

School District of Owen – Withee Story

Presented to

Legislative Council Special Committee on Reviewing the State Aid Formula

By Jim Friesen, District Administrator

Thank you for the opportunity to present information to the Legislative Council Special Committee.

The School District of Owen-Withee is located in northern Clark and Southern Taylor Counties. The District is roughly 18 miles from north to south and 12 miles wide. The City of Owen and Village of Withee border each other and are located just north of highway 29. The largest employer is the Clark County Health Care Facility with the school being second.

The School District of Withee and the School District of Owen were consolidated for the fall of 1955. They continued to utilize the existing buildings until 1963 when the current 7-12 building was built. The elementary building was completed in 1984. An addition/remodeling of the library into an instructional media center was completed in 2000. The media center includes a computer lab, distance learning studio, conference rooms, and additional space.

We are in the top 20 in percentage of state aid received with our eastern neighbor Colby being number 3. Our students largely come from low-income families with a FRL just over 40%. Other than a state highway and county roads, there are 6 miles of paved town roads in the township in which I live. That would be about the same for the five other major townships in the district.

Our valuation for 2005 was 161,723,167. Our mil rate was 7.79. Other than financing our unfunded pension liability with the state retirement system, we are debt free. The last few years we have been able to spend up to the low-spending ceiling. For 2006-07 that means \$8,400 per student.

Our teachers are among the lowest paid in the state with a base salary of 28,438 and a salary maximum of 49,073 for MA+24. We do not have extensive benefits nor do we have a lucrative retirement package.

When I came here in 1998, the fund balance was at \$1,933,858. It reached a low point by the end of 2005 of \$1,473,481. The elementary was, for the most part, three sections. We are now two except some SAGE grades. Our challenge will be reducing staff at the 7-12 level as the class enrollments level out at about 40 per grade. Part-time staff is hard to come by and good young teachers do not stay because of our pay scale.

The community is very proud of the school and what it has accomplished over the years. They have supported building referendums and one revenue cap exemption. An Excellence in Education Award was received in 1983-84. We have received several Wisconsin Promise School recognitions including all three levels for the 2005-06 school year. Our elementary school was nominated and received the 2006 No Child Left Behind Blue Ribbon School.

If you look at the attachment and track down to 1999-2000 school year you will see that we received a negative \$1,865 under the revenue cap. If you continue to follow the next three years you will see increases in cap money of 64,000, 20,000 and 85,000. It took between \$140,000 and 180,000 to meet increases in salary and benefits for the existing staff at a 3.8%. Of course nothing else increased during that time.

Yes, we cut staff. Yes we spent fund balance. Most of the district's maintenance budget has been robbed to keep programs. We were lucky and planned well. Our facilities did not need more than surface attention. The high school boilers and air-handling units were all replaced with the IMC addition. The boilers in the elementary building need to be replaced (one new package boiler was added in spring 2006). Our roof replacement schedule is due to start again in 2008. The gym floor in the high school needs re-sanding. The track needs re-paving. All of these projects were put on hold. If we did not have fund balance to spend, we would probably be the Owen-Withee- (fill-in-the-blank) District.

You are looking at the aid formula. Obviously, we benefit from it. We are a low income. Over 40% of our students are free or reduced lunch. We have low property values. The state average for K-12 districts is over \$400,000 per student. Ours is under \$300,000. I do not think the formula is the problem. Does it need some minor tweaking? YES.

The major problem is the revenue cap. Revenue caps were intended to give tax relief and they have. Again if you look at the tax portion for the district, things were fairly stable until 2004 when we moved away from 2/3's funding. In 2005 the district passed a revenue cap exemption of \$150,000. Declining enrollment districts have to pull out the hold harmless money each year. This re-calculation digs the hole. As you can clearly see, as our student population rose so did our revenue and the ability to meet expenses.

Things you can do to help:

1. Remember, the per-pupil increase has not kept pace with the 3.8% compensation packages that QEO requires.
2. Whatever economic issues were in place in 1992 are still in place today. Just accentuated. We do not have central office staffs. Most of us function with a superintendent, principal(s), bookkeeper, and lots of support from CESA.
3. Slow the decline in resources for declining enrollment districts. Loss of students does not equate to a loss in staff in an area that is easily cut. Most have compromised their maintenance budgets to get this far already.

4. SAGE flexibility. Allow us to have slightly larger classes in third grade. A gradual transition from 15 to 1 to 20 + is too large a transition for students to make.
5. Open Enrollment. We have more students coming in than going out. The revenue received is a deductible receipt. Simply put, that means our taxpayers have to pay a greater share of the cost of education than they would have otherwise. We get less than the full amount per student and our taxpayers pay a higher tax in addition. And we really have no ability to not accept students that apply.
6. Title I. Federal money is also a deductible receipt. It is dedicated money to assist low-income students. We received a large bump in Title money because the district is low income. The state rewarded us with less state aid and higher taxes. Seems to be a contradiction.
7. Special Education. Recognize that the combination of a major highway and low cost housing is attractive to special education families who move frequently. We are spending over 6% of regular education money to support special education. If we were not part of a 21-school CESA consortium, it would be considerably more.