



WISCONSIN STATE SENATOR  
**RICHARD GROBSCHMIDT**

7TH SENATE DISTRICT

October 26, 2001

TO: Members, Senate Education Committee

FROM: Senator Richard Grobschmidt, Chairman

RE: Paper Ballot – Senate Bill 261, relating to increasing a school district's revenue limit for heating costs.

**Please return your ballots by 2:00 p.m. Tuesday, October 30. Your consideration is greatly appreciated.**

Motion by Senator Grobschmidt that the Senate Committee on Education recommends passage of Senate Bill 261.

AYE \_\_\_\_\_ NO X \_\_\_\_\_

Signature: Alberta Darling

Date: 10/30/01



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Motion by Senator Grobschmidt that the Senate Committee on Education recommends passage of Senate Bill 261.

AYE \_\_\_\_\_

NO \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_



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AYE X NO \_\_\_\_\_

Signature: Jan A. Benzert

Date: 10-30-01



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AYE

NO

Signature: 

Date: 10-26-01



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Motion by Senator Grobschmidt that the Senate Committee on Education recommends passage of Senate Bill 261.

AYE \_\_\_\_\_

NO \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_



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AYE

X

NO

Signature:

*Richard B. Grobschmidt*

Date:

*Oct 26, 2001*



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AYE \_\_\_\_\_

NO X \_\_\_\_\_

Signature: Christa Roeder

Date: Oct. 29, 2001



Harsdorf

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AYE \_\_\_\_\_ NO ~~\_\_\_\_\_~~

Signature: Sheila

Date: 10-29-01



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AYE \_\_\_\_\_

NO X \_\_\_\_\_

Signature: Richard Grobschmidt

Date: 10/30/01

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AYE ✓ NO           

Signature: Kim Shulick

Date: 10/30/01



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AYE \_\_\_\_\_

NO  \_\_\_\_\_

Signature: Mary A. Hajich

Date: 10-30-01

**Senate Education Committee Testimony for SB 261**

**Wednesday, October 24, 2001 10:00 a.m.**

**300 Southeast, State Capitol**

**Brad Adams, School Financial Services Team, School Finance Consultant**

Thank you, Chairman Grobschmidt and members of the Senate Education Committee for the opportunity to testify on behalf of SB 261 relating to the revenue limit. My name is Brad Adams and I am a School Finance Consultant with the School Financial Services Team at the Department of Public Instruction.

The current revenue limit calculation includes a yearly adjustment in revenues from the two major sources of school district revenue, equalization aid and local property taxes. This adjustment is at best a cost of living calculation that adjusts revenue per member by the Consumer Price Index – Urban (CPI-U) and adjusts total revenue by a rolling three year membership average.

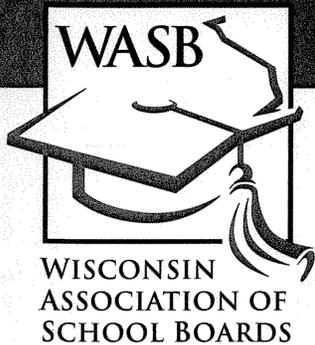
This yearly cost of living and student pupil count adjustment conceptually allows for the maintenance of current programs and services. However, there are many costs that a school district incurs that can and sometimes do, exceed the rate of inflation. For example, districts spent \$36,849,302 for heat in the 1999-2000 school year. In the 2000-2001 school year districts budgeted \$48,594,453. This was an increase of \$11,745,151 or 32%. Although the second number is a budgeted number, it does highlight the potential volatility of heating costs, which are more closely related to severity of weather and availability of fuel.

Year to year changes in enrollment does not affect the school districts' need in this area, rooms still need to be heated, but enrollment can affect the ability to pay for heat or any other utility where usage is beyond the control of the consumer. In some cases, districts have partially dealt with rising heating costs by lowering the classroom temperatures. Although I am unaware of current health or safety concerns with this practice, obviously, there are limits as to how low the classroom temperatures can go before health and safety becomes an issue, so savings are limited. The Department of Public Instruction always encourages measures that would help ensure the health and safety needs of students and staff, including having adequate heat.

Under the current revenue limit law, if costs for utilities unexpectedly go up, expenditures somewhere else will likely need to be reduced. One would hope that a school district would not be forced to choose between adequately heating a school building, purchasing books, or properly maintaining the school facility. These are all critical areas of the school budget. Yet, a statewide summary of a School Facilities Survey for 1998-99 found over 56% of the school administrators that responded to the survey, stated that their current maintenance budget for keeping their buildings in good overall condition were less than adequate. One could surmise that rising costs combined with revenue limits are causing districts to defer preventive maintenance. Furthermore, there is concern that when preventative maintenance can no longer be deferred and if energy costs continue to rapidly increase, funds will be forced away from the instructional mission of the school.

Senate Bill 261 recognizes that heating costs are beyond the control of school building managers and therefore exemptions to the revenue limit for heating costs are necessary.

Again, thank you Chairman Grobschmidt and members of the committee for the opportunity to testify today. I would be happy to answer any questions at this time.



122 W. WASHINGTON AVENUE, MADISON, WI 53703  
PHONE: 608-257-2622 • FAX: 608-257-8386

KEN COLE, EXECUTIVE DIRECTOR

To: Members of the Senate Committee on Education  
Fr: Pam Rewey and Annette Talis  
WASB Legislative Services  
Re: Hearing Oct. 24  
Dt: Oct. 24, 2001

- 
- The WASB supports SB 261, which would provide revenue limit relief for districts with unanticipated increases in heating costs.
  - The WASB supports SB 262, which would help fill teaching positions in shortage areas and disciplines.
  - The WASB opposes SB 269 and 270, relating to instructional mandates. In recent years, the state has undertaken a paradigm shift in the way it interacts with local school districts. State standards have been set and statewide assessment programs have been developed. With those decisions, lawmakers indicated that they were moving away from "input" requirements and instead focusing on results and outcomes. This should provide more flexibility for local schools in designing educational programs and curricula while enhancing accountability. SB 269 and SB 270, by mandating specific curricula, are not aligned with the new movement in education.

Currently, the state statutes include many outmoded mandates as well as a new accountability system. At some point, Wisconsin needs to focus on one system of governance.

However, because SB 269 and SB 270 raise important and timely issues, we would be pleased to work with the author of these bills or any educational organization to bring these issues to the attention of school board members and foster local discussion about anti-bullying behavior and early childhood brain research.

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