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**FACTS ABOUT THE SUSD NOVEMBER 6th MAINTENANCE AND OPERATIONS (M&O) OVERRIDE
BALLOT INITIATIVE**

Definition - *What is an M&O Override?*

A voter-approved M&O override runs for a period of seven years. For the first five years, this allows a school district to budget up to 10 percent more than the revenue control limit. A phase-out of 1/3 of the approved funds occurs in year six and again in year seven unless renewed. ***The existing M&O budget was initially passed in 1989 with subsequent renewals in 1993, 1997 and 2003 and is due for renewal again in 2007.***

M&O Override

- 10% Increase of Base M&O Funding
 - \$12,900,000 (Fiscal Year 2008)
- Funded by Secondary Tax Rate
 - Currently \$0.20/\$100 secondary assessed value (SAV)
- Pays for Salaries and Programs
- First 5 Years fully funded
 - Year 6 ~ reduced 1/3
 - Year 7 ~ reduced additional 1/3
 - Year 8 ~ GONE!

Impact from the Potential Loss of Existing M&O Override Funds:

- \$ 9,080,945 Loss of 179 Teachers resulting in larger class sizes
- \$ 1,207,127 Elementary Music Program reductions
- \$ 346,140 Gifted Services reductions at Elementary and Middle Schools
- \$ 2,265,788 P.E. and After-School Program reductions at Elementary and Middle Schools

\$12,900,000 TOTAL

Renewal vs. New

- Currently SUSD maintains an M&O Override
- Renewing the Override ***continues*** the Secondary Tax
 - No *new* taxes
 - Dollar amount of existing tax may increase as secondary assessed value (SAV) goes up

SUSD M&O Election Time-Lines

Initially passed in 1989 with subsequent renewals in 1993, 1997 and 2003 and is due for renewal again in 2007.

- Fiscal Year 03-04 *M&O Passed March 11, 2003*
- Fiscal Year 04-05
- Fiscal Year 05-06
- Fiscal Year 06-07
- Fiscal Year 07-08 *Current M&O full funding ends 6/30/08*
- Fiscal Year 08-09 *If not renewed, M&O reduced 1/3 (\$ 4M)*
- Fiscal Year 09-10 *If not renewed, M&O reduced 1/3 (\$ 4M)*

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