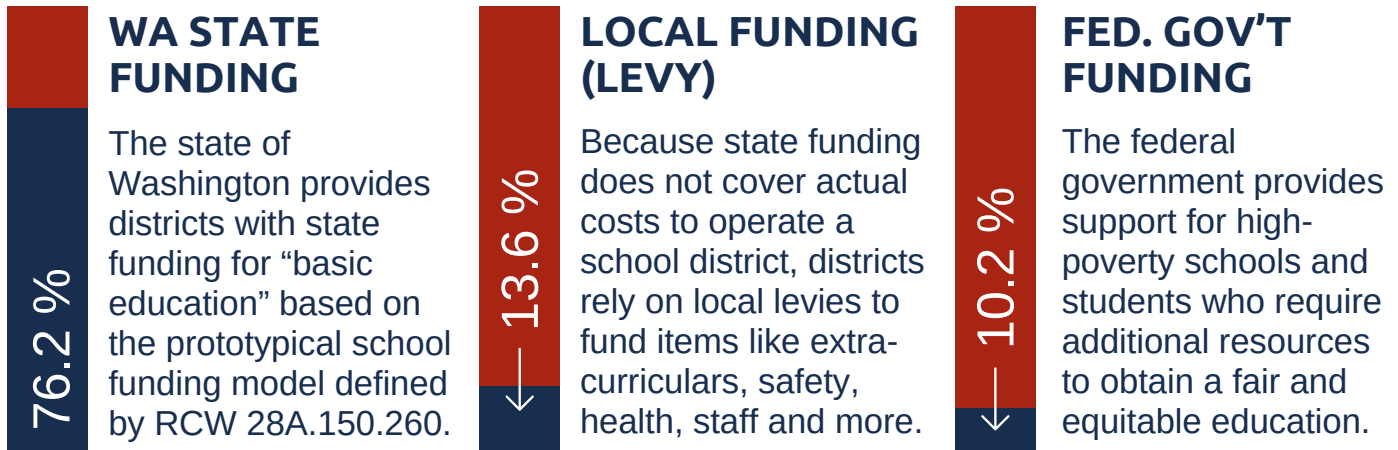


Where does our money come from?

More than 99.9% of the Mead School District's budget comes from three main sources: local, state and federal. Local dollars come from levies funded by taxpayers in the district. State dollars are primarily apportioned to districts based on the state's prototypical funding model. Federal dollars are grants restricted to a specific purpose.



How do schools use levy dollars?

Levies provide local funding that bridges the gap between what the state and federal governments pay and the actual costs of operating our schools at the level that our community wants and expects. Levies support essential programs, staff and services. Levies make up about 13.6% of the district's total operating revenue.

The replacement levy supports the Mead School District's commitment to learning and teaching, focuses on greater educational opportunity for all students and ensures ongoing funding for essential services and valued extra-curricular and co-curricular programs.

Levies must be approved by local voters and are based on local property valuations. Property owners are taxed by a set amount for each \$1,000 of their assessed property value. **Once a levy is approved, the total amount collected by the school district cannot be increased even if local property values increase.** When community property values increase, the tax rate (amount paid per \$1,000) decreases.

On the February 2024 ballot, Mead School District voters will be asked to vote on a three-year replacement levy for educational programs and operations at an estimated tax rate of \$2.50 per \$1,000 of assessed valuation.

Why more? Why now?

Mead School District made \$10 million in cuts over the past 4 years, while also increasing efficiency and tightening program/building budgets. In this levy renewal, the district seeks to maintain valued programs and services, **while also increasing investments in two areas: safety & security and updates to curriculum in the areas of science, mathematics, and social studies.**

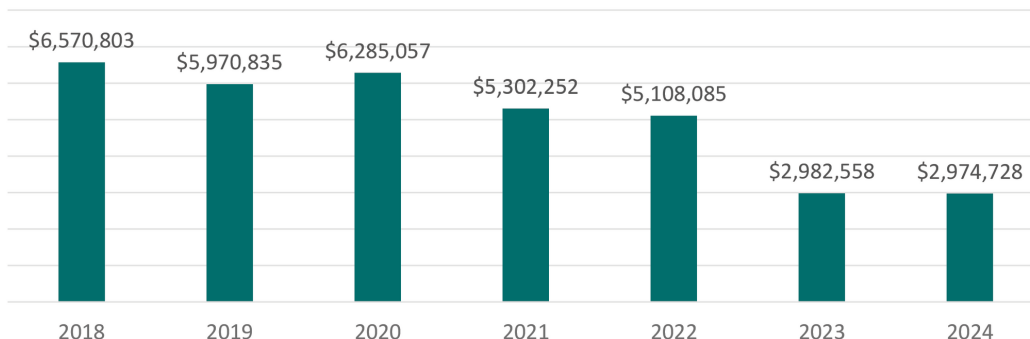
CONFLUENCE OF FACTORS LED TO REDUCTIONS

- Mead was one of two districts in Spokane County to receive state regionalization funds associated with the McCleary decision. Mead's regionalization funds were eliminated in 2023.
- As shown in the chart below, McCleary legislation significantly reduced money available via state provided Local Effort Assistance (LEA), including \$3.58 million less in 2023-24 than in 2018-19.
- Federal ESSER monies (one-time pandemic relief), used for learning recovery and to assist with loss of enrollment during the pandemic, have been exhausted.
- District enrollment continues to be well below pre-pandemic levels due to a combination of online and homeschool options, a very small incoming kindergarten cohort (district-wide), and fewer than normal move-ins as a result of increased home costs and high interest rates.
- Day-to-day operational costs (i.e. - fuel, utilities, food, insurance, etc.) have increased significantly. Additionally, the opening of four new facilities in the past three years - Creekside Elem., Skyline Elem., Highland MS & Union Stadium - has contributed to large increases in operating costs.

Local effort assistance (LEA)

School levies also activate equalization dollars from the state called **Local Effort Assistance (LEA)**. When a levy is passed, the state provides additional funding to enhance student access to educational enrichments. LEA funding formulas changed with the McCleary legislation in 2018, **meaning many districts - including Mead - will receive significantly less in LEA.**

Mead SD – Local Effort Assistance Funding
(State Levy Match)



Source: OSPI Report F196, 2022-23 OSPI Report 1197, *2023-24 Budget F-195

Levy-funded programs and staff & taxpayer costs

ACADEMICS

- Elective Course Offerings
- Advanced Placement Courses
- Elementary Specialists
- Staff for Small Class Sizes
- Special Education

FUTURE READINESS

- Work-Based Learning
- Career-Track Opportunities
- STEM Courses
- Technology

STUDENT SUPPORT

- Nurses & Para Ed Support
- Counselors & Social Workers
- English Language Learning
- Student Intervention Support
- Transportation

EXTRA-CURRICULARS

- Band, Choir, Orchestra
- Athletics in MS and HS
- Debate and Drama
- Student Clubs

FUNDED BY THE STATE **352.7**



CLASSROOM TEACHERS

76.6 FUNDED BY OUR LOCAL LEVY

FUNDED BY THE STATE **3.85**



NURSES

9.0 FUNDED BY OUR LOCAL LEVY

FUNDED BY THE STATE **15.4**



FACILITIES/MAINTENANCE

9.6 FUNDED BY OUR LOCAL LEVY

FUNDED BY THE STATE **20.0**



PARAEDUCATORS

31.8 FUNDED BY OUR LOCAL LEVY

FUNDED BY THE STATE **40.6**



CUSTODIANS

21.4 FUNDED BY OUR LOCAL LEVY

What is the cost to the taxpayer?

WHAT AM I, AS A PROPERTY OWNER, PAYING CURRENTLY THROUGH 2024?


\$500,000 HOME*

\$1.68 LEVY

+\$1.32 BOND

\$3.00 PER \$1,000

= \$1,500 PER YEAR

WHAT WILL I PAY FROM 2025-27 IF THE LEVY IS APPROVED?


\$500,000 HOME*

\$2.50 LEVY

+\$1.15 BOND

\$3.65 PER \$1,000

= \$1,825 PER YEAR

**DIFFERENCE OF \$325
OR \$27.09/MONTH**

Go to mead354.org/tax to use our tax calculator!

SO, WHAT CHANGES IF LEVY IS APPROVED?

CURRENT \$1.68 EP&O LEVY EXPIRES AFTER 2024

THREE-YEAR LEVY BEGINS IN 2025 AT \$2.50 TAX RATE

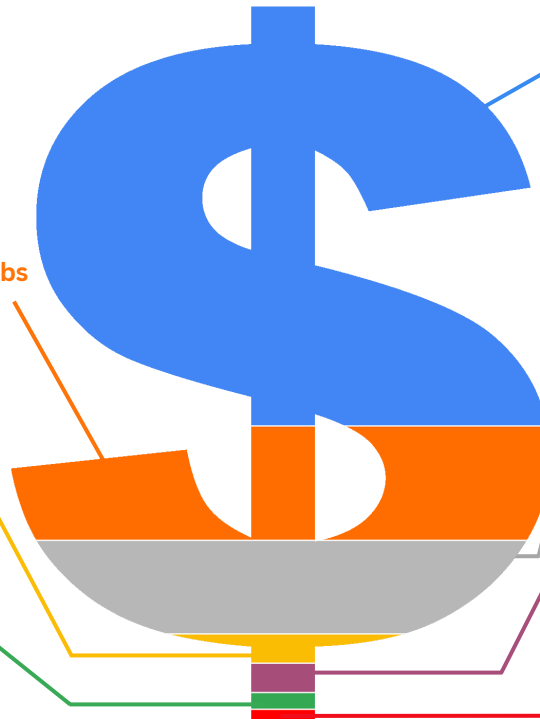
TOTAL TAX RATE, INCLUDING EXISTING BOND AND LEVY WOULD BE \$3.65 IN 2025

Tax rates reflected in this example are the total tax rate, which includes both the existing bond and estimated levy.

* Median sold home price in Mead according to Realtor.com in September 2023.

What does the levy pay for?

Breakdown of each levy dollar

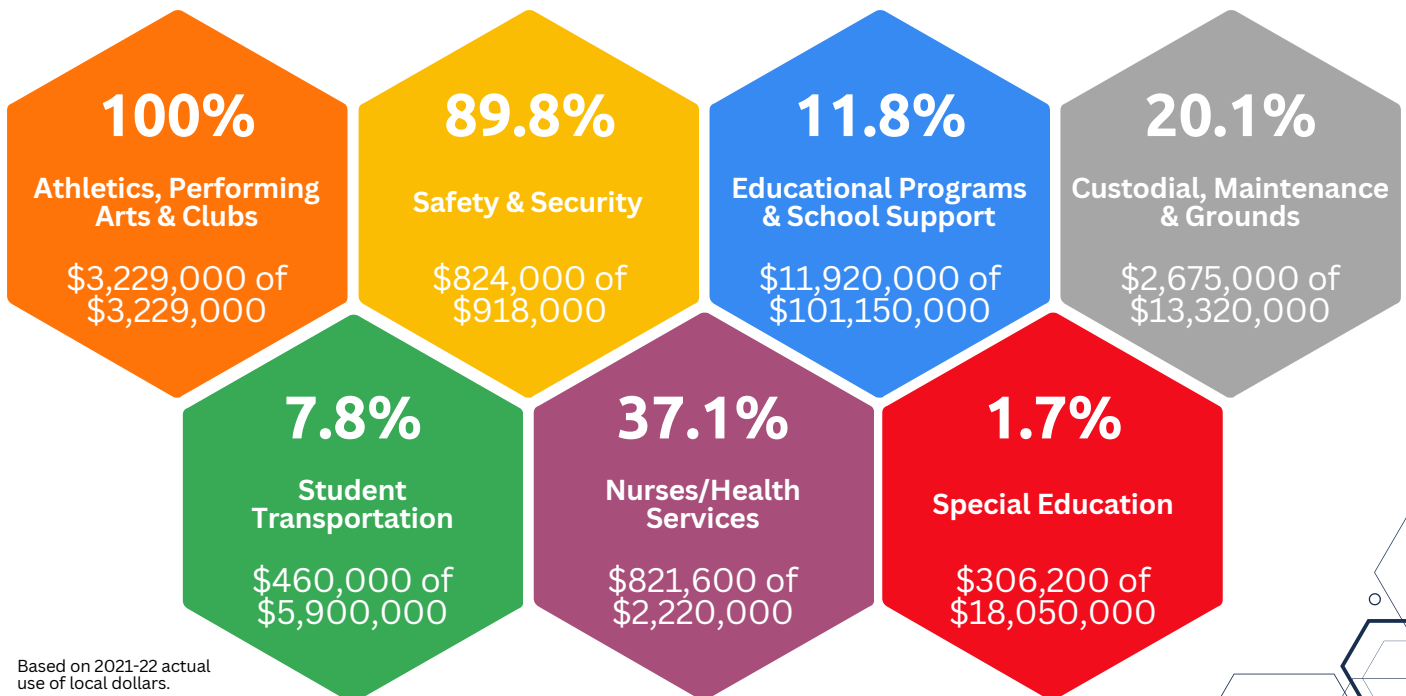


- 16¢ Athletics, Performing Arts & Clubs**
\$3,229,000
Pays for 100 percent of all arts, athletics, clubs & student extra-curricular activities
- 4¢ Safety & Security**
\$824,000
Security improvements and services for all district facilities and schools
- 2¢ Student Transportation**
\$460,400
Funding provides additional free transportation for district students like activity buses and more

- 59¢ Educational Programs & School Support**
\$11,920,000
Teachers, paraeducators, counselors, advanced classes, library, administrative support, summer programs, technology, professional development
- 13¢ Custodial, Maintenance & Grounds**
\$2,675,000
Funding for additional maintenance, custodial & grounds staff to keep our buildings clean & safe
- 4¢ Nurses/Health Services**
\$821,600
Provides funding for nursing coverage in all buildings at all times
- 2¢ Special Education**
\$306,200
Provides additional funding for Special Education to provide required services that meet student needs

Based on 2021-22 actual use of local dollars.

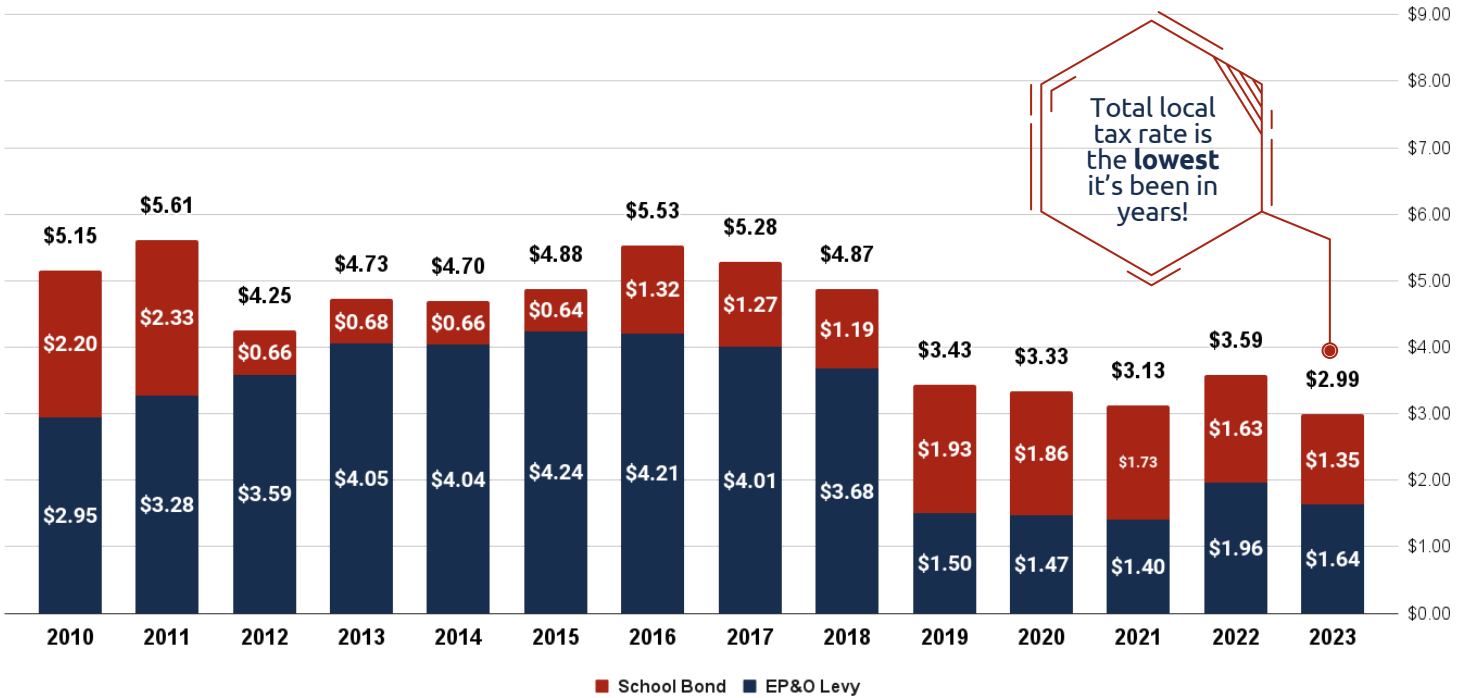
The items below represent the levy dollars as a percentage of the total budget for the category listed. It provides a look into how the levy fills the gaps left by the state's prototypical school funding model. **Colors coordinate with the items listed above.*



Based on 2021-22 actual use of local dollars.

Tax rate history & county rate comparison

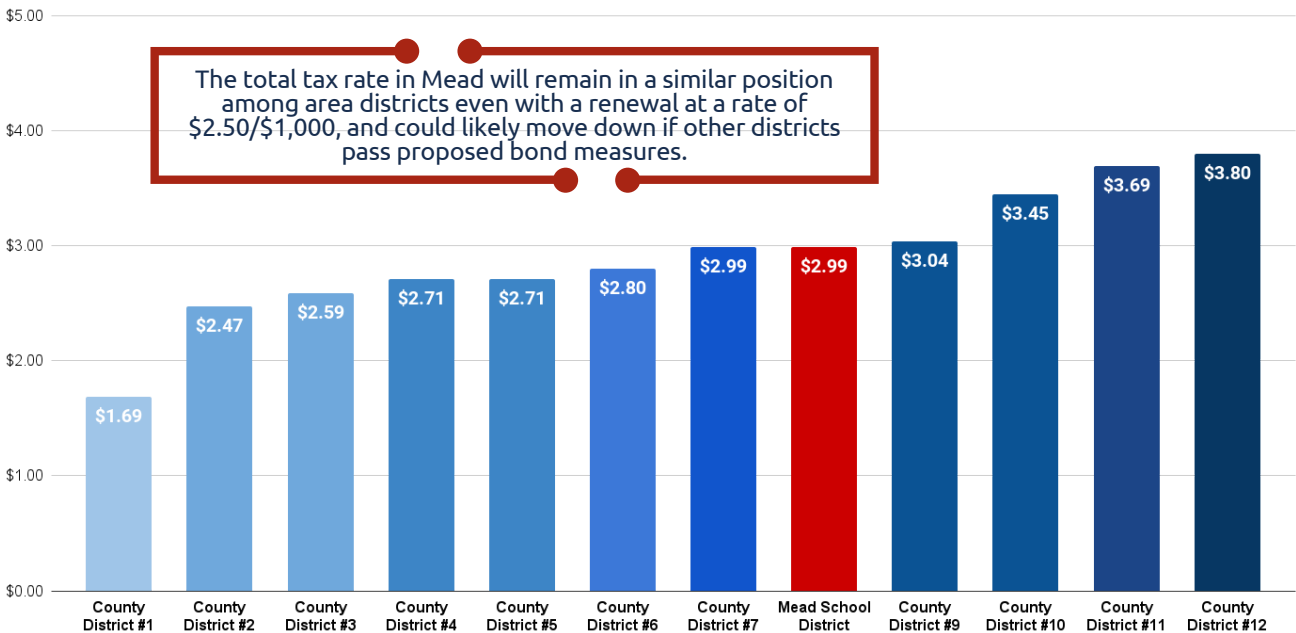
Mead School District Tax Rate History
Tax Rates/\$1,000



Source: State of Washington, Office of Superintendent of Public Instruction, County Assessor Annual Report

How does Mead compare *currently* in Spokane County?

Spokane County School Districts 2023 Tax Rates



Source: State of Washington, Office of Superintendent of Public Instruction, County Assessor Annual Report



Frequently asked questions

WHAT IS THE DIFFERENCE BETWEEN A LEVY AND A BOND?

Levies are for learning and bonds are for building. A levy, which the Mead School District has run on a three-year cycle, is used for essential services, programs and activities that are not funded by the state and are critical for providing a well-rounded and comprehensive education. A bond is used to build, renovate or modernize schools and cannot be used toward educational programs or operations. Bonds, similar to a home mortgage, represent a debt that is generally amortized over a much longer period of time (15, 20, or even 25 years).

WHAT DOES A LEVY DO?

Levies provide local funding that bridges the gap between what the state provides districts to operate schools and the actual costs of operating a school district. In addition to supplementing day-to-day operational costs, the levy also provides funding for a number of valued programs and people. In fact, ALL of the district's athletics, activities, and performing arts programs are funded solely by levy dollars (learn more about what the levy funds at www.mead354.org/levy). Our superintendent likes to say, "*There are the schools our state funds and the schools our community wants and expects. Basic Education Funding provided by our state is just that – funding for a very BASIC education.*" **Levies make up about 13.6% of the district's total operating revenue.**

WHAT WILL THIS REPLACEMENT LEVY COST?

The estimated levy tax rate for Mead School District would be \$2.50 per \$1,000 of assessed valuation. For a \$400,000 home, that equals \$1,000 per year or about \$83 per month. ***This levy is not a new tax. It will replace the existing levy (passed in 2021) that expires in 2024.*** The estimated levy tax rate of \$2.50 per \$1,000 of assessed valuation is also lower than in 2018 and prior years.

WHAT HAPPENS IF PROPERTY VALUES INCREASE?

If property values go up, the tax rate is adjusted downward. **The school district cannot collect more than the total amount approved by voters.** Increases in property values do not generate more revenue for the school district.

HOW DOES THE DISTRICT DECIDE HOW LOCAL FUNDS ARE UTILIZED?

Throughout recent years, the Mead School District has conducted a combination of surveys, focus groups and community engagement meetings with both staff and community members. The feedback gained has directly informed the District's strategic plan and top priorities for continuing to develop a well-rounded education. In addition to extra-curricular activities, elective courses, staff for small classes sizes and student support staff, levy resources help fund our community-driven strategic priorities, which can be found in our strategic plan by visiting www.mead354.org.

