



February 17, 2020

TO: Community Members of the Southwestern Wisconsin School District

As you may recall, community meetings were held in the 2016-17 school year to discuss what the community wanted for the school district. At this time, the board formally adopted a 5-10 -year strategic plan that included upgrades to the high school and upgrades to the athletic fields. A referendum passed in 2016 that included upgrades to the high school. The school district is now moving forward with the last big portion of the strategic plan - the playground area and the athletic fields. Administration and the school board believe the "time is now."

The Southwestern School Board held a special school board meeting on January 15, 2020, at which time a resolution was adopted providing for a referendum election to be held on April 7, 2020. We are in a great position to move forward with this project. The question on the ballot will allow the school district to continue to work to become the best school in the area and state.

**QUESTION, as it will appear on the ballot:**

*BE IT RESOLVED by the School Board of the Southwestern Wisconsin Community School District, Grant and Lafayette Counties, Wisconsin, that there shall be issued, pursuant to Chapter 67, Wisconsin Statutes, General Obligation Bonds in an amount not to exceed \$2,500,000 for the purpose of paying the costs of athletic field and elementary school playground renovations and improvements and equipment acquisition related to said projects.*

**What is included in the referendum?**

The referendum will include upgrades to the baseball field, the softball field, and the football field. The football field (made out of turf), will be relocated to run north/south and include a brand new 8-lane track for the 60 plus athletes participating in track. Also included in this project will be a handicap accessible playground that will include interactive equipment for ALL elementary students to enjoy. The playground will be on a turf surface, easily accessible to special needs students and/or students in wheelchairs. As it is now, students in a wheelchair are not able to access the playground equipment due to the wood chips spread out under the playground equipment.

**School Board committed to keeping mill rate flat at \$10.75:**

In 2016 the mill rate was set at \$10.32. After the referendum passed, the school board set the mill rate at/or around \$10.75 per \$1,000 (value of a home). So, in essence, the school tax would be \$1,075.00 on a home valued at \$100,000. By keeping the mill rate flat, it will allow home owners to budget for taxes knowing they won't go up or down drastically year by year. By maintaining the \$10.75 mill rate, the district was also able to generate an additional \$700,000 to pay off the debt the district has from the 10-million-dollar referendum, therefore, taking years of payments, on the backend, off of the loan.

### **Fiscally responsible:**

Administration and the school board have been, and continue to be, fiscally responsible by maintaining a fund balance of 25% of the overall budget. This is right in line with the board policy that is in place. By being fiscally responsible the school district is able to maintain programs and staff, increase opportunities for students, and eliminate short term borrowing. We have not and don't plan to borrow any time soon to go for an operational referendum - like many districts have.

### **How can this be tax neutral and the taxes not go up?**

Many factors allow us to stay tax neutral; to name a few - increased pupil enrollment, increased state aid, and increased property values in the school district. One of the three items mentioned would allow the mill rate to drop a little, but when all three have increased to the levels they have and are projected to stay the same or continue to increase, this allows the district to pay for the project with no tax impact. The payment each year would be approximately \$300,000, amortized over 10 years.

### **Enrollment:**

For many years the Southwestern School District has had declining enrollment, which has impacted funding for the programs. Recently, the district has experienced an increase in enrollment of students. In the 2017-18 school year, prior to the referendum, the enrollment was 509 students. In the 2018-19 school year, we saw an increase of 13 students for a total enrollment of 522. In the 2019-20 school year, there was an even bigger increase of 33 students from the previous school year for a total enrollment of 555 students. Enrollment continues to grow in the elementary school, which is imperative for the long term enrollment count in the district. We believe by running the referendum with the proposed improvements that it will attract even more families to Southwestern.

### **School Finance 101:**

District revenue has been restricted since 1993 when revenue caps were implemented state wide. What does this mean? Based on what districts were spending in 1993 per pupil, that figure was locked in and reflects what each district receives as revenue per pupil. If the enrollment increased, the revenue would increase. If the enrollment dropped (like most rural schools), the revenue dropped. If a district was frugal in 1993, they were, in essence, penalized because other schools spent more; therefore, received more money per pupil.

School Finance is a very complex formula and difficult to understand. For this reason, it would be important to attend one of the upcoming scheduled community meetings to gain a better understanding of how this project will be funded by NOT raising the mill rate.

### **Why is the "Time Now"?**

At some time in the near future the school district will need to redo the playground and the athletic fields. The budget, balanced as it is now, isn't able to sustain huge projects. The cost of these projects are only going to increase at a rate between 9-15% each year - knowing labor and supply costs will rise with inflation each year. Also, with an increase in enrollment, an increase in state aid, and the school board committed to keeping the mill rate at \$10.75; this will allow us to do this project and be tax neutral. How is this possible? Like I mentioned earlier, school finance is very complicated. It would be beneficial if you could attend one of the upcoming scheduled meetings listed below for a better understanding.

### **Frequently asked questions:**

- 1) **If this referendum doesn't pass, will my taxes go down?** No, the board will keep the mill rate the same and pay off debt at a much more aggressive nature, therefore, positively impacting the long term financial impact of the district.

- 2) **What is wrong with the playground and athletic fields as they are today?** The playground is not handicap accessible. Students who are in a wheel chair are not able to access the playground equipment. There are no swings or playground equipment for handicapped students to engage in. The athletic fields do not drain properly, creating games to be canceled. There are 60 plus students who participate in track with no track to practice or compete on. The softball team doesn't have a field on campus to practice or play games on and the baseball field is in dire need of an upgrade.
- 3) **Where is the academic component in this referendum?** Through play on the playground and participation in the athletic programs, students learn life skills, such as; team work, adversity, engagement through play, goal setting, and much more . . . Yes, we are here for academics, but play based activities on the playground and in the athletic programs are an extension of the classroom.
- 4) **Can the enrollment support the referendum?** Yes, the enrollment has increased and is projected to continue to increase. The school board and administration believe the upgrades to the facilities and changes being done academically will increase enrollment. We are very confident if this referendum passes it will attract families to the school district and also increase participation in activities.
- 5) **Can referendum money be used to pay salaries, benefits, or put towards programs?** No, any referendum money generated can only be used for the project identified in the referendum question.

I hope this letter clearly explains the current events and provides a better understanding of the process the district took to get to where it is today. Please feel free to contact me if you would like a tour of the school district and/or would like to schedule a meeting that would provide you with more information and a better understanding of the School District needs.

Additional facts on how we will fund this project and impact the school and the surrounding communities will be forthcoming in flyers and/or postcards.

Sincerely,

*John Costello*

John Costello  
Superintendent

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**February 26, 2020** – Presentation in Kieler, Jamestown Township, at PJ's back room – 6:30 p.m.

**March 4, 2020** – Presentation at the High School – Multimedia room – 6:30 p.m.

**March 11, 2020** – Presentation at the High School – Multimedia room before the regular board meeting – 6:30 p.m. Regular school board meeting @ 7:30.

**March 18, 2020** – Presentation in Kieler, Jamestown Township, at PJ's back room – 6:30 p.m.

**April 1, 2020** – Presentation in Kieler, Jamestown Township, at the Fire Station – 6:30 p.m.

**April 7, 2020** – Polls are open to VOTE

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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 the web site at [www.swsd.k12.wi.us](http://www.swsd.k12.wi.us) for more information.