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Details: Public Hearing – November 15, 2007

(FORM UPDATED: 07/12/2010)

**WISCONSIN STATE LEGISLATURE ...
PUBLIC HEARING - COMMITTEE RECORDS**

2007-08

(session year)

Senate

(Assembly, Senate or Joint)

Committee on ... Education (SC-Ed)

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**
- Record of Comm. Proceedings ... **RCP**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt**
- Clearinghouse Rules ... **CRule**
- Hearing Records ... bills and resolutions
 - (**ab** = Assembly Bill) (**ar** = Assembly Resolution)
 - (**sb** = Senate Bill) (**sr** = Senate Resolution)
 - (**ajr** = Assembly Joint Resolution)
 - (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

9MB

Order of Speakers

SJR 27
?
Nov 15
2007
?

Senator Breske	
Rep. Pop Roberts	
Tony Evers/Brian	DPI
Julie Underwood	UW-Madison
Senator Vinehout	
Jennifer Morales	MPS
Nancy Holmlund	Racine Interfaith Coalition
Joyce Behlke	
Sharon Locke	
Cathryn Atkinson	Waukesha Public Schools
Dwane Olsen	
Mallory Massey	Pecatonica Public Schools
John Smart	Park Falls SD
Laura Vernon	MPS
Wanda Welch	
Joshua Rashik	
Mary Ulandes	
Ruth Page Jones	Project ABC Waukesha
Nancy Ketchman	MacDowell Montessori School + MPS
Jill Gaskell	Pecatonica PTA/Wisconsin PTA WAES
Ashley From	Florence County SD
Katie Malinowski	H.S. Seniors
Dean Ryerson *	Port Edwards School District WI
Bonita Basty	Birchwood SD
Jeff Spitzer Resnik	Disability Rights WI
Freddi Adelson	WI Assoc. of School Nurses
Dan Brereton	Florence County School District
Jack Norman	Institute for Wisconsin's Future 15 list.
John Simonson	UW-Platteville (retired) loop holes!
Roxanne Starks	Milwaukee PTA Council, WI PTA +
Janet Kane	League of Women Voters-WI
June Weisberger	Dane County League of Women Voters Senior, UW
Randy Kunsch	Phillips SD GRUMPY
Larry Black	Wisconsin Heights SD b Robert Avery
Ellen Lindgren	Middleton School Board
Lamont Harris	
Steve Edlund	Waukesha - speaking against
Ellen Lindgen	Middleton Cross Plains SD
Stephanie Seyter	Gibraltar Area Schools
Trish O'Neil	Columbus SD
Rose Bowen	Oconto Unified SD
Doug Viering	Citizens Baraboo SD

~~Holden~~

WAES pres.

Rapid before

Eliz.

Goggs -
retired, UW
Jowa

Sue Bail
Mrs. Matty
Bail

LEFT

89% of local newspaper
don't like school funding

Time constraint:
Charlene
Holden,
MPS (elect)

2 days
Holden

reasoned

left

left

Dean Ryerson	Port Edwards Public Schools
Nanci Schiman	Alliance for Strong Mequon-Thiensville Schools
Brian Dasher	West Bend SD
Tim Duax	
Larry Black Robert Avery	Wisconsin Heights SD
Mary Jo Schiavoni	ACLU of WI left.
Michael M. Birkley	WI Property Tax Payers, Inc.
Dennis Oulahan Tommy Lee Gler Ruby Gloyer Juliana Kelly	MPS
Daniel Pryzbyla Gary [unclear] Charlen Hardin	
Ted Voth Jr.	Madison

left

left

~~Did they leave~~

? UP to MPS

Roger Danielson Waukesha

districts
under 600

Σ 1115

Artic. 10 Council





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SJR-
27

School
Finance
Formula

Waukesha teachers top out

One-third in district reach pinnacle of salary scale

By AMY HETZNER
ahetzner@journalsentinel.com

Posted: Sept. 21, 2007

Waukesha - Nearly a decade after the School District started shifting its pay scale to emphasize education over experience, about one-third of Waukesha teachers are at the top of the school system's salary schedule.

More than 300 of 960 district teachers made \$70,507 in 2006-'07, the highest salary available to teachers and other certified staff without picking up extra duties.

District officials are careful to point out that the compressed salary schedule, in which teachers can earn large pay boosts for reaching certain benchmarks in graduate and post-graduate education, doesn't cost the district more than a traditional schedule that pays based on a mixture of experience and education.

But because many of the teachers earning top pay also have seniority privileges protecting them from layoffs, the top-loaded pay system could cause problems as the district looks to more staff cuts to balance its budgets.

When the district reduces staff to keep its costs within state-imposed revenue caps, it often has to turn first to its lower-paid teachers, who usually have less seniority.

And it has to lay off more of them than it would their higher-paid counterparts to meet savings projections.

So the district spends the same amount of money, but on fewer teachers.

"The extent to which you have a higher and higher number of people at the top of your salary schedule, it becomes more expensive," said Jack Bothwell, executive director of human resources for the Waukesha district.

No other Waukesha County school system had more than 10% of its teaching staff earning more than \$70,000 in the last school year, according to data reported to the state Department of Public Instruction.

In Milwaukee County, the Nicolet High School District had about 35% of its teachers making more than \$70,000 last school year.

About 31% of teachers in the Mequon-Thiensville School District earned that district's top salary - \$69,755 - in 2006-'07, state data shows.

But in most of those cases, the teachers had spent years in the classroom on top of earning graduate degrees. The least-senior teachers earning top pay in Nicolet and Mequon-Thiensville had spent 11 1/2 and 13 years in the profession, respectively.

In contrast, the Waukesha district had 14 teachers at the top of its pay scale in 2006-'07 with five or fewer years of experience, state reports say.

That is partly by design.

The Waukesha school system instituted its current pay system in the 1999-2000 school year, shifting money that had been sprinkled among teachers at different educational and experience levels into specific benchmarks available to teachers whenever they earned a certain number of graduate credits.

Teachers content to work in their classrooms year to year without pursuing coursework beyond their bachelor's degrees received only nominal salary increases, while those who took approved classes could reach the top of the schedule by earning a master's degree plus 30 post-graduate credits.

But the rapidity with which Waukesha teachers have been able to advance in pay, as well as some of the accelerated master's programs offered by colleges that have helped them, has been somewhat of a surprise.

It also was targeted earlier this year by the Waukesha Taxpayers League as helping to contribute to financial problems the district faces. The league found one teacher hired in 2005-'06 at \$34,795 who was able to increase his salary by 78%, to \$61,986, in one year.

"If you're increasing their salary by \$25,000 over five years instead of over the course of 17 years, yes, you're making a huge difference, and you're having to cut programs because of it," said league President Christine Lufter.

Janet Bashirian, president of the Education Association of Waukesha, the teachers union, said it was unfair to blame teacher pay for the district's budget woes, which caused a cut of the equivalent of 62 full-time teaching positions for the current school year to meet state revenue restrictions.

Both she and Bothwell said graduate education can improve a teacher's effectiveness in the classroom, and the reward system for continued education has made the district attractive in recruiting and retaining teachers.

But Bashirian said the union also questions the effect the salary schedule might have in causing staff members to focus more on earning credits than on the teaching responsibilities for which they were hired.

"We are concerned with the speed with which people are earning credits and the effectiveness they can have in their classrooms," she said. "For the district to be competitive with the surrounding districts, we need to put different incentives in different places on the salary schedule. And sometimes that is not

always at the top of the schedule."

Waukesha's experience could be a lesson for other school districts, such as Menomonee Falls, that are exploring whether to adopt similar pay systems amid pressure to change how teachers are compensated.

Fiscal sustainability is a common downfall for alternative compensation plans, said Jim Carlson, president of the Educator Compensation Institute and a director for the Kettle Moraine UniServ Council, which represents teachers in the Sheboygan area.

Incentive systems that pay teachers for increasing their skills through education or reward other performance measures often cost more than the old education-plus-experience model, he said. But that doesn't mean school systems shouldn't try.

"The way we've paid teachers for the last 30 years may not be, likely is not, the best way to pay teachers now," Carlson said. "The key is to make sure we don't fix it with another problem."

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Attachment

SJR 27?

Table 1. District Averages 2005

<u>District Category</u>	<u>Expense*</u> <u>Per pupil</u>	<u>% of</u> <u>Avg.</u>	<u>Tax Rate</u>	<u>% of</u> <u>Avg.</u>	<u>Yield</u> <u>Per Pupil</u>	<u>% of</u> <u>Avg.</u>
Avg. Inc./Avg. Val.	\$ 8,809	100.00%	\$ 8.61	100.00%	\$ 1,023.11	100.00%
Low Inc./Low Val.	\$ 8,419	95.57%	\$ 9.76	113.31%	\$ 868.50	84.89%
High Inc./High Val.	\$ 9,602	109.00%	\$ 9.68	112.43%	\$ 990.41	96.80%
Low Inc./ High Val.	\$10,291	116.83%	\$ 6.85	79.53%	\$ 1,532.97	149.83%

* Comparative Expense

Data Source: School Facts, Wisconsin Taxpayers Alliance, 2006

As indicated in the table above, the current system is far from equitable for either pupils or property taxpayers.

In 2005, children in low income/low value districts received only \$869 worth of education per taxpayer dollar, while children in low income/high value districts received almost double that - \$1,533 worth of education per taxpayer dollar. Children in high income/high value districts received \$990 - less than the average \$1,023 - per taxpayer dollar.

Taxpayers in low income/low value districts paid 13% more to provide 5% less school support than the statewide average.

Taxpayers in low income/high value districts paid 20% less to provide 17% more school support than the statewide average.

Taxpayers in high income/high value districts paid 12% more to provide 9% more school support than the statewide average.

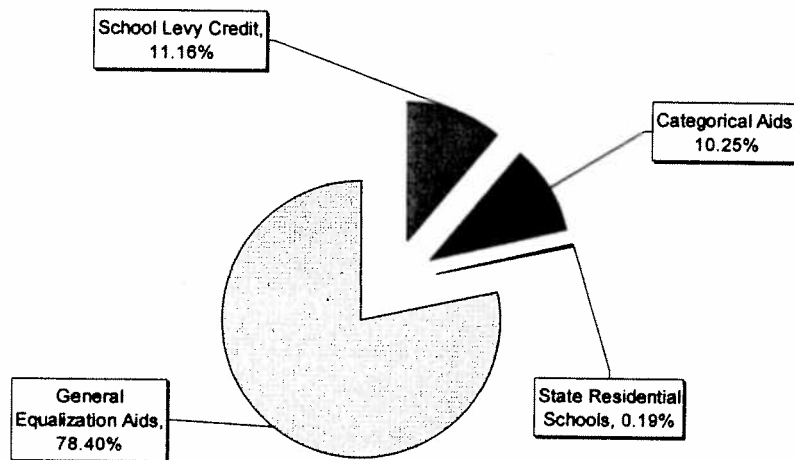


SJR 27
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2007-08 Wisconsin School Finance Senate Education Committee

Anthony Evers, Deputy State Superintendent
Brian Pahnke, Assistant State Superintendent
Department of Public Instruction
November 15, 2007

Total State Support of K-12 Education in 2007-08



6 bill \$

2007-08 Top Ten GPR-Funded State School Aid Programs

<u>State School Aid Appropriation</u>	<u>2007-08 Funding Level</u>
1. General Equalization Aid*	\$ 4,618,698,100
2. Special Education Aid	\$ 350,192,500
3. Milwaukee Parental Choice Program (MPCP)**	\$ 120,268,500
4. SAGE (Class Size Reduction in Grades K-3) Aid	\$ 111,984,100
5. Integration Aid (Chapter 220)	\$ 83,236,800
6. Milwaukee/Racine Charter School Program ***	\$ 44,492,300
7. Transportation Aid	\$ 27,292,500
8. Special Adjustment Aid	\$ 20,789,800
9. Bilingual-Bicultural Aid	\$ 9,890,400
10. Tuition Payments Aid	\$ 9,491,000

* Includes MPCP and MRCSP funds

** 55% of funding is from state and 45% from Milwaukee Public Schools (MPS) general equalization aid reduction

*** 100% of funding is from general equalization aid reduction to all 425 districts

3

Categories of Districts Receiving General Equalization Aid in 2007-08

<u>Category</u>	<u>Number of Districts</u>	<u>% of Total</u>
Positive Primary & Secondary Aid	10	2.4%
Positive Primary, Secondary & Tertiary Aid	248	58.4%
Negative Tertiary Aid	123	28.9%
Primary Aid Only	27	6.4%
No Equalization Aid	17	4.0%
Total	425	100.0%

Sustain

4

2007-08 General Equalization Aid Data

2007-08 Property Wealth Data

Most Property Wealthy District

- North Lakeland--\$6,756,800 per pupil
Equalization aid--\$0 per pupil

Least Property Wealthy District

- Beloit--\$201,200 per pupil
Equalization aid--\$7,702 per pupil

Statewide Average

- \$528,300 per pupil
Equalization aid--\$5,323 per pupil

2007-08 Shared Cost Data

Highest Overall District

- Linn J4 (K-8)--\$17,234 per pupil

Lowest Overall District

- Racine--\$8,205 per pupil

90th Percentile District

- Niagara--\$11,214 per pupil

10th Percentile District

- Fond du Lac--\$8,815 per pupil

Statewide Average

- \$9,468 per pupil

Lowest Spending

5

2007-08 General Equalization Aid-Facts and Figures

- General equalization aids did not increase over 2006-07, resulting in 44% of the state's school districts receiving more aid than last year.
- Changes in state general school aid range from a 243% increase in general state school aid in one district (Swallow) to 69 districts receiving 15% less state equalization aid than they did a year ago.
- On a statewide basis, membership declined by less than 0.1% with membership changes ranging from a 17% increase in one district (Swallow) to a 13% decrease in pupils in another (Linn J4).
- The district with the largest percentage increase in membership had the largest percentage increase in state general equalization aid (Swallow).

*Swallow
↑
aid ↑*

6

Categorical School Aids

- There are now 41 specific “categorical” aid programs (10 new programs were included in the new 2007-09 biennial budget) that reimburse school districts and other entities for specific purposes and programs.
- For the most part, categorical aids are distributed without regard to a district’s property wealth or spending per pupil.
- Categorical aids are paid on either a formula basis or awarded as grants and may be prorated if appropriated funds are insufficient to fully fund a categorical aid program.
- Categorical aids are received by school districts outside their revenue limits.
- Not all districts are eligible for all categorical aids.

7

2006-07 Revenue Limit Data

<u>2006-07 Base Revenue Limit Per Pupil</u>	<u>2006-07 Base Revenue Limit Per Pupil</u>
• Highest Overall District Nicolet UHS (9-12)--\$14,810	• 90 th Percentile District Sevastopol--\$10,178
• Lowest Overall District Cadott--\$8,009	• 10 th Percentile District 28 Districts--\$8,400
• Highest K-12 District Green Lake--\$11,969	• Statewide Average \$9,028

8

Revenue Limits-Facts and Figures

- In 2007-08, the \$264.12 per pupil increase for all districts amounts to a roughly 3% increase in the base revenue for most districts.

- In 2007-08, more than 250 (60%) of the state's 426 districts are eligible to receive the 100% declining enrollment exemption.

- In 2007-08, nearly 90 districts (20%) are eligible to use the "low revenue ceiling" to increase their revenues per pupil to \$8,700.

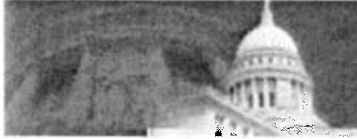
- In 2006-07, there were 50 districts (all of which had declining enrollment) that had a final revenue limit less than what it was in 2005-06.

9

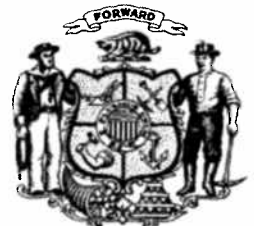
Declining Enrollment School Districts

Fiscal Year	# of Declining Enrollment Districts (Using Revenue Limit Definition)	Percentage of All School Districts	Statewide Membership (Using Revenue Limit Definition)	Annual Statewide % Membership Change
1997-98	131	30.8%	845,366	
1998-99	163	38.3%	853,863	1.0%
1999-00	188	44.1%	856,337	0.3%
2000-01	193	45.3%	861,547	0.6%
2001-02	216	50.7%	861,208	0.0%
2002-03	232	54.5%	862,964	0.2%
2003-04	250	58.7%	863,704	0.1%
2004-05	265	62.2%	862,930	-0.1%
2005-06	267	62.7%	861,557	-0.2%
2006-07	251	59.1%	859,874	-0.2%
2007-08 (est.)	253	59.4%	858,081	-0.2%

10



WISCONSIN STATE LEGISLATURE





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One-third in district reach pinnacle of salary scale

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