

## ***Elkhart Lake —Glenbeulah School District***

201 N. Lincoln Street  
Elkhart Lake, Wisconsin 53020  
(920) 876-3381  
FAX (920) 876-3511

**Richard Anderson**  
High School Principal  
(920) 876-3381  
FAX (920) 876-3511

**David M. Magar, District Administrator**

**Peter Wagner**  
Elementary Principal  
(920) 876-3307  
FAX (920) 876-3105

April 15, 1999

Honorable Members of the Joint Finance Committee:

My name is David Magar, and for the past thirteen years I have been privileged to be the Superintendent of the Elkhart Lake-Glenbeulah School District in western Sheboygan County. My purpose in coming before you today is to seek your assistance in helping us survive as a viable and productive public school district. Specifically, I am here to strongly recommend your consideration of minimally maintaining, and optimally enhancing, the current "hold harmless" provision as it applies to revenue limits calculated for declining enrollment districts. Accordingly, please allow me to paint the following picture.

Only a few short years ago, the Elkhart Lake-Glenbeulah School District had an enrollment of just over 800 students. Our current enrollment has dropped to below 700, with an ongoing steady decline predicted in the next few years ahead. Ironically, the majority of the decline is due to factors which most communities would greatly cherish...that being the exceptional quality of life that the Elkhart Lake area provides its populace. It is notable that people tend to reside in our community for many, many years, and long after their children have graduated from our high school. Coupled with the fact that there is somewhat limited family-oriented housing available in the district, as well as the norm of fewer children per family in today's society, the Elkhart Lake-Glenbeulah School District is now graduating far more students than it is taking in at the kindergarten level. Hence, the steady decline in enrollment.

The district has not gone blindly about conducting its business in the wake of declining enrollments and corresponding revenue limitations mandated by the state-imposed formula. To the contrary, our district has done what many districts throughout the state have been forced to do:

- closed a small, outlying primary grades school...consolidating grades preK-8 onto one campus
- scaled-back purchases of computers/technology within the regular operational budget
- reduced maintenance to buildings and grounds

- minimized gifted and talented opportunities for deserving students
- reassigned staff and did not fill vacant/retiring positions
- increased workload of existing staff
- greatly reduced allocations for major capital purchases
- use of fund balance to offset diminished revenues, resulting in increased short-term borrowing...resulting in increased interest paid

The Elkhart Lake-Genbeulah School District is doing everything possible to provide necessary and beneficial programs and activities for its students and community, while at the same time working within the constraints of state-imposed revenue limits further reduced as a result of declining enrollment. We can no longer do it on our own; we need your help. Please allow the Elkhart Lake-Glenbeulahs of Wisconsin to survive by minimally maintaining the current "hold harmless" provision, while giving serious attention to changing the exemption to "recurring" from its current designation of "non-recurring."

I humbly ask for your consideration in the name of children, schools, and communities throughout our great state.

Most respectfully,



David M. Magar  
Superintendent

April 15, 1999

To the Members of the Joint Committee on Finance:

I am writing on behalf of Meriter Hospital to express my serious concerns with key health care funding provisions in the 1999 state biennial budget, and to request your support for affordable measures that will maintain the quality and accessibility of health care in Wisconsin.

Meriter is a not-for-profit, locally-governed community hospital located in Madison. During 1998, Meriter celebrated 100 years of providing health care services to Dane and surrounding counties in southern Wisconsin. Through its two locations, Meriter offers an extensive array of medical and surgical programs and services for inpatients and outpatients.

Meriter Hospital, Inc.  
202 S. Park Street  
Madison, WI 53715  
608 267-6000

#### Budget Concerns for Meriter

The proposed 1999 state budget would freeze medical assistance (MA) rates for care provided in Wisconsin hospitals, despite the fact that medical costs are projected to rise by 2.4 percent in the first year of the biennium and 2.6 percent in the second year. A small one percent increase is proposed in the budget for outpatient MA rates during the second year of the biennium.

The proposed budget also begins the first two years of a process to reduce the state's financial support for training of the physicians that Wisconsin needs today and in the future.

**By freezing MA rates and reducing medical education funding, the state will forego almost \$14 million in federal matching funds.** Every 40 cents that the state invests in medical education, for example, leverages a 60-cent federal matching contribution.

The MA rate freeze in the state budget also comes when Meriter and other Wisconsin hospitals are already bracing for significant cuts in Medicare payments under the federal Balanced Budget Act of 1997. These cuts began in Fiscal Year 1999 (FY 99) and will extend through FY 2002.

### Financial Impact on Meriter

**For Meriter, the combined effect of the freezes and cuts in state and federal programs would be \$8.5 million through 2002 – a tremendous burden for a community hospital.** Reductions of this magnitude will require modifications in our operations.

**Moreover, the proposed medical education cuts in the state budget would cost Meriter \$175,000 in the biennium.** These cuts also would have a disproportionate impact on Madison and Milwaukee, our centers of medical education and training for physicians in Wisconsin.

### Impact on Patients and Services

Funding cuts of this magnitude would have far-reaching implications for Meriter and the communities and patients we serve. Specifically, these cuts could only be dealt with by:

- **Eliminating or reducing important services in the community.** Meriter would be placed in an untenable financial position, threatening our ability to provide the patient services essential to fulfilling our mission as a community hospital. Specific services that would be placed at-risk for Meriter include chemical dependency rehabilitation, other behavioral service programs and selected community outreach programs.
- **Shifting costs to individual patients or employers who pay for health insurance.** Currently, MA payments reimburse hospitals for less than 80 percent of allowable costs. This creates a shortfall of almost \$80 million annually that is passed on to individual patients and employers – a shortfall expected to reach \$93 million by the end of the biennium.

### Affordable Budget Alternatives

Meriter joins the Wisconsin Health and Hospital Association and other hospitals in requesting your support for the following budget alternatives:

- **Item 1:** Provide inflationary increases of 2.4 percent in the first year and 2.6 percent in the second year of the biennium for MA reimbursement rates. Cost: \$7.1 million.
- **Item 2:** Restore state funding for medical education. Cost: \$2.5 million.

- **Item 3:** Preserve the provision that funds a medical assistance supplement for providers experiencing charity care increases as a result of welfare reform.  
Cost: \$2.4 million.

Thank you for your consideration on this very critical matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Terri L. Potter". The signature is fluid and cursive, with the first name "Terri" being more prominent and the last name "Potter" following in a similar style.

Terri L. Potter  
President and CEO

## TESTIMONY TO THE JOINT FINANCE COMMITTEE

Given by Jo Ann Carr, Director  
Center for Instructional Materials and Computing  
School of Education University of Wisconsin-Madison

In Support of Increased UW System Library Funding

April 15, 1999

The libraries of the University of Wisconsin-Madison provide critical information resources and services not only to students and faculty in higher education but also to students, teachers, administrators and school board members in K-12 education. In fact, service to the K-12 community is the fastest growing area of service by the libraries to client groups who are beyond the confines of the campus. These services:

- Provide access to our collections;
- Respond to the professional development needs of K-12 teachers;
- Guide teachers and students to Internet resources;
- Respond to specific information needs of the K-12 community;
- Provide instruction to teachers in the integration of information and technology into the curriculum; and
- Support university-based programs for K-12 students.

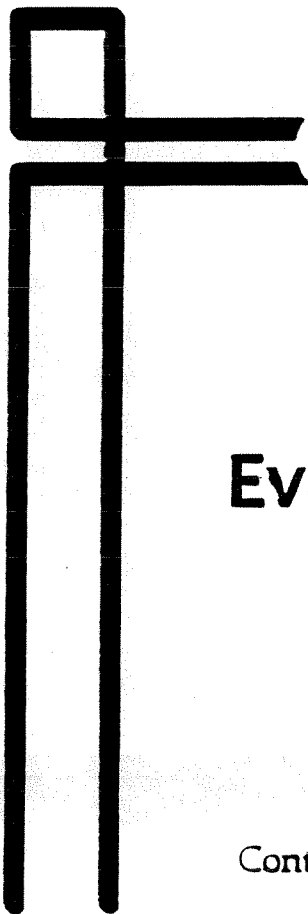
The libraries of the University of Wisconsin-Madison provide borrowing privileges at no cost to teachers and administrators of Wisconsin schools. The implementation of this service in 1997-1998 resulted in a 120% increase in the number of materials borrowed from my library by teachers. In addition, remote access to materials for teachers is available through interlibrary loan services. Specialized resources such as the Kraus Curriculum Development Library and the Educational Resources Information Center Collection, as well as publications of professional associations are important resources for teachers' professional development, which are not available in school or public libraries of the state.

Libraries through their Web pages provide assistance in locating Internet resources that are most appropriate for K-12 education. In addition to listing Internet sites that contain resources for integrating technology in K-12 classrooms, these sites guide teachers to professional development resources. The integration of the Internet into the K-12 classroom is further assisted by UW-Madison libraries' support of the KIDS Report project, a collaborative effort involving Wisconsin schools in LaCrosse, Madison, Fond du Lac, and Green Bay. (See attached).

In addition to responding to reference questions submitted by students, teachers, administrators and school board members, the campus libraries also provide instruction in information and technology literacy to teachers and students. This instruction may be provided through inservice activities arranged by specific school districts or in

cooperation with outreach programs of academic departments of the university. In addition, campus libraries provide instruction in information access and technology use to K-12 students in outreach programs such as Upward Bound and College for Kids. The libraries of the University of Wisconsin Madison are committed to working closely with the K-12 community in the integration of information and technology literacy into the curriculum. Additional support for collections is critical for the libraries continue to meet this commitment and the expectations of the K-12 community.

Thank you.



# **KIDS**

Kids Identifying and Discovering Sites

<http://scout.cs.wisc.edu/scout/KIDS/>

An Internet Publication of

## **Evaluated and Annotated Internet Resources**

Produced by and for K-12 Students

University of Wisconsin - Madison

Contact: Barbara Spitz ([bspitz@madison.k12.wi.us](mailto:bspitz@madison.k12.wi.us))



# 1. Overview

---

## *The KIDS Report Website:*

The KIDS website presently contains several sections including the current KIDS Report, past issues of KIDS, a search mechanism for current and past issues, site selection guidelines, and subscription information for the e-mail version of the KIDS Report. In the future we plan to add an online version of the *Handbook for Teacher's and Librarians*. The entire KIDS website is offered in both graphical and non-graphical versions, an option that allows accessibility for all end users. To our knowledge, KIDS is the only regularly published, collaborative Internet resource publication produced by K-12 students for other K-12 students.

### **Current Issue of KIDS**

The most recent issue of the KIDS Report can be found here. Reports evolve around a theme chosen by the students and their teachers. Students select and review each of the 10 to 15 sites included in the report.

### **Site Selection Criteria**

The selection criteria created by the students themselves is the key to understanding the real power behind the KIDS Report. Students produce a product for other students based on criteria listed here. Main categories include: design, ease of use, content, and credibility. The selection guidelines are provided for both readers and other students who may want to use similar criteria when identifying and selecting Internet sites for their own Web pages. Students learn to critically evaluate what they see on the Internet while also learning about the content that they are evaluating.

### **Past Issues of KIDS**

The KIDS Report archive provides links to nearly two years of reports, beginning in May of the 1995-96 school year. As you may have noticed, the KIDS Report was initially called Y'know. This was changed with the start of the 1996-97 school year. All four original participating classrooms nominated and voted on the current title, the KIDS Report: Kids Identifying and Discovering Sites.

### **Search KIDS**

For those who choose to search the current and past issues of the KIDS Report, this simple search page is provided. This addition to the KIDS site was the result of reader requests.

### **Subscribe to the K.I.D.S. Report**

The KIDS Report subscription page provides both manual and automated online instructions detailing how to subscribe and unsubscribe. Currently, the KIDS Report is sent via e-mail to approximately 1,000 readers.

## 2. Participants

---

**Janet Amann**  
jamann@sdlax.k12.wi.us

LMC Director

North Woods Elementary  
N2541 Sablewood  
La Crosse, WI 54601  
(608) 789-7008

**Chris Burnett**  
Chris\_Burnett\_T@MtClem6-8.edisonproject.com

Teacher

Mt. Clemens Junior Academy (Middle Level)  
155 Cass Ave  
Mt. Clemens, MI 48043  
(810) 469-6100

**Karen Grindall**  
kgrindal@akron.ohio.gov

Teacher

Portage Path School of Technology -  
elementary level  
55 South Portage Path  
Akron, Ohio 44303  
(330) 761-2765

**Steven Kalmon**  
kalmon@bvsd.k12.co.us

Teacher

New Vista High School  
805 Gillaspie Dr  
Boulder, CO 80303  
(303) 447-5401

**Nora Kneebone**  
nkneebon@up.net

Technology  
Instructor

West Iron County Middle School  
612 W Adams St  
Iron River, MI 49935  
(906) 265-0016

**Tina Krouth**  
kkrouth@madison.k12.wi.us

Technology  
Resource Teacher

Whitehorse Middle School  
218 Schenk Street  
Madison, WI 53714  
(608) 246-4468

**Dawn Morden**  
dmorden@aasdc.com

Gifted Support  
Program Specialist

Altoona Area School District  
1501 7th Ave  
Altoona, PA 16602  
(814) 946-8511 (W)

**Renee Nolan**  
Renee\_L.\_Nolan@fonddulac.k12.wi.us

Science Teacher

Sabish Junior High (7-9)  
100 N Peters Ave  
Fond du Lac, WI 54935  
(920) 929-2800

**Randy Sachter**  
rsachter@bvsd.k12.co.us

Teacher

Nederlands Elementary  
#1 North Sundown  
Trail Nederland, CO 80466  
(303) 447-5577

## 2. Participants

---

**Betsy Starling**  
bstarling@madison.k12.wi.us

Librarian

Memorial High School  
201 S Gammon Rd  
Madison, WI 53717  
(608) 829-4037

**Mark Waggoner**  
andersod@uwgb.edu

Teacher

Elmore Elementary  
615 Ethel Ave  
Green Bay, WI 54303  
(920) 492-2615

**Joan Whartnaby**  
Joan2@obs.org

Senior Class  
Instructor

Overbrook School for the Blind  
6333 Malvern Ave  
Philadelphia, PA 19151  
(215) 877-0313

Testimony by Ken Frazier, Director of the UW-Madison General Library System and Chair of the Council of the University of Wisconsin Libraries (CUWL).

Library Resources for Wisconsin's Information Society

The University of Wisconsin has one of the most heavily used academic library systems in the world. The biggest increase has been in the use of digital information resources that we buy and create for students and faculty.

This year we will record over 7 million uses of the UW-Madison Electronic Library (and that, by the way, is a conservative number). Students and faculty are able to use library resources from their homes, dormitories, and offices without having to come to the library.

Nevertheless, on-site usage of our libraries continues to be huge. Last year, UW-Madison counted over 4.9 million visits to our campus libraries. This is higher by far than the total attendance at all varsity athletic events combined.

Governor Thompson's proposed budget request ensures that Wisconsin continues to have a top-rated state university system to educate the next generation highly-trained professionals as well as informed citizens.

The University of Wisconsin libraries have been and will continue to be one of Wisconsin's most valuable assets in educating our citizens to meet the challenges of the future.

As many of you know, the UW libraries have not received a state-funded increase for library collections for the last ten years—during a time period when all of the Big Ten universities steadily increased funding for library resources. (See attached graph on CIC increases for library resources.) During the 1990s:

- Scientific and technical journals have more than doubled in price.
- UW libraries have cut more than 6000 serial subscriptions.
- The UW-Madison libraries are now buying 25% fewer books than in 1991.

As I have said in testifying to Regents, the financial constraints during the 1990s forced the UW libraries to become more collaborative and resourceful. The UW libraries are recognized nationally for our commitment to library cooperation and resource sharing.

For example, the UW-Madison library ranks second in North America in the number of items it lends off campus—second only to Minnesota which is one of our closest cooperative partners.

We also lend over 50,000 items per year to Wisconsin's businesses, government agencies and hospitals. Very often, the scientific and technical information we provide is available no where else in the state.

In fact, we are doing absolutely everything we can, using every available strategy, so that we can continue to perform an essential information service mission for Wisconsin.

That is why I am extremely appreciative that the Regents' budget proposal was supported by Secretary Bugher in the Department of Administration, and has been included in the Governor's budget proposal.

The Regents' budget request for the UW libraries was substantially reduced in the Governor's budget—cut from \$12 million to a total of \$7.3 million over the biennium.

This amount will continue to require us to take a disciplined and highly cooperative approach to managing UW library resources—we will not be able to build research collections as we did twenty years ago. However, with this budget increase, it will be possible to create a library system appropriate for the future needs of UW students and scholars.

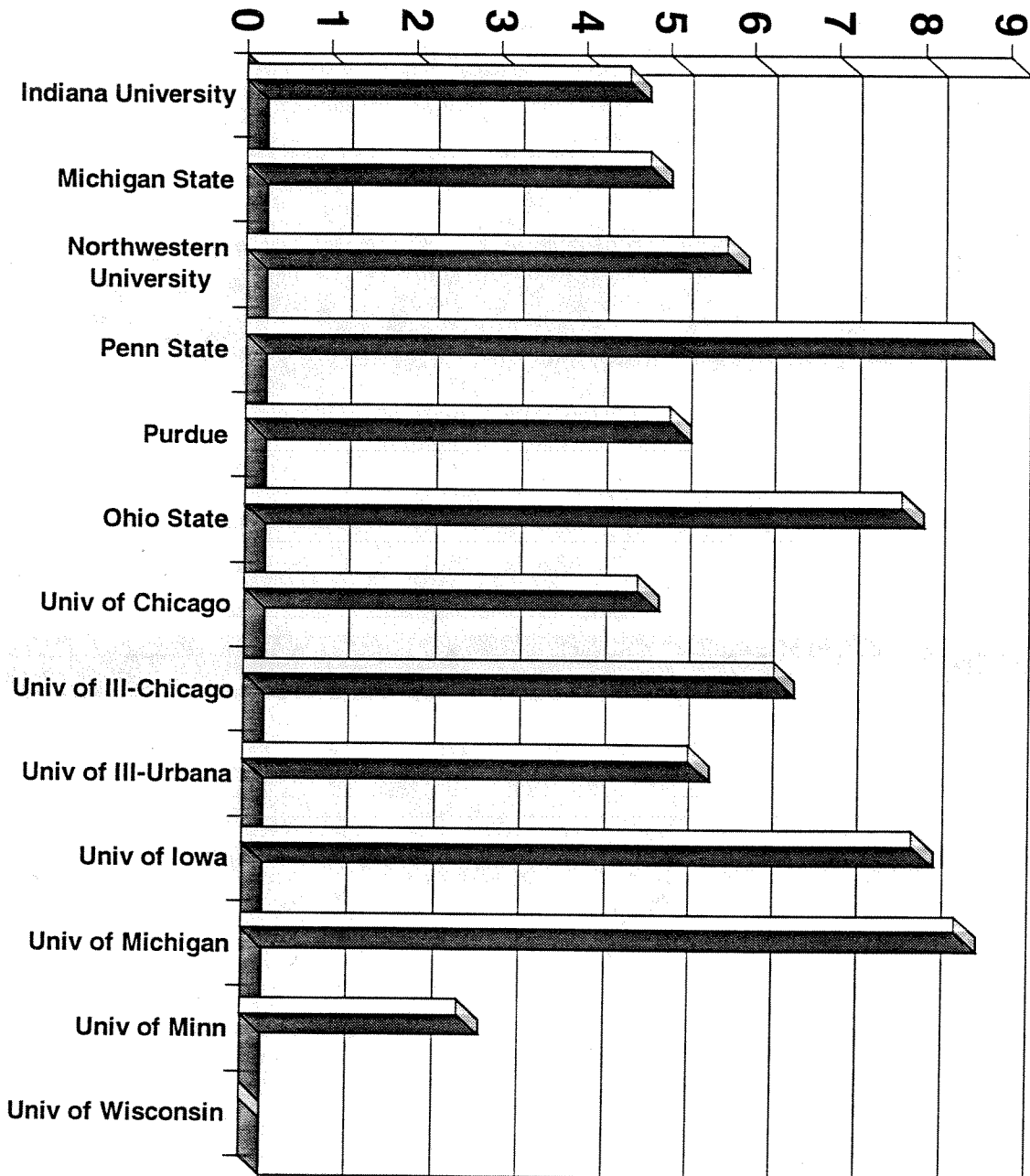
I want to close by emphasizing some of the same values and commitments that the Council of UW Libraries has emphasized in its strategic plan:

- We are building the university library system of the future, not of the past. In ways that were never before possible, we intend to make all university library resources available to all UW students wherever they may live in Wisconsin.
- We will control costs by purchasing library databases and other materials cooperatively in order to achieve the highest possible return on the taxpayers' investment in the UW.
- The UW libraries will continue to provide national leadership in developing cost-effective models of information access for students and citizens.
- And lastly, we intend to make the resources of the UW libraries more accessible to Wisconsin's citizens and businesses by making wise use of information technology.

The proposed funding for the Madison Initiative and for the UW System is a historic investment in the continuing quality of higher education in Wisconsin. It also coincides with the celebration of UW-Madison's 150th anniversary of service to the people of Wisconsin. Governor Thompson is continuing this tradition by recommending a prudent investment in one of Wisconsin's best assets for the future.


Thank you again for this opportunity to speak on behalf of the Governor's budget proposal.

Annual Average Percent Increases  
(1996-99)



University Library Collection Budgets: 4-Year Averages

## JOINT FINANCE COMMITTEE TESTIMONY

Given by Lisa Petrov   
Graduate Student - Spanish and Portuguese  
University of Wisconsin-Madison

In Support of UW System Library Funding

April 15, 1999

Thank you for providing me with the opportunity to testify today. My name is Lisa Petrov, and I am a graduate student in Spanish and Portuguese at the University of Wisconsin-Madison. This past year I have also served as a member of the University Library Committee, an official advisory committee composed of faculty, staff, and students on the Madison campus.

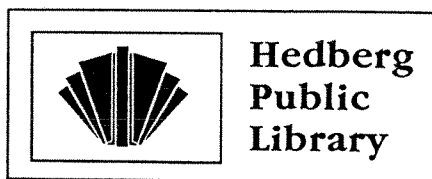
I am here to talk about the need for increased funding for the collections of the University's libraries. As a dissertator who also teaches undergraduates, I do research in the libraries almost every day. I rely heavily on the book and journal collections, and also interlibrary loan for those things the libraries do not own.

I also use the Internet in my research. The computer resources important for my work are not always free. In fact, very little of what is free on the Internet is of any real research value. Therefore, the licensed databases which the libraries provide are essential. Printed and computer materials complement each other. Computer materials cannot replace print. Because I deal with international studies, I need resources in languages other than English, which the Internet does not support well at all.

I have been on the campus for six years, and I have experienced how the collection resources have become strained. For example, the libraries have had to cancel thousands of journal subscriptions, which creates additional burdens on interlibrary loan.

My experience is virtually the same as that of all graduate students. We depend upon the libraries' staying up to date and complete for our personal research and the retention of quality faculty who render a degree from the University of Wisconsin meaningful.

Please support the request from the Board of Regents for increased library funding. Libraries are the nerve center of a University education.



316 S. Main St. Janesville, WI 53545-3971  
Phone (608) 758-6600 • FAX (608) 758-6583 • TTY (608) 758-6604

April 15, 1999

Members of the Joint Finance Committee:

I am writing as the Director of the Hedberg Public Library in Janesville. We are the resource library for the Arrowhead Library System which serves Rock County. There are a number of library-related legislative issues which are of concern to me, but the two most important in my view are funding for Badgerlink and increased funding for public library systems. DPI requested funding for both items in its budget. As you know, the Governor is now proposing continuation of Badgerlink. He has proposed no increase for library systems.

Public library systems are extremely important to the provision of quality library service in this state. The Arrowhead Library System (ALS) provides continuing education for library staff and trustees, coordinates interlibrary loans, operates daily delivery service between libraries of all types, pays for our link to the statewide delivery service, acts as our internet service provider, writes grant proposals on behalf of Rock County libraries, and facilitates cooperative activities of all sorts. ALS's sole funding comes from state aid and in recent years systems have been flat funded.

A recent joint legislative study committee recommended library systems be funded at a level equal to 13% of local library expenditures. This had been part of the law for many years. This recommendation, which was included in Act 150 and was passed by the Legislature and approved by the Governor, is now being ignored. The Governor included no increase at all in his budget, despite the healthy condition of the State's finances. To reach the 13% level, the increased cost for the biennium would be \$11,385,900. The total cost for public library system funding would be \$37,885,500. There is no direct state aid to libraries in Wisconsin, except through systems. This is a small price to pay, I believe, for a life-long education resource for all citizens of this state regardless of their age or economic status. Compared to the cost of formal education, public library funding is miniscule. If education is a top priority for citizens and legislators, public library systems provide an enormous return on each dollar invested.

I know the temptation for some legislators will be to give systems some increase but not the whole thing. Having fought this fight with the Rock County Board for more than a decade, I know how much human effort goes into annual lobbying, and the frustration level of both parties in having to deal with this year after year. Once the County Board approved full funding, although it was a large increase that year, we have maintained that level with minimal budgetary impact and no rancorous debate, upset constituents, angry city councils, or harried supervisors. It's now a non-issue. It's been more than two decades that library systems have not received the funding specified in the law. I hope the legislature will bite the bullet and be done with it this year.

A related bill, SB 66, would change the formula for distributing system aid. This bill is important because the present formula has been very detrimental to some systems, particularly the poorer ones. With any change in a formula, there are winners and losers. However, the System and Resource Library Administrators Association of Wisconsin (SRLAAW) endorses this bill in recognition of the fairness of it. It is long overdue, but it is tied to achieving a system aid appropriation of at least 11.25% in order to minimize the negative impact of the formula change on some systems.

I encourage you to support full funding, as specified in the law, and the related formula change for public library systems.

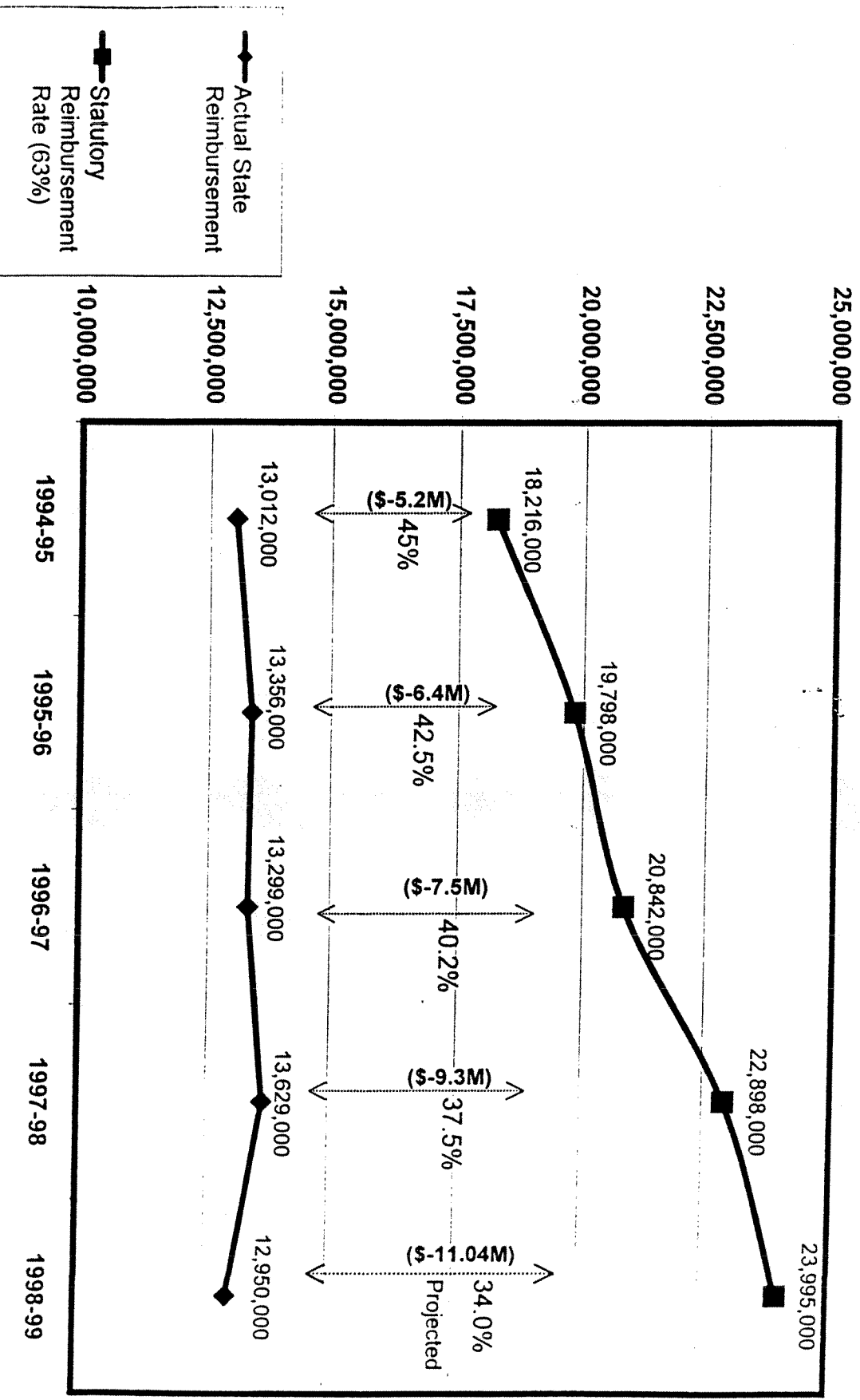
Karen Krueger, Director



## SPECIAL EDUCATION FUNDING 1999-01 Biennial Budget

- *Every* child deserves the best education possible.
- Regular education should NOT be pitted against special education; the state has a moral obligation to be a partner with local districts for special education expenses.
- State law requires the state to reimburse local school districts for 63% of special education costs – the Legislative Fiscal Bureau estimates that the rate for the 1998-99 school year will be less than 35%. The governor's budget *eliminates* the state's 63% statutory reimbursement rate.
- If the state returned to the reimbursement rate when revenue limits started (1993-94 -- 45%), the Madison school district would have an additional \$4.5M in spending authority. If the state actually kept its statutory commitment of 63% reimbursement, the Madison school district would have over \$11M in increased spending authority – enough to reduce class size in grades K-3, complete backlogged maintenance work, and maintain the district's computer system (\$2M annual cost).
- Handicapped aids (the state's categorical fund that finances special education) has been frozen at \$275.5M since 1994-95 -- the governor's budget continues this freeze through 2000-01.
- With revenue limits in place school districts must use resources from the regular education portion of the budget to fund state and federally mandated special education programs/services.
- Special education costs for Madison have increased **\$10.1M** since the inception of revenue limits – state aid has increased only **\$1.1M**.
- Bilingual education costs have increased **\$1.8M** since the start of revenue limits – state aid for this mandated program has increased a mere **\$66,000**.

# State Handicap Aid for Madison Metropolitan School District



## SPECIAL EDUCATION ENROLLMENT TRENDS

Disability Area	1995-96 Actual	1996-97 Actual	1997-98 Actual	1998-99 Actual
Autism	6	63	89	119
Cognitive Disability	466	419	407	379
Emotional Disturbance	509	444	478	511
Hearing Impairment	43	43	46	46
Learning Disability	1,240	1,233	1,308	1,473
Orthopedic Impairment	75	77	100	86
Other Health Impairment	17	192	233	249
Significant Developmental Delay	0	0	38	69
Speech/Language Impairment	912	850	785	710
Traumatic Brain Injury	0	2	5	5
Visual Impairment	17	23	22	29
Total Special Education Students	3,285	3,346	3,501	3,676
Total MMSD Enrollment	25,046	25,158	25,327	25,113
Percentage of Special Education Students	13.1	13.3	13.8	14.64

### Allocation Increases Based on 1998-99 Year Special Education Enrollment and Student Needs:

- The Board of Education has approved 15.25 additional teachers and 19.6 additional SEAs compared to last year to address enrollment growth and student needs.

## ANNUAL EDUCATION COSTS FOR AUTISTIC CHILDREN (ELEMENTARY)

	A	B	C
Cognitive Disabled Program	\$5,534	\$6,227	\$5,534
Speech and Language Services	2,590	1,554	1,554
Autism Specialist	6,000	6,000	6,000
Specialized Phy-Ed	2,500	1,000	-0-
Occupational Therapy	2,450	1,470	1,960
Physical Therapy	1,145	1,717	1,717
Special Ed. Asst.	19,500	10,000	12,220
Tuition	9,197	9,197	9,197
Transportation	-0-	-0-	-0-
Medicaid Reimbursement	(- 516.76)	(-475.53)	(-611.75)
<b>TOTAL</b>	<b>\$48,399.24</b>	<b>\$36,689.47</b>	<b>\$37,570.25</b>

### Madison Metropolitan School District – Medicaid Reimbursement Information

#### 1998-99 – First Semester

Billed	\$394,303.21
Reimbursement	\$139,571.00
<b>Difference</b>	<b>\$254,732.21</b>

MMSD has 7,135 low-income students (28% of total enrollment) – 3,244 receive Medical Assistance.

Of the low-income students, 3,939 are MA *eligible*, of which 1,352 receive special education services.

Wisconsin Special Education Categorical Aid, 1973-74 to 1996-97

Aid Year	Statutory Level	Actual Level	Total Categorical Aids Appropriation	Net Aidable EEN Costs
1973-74	70%	70%	29,490,216	42,128,500
1974-75	70%	70%	37,311,493	53,302,132
1975-76	70%	70%	48,023,550	68,605,071
1976-77	70%	70%	61,478,000	
1977-78	70%	70%	71,305,300	
1978-79	70%	70%	83,644,000	
1979-80	70%	70%	96,056,700	
1980-81	70%	67.90%	107,679,800	
1981-82	68%	66.33%	116,500,000	181,000,000
1982-83	68%	63.35%	122,800,000	199,400,000
1983-84	63%	63%	132,600,000	216,653,142
1984-85	63%	63%	144,828,500	236,416,226
1985-86	63%	61.21%	152,181,000	254,515,426
1986-87	63%	57.28%	160,257,200	286,214,733
1987-88	N/A	60.75%	187,853,200	316,215,911
1988-89	63%	57.73%	198,064,400	350,774,446
1989-90	63%	60.02%	225,363,200	384,007,893
1990-91	63%	59.25%	246,757,200	425,652,941
1991-92	63%	54.07%	253,957,200	479,550,078
1992-93	63%	49.73%	257,730,400	528,811,961
1993-94	63%	45.49%	261,330,400	585,879,920
1994-95	63%	44.93%	275,548,700	625,111,874
1995-96	63%	42.47%	275,548,700	661,268,995
1996-97	63%	39.47%	275,548,700	698,164,312
1997-98	63%	37.5%	"	
98-99 (est.)	63%	34.9%	"	

## 1999-01 BUDGET PRIORITIES

### Fiscal Issues

- Allow district costs associated with Handicapped Aid to be *outside the revenue limits*, unless state meets its statutory reimbursement commitments.
- Restore statutory reimbursement rates for special education (63%) and psychologist/social workers costs (51%).
- Create "hold harmless" provision for districts with declining enrollments.
- Oppose budget item that uses equalization aid to finance Milwaukee voucher program and non-MPS charter schools
- Maintain inflation allowance using Consumer Price Index for annual revenue limit adjustment (budget freezes allowable increase at \$209 per pupil).
- Allow borrowing authority *outside the revenue caps* of \$350 per student for essential infrastructure expenses (maintenance, transportation, utility expenses).

### Special Needs

- Expand SAGE to fund *all* schools with over 50% enrollment of children eligible for free/reduced meals.
- Oppose efforts to have the state pay for low incidence/high cost special education students, which merely shifts resources and exacerbates the current special education funding crisis.

### Local Control Issues

**Remove** the following policy items from the budget to be considered as separate legislation:

- Requirement that schools start the fall semester after September 1.
- Restrictions on when local units of government can schedule referenda.
- Allow appeal to state superintendent of a charter school proposal if rejected by local school board.

### Modifications to Social Promotion/Graduation Test

Change the requirement that graduation/4<sup>th</sup>/8<sup>th</sup> grade tests be the sole determiner of a student's ability to graduate from high school or advance to 5<sup>th</sup> and 9<sup>th</sup> grades. Provide resources to local districts for remedial, after/summer school programs for students not reaching standard.

## IMPACT OF DECLINING ENROLLMENT ON MADISON SCHOOLS

School year	2000-01	2001-02	2002-03	2003-04
Enrollment Projection (3 yr. rolling average)	24,816	24,536	24,105	23,572
Projected Revenue Shortfall	(\$3,506,070)	(\$5,923,552)	(\$9,365,558)	(\$13,806,900)
Allowable increase using Budget's formula	<u>966,185</u>	<u>1,800,565</u>	<u>2,839,104</u>	<u>3,594,504</u>
<b>Projected Deficit</b>	<b>(\$2,539,885)</b>	<b>(\$4,122,987)</b>	<b>(\$6,526,454)</b>	<b>(\$10,212,396)</b>

I'm a parent of a special ed child who has received services due to the good graces of the State of Wisconsin. So, the first thing I want to do is thank you for helping my daughter. If it weren't for the State of Wisconsin, PL 94-142 and aid to special education my daughter and my family would be in great difficulty. I understand Special Ed now is in some difficulty and so I want to return the favor. The best thing I can do in these few moments is talk about the current 2/3 funding versus, for lack of a better phrase, Special Ed the way it was.

As you know PL 94-142 was set up to help those children who if left unaided would fail in regular classrooms. The law provided funding as an incentive to schools to provide service and allowed that funding could be withheld if schools didn't follow the law. It's the old carrot and stick approach. Follow the law and you will be aided. Disregard the law and you will be penalized. Children were aided.

We are abandoning that structure. Now it's general aid that funds special education. General aid is based primarily on pupil count. It is not aid based upon compliance with 94-142. It is aid that will be disbursed irregardless of performance. What 2/3 funding has done is to remove the incentive to perform and diminish the consequences for failure. As handicapped aid gets smaller the reward diminishes and the stick becomes almost non-existent. Soon, there will be no carrot. There will be no stick. There are those who say generic 2/3 one size fits all funding is better. They are missing an important point. The blending of aid makes it's use more obscure and so also more vulnerable to abuse. It is disingenuous and a rhetorical slight of hand to say the two are the same and there is no harm done.

Why is state involvement in compliance important? It's important because there are many families out there who don't have the resources to look out for themselves. I know that to be true. Families do give up. The retreat from special ed funding only makes life more difficult for these people. This perception of retreat has and will bully them into silence.

As a member of the Middleton Pupil Services Parent Advisory Committee I've become aware of another element at play here. I've become convinced that much of the distress we're experiencing comes from the unpredictable appearance of hi-cost disabilities. It's a wild card, often more medical than educational, that comes out of nowhere, scuttling the best of plans. Only if we maintain a special education fund can we account for and get a handle on these costs. It's something we can't smooth over with 2/3 funding. 2/3 funding while worthy is obscuring special ed issues. You don't want general aid to fund special education. You don't really want handicapped aid frozen.

I urge you to stand behind the law. Let's be smart. Let's be accountable for what we do and plan in an honest and compassionate way for our future. Let's restore aid to special education.



## Testimony on School Funding

15, April, 1999

Dr. Peter L. Settle  
5413 Montgomery Drive  
Greendale, Wi 53129  
email: psettle@carroll1.cc.edu

Thank you Senator Burke and members of the committee. It is an honor to be able to go to the seat of one's government and contribute to the deliberation of important issues.

My name is Dr. Peter Settle. I am a resident of Greendale along with my wife and my two children. I am in my 25th year at Carroll College in Waukesha where I had the singular honor of serving Assemblyman Antonio Riley as a Professor of Communication in his freshman year. My youngest daughter will be entering high school as a freshman in fall. My oldest daughter is a Greendale graduate who is currently finishing her Junior year at the University and traveling these hallways as a Senate Page. I am proud of them both. I am also proud of what my school district has achieved and would not see that educational experience endangered needlessly. The people in our district have high expectations and accept difficult responsibilities.

My neighbors and I see school finance as an important issue. I like to think of myself as a fiscally responsible person. I really do not want to spend so much as a nickel more for education than is necessary. I do, however, want to spend every nickel that is necessary. Greendale is a "third tier" district and nickels are becoming very hard to find.

Others, including Dr. Hughes, a number of our School board members, and a residents' Legislative Committee have outlined the data on the difficulty we face. My intent is to put that data in somewhat more human and personal terms. When we seek funding for education many of us squirm and fear new taxes. What we sometimes forget is that school funding, just like teaching, is about kids and their future.

Greendale is a district that has embraced revenue and spending guidelines in a comprehensive and active way. We have trimmed and slimmed, followed sound business practice and generally made our district expenditures fall in line with our allowable income. In short, we have done what we are supposed to do.

In my judgment, there is now nothing left to cut and substantial needs remain. The choice is often between supporting educational programs and providing buildings and equipment that work. As we painfully learn time after time, expenditures for the maintenance of capital equipment, buildings, and infrastructure that are deferred too long become major and expensive projects. We ask that we be allowed to generate income for such as maintenance and infrastructure without paying the severe penalty that follow the referendum or borrowing processes.

It would cost our district \$1.62 to raise an additional \$1.00 in referendum generated funds. As a taxpayer, it is nearly inconceivable to me that anyone would accept that burden. Debt service alone on the limited borrowing authority reduces money for educational programs. This effectively shrinks the size of operational budgets, unnecessarily increases burdens and adds little to the educational process. Present funding procedures force up class size, often reduce curricular offerings, reduces the acquisition of educational materials such as textbooks and other educationally valuable expenditures. The impact on students is pervasive and subtle but deep and real nonetheless.

Amazingly, my district has, to my satisfaction, trimmed all of the fat. In fact, I am rather proud of the budget our administrators and board members have constructed. What we face are cuts in critical educational muscle and bone.

I want to pay for my children to have an educational opportunity where they can grow and prepare themselves for an educationally intensive 21st century. If we fail to provide our children with the education they need to succeed personally and professionally in their adult years, we will have failed indeed. I want to pay for class sizes that are reasonable and prudent, buildings that work, classrooms equipped with appropriate technology, teachers that aren't burnt out by constant overloads, co-curricular programs that are essential to individual and community

growth, textbooks that reflect current knowledge . All of these things and more are essential educational muscle and bone. They are not free.

If Politics is the "art of the impossible" then Budget Politics must be the "art of the truly unimaginable". It must seem to you that the entire state believes you can provide a free lunch. Our district and similar districts are not here with our hands out. I am most decidedly not here looking for a free lunch. We will happily pay what we must and we will continue to accept the requirements of fiscal responsibility with open arms.

Let school districts raise moneys for non-operational maintenance and improvements up to \$1,000,000 without paying the hefty referendum or borrowing limit penalties. With appropriate controls such as eliminating new construction or large capital projects and a required supermajority, the interests of our various districts are protected. There is nothing special or tricky, unusual or devious in what we ask. It makes for good fiscal policy, for good educational policy, and frankly, carries little political risk. Re-visit this issue in this budget. The benefits to the children of "third tier" districts are tangible and substantial. I would like to leave this meeting with agreement on at least one thing: **education is about preparing children to meet the future.** Every day we fail to provide a superior education is a day that will cost us all a lot more later.