



February 20, 2017

Dear Community Members of the Southwestern Wisconsin School District:

The School District of Southwestern has passed a resolution to go for a referendum on April 4, 2017. You should have received a flier with detailed information about district concerns, solutions, Act 32 tax impact and the community engagement process the district took. I am hoping this letter will give you a more detailed explanation of the tax impact associated with Act 32 and the upcoming referendum.

**History of school district mill rate:**

From 2005 to 2015, the Southwestern Wisconsin School District mill rate range stayed consistent with moderate increases. The lowest mill rate in 2006 was at \$7.29 compared to the highest in 2014 at \$8.38. The state average mill rate for school districts in the state of Wisconsin during the exact same time frame climbed each year for 10 consecutive years with the lowest mill rate (state average) in 2006 at \$8.31 to the highest mill rate (state average) in 2015 at \$10.46. The 2015 school district mill rate was \$8.11 and the board set the 2016 school district mill rate at \$10.32.

Previous Southwestern administration and school board members worked extremely hard and did a great job utilizing district funds/budgets to make the necessary improvements and upgrades to the facilities. However, over the past 10-15 years school funding has changed, enrollment has declined, and there is less money in the budget to address the necessary capital projects to stay competitive. There comes a tipping point as to when the budget can continue to absorb these projects and not take away from the education of our students. We are at that point.

The current Southwestern School Board and administration are working to address these projects for the long term where we will make upgrades and create a more conducive learning environment for all our students as we prepare them to be college and career ready.

**Further explanation:**

- Southwestern Wisconsin School District secured \$5.5 million dollars in October for facility upgrades in both buildings for heating, lighting, roofing, air conditioning, unit ventilators, drop ceilings, boilers, piping, insulation, electrical upgrades, fire alarms, and secure vestibules for energy savings. These projects are all covered under ACT 32 for energy related upgrades.
- Act 32 funds are being invested to offset the interest being paid and also for behind the scenes projects related to Act 32. We anticipated using these funds sooner; however, due to discussions about the referendum these projects have been put on hold until after the April

4<sup>th</sup> election. We do not want to start these projects only to have them redone with any type of improvements covered in the referendum.

- The Southwestern School Board listened to the community and has decided to run a referendum (two questions) on April 4, 2017. Question one is asking for \$10,000,000 for capital improvements, facility upgrades, and equipment related to the projects. A second referendum question is asking for \$2.5 million for renovations to the athletic fields.
- The reason why the mill rate of \$10.32 was set at this amount was twofold: To pay off Act 32 projects faster and/or if the board decided to go for a referendum the mill rate **would absorb** it or a portion of it.
- There seems to be some misconceptions about the district already obtaining monies for the referendum and that is inaccurate information. **The district did not and cannot secure any funds for the referendum until it passes.** If the referendum (either question) doesn't pass, the mill rate will drop to approximately \$9.40 in 2018.

I hope this letter clearly explains the current events and you have a better understanding of the process the district took to get to where we are. I am also willing to provide district tours, and and/or schedule a meeting to provide you with the information and understanding of the School District needs. In closing, no one enjoys their taxes increasing; however, with the increases to the school district taxes you will see these improvements first hand and know that your money is staying in the community to improve the facilities and positively impact all the students of Southwestern.

Sincerely  
John Costello  
Superintendent  
Southwestern Wisconsin School District

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### **Act 32 Projects starting in the current Elementary/Middle School this April/May**

- Electrical upgrade
- Updated fire alarm system
- Roofing upgrades and repairs
- New unit ventilators in each classroom
- Air conditioning in entire building
- New clocks
- Secure entrance for the safety of our staff and students
- Vestibules for energy savings
- Insulation of pipes for energy savings
- Drop ceiling in each classroom
- LED lighting throughout the building

### **Act 32 projects for the High School and Phase 3 are put on hold pending the results of the referendum.**

Contact SWSD Superintendent, John Costello, at 608-854-2261 ext. 310 or [costelloj@swsd.k12.wi.us](mailto:costelloj@swsd.k12.wi.us) – Please visit our web site at [www.swsd.k12.wi.us](http://www.swsd.k12.wi.us) for more information