



## MONONA GROVE SCHOOL DISTRICT



# An Important Referendum Update

Our commitment to public education is more important than ever; it is fundamental to our community's well being and evident in our shared dedication to our students, staff, and community that Monona Grove is known for. We have so much to be proud of, so many achievements and successes to honor. We remain grateful for your ongoing support of our schools.

While we celebrate the accomplishments, we recognize that challenges remain. School funding remains a topic of great debate, complexity, and without a viable, long-term solution. State funding freezes, rapidly increasing operational costs, and the end of one-time funding have pushed public schools throughout Wisconsin to a fiscal cliff. In order to provide more consistency and stability for our taxpayers as well as our staff and students, we have cut hundreds of thousands of dollars from our operating expenses, and the School Board has unanimously authorized a referendum to exceed the state revenue cap. In this newsletter, you'll find

- Detailed information about the proposed operating referendum, including the cost
- A brief explanation on the facts about school funding
- Opportunities to engage in in-person or virtual conversations and information sessions
- Consequences of inaction

We are committed to answering all of your questions and encourage our community to make an informed decision. Please consider the facts, reach out with any questions, **and make a plan to vote April 4.**

## VOTER INFORMATION

**MYVOTE.WI.GOV**

For comprehensive election information, voter registration, and to obtain absentee ballots, visit [myvote.wi.gov](http://myvote.wi.gov).

Early in-person voting varies by municipality, please visit [mymonona.com](http://mymonona.com), [vi.cottagegrove.wi.gov](http://vi.cottagegrove.wi.gov), and [tn.cottagegrove.wi.gov](http://tn.cottagegrove.wi.gov) for dates and times.

- You must be registered to vote, no matter how you vote – this requires a valid photo ID!

**STAY INFORMED.**  
**WWW.MONONAGROVE.ORG**



**VOTE**  
**April 4!**



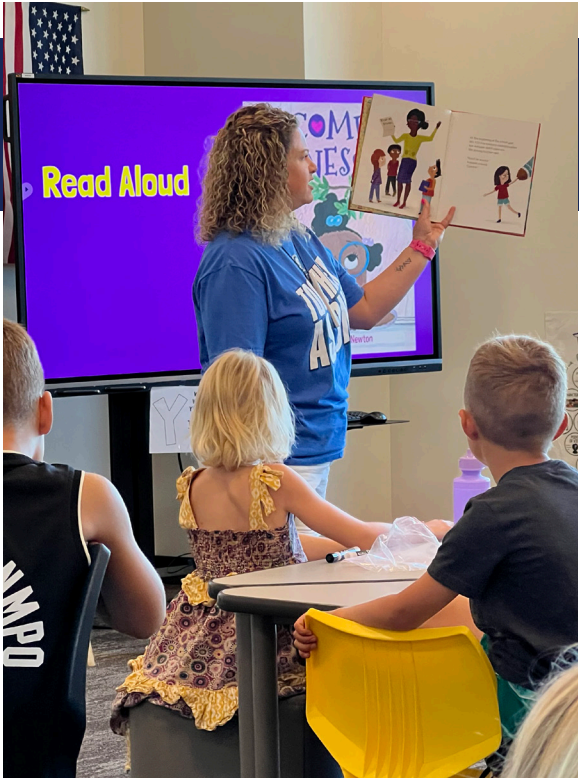
# WHY AN OPERATING REFERENDUM?

For many communities, including Monona Grove, an operating referendum offers a solution to manage funding gaps while keeping **100% of referendum tax dollars in the district** and **aligned with community expectations** for our local schools.

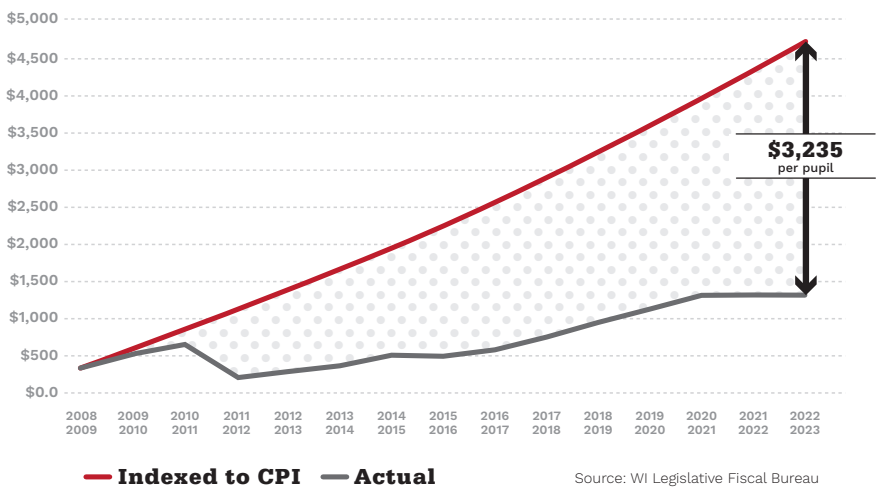
The School Board has authorized a recurring referendum, meaning it is ongoing. In prior years we have used non-recurring referenda to offset budget deficits, with the hope that the state would prioritize school funding in future years. However, **Wisconsin’s spending on education is now below the national average** and falling (5.6% below the national average in 2020, according to the nonpartisan research organization Wisconsin Policy Forum). **In 2002, Wisconsin’s education spending ranked 11th** among the 50 states; **in 2020 we were ranked 25th**. The caps on school revenues in the 2021-23 state budget likely **led to a further slide** in that ranking, with some estimates putting Wisconsin near 30th in the nation in school funding.

## WHY NOW?

- Rapidly increasing costs to maintain operations: Our operating costs (the amount of money it takes to **maintain** our current programs and staff) are going up at **an increasingly rapid rate**. According to the Wisconsin Policy Forum, between the 2009-10 and 2018-19 school years, inflation rose 17%. At the same time, the average state-wide **revenue limit grew by only 6%**. And with staffing accounting for 70% of our budget, the cost to **retain and attract high-quality staff** continues to grow. Wages have been tied to inflationary increases and Monona Grove wages are **below the Dane County average**.
- Stagnant state funding: Legislators have yet to resolve the fundamental problem with school funding. Forty-two percent of our spendable budget comes from the state, but for **the last two years, schools across Wisconsin received a 0% increase** in per pupil revenue. **Our costs to provide the same programming continue to increase** but when we receive **no new spendable state funding**, it leads to a significant structural (ongoing) budget deficit.
- **Elimination of Elementary and Secondary School Emergency Relief (ESSER)/ COVID funds:** The federal government provided schools with one-time ESSER funds during the COVID-19 pandemic. Those funds were targeted to prevent, prepare for and respond to COVID-19 and came with restrictions on how the money could be spent. It was one-time money that many districts were forced to use toward ongoing costs; it is now expiring and will create a further structural (ongoing) budget deficit.



### Per Pupil Revenue Caps Lag Inflation



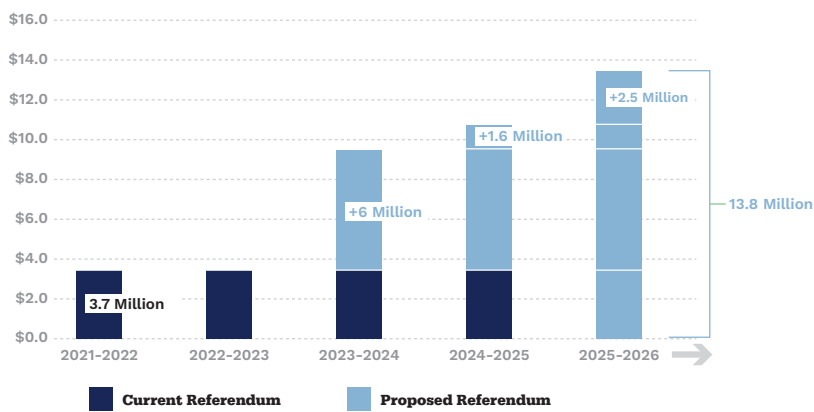
## WE ARE NOT ALONE

Districts across the state are doing a variety of things to address this challenge, including: reducing services / staff, increasing class sizes, using one-time funds to pay for ongoing operations, and seeking funds through an operational referendum. In the **last 5 years, 79 school districts** across Wisconsin have held a recurring referendum for operating purposes; 41 of those were held in the last two years alone. In November 2022, **7 of the 16 school districts** in Dane County **held and passed operational referenda (5 of them recurring)**.

## What is the proposed referendum amount, and what is the tax impact?

This proposed referendum would step into the dollar amount over three years. Because we will be using some of our fund balance (similar to a savings account) to offset the deficit and because we will have a previously passed non-recurring referendum expire, the amount gradually increases from \$6,000,000 for the 2023-2024 school year; by an additional \$1,600,000 million for the 2024-2025 school year; and by an additional \$2,500,000 plus \$3,700,000 for the 2025-2026 school year and thereafter. In 2016, voters approved a non-recurring referendum and renewed (extended) it in 2020 for \$3,700,000. The \$3,700,000 rolls into the proposed referendum in Year 3. Because the amount of this proposed referendum phases in over three years, the tax impact also phases in over three years.

### Proposed phase-in of referendum



### Estimated Tax Impact Over Current Rates

	Per Year, per \$1K of Fair Market Value Over Current Rate	Per Year, per \$100K of Fair Market Value Over Current Rate	Per Month, per \$100K of Fair Market Value Over Current Rate
Year 1 2023-2024	\$2.05	\$205	\$17.08
Year 2 2024-2025	\$0.52	\$52	\$4.33
Year 3 2025-2026	\$0.77	\$77	\$6.42

Projections are based upon annual property growth estimate of 5.0% each year. Tax bills may shift based upon annual fair market value (FMV) shifts. Source: PMA Financial Network

## What happens if the referendum is not approved?

If the referendum is not approved on April 4th, discussions will begin immediately in partnership with stakeholders and those most directly impacted—teachers and parents. Based on current budget projections, if operational funds are not approved, a reduction of approximately \$6 million will be required in the first year alone. Because of the nature of our budget (70% goes to staffing) and the nature of the structural deficit, we will need to reduce our largest expenses, including salaries, benefits, and purchased services.

## FREQUENTLY ASKED QUESTIONS

To read comprehensive FAQs please visit [www.mononagrove.org](http://www.mononagrove.org).

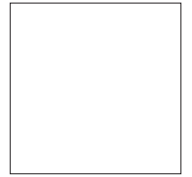
- Q: What will the money be used for?**
- A:** This money will be used to maintain current programs and staff and operational expenses. We are a right-sized staff, our class sizes are optimized, we have mental health support and programs in every school, as well as health team members in every school. Our students learn in a safe environment and are deeply cared for, reflecting the values of our community.
- Q: How has the district cut costs to head off this deficit?**
- A:** We have made changes to our budget in order to maximize savings and lower our costs. For example, we have made changes for the last two years to our health insurance benefits resulting in significant savings; the solar panels recently installed at Monona Grove High School are just the latest in our sustainability efforts in order to control utility costs. The solar panels will begin generating ongoing savings on our utility costs within the first year of their operation.

We are also using part of our fund balance (similar to a savings account) to offset the deficit. Thanks in part to our reputation for outstanding teachers and staff, we continue to see enrollment growth (37 new resident students since the beginning of this school year alone). Full increases in state funding from enrollment growth take three years due to the funding formula, but we are in a good position to continue our steady and stable growth.





MONONA GROVE SCHOOL DISTRICT  
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Phone: (608) 221-7660 | [www.mononagrove.org](http://www.mononagrove.org)



## LEARN MORE

[www.mononagrove.org/district/referendum](http://www.mononagrove.org/district/referendum)

La información traducida está disponible en nuestro sitio web.

## CONTACT INFORMATION

Superintendent, Dan Olson | 608.316.1917

Director of Business Services,  
Mark Powell | 608.316.1916

School Board Members  
[mgsd.board@mgschools.net](mailto:mgsd.board@mgschools.net)

Submit Questions  
[mgreferendum@mgschools.net](mailto:mgreferendum@mgschools.net)

## UPCOMING EVENTS

### Coffee and Questions

- February 28, 9 am  
at Grace Coffee in Cottage Grove
- March 15, 4 pm  
virtual (details on our website)
- March 21, 12 pm  
virtual (details on our website)

### Community Information Sessions

- March 2, 6:30 pm Cottage Grove School cafeteria
- March 7, 6:30 pm Winnequah School cafeteria



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