



Cassville School District

April 7, 2020 Referendum

Community Education Newsletter

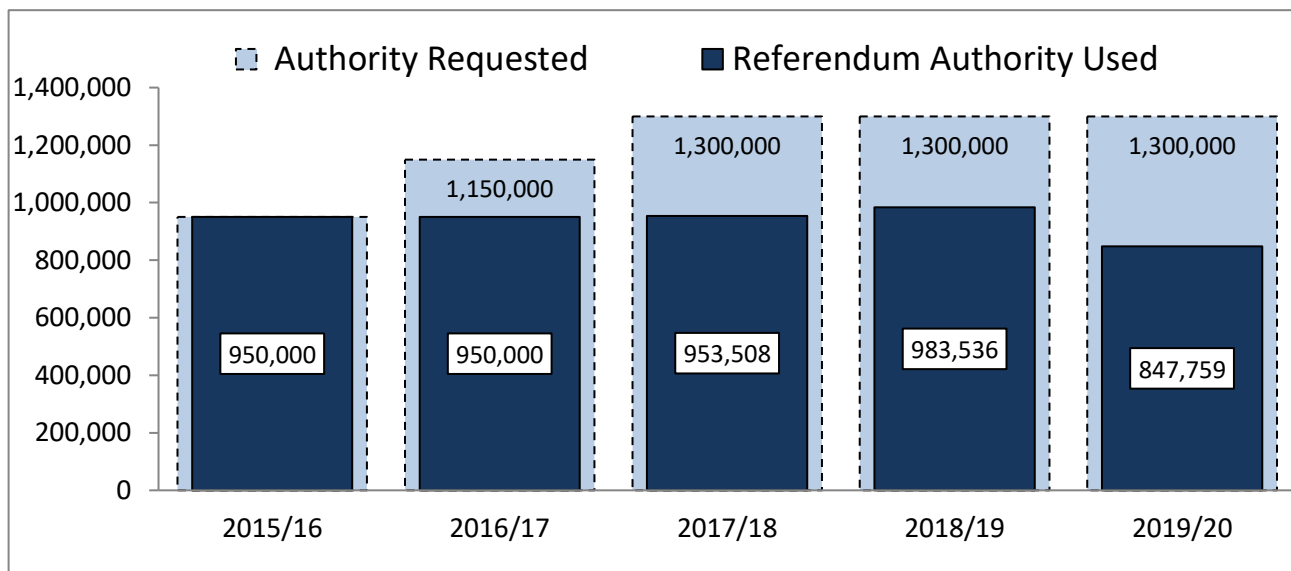
“Striving for Excellence”

Moving Forward with the April 7, 2020 Referendum

On November 21, 2019, the Cassville School Board unanimously adopted resolutions to hold an operational referendum on April 7, 2020. The referendum asks voters for “authority” or “permission” to exceed the revenue limit to pay costs of maintaining educational programs, facilities and equipment of the District.

In April of 2015, voters approved a referendum giving the District authority to exceed the revenue limit for five budget years – a “non-recurring” referendum. The 2015 referendum **expired** this year and the District must ask voters for **new authority** at the 2020 referendum.

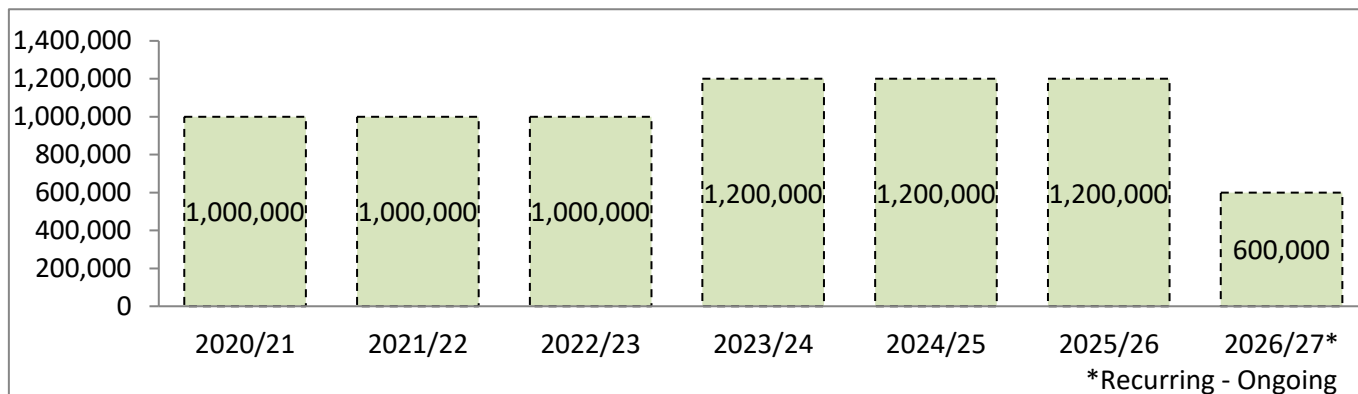
The 2015 referendum asked voters for various amounts of authority over five budget years to pay operating expenses and to replenish the District’s fund balance. The amount of authority requested over five years was \$6,000,000. Each year, the School Board and Administration reviewed operating budget expenses and the fund balance to determine how much of the referendum authority was needed. The District **did not use, or tax for, all of the authority** provided by the 2015 referendum; and, the fund balance has been replenished to a financially stable amount. The amount of 2015 referendum authority actually used was \$4,684,803. The bar graph below shows the 2015 referendum authority requested and the authority used.



2020 Referendum Authority

The 2020 referendum is requesting authority to exceed the revenue limit beginning next year. The District may or may not use all of the requested authority. The referendum will provide funding for operating expenses and to sustain the fund balance.

The revenue limit is a State law imposed on all Wisconsin school districts in 1993. It limits the amount of revenues a district receives to pay operating expenses. The District's revenue limit is impacted by student enrollment, State law and the operating budget. The total amount of authority the District is asking for in the 2020 referendum is shown in the bar graph below.

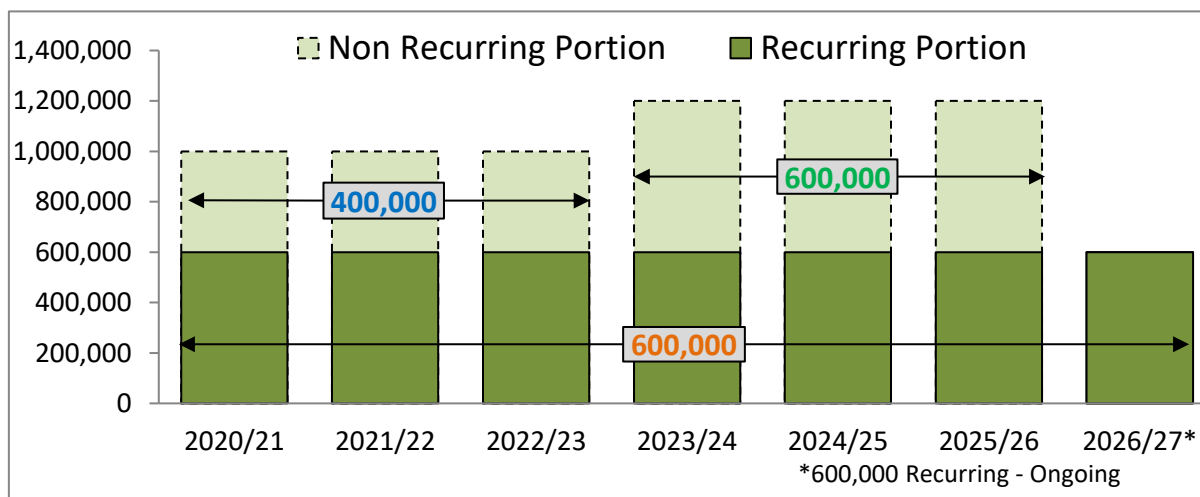


The ballot language for the 2020 referendum requests the new authority in two ways. First, the amount of \$600,000 would begin next year (2020-2021) and would remain in the base of the revenue limit ongoing and does not expire. The \$600,000 is referred to as the "recurring portion" of the 2020 referendum. Next, an additional \$400,000 would be added to the \$600,000 recurring portion for three years (total of \$1,000,000) and \$600,000 would be added to the \$600,000 recurring portion for the next three years (total of \$1,200,000). The "additional \$400,000 and \$600,000" are referred to as the "non-recurring portion" of the 2020 referendum because they stop after a certain number of years.

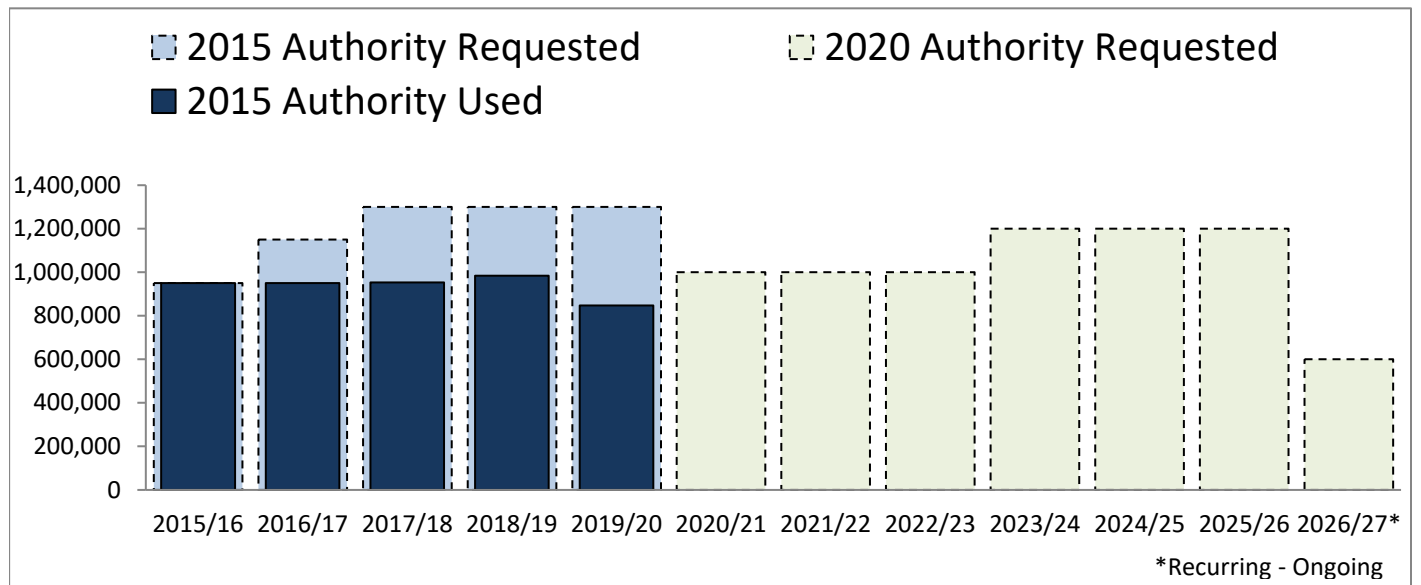
The \$600,000 recurring portion would become part of the base of the revenue limit to be used by the District each year. The non-recurring portions may, or may not, be used by the District, similar to the 2015 referendum. Below is the sample ballot language, along with a bar graph illustrating the recurring and non-recurring portion of the 2020 referendum.

Sample Ballot Language

Shall the School District of Cassville, Grant County, Wisconsin, be authorized to exceed the revenue limit specified in section 121.91, Wisconsin Statutes, by **\$600,000** beginning with the 2020-2021 school year for recurring purposes, and by an additional **\$400,000** for the 2020-2021 through 2022-23 school years, and **\$600,000** for the 2023-24 through 2025-2026 school years for non-recurring purposes, consisting of paying the costs of maintaining educational programs, facilities and equipment of the District?



2015 Referendum Compared to 2020 Referendum



Tax Impact

The 2015 Referendum provided \$6,000,000 of authority to exceed the revenue limit over 5 budget years. The District used a total of \$4,684,803 of authority and did not use, or tax for, \$1,315,197 of the 2015 Referendum authority. The 2015 Referendum has expired. The District must ask voters for new authority at referendum.

The December 2019 tax bills include \$850,000 of 2015 Referendum Authority. The 2015 Referendum authorized \$1,300,000 for this year. \$450,000 of the 2015 Referendum authority is not used or included in December 2019 tax bills.

The 2020 Referendum is requesting authority to exceed the revenue limit beginning next year, by \$1,000,000 for 3 budget years, and \$1,200,000 for the following 3 budget years, and declines to \$600,000 ongoing.

Approval of the 2020 Referendum allows the District to use \$1,000,000 of authority beginning next year. The District may or may not use this authority. The \$850,000 of 2015 Referendum authority will not be included in next year's tax bill.

Examples below reflect the net potential tax impact for the 2020 Referendum beginning next year, and compared to the 2015 Referendum authority included in December 2019 tax bills, based on the following scenarios:

Scenario 1 – District uses same amount of authority used this year (\$850,00):

\$850,000 of the 2020 Referendum authority – tax levy neutral – no tax increase or decrease.

Scenario 2 – District increases amount of referendum authority used by \$150,000:

\$1,000,000 of the 2020 Referendum authority – 96 cent mill rate increase or \$96 of additional taxes on \$100,000 property value.

Scenario 3 – District increases amount of referendum authority used in \$50,000 increments:

Example: \$850,000 + \$50,000 = \$900,000 - For each additional \$50,000 of 2020 Referendum authority used above the \$850,000 used this year – 32 cent mill rate increase, or \$32 of additional taxes on \$100,000 property value.

**Please Attend Question/Answer Referendum Meeting:
Monday, January 27, 2020 @ 7:00 pm in Cassville High School Gymnasium**

For More Information Contact : John Luster – District Superintendent
Email: JLuster@cassvillesd.k12.wi.us Phone: 608-725-5116