

Union Township School District
Bond Referendum – Tuesday, January 24, 2023
Frequently Asked Questions

The Union Township School District will ask the community to vote on a \$2,750,000 million bond referendum on Tuesday, January 24, 2022. If approved, the **referendum will fund necessary, no-frills, energy-efficient facilities upgrades and renovations** at the aging Middle School to maintain a safe and effective learning environment.

- Referendum includes **one question**.
- The project addresses aging facilities while keeping the focus on **energy-efficiency and safety**.
- Cost of projects is **\$2.75 million**; if Referendum is approved, the **District is eligible to receive state funding for up to 40% of the estimated total project cost** which, combined with the District's existing funds in capital reserve savings account (with Board of Education approval), will **result in no tax increase**. State funding **is only available if the Referendum passes**.
- The majority of the projects proposed are similar to those needed to maintain an aging home. As a homeowner, you make repairs to your house to maintain a safe environment for you and your family. As a school district, we need to do the same.
- All projects and costs included have been approved by the New Jersey Department of Education, Office of School Facilities.

Q1 Why hold a referendum now?

A1 Education, safety and accessibility, as well as fiscal responsibility are the district's highest priorities. With that in mind, the Board determined that now was the right time to move forward for the following reasons:

- The District is **eligible to receive up to 40% in state funding** for the estimated total approved project cost.
- The **state funds are available only if the referendum passes**. They are not available if the projects are included in the annual budget.
- The District has funds in its capital reserve account to pay off the bond. With the assistance of state aid, the district can get more projects accomplished while not raising taxes.

Q2 How will the Referendum impact local taxes?

A2 The Referendum will **not increase taxes**. Voter approval of the referendum will result in up to 40% of project costs covered by state aid. The Board currently has funds

in its capital reserve savings account to cover the remaining cost of the projects. That means the Board can pay off the bond with no increase to taxpayers. Again, voter approval of the referendum is the only way the district can receive **up to 40% of project costs covered by state funding**.

Q3 What happens if the total cost of the projects is less than the amount passed in the January 24th Referendum?

A3 State law requires the District to return all unused bond proceeds to the taxpayer in the form of tax relief. The District is not permitted to utilize the bond proceeds for projects other than those approved by voters in the Referendum.

Q4 What if the actual costs of the projects exceed the amount approved by the January 24th Referendum?

A4 State law prohibits the District from spending more than that stipulated in the Bond Referendum approved by the voters. The District believes the overall project plan includes prudent estimates. However, in the unlikely event that actual costs of the project exceed the gross bond proceeds (in order of consideration), the District will search for more efficient means of achieving the Referendum's overall objective, reduce project scope, or seek voter approval for additional funds. The Board of Education stresses cost efficiency with its professionals.

Q5: What projects are included in the Referendum?

A5: Projects are no-frills, necessary maintenance of aging facilities at the Middle School. The proposed upgrades and renovations focus on energy efficiency and safety.

Focus on Energy Efficiency:

Electrical Upgrade and HVAC Upgrade - Upgrading the electrical and HVAC units servicing the 1954 wing, 1969 wing, 1979 wing and 1997 classrooms. Some units are beyond their useful life expectancy and will be replaced with high efficiency equipment providing improved air filtration and cooling for classrooms, including our gymnasium.

Focus on Safety:

Door Replacement - All exterior doors and interior doors will be replaced whether that means just the door or the frames too.

Q6 Is it really necessary to upgrade HVAC?

A6 Yes, for a few reasons. The existing units are past their useful life expectancy and are costly to run. They will be replaced with new, high-efficiency and cost-effective units. In the district's continued efforts to increase fresh air flow since the COVID-19 pandemic, the new units will also increase fresh air ventilation and improve air filtration.

Q7 Is the replacement of exterior and interior doors really necessary?

A7 The aging doors are original to the building's wings. We have some doors from 1954, 1969, 1979, 1987 and 1997. We want to increase safety.

The Middle School is the largest meeting area in our community. The facilities are used for many activities, not just athletics.

Q8 Can the projects be completed within the annual budget, rather than funded by a bond referendum?

A8 The Union Township School District's Facility Department does an outstanding job maintaining the buildings and grounds, but the scope of the projects in the referendum exceed routine maintenance and upkeep. Much as homeowners may need to borrow for major improvements such as new air conditioning, windows, doors or roofs, the district needs to borrow to complete the proposed projects in a timely manner. Additionally, we are able to take advantage of state aid for the project package, which is not available for projects completed within the annual budget.

Q9 If approved, when would the projects be completed?

A9 Projected date for construction is summer 2023 to summer 2024.

Q10 Will the referendum affect the amount of annual state aid given to the district?

A10 The referendum will have NO impact on the annual state aid received by the Union Township School District. School bond referendums are completely unrelated to, and have no impact on, annual state aid to a school district.

Q11 What if the referendum fails?

A11 If the referendum fails, the district will move forward only with the most essential projects. The district will fund the projects on a priority basis within the annual budget.