

# Southern Boone School District April 2019 General Levy

\$6 Million Focused at the Primary



# Defining the Financial Situation of the Southern Boone School District

- The School District has an exceptional education program. Families move to the Southern Boone School District because of the low student to teacher classroom ratios and the exemplary programs we provide.
- The District's student enrollment is growing rapidly.
- Over the past three years the district has seen our enrollment grow from 1682 in 2016-17, to 1796 in 2018-2019, a total of 114 students. During this same time we added 42 additional employees.
- As student enrollment increases, the District must hire additional new staffing positions (teachers, aides/paraprofessionals and administrators) as well as construct new educational classrooms and learning environments to maintain the quality of education community patrons expect.
- The rate of student growth is faster than the rate of growth in the District's tax base. Meaning, enrollment is growing faster than our property value's ability to pay for our educational programs and staff.
- Under the current conditions, the District's ability to pay our debt and afford new staffing positions and classrooms is seriously stressed.
- In order to keep class sizes manageable and within state standards, the District must raise taxes to construct new classrooms and assist in hiring additional positions.

# Accelerated Community Growth in the District

- As additional businesses move into the District, the members of the Board have the flexibility to reduce the operating and debt service levies (taxes) annually.
- The members of the Board and administration review tax receipts growth annually to determine taxation.
- In sum, the tax increases being proposed are hoped to be a short term measure until the wealth of the district increases, as a result of new business and residential investment/development.

# Proposition A: 40 Cent General Operating Tax Levy Increase

- In order to address the rapid growth, especially in the Primary, Elementary and Middle Schools, district leadership (administration and members of the School Board) are proposing to construct 16 additional classrooms to the Primary with the passage of a 2019 April school levy election.
- This will require the community to support a 40 cent tax increase which will allow for a \$6 million construction project.
- The 16 new Primary classrooms (two story) will allow for the remaining 4 early childhood classes (2 Preschool classrooms and 2 Early Childhood Special Education classrooms) in the Middle School to move to the Primary. Moving the classes out of the Middle School will allow its programs to expand core instruction (additional teaching staff) in math, english, science and social studies in the sixth, seven and eighth grades.
- The new Primary classrooms will allow for additional First and Second grade classes, as well as the 4 early childhood classes currently in the Middle School.
- Construction will begin in May/June 2019 with completion by August 2020.

# Debt Service Tax Increase

- The Debt Service Levy is currently \$1.43. This tax is used to pay the District's facilities debt; its mortgage.
- The members of the Board, by law, can tax up to \$2.3071. Historically, the members of the Board have set the levy much lower.
- In order to pay off the District's debt faster and allow for future construction, no tax increase bond issues, the members of the Board will be asked, in August 2019, to increase the Debt Service Levy by 25 cents to \$1.6871.
- This action will allow for additional future bond issues in 2021 and 2025 without future tax increases.

# Impact of the \$0.65 Tax Levy Increase

Residential Real Property			
<i>Market Value</i>	<i>Assessed Value</i>	<i>Yearly Increase</i>	<i>Monthly Increase</i>
75,000	14,250	92.63	7.72
100,000	19,000	123.50	10.29
125,000	23,750	154.38	12.86
150,000	28,500	185.25	15.44
200,000	38,000	247.00	20.58
250,000	47,500	308.75	25.73

Commercial Real Property			
<i>Market Value</i>	<i>Assessed Value</i>	<i>Yearly Increase</i>	<i>Monthly Increase</i>
50,000	16,000	104.00	8.67
100,000	32,000	208.00	17.33
150,000	48,000	312.00	26.00
250,000	80,000	520.00	43.33
500,000	160,000	1,040.00	86.67
1,000,000	320,000	2,080.00	173.33

Personal Property			
<i>Market Value</i>	<i>Assessed Value</i>	<i>Annual Increase</i>	<i>Monthly Increase</i>
5,000	1,667	10.83	0.90
15,000	5,000	32.50	2.71
40,000	13,333	86.67	7.22
100,000	33,333	216.67	18.06

Agricultural Real Property			
<i>Market Value</i>	<i>Assessed Value</i>	<i>Annual Increase</i>	<i>Monthly Increase</i>
100,000	12,000	78.00	6.50
250,000	30,000	195.00	16.25
500,000	60,000	390.00	32.50
750,000	90,000	585.00	48.75

# In the event this is NOT approved....

If the community is NOT in favor of this tax increase, the administration and members of the board will need to ask the community for a tax increase to lease or purchase trailers.

The district will need to purchase several trailers for the Primary and Elementary beginning with the 2019-2020 school year with additional trailers each year after, based upon student enrollment.

The District does NOT have the funds on hand to lease and/or purchase trailers. No matter what, the District will have to have a tax increase to meet the needs of our growing student enrollment.

# 2021 Bond Issue

- This no tax increase bond issue will allow for \$13 million in construction to focus on the needs of the Middle School while also relieving overcrowding stress at the Elementary.
- The 2021 Bond Issue will allow for construction between the two buildings and make the Middle School a one roof building. Additional classrooms will be constructed to create a 5-6 grade wing and 7-8 grade wing.
- Moving 5th grade into the Middle School program will address overcrowding in the Elementary and allow for future growth in the 3rd and 4th grades.
- There are major safety concerns with requiring students to walk outside between the two Middle School buildings. Each passing period the building's doors are not secure due to students traveling from building to building. Getting the Middle School under one roof will allow the District to secure the doors to the outside.



# 2025 Bond Issue

- This no tax increase bond issue will allow for \$12 to \$14 million in construction at the High School.
- The administration's intent is to provide an enhanced Vocational Learning program and construct a new wing on the High School. It is very important that this construction focus effort at keeping students inside the main campus for safety as opposed to the current off site Vocational Building, requiring students to walk between buildings.
- Additional classrooms will be constructed to address overcrowding and maintain lower student to teacher classroom ratios in the High School.