

District Proposes Adjustments to Funding Strategy for Long-Term Flexibility and Lower Tax Rate: In a move aimed at optimizing resources and enhancing flexibility for district needs, the school district has proposed a strategic adjustment to its funding mechanisms. The plan, which will go to a public vote on **Tuesday, March 4, 2025**, seeks to increase the Voted Physical Plant and Equipment Levy (PPEL) while reducing the Management Fund levy rate. Here's what you need to know about the proposal and its implications.

Proposed Changes

Raise Voted PPEL Levy

- **Increase** from \$0.67 to \$1.34 per \$1,000 of taxable property value.
- **Impact:** This adjustment would double the annual revenue generated by the levy, increasing funds from \$85,553 to \$171,106 using FY25 as an example.
- **Purpose:** The additional revenue would provide greater flexibility to address daily needs, including facilities upgrades, technology investments, and equipment purchases.
- **Approval Requirement:** The change requires majority voter approval ("50% + 1") during the March election.

Lower Management Fund Rate

- **Decrease** from \$2.35 to \$1.17, reducing the revenue generated from \$300,000 to \$150,000 using FY25 as an example.
- **Purpose:** By lowering the Management Fund rate, the district can balance the overall tax rate reduction while shifting greater flexibility to the PPEL for broader uses, including essential infrastructure projects.

Example Tax Rate Adjustment using Fiscal Year 2024-25 information

- **Current Rate:** \$11.76 per \$1,000 of taxable property value.
- **Proposed Rate:** \$11.27 per \$1,000 of taxable property value.

Levy Components	FY2025	Example using FY25 numbers
Total Levy	\$11.76	\$11.27
CDC Levy	\$7.62	\$7.62
ISL	\$0.80	\$0.80
Ed Improvement	\$0.00	\$0.00
Cash Reserve	\$0.00	\$0.00
Total Gen. Fund	\$8.42	\$8.42
Management	\$2.35	\$1.18
PERL	\$0.00	\$0.00
Reg. PPEL	\$0.33	\$0.33
Voter PPEL	\$0.67	\$1.34
Debt	\$0.00	\$0.00
Total non-GF	\$3.35	\$2.85

Strategic Long-Term Planning

The district is working proactively with the Bennett Facilities Committee and Trane Technologies to conduct a comprehensive facilities audit. This audit will lead to the development of a **15-year facilities management plan** that will:

- Identify specific upgrades tied to budgeted dollar amounts and recommended timelines.

- Ensure strategic and efficient use of resources.
- Align future improvements with funding opportunities, including grants.

Why This Proposal?

1. **Enhanced Flexibility:**
 - By doubling PPEL revenue, the district gains the capacity to address pressing needs such as facility improvements, equipment purchases, and technology upgrades which cannot be funded by the Management Fund.
2. **Lower Tax Burden:**
 - The goal of the proposed changes would be to reduce the overall tax rate, offering immediate financial relief for taxpayers. Using the FY24-25 example it would have lowered taxes by \$0.49
3. **Proactive Facilities Management:**
 - The 15-year facilities plan ensures a strategic approach to facility upgrades, minimizing unplanned expenses and maximizing efficiency.

Key Considerations

While the Management Fund reduction offers significant savings, it does limit the district’s ability to address certain liabilities and risks, such as insurance and early retirement benefits. However, this rate can be adjusted annually if unforeseen challenges arise.

What’s Next?

The district’s current Voted PPEL, which is set at \$0.67 and funded entirely through property taxes, will expire in **Fiscal Year 2031**. To implement the proposed changes, the district will hold an election on **March 4, 2025**. Approval of this proposal will allow the district to increase the Voted PPEL rate to \$1.34 and enact the planned adjustments effective with the 2025/2026 budget year.

The district and board are committed to fiscal responsibility and keeping an overall tax levy as low as possible. This proposal represents a thoughtful and balanced approach to meeting immediate needs while planning strategically for the future.

Informational meetings		
Date	Time	location
February 10	5:30-6:30pm	Bennett Elementary
February 24	7:45-8:45pm	Bennett Elementary
One on one or small group meetings can also be scheduled by calling my (Shane Knoche’s) cell 563-370-4032. <ul style="list-style-type: none"> • Informational Presentation link • Informational Video coming soon 		