



River Ridge School *District*

April 2, 2024 Operational Referendum Community Information Meetings

March 11, 2024 (Monday) – 6:00 P.M.

**March 20, 2024 (Wednesday) – 6:00 P.M.
(District Multi-Purpose Room)**

Presented by:

**Clay Koenig, Superintendent
River Ridge School District**

**Carol Wirth, President
Wisconsin Public Finance Professionals, LLC**

Ballot Language

Shall the River Ridge School District, Grant County, Wisconsin be authorized to exceed the revenue limit specified in Section 121.91, Wisconsin Statutes, by **\$1,250,000** for the 2024-2025 school year, and by an additional \$250,000 a year in each of the following years, in the 2025-2026 school year (for a total of **\$1,500,000**), in the 2026-2027 school year (for a total of **\$1,750,000**) and in the 2027-2028 school year (for a total of **\$2,000,000** and to remain at that amount thereafter) for recurring purposes consisting of operational costs to maintain instructional programs, staffing, technology and facilities management?

Explanation:

Question Asks for Authority to Exceed the Revenue Limit by \$1,250,000 for 2024-2025 school year and increasing that amount by \$250,000 for each of the next three years and to remain at \$2,000,000 from 2027-2028 and thereafter.

Revenue Limit is a State law (Section 121.91 Wisconsin Statutes)

“Recurring” Means “On-going” - the Authority Does Not Expire

Provides Tax Levy Revenue to Maintain Instructional Programs, Staffing, Technology and Facilities Management

April 2024 Referendum

Maintaining Instructional Programs, Staff, Technology and Facilities

- 4K and Early Childhood Full-Day Program
- After Hours Program
- Elementary School and Middle School – Class Sizes Under 24 Students
- High School – Class Sizes Under 24 for Core Classes
- Middle School and High School Course Offerings
- High School Advance Placement Classes
- Intra-Curricular, Extra-Curricular and Sporting Options for Students
- Students One-to-One Technology Devices
- Technology Devices for Staff
- District-wide Self-Funded Health Insurance
- Contributions to Facilities Building and Maintenance Fund
- A Fiscally Responsible General Fund Balance

4-Year-Old Kindergarten Full Day Program

Referendum allows the School District to continue with the 4K program of all day everyday:

- Best prepares child for academic success throughout elementary school
- Transportation for the 4K students is not an added expense
- Keeps students in the River Ridge School District that might seek open enrollment opportunities in neighboring school districts that offer this service
- Impacts District's enrollment count and revenue limit calculation

After Hours Program

Referendum allows the School District to continue with the After Hours Program:

- Up to 40 students daily attend this program
- All students are provided academic support
- Homework help from program can reduce homework battles at home
- May improve student's social skills
- Students are in a safe and supervised building

Maintaining Class Sizes

Referendum would allow School District to maintain current class sizes:

- Elementary class sizes below 24
- Middle School class sizes remain below 24
- High School core classes remain below 24

Maintaining current teacher to student ratios is vital to student academic success

Course Offerings

Referendum would maintain course offerings and possibly expand to meet college/industry needs:

- Elementary class currently exceed Department of Public Instruction (“DPI”) requirements in some areas and have a very nice specials rotation
- Middle School students are fortunate to have specialty teachers in science, English, language, arts, reading, math, physical education and specials
- High School course offerings cover students of varying interest levels. Students take part in Advance Placement classes, Career Technical Education classes, transcribed credit classes and on-line courses.

Extra Curricular and Intra Curricular

Referendum would maintain funding for the many opportunities the School District offers for students to participate in:

Art Club

Volleyball

Basketball

Int. Club

Wrestling

Yearbook

Pep Bands

Student Council

Choirs

Football

Sources of Strength

Baseball

Coop for Soccer

Softball

FBLA

Track

FFA

Cross Country

NHS

A variety of Academic Competitions throughout the year.

Technology Devices

Referendum would provide funding for technology devices to meet student needs:

- Each student currently has a device to use
- Middle School and High School students have chromebooks for daily use
- All teachers use technology in classrooms to meet student needs

Growing Student Needs

Student mental health and academic support needs have increased resulting in:

- Student services and special education staff members are even more essential
- Maintaining current teach to student ratios (class sizes) is vital to student academic success
- Student curriculum costs are increasing

Building and Maintenance Fund

Referendum would provide funding for contributions to building and maintenance fund:

- District established a building maintenance fund designated for facility projects (Fund 46)
- Dollars in Fund 46 can only be used for building/maintenance projects
- Funding would be used to address larger projects included in the District's capital improvement plan
- On-going contributions to the designated fund reduces need for future facilities referendum

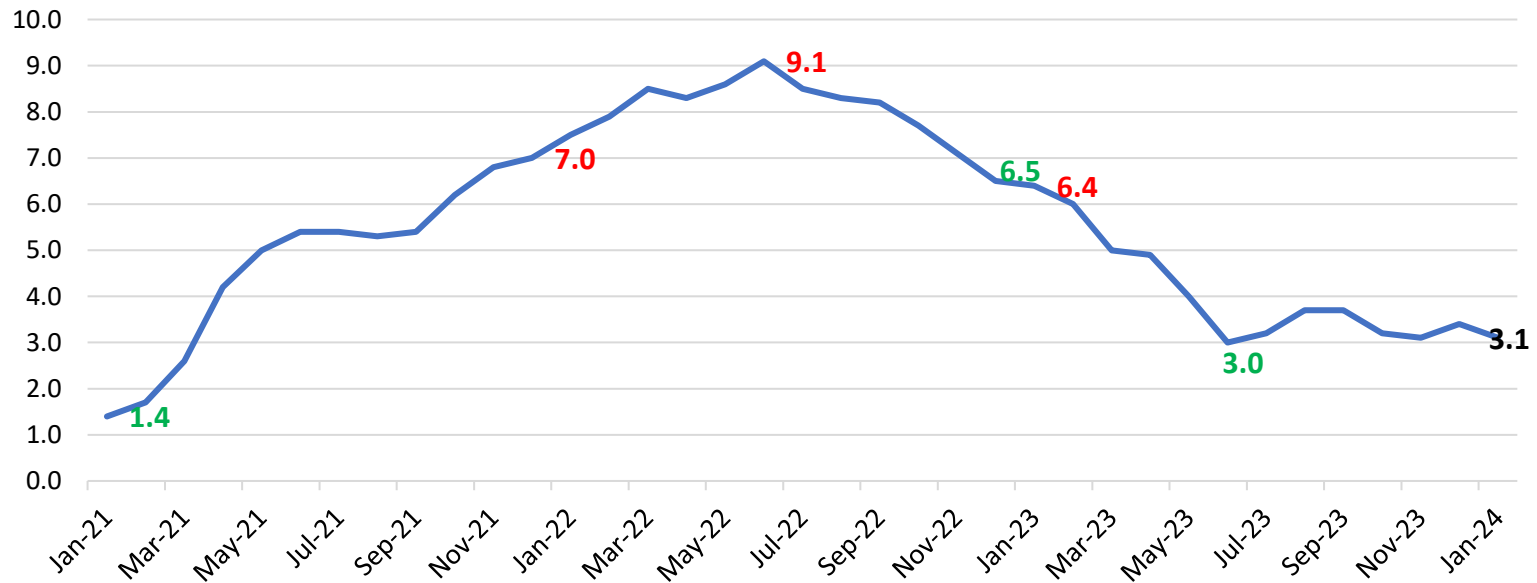
Rising Operational Costs

Inflation has impacted the School District's operating costs in all areas:

- Utilities
- Transportation Costs
- Office Supplies
- Student Supplies and Curriculum Costs
- Equipment and Replacement Cycles
- Custodial Supplies and Facility Maintenance
- Insurance Costs
- Salaries and Benefits

Consumer Price Index for all Urban Consumers (CPI-U) January 2021 – January 2024

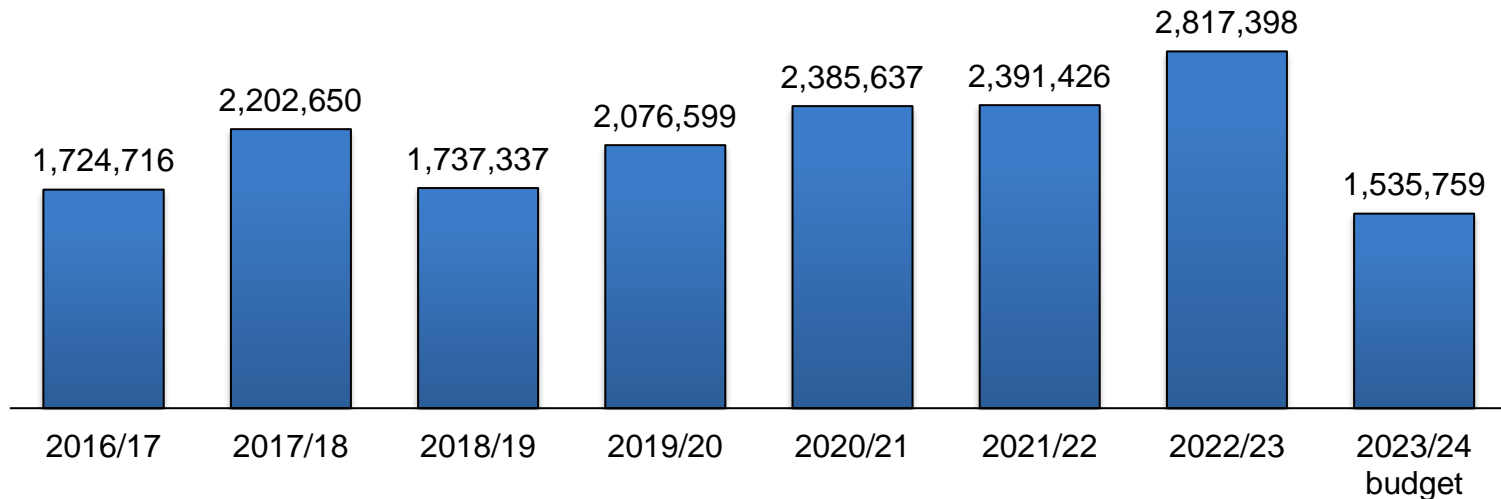
The chart reflects the Consumer Price Index for all Urban Consumers: U.S. city average, all items index, on a monthly basis, for the period January 2021 through January 2024. The high and low data points for each calendar year are shown. Source: U.S. Bureau of Labor Statistics



Data points reflect high (red) and low (green) in each calendar year

General Fund Balance

General fund balance is a “working account” that provides the cash to pay School District operating expenses when revenues (taxes, state and federal aid, etc.) are not yet received. It is not a savings account, but rather performs like an in-house line of credit. If fund balance declines, a School District needs to do short-term borrowing to provide this funding. Short-term borrowing is repaid, with interest, until the District receives its revenue. A portion of fund balance is also reserved to pay health insurance claims and is not available for cash flow purposes. The graph below is the River Ridge School District’s general fund balance for the past seven years. Approximately \$1.28 million of fund balance was applied to the 2023-2024 operating budget.



Grant Funding ESSER I, II & III and GEER

- The River Ridge School District received funding from three Elementary and Secondary School Emergency Relief (“ESSER”) grant programs authorized by three federal stimulus relief packages, and the Governor’s Emergency Education Relief Fund (“GEER”).
- The funds were provided to respond to changes in student needs due to COVID-19 pandemic.
- The one-time funds could only be utilized for costs restricted to purposes by each grant program and within their specific period of time which ends September 30, 2024.
- These funds will no longer be available to the School District.

<u>Grants received</u>	<u>Amount</u>	<u>Period of Time for Funds to be Used</u>
ESSER I	\$144,061	March 13, 2020 through September 30, 2022
ESSER II	\$575,143	March 13, 2020 through September 30, 2023
ESSER III	\$1,202,810	March 13, 2020 through September 30, 2024
GEER	\$ 78,985	March 13, 2020 through September 30, 2022

Grant Funding Support for River Ridge Operating Expenses

- Sustained current operations, staffing, educational instruction and programs.
- In-person learning for grades 4K-12 during 2020-21 school year and beyond.
- Health and COVID-19 mitigation
- Mental health support curriculum
- One health aide staff
- Staff salaries and benefits:
 - 7 teachers and 1 para-professional
- Technology: students, staff and classroom instructional items
- Curriculum purchases and educational software
- Custodial and maintenance

Grant funding is no longer available to support these operating expenses.

What Happens if April 2024 Referendum Does Not Pass?

No Final Decisions Have Been Made at this Time. The District's Options Include:

- Hold Another Referendum in August or November of 2024
- Prioritize Operating Budget Reductions
- Consider Larger Class Sizes
- Reduce Course, Extra-Curricular and Intra-curricular Offerings
- Cannot Replace Technology to Meet Student Needs

What Happens if April 2024 Referendum Does Not Pass?

- Unable to Offer Competitive Compensation and Benefit Plans – Challenges District's Ability to Retain and Attract Staff
- Cannot Contribute to Facilities Building and Maintenance Fund – Increases Likelihood of Future Facilities Referendum
- Challenges District's Ability to Sustain Fiscally Responsible General Fund Balance – Creates Uncertainty in Day-to-Day Operations
- Combination of All of the Above

History of River Ridge School District Approved Operational Referendums

2008	2008-09	\$300,000	2014	2014-15	\$150,000	\$350,000 (Recurring)
	2009-10	\$400,000		2015-16	\$150,000	
	2010-11	\$440,000		2016-17	\$150,000	
	2011-12	\$440,000		2017-18	\$150,000	
				2018-19	\$150,000	
2012	2012-13	\$440,000				
	2013-14	\$515,000				

April 2024 Operational Referendums in Nearby School Districts:

Barneveld	DeSoto	Kickapoo	Potosi	Southwestern Wisconsin
Cuba City	Highland	Platteville	Richland	Westby

Other Wisconsin School Districts' Operational Referendums:

There are 66 operational referendums held at the regular elections in February and April 2024. Between 2012 and 2023, there were 642 operational referendums.

History of River Ridge School District Approved Facility Referendums

Three facilities referendums were approved by voters:

- | | |
|------|--|
| 2008 | \$595,000 to refinance existing debt originally issued to pay off pension liability – Annual debt payments approximately \$67,000 paid off 2022 |
| 2016 | \$9,500,000 to combine District facilities to create one Pre K-12 campus at Patch Grove site including classroom and gym addition, remodeling, energy efficiency improvements, site and baseball field improvements. Annual debt payments approximately \$700,000 through 2037 |
| 2020 | \$2,300,000 to construct outdoor educational facility including athletic fields. Annual debt payments approximately \$140,000 through 2039 |

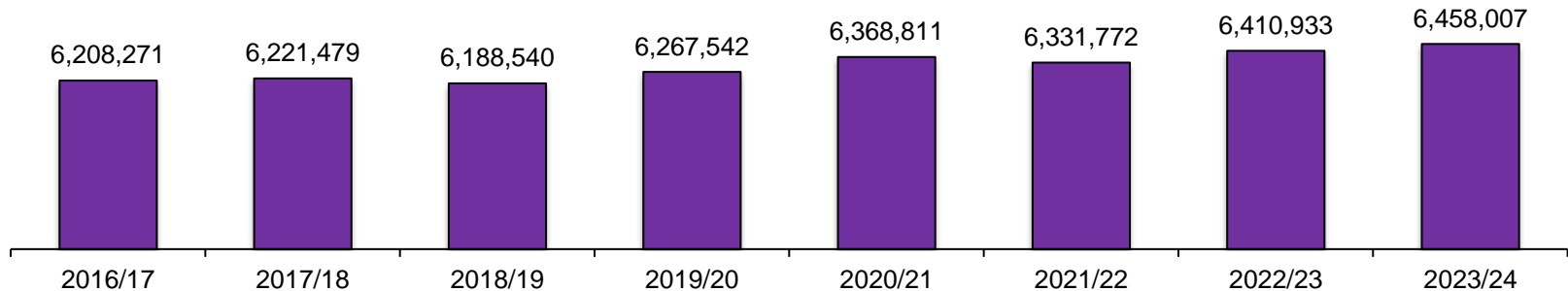
Facility referendums authorize borrowing for projects. Annual debt service payments are included in the District's tax levy. After final payments are made, taxes will decline by that amount.

The Revenue Limit

- A State Law (Wisconsin Statute Section 121.91) imposed on all Wisconsin School Districts in 1993
- Limits amount of operating revenue a school district receives, from taxes and state aid, to pay operating expenses.
- Calculated each year using WI Dept. of Public Instruction (“DPI”) worksheet with district’s September enrollment numbers.
- Legislative changes are considered during each State’s biennial budget process.
- Voter approval needed to exceed revenue limit.

The Revenue Limit

Bar graph below is River Ridge School District's actual revenue limit for the past eight years. The revenue limit has been fairly flat during this period with minimal increases. However, operating expenses and inflationary impact have increased over these years. Annual resident student enrollment trends, and legislative changes create an increase or decrease in the limit.

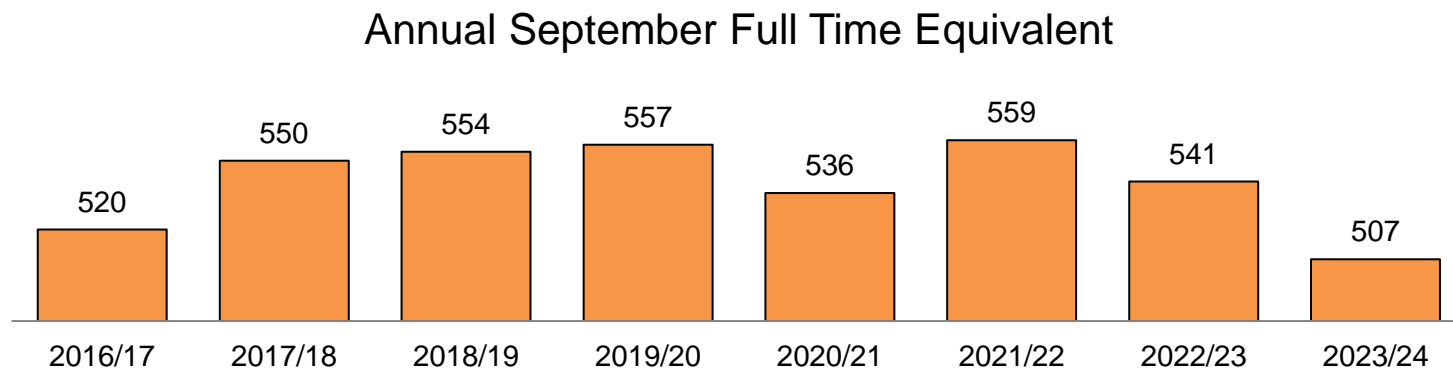
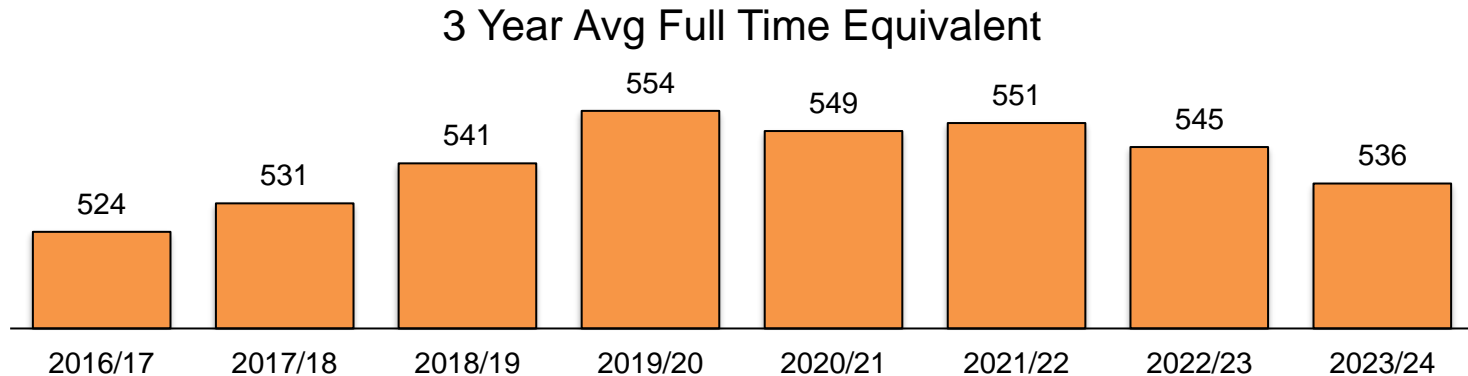


One of the legislative changes to the revenue limit calculation is the per member change, which increases the limit. The per member increases for each of the last eight budget years are as follows:

Year	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Per Member Increase	\$0	\$0	\$0	\$175	\$179	\$0	\$0	\$325

Revenue Limit Enrollment

The revenue limit uses a three-year average of resident full-time equivalent students. It does not include open enrollment students. Revenue for open enrolled students is provided through tuition paid by the student's resident school district.



District Enrollment

School district enrollment is counted in various ways:

Resident Enrollment – Students living in the River Ridge School District

Resident Enrollment is the student count used for the revenue limit calculation

Open Enrollment Out – Students living in the River Ridge School District, but are attending another school district.

River Ridge School District pays “tuition” to the other school districts for these students

Open Enrollment In – Students living in other school districts but are attending the River Ridge School District

Other school districts pay “tuition” to School District of River Ridge for these students

Total Students in Seats = Resident Enrollment (-) Open Enrolled Out (+) Open Enrolled In

Six Year Historical District Enrollment

Budget Year	Resident Enrollment	Open Enrolled Out	Open Enrolled In	Total In Seats
2018-2019	565	51	28	542
2019-2020	568	56	33	545
2020-2021	550	64	47	533
2021-2022	568	66	41	543
2022-2023	546	63	41	524
2023-2024	519	62	48	505

Resident enrollment decline impacts District revenues received from property taxes + state aid

Open enrolled out increased and remained fairly stable – tuition paid by River Ridge School District increased and remains fairly stable

Open enrolled in fairly stable to increasing – tuition received by River Ridge School District increased

Total students in seats educated by River Ridge School District declined.

State Equalization Aid Formula

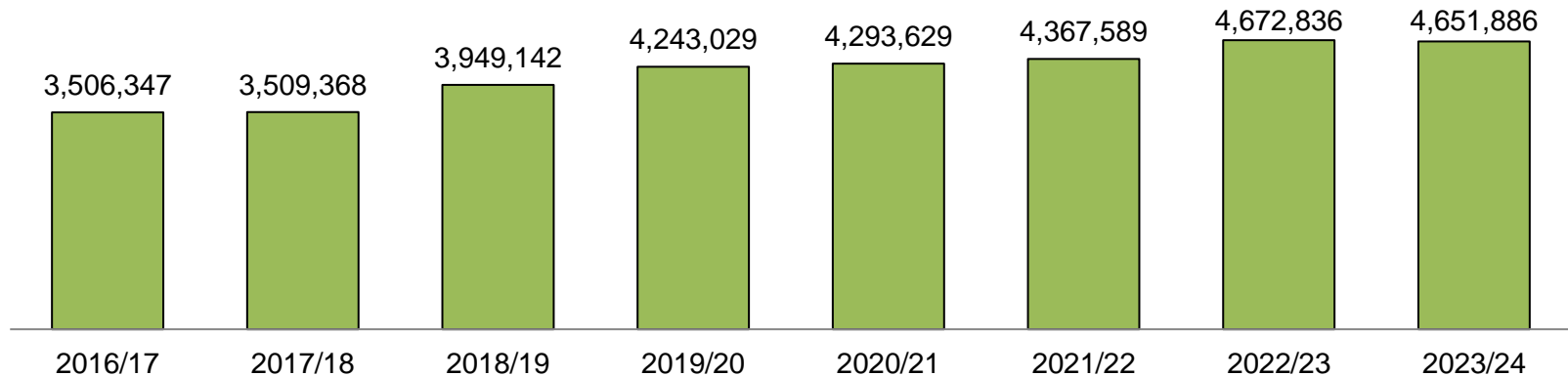
The State Equalization Aid formula provides financial assistance to school districts based on: prior year's operations and debt service expenditures, equalized (fair market) property values and student enrollment

The State shared in 2023-2024 budget year's expenses by providing state aid equal to 69% of last year's costs.

State aid is used for property tax relief and not as additional revenue for a school district. If a district receives less aid, taxes go up. If a district receives more aid, taxes go down. Neither scenario gives the district more revenue.

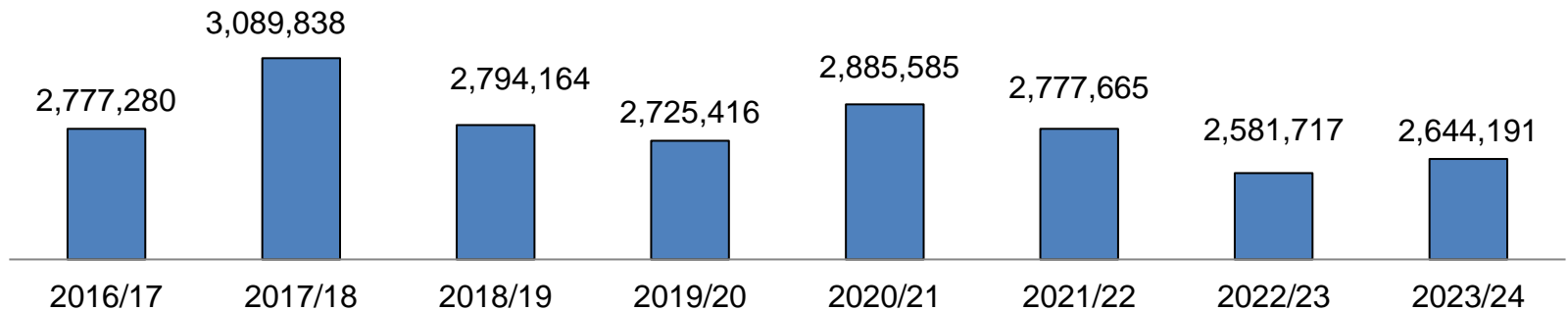
The State aid formula is subject to legislative changes every two years as part of the State's biennial budget and is not guaranteed.

The graph below represents the amount of state aid received by the River Ridge School District for property tax relief.



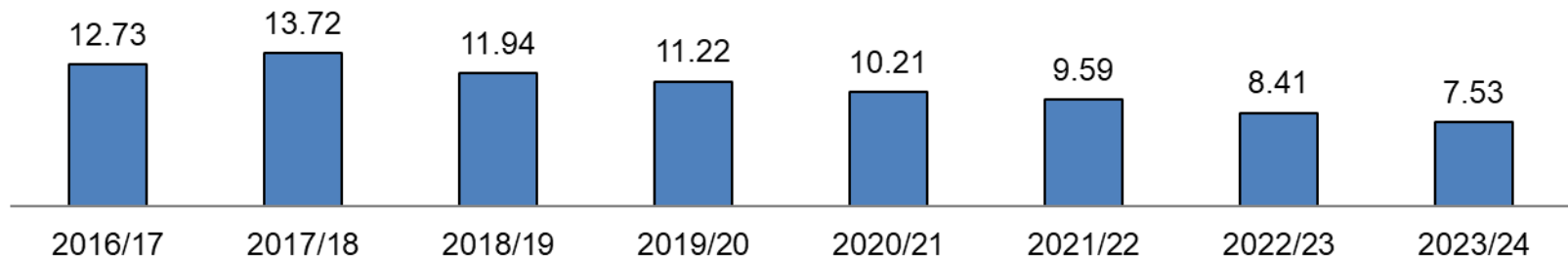
Historical Tax Levies

- Bar graph below is River Ridge School District's tax levy for the past eight school budget years
- Tax levy = revenue limit calculation minus State equalization aid received for property tax levy relief
- Tax levy includes debt payments for the 2008 (paid off in 2022), 2016 and 2020 facilities referendums
- 2023-24 tax levy is lower than the tax levy eight years ago
- 2023-24 tax levy was included in December 2023 tax bills



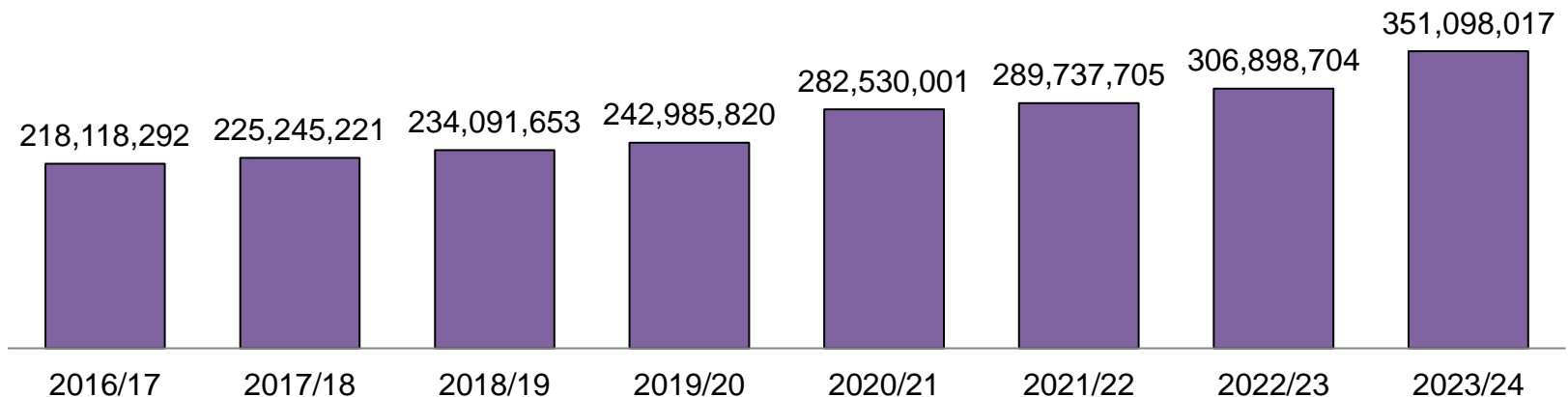
Historical Tax Rates

- Bar graph below are the River Ridge School District historical tax rates (per \$1,000) for the last eight years
- Tax rate = District's tax levy divided by District's equalized ("fair market") value
- Tax rate includes debt payments for the 2008 (paid off in 2022), 2016 and 2020 facilities referendums
- 2023-2024 tax rate is the lowest tax rate in eight years
- 2023-2024 tax rate was included in December 2023 tax bills



Equalized Valuation (Tax Base) Certified by State in October

- Equalized Valuation (“Fair Market”) – The Wisconsin Dept. of Revenue determines the equalized value of all properties in the State based on the amount of any new construction and other economic changes (“inflationary” changes) based on recent sales and/or reclassification of property.
- Assessed Values are determined by the local assessor for each Village and Town under the guidance of the Wisconsin Department of Revenue.
- Bar graph below demonstrates 61% growth in the District’s property value over eight years

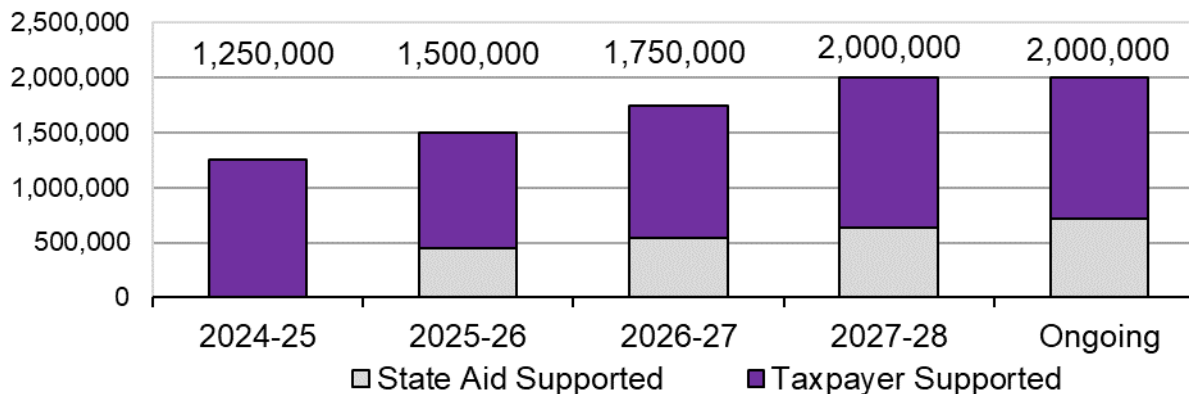


2024 Referendum Tax Impact Including State Aid

- The April 2024 Referendum tax impact begins with the December 2024 tax bills.
- The April 2024 Referendum ballot question includes **four** different dollar amounts occurring in four different budget years, with the last amount **remaining** in tax bills (“recurring” or “ongoing”).
- The estimated tax impact is based on the School District revenue limit, state aid formula and property values used for December 2023 tax bills.
- The School District currently receives state aid for operating expenses under a three-tiered formula designed to provide property tax relief.
- Under the current aid formula, the estimated tax impact of the April 2024 Referendum is shared with the State providing additional aid to reduce taxes.
- The estimated additional State aid is received the year after the operating expenses occur

2024 Referendum Tax Impact Including State Aid

The graph below shows the referendum amounts for each of the next five years broken down by the amount supported by taxpayers and amount supported by State aid based on the current aid formula at 36%. State aid is not guaranteed and subject to change each year.



Calculating the Est. Tax Impact

Referendum's estimated tax rate is stated per \$1,000 of equalized value

Budget Year	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>Ongoing</u>
Referendum Amount	\$1,250,000	\$1,500,000	\$1,750,000	\$2,000,000	\$2,000,000
Est. Tax Rate Per \$1,000 (Equalized Value)	\$3.56	\$2.99	\$3.45	\$3.90	\$3.65
Taxes on \$100,000 Property Value	\$356	\$299	\$ 345	\$390	\$365
Tax Bill Impact Dec	2024	2025	2026	2027	Ongoing

Note: Referendum Est. Tax Rate reflects only the impact of the dollar amounts stated in the referendum ballot language. The estimated tax rate does not reflect taxes levied for the District's future operating budget and debt service payments.

Calculating School District Taxes on Tax Bill

1. Refer to Property Owner's Equalized Value Located on Tax Bill Marked "Total Est Fair Market Value" or "Use Value Assessment"
2. Divide Property Owners Value by \$1,000
3. Multiply Answer by School District's Tax Rate = Dollar Amount of Taxes

Example:

1. Property Owner's Value - \$100,000
2. Divide by \$1,000 = \$100
3. Multiple by Tax Rate 3.56
Amount of Taxes \$356

4. Subtract School Taxes Reduced by School Levy Credit Located at Top of Tax Bill – This Amount is Set by State Legislators Each Year

Tax Bill

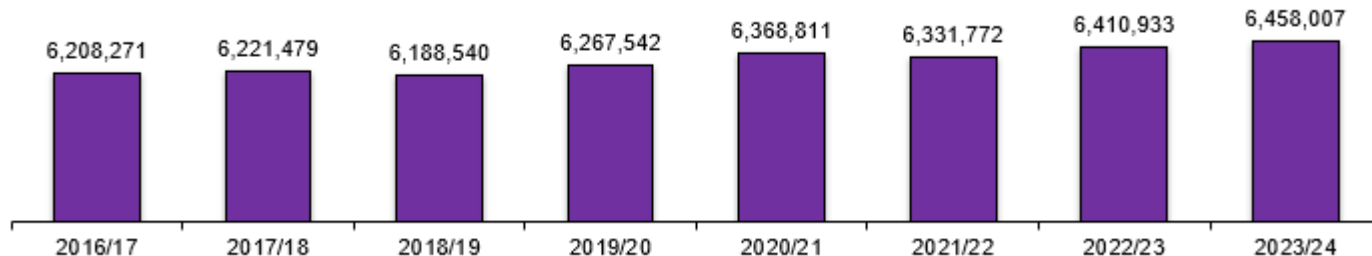
Assessed Value Land	Ass'd. Value Improvements	Total Assessed Value	Ave. Assmt. Ratio	Net Assessed Value Rate (Does NOT reflect credits)	
Est. Fair Mkt. Land See Reverse, Use Value Assessment	Est. Fair Mkt. Improvements	Total Est. Fair Mkt.	<input type="checkbox"/> A Star in this box means Unpaid Prior Year Taxes	School taxes reduced by school levy tax credit	
Taxing Jurisdiction Village / Town County School District State Vocational Total	Est. State Aids Allocated Tax Dist.	Est. State Aids Allocated Tax Dist.	Net Tax	Net Tax	% Tax Change
		First Dollar Credit Lottery & Gaming Credit Net Property Tax			
Make Check Payable to: And Second Installment Payment Payable To:	Full Payment Due On or Before January 31 \$ Or First Installment Due On or Before January 31 \$ And Second Installment Due On Or Before July 31 \$	Net Property Tax			

What Affects My Tax Bill?

- 1. Tax Levy -** Each taxing jurisdiction levies a tax.
- 2. Apportionment -** Used by school districts, counties and vocational districts, to apportion their tax levies among local municipalities using Equalized Value (“Fair Market Value”) of each municipality in school district or county. Equalized Value is calculated by the WI Department of Revenue, not local assessors.
- 3. Local Apportionment -** Assessed Value of each class of property in municipality (residential, commercial, manufacturing, agricultural, undeveloped, agricultural forest, productive forest land, other) is determined by local assessor. Assessed values are used to distribute all taxes among individual property owners.
- 4. School Levy Credit -** Allocated by WI Department of Revenue to municipalities each November based on share of statewide school levies for school purposes for previous three years and legislative input.

Highlights of the Why

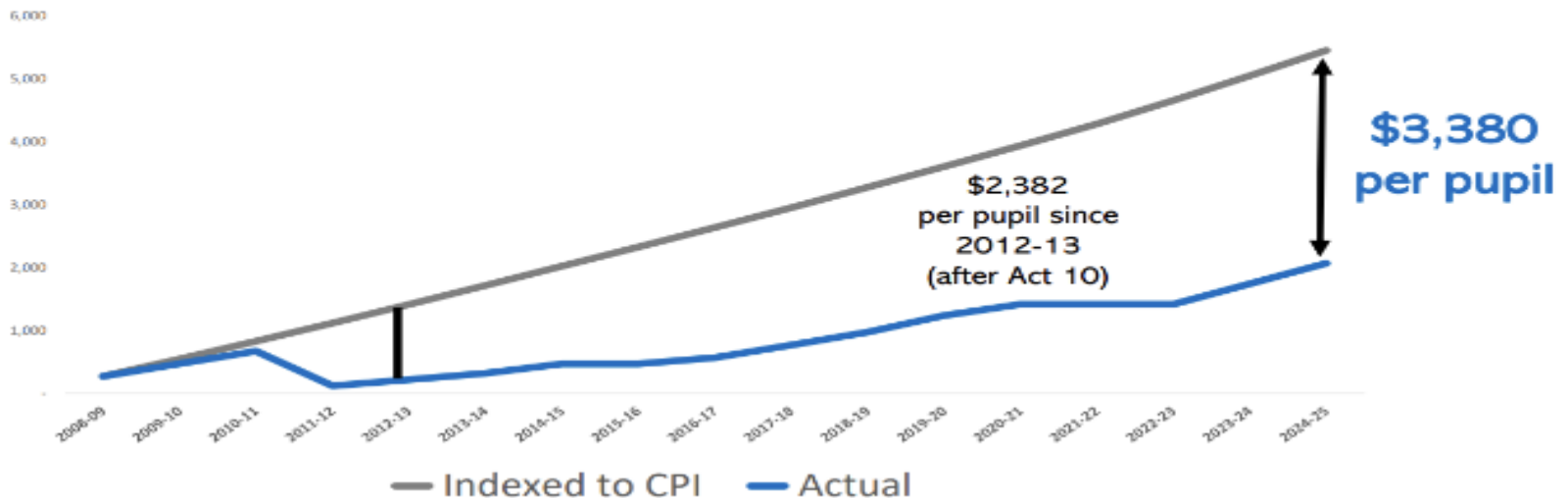
Since 2016 (\$6,208,271) through 2024 (\$6,458,007) we have only seen \$249,736 in additional spendable dollars in our revenue. That is just over a 4% increase that spans 8 years. In that 8 year period, we have seen record inflationary measures. Below is a chart that shows our increases. CPI was at 4.7% July 2022 and was at 8.0% in July of 2023.



Highlights of the Why

The following chart from WASBO shows the lack of funding in comparison to inflation. If state funding kept up with inflation since 2009 and we used our 3 year enrollment average (536) we would have an additional \$1,811,680. This chart was produced by WASBO and there are things that might alter the per pupil increase as reported.

General school district revenues per pupil lag inflation by more than \$3,300 since 2009



CESA Schools Operating with Approved Revenue Limit Increases

District	Passed Referendum Dollars (NR&RR)	NR is spelled out. Recurring tells the year and amount.				
River Valley	\$5,000,000	3,800,000 Three year NR (2.8, 3.8,4.3 totals) Expires 2025	2010=1,200,000			
Pecatonica	\$2,115,000	2020= 490,000	2017=325,000	20	Benton	\$720,000 420,000 four year NR (420,000 all yrs.) Expires 2026
Darlington	\$1,900,000	1,900,000 per year for 5 years (9,500,000 total) Expires 2026			Riverdale	\$700,000 700,000 nineteen year NR (700,000 yrs. 1-5/315,000 yrs. 5-19) Expires 2041
Richland Center	\$1,850,000	2020=1,250,000	2016=475,000	20	Highland	\$690,000 2015=240,000
Boscobel	\$1,800,000	2016=1,800,000			Fennimore	\$600,000 2015=600,000
Iowa Grant	\$1,800,000	2016=1,800,000				
Lancaster	\$1,750,000	2007=1,300,000	2001=450,000		Argyle	\$490,000 490,000 four year NR (490,000 all yrs.) Expires 2026
Cuba City	\$1,600,000	2022=200,000	2016=300,000	20	Shullsburg	\$400,000 2018=400,000
		950,000 four year NR (352,000 yr. 1, 950,000 yrs. 2-3, 1.1 yr. 4) Expires 2026			Ithaca	\$350,000 2004=350,000
Wauzeka-Stubuen	\$1,550,000		2006=500,000	15	River Ridge	\$350,000 2014=350,000
Platteville	\$1,500,000	2006=1,500,000			La Farge	\$250,000 2008=250,000
Mineral Point	\$1,450,000	2018=350,000	2012=1100000		Barneveld	\$0 0, Zero
Prairie du Chien	\$1,340,000	2016=1,340,000			Belmont	\$0 0, Zero
Dodgeville	\$1,300,000	2005=1,300,000			Black Hawk	\$0 0, Zero
		600,000 Six year NR (400,000 yrs. 1-3/600,000 yrs. 4-6) Expires 2026	2020=600,000		Kickapoo	\$0 0, Zero
Cassville	\$1,200,000				Southwestern	\$0 0, Zero
North Crawford	\$1,150,000	2022=750,000	2008=400,000			
Weston	\$975,000	975,000 per year NR (975,000 for all 5 years) Expires 2025				
Seneca	\$800,000	2008=800,000				
Potosi	\$745,000	2019=445,000	2006=300,000			

Source: DPI Website
<https://sfs.dpi.wi.gov/Referenda/CustomReporting.aspx?District=0007>

When and Where to Vote

On April 2, 2024, all polling places open at 7:00 A.M., and close at 8:00 P.M. All questions concerning your polling place should be directed to the municipal clerk in your Village or Town. You can register to vote, check your voter registration status, find your polling place, see your sample ballot and request an absentee ballot at the MY VOTE WISCONSIN WEBSITE – <http://myvote.wi.gov>.

For more information visit:

District Website: www.rrsd.k12.wi.us

