

Referendum FAQs

1. What exactly are the terms
 - a. A \$0.70 rate increase in the Education Fund for the next seven (7) years.
2. Why does the District need a referendum?
 - a. Four critical issues have impacted the financial well-being of Meridian 223 over the past five years and have led to a rate increase being placed on the November ballot. The two major sources of funding for Meridian CUSD 223 are local property taxes and state funding. The state is currently funding schools at approximately 89% of their statutorily required amount, costing the school upwards of \$600,000 per year. Additionally, the EAV for the District has dropped 11% in the past five years. Since property tax revenue is based on EAV, this too has led to nearly a \$600,000 decrease in funding. These two issues combined with declining enrollment has led to well over a decrease of \$1 million dollars coming in to the District compared to just a few years ago.

Additionally, the Property Tax Appeal Board (PTAB) made a judgment to reduce the 2003 assessed value of the (what was then) Veolia Landfill in Davis Junction in 2009. The PTAB hearing on the 2003 assessment was conducted over seven days in August of 2007. After over two years, the ruling was finally made in December of 2009 and received by the District in the last week of December.

The reduction in assessment from approximately \$8.6 million to \$3.3 million resulted in nearly a \$250,000 annual loss to the Meridian School District, in addition to funds that had to be re-paid to Veolia as a result of their over-taxation. The re-payment, which is taken off of the total revenue received by the district (across all funds) results in a net loss in revenue of \$460,000 in 2014-2015, \$310,000 in 2015-2016 with a break-even point thereafter.

As a result of the above taking place, administration and the Board of Education have made significant cuts. These cuts have already impacted what it means to be a student in Meridian CUSD 223. Middle school students no longer have a chance to participate in athletics or activities, class sizes have increased, program offerings have been eliminated at the high school, and bus rides have been extended (not to mention many other changes). There is simply not much left to cut outside of increasing class sizes again and eliminating high school athletics and activities.

3. Was money mismanaged in the past?
 - a. With any 17+ million dollar budget it would be possible for people to question some expenditures. Additionally, it is accurate that land was purchased in the past in hopes of building a modern-day high school that would allow for enrollment expansion during the time of rapid growth in some sectors of the Meridian CUSD. That being said, it is vitally important for our community to understand that Meridian CUSD has the lowest operating cost (overall cost) per pupil of nearly any school in the area and the highest achievement by most measures. The community has gotten a great 'bang for your buck' education.
4. What will it cost me?
 - a. Three ways to think about it
 - i. Roughly \$233 additional dollars per \$100,000 dollars of property value
 - ii. Average per acre value of farmland multiplied by .007 gives cost per acre of increase -- \$2.10 per acre valued at \$300

- iii. The overall increase is between 8 and 9 percent for almost all Meridian residents. So taking current tax bill and multiplying by 1.09 would give total new tax burden.

5. How did you decide on the rate and term for the increase?

- a. Rate –The first step taken was to create projections for three to four years out. We then compared our projections to that of PMA to see what our projected annual deficit would be pending the level of state funding. Additionally, we considered what could be reinstated, prevented from being cut, or how the District could stay current or progress in the next several years. Based on that information, it was deemed a \$0.70 increase was the minimal acceptable rate.
- b. Term – Given the instability of state funding and current property values, a time frame of 7 years will allow for the current economic situation to settle without placing unnecessary burden on taxpayers. Additionally, the referendum process is time-consuming and places a strain on the community.

6. Who runs a referendum campaign?

- a. Community members must run the referendum campaign. District administration and school employees are not permitted to promote a referendum during work hours or when acting in an official school capacity. That being said, it is the responsibility of the District to ensure that accurate information is in the public. This includes working with individuals and groups that are both supporting or campaigning against the referendum.

7. Could this economic difficulty be solved by selling the land purchased earlier this decade?

- a. The short answer is no. We have a sustained revenue problem and bringing in a one-time influx of money will not fix what ails this District. The land also brings in approximately 38k per year as a result of a lease agreement.

The long answer is still no, but it is 100% true that selling the land could bring revenue to the District. The exact amount of revenue is not clear at this time and with any piece of item that first would be subject to blind auction stating an intended selling price is not wise. Additionally, we are currently working with an architect to determine exactly how much land could be sold and still have enough to someday build a new school. It would be safe to estimate the amount of an average acre of farmland in the county multiplied by between 80 and 100.

8. When was the last rate increase in Meridian CUSD?

- a. This answer depends on what tax rate the question refers to specifically. The tax rates for funds that are voted upon by tax payers have not been raised since the 1980's. To be clear – no action has been funded to increase the rate of funding for Educational purposes since 1989. Other rates have increased sporadically over time in areas in which the District is to receive what it is necessary to run the District. Such funds include the payment of Social Security and Risk-Management obligations.

9. Is this simply so the teachers can get a raise?

- a. No, it is true that this is a negotiation year – but the SVEA has been very aware and respectful of the District's financial situation. Teachers have taken multiple hard freezes over the past handful of years as well as having many other areas of budgets cut – inclusive of supplies and professional development.

10. If we are in financial difficulty, why do we have so many Directors?
 - a. Most Districts have people that fill the same or similar role as our Directors do – just with different titles. Directors play essential roles in leading departments, but also perform regular operations or work schedules. For instance, the Buildings and Grounds Director is not sitting behind a desk all day, he is also out plowing snow and the Director of Nursing is not simply in charge of nurses, but she is the only nurse at the high school.

11. Since we don't have Jr. High activities, do we need a full-time AD?
 - a. Our AD currently may work more hours than any other District employee, easily averaging over 60 hours per week – not including the hours spent on Junior High athletics. So, is it possible to not have a full-time AD – sure, but the quality of work and quality of administrator would certainly decrease.

12. Will the referendum save all Junior High athletics and activities?
 - a. The plan is yes, that Junior High athletics and activities will return.

13. Why can't we share a nurse with the schools in Stillman – could that be a cost-savings?
 - a. Each nurse in each building average seeing over 30 students per day to administer medicine, perform non-emergency first-aid and treat students not feeling well. Every time a nurse is needed and not available it puts the District at increased liability, diminishes the service we provide our community, and decreases the ability of other employees to complete their jobs as effectively. Additionally, the entire nursing program District wide is approximately one-half of one percent of the District budget with some of that cost being captured through grants.

14. How can buying new buses to switch to a one-tier busing system save money?
 - a. New buses will need to be leased, but the cost of the new leases will be more than offset (to the tune of over \$100,000) by fuel, wage, benefits, and maintenance savings.

15. If budget is an issue – why offer PE at the elementary levels?
 - a. Illinois School Code dictates that PE is offered at all levels and all students have exposure to the program.

16. Why are you asking taxpayers for money and not lobbying Representatives or engaging in conversations with the Landfill to have them forgive what is owed?
 - a. Two meetings have been set with Representative Demmer and subsequently cancelled. Another meeting is currently in the process of being set-up.
 - b. The District has begun positive discussions with Advanced Disposal. The intent of the conversation is not simply to try and re-coup monies we are paying to them via the PTAB decision, but to also form a strong community partnership that could benefit both parties for years to come.

17. What does the elimination of Athletics and Activities at the Junior High really mean?
 - a. It means that all athletics and activities will not take place next year. This includes all sports, but also activities such as Student Council, activities such as dances, and all other clubs and activities that meet outside of the school day.