

HAYFIELD COMMUNITY SCHOOLS

OPERATING LEVY

INFORMATION MEETING

7:00 P.M.

OCTOBER 19 ~ BROWNSDALE

OCTOBER 26 ~ HAYFIELD



NOTICE OF SPECIAL ELECTION

- ▶ Election Date: November 3, 2015
- ▶ Voting Hours: 7:00 a.m. to 8:00 p.m.
- ▶ Precinct Location:

Hayfield High School

East Lobby

9 Sixth Avenue South East

Hayfield, MN



WHAT IS BEING ASKED?

- ▶ An operating levy allows the district to operate its programs.
- ▶ A bond referendum is used to build buildings and make major capital improvements.
- ▶ Levy for Learning
- ▶ Bond for Building



WHAT IS BEING ASKED?

- ▶ Revoke (cancel) the current operating levy of \$551.78 per pupil.
- ▶ Replace with \$851.78 per pupil operating levy.
- ▶ Have the new operating levy in place for five years.



WHAT IS BEING ASKED?

- ▶ Funds being considered are for the general operating budget:
 - Payroll
 - General maintenance and bills
 - Transportation
 - Classroom supplies
 - Technology



WHY THE REQUEST FOR AN OPERATING LEVY?

- ▶ Enrollment has declined for the past several years
- ▶ Decreased revenue from the state
 - State aid has not kept up with inflationary costs
 - 2% on the formula for FY 2016 and FY 2017
 - Inflation is at about 3%



WHAT WILL OPERATING LEVY DOLLARS SUPPORT?

- ▶ **Class sizes that are manageable**
- ▶ **Academic supports that help our students succeed**
- ▶ **Facility – limited to general maintenance and upkeep**
- ▶ **Transportation services**
- ▶ **Technology updates**



WHAT WILL HAPPEN IF THE LEVY IS NOT APPROVED?

- ▶ **Align expenditures with revenues to make up for decrease in funding**
- ▶ **Make budget alignments and reductions to balance budget as required by the state**
 - **Including but not limited to staffing and programming**



WHAT WILL HAPPEN IF THE LEVY IS NOT APPROVED?

▶ Potentially reducing expenses allocated for:

- Staff
- Programs
- General maintenance
- Supplies
- Transportation
- Technology



HOW MUCH WILL BE GENERATED?

- ▶ The per pupil payment of \$851.78 will generate approximately \$230,000 in additional revenue each year.
- ▶ \$50,000 of this amount will come from state aid.
- ▶ \$180,000 will be raised through local property taxes.



WHAT WILL THE TAX IMPACT BE?

- ▶ Based on home values for in-town
- ▶ House, garage and one acre for farmers and others who live out-of-town
 - Not based on total farm value



WHAT WILL THE TAX IMPACT BE?

- ▶ The increase from \$551.78 to \$851.78 per pupil does not mean each tax payer will pay an increase of \$300.00.
- ▶ The tax increase on a home valued at \$150,000 will be \$98.00 per year, or about \$8.17 per month.
- ▶ The tax impact on ag land other than the house, garage and one acre will be \$0.00.



WHAT WILL THE TAX IMPACT BE?

Type of Property	Est Market Value	2016 Expired Levy	2017 Proposed Levy	Net Change	Increase per Month
Residential, Homestead, Apartments, and Commercial Industrial Property	\$100,000	-\$81	\$146	\$65	\$5.42
	125,000	-101	183	82	6.83
	150,000	-121	219	98	8.17
	175,000	-142	256	114	9.50
	200,000	-162	292	130	10.83
	225,000	-182	329	147	12.25
	250,000	-202	365	163	13.58



WHAT WILL THE TAX IMPACT BE?

Type of Property	Est Market Value	2016 Expired Levy	2017 Proposed Levy	Net Change	Increase per Month
Residential, Homestead, Apartments, and Commercial Industrial Property	\$300,000	-\$243	\$438	\$195	\$16.25
	350,000	-283	511	228	19.00
	400,000	-324	584	260	21.67
	450,000	-364	657	293	24.42
	500,000	-404	730	326	27.17
	600,000	-485	876	391	32.58
	700,000	-566	1,022	456	38.00



WHAT WILL THE TAX IMPACT BE?

Type of Property	Est Market Value	2016 Expired Levy	2017 Proposed Levy	Net Change	Increase per Month
Residential, Homestead, Apartments, and Commercial Industrial Property	\$800,000	-\$647	\$1,168	\$521	\$43.42
	900,000	-728	1,314	586	48.83
	1,000,000	-809	1,460	651	54.25
	1,250,000	-1,011	1,825	814	67.83
	1,500,000	-1,213	2,190	977	81.42
	2,000,000	-1,618	2,920	1,302	108.50



HOW DO WE COMPARE?

Percentage Share of Property Taxes

Hayfield School District	2013	2014
County	50.2%	52.3%
School District	22.0%	20.0%
City-Town	19.6%	19.7%
State	7.3%	7.2%
Special	0.8%	0.8%



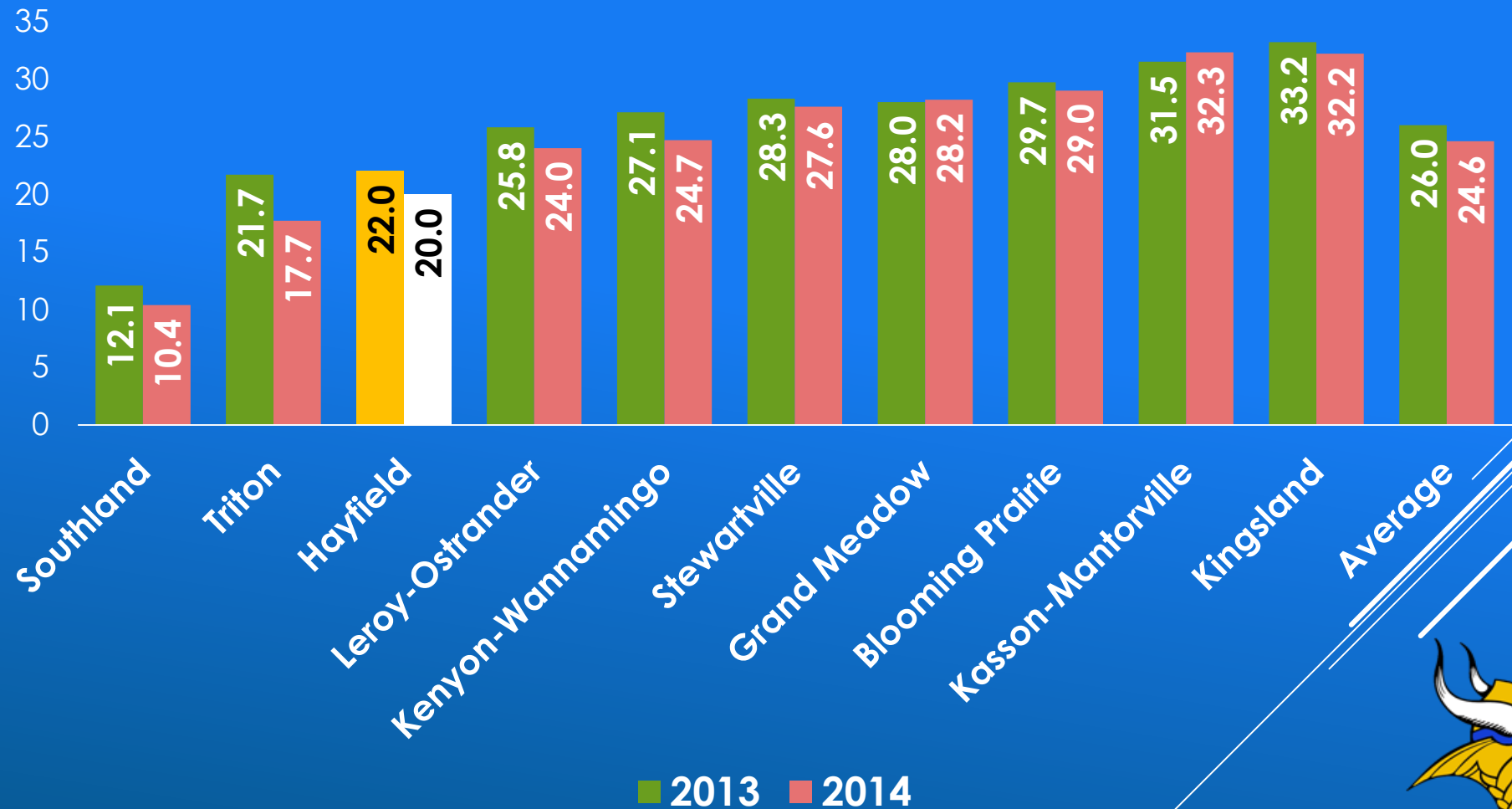
HOW DO WE COMPARE?

School % of Property Taxes in Area Districts

District Name	2013	2014
Southland	12.1%	10.4%
Triton	21.7%	17.7%
Hayfield	22.0%	20.0%
Leroy-Ostrander	25.8%	24.0%
Kenyon-Wannamingo	27.1%	24.7%
Stewartville	28.3%	27.6%
Grand Meadow	28.0%	28.2%
Blooming Prairie	29.7%	29.0%
Kasson-Mantorville	31.5%	32.3%
Kingsland	33.2%	32.2%
Average	26.0%	24.6%

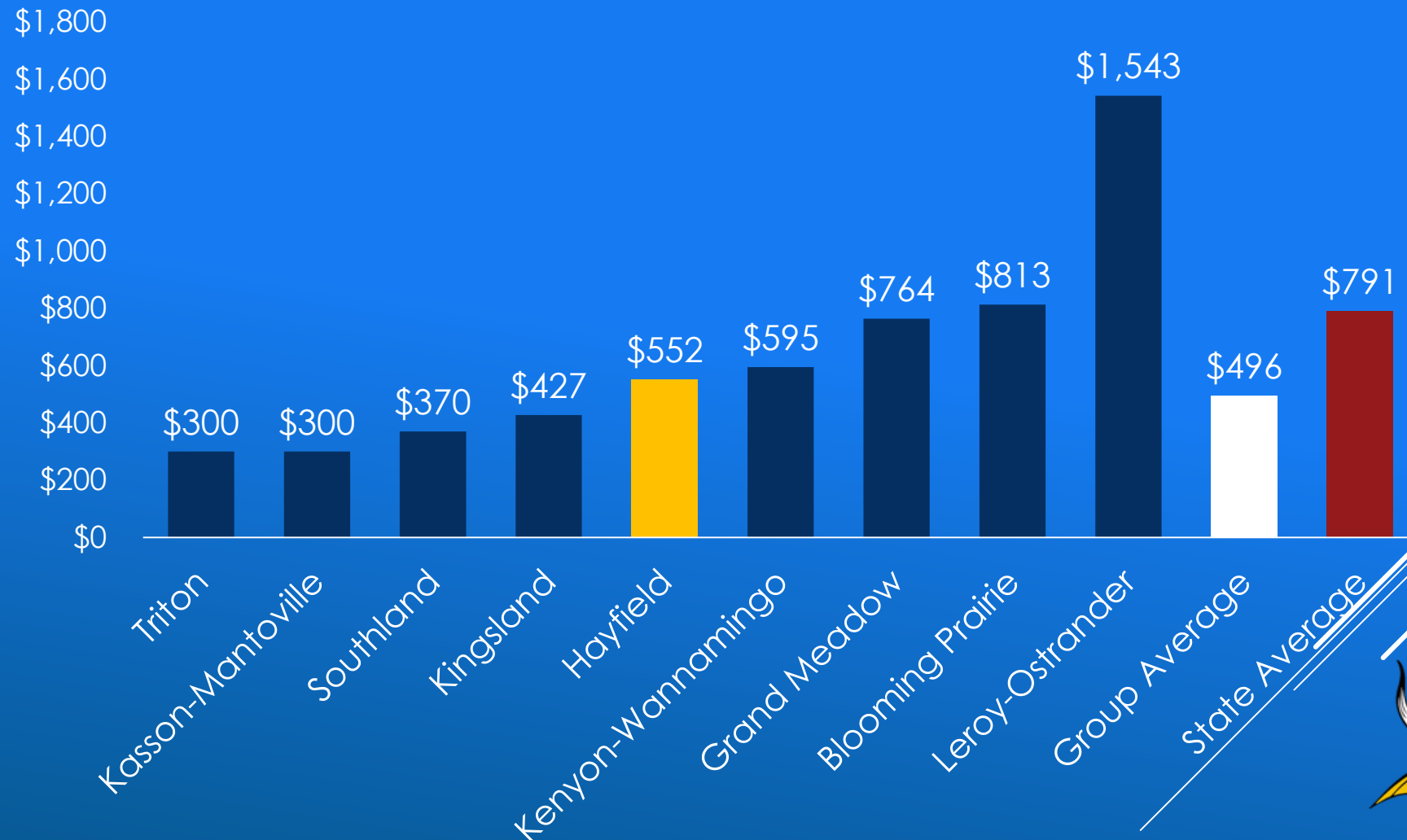
HOW DO WE COMPARE?

School % of Property Taxes in Area Districts



HOW DO WE COMPARE?

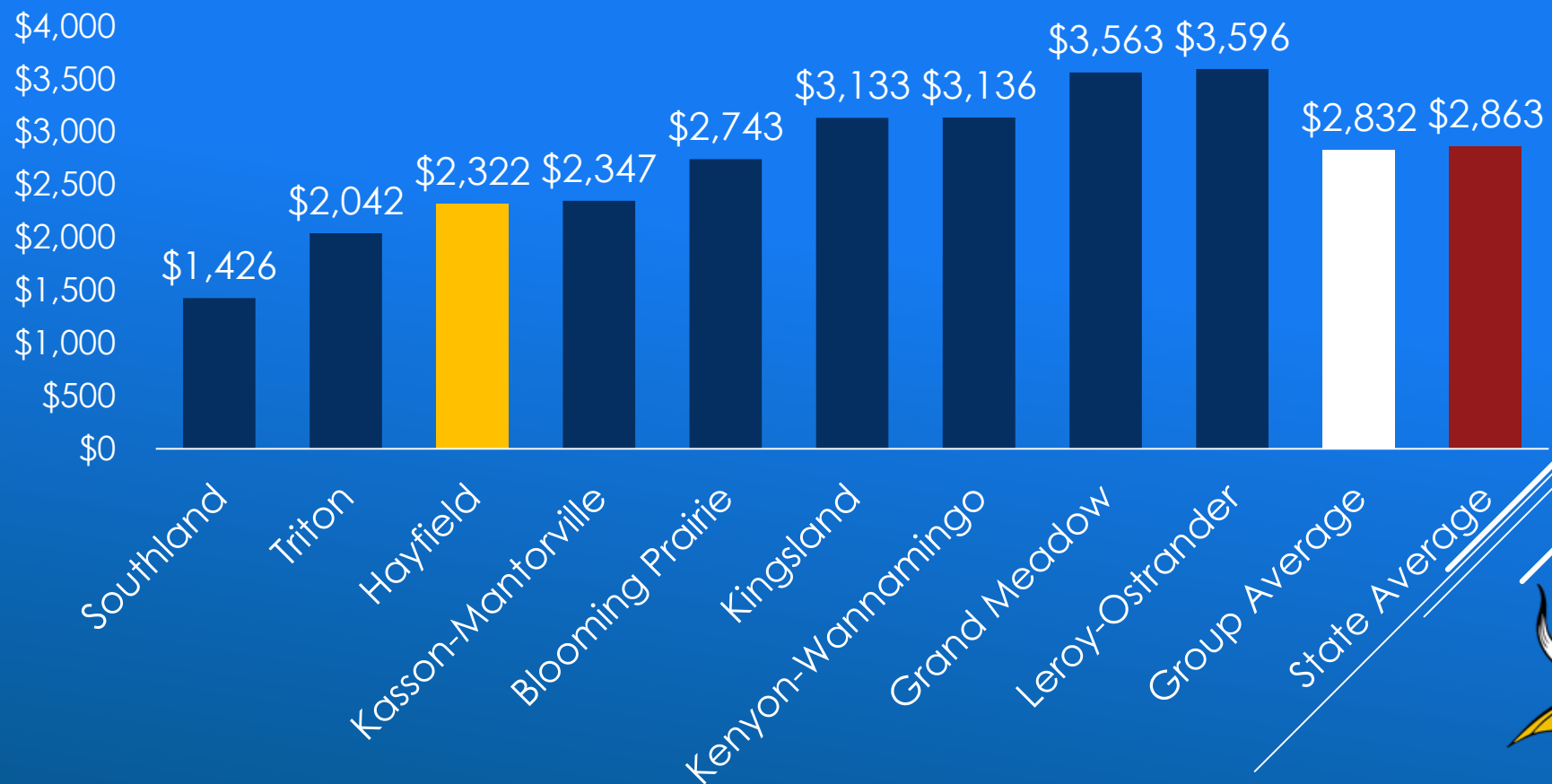
Voter Approved Levy Per Pupil FY14-15



HOW DO WE COMPARE?

Total School Tax Levy Per Pupil 2015

Includes: Operating Levy, Operating Capital, Reemployment Insurance, Safe Schools, Health and Safety, Lease Levy and Community Service



HOW DO WE COMPARE?

Total School Property 2015 Taxes on Residential Est Market Value = \$150,000

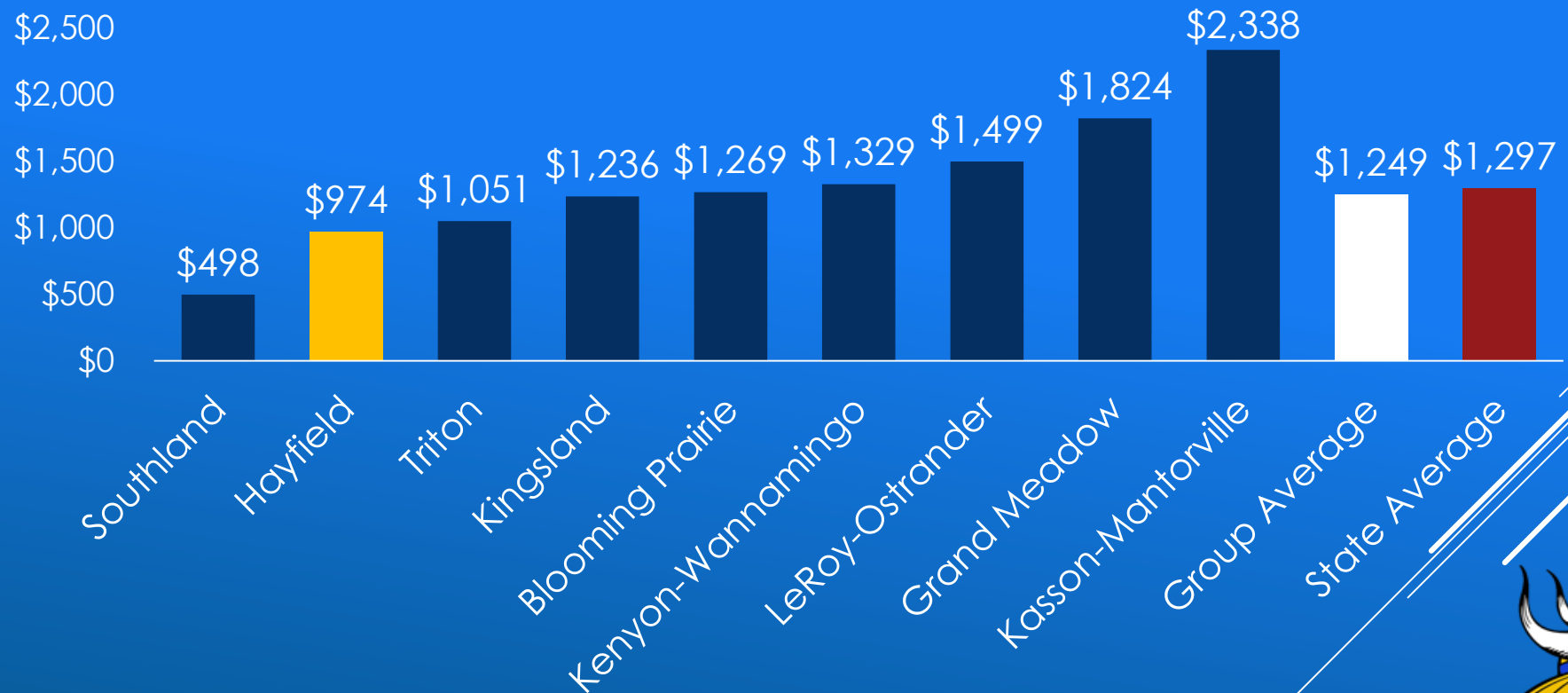
Includes: Operating Levy, Operating Capital, Reemployment Insurance, Safe Schools,
Health and Safety, Lease Levy and Community Service



HOW DO WE COMPARE?

Total School Property 2015 Taxes on Commercial-Industrial Est Market Value = \$250,000

Includes: Operating Levy, Operating Capital, Reemployment Insurance, Safe Schools,
Health and Safety, Lease Levy and Community Service



HOW DO WE COMPARE?

**Total School Property 2015 Taxes on Agricultural Homestead
Est Market Value = \$850,000**

House, Garage and One Acre = \$150,000

**Includes: Operating Levy, Operating Capital, Reemployment Insurance, Safe Schools,
Health and Safety, Lease Levy and Community Service**



IMPORTANT TO NOTE

- ▶ The increased funds generated by the new Operating Levy will not come to the district until the 2017-2018 school year.
- ▶ The current levy amount we have does not cover all of our operating expenses.
- ▶ As a result, there may be alignments of expenses with revenues this spring for the 2016-2017 school year.



BALLOT QUESTION

Approval of School District

Referendum Revenue Authorization

The board of Independent School District No. 203 (Hayfield Community Schools) has proposed to increase its general education revenue by \$851.78 per pupil. A portion of this proposed referendum revenue authorization would renew the school district's prior authorization of \$551.78 per pupil which is scheduled to expire after taxes payable in 2016. The proposed referendum revenue authorization would be applicable for five years, beginning with taxes payable in 2017, unless otherwise revoked or reduced as provided by law.



BALLOT QUESTION

Approval of School District

Referendum Revenue Authorization

Shall the increase in revenue proposed by the board of Independent School District No. 203 be approved?

Yes

No

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



NOTICE OF COMBINED POLLING PLACE

- ▶ A combined polling place has been established for elections not held on the day of a statewide election for Independent School District No. 203, Hayfield Community Schools, Minnesota.
- ▶ For District elections not held on the day of a statewide election, you will vote at:
 - Hayfield High School – East Lobby
 - 9 Sixth Avenue South East
 - Hayfield, Minnesota



ABSENTEE BALLOT INFORMATION

- ▶ If you are unable to vote on November 3, 2015, you may request an absentee ballot form by calling Hayfield Community Schools at 507-477-3235.
- ▶ You must be a registered voter in the school district.
- ▶ If you are not a registered voter, you can also request information on how to become a registered voter when you request your absentee ballot.



SPECIAL ELECTION REMINDER

- ▶ Election Date: November 3, 2015
- ▶ Voting Hours: 7:00 a.m. to 8:00 p.m.
- ▶ Precinct Location:

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East Lobby

9 Sixth Avenue South East

Hayfield, MN



THANK YOU!

- ▶ Tonight's slide presentation will be posted to the school district website at: www.hayfield.k12.mn.us
- ▶ Thank you for your interest in and support of Hayfield Community Schools!
- ▶ Questions and/or comments related to the Operating Levy are welcome.

