

April Operating Referendum Q&A

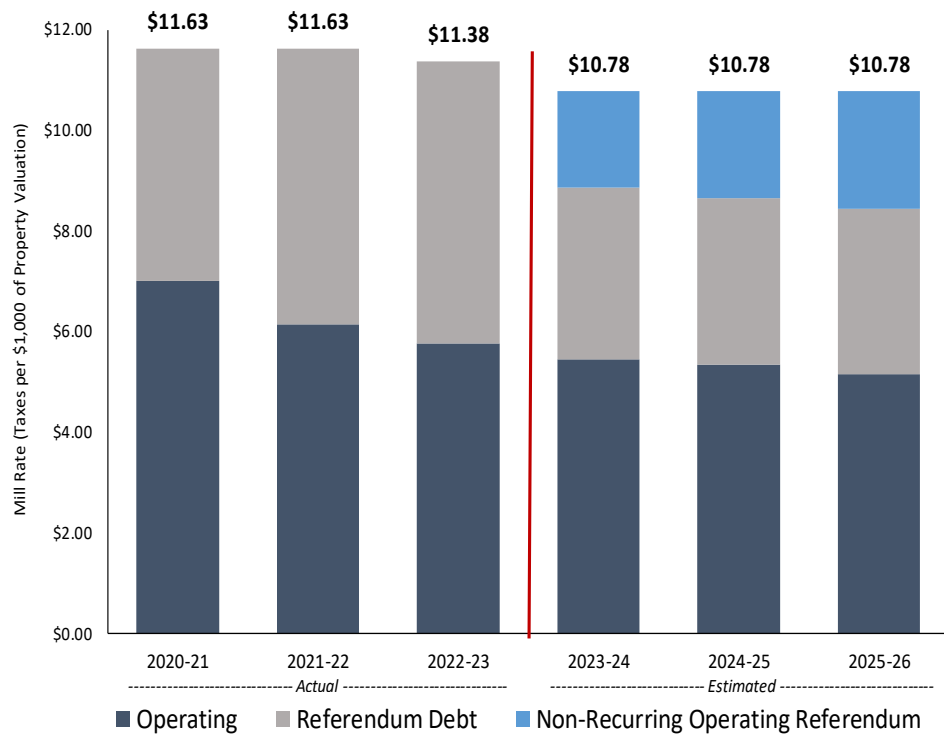
Why is an operating referendum needed?

1. **Lack of state funding** - there has been a 0% increase in ongoing per pupil funding authorization by the State of Wisconsin for two consecutive years.
2. **Inflation** – inflation has increased at unprecedented rates.
3. **An increasingly competitive market** - to maintain our ability to retain and attract the best educators and staff in an increasingly competitive job market, we must offer competitive salaries.

What will be the tax impact?

The School Board plans to **shift** money from paying off low-interest debt early to instead repurpose those funds for operating expenses and to reduce the school tax rate. This shift is intended to offset the referendum’s tax impact so the referendum is as tax neutral as possible. See chart below:

Historical and Estimated District Mill Rate



Why did taxes increase this year even though the tax rate went down?

The specific details of individual tax bills are quite complicated, but the simple version is that home values went up substantially. This includes both the fair market value of homes, determined by the Department of Revenue, as well as a reassessment recently completed by the Town of New Glarus. Therefore, although the New Glarus School District tax rate decreased, the tax rate is multiplied by home values, and therefore, taxes increased proportionally.

How much interest cost has the district saved by prepaying debt?

The District has saved taxpayers over \$2.1 million by prepaying debt.

What is the exact wording of the referendum question that will be on the ballot?

The ballot question is:

BE IT RESOLVED by the School Board of the School District of New Glarus, Green and Dane Counties, Wisconsin that the revenues included in the School District budget be authorized to exceed the revenue limit specified in Section 121.91, Wisconsin Statutes, by \$1,400,000 for the 2023-2024 school year, by \$1,600,000 for the 2024-2025 school year, and by \$1,800,000 for the 2025-2026 school year, for non-recurring purposes consisting of expenses related to staffing, operating and maintaining **current** school facilities, and maintaining **current** educational programming, extra-curriculars, and services.

What will this operational referendum do for our students?

A successful operational referendum will do the following:

1. Recruit and retain high quality staff by offering competitive salaries and benefits that keep up with nearby districts.
2. Provide the necessary ongoing operational funds to keep up with inflation for goods and services that are needed to run our schools.
3. Maintain the high-quality education that our community has supported for many years
4. Maintain class sizes similar to what they are today.

What will happen if the referendum fails?

Due to state law, the District won’t be able to go to referendum again until a year from now, April 2024, so cuts will need to be made or Fund Balance would need to be used. Using Fund Balance would require the district to short-term borrow because of the timing of when revenue comes into the district. At the current interest rates, short-term borrowing is not advisable, and using Fund Balance is also only a one-time solution. It doesn’t help with recurring expenses, such as salaries and benefits.

Why is NGSD doing a three year non-recurring operational referendum?

A three year non-recurring referendum, which is not permanent, will buy time to see how the state decides to fund schools in the next biennium budget. After two years of no additional per pupil funding from the state, it is unclear how the state is going to fund schools moving forward. Three years allows funding to stabilize so the district knows how to plan for the future.

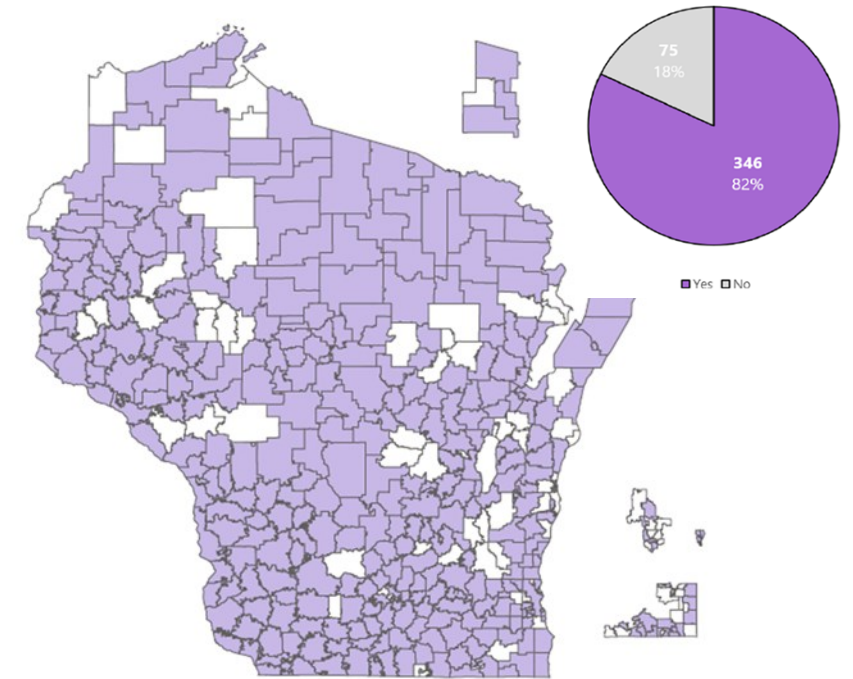
How has state funding for schools changed in the past 20 years?

In 2002 Wisconsin was ranked 11th in the nation for school funding. By 2020, our state had fallen to 25th. This is the largest drop in the national ranking of any state over this time period. In fact, Wisconsin public school funding in 2020 was 6% below the national average, and there has been no increase in state per-pupil funding for the two years since then. The nonpartisan Legislative Fiscal Bureau has estimated that for the state to meet the CPI (index for inflation) for the past two years and in the next budget cycle, the state would need to increase per-pupil funding for school districts by \$1,510 per pupil in the coming biennium. This amount is far above any funding increase the state has ever considered, and nowhere near recent trends.

Are other districts needing to put referendums on the ballot too?

Yes, over 80 districts in the state went to referendum in November and over 75 more are anticipated in April. Over the years, more of the responsibility for funding schools has moved from the state to local property taxpayers, via referendums. In fact, since revenue limits were put into place in 1992, 82% of the Districts in the State have gone to operational referendum. See chart below:

Districts who have asked an Operational Referendum Question Since 1992



Has federal Covid funding helped New Glarus?

All public schools benefited from some federal funds directed to pandemic relief, but unfortunately, due to New Glarus having a low free- and reduced-lunch population, we received much less per pupil than most districts. Additionally, these dollars are one-time-use funds and cannot be applied to ongoing expenses, such as staffing.

Is this operating referendum going to be used for the upcoming facility projects, including the new Primary School?

No, the ballot question for this referendum specifies that the use of the funding is for “expenses related to staffing, operating and maintaining **current** school facilities, and maintaining **current** educational programming, extra-curriculars, and services.”

Is the operating referendum needed because interest rates have risen since the facilities projects were passed in the 2021 referendum?

No, NGSD borrowed in the summer of 2021 when interest rates were at all-time lows. The District, with its strong bond rating of AA, locked in a 20-year borrowing rate of 1.82%. Those funds have been invested at increasingly stronger interest rates while we finalize our building plans.

How do I learn more about the upcoming operating referendum?

We will be hosting an informational session on March 14th from 7:00-8:00 pm in the high school auditorium. You can also visit the New Glarus School District website at ngsd.k12.wi.us and look for the “Referendum” tab under “District Information,” or use the QR code to the left, which will take you directly to the Referendum webpage.



Vote on April 4th



Staff, Parent, and Student Survey Results

Every two years in late fall we survey staff, parents, and students to gather feedback and learn more about our areas of strength and next edges of growth. This year we used School Perceptions, a company that specializes in school surveys, to conduct the surveys because they provide data that not only tells us what areas we score high and low on, but also how those scores compare to other districts that have used their surveys.

We had excellent results. Our staff satisfaction was the highest that School Perceptions has ever recorded, and our parent and student satisfaction was very high as well. At a time when recruiting and retaining high quality staff is becoming more difficult for all schools across the state, and country, this is encouraging news.

Some highlights from the surveys are as follows:

<i>Staff Survey</i>	% that Agree
I am proud of our district.	100%
I have healthy working relationships with my coworkers.	99%
Our staff does a good job of educating students.	98%
Our parents and community support the school district.	96%

<i>Parent Survey</i>	% that Agree
School facilities are clean and well-kept.	97%
If my child breaks a rule, they are treated fairly.	96%
I feel welcome in my child's school.	95%
My child feels safe at school.	94%

<i>Student Survey</i>	% that Agree
I feel safe at school.	98%
I have friends to sit with at lunch or hang out with at school.	98%
I try my best at school.	97%
Teachers treat me with respect.	97%

We appreciate everyone who filled out the survey and are thankful for such high satisfaction rates. We will continue to use the feedback received on the surveys to celebrate our successes as well as help in determining the next edges of growth for the district and each of the schools.



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Mark Your Calendar:

March 10 In-Service—No School
March 27-31 Spring Break
April 4 Spring Election
April 7 Early Release
April 28 In-Service—No School
May 29 Memorial Day—No School
June 4 Graduation
June 8 Last Day of School

District Updates

As we approach the end of the second trimester and know spring is just around the corner, there are many updates to share about the District.

First, as you've likely heard, the District has an operating referendum on the ballot in April to *shift* money from paying off debt early to instead use it for operational costs. Typically, the tax rate increases with a referendum, but that is not the case in this situation. We estimate that if the referendum passes the school tax rate will decrease by \$0.60 per \$1000 of value. Even though the tax rate is expected to decrease, the district needs permission to move the money from one use to another. A detailed Q&A is in the center of this newsletter and more information is on our website as well.

Second, in November we received our state report card scores for the 2021-22 school year for each of the schools and the district as a whole. We continue to see scores rise on the state report cards, and now rank in the top 25 4K-12 school districts in the state of Wisconsin. New Glarus School District's scores have risen past pre-pandemic levels and are now the highest in the Capital Conference and Green County, and second highest compared to all Dane County districts, trailing Waunakee School District by one point. It is reaffirming to see these scores and know that our students are being academically successful, despite the recent pandemic.

Also, in November we conducted surveys of staff, parents, and students to gather feedback and learn more about our areas of strength and next edges of growth. We were pleased to find out that our staff satisfaction was the highest that the survey company has ever recorded, and our parent and student satisfaction was very high as well. More details about those surveys are included later in this newsletter.

Finally, we just received bids on our facility projects. The MS/HS addition and renovations came in close to expected, but the Primary School did not. Costs have risen significantly, and ultimately, we haven't been able to stay ahead of inflation with the unexpected delays, so we are pausing and re-evaluating next steps. Our focus moving forward will be on the original goals of the referendum from the outset, which included high quality educational spaces for our youngest learners, within the funding approved by our taxpayers for the project.

As always, we appreciate the community's support of the District. We couldn't accomplish the great academic and survey results outlined above without family and community support of our schools.

THANK YOU
for your support!