



Frequently Asked Questions



Q. Why did my property taxes go up this year when you said the mill rate went down again?

A. Each person who owns a property is taxed by multiple entities. These entities include, but are not limited to Dodge County, Hustisford School District, Moraine Park Technical College, Wisconsin, and your local municipality. All of these entities play a role in how your tax bill is calculated. The levy from each of the entities, as well as overall property value, will determine the overall tax bill.

Q. What is the mill rate and how does it affect property taxes?

A. The mill rate is the amount of tax a property owner will pay per \$1,000 of property value. Each school district in Wisconsin has the authority to levy up to a specific dollar amount for public schools. This amount is different for every district and is set by the State of Wisconsin in what is known as the revenue limit. The mill rate is calculated by taking the Revenue Limit and then dividing it by the Total Equalized Value for all properties within the school district. This answer is then multiplied by 1,000 to get a mill rate, or rate of tax per \$1,000 of property value.

Q. Why has the Hustisford School District mill rate dropped over the past several years?

A. Our property values have been increasing the last couple of years, and our revenue limit continues to decrease. This has caused our mill rate to drop.

	Property Value	Revenue Limit	Mill Rate
2022-2023	\$ 442,380,319.00	\$ 2,887,396.00	\$ 6.53
2021-2022	\$ 376,660,282.00	\$ 2,994,913.00	\$ 7.95
2020-2021	\$ 343,873,186.00	\$ 3,293,548.00	\$ 9.58
2019-2020	\$ 344,661,379.00	\$ 3,050,883.00	\$ 8.85
2018-2019	\$ 325,425,201.00	\$ 2,897,568.00	\$ 8.90
2017-2018	\$ 317,518,870.00	\$ 3,024,370.00	\$ 9.53



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Q. What will happen if this referendum does not pass?

A. The District will continue to maintain the antiquated systems and work to develop a plan to replace items in the order of urgency. The District will continue to ensure that the buildings are maintained and operating the best that they can be with the systems that we have. Nothing much will change other than the planning process to determine how to replace and/or update HVAC, a roof, plumbing, electrical, and safety and security. This will be done in both buildings.

Q. How much money can the Hustisford School District borrow without going to referendum?

A. The District can borrow up to \$1 million with only BOE action, but it must be paid back within the revenue limit authority. There is no new levy authority with this approach.

The District can go through the petition process to borrow more than \$1 million, without going to referendum, but again it would have to be paid with existing revenue limit authority. Because of the no new levy authority, the non-referendum approach is typically only used for smaller projects.

Q. What are the benefits of being in one building?

A.

- Increased operating efficiency through maintaining only one building through utilities and staffing
- Providing opportunities for mentorship and learning between students of all ages
- Building a strong community while allowing individual students to thrive in age appropriate spaces
- Allows for continued connection between students, staff, and families throughout the entire educational process



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Q. If the referendum passes, what will the tax impact be on my household?

A. The estimated average mill rate increase is \$3.57 per \$1,000 of valuation.

Q. How did the District come to this proposal?

A. The topic of a building referendum has been something that the board has been discussing since the last failed building referendum in 2017. In July of 2022, the District posted an RFQ for a construction manager. After the process of hiring the construction manager, the District then posted an RFQ for architectural services. The District hired Kraemer Brothers Construction and HSR Associates. In August of 2022, a thorough analysis of the buildings was completed by HSR, that write up can be found on the website. In September of 2022, school board workshops were held as well as listening and informational sessions with staff and students. In September, community members were engaged and began a series of meetings. In all, 7 meetings were held with community members to discuss the findings of the building analysis, discuss budget options, community priorities for our buildings, and solutions. In December of 2022, the community members presented a plan for a PK-12 facility to the board. That plan had a price tag of \$19.5 million which was discussed at the meetings. Community members felt that this was a point that was attainable for the needs that were identified. In January of 2023, the board adopted the official referendum question.

Q. What is the amount that the District currently has in their fund balance?

A. The District carries a current fund balance of about 26%. The funds cover three different accounts in the District and can only be used within those specified funds. The percentage carried in fund balance is supported by board policy.



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Q. What is a fund balance and why do I hear people asking about it?

A. A fund will have "balance sheet" accounts consisting of "assets," "liabilities" and "fund balance" and a series of "revenue" and "expenditure" accounts. A "fund balance" is created or increased when fund revenues exceed fund expenditures for a fiscal period. Correspondingly, a fund's balance is decreased when fund expenditures exceed fund revenues. The balance sheet accounts identify the assets that belong to a fund--such as cash or a grant payment receivable--and what liabilities it owes, such as accounts payable to a supplier.

The difference between the fund's assets and liabilities equals the "fund balance." A positive fund balance represents a financial resource available to finance expenditures of a following fiscal period. A deficit fund balance can only be recovered by having revenues exceed expenditures in a following fiscal period.

Determination of an appropriate fund balance is a critical factor in district financial planning and budgeting processes but it is strictly a local matter. DPI makes no recommendation regarding the amount a district should have as its General Fund balance, except that DPI encourages districts to seek legal counsel should they contemplate budgeting for and/or operating with a negative general fund balance.

A district with an appropriate fund balance can:

- avoid excessive short term borrowing thereby avoiding associated interest cost;
- accumulate sufficient assets to make designated purchases or cover unforeseen expenditure needs; and
- demonstrate financial stability and therefore preserve or enhance its bond rating, thereby lowering debt issuance costs.



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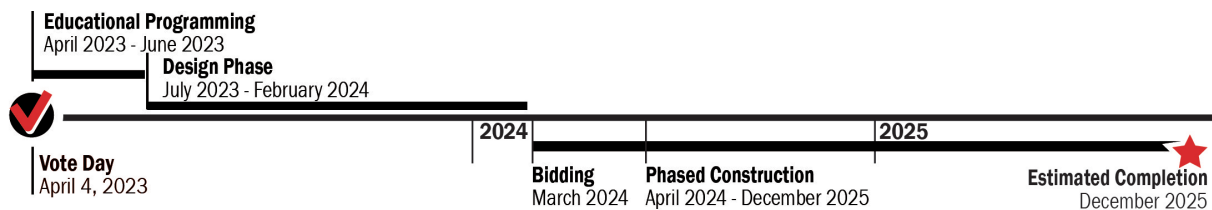


Q. How much debt does the District currently have?

A. The District is one of only 10% of Wisconsin schools that does not have any referendum debt. However, the District has used its borrowing authority to fund things. The District currently has two short term loans with Hustisford State Bank. One loan that was used for gym improvements, including a complete floor refinish and new bleachers. It currently has an outstanding balance of \$50,325.55. This loan has a maturity date of 6/16/2025. The second loan was used for HVAC repairs and has an outstanding balance of \$88,428.14. The maturity date on this loan is 9/3/2031.

Q. If the referendum were to pass, what is the timeline?

A. The goal would be that all students would be in the PK-12 facility by December of 2025. The work begins as soon as a question is approved. The District would immediately enter into the design phase of the project. This phase will help to solidify the conceptual drawings and create a rendering of what is going to be constructed. The bidding for the project would likely begin in spring of 2024. Once the bidding process is complete, construction and remodel would begin. The project would be worked on during school and students would remain in a safe environment during the entire process





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Q. What is the cost of Kraemer Brothers and HSR to the District?

A. Kraemer Brothers does not have a cost to the District for pre-referendum work. If a project passes, the percentage that has been contracted is between 1.9% and 2.9%. Currently, the scope of the proposed project would likely be a 2.5% cost. HSR has a \$6,500 fee that is charged for pre-referendum work. However, if the referendum question passes, this money is credited back to the District. The fee for HSR is 5.6%.

Q. How much square footage is being proposed to add on to the MS/HS?

A. 22,000 SF

Q. Why is the District putting a referendum question on the ballot?

A. The annual operating budget for the district is \$6,711,058.93. The State imposed revenue limit is \$2,887,396.00. We cannot levy more than that amount without asking tax payers. The State of Wisconsin legislation has made a referendum the only tool for a district to seek to exceed the revenue limit and borrow outside the levy. The amount that is needed to upgrade everything that is in need exceeds what we can expend out of our annual budget.

Q. Has the District considered consolidating with another district, dissolving the District, or closing the District?

A. No, none of these options are being considered now, nor have they been. The District is financially sound, and there is no need for any of these options to occur.

Q. How much has the District spent in order to maintain District facilities?

A. Over the past several years, the District has spent approximately \$1.7 million dollars on updates and maintenance. Funds were spent on updates within the buildings, maintenance of facilities, technology upgrades, and curricular updates.

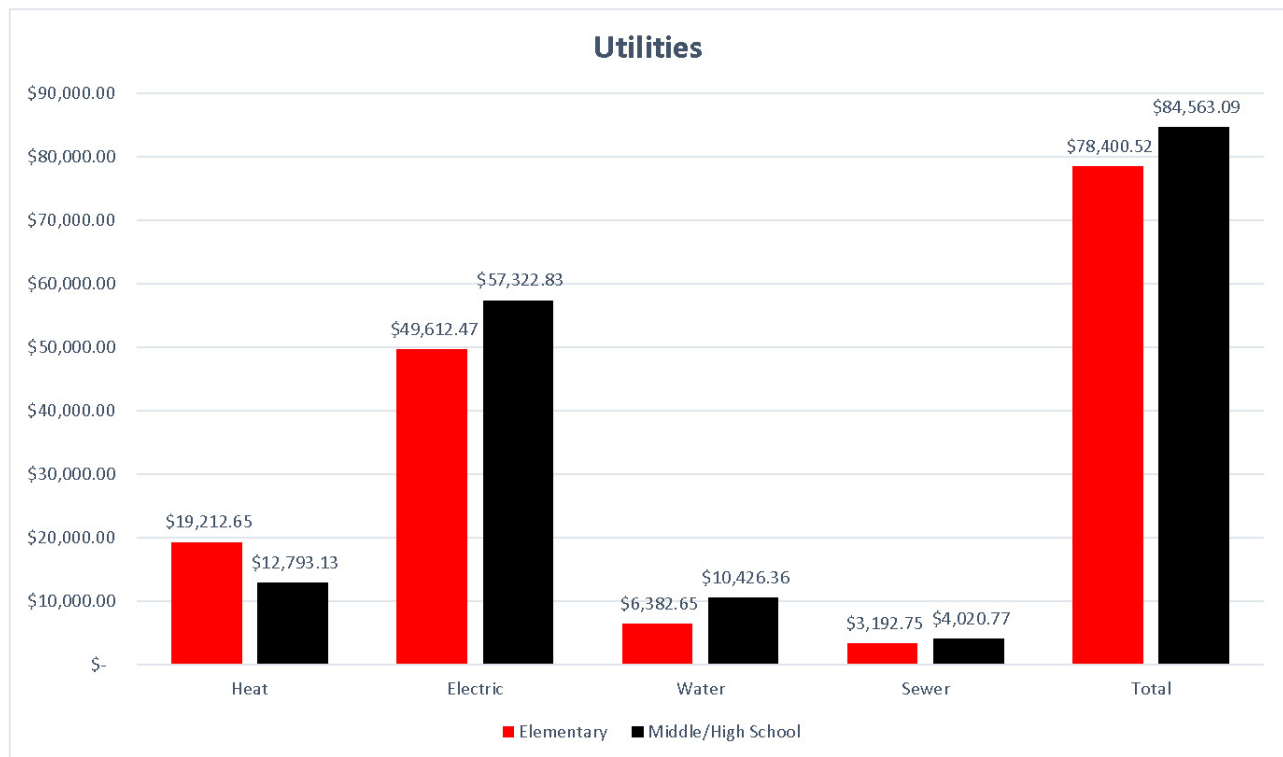
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Q. What are the current utility costs in each of the buildings?

A.

Hustisford School District Utilities

	<i>Elementary</i>	<i>Middle/High School</i>	2022 Total	Total Monthly Ave
Heat	\$ 19,212.65	\$ 12,793.13	\$ 32,005.78	\$ 2,667.15
Electric	\$ 49,612.47	\$ 57,322.83	\$ 106,935.30	\$ 8,911.28
Water	\$ 6,382.65	\$ 10,426.36	\$ 16,809.01	\$ 1,400.75
Sewer	\$ 3,192.75	\$ 4,020.77	\$ 7,213.52	\$ 601.13
Total	\$ 78,400.52	\$ 84,563.09	\$ 162,963.61	\$ 13,580.30

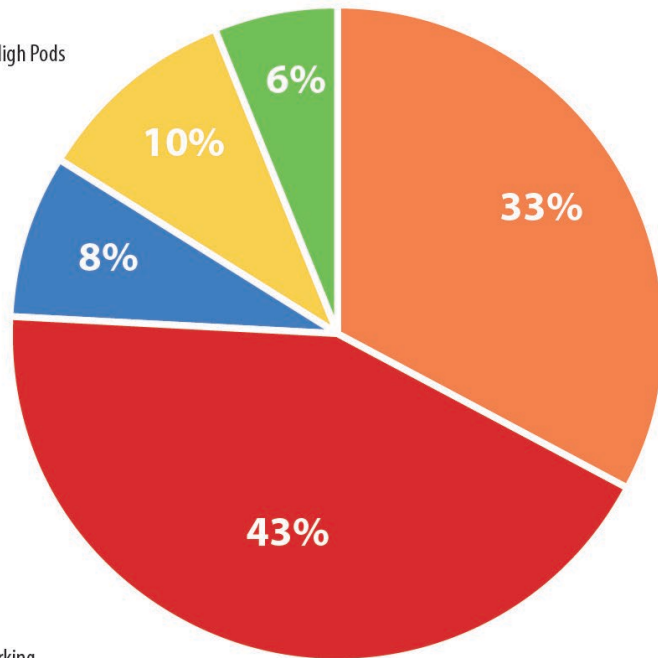
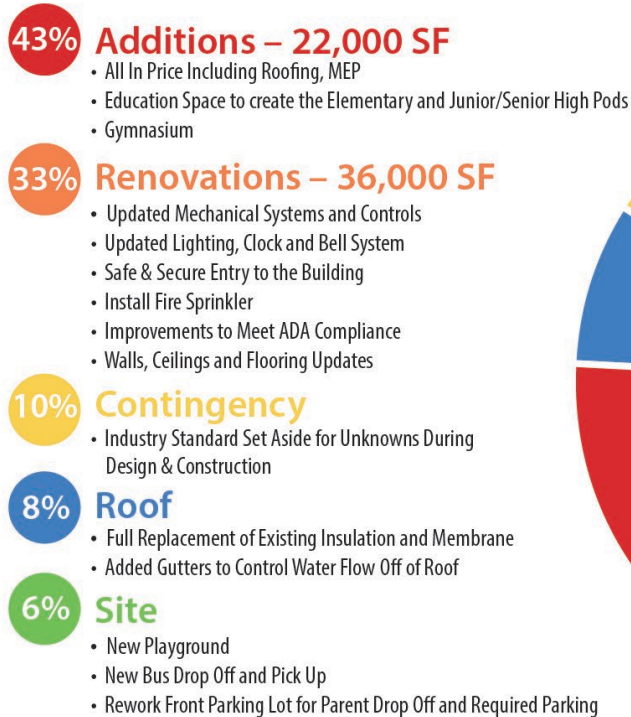


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Q. What is the community getting for the \$19.5M referendum?

A. This pie chart graphic breaks down the costs associated with the additions, renovations and site improvements included in the \$19.5M referendum.

TOTAL REFERENDUM COST \$19.5M



****All work will be competitively bid.***