



920 Linden Avenue · Crete, Nebraska 68333 · www.creteschools.com

Letter of Opposition
LB 974
January 22, 2020

My name is Josh McDowell, and I am the Superintendent of Crete Public Schools. Crete Public Schools (CPS) is a diverse and growing Class B school district. With an enrollment of 2,136, a majority of our student body being non-white, and 61% of our students receiving free or reduced-price lunches, CPS is a perfect representation of the world today.

I would like to begin by acknowledging the Revenue Committee's continued work to address property tax relief. CPS agrees that schools have been forced into an over-reliance on property taxes as a result of inadequate funding by the state. LB 974 attempts to address this issue by providing more state funding for schools, but in doing so also includes provisions that CPS believes would reduce school revenue to serve students over time. **CPS' primary concerns with LB 974 are as follows:**

- **Funding for LB 974 is not sustainable.** CPS does not believe using projected short-term revenue surpluses to fund the proposal is sustainable. Since there is no new revenue tied to the package, we fear that future budget cuts would be required when surpluses have been exhausted. We would suggest considering other forms of revenue to support Foundation Aid.
- **Schools currently have levy lids and spending caps that work.** These regulated maximums have already worked to ensure reduced spending in schools as evidenced by the average 3.5% increase in spending across the state.
- **We do not believe using CPI to control school district spending growth is appropriate.** Simply stated, what the CPI measures and what drives changes in school district spending are not aligned.
- **Reducing special building fund levying authority from \$0.14 to \$0.06.** CPS uses the special building fund to plan for general maintenance, improvement of existing structures, and the phased obsolescence of often costly facility infrastructure. Reducing the special building fund maximum reduces local control of the elected Board of Education to balance community and educational needs.

In conclusion, CPS is in opposition to LB 974 but appreciates the work of the Revenue Committee to tackle property tax relief without jeopardizing funding to schools.

Sincerely

Joshua A. McDowell, Ed.D.
Superintendent, Crete Public Schools



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