



INDIAN RIVER SCHOOL DISTRICT
CURRENT EXPENSE REFERENDUM
MARCH 20, 2025



WHAT ARE DISTRICT RESIDENTS BEING ASKED TO APPROVE?

Increase in property taxes to fund:

- Increased operating costs
- Recruitment and retention of staff

IRSD has not passed a current expense referendum since March 2017

WHY IS THIS NEEDED?

- In the past three fiscal years, district operating expenses have increased an average of **7.4%** (largely due to inflation and unit growth), while revenue has increased by only **3.55%**
 - Utilities
 - Energy
 - Transportation
 - Substitute costs
- District must offer a competitive salary package that will attract talented educational professionals and maintain quality programs and services provided to students

IRSD filled nearly 100 percent of its instructional positions in 2024-2025 despite a national teacher shortage. This was the result of a positive and supportive working environment and a competitive salary package.

WHY IS THIS NEEDED?

- IRSD has not hosted a current expense referendum in eight years (2017)
- District cannot cut expenses enough to offset the need for a referendum
- Additional local revenue is needed to keep the district running efficiently and to provide quality services to students
- Staff reductions will occur even with passage of the referendum

Federal ESSERF funds provided to school district during the COVID pandemic have expired, causing some positions to be either released, hired full-time through attrition or transitioned into local funds

WHAT HAS THE DISTRICT DONE TO SAVE MONEY?

- Examined efficiency in workforce and consolidated positions when possible
- Redirected workforce through attrition
- Managed some bus routes in-house instead of using bus contractor
- ESCO project to save on energy costs
- Used federal E-rate funding for wireless technology purchases
- Explored less expensive alternatives for technology equipment and services (Zoom to Teams)
- Planned staff reductions even with passage of referendum
- District will continue to comply with class size regulations while reexamining the need for some ancillary and support positions

WHY DO WE DO THIS? HERE'S WHY...

IRSD IN THE NEWS:

East Millsboro teacher wins Presidential STEM teaching award

“We Are IRSD” Festival connects to community

Long Neck and North Georgetown Recognized by State

Timmons Wins STEM Award

Lord Baltimore earns Blue Ribbon Award

Career professionals inspire Career and Technical Education students at Georgetown Middle School

Safety takes priority for school district

John M. Clayton Elementary receives recognition from Project Lead the Way



WHY DO WE DO THIS? HERE'S WHY..

IRSD IN THE NEWS:

Indians rally to capture DIAA Class 1A football championship

First-year IR unified flag football team rallies to win state championship

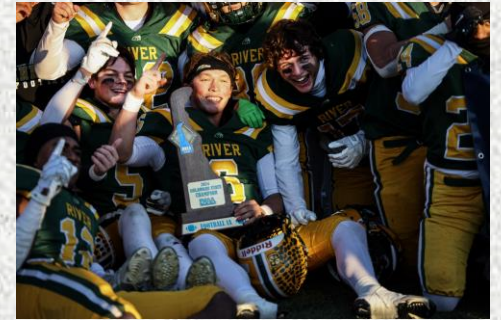
Lord Baltimore opens outdoor learning center

Two IRSD teams qualify for robotics world competition

Howard T. Ennis celebrates ribbon cutting

Showell wins state award for academic achievement

IRSD receives Reimagining Professional Learning Grant



IRSD STUDENTS TAKING IT TO THE NEXT LEVEL

IRHS CLASS OF 2024

Students offered **\$8.8 million** in scholarships and were offered admission to:

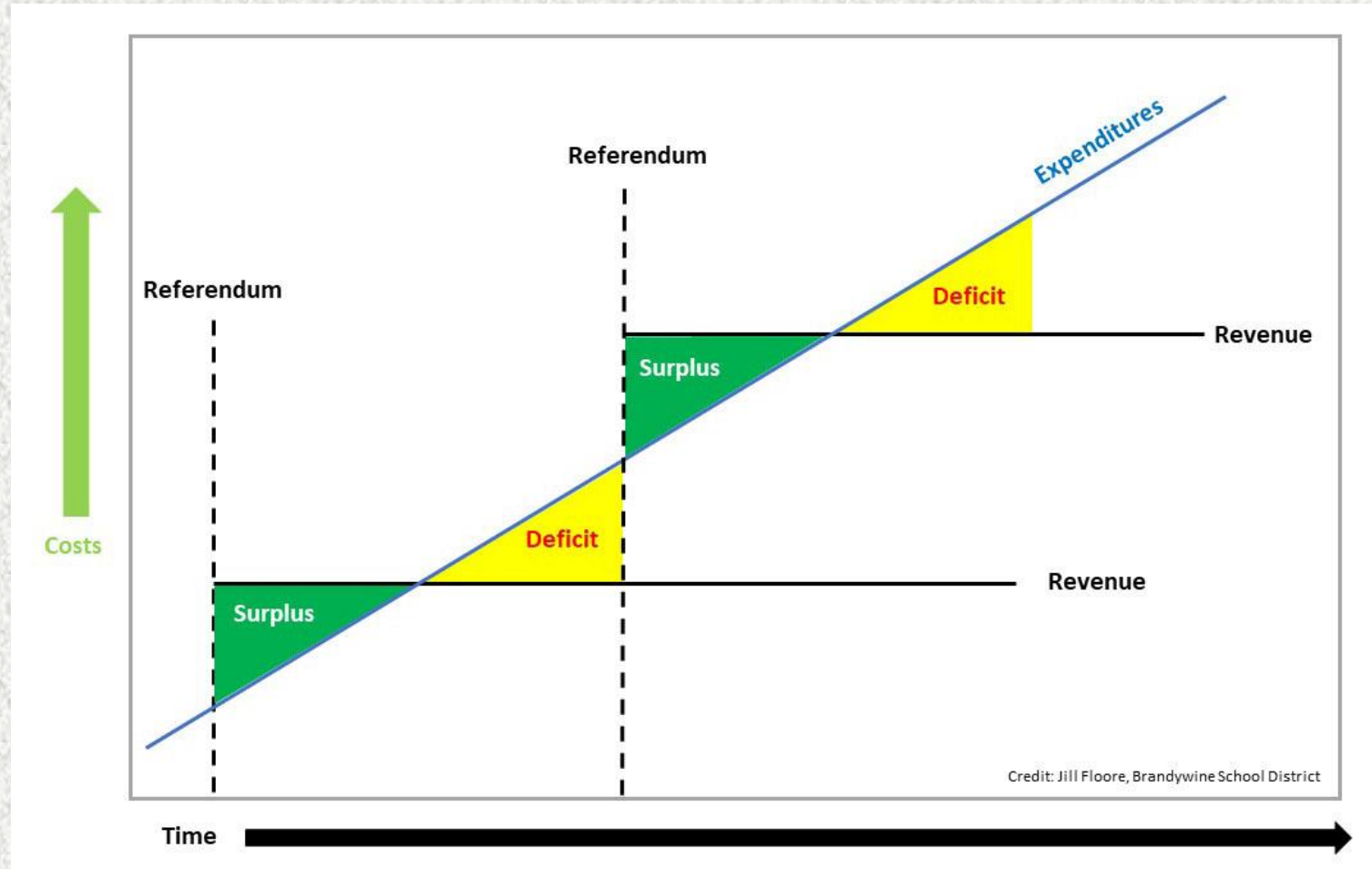
- University of Delaware
- Delaware State University
- Salisbury University
- West Virginia University
- Penn State University
- University of Kentucky
- Purdue University
- Ohio State University
- Savannah College of Art & Design
- Wake Forest University
- Clemson University
- Kansas State University

SCHS CLASS OF 2024

Students offered **\$5.68 million** in scholarships and were offered admission to:

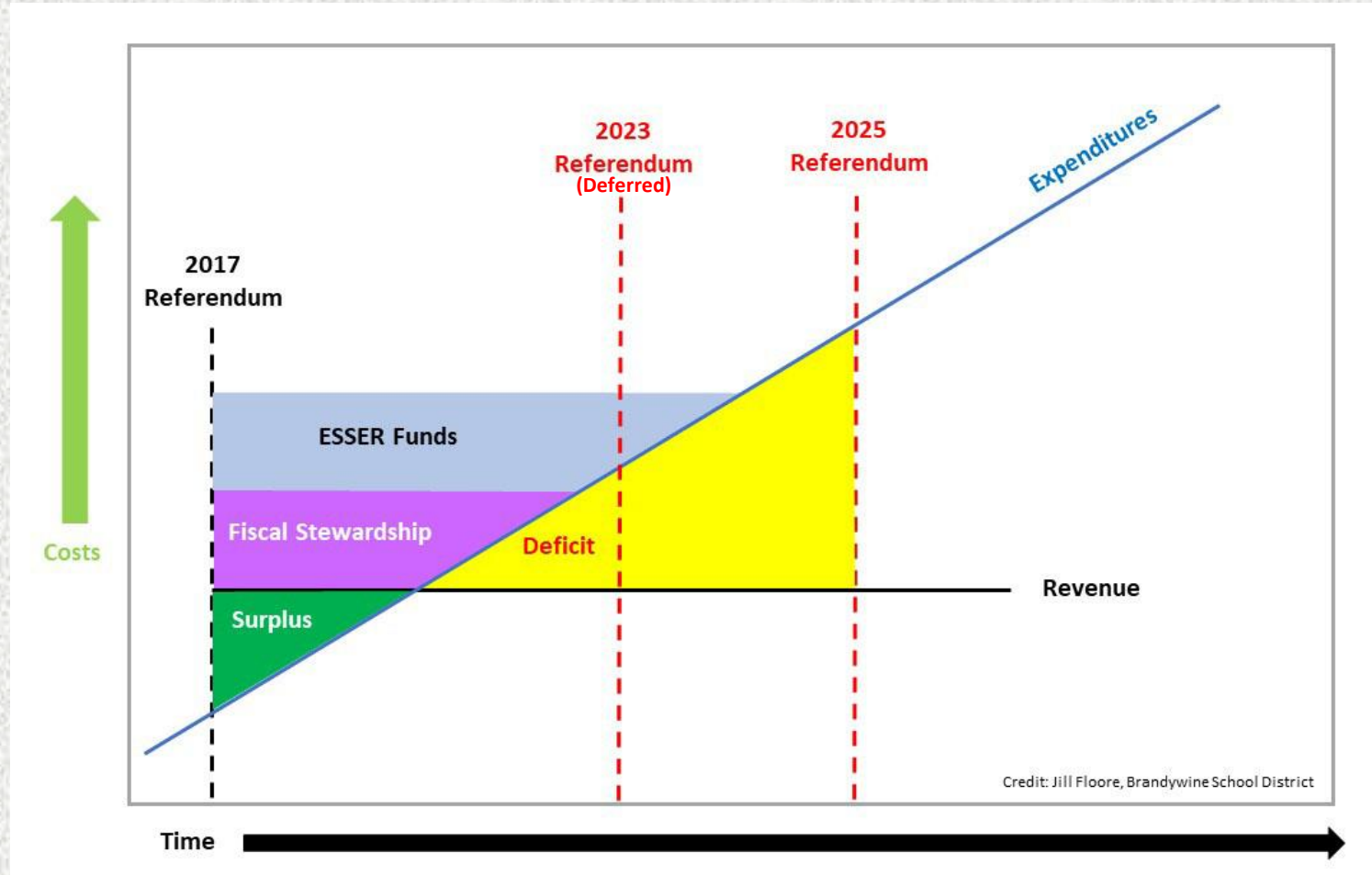
- University of Delaware
- Delaware State University
- Salisbury University
- Boston College
- Clemson University
- University of Illinois
- Arizona State University
- La Salle University
- Liberty University
- Monmouth University
- East Carolina University
- Virginia Wesleyan University

OPERATING REFERENDUM LIFE CYCLE



Districts typically build local reserve balances in the first few years after passing a current expense referendum, then spend down that reserve in subsequent years prior to the next referendum

OPERATING REFERENDUM LIFE CYCLE



Through Fiscal Year 2022, IRSD was in the accumulation phase from the 2017 current expense referendum. In FY23, the district began operating in a budget deficit

PER PUPIL EXPENDITURES VS TAX RATES

SUSSEX COUNTY - 2024

<u>District</u>	<u>Per Pupil</u>	<u>District</u>	<u>Tax Rate*</u>
Woodbridge	\$20,153	Woodbridge	4.9030
Seaford	\$19,477	Milford	4.4556
Indian River	\$19,095	Laurel	4.1775
Cape Henlopen	\$18,556	Delmar	4.1396
Milford	\$16,848	Seaford	4.1015
Laurel	\$16,822	Cape Henlopen	4.0282
Delmar	\$14,040	Indian River	3.2340

* - Per \$100 assessed value

Public non-technical school districts

IRSD PROPERTY TAX RATE COMPONENTS

FISCAL YEAR 2025

<u>Component</u>	<u>Rate*</u>
Current Expense	\$2.3500
Debt Service	\$0.2777
Tuition	\$0.5666
<u>Minor Cap</u>	<u>\$0.0397</u>
TOTAL	\$3.2340

* - Per \$100 assessed value

Referendum applies only to the Current Expense portion of the tax rate.

SUSSEX COUNTY PROPERTY REASSESSMENT

Property reassessment is underway in all three Delaware counties. In Sussex County, properties will be updated from 1974 assessed values to current market values.

For information about Sussex County property reassessment:

<https://sussexcountyde.gov/reassessment>

SUSSEX COUNTY PROPERTY REASSESSMENT

- County property reassessment will not impact the referendum
- Property reassessment must be revenue neutral for school districts
 - *Tax rates must be adjusted so that school districts collect the same amount as they did prior to reassessment*
- Residents will not be taxed at the current rates for their reassessed property values

If the referendum is successful, the Board of Education has voted not to collect up to 10% in additional local revenue as permitted by state law during years of reassessment.

REASSESSMENT CALCULATION

FOR REFERENCE PURPOSES ONLY

In 2024:

- The District is projected to collect approximately \$46 million.
- The taxable assessed value is **\$1.96 billion** in 1974 values.
- The District's current expense tax rate is **\$2.35 per \$100**.

In 2025: (estimate only – actual numbers yet to be determined)

- Assuming no growth, the District will collect approximately \$46 million.
- The taxable assessed value could be **\$40 billion** in 2023 values.
- Staying revenue neutral (pending School Board decision), the District current expense tax rate would be lowered to **\$0.1152 per \$100** under this scenario.

Calculations:

$\$1.96 \text{ billion} / 100 \times \$2.35 = \$46 \text{ million}$ and $\$40 \text{ billion} / 100 \times \$0.1152 = \$46 \text{ million}$

Revenue neutral is based on districtwide revenue, not on individual homes

Home 1: Taxable Assessed Value: \$24,000 (1974) - \$490,000 (2023); Current Expense Property Taxes: \$564.00 (2024) - \$564.24 (2025)

Home 2: Taxable Assessed Value: \$24,000 (1974) - \$780,000 (2023); Current Expense Property Taxes: \$564.00 (2024) - \$898.17 (2025)

Home 3: Taxable Assessed Value: \$24,000 (1974) - \$200,000 (2023); Current Expense Property Taxes: \$564.00 (2024) - \$230.30 (2025)

TOTAL: For three homes, the district COLLECTS **\$1,692.00** (2024) and **\$1,692.71** (2025)

SUSSEX COUNTY PROPERTY REASSESSMENT

OTHER POINTS TO CONSIDER...

- Higher-value homes that were previously **under-assessed** may see a tax increase
- Lower-value homes that were previously **over-assessed** may get tax relief
- Reassessment helps distribute the tax burden **more equally**

SUSSEX COUNTY PROPERTY TAX ASSESSMENT INFORMATION

sussexcountyde.gov

Click on “Tax Information” at bottom right

Information on tax assistance programs for senior citizens, disabled residents and low-income families

sussexcountyde.gov/tax-assistance-programs

Sussex County Tax Billing Office: (302) 855-7871

WHAT WILL HAPPEN IF THE REFERENDUM DOES NOT PASS?

- District may have to eliminate a significant portion of its workforce, potentially impacting student services
- IRSD will not have the resources to attract talented instructional professionals and retain those currently on staff
- In midst of national teacher shortage, IRSD may not be able to compete with surrounding school districts for the same applicants
- Deficit spending will continue as operating expenses outpace district revenue streams

OVERALL TAX IMPACT

PROPOSED TAX RATE INCREASES

<u>Item</u>	<u>Cents</u>	<u>Additional Revenue</u>
Operating Expenses	0.6597	\$12,271,245
<u>Staff Recruitment and Retention</u>	<u>0.5508</u>	<u>\$10,244,531</u>
TOTAL INCREASE	1.2105	\$22,515,776

Figures reflect cents per \$100 assessed value

IMPACT TO AVERAGE TAXPAYER

\$289.23 per year

\$5.56 per week

\$24.10 per month

\$0.79 per day

*Based on average IRSD property assessment of **\$23,893** (Pre-reassessment)*

WHEN AND WHERE CAN I VOTE?

MARCH 20, 2025

7:00 A.M. - 8:00 P.M.

Polling Places

East Millsboro Elementary School

Georgetown Elementary School

Indian River High School

Long Neck Elementary School

Lord Baltimore Elementary School

Millville Community Center (32517 Dukes Drive, Millville)

Selbyville Middle School

Sussex Central High School

Incident Weather Date: March 27

VOTER ELIGIBILITY

- Indian River School District residents who are U.S. citizens at least 18 years of age are eligible to vote in the referendum. Voter registration is not required, but residents must provide proof of identification or residency at each polling place.
- Residents do not have to own their home to be eligible to vote
- Residents may vote at any of the eight polling places
- Absentee ballots may be requested via U.S. Mail until noon on **Friday, March 14**. In-person absentee voting is available at the Department of Elections Sussex County Office until noon on **Wednesday, March 19**. Request for Absentee Ballot forms are available at all district schools.
- For more information, contact the Department of Elections Sussex County Office at (302) 856-5367 or via email to: absenteesc@delaware.gov



VOTE FOR OUR CHILDREN ON MARCH 20!

More information:

irsd.net/referendum

(302) 436-1079

referendum@irsd.k12.de.us

