RESOLUTION 16-08

IN SUPPORT OF THE MONROE COUNTY COMMUNITY SCHOOL CORPORATION'S CONTINUING FUNDING REFERENDUM

WHEREAS, In 2009, the State of Indiana changed its public school-funding formula to shift schools' reliance from property tax to income and sales tax for general fund revenue; and

WHEREAS, At the Monroe County Community School Corporation (MCCSC), 91 percent of general fund revenue is used to pay salaries and benefits for teachers, other certified staff and personnel; and

WHEREAS, as a result of the change away from reliance on property taxes, MCCSC experienced a $2.9 million loss in funding by December 2009; this severe cut came at a time when MCCSC was already suffering a budget shortfall due to reduced enrollments and increased costs in other areas – in all, MCCSC was left with the need to reduce annual expenditures by $5.8 million in order to avoid a substantial budget deficit; and

WHEREAS, the consequences of such budget reductions were devastating and systemic; to compensate for the shortfall and maintain its statutory requirement to have a balanced budget, MCCSC <u>was forced to make many drastic cuts including</u>:

- cut 71 teaching and teaching-related positions; and
- increase class size; and
- close its only alternative school -- Aurora Alternative High School; and
- discontinue its summer school program; and
- eliminate funding for coordinators of extracurricular activities; while funding for such activities was restored by 90% due to the extraordinary fundraising efforts by the Foundation of Monroe County Community Schools and the generosity of the community, this was a one-time heroic fund-raising effort unlikely to be repeated; and

WHEREAS, in response to the lack of adequate funding for education, in 2010 our community overwhelmingly supported a referendum for an increase in the property tax rate for all residents within the Corporation limits not to exceed 14.02 cents ($0.1402) on each one hundred dollars ($100) of net assessed valuation until 2016; and

WHEREAS, as a result of the successful referendum, the cuts mentioned above were reversed and programs at the MCCSC enhanced; and

WHEREAS, as the funding under the 2010 referendum is expiring on December 31, 2016, it is necessary to hold another referendum to continue the funding provided by the previous referendum; and

WHEREAS, public education has a direct impact on the quality of life in Bloomington:

- a good public school system provides opportunity for *all* of its students to thrive and excel, these students are more likely to grow up to be residents who are gainfully employed, are engaged in the community and contribute to the common good;
- a quality school system is an important economic development tool – companies often look to the success of a local school corporation in deciding whether to retain or locate their businesses in our community;

- the quality of our public schools is strongly linked to public safety and the fiscal health of the community – students who are products of struggling schools are more likely to ultimately become dependent on social services for daily survival; similarly, these students are more likely to become involved in the criminal justice system. Both dependency on social services and involvement with the criminal justice system cost the community significant amounts of money; and

WHEREAS, MCCSC has sponsored a referendum question, which will appear on the election ballot of all residents of the Corporation in November 2016; and

WHEREAS, the continuing referendum will have a *lower* tax rate not to exceed 11.5 cents ($0.1150) per each one hundred dollars ($100) of assessed valuation; and

WHEREAS, the continuing property tax assessment requested by MCCSC would not be calculated as part of the taxes that are subject to the "cap" placed on property taxes by the Indiana General Assembly in 2008; and

WHEREAS, the continuing referendum would raise up to approximately $7.3 million annually for the next six years and will allow the school system to continue to fund vital teaching positions, improve student-teacher ratios, and educational services; and

WHEREAS, without the continuing referendum, MCCSC will face once again the cuts mentioned above; and such reduced services will translate into students whose needs are unmet or underserved and a community whose quality of life is compromised;

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION I. The Common Council of the City of Bloomington, Indiana supports the MCCSC funding referendum, in the November 2016 election, finding that the continuing referendum fosters the health, welfare and safety of Bloomington residents.

PASSED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 7th day of September, 2016.

ANDY RUFF, President
Bloomington Common Council

ATTEST:

NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this 9th day of September, 2016.

NICOLE BOLDEN, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this 9th day of September, 2016.

JOHN HAMILTON, Mayor
City of Bloomington

SYNOPSIS

This resolution is sponsored by all Councilmembers and expresses support for the Monroe County School Corporation's (the Corporation) continuing funding referendum to appear on the ballot in November 2016. The resolution points out that the wellbeing of the community is closely tied to the quality of our public schools. Quality schools are a key component of economic development, make for safer communities, save residents money in the long run and produce future residents who contribute to the collective community good. Since the State of Indiana shifted its public school funding in 2009 from reliance on property tax to reliance on sales and income tax, the Corporation suffered significant funding cuts. In response to the funding loss, in 2010, the community overwhelmingly passed a tax referendum to restore teachers to the classroom and to restore many critical educational services. As the 2010 referendum is soon expiring, Res 16-08 expresses support for the Corporation's continuing referendum, a measure that will levy a tax rate increase of approximately 11.5 cents per $100 of net assessed valuation for the six years immediately following the referendum's passage. The continuing referendum ensures that the Corporation will continue to fund vital teaching positions, improve student-teacher ratios, and educational services.