



Operating Referendum Discussion

Albany Area Schools, No. 745

Tax Base by Property Type

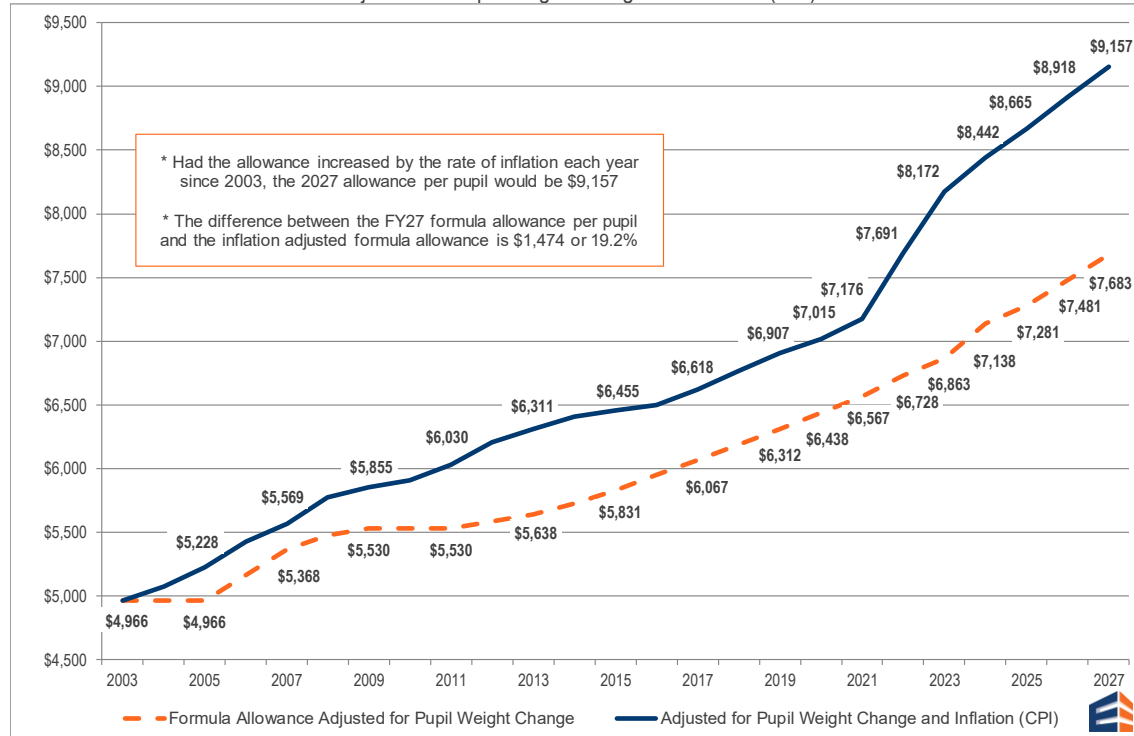
Assessment Year 2024 (Taxes Payable 2025)

	Market Value	Referendum Market Value	Net Tax Capacity*
	Percent of Total		
Residential Homestead	46.5%	66.3%	47.9%
Other Residential	5.5%	8.4%	6.1%
Commercial / Industrial	9.5%	13.8%	19.7%
Non Qualifying Agricultural	8.1%	11.6%	8.2%
Qualifying Agriculture	28.4%	0.0%	15.8%
Seasonal Recreational	2.1%	0.0%	2.3%
		- Operating Referendum - Local Optional Revenue - Equity & Transition	- All other school taxes - Building Bonds - Capital Project Levy

*Totals include TIF and Fiscal Disparities adjustments

General Education Formula Allowance

Adjusted for Pupil Weight Change and Inflation (CPI)



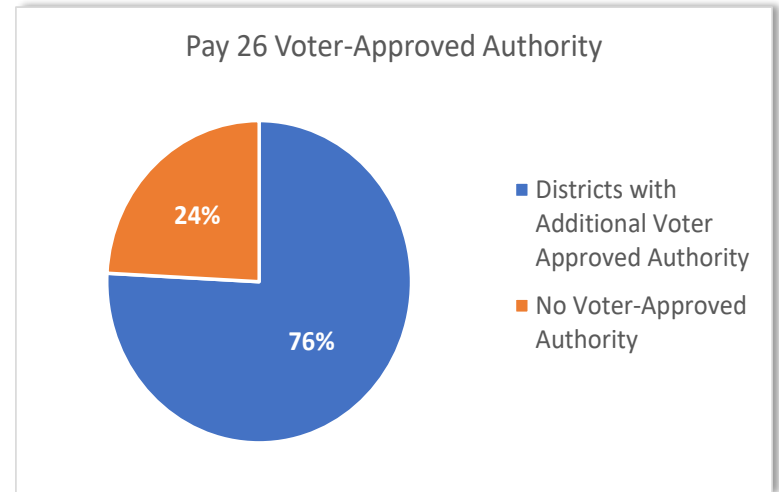
Source: MDE December 2025 CPI Inflation Estimates and Minnesota Laws 2023

Reliance on Referendums

- Other funding sources (e.g., special education) also have not kept pace with inflation
- 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

Districts With Voter Approved Authority

Voter-Approved Authority	# of Districts
Operating Referendum Only	172
Capital Project Levy Only	8
Op. Ref. & Capital Project Levy	68
No Voter-Approved Authority	87
TOTAL	327



Operating Referendum

November election ballot question, stated per pupil, estimated cap for Taxes Payable 2026 / Fiscal Year 2026-27 is \$2,341
(no cap for sparsity districts)

Allows districts to generate additional general education revenue

Revenue can be a combination of local property tax levies & state aid

Annual levy, maximum length of 10 years

Taxes spread on Referendum Market Value
(most property types pay same taxes per dollar of property value)

Revenue may be used for any operating or capital expenses
(e.g. staff salaries & benefits, utilities, supplies, technology)

Operating Referendum Options

OPTION 1 \$300 PER PUPIL	OPTION 2 \$600 PER PUPIL	OPTION 3 \$900 PER PUPIL
\$539,340 IN OPERATING REVENUE	\$1,078,680 IN OPERATING REVENUE	\$1,618,020 IN OPERATING REVENUE
\$517,002 IN TOTAL REVENUE (INCLUDES REDUCTION IN EQUITY REVENUE)	\$1,034,005 IN TOTAL REVENUE (INCLUDES REDUCTION IN EQUITY REVENUE)	\$1,550,985 IN TOTAL REVENUE (INCLUDES REDUCTION IN EQUITY REVENUE)



ESTIMATED TAX IMPACT FOR TAXES PAYABLE IN 2027 FOR AN AVERAGE VALUE HOME OF \$330,000

ANNUAL	MONTHLY	ANNUAL	MONTHLY	ANNUAL	MONTHLY
\$132	\$11	\$264	\$22	\$397	\$33

When Would New Revenue be Available?

November
2026

- Operating Referendum Vote

December
2026

- School Board certifies the levy

Taxes Payable
2027

- 1st year of tax increase

Fiscal Year
2027-28

- 1st year District recognizes additional revenues

November Election Timeline

Action	
Adopt Resolution Calling the Election	By August 11, 2026
Hold Special Election	November 3, 2026