Hayfield School District

2025 Payable 2026

Truth In Taxation Public Meeting

6:01

12/10/2025

at the

Hayfield Elementary Conference Room

9 6th Ave SE

Hayfield, MN 55940

Truth in Taxation Law

Minnesota's Truth in Taxation Law requires that cities, counties and school districts follow certain steps before adopting a tax levy for the following year.

- The law requires a mailed notice to each property owner in the county, which describes the tax levies proposed by the city, county and school district and what percent increase (decrease) such a levy would mean in dollars.
- School districts are required to hold a single meeting in which the public is allowed to speak and the budget and levy is discussed. This meeting may be part of a regularly scheduled meeting but must occur after 6:00 P.M.
- The meeting date and location must be provided at the same time or prior to certifying the proposed property tax levy. The meeting date must be between November 25 and December 27.
- You are here tonight as part of the school district's public meeting process.

Requirements of the Truth in Taxation Public Meeting

1. Discuss proposed property tax levy for taxes payable 2026

2. Provide and discuss information on the current budget (2025-2026).

3. Public must be given a reasonable amount of time to comment on the proposed property tax levy and budget and to ask questions.

- Minnesota Statute 275.065

Points to Remember

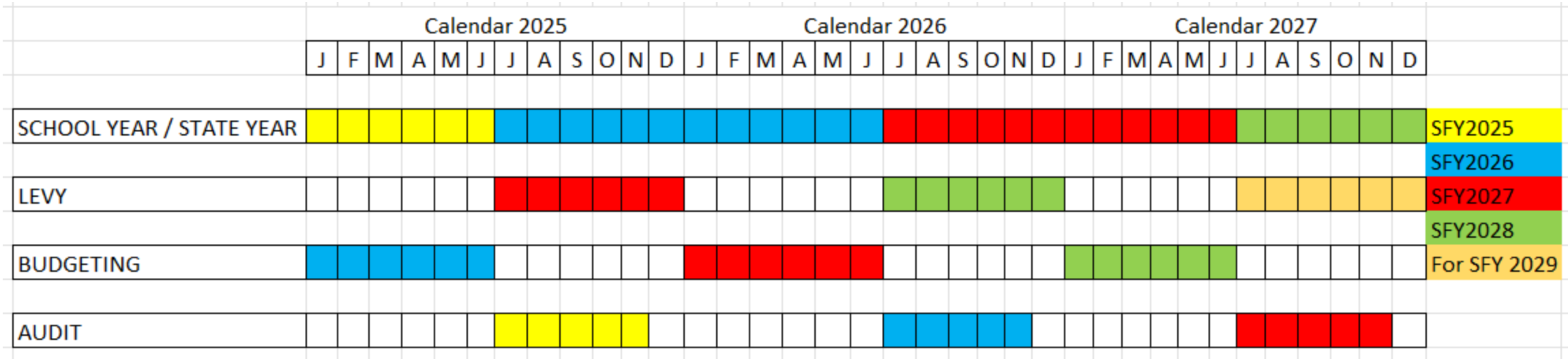
1. Revenue formulas are set by the State Legislature except for voter approved referendums.

2. Local Levy and State Aid mix are set by the State Legislature.

3. An increase in local taxes does not necessarily mean an increase in revenues for the school district.

- Minnesota Statute 275.065

Levy Cycles


Calendar 2025
Calendar 2026
Calendar 2027
J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D
SCHOOL YEAR / STATE YEAR
LEVY
BUDGETING
AUDIT
SFY2025
SFY2026
SFY2027
SFY2028
For SFY 2029

Hayfield School District

School District Budget

Current School Year

2025-2026

Fund Accounting Overview

All school districts' budgets are divided into separate funds, as required by law.

For our District, there are 5 funds:

1. **GENERAL FUND (Fund 01)**
   - Revenue is based on student enrollment
   - The local referendum levy is part of the General Fund
   - Provides for classroom instruction, instructional supplies and equipment, and other educational activities
   - Special Education, and State / Federal Mandated Programs
   - Extra-curricular Activities
   - Pupil Transportation
   - Facilities Operation and Maintenance
   - Capital Expenditures and Improvements
   - Health and Safety Code Compliance

Fund Accounting Overview

2. FOOD SERVICE (Fund 02)

- School Breakfast and Lunch Program

3. COMMUNITY SERVICE (Fund 04)

- Levy is based on adult population in the District
- Early childhood levy is based on the number of children under 5 years of age
- Provides for enrichment programs for any age level that are not part of the K-12 education program
- Early Childhood Family Education
- School Readiness
- Adult Basic Education

4. CONSTRUCTION FUND (Fund 06)

- Building Project

5. DEBT SERVICE (Fund 07)

- Based on annual debt retirement schedules for the district's outstanding bonded indebtedness. Annual levy is for the payment of principal and interest on bonds as due. Current debt is a result of the voter approved Bond Issue for
  - Building Bonds 2017A $9,694,000
  - Building Bonds 2017B $10,020,000

Hayfield School District

BUDGET OVERVIEW

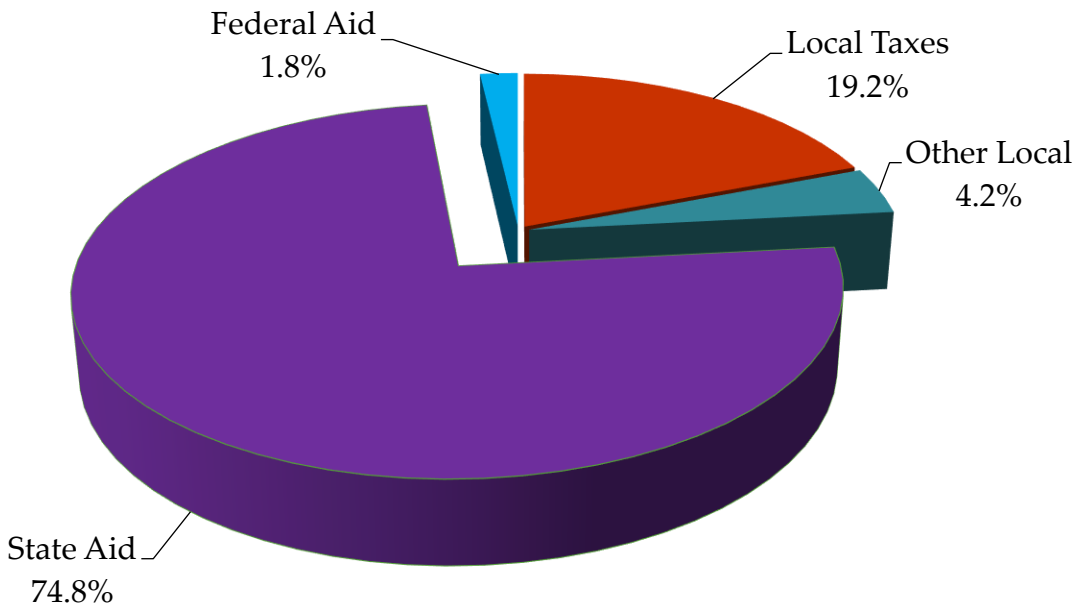
REVENUES

	24-25 Actual	25-26 Budget	Percent Change
General Fund	9,932,090	8,979,261	-9.59%
Food Service	643,303	568,550	-11.62%
Community Service	480,358	433,745	-9.70%
Construction Fund	-	-	N/A
Debt Service	1,455,289	1,472,898	1.21%
Totals	$ 12,511,040	$ 11,454,454	-8.45%

Hayfield School District

General Fund Revenue Budget

Where Do Our School Revenues Come From?



Hayfield School District

Expense Overview	24-25 Actual	25-26 Budget	Percent Change
General Fund	10,261,043	8,340,933	-18.71%
Food Service	666,735	461,930	-30.72%
Community Service	586,602	447,656	-23.69%
Construction Fund	-	-	N/A
Debt Service	945,340	948,250	0.31%
Totals	$ 12,459,720	$ 10,198,769	-18.15%

Hayfield School District

HOW ARE GENERAL FUND DOLLARS SPENT?

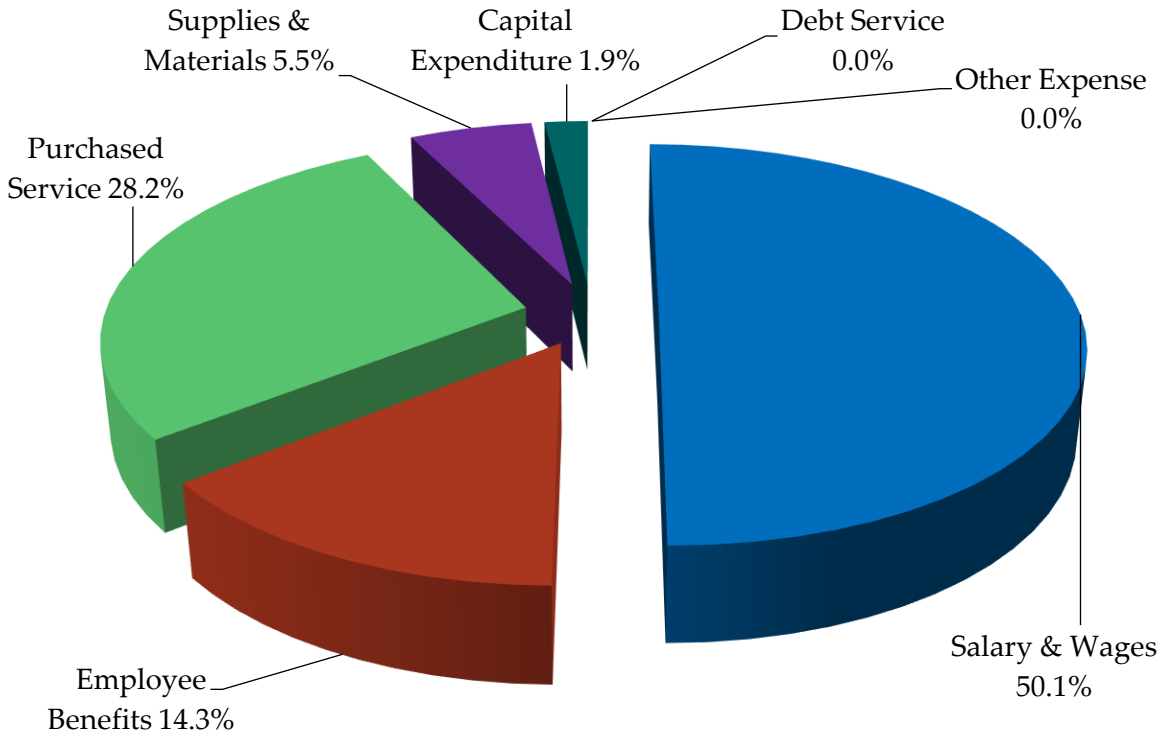
Expenses incurred in the operation of the district are paid from the General Fund. The following schedule relates how the dollars allocated to the General Fund are spent:

District & School Administration	5.9%
District Support Services	3.2%
Regular Instruction	37.5%
Vocational Instruction	2.4%
Special Education Instruction	10.5%
Instructional Support Services	2.0%
Pupil Support Services	15.7%
Sites-Buildings, Equipment	19.3%
Fiscal and Other	3.5%
	100.0%

Hayfield School District

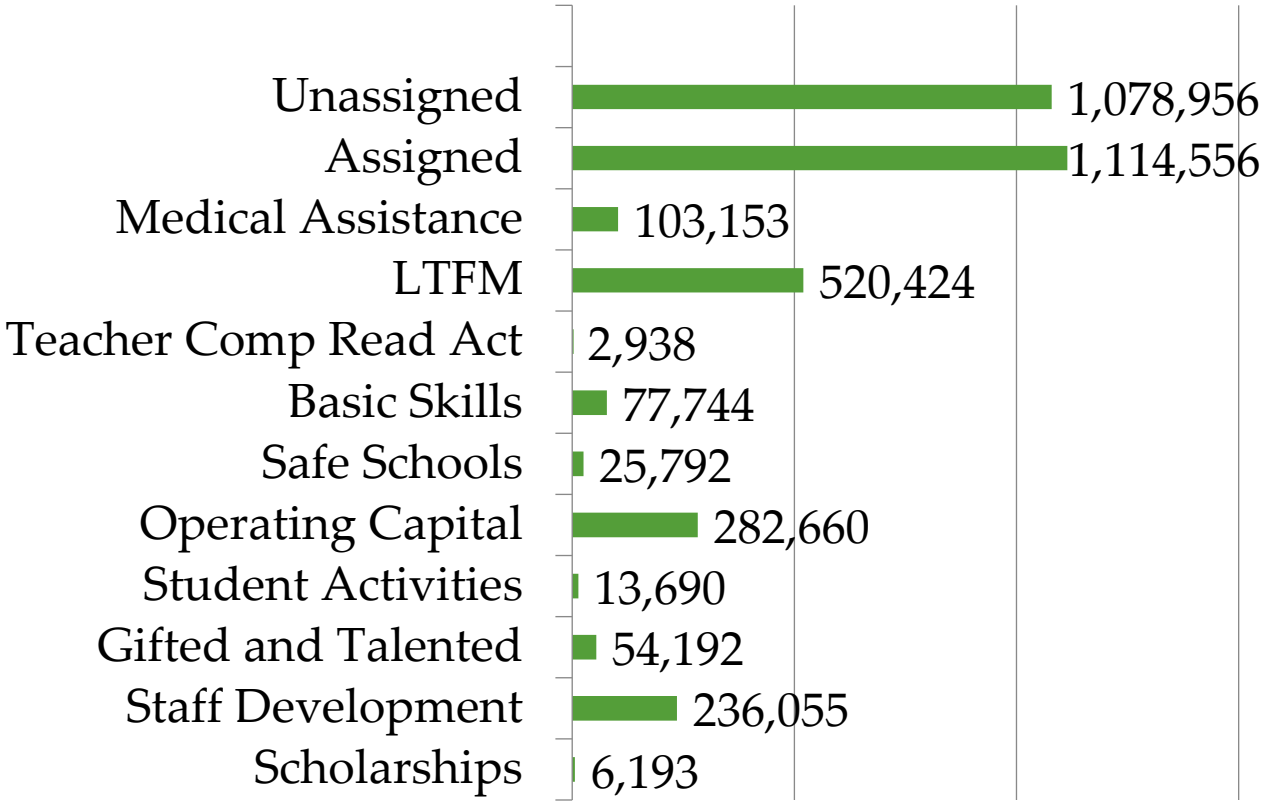
General Fund Expenditure Budget

What Do Our Expenditures Pay For?



Hayfield School District

Components of the Projected General Fund Balance at June 30, 2022



Hayfield School District

School District Levy

- 2025 Payable 2026
- 2026-2027 School Year
- Fiscal Year 2027

Hayfield School District

Authority for School Levies

A School District Tax Levy must be either:

- Set by State Formula

  -or-

- Voter Approved

Hayfield School District

Factors Impacting Tax Change

Issues Driven by Legislative Decisions:

- Change in sales ratio (impacting ANTC)
- Change in tax capacity rate structure
- Laws mandating code compliance (Health & Safety and Buildings)

Issues Determined by District Voters:

- Voter approved building bond issue
- Voter approved excess levy referendum

Hayfield School District

Factors Impacting Tax Change *(cont.)*

Local Factors:

- Inflationary pressure on real estate market
- Abatements
- Property improvements not previously taxed
- Change in individual assessed market value
- Possible change in property classification *(e.g. homestead to rental)*

Hayfield School District

How will your 2026 school taxes be spent?

	Percent
General Fund Provides additional funding for district instructional programs by means of the approved excess referendum. Provides funds for operating capital expenses, building/land lease, and Health & Safety costs:	**54%**
Community Education Fund Levy for Community Education Programs:	**2%**
Debt Service Levy for repayment of principal and interest on district debt:	**44%**
Total Levy Before Credits:	**100.0%**

Hayfield School District

Year to Year Levy Comparison

BY FUND	ACTUAL 24 PAY 25	PROPOSED 25 PAY 26	DOLLAR DIFFERENCE	PERCENT DIFFERENCE
General Fund	**1,627,331.67**	**1,695,685.39**	**68,353.72**	**4.20%**
Community Services	42,476.23	66,459.22	23,982.99	56.46%
Debt Redemption	1,379,715.01	1,365,162.90	(14,552.11)	-1.05%
Total	**3,049,522.91**	**3,127,307.51**	**77,784.60**	**2.55%**

Hayfield School District

What are the main variables that cause property tax increases and decreases?

- Changes in market values, classification or class rates
- Change in property tax credits *(e.g. change in Homestead Benefit from a credit to an exclusion)*
- Voter approved referendums
- Increases or decreases in levy amounts caused by changes in state funding formulas

Hayfield School District

What are the main variables that cause property tax increases and decreases? *(cont.)*

- The value of your property may increase or decrease
- The value of other properties may increase or decrease and change the share that your property is of the total tax base, whether your property's value changed or not.
- School Board Actions.

Hayfield School District

Whereas, Pursuant to Minnesota Statutes the School Board of Hayfield School District, Hayfield, Minnesota, is authorized to make the following proposed tax levies for general purposes:

Maintenance (General Fund)	$ 1,695,685.39
• Includes Referendum	
Community Service	$ 66,459.22
Debt Service	$ 1,365,162.90
Total Proposed School Tax Levy	**$3,127,307.51**

Now Therefore, Be it resolved by the School Board of Hayfield School District, Hayfield, Minnesota, that the levy to be levied in 2025 to be collected in 2026 is set at $3,127,307.51. The clerk of the Hayfield School Board is authorized to certify the proposed levy to the County Auditor of Dodge County, Minnesota.