Shawano School District
November 2024 Frequently Asked Questions: Capital and Operational Referendum

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Frequently Asked Questions

1, Why is the District seeking approval of a capital referendum on November 5, 2024?

School districts in Wisconsin rely on two primary funding sources: state aid from the State of Wisconsin and local property taxes. However, the state funding formula limits the total revenue that districts can collect. Like many others, Shawano School District faces a gap between these revenues and the rising costs of maintaining educational programs, facilities improvements and addressing student needs.The capital referendum seeks $51.23 million to address critical and essential maintenance projects, updated academic spaces, and outdoor and athletic facilities that have been delayed due to budget balancing efforts.

2, What are the critical needs facing the Shawano School District?

In Spring of 2023, the Shawano School District partnered with Hoffman Planning and Design to conduct a facility assessment to determine the needs of our district's four buildings. Hoffman's initial Maintenance Needs Report identified $59 million dollars in maintenance needs over the next ten years.

Please visit the website for a list of the projects included in the referendum.

3. Why are the Middle School needs being deferred Until 2031?

The decision to defer addressing the middle school's needs until 2031 is based on prioritizing the most critical maintenance and facility upgrades across the district. Repairs were made to the middle school in 2015. The life expectancy of major building systems is 25-30 years. More comprehensive planning for the middle school will take place, depending on enrollments, and ensuring that any upgrades or renovations at the middle school align with long-term facility strategies. This phased approach helps manage costs effectively while still ensuring that future middle school projects are well-planned and meet the district's evolving needs.

4, What are the key changes in the proposal, compared to the April 2024 referendum, which failed by a slim margin of just 75 votes?

Based on feedback gathered through listening sessions with the community and staff, key changes compared to the April 2024 referendum include:

- **Daycare removed from scope:** The proposed daycare component is no longer part of the referendum.
- **Focus on remodeling:** Whenever possible, the updated plan prioritizes remodeling existing buildings over new additions to be more cost-efficient.

- **Enhanced academic focus:** There is a more detailed plan for expanding Career and Technical Education (CTE) and other academic spaces.
- **Lower Overall Cost:** These adjustments have resulted in a reduced overall cost for the referendum.

5. Why are turf fields and track important to include in this referendum?
Including turf fields and track in the referendum is important for several reasons:

- Cost effective
- Less time to install; no downtime for the field to "take root"
- Durable
- Allows greater access to the space for other events
- Safe

Please see this fact sheet for more information.

6. Why does the District need a referendum to pay for large-scale repairs and maintenance? Why doesn't it just pay for repairs out of savings?

- It is typical in school districts, when large-scale projects are too costly for the District to pay out of annual operating funds, that they ask taxpayers to borrow money to pay for large-scale repairs and replacements.
- An approved capital referendum is the only way for the District to borrow enough money to pay for the projects. The term of the borrowing can be for a maximum of 20 years.
- Districts can only borrow an amount *up to* what voters approve.

7. How can there be Zero tax impact when the district is borrowing money?
The proposed referendum to address the district's maintaining educational programs, facilities improvements and addressing student needs totals $51.23 million, resulting in an estimated tax impact of $0 per $1,000 of assessed property value.

Capital expenses are different from day-to-day operating funds. They typically are investments in large-scale projects that districts must borrow funds to complete.

When voters approve a capital referendum, they approve that the district incur debt, for up to 20 years. Then each year, a certain portion of the principal with interest is paid back. The amount paid on the debt is levied each year. With careful financial planning, the debt can be structured to reduce/eliminate the impact on the taxpayer's bottom line. **Every attempt is being made to keep the school tax mill rate steady so taxpayers in Shawano do not experience a school tax mill rate increase.**

This is possible because in Shawano, the existing debt will be paid off in 2024-25. If approved, the new debt will "replace" the existing debt. In this way the district can address critical needs while not increasing the current school tax mill rate

8. The plan has three main "buckets." What percentage of the overall plan is represented in each budget?

Maintenance	$23,150,000	45.2%
Updated Academic Spaces	$15,080,000	29.4%
Outdoor Site Work	$5,070,000	9.9%
Outdoor Athletic Spaces	$7,930,000	15.5%
	$51,230,000	100.0%

9. When will the referendum plan go to voters?
The referendum proposal will be on the November 5, 2024 ballot. For more information about how to register to vote, or how to cast a ballot (in-person or absentee), go here.

10. Why is it important to cast an informed vote?
Every vote is important and can contribute to the outcome of the referendum vote. Sometimes, people think that their vote won't matter. This simply is not true. When people participate in this process, we have a much more representative result from the community's voters. If finding time to vote is a concern for your family's schedule, please learn about the absentee voting process at MyVote.wi.gov.

11. If the referendum passes, will local contractors have an opportunity to bid on the projects?
Yes, the District, and its project partner Hoffman Construction believe that local contractors should have the opportunity to bid on the projects funded by the local referendum. The District follows a transparent and competitive bidding process, where all qualified contractors, including local businesses, are encouraged to participate. The goal is to ensure that the work is completed by the most capable and cost-effective providers while also supporting the local economy whenever possible.

12. What happens if the referendum does not pass?
The maintenance needs will not go away. Budget reductions, if necessary, will impact the educational programming provided for students. For example, the high school generator recently did not pass inspection. When equipment fails, it must be repaired or replaced to avoid more dire consequences and cost.

13. Where can I get more information about the referendum?

- Go to the district website
- Email Kurt Krizan, Superintendent: kkrizan@shawanoschools.org
- Attend a public information meeting. Dates and times are updated on the website.