

What is this referendum for?

This referendum allows residents of the school district, through a ballot process, to vote to approve or reject increasing the limiting tax rate. This referendum will help fund day-to-day operations including funding for students, instructional materials, teaching and support staff.

Why is the district proposing this now?

The needs of our schools are real and not going away. Our district currently has a structural deficit only receiving 64% of the funding needed to adequately educate students. Increasing the limiting rate will provide more operating funds for the district and ensure our schools remain a viable asset to our community.

Why do our schools need additional operating funds?

For the past few years, the district has been deficit spending to make up the lack of proper funding, using money from reserves to maintain the level of education and extra-curricular activities our community has come to expect.

If there is money in the reserves, why not continue to use those funds?

Reserves are similar to a homeowner's savings account and should be used for projects and improvements for the schools. Using funds from the reserves to cover operational costs is a short-term fix. Increasing operational funds will allow the district to address the structural deficit in a more permanent way.

Why didn't the district anticipate this and budget over the years?

The district has experienced significant increases in materials and supplies with costs that have increased at an unprecedented rate. Also, the district had to address additional staffing needs required over the last several years.

Wasn't this on the last ballot?

Yes, the district requested a tax levy in June of last year. For the past 10 years a portion of the school taxes were used to pay for the Junior High bond. Since the bond has matured and that amount will fall off the tax bill, it was the ideal time to ask for a levy to address the limiting rate. A median home in Beecher, with a value of \$235,000, would see an increase of \$390.26. That is equal to \$1.07 per day.

What is the difference between a bond and levy?

A bond is similar to a loan, in which you have a fixed interest and scheduled payments. Bonds are generally used to fund projects for buildings and facilities. A levy is a request to the taxpayers that generates additional revenue that flows directly into the operating funds. In general, the easiest way to remember the difference is bonds are for buildings/projects and a levy is for learning.

Can we ask the State for more funding?

Sadly, no. The state has a complicated formula that calculates how dollars are allocated to schools. Additional funds are allocated to schools through grants, but they must meet certain criteria and are restricted to specific types of expenditures. Requesting a local levy guarantees that the money collected goes directly to Beecher 200U and is not dispersed to other schools in the state.

What happens if the referendum does not pass?

If the referendum does not pass, the district will have no other choice but to find internal ways to lessen the deficit. There will be additional cuts to programs, sports and extra-curricular activities. There will be less funding provided to teachers, increased class sizes and the possibility of losing support staff.

Beyond the schools, how will this affect the community?

Maintaining the quality of schools is the best way to ensure the community will continue to prosper. Having a strong school district is the best way to protect the value and investment we have made in our homes.

What would this referendum mean for our students?

The district would have the ability to retain the high-quality staff and student opportunities our community has come to expect. It can provide necessary ongoing operational funds to keep up with the inflation of goods and services that are needed to run our schools and maintain class sizes similar to what they are today

What cost savings have the district undertaken to help it work with limited funds?

Since June, the district has addressed over \$330,000 in operating cost by adjusting fees, removing incentives for college and AP courses, decreasing department and sports budgets by 10%. Prior to the June referendum, there were additional budgetary adjustments. The district replaced aging systems and resolved maintenance issues which drained district funds every year. Buses and technology purchases were put on rotation. Additionally, the district has sought numerous grants which help with some of the expenditures.

What is the bottom line, will taxes go up?

In 2021, the taxes include both a limiting rate of 4.85 (that goes to operational costs) AND the extension of 1.16 (the bond payment). The most recent tax bill showed a total rate of 6.10, including the bond. This referendum asks to increase the limiting rate to 5.35.

When would the rate tax affect?

The referendum is for the 2023 tax levy. This rate would affect the 2024 tax year for the community and be part of the SY 2025 budget.

With the referendum, will the school district still be deficit spending?

The referendum projects to add just over \$900,000 to the 2025 school year budget. With the changes in place, the school should no longer be deficit spending. However, school year 2024 the school will be deficit spending based on the 2022 Levy.