

Howard Lake-Waverly-Winsted Public Schools



2023 Referendum - Fast Facts Vote November 7

We have a lot to be proud of at Howard Lake-Waverly-Winsted Public Schools. Our kids are not just learning – they’re thriving! Unfortunately, inflation, and state funding increases that don’t keep pace with inflation has created budget challenges that we’ve been talking about for years.

We’re proposing a “We Are All Lakers” operating levy referendum based on these themes:

We are all about growing

We are all about learning

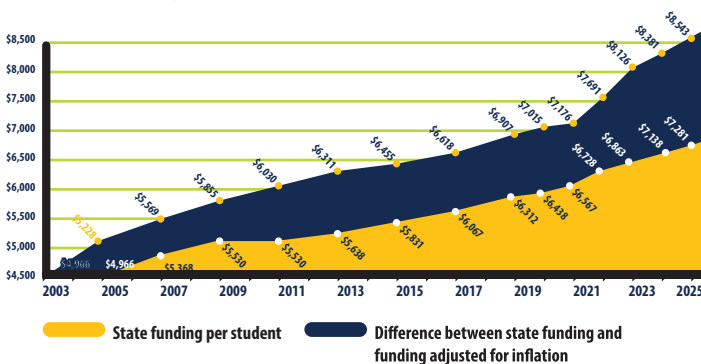
We are all in this together

The Need

HLWW is not the only school district with **financial challenges**. Our challenges stem from:

- State education **funding increases have not kept pace with inflation**
- Previous **operating levy expiration**
- **Costs are increasing**
- End of Covid/ESSER funds

The Basic Education Formula Continues to Lag Behind Inflation
Had state funding increased by the rate of inflation each year since 2003, 2025 funding would be \$8,543 per student, \$1,262 more than actual



Source: MDE June 2023 Inflation Estimates

Had funding from the state increased at the rate of inflation, HLWW Schools would receive \$1.6 million more next school year alone. Meanwhile, cost increases, such as in critical special education programs, for example, is expected to cost the district significantly more than it receives this year from the state and federal governments.

We’ve **proactively managed our finances** by:

- Consistently adjusting our budget - we made **\$550,000 in budget adjustments** this year
- Many adjustments were made by **not refilling positions** after retirements or resignations

Even though cuts were made, the district is expecting ever-increasing deficit budgets if no action is taken. **By 2027, the fund balance (savings account) will be more than negative 2.5% of budget, the threshold that would lead to a state takeover.**

The Plan

The HLWW School Board unanimously approved an operating levy referendum for the Nov. 7 ballot that will restore teaching positions and enhance the educational program.

How Will the Money be Spent?

We are all about growing

a school district that can compete with any other.

- Attract and retain quality staff
- Attract and retain students/families

We are all about learning

by providing a strong future for our students.

- Keep class sizes low
- Potentially restore teaching positions
- Update and enhance classroom resources and curriculum used for learning
- Enhance career training pathways to better prepare students for post-graduation

We are all in this together

to improve our communities through education.

- Community-based strategic planning process
- Long-term opportunities with new leadership, a new approach, and new possibilities

We Are All NEW

New Leadership

Superintendent, two new board members

New Approach

Referendum has one question, not two, and asks for less than the rates of neighboring schools

New Possibilities

Strategic planning with community engagement component later this year

What if the referendum is not approved?

If the operating levy is not approved, we will be forced to undertake further and more drastic budget cuts. Even with those cuts we do not believe we can make enough budget reductions to solve our financial challenges as the size and scope of our unfunded and underfunded mandated programs are such that we would not be able to bring our budget into balance using cuts alone. The nature of the budget cuts we would make this year would result in larger class sizes, reduced aid for students needing additional support and elimination of some in-school and out of school opportunities for students.

The Cost

If the referendum is approved, a home valued at \$300,000 would see a tax increase of about \$17 monthly.

ONE ACRE

Including house, garage:
Amount of property on which a farm pays operating levy taxes.



The tax impact on residences is less than a Friday night pizza dinner for the average family.



Q: Does the quality of schools really affect property values?

Yes. According to a National Alliance of Business report, "The second most often cited reason for a business selecting a particular location is the quality of the schools." Good schools are also shown to attract and retain families. A community that attracts families and businesses tends to have a stronger tax base, higher home values, and a tax burden that is spread more widely.

Get Your Questions Answered

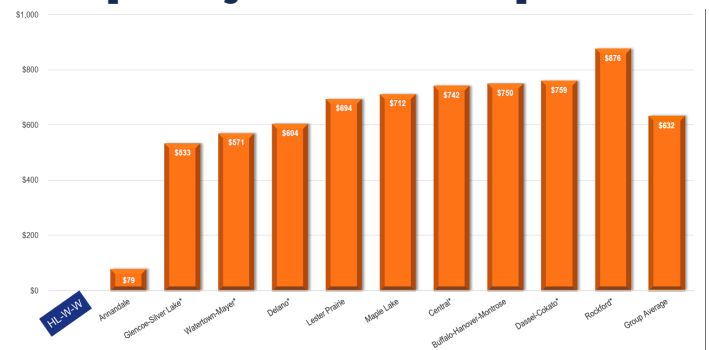
If you have questions regarding our district's **We Are All Lakers** referendum, please visit www.hlww.k12.mn.us, or contact us via email at nwalbruch@hlww.k12.mn.us

VOTE NOV. 7

Financial Comparisons to Other School Districts

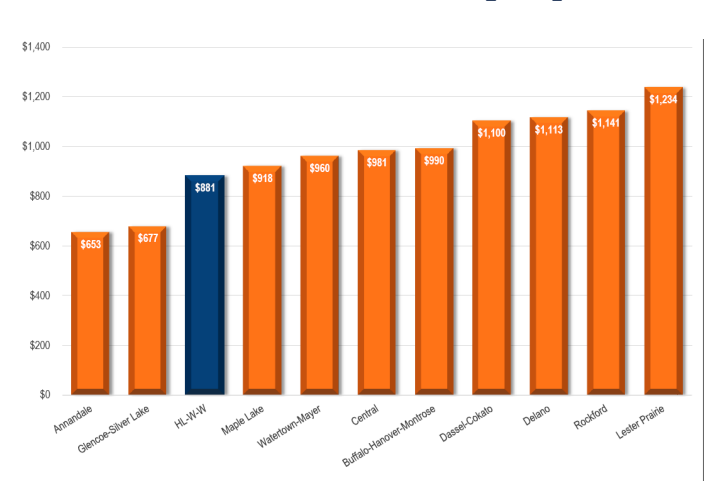
The HLWW School District has among the lowest taxing rates compared to neighboring schools. Even if the proposed referendum passes, the school tax bill would remain in the lower half of neighboring schools.

Operating Referendum Comparison



Source: MDE School Tax Reports \$8,000/Acre Estimated Market Value

Residential Total School Property Taxes



Source: MDE School Tax Reports \$250,000 Estimated Market Value