



BLUFFTON-HARRISON METROPOLITAN SCHOOL DISTRICT

*"A LEARNING COMMUNITY WHERE A QUALITY EDUCATION EMPOWERS
ALL STUDENTS TO LEARN AND ACHIEVE TO THEIR FULL POTENTIAL."*

805 EAST HARRISON STREET
BLUFFTON, IN 46714

PHONE 260.824.2620
FAX 260.824.6011
WWW.BHMSD.ORG

BHMSD Stakeholders:

At the Monday, April 17, 2023, meeting of the Bluffton-Harrison MSD Board of School Trustees, potential budget figures were presented in regards to safety needs in our district. I would like to take this opportunity to share with our school community what those figures are, how they were determined and the tax implications of a safety referendum for BHMSD.

During the March school board meeting, I was directed to develop a proposed budget outlining the district's needs in regards to a school safety security referendum. Following our March meeting, I met individually with each of our school principals to gather feedback regarding school safety needs in our school buildings. Each building provided valuable insight to explore potential expansions in our safety and security efforts.

Safety and security needs were identified into three tiers: 1, 2, and 3 with tier 1 being most important. As a result, we have been able to develop the following proposed budget for Year 1 through Year 8 of a potential referendum period. Our primary focus areas included school resource officers (SRO) and mental health personnel. SRO estimated costs were used based upon our current service contract with the Bluffton Police Department. Mental health personnel estimates were based on Fort Wayne market averages.

Based upon our review of programming and services, I shared the following proposed estimated annual budget in 2024 costs with the Board members. More information about what is included in the budget figures is detailed in the attached document.

- Tier 1 Total: \$420,000
- Tier 2 Total: \$225,000
- Tier 3 Total: \$200,000

Using the proposed estimated annual budget amounts for each tier, we have identified tax rate levels needed to support programming throughout the duration of an eight-year safety referendum period. To best estimate projected costs and tax support over the eight year period, the following assumptions were made:

- Assessed valuation annual increase of 2.8%
- Program cost annual increase of 6.0%

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Combining the tiered budgets with the estimated costs and tax support, a solvency test was conducted to determine the long-term viability of programs at various referendum tax rate levels. The results of the solvency test are as follows:

- Tier 1, 2, & 3 Expenses outpace tax supported levels at all tax rates (Year 2)
- Tier 1 & 2 Expenses outpace tax supported levels at all tax rates (Year 6)
- Tier 1 Expenses are tax supported at tax rates .0750 or higher.

The following timeline provides a snapshot of the process to get to this point and a look at what may come:

- December 2022: Board members approved completing a tax study for the district through the calendar year 2030.
- February 2023: Board members indicated their support to engage with legal consultants to examine the pros and cons of a school safety referendum, including a timeline of necessary steps, an assessment of needs and related budget figures, and the tax implications for BHMSD taxpayers.
- March 2023: The board directed the superintendent to develop a proposed budget of BHMSD's safety needs.
- April 2023: The proposed budget is publicly presented. In order to ensure our community members have ample time to engage with BHMSD administration prior to any potential board action at the May 15, 2023, board meeting, the matter was tabled.
- May 2023: Formal board action is required to put the referendum on the November 2023 ballot.

I appreciate your interest in learning more about the proposed referendum budget and process. Please reach out to me if you have any questions regarding the scope of potential programming and/or the estimated expenditures. BHMSD appreciates your support and feedback as we work together to provide a safe, healthy environment for students to flourish.

Sincerely,

Dr. Brad Yates
Superintendent

**BHMSD Safety & Security
Calendar Year 2024-2031**



Estimated Tier 1 Expenditures	Cost
School Resource Officer - Elementary School	\$80,000
School Resource Officer - Middle School	\$80,000
School Resource Officer - High School	\$80,000
Mental Health Counselor - District	\$100,000
Visitor Management System	\$10,000
Contracted Services for At-Risk Students	\$50,000
General Safety/Security Upgrades	\$20,000
Subtotal	\$420,000

Estimated Tier 2 Expenditures	Cost
Social Worker - K-6	\$75,000
Social Worker - 7-12	\$75,000
Alternative Placement Educator	\$75,000
Subtotal	\$225,000

Estimated Tier 3 Expenditures	Cost
Building Security Upgrade (Physical)	\$100,000
Automated Alert System	\$100,000
Subtotal	\$200,000

Assumption: Tier 1-3 estimated expenditures are all in 2024 values.

Referendum Tax Rate	Tax Support Levy	Referendum Tax Rate	Tax Support Levy
0.0429	\$249,966	0.0700	\$407,870
0.0500	\$291,336	0.0750	\$437,003
0.0550	\$320,469	0.0800	\$466,137
0.0600	\$349,603	0.0900	\$524,404
0.0650	\$378,736	0.0950	\$553,538
0.0675	\$393,303	0.1000	\$582,671

Calendar Year	Beg of Year Fund Balance	Estimated Expenditures	Estimated Tax Support Levy
2024	\$0	\$210,000	\$437,003
2025	\$227,003	\$432,600	\$449,240
2026	\$243,643	\$458,556	\$461,818
2027	\$246,905	\$486,069	\$474,749
2028	\$235,585	\$515,234	\$488,042
2029	\$208,294	\$546,148	\$501,707
2030	\$163,954	\$578,916	\$515,755
2031	\$100,792	\$613,651	\$530,196
2032	\$17,337	\$0	\$0

Assumptions: Estimated expenditures increase annually by 6% and tax support levy (AV growth) increase annually by 2.8%.