

Message from the Superintendent

Facts to Consider about our November 2016 Referendum

By Paul Durand, Superintendent

On November 8th, 2016, the Rockford Area Schools residents will be asked to vote on two questions. The first question is an operating levy and the second is a capital projects technology levy. The district currently does not have a voter-approved operating or technology levy in place. We want to take this opportunity to further expand on what these terms mean and why these levies are needed.

What is an operating levy?

An operating levy is a levy for learning. It helps fund day-to-day operations in our schools, which include teachers and staff, programming like STEM classes and field experiences, our agriculture and technology education programs, gifted and talented programs, piano and band in grades three through five, and a number of student activities support staff, instructional materials (classroom supplies, kits and materials for lab-based classes, etc.), utility bills, and staff development. The district is seeking a \$1,142 per pupil levy starting in 2017 for nine years. This compares with the state average total referendum authority of \$1,215 per pupil. For the 2017-18 school year, the first year the levy would take effect, the referendum portion will cover 11% of the total budget. The remaining portion is covered by state and federal funding that change annually.

Why is the referendum needed?

1. Local operating levies are a critical component of school funding in Minnesota. In fact, over 90% of Minnesota school districts have a local operating levy.
2. Currently, the Rockford Area Schools does not have a voter-approved operating levy in place. Our last voter-approved levy expired in June 2015. Prior to 2015, our district has had a voter-approved operating levy in place since 1998.
3. State funding has not kept pace with inflation. The state has been an unpredictable partner for funding K-12 education, even with the reported state budget surplus. Local funding is critically needed to make up for the lack of state funding.
4. Recent student enrollment growth has given the district additional revenues to maintain our quality programs. However, the local population of school-age students, and therefore enrollment, has reached a plateau and the revenue growth has stopped.
5. Grants and donations are unpredictable revenue. Although the district has applied for and received over \$1 million in various grants and donations over the past few years, the revenue is short-termed and designated for specific projects. A stable and long-range operating budget cannot be developed from using funds from grants and donations.
6. The district has already made reductions to the budget. The district reduced the operating budget for the 2016-17 school year by a total of \$500,000. The budget cuts included staff and administrative reductions; decreased spending on transportation, supplies and field trips; increased activity fees and meal prices; and diverted the deferred maintenance reserve to support day-to-day operations.

When considering whether to bring a referendum forward, the Rockford Board of Education made certain budget assumptions, based on historical data. These include maintaining stable student enrollment and receiving an annual increase in revenue of 2% by the State of Minnesota. Unfortunately, district expenses increase at roughly 5% per year, even with no increases in programming. This economic reality leaves Rockford Area Schools with an annual

3% deficit. Revenue will increase only if approved by the state legislature. Expenses are projected to continue to out-pace funding. That is why the Board is asking voters to increase the local tax rate.

How much will it cost?

For a home valued at \$200,000 in the district, there will be a \$39 per month tax increase (\$469 annually) for 2017 taxes.

Tax impact charts are available at the district office or check out the tax impact calculator on the district website to find tax impact for your specific property.

Please Note:

There are no building or construction funds in this referendum. Voters will not see athletic facilities improvements, bonds and added debt on the November ballot. The levy question is a pay-as-you-go funding strategy, with no borrowing or long-term financing.

What a "YES" vote means:

- Increases the district's annual operating revenue by an estimated \$2,079,305 (\$1,142 per pupil in 2017) in the first year of the nine year term.
- Provides additional funds earmarked for direct educational purposes, helping the district to maintain its focus on educational excellence (district-wide, reading scores have increased 10% in the last four years, math scores increased 7% and science scores increased 9%) and enables students now in school to reach higher levels of achievement.

What a "NO" vote means:

- Rejects a property tax increase.
- Provides direction to the School Board and administration to continue making reductions from the operating budget, each year, to ensure budget is fiscally sound. This will impact class sizes and available quality programs.

What is a technology levy?

A technology (capital project) levy is a dedicated fund where 100% of the funding supports technology. It also includes hardware, software, network infrastructure, broadband fiber, communication technologies, Wi-Fi, and software licenses used by students and staff, technical support, and training in the district.

Why is the referendum needed?

There is an ongoing need to provide additional tools to prepare our students to be 21st century learners. Effective use of technology has the potential to help students approach problems more creatively, think more critically, collaborate more skillfully and communicate with higher levels of precision. Technology has become an essential component in student achievement.

From the first interactive whiteboards that were installed in 2007 to the collaborative cloud platform and multitude of devices we have available for student use, a critical factor in educating children today includes leveraging the creativity, communication, and collaboration made possible by technology. Textbooks, classroom assessments and many aspects of how we deliver knowledge and skills to students are moving online, and the world of work following school demands graduates with technological competence.

The District currently does not have a technology levy in place like many other school districts. This means that funding to maintain our current network, wireless, Infinite Campus student information system, ActivBoards, technology infrastructure, and technical support comes from the general fund and reduces funds available for instructional and operational expenses.

How much will it cost?

For a home valued at \$200,000 in the district, there will be a \$6 per month tax increase (\$72 annually) for 2017 taxes.

The technology referendum will generate approximately \$395,100 annually to help pay technology expenditures for nine years. This funding will be used to:

- Maintain, update or replace current technology systems, software, hardware and infrastructure (servers, broadband, Wi-Fi, phones, websites, devices, etc.).
- Provide technical support for staff and student use of technology as well as system infrastructures.
- Maintain and improve classroom technology for students so that skilled teachers can:
 - Personalize learning and give teachers the ability to adjust the content, pace and approach to learning based on individual student needs.
 - Incorporate relevant and current online educational resources into their lessons.
 - Facilitate state-required standardized testing (all computer-based) and assessment, which can provide immediate feedback to teachers and students regarding progress and mastery of material.
 - Prepare students for college and careers after graduation.

The operating levy question and technology question are not dependent on each other. This means either one can pass or fail on its own. We hope the voters of Rockford Area Schools will consider each question carefully.

Two public meetings have been scheduled regarding school funding and the impact of a local levy referendum. The first one is scheduled for Tuesday, October 4, 2016 starting at 7 pm in the Rockford High School auditorium and the second one is scheduled for Monday, October 10, 2016 at 7 pm at Corcoran City Hall.

Feel free to stop in, call (office: 763-477-9165 x4002) or send me an email (durandp@rockford.k12.mn.us) anytime you have a question or concern. Thank you for your continued support of our students of Rockford Area Schools!

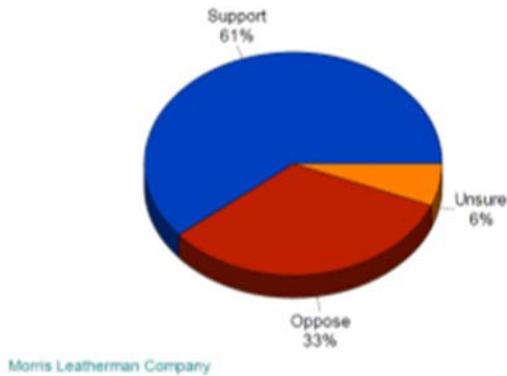
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Survey Data Shared

The Association of Metropolitan School Districts (AMSD) shared with our district two interesting sets of data from their most recent survey conducted by the Minneapolis based research firm - The Morris Leatherman Company. The main principals of the firm possess extensive backgrounds in marketing, public affairs, survey research, and statistical methods.

Automatic Renewal of Existing School Referenda

2016 Association of Metropolitan School Districts



State Pay TOTAL Cost of Special Education

2016 Association of Metropolitan School Districts

