

Referendum FAQ's

1. Why is an Operational Referendum Necessary?

- a. Due to the state's inequitable school funding formula and a lack of adequate funding for public schools in recent years, districts like Mellen have needed to turn to their local communities for the support they need. The responsibility to fund our schools is increasingly on local property taxpayers.
- b. Without an operational referendum, the School District of Mellen would need to move forward with increased class sizes and reduced educational and co-curricular opportunities for our students.

2. What Are the District's Financial Needs?

- a. Due to the state's school funding system and other factors out of our control, the School District of Mellen faces significant financial challenges.
- b. All Wisconsin schools operate under a state-imposed revenue limit that restricts the amount of money they can receive through state aid and local property taxes. The SDM does not receive enough revenue to adequately fund programs and services, and we do not control the amount of aid we receive from the state. The MSD's revenue limit ranks in the bottom third of all Wisconsin districts.
- c. At the same time, the needs of our students have increased dramatically, especially in the areas of special education and mental health. These are expenses for state and federal mandated services for which the district receives inadequate funding. Special education needs alone represent about 12.36% of our budget.
- d. Expenses for supplies, food service and heating our schools continue to increase, as do a range of other costs that are out of the district's control.

3. Are These Challenges Due to Poor Financial Management?

- a. No. Over the years, district leaders and the School Board have been fiscally responsible in handling the funds community members have invested in their local schools. The challenges we are facing are largely due to Wisconsin's inequitable school funding formula, a lack of funding for public schools statewide, and rapidly rising costs.
- b. The SDM remains committed to the responsible stewardship of every dollar with strict accountability measures. Investing in our schools is not just a financial decision—it is a commitment to ongoing transparency and efficiency that benefits all taxpayers.

4. What is the Proposed Solution to These Challenges?

- a. The SDM School Board has approved an operational referendum question that will appear on the ballot Tuesday, April 2, 2024. The question asks voters to allow the district to exceed its revenue limit on a nonrecurring basis.
 - i. The revenue limit would be increased by \$500,000 for the 2024-25, 25-26 and 26-27 school years.
 - ii. This approach provides the time needed to allow the state to adequately address the school funding shortfall with minimal financial impact on the taxpayers of the District.

- b. An approved referendum would enable the district to continue funding our top priorities, including:
 - i. Attract and retain high-quality staff
 - ii. Maintain current educational and extracurricular programming
 - iii. Provide the needed reading and math interventions for students
 - iv. Upgrade safety and security infrastructure
 - v. Enhance technology resources and support
 - vi. Secure budget for facility maintenance
- 5. How Would an Approved Referendum Affect Property Taxes?**
 - a. If approved, the referendum would have an estimated property tax impact of \$2.46 per \$1,000 of assessed property value in the first year. The owner of a home worth \$100,000 would see a tax impact of about \$246 per year.
 - b. The SDM will still maintain a mill rate lower than the state average and most of our neighboring school districts.
- 6. How Will the Funding be Phased if the Referendum Passes?**
 - a. \$500,000 2023-24
 - b. \$500,000 2024-25
 - c. \$500,000 2025-26
 - d. The bulk of the referendum being used for recurring expenses and annual maintenance costs
- 7. If Approved by Voters, Will the New Referendum Expire?**
 - a. Yes. The proposed operational referendum is a nonrecurring referendum.
 - b. An approved vote would allow the District to exceed its revenue limit starting in the 2024-25 school year and ending in the 26-27 school year.
- 8. What Happens if the Referendum Fails?**
 - a. If the referendum is not approved on April 2, the District will develop a process for making significant staffing and budget reductions for the 2024–2025 school year and beyond.
 - b. The cost of inaction is significant, affecting not only our students, but the entire fabric of our community. Failing to pass a referendum could lead to increased class sizes, reduced academic programming, and compromised school safety.
- 9. Are Other School Districts Seek Additional Funding Through Operational Referendum Questions?**
 - a. Yes. Over the last decade, more than half of the school districts in Wisconsin have received similar approval from voters via successful referendums to exceed their revenue limits.
 - b. In short, the SDM is not alone in facing these types of financial challenges.
- 10. What is On the Ballot April 2?**
 - a. Resolution Under Wis. Stat. § 121.91(3)(a) to Exceed the Revenue Limit and to Cause Submittal of this Resolution to the Electors on a Referendum Basis for their Approval or Rejection
NOW, THEREFORE, BE IT RESOLVED by the School Board of the School District of Mellen that it shall include revenue in its budget for the 2024-2025 school year and through the 2025-2026 and 2026-2027 school years a sum not

to exceed \$500,000 in excess of the revenue limits set forth in Wis. Stat. § 121.91 for the purpose of meeting operational expenses.

- b. The question that will be submitted to a vote of the people and as the question which will appear on the ballot is as follows:

“Shall the School District of Mellen, be authorized to exceed the revenue limit specified in Section 121.91(2m), Wisconsin Statutes, by \$500,000 in the 2024-2025 school year, \$500,000 in the 2025-2026 school year, and \$500,000 in the 2026-2027 school year for non-recurring purposes for the paying the ongoing operational expenses of the school district?”

11. What is the Difference Between Capital and Operating Referenda?

- a. Bonds are for Building

In a capital referendum, funds are borrowed through bonds and paid back with interest. This type of referendum is most often used for building projects.

- b. Levy is for Learning

In an operating referendum, there are no interest payments because there are no borrowed funds. The amount is levied each year (pay as you go) and is more cost-efficient for the community.

12. Can I Vote Early?

- a. Registered voters in Wisconsin may vote early by mail by requesting an absentee ballot.

- i. You can make your request by visiting

<https://myvote.wi.gov/en-us/Vote-Absentee-By-Mail>

- b. Residents may also vote in-person before election day.

- i. For more information on this option, please visit

<https://myvote.wi.gov/en-us/Vote-Absentee-In-Person>

13. Where Can I Vote?

- a. District residents can vote at their regular polling location on Tuesday, April 2, 2024.

- b. You can find voting and registration information at <https://myvote.wi.gov/>

14. When is Election Day?

- a. Residents will vote on the referendum question on the spring general election date of Tuesday, April 2, 2024.