



Levy referendum

Voter information for the Tuesday, Nov. 2, operating levy request

Voting Details

Election day:
Tuesday, Nov. 2

Poll hours:
7 a.m. to 8 p.m.

Vote in person:
With the exception of district residents living in the City of Independence (who vote at their city hall), all voters can cast their ballots in person at Delano City Hall (234 2nd St. N) on election day.

Early voting:
Early absentee voting is available through Nov. 1.

*** In-person absentee**
After completing an absentee ballot application, voters can fill out an absentee ballot at the Delano Schools district office (700 Elm Ave. S). Weekday office hours are 7:30 a.m. to 4 p.m.

*** Mail absentee**
Voters can request an absentee ballot and vote by mail. To request a ballot, fill out the absentee ballot application available on the district website. Call 763-972-3365, ext. 1911, or email paul.downer@delanoschools.org for assistance.

Public meeting

District staff and school board members will share info and answer questions at DHS from 7 to 8 p.m. on Tuesday, Oct. 26.

A guide for our community

This fall the Delano School Board is asking voters to approve a new operating levy to help fund our schools.

We invite you to examine the information provided in this publication carefully. It explains the reasons for the request and the timing, as well as the overall context of our situation.

Ultimately, our objective is to ensure that all property owners are well-informed about the issue, how the levy could affect their taxes, what the possible outcomes will be, and how they can weigh in with their vote.

If you have additional questions not answered in this publication, we invite you to contact the district office by phone or email as listed on Page 4. We appreciate your attention to this matter, and hope the information provided serves you well.

– Superintendent Matt Schoen



Essential information

The Delano School Board is asking voters to consider a new operating levy

Why is a new levy needed?

A portion of the district's funding comes through an operating levy approved by voters in 2012 that expires at the end of 2022. If this levy is not replaced at the time it expires, the district will lose about \$1 million in annual funding. Approval this fall will prevent large cuts next year.

What is the district asking for?

The ballot will ask voters to revoke the current levy of \$374.89 per pupil, which is set to expire, and replace it with a new amount of \$970 per pupil.

What is the tax impact?

If approved, the tax increase would be \$23 per month, or \$281 per year, on an average Delano residential property valued at \$300,000. See Page 3 for more details about tax implications.

What happens if the levy passes?

No cuts will be needed in the foreseeable future. Current class sizes, course offerings, programs and activities can be maintained.

What happens if it doesn't pass?

Cuts of \$500,000 will be needed for next school year. While specifics have not yet been identified, that amount could be the equivalent of up to eight staff members (including class-

room teachers and auxiliary support positions such as paras, administrators, health/custodial, etc.) This will have an effect on class sizes.

In addition, sports for grades 7 and 8 will likely be cut, and fees for other sports and general passes may increase.

Why hold an odd-year election?

There is an immediate need for additional funding. The district has cut \$900,000 from its budget over the past three years, and would need to reduce or reallocate another \$500,000 if the levy does not pass this fall.

School board members felt it was irresponsible to wait until November of 2022 to take action on the expiring levy. This would risk severe cuts of about \$1.3 million if the levy does not pass on a first try. Levy referendums can only be held in November.

In addition, a stand-alone election allows the school district to explain the reasons for its request without competition from other issues.

See more Q&A
Page 4

More info inside

See a budget summary, comparison data, a sample ballot, and tax info on Pages 2-3.

Sample Ballot

Special Election Ballot School District Ballot Independent School District No. 879 (Delano Public Schools) November 2, 2021

Instructions to Voters:

To vote, completely fill in the oval(s) next to your choice(s) like this: ●

School District Questions

To vote for a question, fill in the oval next to the word "Yes" on that question. To vote against a question, fill in the oval next to the word "No" on that question.

School District Question 1

Revoking Existing Referendum Revenue Authorization; Approving New Authorization

The board of Independent School District No. 879 (Delano Public Schools) has proposed to revoke the school district's existing referendum revenue authorization of \$374.89 per pupil, and to replace that authorization with a new authorization of \$970 per pupil. The proposed referendum revenue authorization would increase each year by the rate of inflation and be applicable for ten years beginning with taxes payable in 2022, unless otherwise revoked or reduced as provided by law.

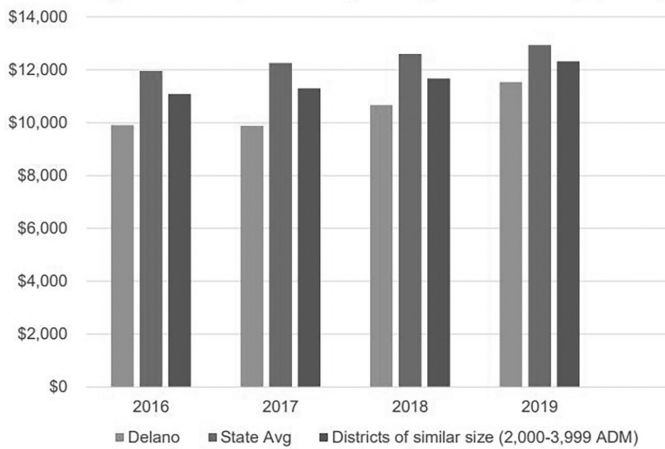
Shall the school district's existing referendum revenue authorization be revoked and the increase in the revenue proposed by the board of Independent School District No. 879 be approved?

☐ Yes

☐ No

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

Expenditures per Average Daily Membership (ADM)



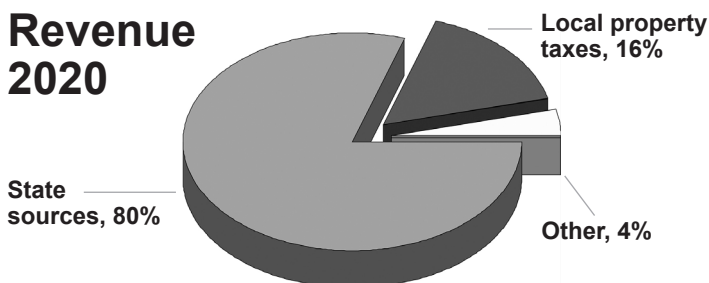
Can we be more efficient?

Independent audits have shown that Delano Schools consistently spends less money per student than the stage average, and less than other schools of similar size. These numbers are from Delano's 2020 audit, the most recent year that comparative data was available. 'You're doing more for your students with less dollars,' said auditor Janel Bitzan in 2018. 'You're being more efficient than the average district.' Average Daily Membership essentially refers to the number of students served.

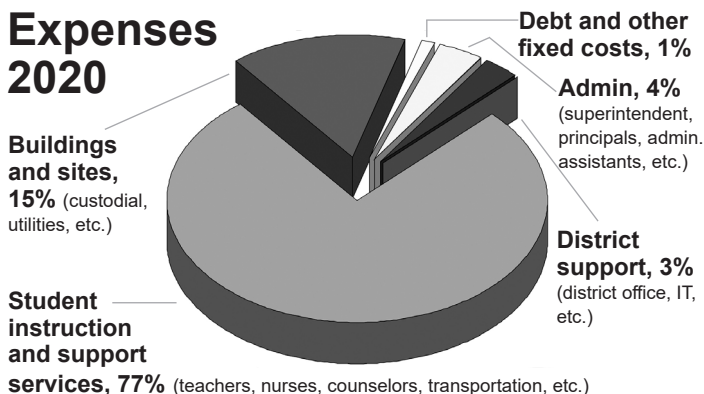
Budget Summary

In 2020 Delano Public Schools collected \$28.7 million in revenue and expended \$29.6 million. The numbers below are from the 2020 audit.

Revenue 2020



Expenses 2020



Polling places

The polling places for this special election are as follows:

Precinct	Polling Place
City of Delano	Delano City Hall
Franklin Township	234 2nd St. N.
Rockford Township	Delano, MN 55328
Woodland Township	
City of Loretto	
City of Corcoran	
City of Greenfield	
City of Medina	
City of Minnetrista	
City of Independence	Independence City Hall
	1920 County Road 90,
	Independence, MN 55390

Tax Impacts

Passage of this referendum will result in an increase in your property taxes.

Levy approval would result in a tax increase of \$23 per month on the average Delano home valued at \$300,000, as shown in the table below. To see the impact on your taxes specifically, go to the tax calculator (a portion of which is shown at right) at www.ehlers-inc.com/microsite/delano2021/ and enter the estimated market value found on your county property tax statement.

ESTIMATED MARKET VALUE

*Enter only whole numbers to the nearest dollar
(no dollar signs, commas, or decimals).*

CALCULATE

Year Taxes are Payable	2022	2022	
	Revoked Authority	Proposed Authority	NET CHANGE
Additional Revenue/Pupil Unit	-\$374.89	\$970.00	\$595.11
Est. Net Change in Revenue	-\$991,072	\$2,564,292	\$1,573,220
Est. Market Value Tax Rate	-0.05540%	0.14891%	0.09351%

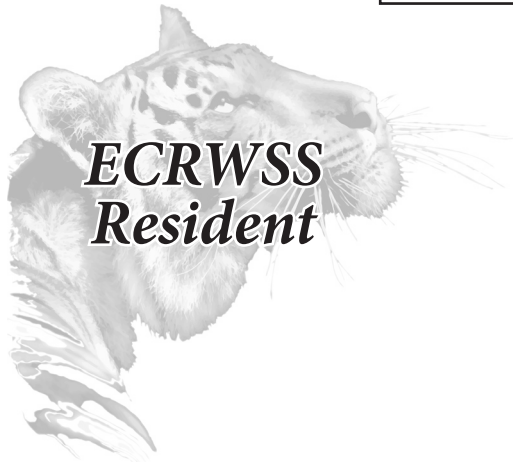
Type of Property	Estimated Market Value	Estimated Taxes for Referendum Levy Only*			
		ANNUAL		MONTHLY	
	\$100,000	-\$55	\$149	\$94	\$8
	125,000	-69	186	117	10
	150,000	-83	223	140	12
	175,000	-97	261	164	14
	200,000	-111	298	187	16
Residential	225,000	-125	335	210	18
Homesteads,	250,000	-139	372	233	19
Apartments,	275,000	-152	410	258	22
and Commercial-	300,000	-166	447	281	23
Industrial Property	325,000	-180	484	304	25
	350,000	-194	521	327	27
	400,000	-222	596	374	31
	500,000	-277	745	468	39
	600,000	-332	893	561	47
	700,000	-388	1,042	654	55
	800,000	-443	1,191	748	62
	900,000	-499	1,340	841	70
	1,250,000	-693	1,861	1,168	97
	1,500,000	-831	2,234	1,403	117
	2,000,000	-1,108	2,978	1,870	156

* 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 will 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.

Delano School District
700 Elm Avenue East
Delano, MN 55328

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Delano Public Schools Vision

*Systemic growth toward educational
excellence for every learner*

2021 Board of Education

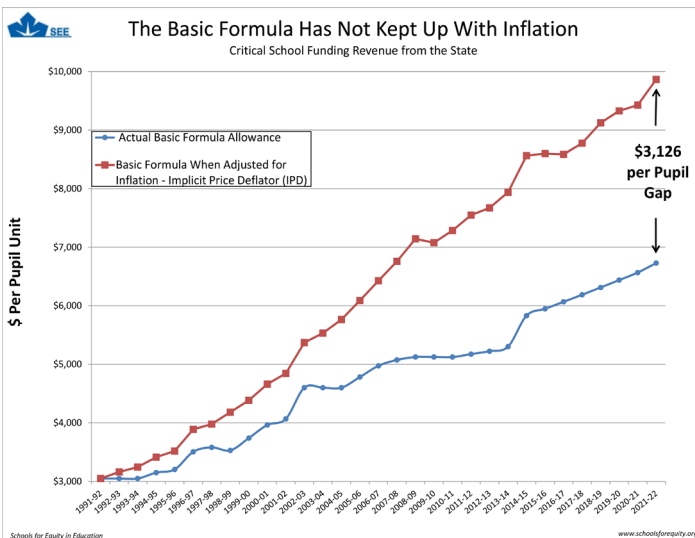
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This document is published by Delano Public Schools, 700 Elm Avenue East, Delano, MN, 55328. If you have questions, contact Communications Coordinator Paul Downer at 763.972.3365, ext. 1911, or paul.downer@delanoschools.org.

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What is the funding situation?

About 80 percent of the school district's funding comes from the state, but state funding has not kept pace with inflation or operating costs. As a result, most districts in Minnesota depend on voter-approved operating levies for adequate funding.

What is an operating levy?

Operating levies cover the expenses of running the schools, including salaries, utilities, supplies and technology. They cannot last more than 10 years and must be regularly renewed or replaced. In contrast, bond referendums, like the one approved by Delano voters for DIS and campus upgrades in 2015, are for facilities and maintenance. Those 2015 funds were used for construction and do not support ongoing operations.

Why not just renew the current levy?

A simple renewal will not maintain the status quo. The operating levy approved in 2012 is no longer keeping up with expenses due to higher costs, and the district has made about \$900,000 in cuts over the past three years.

To this point the district has also been spending down its fund balance reserves in order to minimize cuts, but larger cuts will be needed in the near future in order to maintain an adequate fund balance.

Is a smaller increase a viable option?

Any per-pupil increase of less than the amount proposed will require additional cuts, including some staff. After much deliberation, school board members decided to ask for the full amount that is needed to preserve the district's current class sizes and programs.

The district has been spending down its reserves, and has cut or reallocated \$900,000 from an already conservative budget over the last three years. Going forward, additional cuts will begin to have significant impacts on the learning experience in the form of larger class sizes and/or fewer electives, options and extracurriculars for older students.

How does development in Delano factor in?

The tax capacity of the district has grown by 50 percent since the last levy was approved in 2012 (more homes and businesses spread the taxes over a wider base). As additional development continues, it will lessen the tax burden on existing homes and businesses.

However, past experience in the district indicates that rising enrollment typically lags behind new construction by several years. Enrollment helps determine the amount of state funding.