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## Memo

**To:** School District of Waupaca Board of Education  
**From:** Carl A. Hayek – Director of Business Services  
**Date:** 5/20/2022  
**Re:** Building & Grounds Committee Meeting – May 26, 2022

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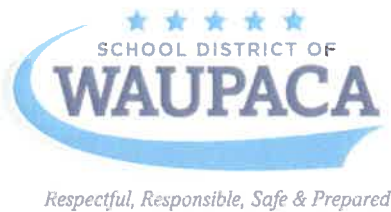
### School Building Safety Entryway Remodeling/Renovations

#### History

In 2019 the school district of Waupaca encountered two major school threats with the intent to do harm to the district's students and staff population. The threat was so severe that this news was picked up on national news outlets. The department of justice investigators who investigated the Pulse night club and Parkland High School shootings where 49 patrons and 17 high school students were killed in Florida came to Waupaca WI to review and re-educate all administration with regard to safety protocols. In concert with the Department of Justice the Wisconsin School Safety Coordinators Associations assessment team were also onsite to conduct a safety audit of all the district's safety protocols which included an assessment that deemed all of the district's school building entryways were problematic requiring structural changes.

Since then the district has tightened up all safety protocols according to these assessments with each building having a safety team. The Love you Guys Program which formulated after the infamous Colorado Columbine high school shooting is the districts roadmap. Rally points for students and reunification sites for parents and students are clearly defined, table top exercises with local law enforcement inclusive of staff members are continuous, the hiring of two police liaison officers are now just part of the districts continuance of standard operating procedures culture.

Arguably the districts number one safety concern, the number one aspect of the Department of Justice and WI School Safety Assessment left to resolve is the vulnerability of the district's Point of Entry which is all building entryways. After the 2020 COVID year as things returned to some form of normalcy in November of 2021 after searching for architects who were experts in building safety protocols PRA Architects were selected and onsite with Building & Grounds Supervisor Matt Vassar, District Consultant Bob Breest Civil Engineer and myself in January of 2022 going through all of the districts school buildings viewing the current building entry way layouts and developing an understanding of the scope of the project having in which PRA recently completed this similar work in WI Rapids school district.



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## **What's wrong with our current building entryway structures?**

The Wisconsin School Safety Coordinators Association and the Department of Justice's safety and security recommendations and assessments are below for each school building (exact language).

### WLC RECOMMENDATION:

#### **Vulnerabilities and Opportunities for Improvement**

Review with the buildings and grounds director improving sight lines from the office to the main entrance door.

Should the district seek an operational or capital referendum we highly encourage review with an architect reconfiguration to ensure all visitors must pass through the office prior to gaining entrance/access to the rest of the facility.

### WMS RECOMMENDATION:

#### **Vulnerabilities and Opportunities for Improvement**

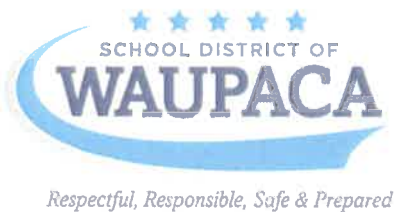
The most critical item of note is the entrance to the building. It is not a secured vestibule leading to the office but rather is a secured vestibule that can act as a sally port by means of a panic device. A secondary vestibule which limits access to the school and directs all foot traffic into the main office is a suggestion.

### WHS RECOMMENDATION:

#### **Vulnerabilities and Opportunities for Improvement**

The most critical vulnerability in the Climate section is the method of gaining entry into the building. While one must be buzzed in, initially, one has complete access to the building after being buzzed in as there is no forced entry into the school office. Much consideration needs to be given to creating a more secure point of entry for this building.

Additional signage outside the entrance welcoming visitors would be appropriate. Additional signage in the parking lots directing visitors to the District office and also noting when certain roads are restricted would also be helpful.



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#### CEC RECOMMENDATION:

**Vulnerabilities and Opportunities for Improvement** – The Office is located down the hall from the main entry. Once visitors are buzzed in, they are free to go anywhere in the building. The office staff member was new (one week) we were not questioned, and we did not have to show any ID before being allowed into the building.

#### **Good Fiscal Stewards of Taxpayer's Money**

The district has been good fiscal stewards of the districts taxpayers' money such as taxing under the revenue cap 9 years in a row saving the taxpayers over \$16 million dollars. Unlike other districts Waupaca hasn't come to the taxpayers over and over with referendums to repair its infrastructure for we methodically follow the districts strategic plan long term infrastructure replacement plan investing over \$2.5 million each year being part of our budget not an afterthought of letting roofs and internal HVAC components go until their broken and then ask the taxpayers for new ones. We built an award winning athletic complex through donations and district funds and the selling of property rather than seeking a referendum. We have managed our 2<sup>nd</sup> biggest fund 10 budget item which is health insurance arguably the best in the WI public school world over the last 11 years negotiating renewals that are less than in 2010 saving the district millions of dollars creating a capital position that avoids short term borrowing increasing the districts net equity, The native Americans have a saying "We only take what we need" which has been part of this districts fiscal framework and fiscal belief in making sound fiduciary decisions for all the stakeholders we have the privilege to serve.

The last time this district sought a referendum was over 22 years ago in which the taxpayers approved overwhelmingly the building of a new high school and renovation of the middle school and WLC. Since then we have taken immaculate care of these wonderful facilities our taxpayers have provided to serve their children. We have not asked for referendums to upgrade our internal or external infrastructure we have and continue to take care of this annually within the district budget. We have not asked nor will we be asking to exceed the revenue limit for operating expenses that we believe should be taken care of with our annual taxpayers monies allotted to us by law. We haven't come to the public to seek building new gymnasiums, new buildings or total demolition of buildings and building completely new for we take care of what the taxpayers have given us and with the majority of WI public school districts facing declining enrollment how wise would that be of the district use of district taxpayers monies anyways? Our debt is paid off, our mortgage payment is over if you will for the last referendum 22 years ago.

30 years ago building designs weren't thinking of safety so much in both the private and public sector rather the thinking was more aesthetic in design emphasis. Now, 3 decades later the world has changed and the point of entry in both the private sector (hospitals, offices etc.) and the public sector (schools, government buildings) for the protection of their patrons and stakeholders have developed true



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infrastructure design solutions to mitigate for lack of a better word societies violence and discordant elements from entering facilities that are supposed to teach and protect the most innocent of our society, children.

Our Current entryways how they look now need to be different. If not today when? Why would one wait? This district will do this at some point in time regardless for this issue, this security breach won't fix itself and it is not going away. Point of Entry is this districts most vulnerable area of concern according to the WI School Safety Coordinators Association and the Department of Justice and we need your help.

## **The Physical Solution**

### **PRA Architects**

Multiple points of entry make it difficult to control who gains access to a school. By designing one main point of entry and reconfiguring other doors to be exit-only, building-access points can be better controlled. An automatic door-locking system should also be considered. When a threat is determined, a single button can be pushed to lock all or specific doors in the facility, eliminating easy access to classrooms.

In order to control building access during those times, we incorporated public entrances to certain areas. Using a combination of bold signage, lighting, and open-view corridors to the main street, we were able to successfully renovate this mixed-use campus with security top of mind.

*Modern checkpoint:* Pra Architects in compliance with best practice building design have redesigned all main safety checkpoint areas to keep predators whether it be potential school shooters, disgruntled family members of staff members, community members, joint custody battles or random individuals from entering the district's general population to do something nefarious. WLC for example individuals are buzzed into the building from offices that are far removed from the building entryway by viewing a camera. Upon entering the building individuals are left to wander having multiple directions to move, a staircase going downstairs on both sides, or a staircase going upstairs like a deer hunting tree stand individuals could easily sit perched above having full access to WLC's entire lunchroom like an open field. 700 students, 100 staff members, community members all become vulnerable to one individual who enters WLC in its current structural layout.

Tearing down support walls removing stair cases enclosing balconies going inward is costly perhaps as much as the building addition and WLC would lose its commons area its lunch room in the process. This is a large elementary school by Wisconsin standards and losing any internal space would be problematic for the reduction of space congesting all other areas of this school like a domino effect. Structurally a building addition to the front of the building where Point of Entry check points running through a defined reception area prior to entering the general population with offices up front alleviates the wild wild west approach of movement through the school building long term for future generations built right the first time.



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***Single point of entry to channel your security resources in a cost effective manner.*** “Effective access control requires that entry to and from a building be controlled,” says Spicer. “Efforts to prevent forced entry and trespass are compromised if secondary points of entry or fire doors are unsecure or easily defeated and not seen.”

*While large school or university buildings may have multiple points of entry, the more entry points there are, the more expensive and duplicative the security efforts. The main point of entry should look and act like the primary entry point and not a fire egress door. It should be regulated with access control, surveillance and strong design features that resist breakage or compromise.*

*By adopting these elements, you'll be able to prevent the entry of unauthorized individuals or delay their access until law enforcement can be summoned.*

*Brad Spicer – Hospital/School/University Campus Safety*

## **The Financial Solution**

After exploring multiple options of what is best for all the stakeholders to fund the district's commitment to ensuring the district is doing all that is possible to mitigate physical harm to students, staff, and community members with a minimal tax impact in the shortest time fiscally manageable to maximize general state aid in conjunction with the district's financial advisor I have come to the following conclusions.

The building entryways need to be remodeled or renovated according to PRA's designs as soon as fiscally possible.

Revenue Limit funding constraints do not allow the district the capacity to take \$3,875,000 from the overall general fund instruction budget.

Using any fund balance would be detrimental to the organizations net capital position and could be depleted in a few years (although it is in a solid position currently). Wise economics with ever increasing budgets prove fund balance should be increased each year rather than depleted which is in accordance to the district's Strategic Plan. Using fund balance could cause the district to short term borrow in a few years losing instructional dollars to paying ever increasing interest rates if used potentially needing to come to the public with referendum's to exceed the revenue limit in a few years which would be short sighted a fiscally long-term disaster. Avoid this at all cost for future boards, administrators and taxpayers.

The most fiscally prudent mechanism, and remember the School District of Waupaca hasn't come to the public for over 22 years is to attain public support through the legally allowed process of requesting our taxpayers of this one-time safety remodeling renovation project of \$3,875,000 which is a long-term investment, is a referendum for this sole purpose.



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After reviewing the financial options to this regard as the Financial Advisor to the Board of Education it is my recommendation after careful financial considerations to seek a referendum for \$3,875,000 in November of 2022 for this project. In reviewing the overall long term cost and the length and the potential new debt placed upon our distinguished taxpayers (which will be the only debt obligation the district will have) it is my recommendation to take the shortest amount of time possible to pay this new debt off which is 10 years. The projected tax impact for taxpayers tax mill rate would be 13 cents per 1000 of property value or for example \$13 annually for a home valued at \$100,000, \$26 annually for a home valued at \$200,000. Meaning a \$200,000 home property value homeowner would pay over a 10 year period \$260 or \$26 per year.

This is wise use of the taxpayer's money not paying any longer than necessary which is simply paying more interest money. It also keeps the district out of being a negative tertiary funded district with the revenue limit formula which basically negatively affects the district's state funding with the shared cost general state aid formula which only two years ago the district got out of when we paid off our debt. Most districts' regardless of size, if they have a large principal and interest payment on debt, for this reason are negatively funded such as only receiving 40% state aid thus 60% of the revenue limit therefore becomes the burden of the local taxpayers rather than 50% like Waupaca. That's real money just consider this: The School District of Waupaca last year had an approximate \$23,400,000 Revenue Limit. Whatever the State doesn't give in aid is made up by the taxpayers from this number. If a district was 40% funded 60% would be made up by the local tax base. The difference between of having to ask taxpayers for 60% rather than Waupaca's 50% equates to an additional local tax amount of \$2,340,000 annually which would increase all taxpayers' taxes. You don't need to be a financial advisor to see how the school district of Waupaca manages taxpayer money over the years the data speaks for itself.

### **Types of referendum:**

In April of 2022 WI Public Schools held 81 referendums for various reasons such as exceeding the revenue cap (limit):

- *Exceed revenue limit for non-recurring purposes consisting of maintaining educational programming, technology, and facilities - \$5.2M (Ellsworth)*
- *4 yr. referendum to exceed the revenue cap. 2022-23 1,200,000, 2023-24 1,200,000, 2024-25 1,400,000, 2025-26 1,600,000 - \$5.4M (Fontana)*
- *Exceed revenue limit for 3 years for operational expenses - \$4.95M (Rio Community)*

To exceed the revenue limit – is an indication that these districts can't keep up with normal expenses. It is not for a defined purpose. When districts have let their infrastructure go not continuing to strategically fix maintenance components or have failed to manage their salary and health insurance expenses this is the type of referendums districts seek sometimes stacking one on top of the other.

The other type of referendum is for Capital Projects such as this.



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- *Borrow \$119,800,000 to fund district-wide safety and security, school updates, building infrastructure, capital maintenance and site improvements; remodeling at all middle and high schools; construction of additions at Horace Mann and John Muir Middle Schools, West and East High Schools and Grant, Riverview, South Mountain and Stettin Elementary Schools; construction of a new School Forest Environmental Learning Center; and acquisition of furnishings, fixtures and equipment. - \$119,800,000M (Wausau)*
- *Issue general obligation bonds in an amount not to exceed \$15,600,000 for the public purpose of paying the cost of school facility improvement project consisting of: construction of an addition, renovations, safety and security improvements, building infrastructure and site improvements at the Elementary School; renovations, safety and security improvements, accessibility updates, and building infrastructure, site and outdoor athletic facility improvements at the Middle/High School; and acquisition of furnishings, fixtures and equipment. - \$15.6M (Wild Rose)*

65 of 81 WI public school district referendums (80%) passed this past April. Most were vaguely defined.

The referendum I am recommending the board seek is one for a specific defined purpose. Safety. Its 13 cents or \$13 annually for a home valued at \$100,000 or \$130 over a 10 year period. The district will be in and out of this debt obligation in 10 years not 20 years. This is what I am advising for it will not harm or increase the districts normal source of expenses which include all facility repairs internally at a cost of approximately \$2.5M each year, this is solely for the Building Safety Remodeling and Renovation **ONLY** as recommended by the Wisconsin School Safety Coordinators Association and the Department of Justice.

**This should be a unifying experience of pulling together our community for a common purpose of love and safety for our children.**

To me this is not a partisan issue and has nothing to do with politics regardless of what one's individual political ideologies are. All parents, and community members collectively desire the protection of their children and our duty as an organization is to provide this to the best of our ability. This is a common purpose with a defined problem in front of us demands correction and our attention as the district completes its final defined safety breach objective by the Department of Justice to resolve. As I stated earlier twenty to thirty years ago, to no fault of construction methodologies Point of Entry wasn't quite yet on society's radar but it is now and we can't deny it or look away and say it isn't true. Building Entryways are our #1 Safety Concern and the solution to correct this is sound and financially reasonable being smart with taxpayer's money.

I will take this further as the Board of Education agreed to move \$1M of additional revenues from last year's well performing budget to the capital projects fund for this purpose which was a wise use of money for numerous reasons.

I am recommending as your financial advisor to leave this money in capital projects funds rather than use it for this purpose. In a volatile inflationary market with expenses in all areas of the district budget



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going up possibly 7% while the revenue limit at best goes up 1% makes me pause looking to the future. Wise use of this money would be to hold it to supplement any cost overruns for this project rather than ask for a larger referendum. If indeed the budgeted project comes within the lines as projected just as with the use of the \$1M dollars earmarked out of ESSER III funds to supplement the district's annual investments in component, roof and HVAC replacements for example which total cost is approximately \$2.5M each year (see long term facility maintenance strategic plan) we can bridge this gap in funding not letting our crucial infrastructure ongoing needs falter. Inflationary numbers are showing us that we need to be prepared for the long run and the \$1M which was earmarked for safety remodeling renovation if not needed for cost overruns fills the financial gap to supplement our maintenance and facility needs offsetting these cost within the overall budget. January of 2022 cost estimates for this entire project was \$3,440,000 in late April of 2022 cost estimates are now \$3,875,000, \$435,500 higher. Being fiscal stewards of taxpayer's money the public expects us to think ahead preparing for coming expenditures that will require our attention placing the district on sound financial footing in a volatile economic time that is riddled with part and component shortages which are driving costs higher. Wise organizations take a step back and regroup getting the most out of all assets limiting their liabilities.

The WI School Safety Assessment inclusive of building entryway safety vulnerabilities and recommendations was presented to the full board of education which now is public record of acknowledgment. It's not like we don't know. What is our response?

### **Recommendation**

The district authorizes a referendum for \$3,875,000 million dollars for all school building entryways to be remodeled or renovated for safety & security purposes working with Wisconsin Public Finance President Carol Wirth to direct and complete the financial portions of this project including formulating the referendum resolution language to be on the ballot on the November 2022 general election.

The School District of Waupaca authorizes PRA to continue to complete their architectural work completing their design work inclusive of managing and fulfilling all bidding of materials and labor associated to complete this project.



# Cost Estimate Summary

School District of Waupaca

Waupaca, WI

Plunkett Raysich Architects, LLP

Proj No 210294-01

April 2022

## Chain Exploration Center Charter School

Option 2			\$	309,000.00
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### Renovation

Total Building Area	410	300.00		123,000
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### Addition

Total Building Area	(incl. canopy) 465	400.00		186,000
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## Waupaca Learning Center

Option 4A			\$	2,887,500.00
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### Addition

Total Building Area	(incl. canopy) 4,125	700.00		2,887,500
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## Waupaca Middle School

Option 2			\$	447,000.00
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### Renovation

Total Building Area	1,490	300.00		447,000
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## Waupaca High School

Option 1			\$	232,000.00
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### Renovation

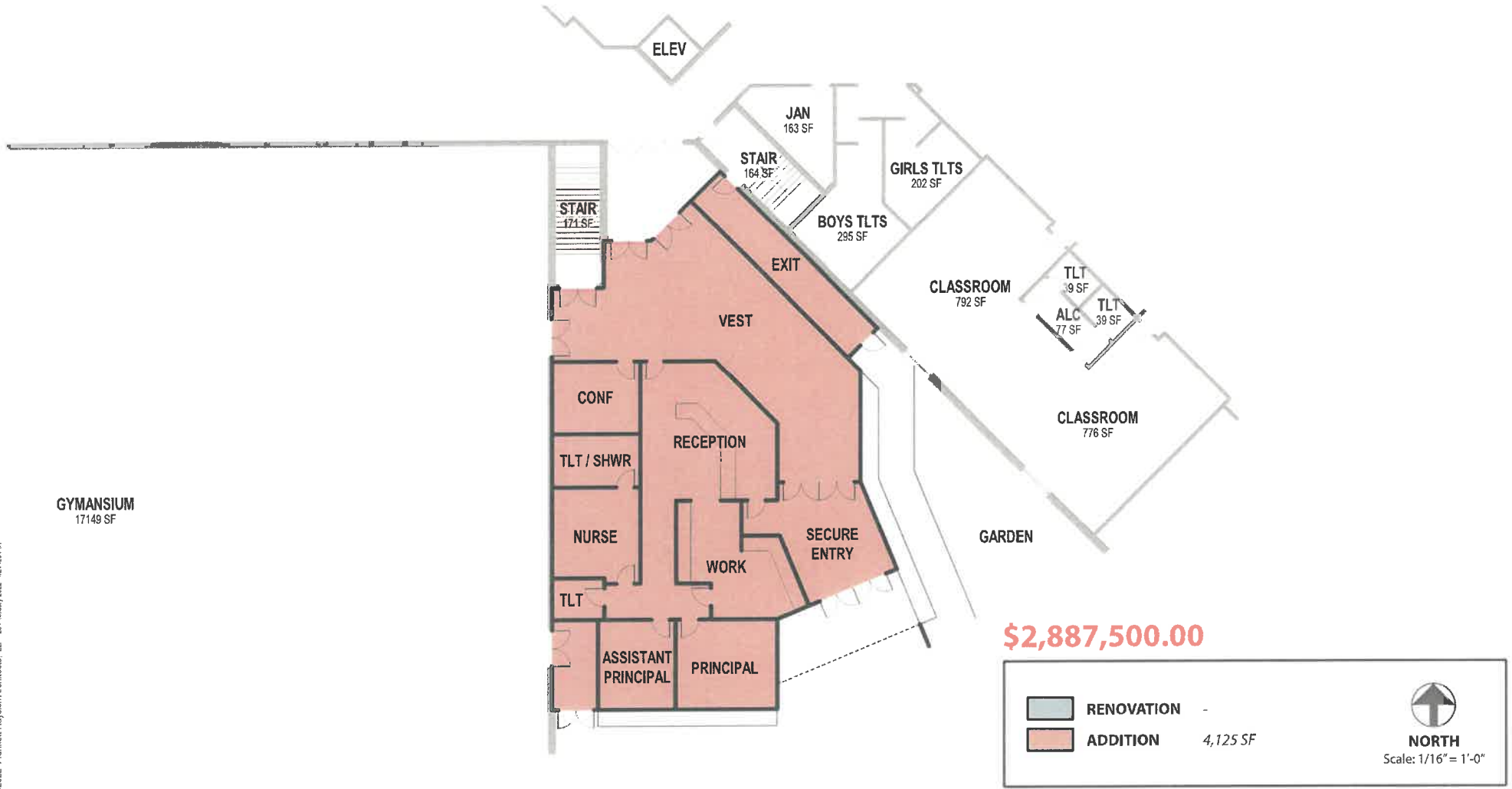
Total Building Area	1,160	200.00		232,000
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<b>Total</b>			<b>\$</b>	<b>3,875,500.00</b>
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**NORTH**  
Scale: 1/16" = 1'-0"

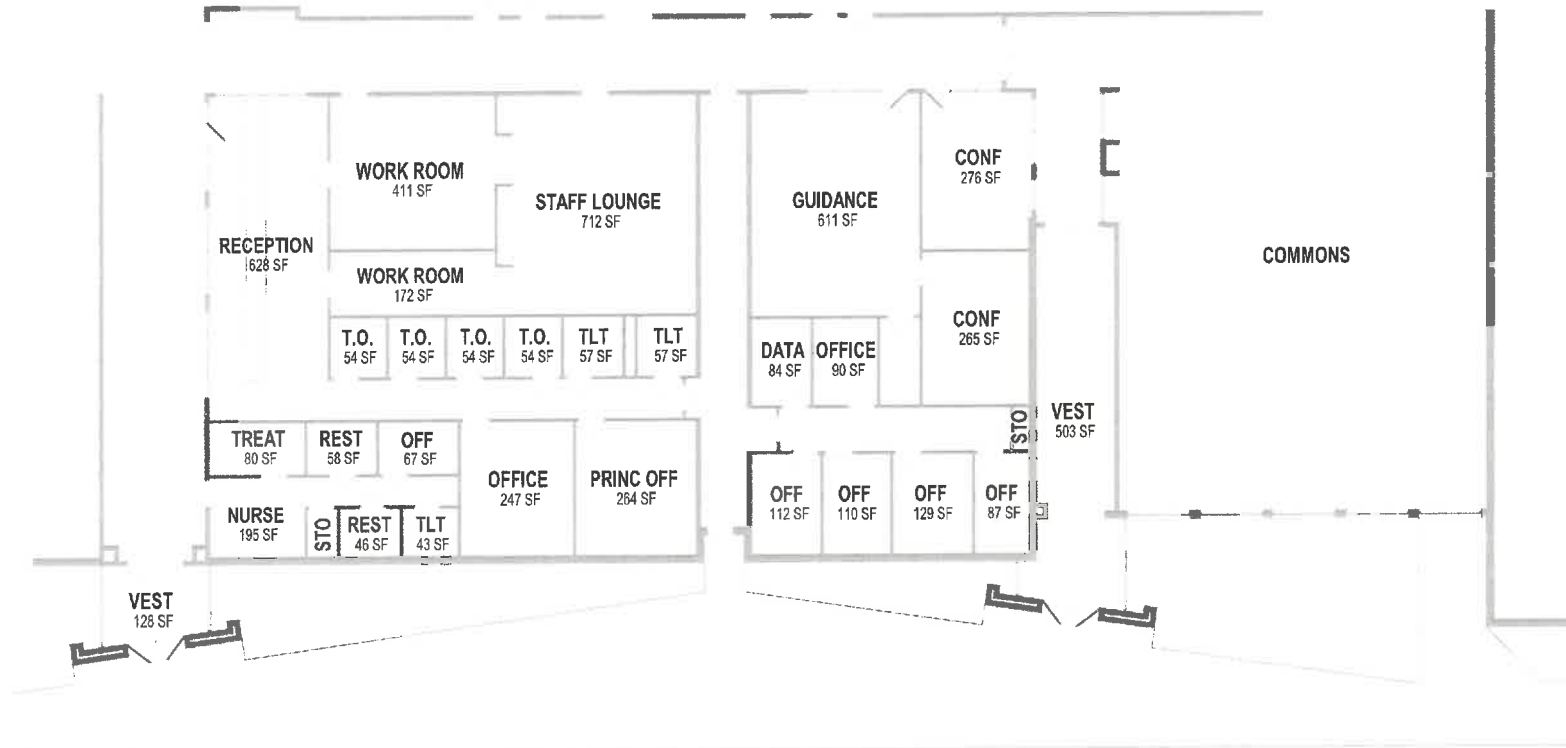
Existing



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PLUNKETT RAYSICH  
ARCHITECTS, LLP

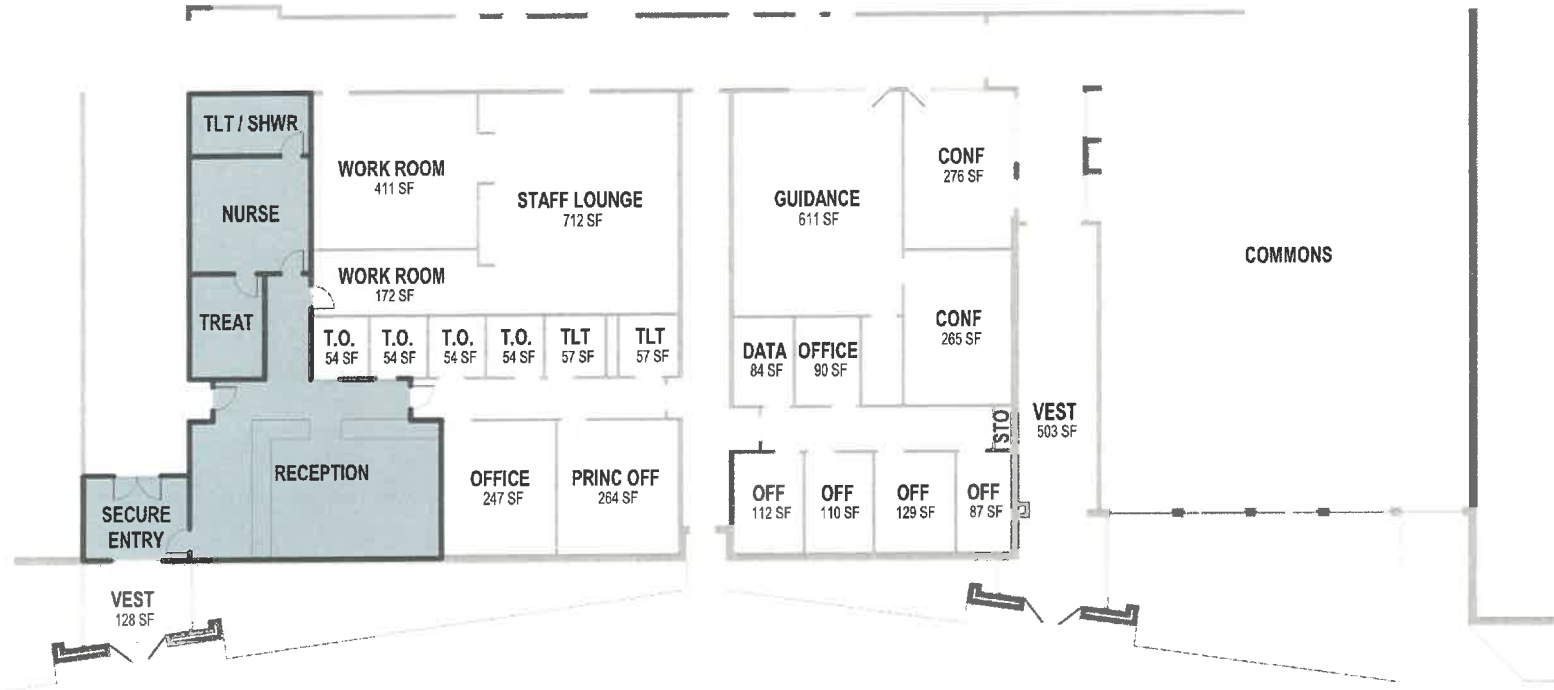





**NORTH**


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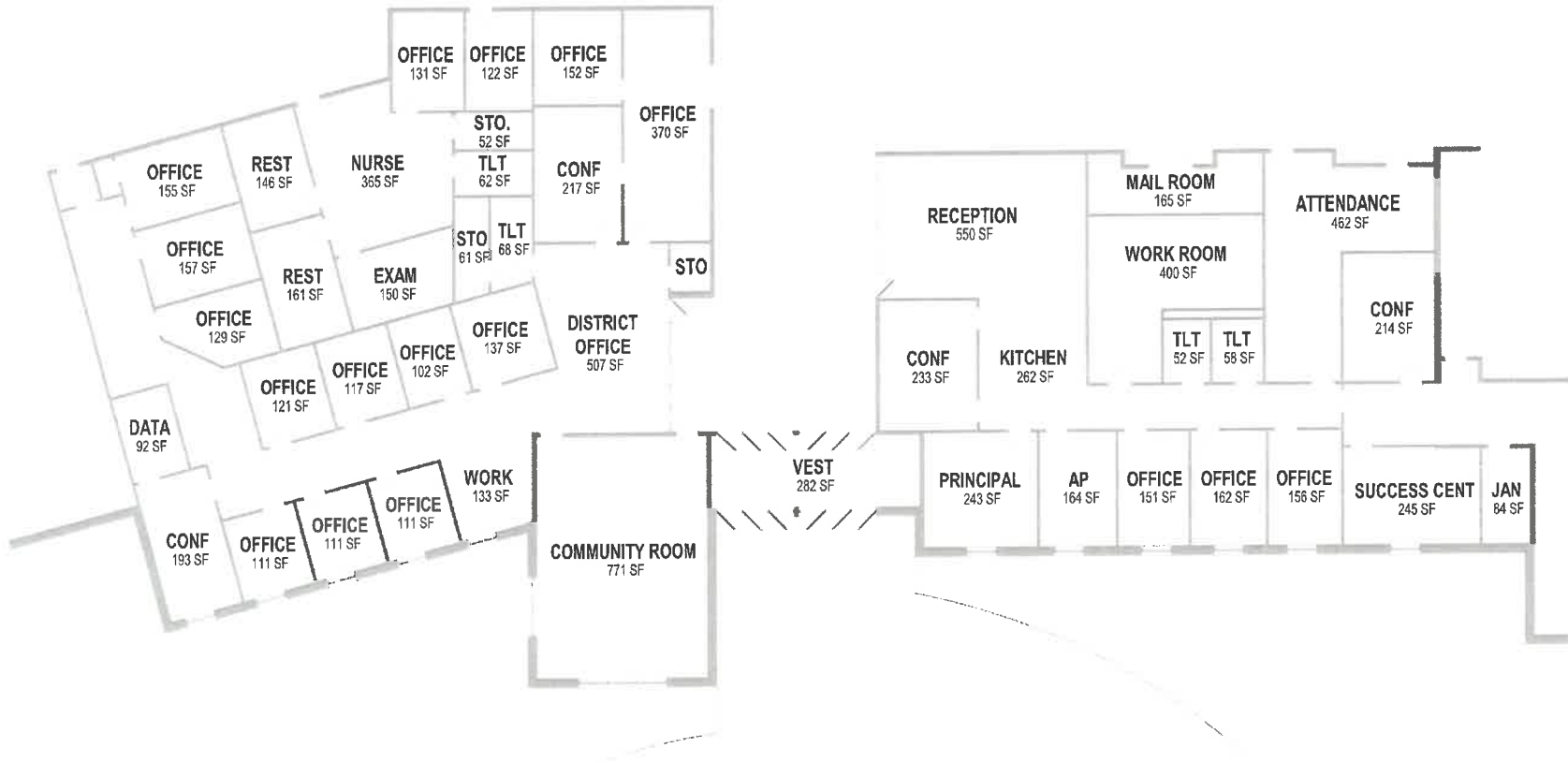
Existing



**\$447,000.00**

	<b>RENOVATION</b>	1,490 SF
	<b>ADDITION</b>	-

  
**NORTH**  
 Scale: 1/16" = 1'-0"

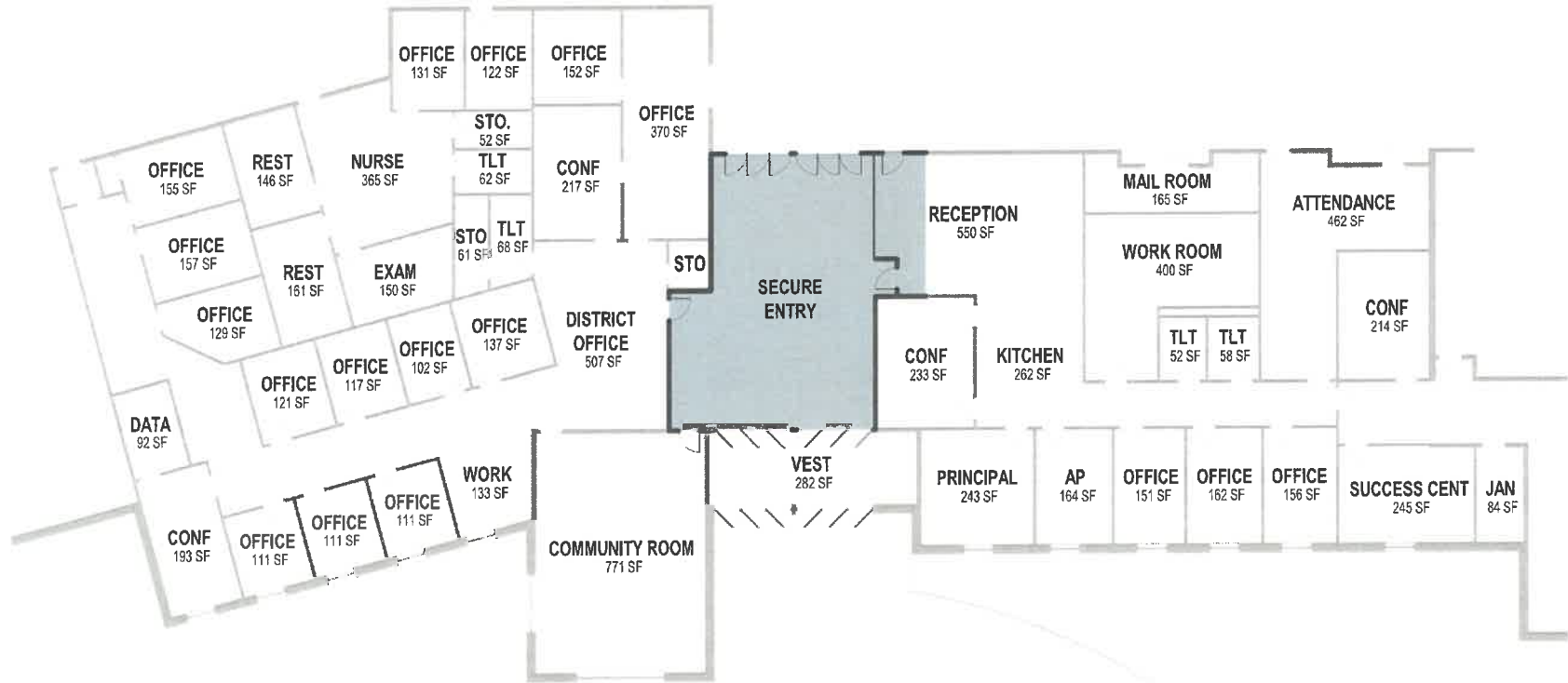


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**NORTH**  
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Existing



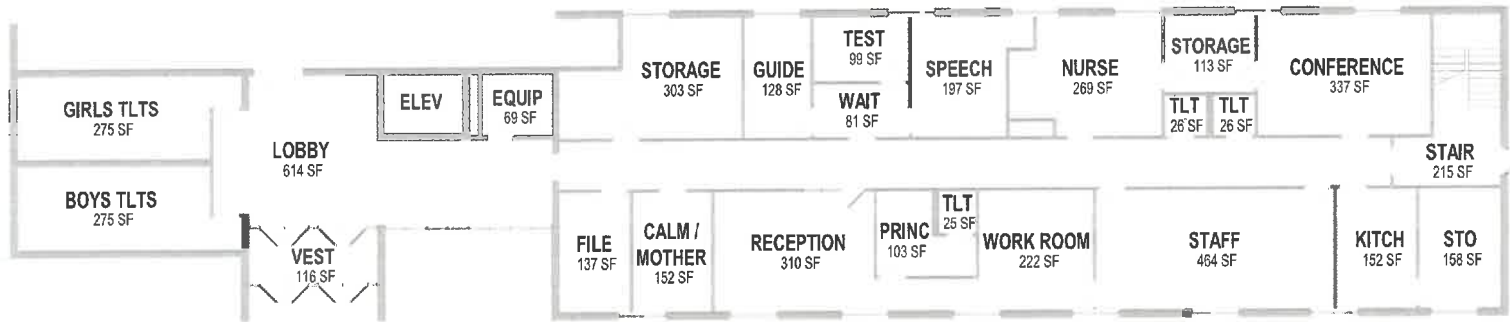
**\$232,000.00**

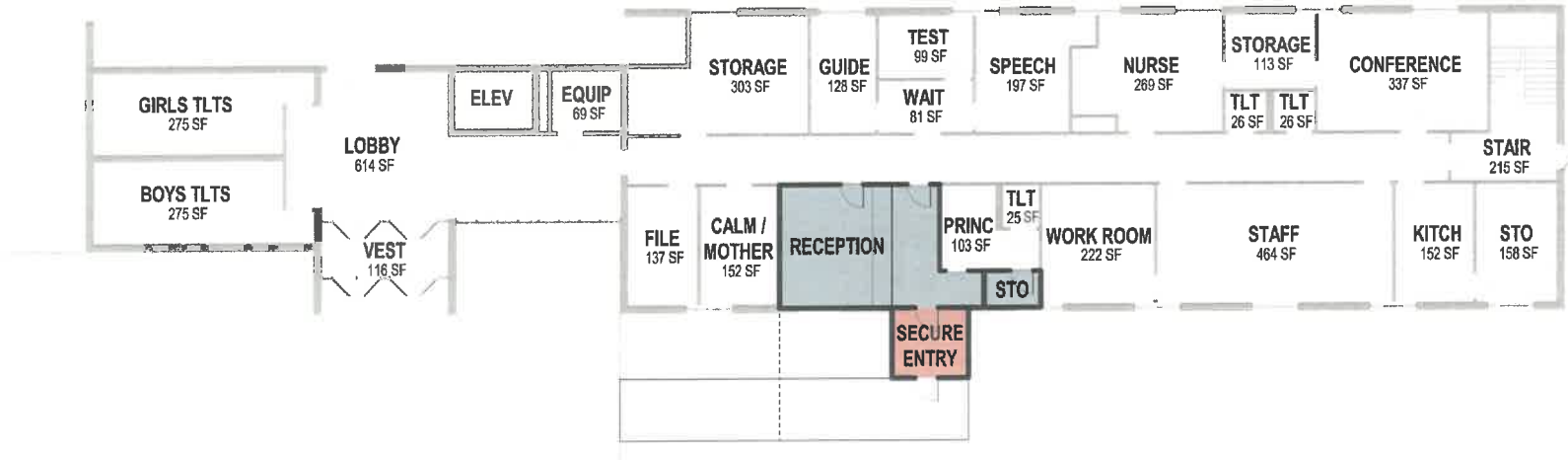
	<b>RENOVATION</b>	1,160 SF
	<b>ADDITION</b>	-





**NORTH**  
 Scale: 1/16" = 1'-0"








**\$309,000.00**

	<b>RENOVATION</b>	410 SF
	<b>ADDITION</b>	465 SF (incl. canopy)

  
**NORTH**  
 Scale: 1/16" = 1'-0"



ARCHITECTS, LLP

**Waupaca School District**  
**Preliminary Assumptions for Safety and Improvement Funding**

Dated: May 26, 2022

Prepared by: Carol Ann Wirth, President  
Wisconsin Public Finance Professionals, LLC

**Dollar Amounts Under Consideration**

1. \$2,875,000
2. \$3,875,000

**Length of Debt Repayment and Interest Rates (subject to change) for Each Amount**

1. 10 years @ 3.50%
2. 15 years @ 3.75%
3. 20 years @ 4.00%

**Average Annual Principal and Interest Payment for Each Amount and Term**

- |                                    |                                 |                                 |
|------------------------------------|---------------------------------|---------------------------------|
| 1. \$2,875,000 – 10 Yr - \$346,562 | \$2,875,000 – 15 Yr - \$255,154 | \$2,875,000 – 20 Yr - \$212,950 |
| 2. \$3,875,000 – 10 Yr - \$467,142 | \$3,875,000 – 15 Yr - \$344,008 | \$3,875,000 – 20 Yr - \$286,950 |

**State Aid Eligible (Offset) – Current 2021-22 Aid Formula – Secondary Ceiling Room Available – Funding @ 49% (not guaranteed)**

- |                                    |                                 |                                 |
|------------------------------------|---------------------------------|---------------------------------|
| 1. \$2,875,000 – 10 Yr - \$169,815 | \$2,875,000 – 15 Yr - \$125,025 | \$2,875,000 – 20 Yr - \$104,345 |
| 2. \$3,875,000 – 10 Yr - \$228,900 | \$3,875,000 – 15 Yr - \$168,564 | \$3,875,000 – 20 Yr - \$140,605 |

**Average Annual Principal and Interest Payment Net of 49% State Aid Offset – Tax Levy Impact**

- |                                    |                                 |                                 |
|------------------------------------|---------------------------------|---------------------------------|
| 1. \$2,875,000 – 10 Yr - \$176,747 | \$2,875,000 – 15 Yr - \$130,129 | \$2,875,000 – 20 Yr - \$108,605 |
| 2. \$3,875,000 – 10 Yr - \$238,242 | \$3,875,000 – 15 Yr - \$175,444 | \$3,875,000 – 20 Yr - \$146,345 |

**Waupaca School District's 2021 Equalized Valuation - \$1,768,367,517**

**Net Potential Tax Impact (Increase) Stated as Per \$1,000 of Equalized Value (First Impact - Dec 2023 Tax Bill)**

- |                                 |                              |                              |
|---------------------------------|------------------------------|------------------------------|
| 1. \$2,875,000 – 10 Yr - \$0.10 | \$2,875,000 – 15 Yr - \$0.07 | \$2,875,000 – 20 Yr - \$0.06 |
| 2. \$3,875,000 – 10 Yr - \$0.13 | \$3,875,000 – 15 Yr - \$0.10 | \$3,875,000 – 20 Yr - \$0.08 |

**Example: Tax Rate of \$0.13 X \$100,000 of property value = \$13 in taxes.**

**\$3,875,000 Detailed Repayment Schedules (10, 15 and 20 Years)**

**\$3,875,000 General Obligation Notes - 10 Yr @ 3.5% - Dated March 1, 2023**

<b>Calendar Year</b>	<b>Principal (3/01)</b>	<b>Rate</b>	<b>Estimated Interest</b>	<b>Total Est. Debt Service</b>
2023	-	-	-	-
2024	270,000.00	3.500%	198,712.50	468,712.50
2025	345,000.00	3.500%	120,137.50	465,137.50
2026	360,000.00	3.500%	107,800.00	467,800.00
2027	370,000.00	3.500%	95,025.00	465,025.00
2028	385,000.00	3.500%	81,812.50	466,812.50
2029	400,000.00	3.500%	68,075.00	468,075.00
2030	415,000.00	3.500%	53,812.50	468,812.50
2031	425,000.00	3.500%	39,112.50	464,112.50
2032	445,000.00	3.500%	23,887.50	468,887.50
2033	460,000.00	3.500%	8,050.00	468,050.00
<b>-</b>	<b>\$3,875,000.00</b>	<b>-</b>	<b>\$796,425.00</b>	<b>\$4,671,425.00</b>

Note: \$4,671,425 total est. debt service, less approx. 49% state aid offset (\$2,288,998) = **\$2,382,427** net debt service impact on tax levy over 10 years.

**\$3,875,000 Detailed Repayment Schedules (10, 15 and 20 Years) Continued**

**\$3,875,000 General Obligation Bonds - 15 Yr @ 3.75% - Dated March 1, 2023**

<b>Calendar Year</b>	<b>Principal (3/01)</b>	<b>Rate</b>	<b>Estimated Interest</b>	<b>Total Est. Debt Service</b>
2023	-	-	-	-
2024	130,000.00	3.750%	215,531.25	345,531.25
2025	205,000.00	3.750%	136,593.75	341,593.75
2026	215,000.00	3.750%	128,718.75	343,718.75
2027	225,000.00	3.750%	120,468.75	345,468.75
2028	230,000.00	3.750%	111,937.50	341,937.50
2029	240,000.00	3.750%	103,125.00	343,125.00
2030	250,000.00	3.750%	93,937.50	343,937.50
2031	260,000.00	3.750%	84,375.00	344,375.00
2032	270,000.00	3.750%	74,437.50	344,437.50
2033	280,000.00	3.750%	64,125.00	344,125.00
2034	290,000.00	3.750%	53,437.50	343,437.50
2035	300,000.00	3.750%	42,375.00	342,375.00
2036	315,000.00	3.750%	30,843.75	345,843.75
2037	325,000.00	3.750%	18,843.75	343,843.75
2038	340,000.00	3.750%	6,375.00	346,375.00
<b>-</b>	<b>\$3,875,000.00</b>	<b>-</b>	<b>\$1,285,125.00</b>	<b>\$5,160,125.00</b>

Note: \$5,160,125 total est. debt service, less approx. 49% state aid offset (\$2,528,461) = **\$2,631,664** net debt service impact on tax levy over 15 years.

**\$3,875,000 Detailed Repayment Schedules (10, 15 and 20 Years) Continued**

**\$3,875,000 General Obligation Bonds - 20 Yr @ 4.0% - Dated March 1, 2023**

<b>Calendar Year</b>	<b>Principal (3/01)</b>	<b>Rate</b>	<b>Estimated Interest</b>	<b>Total Est. Debt Service</b>
2023	-	-	-	-
2024	55,000.00	4.000%	231,400.00	286,400.00
2025	135,000.00	4.000%	150,100.00	285,100.00
2026	145,000.00	4.000%	144,500.00	289,500.00
2027	150,000.00	4.000%	138,600.00	288,600.00
2028	155,000.00	4.000%	132,500.00	287,500.00
2029	160,000.00	4.000%	126,200.00	286,200.00
2030	165,000.00	4.000%	119,700.00	284,700.00
2031	175,000.00	4.000%	112,900.00	287,900.00
2032	180,000.00	4.000%	105,800.00	285,800.00
2033	190,000.00	4.000%	98,400.00	288,400.00
2034	195,000.00	4.000%	90,700.00	285,700.00
2035	205,000.00	4.000%	82,700.00	287,700.00
2036	215,000.00	4.000%	74,300.00	289,300.00
2037	220,000.00	4.000%	65,600.00	285,600.00
2038	230,000.00	4.000%	56,600.00	286,600.00
2039	240,000.00	4.000%	47,200.00	287,200.00
2040	250,000.00	4.000%	37,400.00	287,400.00
2041	260,000.00	4.000%	27,200.00	287,200.00
2042	270,000.00	4.000%	16,600.00	286,600.00
2043	280,000.00	4.000%	5,600.00	285,600.00
<b>-</b>	<b>\$3,875,000.00</b>	<b>-</b>	<b>\$1,864,000.00</b>	<b>\$5,739,000.00</b>

Note: \$5,739,000 total est. debt service, less approx. 49% state aid offset (\$2,812,110) = **\$2,926,890** net debt service impact on tax levy over 20 years.

## Tax Levy Impact Assumptions – Subject to Change

- Interest rates based on current market rates – Rising interest rate environment - impacts annual debt payments
- State Aid Offset of 49% Based on Current 2021-22 Budget Year State Aid Formula  
State Aid is not guaranteed and is subject to State legislative changes
- Current State Aid Formula – District has \$774,195 of Secondary Tier Funding Capacity @ 49%  
Additional expenses, such as referendum approved debt service, or additional operating budget expenses, can be funded in the secondary tier up to that amount. Expenses above that amount would be funded in the third (negative tertiary) tier.
- State Aid is not more revenue – State Aid is property tax relief – State “shares” in the cost of the District’s debt payments and operating expenses.
- Tax Rate per \$1,000 calculation is based on 2021 District equalized value – used for Dec 2021 tax bills. Future Increase in valuation = lower tax rate. Projected 2022 values available in August 2022
- Debt would be issued in early 2023 – first debt payment due in 2024 – calculated with 2023 interest rates – Project funding for construction in 2023.
- Tax Impact – first debt levy impact is budget year 2023-24 – Dec 2023 tax bills; calculated with 2023 District equalized value and 2023-2024 State Aid Formula.



## Next Steps – Timeline

- June 14 School Board Presentation / Discussion / Action to Proceed with Referendum\*  
  
\*Requires adoption of two referendum resolutions – deadline for adoption is at least 73 days prior to November 8, 2022 referendum (August 27, 2022).  
  
Quarles & Brady, District’s Bond Counsel, drafts the ballot language, resolutions and required notices. (Quarles & Brady referendum timeline includes various steps involved in the process)
  
- Through October Community education period – Distribution of information (newsletters, informational presentations, website postings, etc)
  
- November 8 Referendum Election
  
- February –  
March 2023 District borrows project funds – General obligation notes or bonds  
  
First debt payment – March 1, 2024  
Borrowed funds can be used only for project described in referendum ballot