

FREQUENTLY ASKED QUESTIONS

1. Why is this Operational Referendum necessary?

Under the State's revenue limit formula, districts are limited in the amount of revenue that they can levy unless voters approve additional funding. With \$0 per student increases allowed in 2015-2016 and 2016-2017, minimal increases in the three years before that and a reduction of over \$553 per student in 2011-12, the district's expenses are growing at a faster rate than revenues. This causes a budget deficit that must be fixed either through budget reductions or by asking for additional revenue through an operational referendum.

2. Why is the district facing a budget deficit?

The amount that districts have been allowed to increase their budgets under the state required revenue limits has not been keeping pace with basic inflationary costs. While the district has been diligent in trying to keep its costs down by making reductions to many areas of the budget, continued reductions in order to balance the budget will directly affect programs, staff and facilities.

3. What is the purpose of an "Operational" Referendum?

Operational referendas allow districts to supplement their general fund budget so that programs, staffing, technology, general maintenance, curriculum and other expenses that support the district's day-to-day operations would not have to be cut as revenues do not keep pace with expenses. An operational referendum is not the same as a referendum to issue long-term debt for a building project such as was done with our recent High School renovation.

4. What programs may be affected if the referendum fails?

- ✓ Reduction in elementary library services
- ✓ Elimination of elementary guidance counselors
- ✓ Reduction of a teacher in fourth or fifth grade
- ✓ Elimination of fifth grade band
- ✓ Increased student-to-teacher ratio in Kindergarten
- ✓ Elimination of licensed reading specialists in elementary schools
- ✓ Elimination/reduction of elementary specials (i.e., Art, Music, Physical Education)
- ✓ Reduction in clerical staff at the middle and high schools
- ✓ Elimination of middle school computers/keyboarding
- ✓ Consolidation of middle/high school CDS program
- ✓ Reduction or elimination of middle OR high school health classes
- ✓ Elimination of one to three middle school language arts teachers
- ✓ Reduction of middle school reading specialist
- ✓ Elimination of middle school foreign language (Spanish) classes
- ✓ Reduction of middle school technology education
- ✓ Reduction of middle school and/or high school vocal music
- ✓ Reduction of middle school and/or high school instrumental music
- ✓ Reduction/elimination of high school Agriculture program
- ✓ Reduction/elimination of high school Automotive program
- ✓ Reduction/elimination of high school FACE (Family and Consumer Education) program
- ✓ Reduction of high school counseling services
- ✓ Elimination of high school Psychology courses

- ✓ Reduction/elimination of high school Technology Education program
- ✓ Elimination of Desktop Technician support
- ✓ Elimination of Technology Integrator position

Everything that is not mandated by state law could potentially be affected if the referendum were to fail. In addition to the above list, a reduction in funding for facilities maintenance and technology will also be experienced.

5. How does the Open Enrollment Program impact the budget?

In the current school year, there are 128 students from other districts choosing to attend our district under the Open Enrollment program. There are 195 resident students choosing to attend other school districts. The net loss of students has a negative impact to the district budget of over **\$418,000**. Due to the fact that parents have an opportunity to enroll to other school districts, it is imperative that existing programs and opportunities for our students do not diminish.

6. What is the trend in the district’s overall enrollment?

Since the 2011-12 school year, the district’s official Third Friday in September membership count has increased from 1,911 to 1,988 in the current year. Projections, though, show that enrollment will likely decrease over the next few years as larger classes graduate unless an influx of new students were to occur.

7. What will be the impact of the referendum on property taxes?

The operational referendum will provide for an estimated maximum increased tax rate per year, for three years, as outlined in the chart below. The estimated effect of the referendum on the district’s mill rate is an average of \$0.73 per thousand dollar of property value.

HOME VALUE	ADDITIONAL TAX AMOUNT PER YEAR FOR THREE YEARS
\$50,000	\$36.50
\$100,000	\$73.00
\$150,000	\$109.50

8. Is Jefferson the only school district affected by an annual budget deficit?

No. School districts throughout the state are all faced with budget shortfalls. Many have become increasingly reliant on operation referendums to offset the difference between revenues and expenditures created by extremely minimal increases to public school funding. Approximately 25 percent of Wisconsin School districts have passed referendums to exceed the revenue limit, including our neighbors—Cambridge, Fort Atkinson and Whitewater.

LOCAL SCHOOL DISTRICT OPERATIONAL REFERENDAS PASSED OVER LAST FOUR YEARS

DISTRICT	YEAR OF VOTE	YEARLY AMOUNT	NON-RECURRING # OF YEARS	TOTAL AMOUNT
Fort Atkinson	2014	\$1,750,000	3	\$5,250,000
Whitewater	2014	\$1,200,000	4	\$4,800,000
Deerfield	2013	\$400,000	3	\$1,200,000
Cambridge	2012	\$550,000 (Yr. 1) & \$1,500,000 (Yrs. 2&3)	4	\$5,050,000
Marshall	2012	\$500,000	3	\$1,500,000
Whitewater	2012	\$600,000	3	\$1,800,000
Fort Atkinson	2011	694,000	3	\$2,082,000

9. How does a community benefit from a strong school system?

Research studies show that education benefits everyone, not just those families with students in the school system. Studies look at the effects of educational quality on aspects of the local community. The four kinds of impacts most studied are housing values, crime rates, tax revenues (particularly property taxes but also some other kinds of taxes as well), and civic participation. For example, studies examine the association between educational quality in a school district and the value of housing in the area served by that school district. Other studies examine the relationship between educational quality in a school district and crime rates in the area served by that school district.

There is very powerful evidence that the quality of a school or a school district, as measured by average test scores, is positively associated with housing values. Researchers point out that homeowners are willing to pay more to live in a community that is served by a school or a school district that is higher quality, as measured by the average performance of the students attending that school. There is also strong evidence that educational quality affects tax revenues. In particular, increased average educational attainment leads to higher housing values, which leads to higher property tax revenues.

While the community mourns the pending loss of a major industry in Jefferson, some may question the School Board's decision to pursue this operational referendum in February. The School District has no choice. As previously stated, the community cannot afford to have the School District of Jefferson's educational programs and quality staff diminish. It will only further damage the opportunities for students and the community.

10. How can district residents become more informed on this referendum?

During the month of January, the district will be hosting two community forums to provide residents with an opportunity to gather more information on the referendum. The dates and times are as follows:

Monday, January 18—6:00 PM

Sullivan Elementary School Library
618 Bakertown Road, Sullivan

Snow Date: January 20—6:00 PM

Thursday, January 28—6:00 PM

Jefferson High School Library
700 W. Milwaukee St., Jefferson

Snow Date: February 4—6:00 PM

Also, in January, residents will be receiving in the mail a special referendum publication.