



2008 MMSD REFERENDUM—KEY ISSUES

[Updated: 10/13/08]

1. Mortgage on future property with permanent increase: Asking taxpayers to refinance/mortgage their futures and that of the school district with a permanent increase of \$13 million yearly for the operations budget. It has been stated the district needs the money to help keep current programs in place. It is expected that even after 3 years of this referendum totaling \$27 million, the Board is projecting a continued revenue gap and will be back asking for even more.

2. No evaluation nor analysis of programs and services: The Board will make budget cuts affecting program and services, whether or not this referendum passes. The cuts will be made with no assessment/evaluation process or strategy for objective analyses of educational or business programs and services to determine the most effective and efficient use of money they already have as well as for the additional money they are asking with this referendum.

3. Inflated criteria for property value growth: The dollar impact on property to be taxed is projected on an inflated criteria of 4% growth in property valuation assessment; therefore, reducing the cost projection for the property tax levy. The growth for property valuation in 2007 was 3.2% and for 2008 it was 1.0%. Given the state of the economy and the housing market, the growth rate is expected to further decline in 2009. **[10/13 Update:** The above references to property valuation assessment growth are cited from City of Madison Assessor data. See ACE document “Watch List Report Card” for State Department of Revenue citations for property valuation base and growth rate used for determination of MMSD property tax levy.]

4. No direct impact on student learning and classroom instruction: There is District acknowledgement of a serious achievement gap between low-income and minority student groups compared with others. There are no plans evident for changing how new or existing money will be spent differently in order to have an impact on improving student learning/achievement and instructional effectiveness.

5. Lack of verification of reduction in negative aid impact on taxes:

District scenarios illustrating a drastic reduction in the negative impact on state aids from our property-rich district is unsubstantiated and unverified, as well as raising questions about unknown possible future unintended consequences. The illustrated reduction is from approximately 60% to 1% results by switching maintenance funds from the operations budget and 2005 referendum proceeds to a newly created “Capital Expansion Fund—Fund 41” account. **[Update: 10/13:** The reduction in the negative aid impact will take affect regardless of the outcome of the referendum vote. See the ACE document “Watch List Report Card” for details.]

6. Full disclosure, accountability and transparency: Data and information has

not been presented to show and verify criteria, assumptions, base lines, calculations and analyses for stated efficiencies, effectiveness, savings, past and current projects, cuts and reductions. **[Update 10/13:** The new administration is gathering and preparing information and data on a pro-active, but limited, basis.]

7. No cost-sharing and collaborative initiatives with other governments:

Discussions and negotiations have not taken place with city and county governments for cost-sharing and collaborative initiatives to reduce costs, minimize duplication of services, and create better defined roles and responsibilities.

8. Making schools safe for students and staff: There are no specific plans or strategies for changes in the response system for safety, use of appropriate technology and curriculum helping students and staff develop shared responsibilities and conflict resolution. **[Update 10/13:** The administration is engaging input from school staff, students, parents and city officials for the development of plans. They are also working on identifying funding sources to provide for safer access from outside walk-ins to the buildings.]

9. Impact of economics and affordability: The impact of tax increases becomes staggering when put in the total context of a school referendum increase and an operations increase; a City of Madison projected 4-6% budget increase; a County of Dane projected 4-6% budget increase; the State of Wisconsin budget expense deficit and decrease in revenues; and the national economic scene of increased food and fuel costs along with the lack of stability in the financial and housing markets.

10. Expected approval of future Maintenance Referendum included in tax impact: The District states that their figures showing the tax impact with approval of the current referendum includes the current Maintenance Referendum (approximately \$5 million per year) running through 2009-10 will be approved again past 2009-10. **[Update: 10/13:** Projections are now available excluding the tax impacts of the current and projected maintenance referendums.]

11. Board discussing another new elementary school: The Board of Education has authorized the administration to seek property in south Madison to build a new elementary school. Planning initiatives are underway to propose a referendum for building an elementary school building in the near future. **[Update: 10/13:** The administration is not taking any action on this initiative at this time.]

See ACE document **“Watch List Report Card”** for detailed information on ‘key issues’
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