

## Media Release - What's Next for the Operational Referendum 1/2/24

Dear Community Members,

The School District of Mellen has 265 students and 46 employees utilizing one facility. The last referendum took place in 2000 and included approving the issuing of debt in the amount of \$350,000 for replacing the heating boilers and upgrading the steam heating system to a hot water system. Though successful, since that time, a reduction in enrollment has reduced this operational authority. The project was completed on a timely basis and overall under budget. The authority to purchase these bonds, and complete these projects in 2000, was a one-time approval from voters used solely to borrow funds and address projects identified at that time. Bonds cannot be used to address the day-to-day operational needs of our schools.

While the SDM has been fiscally responsible, there are five (5) key drivers that are causing the need for an operational referendum to be posed to the community.

### **1. State Funding Shortfalls**

In the past years, our district has faced financial challenges exacerbated by the fact that the state has not provided a per-pupil adjustment aligned to inflation (CPI) in the past 14 years. In fact, there has been NO per-pupil adjustment in the past 2 years. The stability and quality of our educational programs hinge on adequate funding, which has not kept pace with the growing needs of our students and the rising costs of education. An operational referendum is necessary to bridge the financial gap and ensure our students continue to receive the quality education our community expects and deserves.

### **2. Current and Projected Budget Deficit**

The financial health of our school district is at a critical juncture. Currently, the SDM is operating with a projected budget deficit of \$319,000. Without intervention, this shortfall is projected to double within the next four years. The trend is unsustainable and threatens the very fabric of our educational system. An operational referendum would provide the necessary funds to address this deficit, and protect the future of our students' education.

### **3. Competitive Compensation for Teachers and Staff**

Our educators and staff are the cornerstone of the exceptional education that the SDM provides. To retain and attract the best talent, it is essential that we offer competitive wages and benefits. This not only reflects our appreciation for their hard work, but also ensures that our students are taught by the most qualified and dedicated professionals. The operational referendum is a step towards securing the funds necessary to invest in our workforce and, by extension, in our students' success.

### **4. Safety, Security, and Technology Investments**

The safety and security of our students and staff are non-negotiable. To address the evolving challenges in these areas, investments in technology and improved communication systems within our schools are required. These crucial updates exceed our existing budget capabilities. An operational referendum will ensure that we have the financial means to invest in these critical areas, safeguarding our commitment to provide a secure learning environment for all.

## **5. Rising Costs in Education**

Just as individuals are seeing prices increase in their personal lives, the costs associated with providing a top-tier educational experience are rising. The materials, technology, and resources needed to maintain the high standards of our curriculum and the choice in educational programs require funds that exceed what the state currently provides. The operational referendum represents our commitment to maintain excellence in education without compromising on the programs that our students and community have come to value.

The School District of Mellen requires adequate financial resources to implement its strategic plan focused on student growth, staff development, responsible financial management, and community connections. The Administration has worked to complete a budget review process, staffing review process and program evaluation to identify areas that can be reduced to address the budget shortfall. Although some budget reductions have been made, the district still faces a \$319,000 budget deficit in the current year. Additionally, the district is funded at a lower rate than neighboring school districts and has not requested operational referendum funding since 2000. Without additional funding, projections indicate increasing budget deficits up to \$629,000 in four years.

### **Current Needs**

The district has identified operational needs that cannot be met under current funding levels, including:

- Maintaining current educational programs
- Retaining and recruiting high quality teachers
- Increasing mental health supports
- Improving safety and security
- Maintaining current extracurricular activities
- Supporting technology
- Maintaining facilities and repairs

To address these needs while minimizing taxpayer impact, the district recommends a 3 year \$500,000 nonrecurring operational referendum for 24-25, 25-26, and 26-27. This approach provides the time needed to allow the state to adequately address the school funding shortfall with minimal financial impact on the taxpayers of the District. The referendum would increase taxes by an estimated \$246 annually on a \$100,000 home.

## November Mill Rates

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Last 5-YR Ave
State	10.37	10.26	10.25	9.97	9.70	9.46	9.37	9.22	8.64	7.68	8.86
Mellen	10.36	10.23	9.42	10.07	10.84	8.84	8.69	9.81	7.99	6.41	8.34

### **Current Work**

- Share referendum overview and timeline, gather staff and community feedback
- Continue the budget and program evaluation process
- Finalized the 2023-24 budget for Board consideration on October 25, 2023
- Media releases on needs to inform community potential referendum question
- Community survey, compile results and present to School Board in December 2023
- Finalized and presented a referendum recommendation to the School Board in December for an April 2024 vote

### **What's Next**

- Community listening sessions and Coffee/Chat with Administration
- Create and publish a referendum page on the District website
- Digger Weekly e-newsletter stories
- Postcard invite to District residents for listening sessions

We encourage you to share this information with your fellow parents, neighbors, and community members who may be interested in supporting our schools.

Should you have any questions or require further clarification, please don't hesitate to reach out. Your engagement and inquiries are of utmost importance to us.

As always, thank you for your support of the School District of Mellen and the children we serve.

Sincerely,

Rhonda Elmhorst-Friemuth  
Superintendent  
School District of Mellen