



# Operating Referendum Planning

Hastings Public Schools, ISD #200

May 6, 2026 – School Board Workshop

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# Property Tax Base

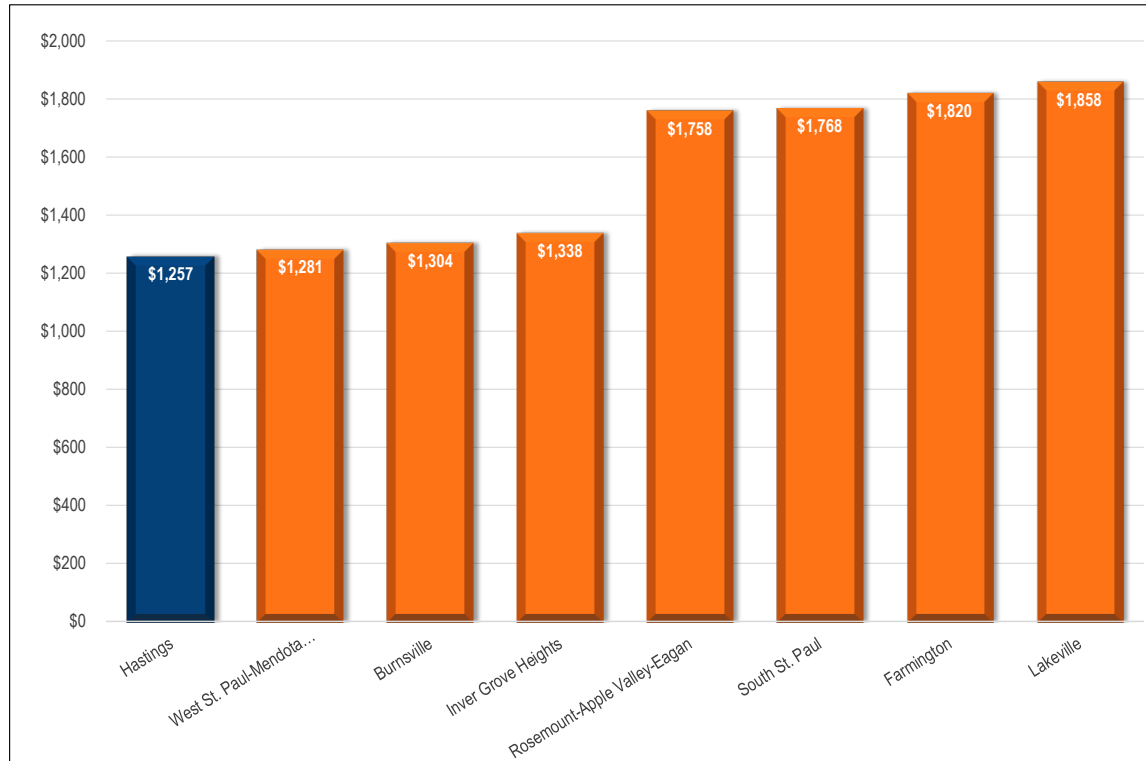
School District: Hastings  
Assessment Year 2024 (Taxes Payable 2025)

	Market Value	Referendum Market Value	Net Tax Capacity*
	Percent of Total		
Residential Homestead	64.1%	73.4%	61.4%
Other Residential	12.2%	14.3%	13.0%
Commercial / Industrial	7.3%	8.7%	13.8%
Non Qualifying Agricultural	2.9%	3.4%	2.9%
Qualifying Agriculture	13.1%	0.0%	8.4%
Seasonal Recreational	0.4%	0.3%	0.5%
		- Operating Referendum - Local Optional Revenue - Equity & Transition	All other school taxes including building bonds Capital Project Levy

# School District Property Taxes - Residential

## Hastings School District

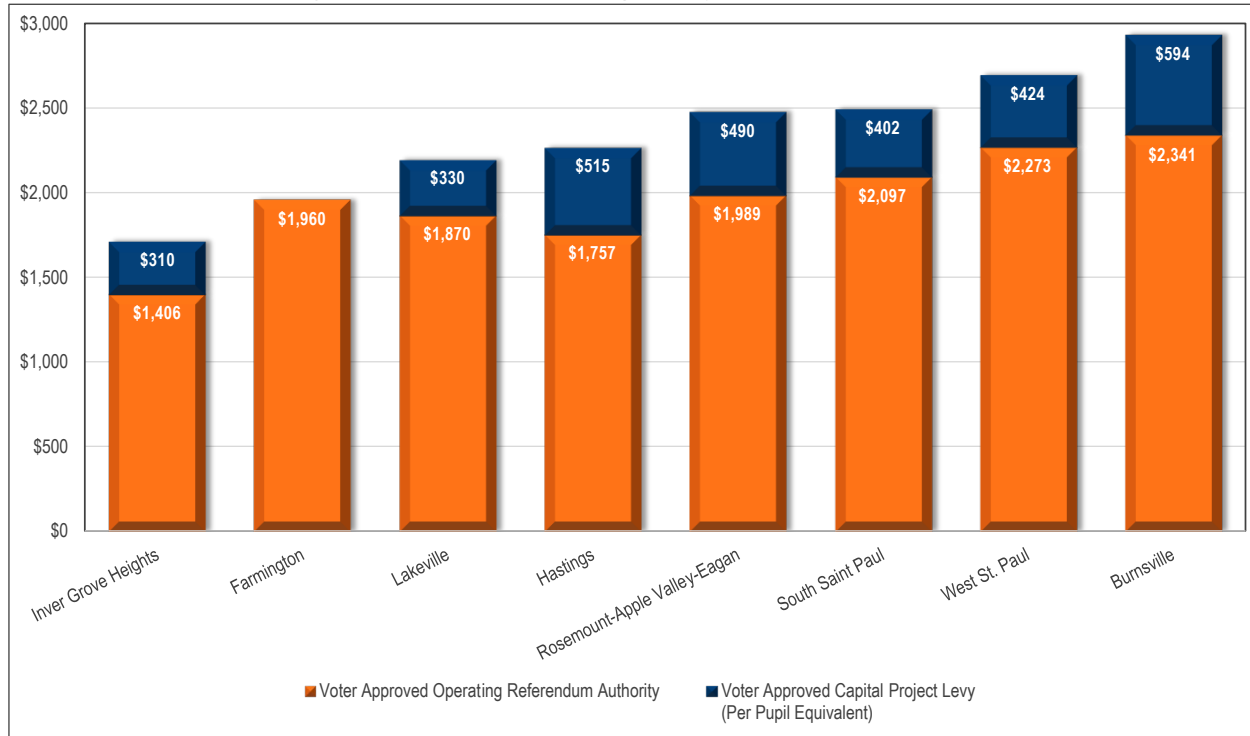
Total School Property Taxes, Payable 2025, on a Home with an Estimated Market Value of \$350,000



# Operating Referendum & Capital Project Levy

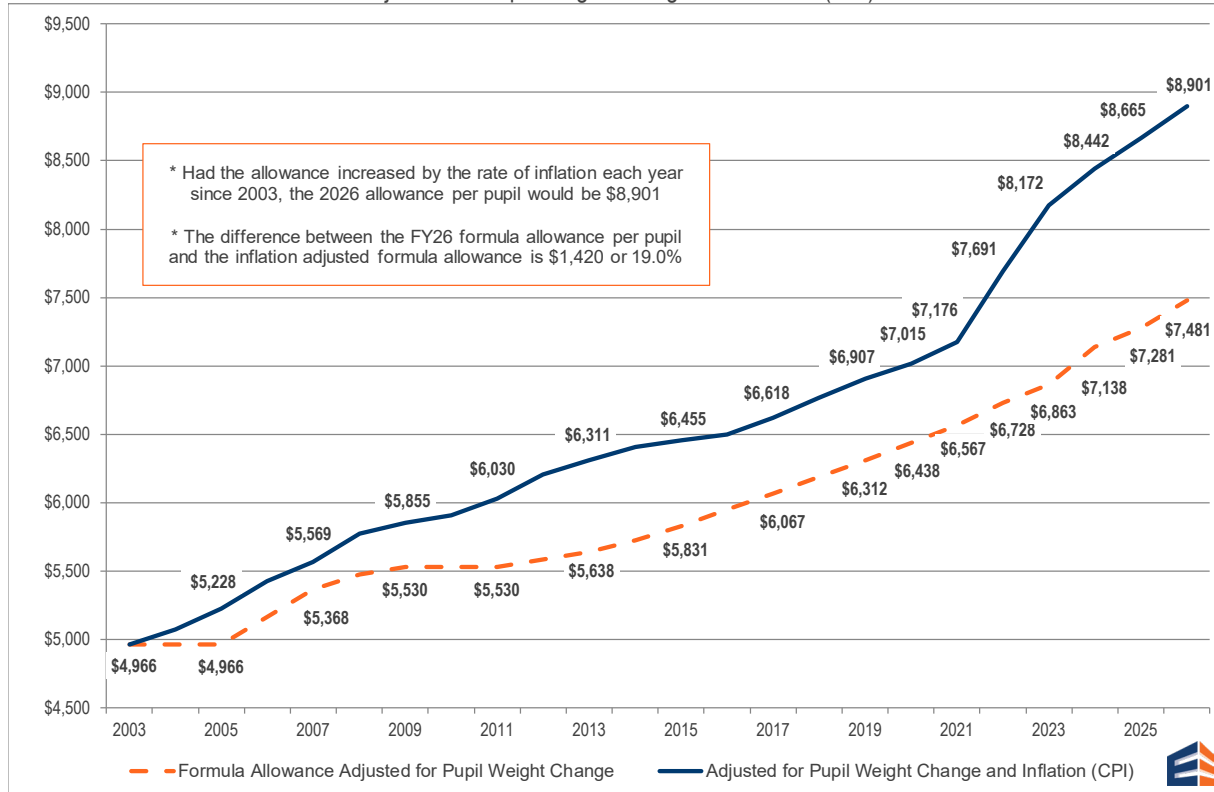
## Hastings Public Schools, ISD #200

Operating Referendum and Capital Project Levy Allowances for Fiscal Year 2027



# General Education Formula Allowance

Adjusted for Pupil Weight Change and Inflation (CPI)



Source: MDE June 2025 CPI Inflation Estimates and Minnesota Laws 2023

# Reliance on Referendums

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- 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

# School Board Renewal of Operating Referendum

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- Renew authority one-time up to the same authority and length
- Must allow for public comment (can be at same meeting)
- Board approves a resolution and submits to MDE and counties

# School Board Renewal Information

Fiscal Year Expiring	Authorities	Board Renewed	Ask Voters			In Progress
			Revoke & Replace	Additional Authority	Straight Renewal	
2023-24	13	13	0	0	0	0
2024-25	16	15	0	1	0	0
2025-26	51	48	2	1	0	0
2026-27	21	15	2	0	0	4
2027-28	38	5	0	0	0	33

# Capital Project Levy Authority

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- Authority approved by voters in November 2023
  - ✓ \$2,000,000 of revenue in first year
  - ✓ 3.493% of the net tax capacity (NTC) of school district
  - ✓ 10-year term
  - ✓ Last year of revenue is 2033-34
- Renewal options
  - ✓ Voters need to renew between 2029 and 2033
  - ✓ Board cannot renew capital project levy

# Operating Referendum Authority #1

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- Authority renewed by voters in November 2013
  - ✓ Generates \$3.2 million annually
  - ✓ Inflation adjusted
  - ✓ 10-year term
  - ✓ Last year of revenue was 2023-24
- Renewed by school board on June 14, 2023
  - ✓ Last year of revenue now 2033-34
  - ✓ Voters need to renew in Nov. 2032 or Nov. 2033

# Operating Referendum Authority #2

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- Authority approved by voters in November 2017
  - ✓ Generates \$4.2 million annually
  - ✓ Inflation adjusted
  - ✓ 10-year term
  - ✓ Last year of revenue is 2027-28
- Renewal options
  - ✓ Voters need to renew in Nov. 2026 or Nov. 2027
  - ✓ Board renewal window is July 1, 2025 – June 15, 2027

# Option A

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- School Board renews Authority #2 between July 1, 2025 – June 15, 2027
- School Board seeks additional operating referendum authority in November 2027 (1<sup>st</sup> year of revenue is 2028-29)

# Option A - Considerations

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- Ballot language is more clear
- Capital Project Levy and Operating Referendum Authority #1 need to be renewed in the same window
- If election is successful, there would be three different operating referendum authorities

# Option A – Ballot Language

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## School District Question 1 Approval of School District Referendum Revenue Authorization

The school board of Independent School District No. 199 (Inver Grove Heights Community Schools) **has proposed to increase its general education revenue by \$627 per pupil.** The proposed referendum revenue authorization would be applicable for ten years beginning with taxes payable in 2025, and increase each year by the rate of inflation beginning with taxes payable in 2026, unless otherwise revoked or reduced as provided by law.

**Yes**

Shall the increase in the revenue proposed by the school board of Independent School District No. 199 be approved?

**No**

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

# Option A – If Referendum is Successful

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Authority	Voter Renewal Window	Board Renewal Window
Capital Project Levy	2029 thru 2033	Not Allowed
Operating Referendum #1	2032 or 2033	Already Used
Operating Referendum #2	2036 or 2037	Already Used
Operating Referendum #3	2036 or 2037	7/1/35 – 6/15/37

# Option B

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- School Board renews Authority #2 between July 1, 2025 – June 15, 2027
- School Board subsequently seeks revoke and replace of Authority #2 and additional operating referendum authority in November 2027 (1<sup>st</sup> year of revenue is 2028-29)

# Option B - Considerations

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- Ballot language is more complicated by using required revoke and replace language
- Capital Project Levy and Operating Referendum Authority #1 need to be renewed in the same window
- If election is successful, there would be two operating referendum authorities (compared to three in Option A)

# Option B – Ballot Language

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## School District Question 1 Revoking Existing Referendum Revenue Authorization; Approving New Authorization

The school board of Independent School District No. 881 (Monticello Public Schools) has proposed to revoke the school district's existing referendum revenue authorization of \$775 per pupil and to replace that authorization with a new authorization of \$1,550 per pupil. The proposed referendum revenue authorization would be applicable for ten years beginning with taxes payable in 2026 and increase each year by the rate of inflation beginning with taxes payable in 2027, unless otherwise revoked or reduced as provided by law.

**Yes**

Shall the increase in the revenue proposed by the school board of Independent School District No. 881 be approved?

**No**

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

# Option B – If Referendum is Successful

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Authority	Voter Renewal Window	Board Renewal Window
Capital Project Levy	2029 thru 2033	Not Allowed
Operating Referendum #1	2032 or 2033	Already Used
Operating Referendum #2	2036 or 2037	7/1/35 – 6/15/37

# Option C

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- School Board renews Authority #2 between July 1, 2025 – June 15, 2027
- School Board subsequently seeks revoke and replace of Authority #1 and Authority #2 and additional operating referendum authority in November 2027 (1<sup>st</sup> year of revenue is 2028-29)

# Option C - Considerations

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- Ballot language is more complicated by using required revoke and replace language
- There would be one operating referendum authority (compared to three in Option A and two in Option B)

# Option C – Ballot Language

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## School District Question 1 Revoking Existing Referendum Revenue Authorization; Approving New Authorization

The school board of Independent School District No. 881 (Monticello Public Schools) has proposed to **revoke the school district's existing referendum revenue authorization of \$775 per pupil and to replace that authorization with a new authorization of \$1,550 per pupil.** The proposed referendum revenue authorization would be applicable for ten years beginning with taxes payable in 2026 and increase each year by the rate of inflation beginning with taxes payable in 2027, unless otherwise revoked or reduced as provided by law.

**Yes**

Shall the increase in the revenue proposed by the school board of Independent School District No. 881 be approved?

**No**

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

# Option C – If Referendum is Successful

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Authority	Voter Renewal Window	Board Renewal Window
Capital Project Levy	2029 thru 2033	Not Allowed
Operating Referendum #1	2036 or 2037	7/1/35 – 6/15/37

# Option D

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- School Board seeks voter renewal of Authority #2 and additional operating referendum authority (1<sup>st</sup> year of revenue is 2028-29) in November 2027

# Option D - Considerations

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- Ballot language is more clear
- Potential of multiple ballot questions
- School board would need to seek voter renewal two times between 2032 and 2037
- If election is successful, there would be three different operating referendum authorities
- If election is unsuccessful, the district would lose Operating Referendum Authority #2 (\$3.3 million in annual revenue)

# Option D – Ballot Language

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## School District Question 1 Approval of School District Referendum Revenue Authorization

The school board of Independent School District No. 199 (Inver Grove Heights Community Schools) **has proposed to increase its general education revenue by \$627 per pupil.** The proposed referendum revenue authorization would be applicable for ten years beginning with taxes payable in 2025, and increase each year by the rate of inflation beginning with taxes payable in 2026, unless otherwise revoked or reduced as provided by law.

**Yes**

Shall the increase in the revenue proposed by the school board of Independent School District No. 199 be approved?

**No**

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

# Option D – If Referendum is Successful

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Authority	Voter Renewal Window	Board Renewal Window
Capital Project Levy	2029 thru 2033	Not Allowed
Operating Referendum #1	2032 or 2033	Already Used
Operating Referendum #2	2036 or 2037	7/1/35 – 6/15/37
Operating Referendum #3	2036 or 2037	7/1/35 – 6/15/37

# Operating Referendum Authority

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- Payable 2026 Levy (approved in December 2025)
- State Cap = \$2,340.76
  - ✓ State Cap adjusts every year with inflation
- Hastings Authority = \$1,756.82
  - ✓ Hastings Authority adjusts every year with inflation
- Remaining Authority = \$583.94
  - ✓ Approximately \$2.5 million in annual revenue

# Estimated Tax Impact – Operating Referendum

	Operating Referendum Revenue
<b>Additional Revenue</b>	<b>\$2,478,259</b>

Type of Property	Estimated Market Value	Estimated Tax Impact *	
		Annual	Monthly
	\$100,000	\$49	\$4
	200,000	99	8
Residential	300,000	148	12
Homesteads,	350,000	173	14
Apartments,	400,000	197	16
and Commercial-	500,000	246	21
Industrial Property	600,000	296	25
	700,000	345	29
	800,000	394	33
	900,000	444	37

# Summary

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Authority	Option A	Option B	Option C	Option D
Operating Referendum #2	Board Renewal	Board Renewal	Board Renewal	Voter Renewal
Operating Referendum #2		Revoke and Replace	Revoke and Replace	
Operating Referendum #1			Revoke and Replace	
Operating Referendum #3	Add	Revoke and Replace	Revoke and Replace	Add