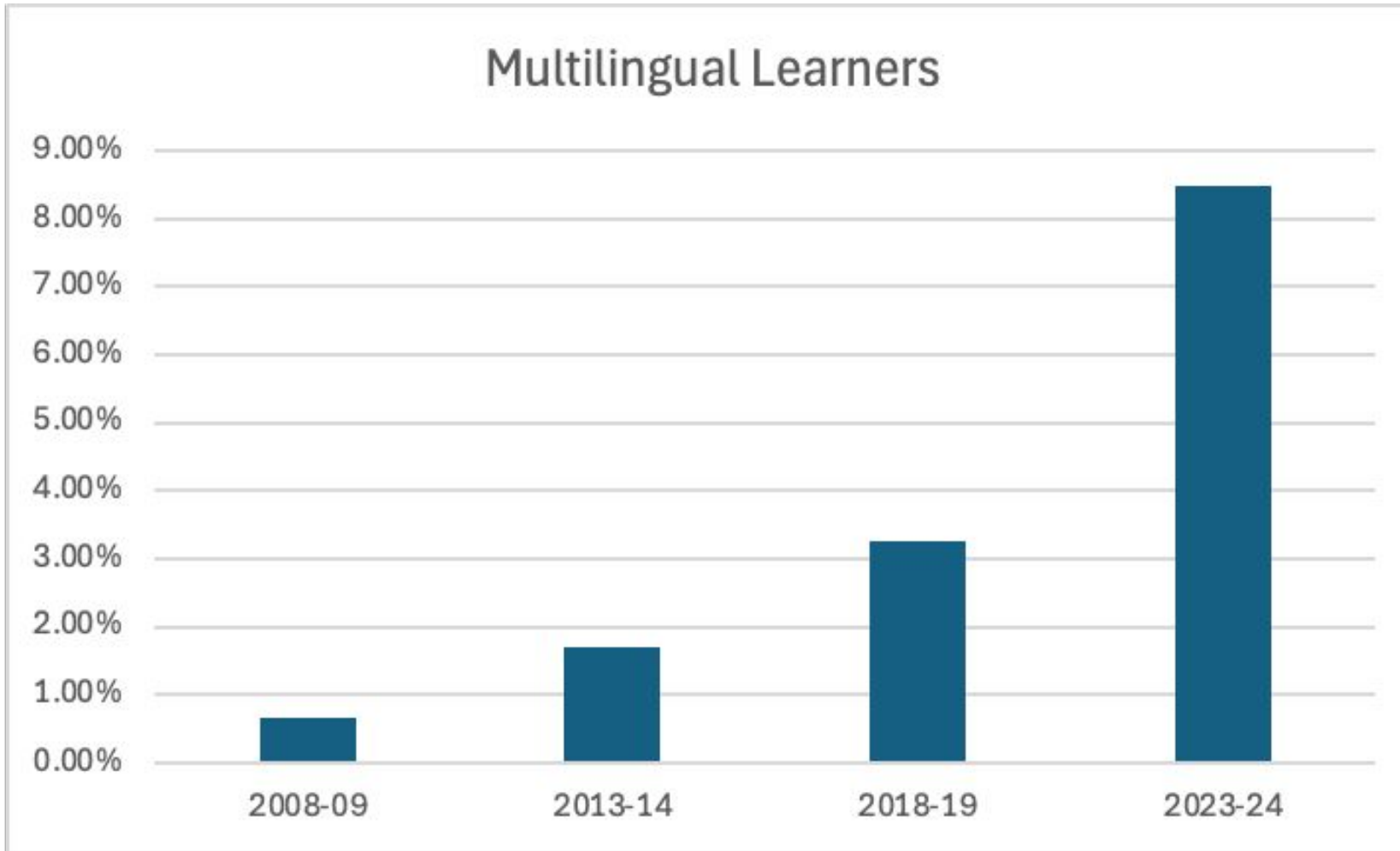
TABLE 1: POPULATION & RACE DEMOGRAPHICS BY DISTRICT BOUNDARY

Race	2010		2022		2027		2022-2027
	Number	%	Number	%	Number	%	% Change
White	28,309	87.9%	30,443	79.7%	30,397	78.1%	-0.2%
Black	667	2.1%	1,512	4.0%	1,620	4.2%	7.1%
Am. Indian	105	0.3%	113	0.3%	115	0.3%	1.8%
Asian	1,231	3.8%	1,732	4.5%	1,877	4.8%	8.4%
Hispanic	1,151	3.6%	2,309	6.0%	2,477	6.4%	7.3%
Other	757	2.3%	2,077	5.4%	2,423	6.2%	16.7%
Totals	32,220	100%	38,186	100%	38,909	100%	1.9%

Learner Demographics



Multilingual Learners



District Wide Housing Trends

- Single-family homes currently comprise 59.2% of all housing types
- The overall average market value for single-family homes is \$425,906
- Nearly 15% of all single-family homes have been built since 2010
- Over 3,200 homes have been sold since 2010
- Since 2010, the average sale price of a single-family home has increased 35.2% from \$310,235 to \$419,309
- 74.2% of current resident students live in single-family homes
- An additional 2,881 single-family homes and 1,037 townhome/multi-family units are planned within the school district

District Wide Housing Trends

- The proportion of resident enrolled students (K-12) by housing unit and their percentage of the total:
 - Single-Family Home: 4,672 (74.2%)
 - Apartment-Townhome-Multi-Family: 1,166 (18.5%)
 - Manufactured Home: 459 (7.3%)
- Resident enrolled student yield per housing unit:
 - Single-Family Home: 0.47
 - Apartment-Townhome-Multi-Family: 0.19
 - Manufactured Home: 0.58

Learner Enrollment Trends

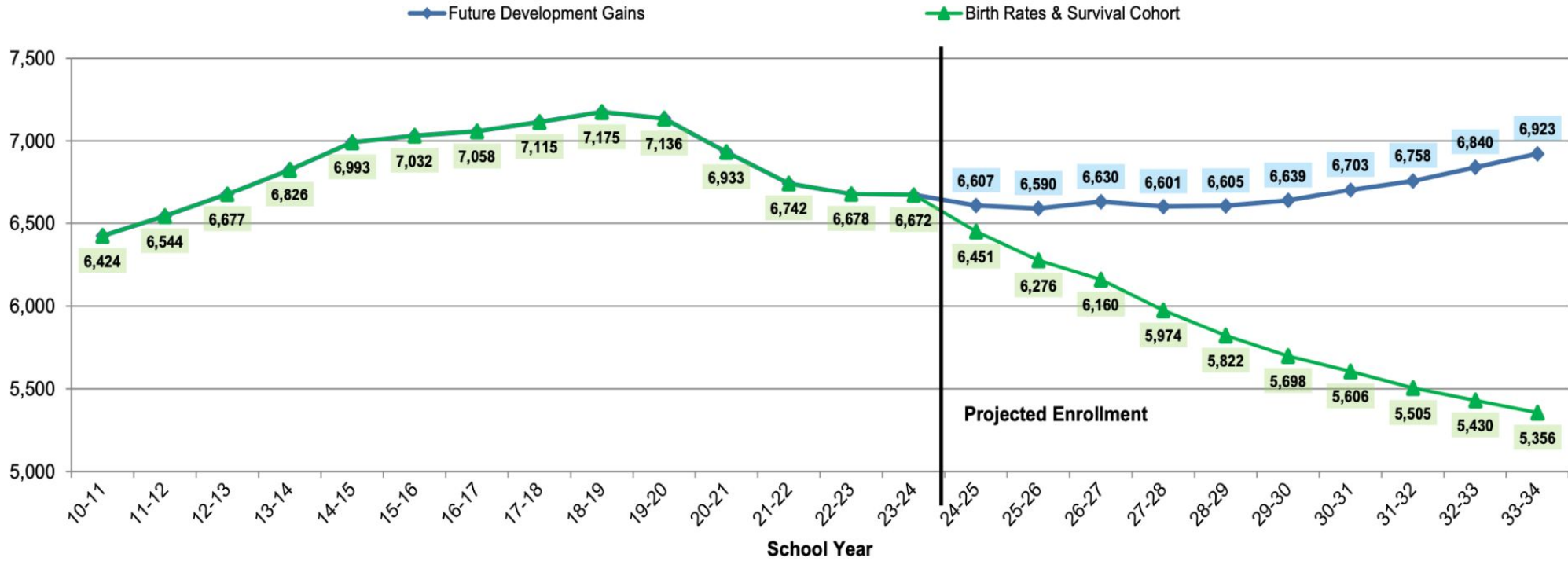
- Since 2010-11 resident births/year declined **28.6%**
- Since 2010-2011, overall student enrollment (K-12) grew 3.1% from 6,366 to 6,565
 - Elementary (K-5) declined **13.4%** from 3,208 to 2,777
 - P5 peaked in 2013-14 -> 607
 - 2024-25 -> 539
 - Middle (6-8) grew 6.5% from 1,471 to 1,569
 - High (9-12) grew 25.5% from 1,686 to 2,117

Learner Enrollment Trends

- 10-Yr Enrollment Projections
 - Accounting for birth rates and survival cohort only, the district is projected to decline in overall PK-12 student enrollment by 19.7% to 5,356
 - The decline in resident births could be offset by new housing development resulting in projected PK-12 enrollment to grow 3.8% to 6,923

Learner Enrollment Trends

Chart 1: Farmington Area Schools Total Student Enrollment (PK-12)





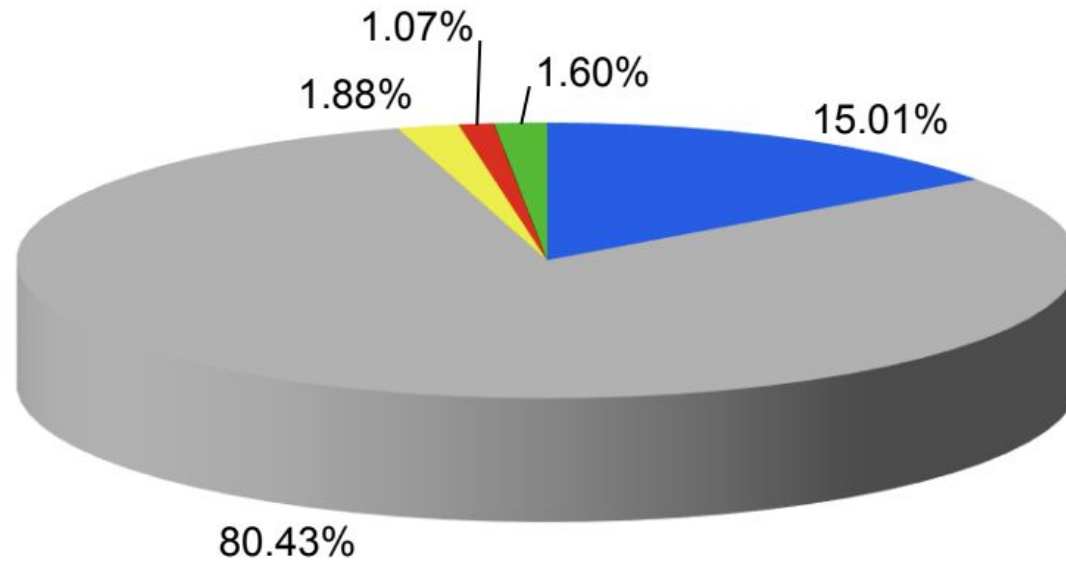
Farmington Area Public Schools, ISD 192

School Finance

August 21, 2024

School Finance 101

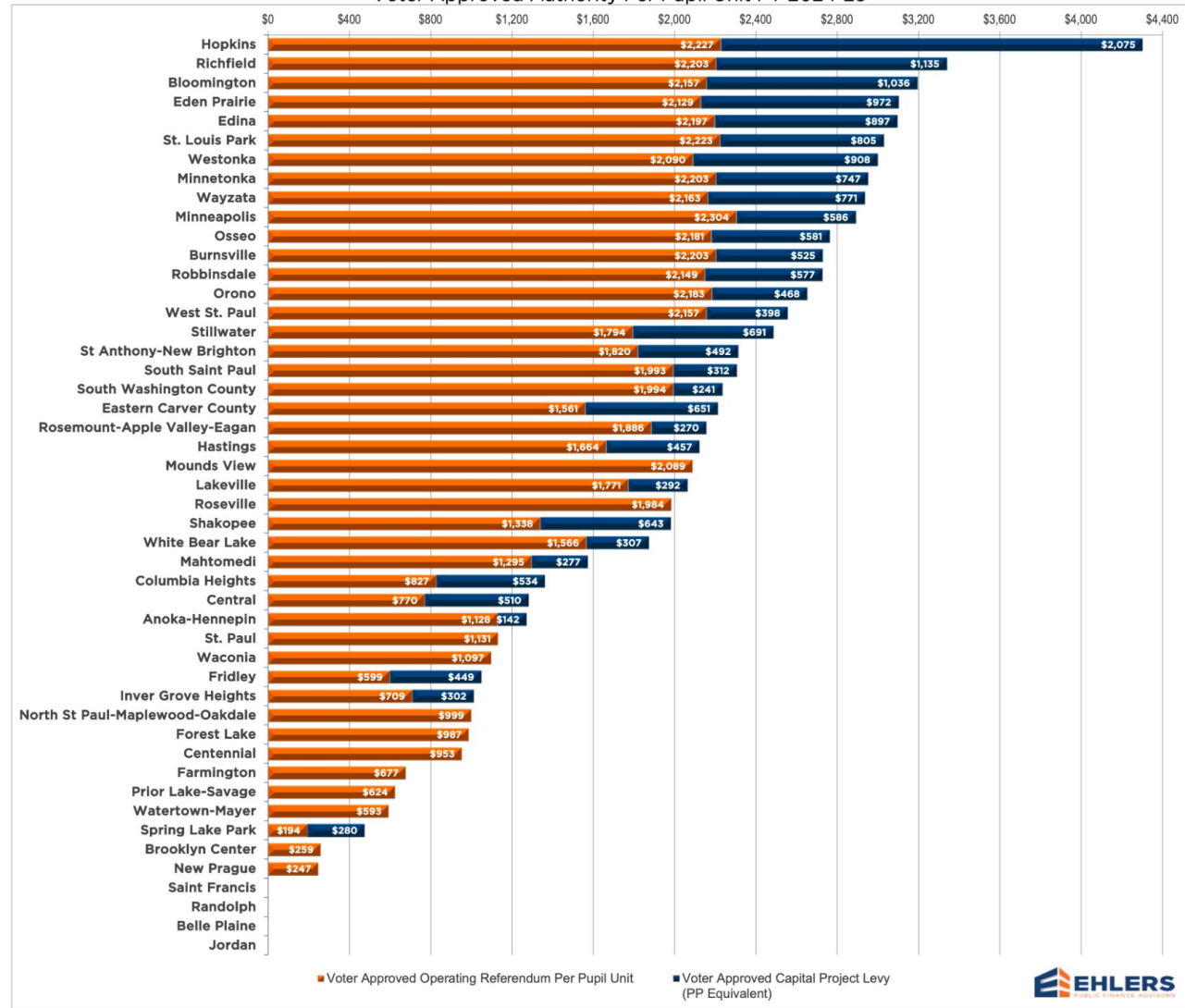
GENERAL FUND REVENUE SOURCES (FY25)



School Finance 101

- School Board has very limited levy authority
 - Set in statute
 - Formula based from MDE
 - Include aid and levy
- Any other levy or bond must be voter approved
 - 2015 voter approved levy generates approximately \$5 million
 - Expires after the 2025-26 school year

Seven County Metro Area School Districts Voter Approved Authority Per Pupil Unit FY 2024-25



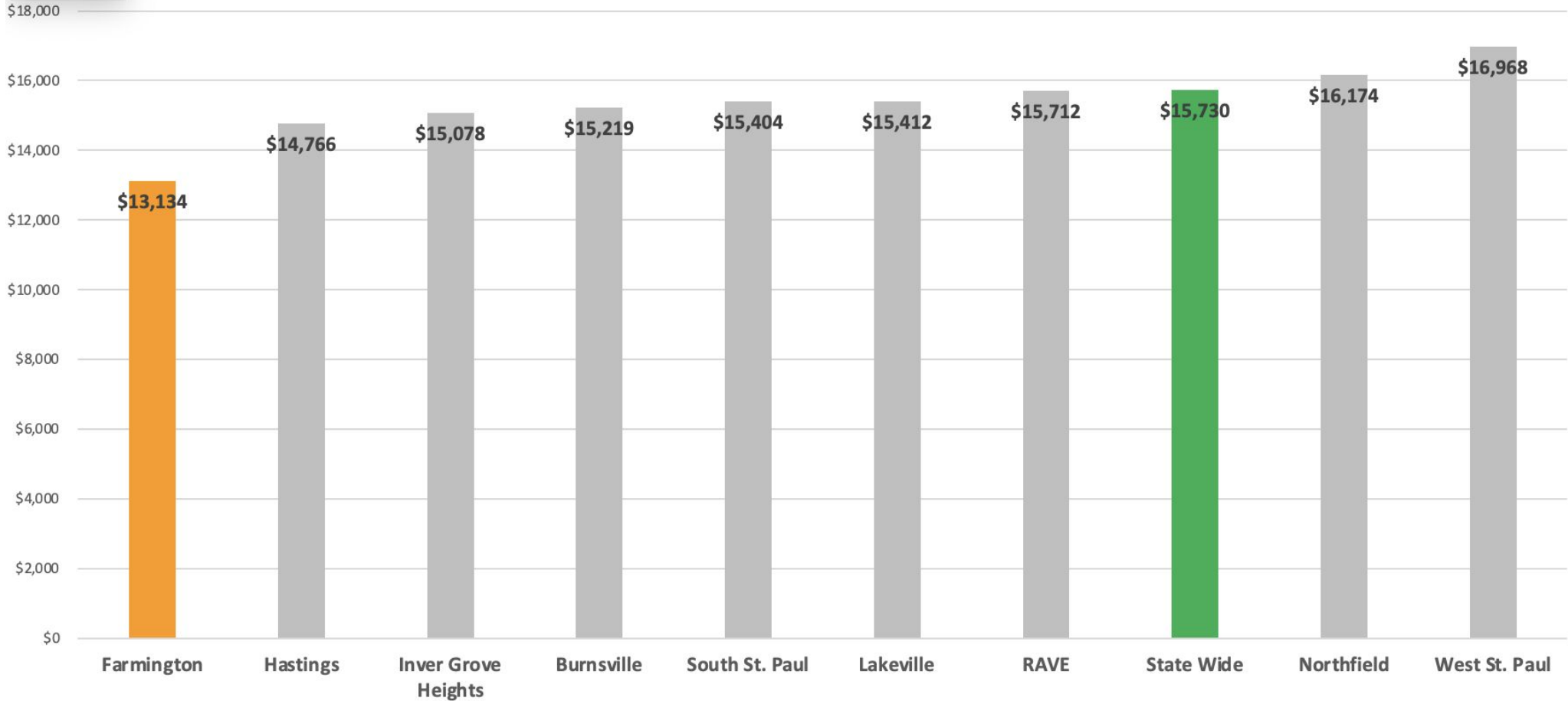
Source: Taxes Payable 2024 Levy Certification Reports



Area Comparison

Dollars Per ADM Served FY23

Chart Area



School Finance 101

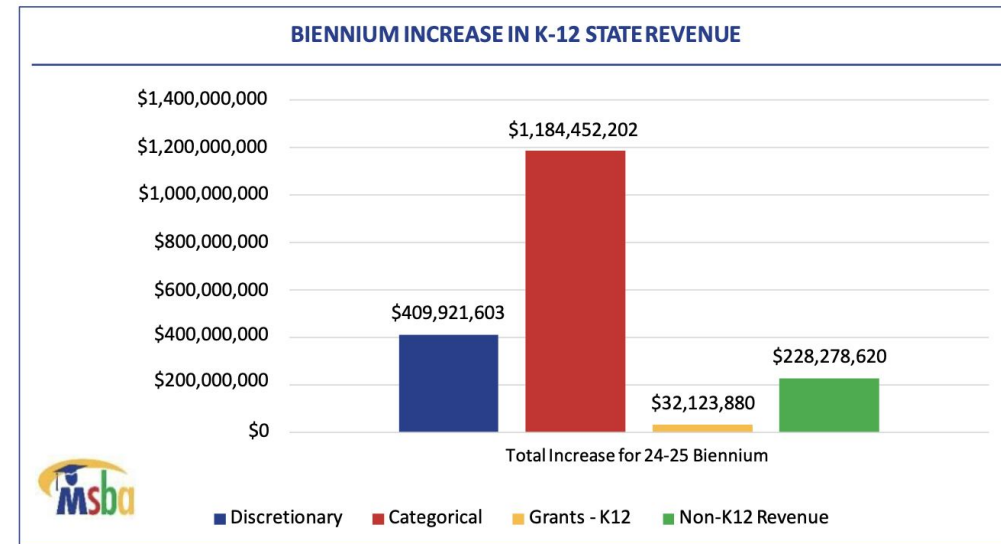
- Unfunded Mandates Impact
 - Cross-Subsidies
 - Special Education - Approx. \$5,700,000
 - Multi-Lingual - Approx. \$1,000,000
 - READ ACT
 - Continued Professional Development
 - Curricular Resources - \$410,000 and then \$115,000/year
 - Ongoing Professional Development - \$220,000/year
 - Unemployment Insurance - Summer 2023 \$280,000
 - Paid Family Medical Leave - \$432,000/year
- Increase Cost
 - Insurance/Cyber Security - Increase from FY21 thru FY25 roughly \$313,000 (47% increase)

School Finance 101

- 2024-25 general fund budget -> \$96 million
 - Categorical and Discretionary
 - “Historical” Funding

...the revenue reality?

2023 K-12 State Revenue Analysis



■ Discretionary ■ Categorical ■ Grants - K12 ■ Non-K12 Revenue



Finance Facts

\$4.1 million in Budget Realignment over the past 3 school years

- 2021-22 -> \$700,000
- 2022-23 -> \$1,050,000
- 2023-24 -> \$2,400,00
- 2024-25 -> \$2,700,000 from Assigned Fund Balance to cover deficit

Areas of Savings to Taxpayers

- 2015 Bond
 - Kindergarten classrooms and security upgrade
 - ARES boiler replacement, MVES/ARES roof replacement, FHS connection to 202nd St, TLLC windows/doors, TLLC parking lot reconfiguration and repaving, NTES fire alarm replacement
- Bond Refunding
 - Since 2011 \$26 million in savings to ISD 192 taxpayers

Fall Referendum

- Revoke and Replace
 - Asking voters to increase revenue by \$860/pupil unit to approximately \$1537/pupil unit, \$6 million increase in revenue per year to approximately \$11 million
 - Increase on a home valued at \$350,000: \$426/year or \$35.50/month

Farmington Area Public Schools, ISD No. 192
Analysis of Tax Impact for Proposed Referendum Levy
August 5, 2024

Year Taxes are Payable	2025	2025	NET CHANGE
	Revoked Authority	Proposed Authority	
Est. Adjusted Pupil Units (APU)	7,316	7,316	
Additional Revenue/Pupil Unit	-\$696.15	\$1,556.15	\$860.00
Est. Net Change in Revenue	-\$5,093,033	\$11,384,793	\$6,291,760

Type of Property	Estimated Market Value	Estimated Taxes for Referendum Levy Only*		
	\$100,000	-\$98	\$220	\$122
	125,000	-123	275	152
	150,000	-148	330	182
	175,000	-172	385	213
	200,000	-197	440	243
Residential	225,000	-221	495	274
Homesteads,	250,000	-246	550	304
Apartments,	300,000	-295	660	365
and Commercial-	350,000	-345	770	425
Industrial Property	375,000	-369	825	456
	400,000	-394	880	486
	450,000	-443	990	547
	500,000	-492	1,100	608
	600,000	-591	1,320	729
	750,000	-738	1,650	912
	900,000	-886	1,980	1,094
	1,000,000	-984	2,200	1,216
	1,250,000	-1,230	2,750	1,520
	1,500,000	-1,476	3,300	1,824
	2,000,000	-1,969	4,401	2,432

* The amounts in the table are based on school district taxes for the referendum levy only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the Minnesota Homestead Credit Refund ("Circuit Breaker") program. Owners of homestead property may qualify for a refund, based on their income and total property taxes. This may decrease the net effect of the referendum levy for those property owners.

NOTE: Agricultural property will pay taxes for the proposed referendum based only on the value of the house, garage and one acre. Seasonal recreational residential property (i.e., cabins) will pay no taxes for the proposed referendum.

Farmington Public School District No. 192

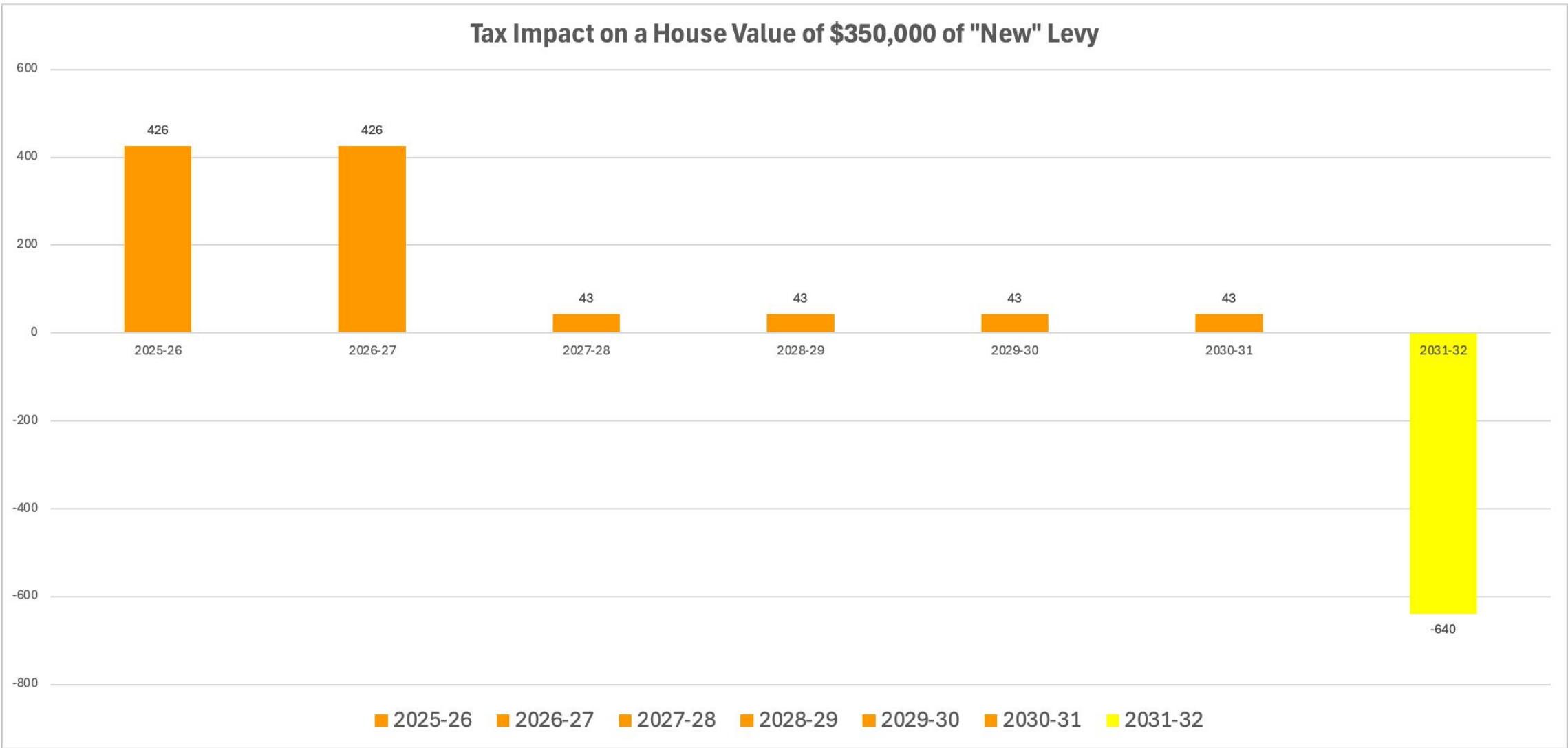
Estimates of Tax Impact for Future Debt Service Levy Decreases *

March 26, 2024

Type of Property	Estimated Market Value	Estimated Tax Impact Payable in 2026 Compared to 2027	Estimated Tax Impact Payable in 2030 Compared to 2031
Residential Homestead	\$100,000	-\$71	-\$127
	150,000	-134	-238
	200,000	-196	-350
	250,000	-258	-461
	300,000	-320	-572
	350,000	-383	-683
	400,000	-445	-794
	450,000	-507	-905
	500,000	-569	-1016
	550,000	-642	-1147
600,000	-714	-1,275	
Residential Non-Homestead Single Unit	\$100,000	-\$114	-\$204
	150,000	-171	-306
	200,000	-228	-408
	250,000	-286	-510
Residential Non-Homestead Multi Unit and Apartments	300,000	-343	-612
	\$200,000	-\$286	-\$510
	400,000	-571	-1,020
	600,000	-857	-1,529
	800,000	-1,142	-2,039
1,000,000	-1,428	-2,549	
Commercial/ Industrial #	\$100,000	-\$105	-\$187
	150,000	-157	-281
	200,000	-227	-406
	400,000	-507	-905
1,000,000	-1,346	-2,402	
Agricultural Homestead** (average value per acre of land & buildings)	\$6,000	-\$1.03	-\$1.84
	7,000	-1.20	-2.14
	8,000	-1.37	-2.45
	9,000	-1.54	-2.75
10,000	-1.71	-3.06	
Agricultural Non-Homestead** (average value per acre of land & buildings)	\$6,000	-\$2.06	-\$3.67
	7,000	-2.40	-4.28
	8,000	-2.74	-4.89
	9,000	-3.08	-5.51
10,000	-3.43	-6.12	

Upcoming debt fall off

Tax Impact on a House Value of \$350,000 of "New" Levy



What if the levy does pass?

Additional levy dollars will bolster the district's financial stability, maintain programs and experiences, and allow us to invest in:

- Decrease learner to staff ratio (lower class size)
- Learner Achievement
 - Literacy
 - Math
 - Elementary Enrichment

What if the levy doesn't pass?

Projecting \$4-\$5 million deficit for 2025-26 school year

- Significant budget reduction likely to include, but not limited to:
 - Reduce non-classroom support
 - Increase learner/staff ratio resulting in larger class sizes
 - Eliminate FHS MNCAPS experiences
 - Eliminate FHS DCTC/917 CTE experiences
 - Reduce middle school elective opportunities and team planning through a schedule change
 - Eliminate 5th grade band experience
 - Increase athletics/activities fees and reduce non-conference travel
 - Limit user group rental of ISD 192 spaces and increase rental fees



COMMUNITY VISION & CITY PRIORITIES

- HOW – PROJECTS & PROSPECTS
- IMPACTS – FOR THE CITY & BEYOND

COMMUNITY VISION & CITY PRIORITIES

In the City of Farmington, people and neighborhoods are valued, natural resources are treasured, and business and traditions are celebrated.

We are bold in pursuing opportunities and investments that support quality and sustainable growth, a vibrant and resilient economy and a complete and connected community.



City Council Priorities

The Farmington City Council has established the following priorities that are in the best long-term interest of the city.

Quality Business Growth & Retention

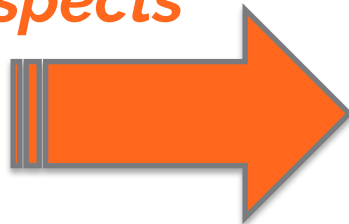
- Enhance business activities.
- Positively position Farmington to welcome, support, and attract development to diversify our tax base.
- Maintain and grow relationships.

CONVERTING VISION/GOALS TO REALITY

WE MUST UNDERSTAND:

- Land Ownership
- Infrastructure Availability
- Access to Workforce & Talent Pipeline
- Partners Willing To Support Efforts

***This leads to prospects
& projects...***



In 2024 –

- Have met with 19 different developers interested in pursuing projects in Farmington
- Project announcements include an 80,000 SF industrial expansions, day care, and housing to support business growth.
- Two (2) separate Alternative Urban Areawide Reviews (AUAR) underway related to technology parks.

POSITIVE IMPACTS - TAXES (EXAMPLE)

Estimated Tax Base Growth - Farmington Tech Park							
	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	TOTAL/CUMULATIVE TAX IMPACT
Agricultural Tax Payments (315 acres) - undeveloped land	\$ 14,947.36	\$ 15,395.78	\$ 15,857.65	\$ 16,333.38	\$ 16,823.39	\$ 17,328.09	
PROJECT Investment per Year	\$ 75,000,000	\$ 75,000,000	\$ 75,000,000	\$ 75,000,000	\$ 75,000,000	\$ 75,000,000	
Building SF (Cummulative)		250,000	500,000	750,000	1,000,000	1,250,000	
NEW Property Tax Payments	\$ 14,947.36	\$ 550,000.00	\$ 1,200,000.00	\$ 1,875,000.00	\$ 2,600,000.00	\$ 3,500,000.00	\$ 9,739,947.36
Difference (no dev. vs technology park)	\$ -	\$ 534,604.22	\$ 1,184,142.35	\$ 1,858,666.62	\$ 2,583,176.61	\$ 3,482,671.91	\$ 9,643,261.71

POSITIVE IMPACTS – MORE THAN JUST TAXES



Parks and Trails
Staff in the Parks and Recreation department reviewed the proposed development and provided a memorandum recommending that the City collect cash in-lieu of land dedication. Based on the size of



the development, that amounts to a cash dedication in the amount of **\$2,252,500** (10% of 265.07 acres x \$85,000 per acre). The plans for the development of the site include a bituminous trail along the west side of Audrey Avenue. A future bituminous trail along the west side of Blaine Avenue is provided for through the grading plans associated with improvements to the roadway.

How AWS InCommunities is committed to making a difference

Page 120 of 134
There are four pillars that anchor the work of AWS InCommunities: STEAM Education, Local Skills Development, Sustainability and Hyperlocal Social Impact. Our pillars direct how we make a difference and positively serve our communities.

Investing in local communities

We're committed to playing a positive role in each of the communities where we live and work.

\$4+ million
in funding

Since 2006, Google.org has awarded over \$4 million in funding to Minnesota organizations and nonprofits

\$1+ million
in charitable giving

Since 2011, our employees based in Minnesota—including matching contributions and philanthropic giving

159,000+
Minnesotans trained

Grow with Google has partnered with over 140 organizations in the state to train more than 159,000 Minnesotans on

