

ACT 1 REFERENDUM QUESTION – Redbank Valley School District

Madison Township, Mahoning Township, South Bethlehem Borough, and Redbank Township

Do you favor imposing a 2.1983 mill tax increase on real property? The revenue generated from the increased tax rate will be used to offset cost increases to the district's 2018-2019 budget. This equates to an additional \$36 tax for a property assessed at the average assessment of \$16,203.

NON-LEGAL INTERPRETIVE STATEMENT REDBANK VALLEY SCHOOL DISTRICT, ARMSTRONG COUNTY

Under the Pennsylvania Taxpayer Relief Act, a local school board is prohibited from increasing the rate of school property taxes by more than a certain percentage – called the “index” – established each year by the Pennsylvania Department of Education. In order for a local school board to raise school property taxes by more than the “index” amount, the local school district must first request approval of that tax rate increase by the voters of the school district.

The Redbank Valley School District is requesting approval of a 2.1983 mill increase above the index amount. The School District will use the 2.1983 mill increase in tax revenues to offset the anticipated increased expense in employee retirement contribution and special education programming costs. The School District would need approximately \$124,735 of increased school property tax revenue, or a 2.1983 millage increase, to cover the anticipated increased costs on an annual basis.

If a majority of voters vote “no” on this referendum question, no school property tax increase above the index amount will occur. In order for the School District to have the funds available to pay for these increases, the School District would have to reduce other expenses through the laying off of professional and non-professional staff, reductions to student curricular and extra-curricular activities including reductions to athletic programs, reductions to instructional equipment and supplies used within the schools and a reduction of student technology purchases and services.

If a majority of voters vote “yes” on this referendum question, the increased tax rate will be imposed and the additional school property tax revenue will be used to continue to support the current professional and non-professional staff, curricular and extra-curricular activities including athletic programs, instructional equipment and supplies used within the school and current levels of technology.

The current school district real property tax rate is 23.1400 mills. If the voters approve the referendum question, the new proposed increase, including the index increase at 3.5%, will be 26.1482 mills.