

Buffalo-Hanover-Montrose Schools

Community Survey Results

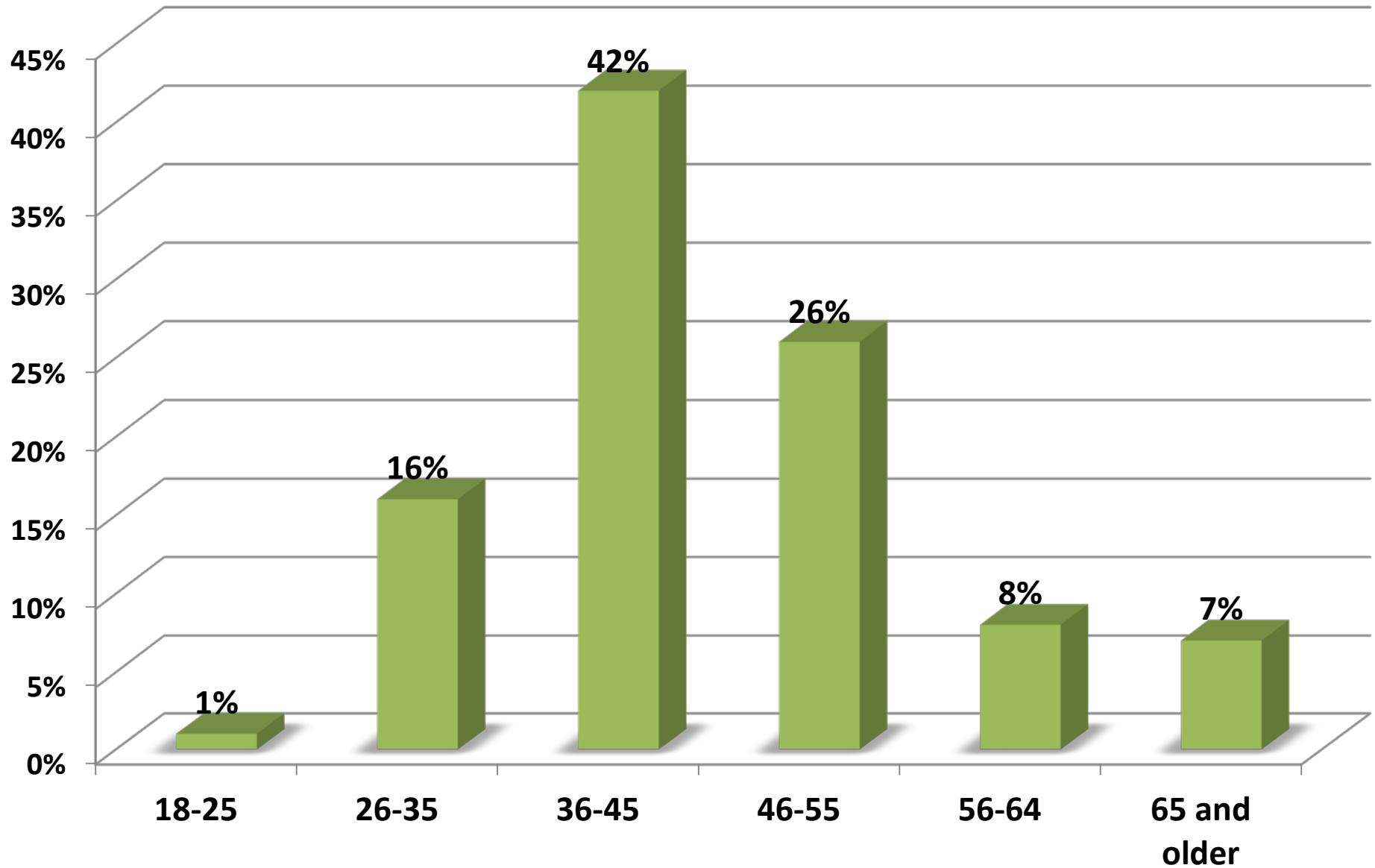
Spring 2019

Survey Summary

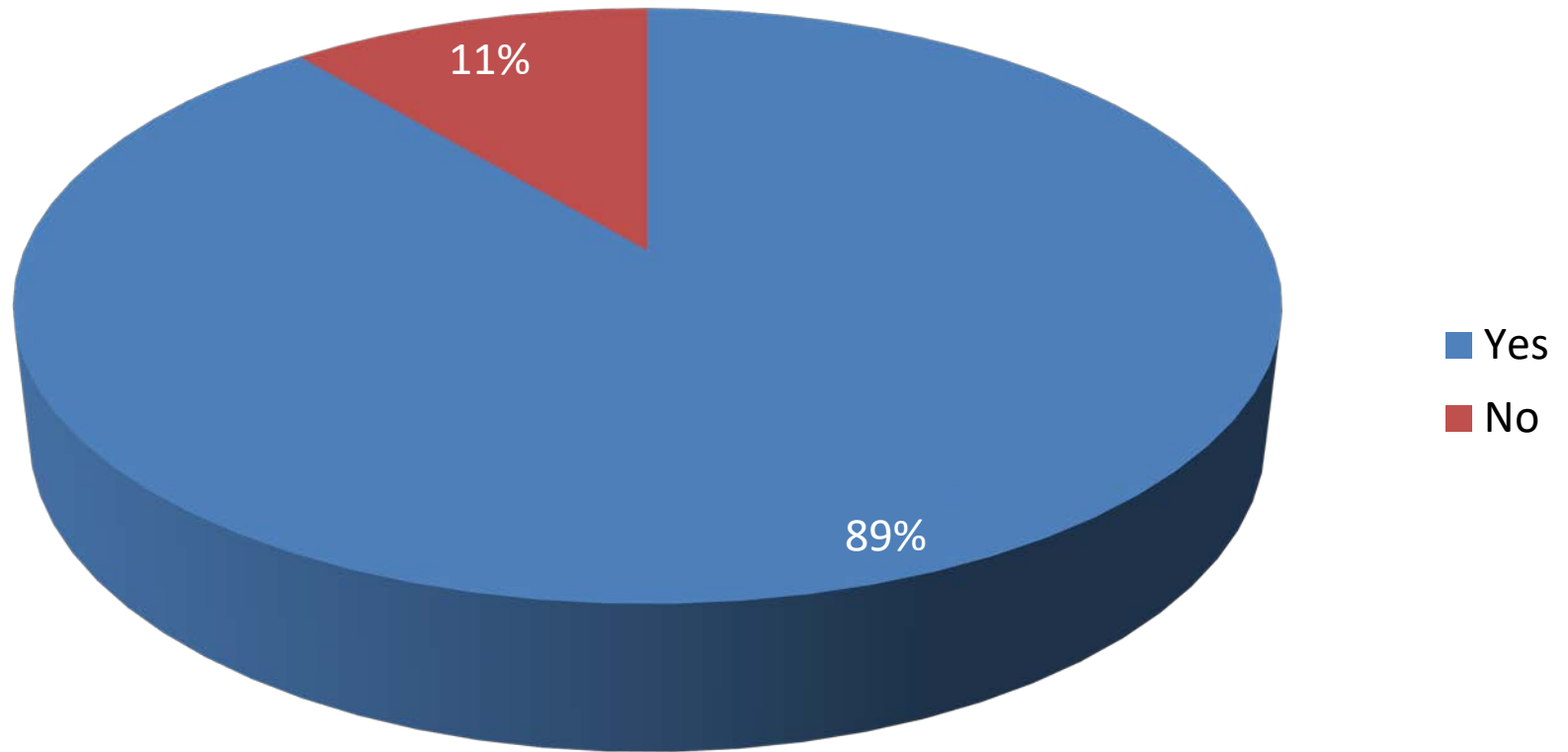
- The survey was conducted in late May through mid-June of 2019.
- Residents within the District were mailed a paper survey. Each survey included a unique survey access code for those who preferred to take the survey online.
- Total responses = 2,701 (70 paper)
- Participation rate = 16%
- Margin of error = 1.9%

Respondent Information

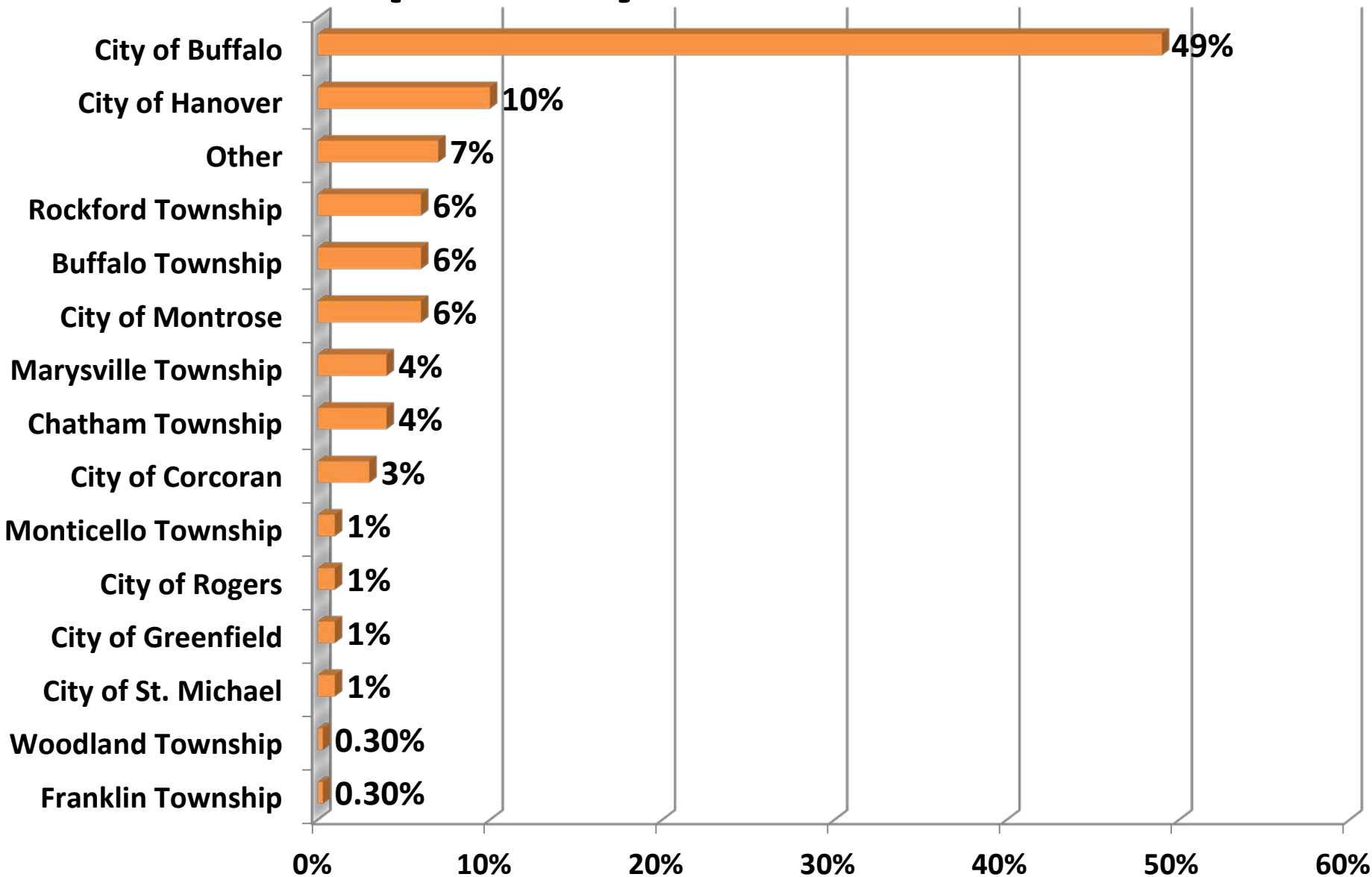
What is your age?



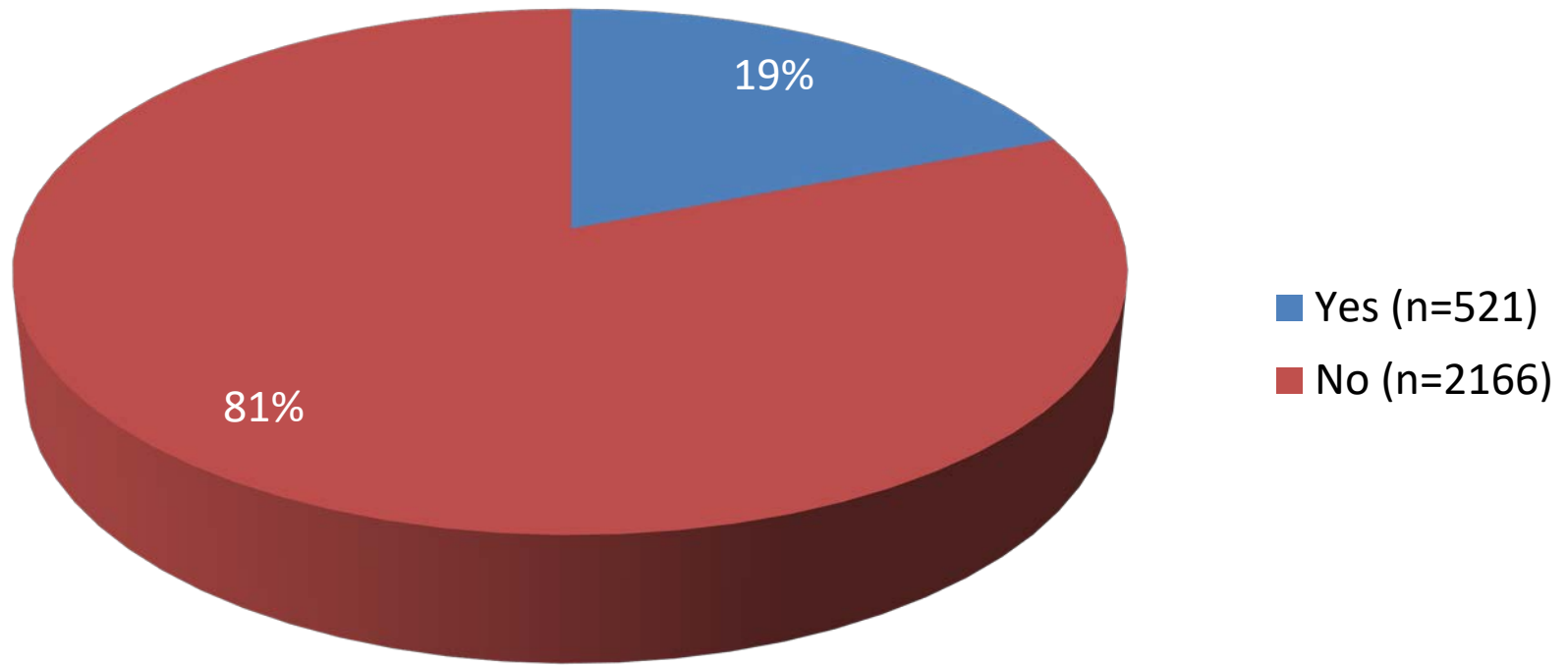
Is your primary residence in the Buffalo-Hanover-Montrose School District?



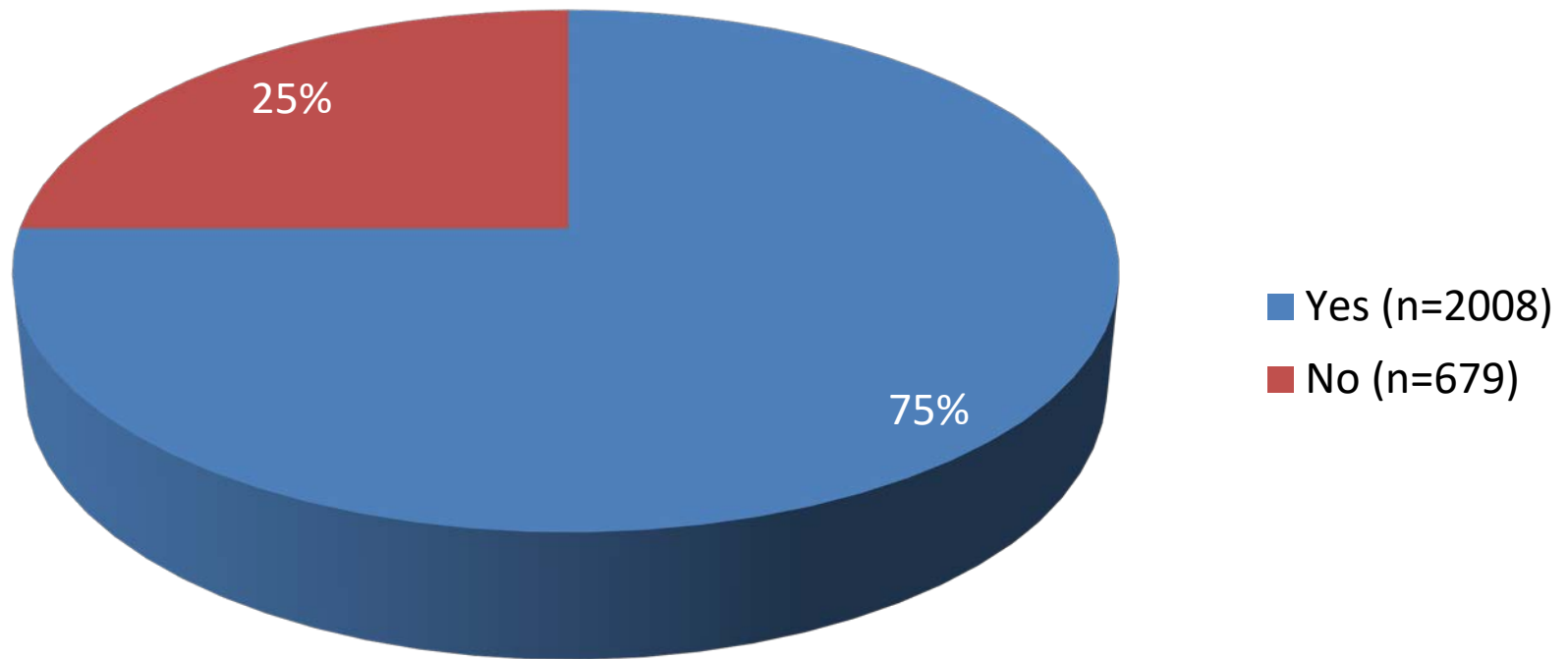
In which municipality/township is your primary residence?



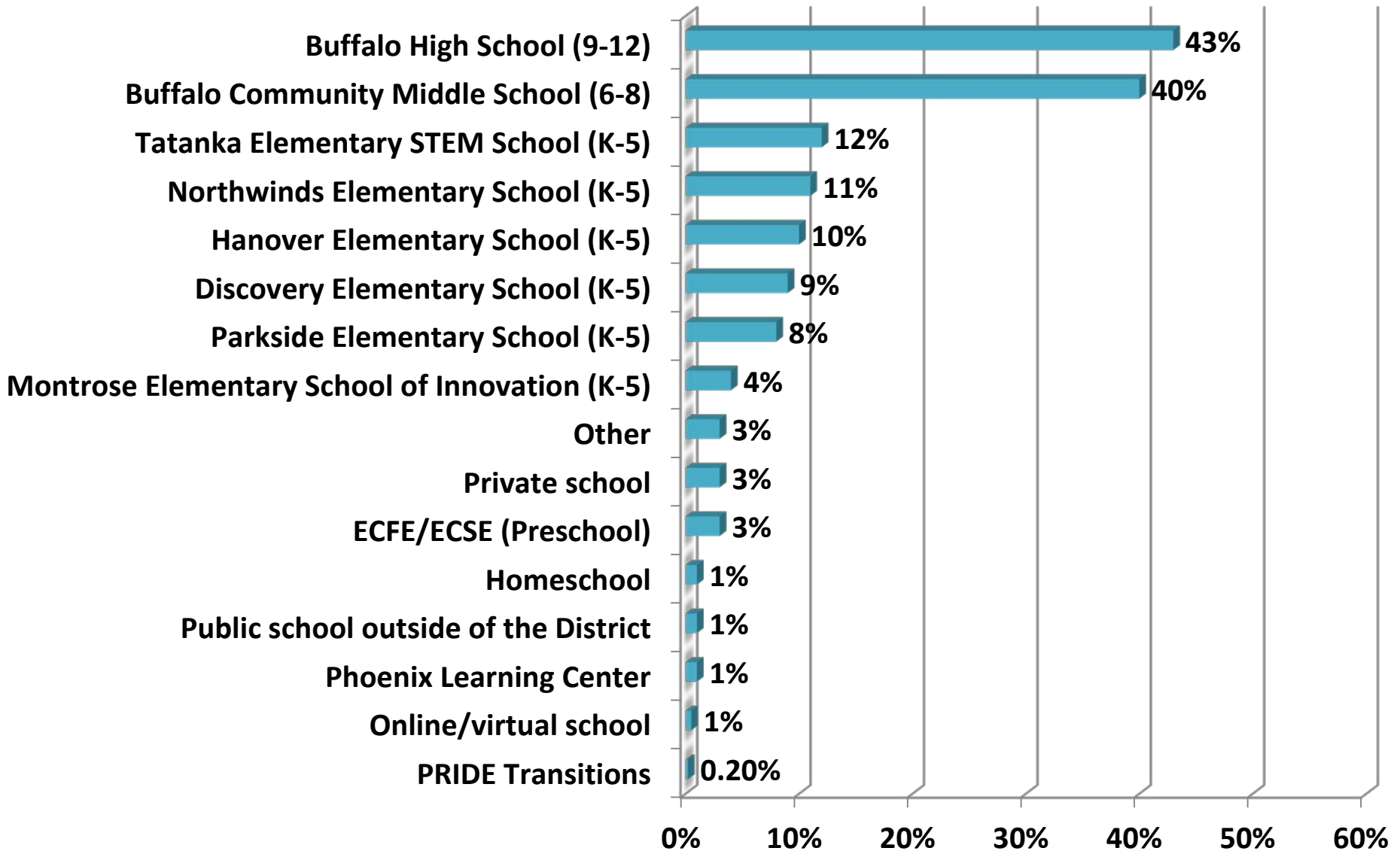
Are you an employee of Buffalo-Hanover-Montrose Schools?



Do you have children attending the Buffalo-Hanover-Montrose Schools?



If you have school-aged children, what school(s) do they attend?



School Funding

Background

There has been some confusion regarding how school districts use referendum funding. There are different types of referenda, including **levies and bonds**.

Unlike most other districts in the state, the Buffalo-Hanover-Montrose Schools has only the state authorized referendum authority and will not have a voter-approved **operating levy** after the current legislative session. The last voter-approved levy increase for BHM was in 2002. This type of funding supports day-to-day operations, such as staffing, educational programming and student services. These funds are used the same year they are received.

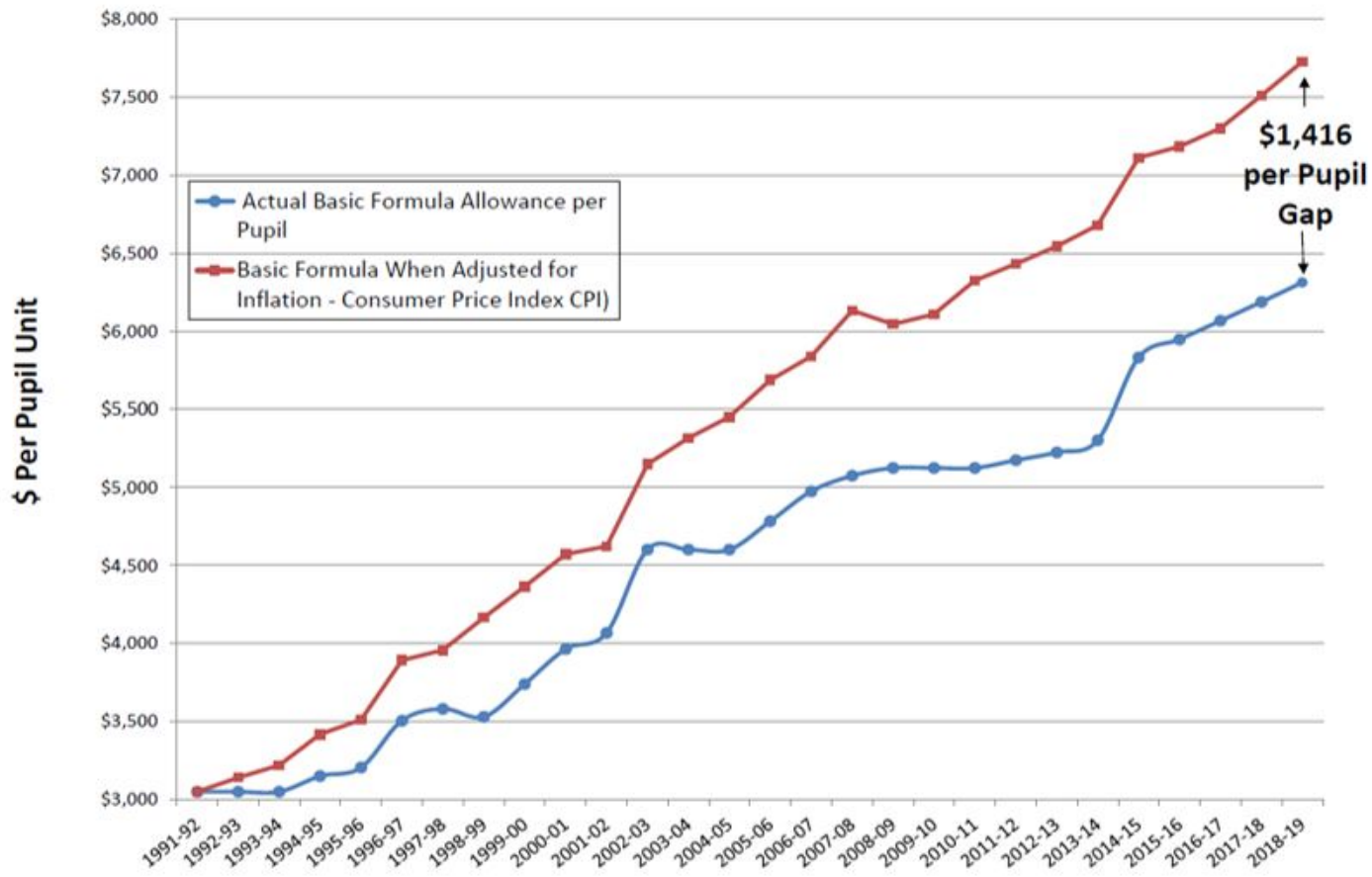
A **bond** is used to pay for major building projects. Much like a home mortgage, a bond is typically financed over an extended period of time. This financing method was used in 2014 to improve building security at three elementary schools, expand and improve activity venues, as well as to update intercom systems, replace roof sections and repair parking lots. This project did not contribute to our budget deficit, and the funds from the bond cannot be used for general operating expenses. The project will be finished on time and on budget. It is important to note, even if the construction project had never happened, we would still be dealing with the same budget situation.

In simple terms, bonds are for building, levies are for learning.

School Funding Challenges

School districts receive the majority of their funding from the state. The largest portion of this funding, which comes from the basic general education formula, has not kept up with inflation. This is a major reason why school districts across the state are facing significant budget challenges.

State Funding Per Student



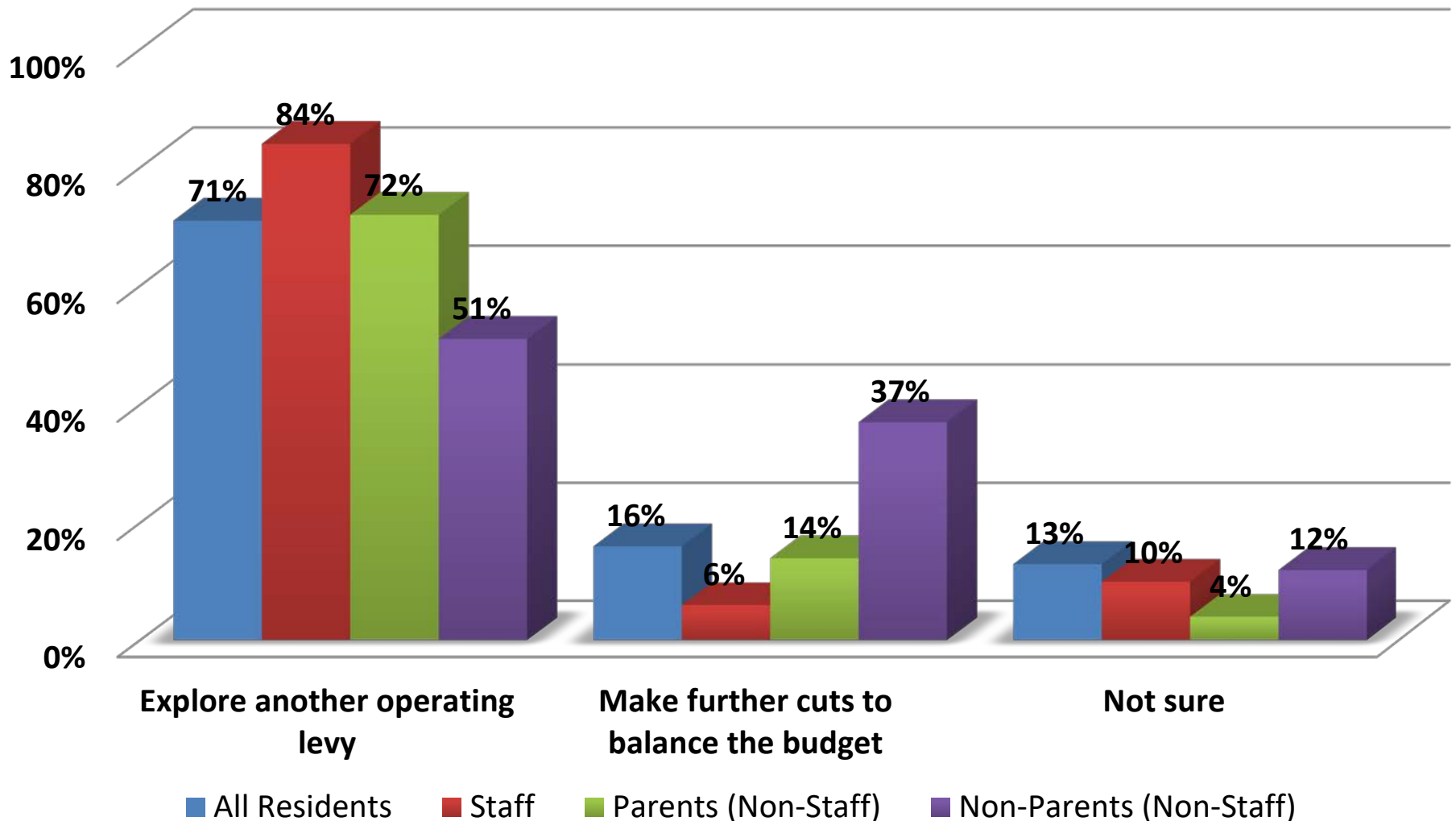
As a result of this decrease in funding and increasing costs, the District has experienced a budget deficit for several years. Over the past two years, the District has utilized fund balance (cash reserves) to balance the budget. The fund balance will soon be depleted and is no longer an option. To balance the budget next year (2019-20), the District will cut the budget by more than \$1.1 million by:

- Eliminating/reassigning teaching and support staff positions
- Increasing class sizes
- Reducing department and building budgets
- Reducing/eliminating student programs, including class offerings
- Increasing student fees

Even with these cuts, the District is still forecasting a budget shortfall averaging nearly \$3 million for each of the next five years. **Therefore, for the 2020-21 school year, the District will need to seek another operating levy or make additional cuts.**

What advice would you give the District?

(Buffalo-Hanover-Montrose Schools Residents Only)



Budget Cuts

The District is projecting a budget shortfall of nearly \$3 million for the 2020-21 school year. If voters do not support a future operating levy, the District must consider all options to reduce expenses.

Would you support a levy instead of...

Yes (10), No (1)

Item	All Residents	Staff Residents	Parent Residents (Non-Staff)	Non-Parent Residents (Non-Staff)
increasing class sizes?	7.93	9.15	8.06	6.18
reducing support staff?	7.68	9.47	7.63	6.16
reducing high school AP/CIS courses?	7.24	8.06	7.43	5.58
reducing and postponing curriculum updates?	7.13	7.84	7.37	5.37
closing Phoenix Learning Center?	6.30	7.96	6.19	5.23
eliminating the Quest and wRight Choice programs?	6.33	7.89	6.27	5.18
cutting student activities and further raising student participation fees?	6.80	7.91	6.97	4.99
closing Discovery Elementary School?	6.19	7.91	6.15	4.82
reducing busing services?	6.64	7.77	6.81	4.77

Funding to Support Operations

In order to maintain the level of programs and services after the cuts are made for the 2019-20 school year, the District would need to secure an operational levy averaging \$750 per student for each of the next five years. This would not provide any additional funding for new programs, services or staff.

If voters do not support an operating levy, the District will need to make further cuts to programs and daily expenses. **We are concerned what additional cuts will mean to educating our students, retaining staff and maintaining our facilities.**

The following options have been developed for community feedback.

OPTION 1: Continue to cut programs and services.

OPTION 2: Pursue an operating levy that provides \$650 per student for each of the next 5 years, requiring the District to cut an additional \$1 million every year after the 2019-20 cuts.

OPTION 3: Pursue an operating levy that provides \$750 per student for each of the next 5 years, allowing the District to maintain current programs and services after the 2019-20 cuts.

OPTION 4: Pursue an operating levy that provides \$850 per student for each of the next 5 years, allowing the District to reinstate some of the cuts that will be made for 2019-20 year.

The following table shows the tax impacts for each option.

Estimated Property Value	Operating Levy Estimated <u>Increase Per Year Over the Current Level</u>			
	OPTION 1	OPTION 2 \$650 per student	OPTION 3 \$750 per student	OPTION 4 \$850 per student
\$100,000	No increase	\$113	\$132	\$151
\$150,000	No increase	\$170	\$199	\$227
\$200,000	No increase	\$227	\$265	\$303
\$300,000	No increase	\$340	\$397	\$454
\$400,000	No increase	\$454	\$529	\$605

Which option would you support?

Item	All Residents	Staff Residents	Parent Residents (Non-Staff)	Non-Parent Residents (Non-Staff)
OPTION 4: \$850 per student; reinstates some of the 2019-20 cuts	43%	57%	44%	29%
OPTION 3: \$750 per student; maintains programs after the 2019-20 cuts	22%	26%	21%	22%
OPTION 2: \$650 per student; requires budget reductions of an additional \$1 million every year after the 2019-20 cuts	8%	6%	8%	9%
OPTION 1: Continue to cut programs	15%	6%	12%	34%
I'm not sure/need more information	12%	5%	15%	6%

Summary

- The majority of all sub-groups and 71% of all respondents encourage the District to explore an operating levy.
- The majority of residents would support an operating levy over forcing the District to make additional cuts to programs and services.
- While there is strong support from staff and parents for a \$750 per student operating levy, support for this levy from non-parent/non-staff is just over 50%.

Thank you!