

**SCHOOL DISTRICT OF PHILLIPS**

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Dr. Jerry Trochinski, SuperintendentKarren L. Balzar, Financial Manager

## MEMO

To: Special Committee on Review of State School Aid Formula

From: Jerry Trochinski, Superintendent

Date: December 6, 2006

Re: Work of the Committee

First of all, thank you for allowing Karren Balzar and me to speak with you about the financial needs of the School District of Phillips and the constraints on providing quality educational opportunities for all children. Phillips was a low-spending and taxing district when the revenue limits were imposed in 1993. Sparsity, the Northern Lake Effect, rising fixed costs, and declining enrollment coupled with revenue limits and inability to pass an excess levy referendum (even though the per pupil expenditure is one of the lowest in the area and the tax rate is one of the lowest in the area) is hampering the ability to teach all children. Closing a school and eliminating sports for students have resulted in added expenses due to open enrollment – an expense that significantly impacts the cost savings generated by closing a school. (The Catawba School is 18 miles from Phillips and from the Catawba school to the district boundary is an additional 19 miles.)

Karren and I presented recommendations for consideration by the committee. Listening to the other contributors to the committee and the discussion of the committee, our recommendation stands.

I will not be able to attend the December 18 meeting due to a conflict with a scheduled Board of Education meeting. However, please accept the following for consideration as you continue your most important work.

- 1) Even though sparsity and transportation costs address some of the same concerns, there are many aspects of sparsity and transportation that are mutually exclusive. The current categorical aid amounts to 7.7% of our 2005-06 transportation cost of \$614,000 or 6.5% of the Fund 10 expenditure. The transportation aid formula payments are based on travel of individual students not on the miles traveled. Under the current system, the district receives \$150 to transport a child 12 miles (there is no currently no additional aide for a child transported 37 miles). If there is only one child on the route, the reimbursement is \$150. If there is a family of four

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children and three neighboring children transported 12 miles, the state aid is \$1,050. This example points out a problem with the current formula. Remember only 7.7% of transportation costs are currently reimbursed and our first pick up is 6:30 a.m. for 8:10 a.m. start.

Sparsity aid would address the small, but necessary school district. As Luther frequently stated, "large in land mass, small in population" - "situations where consolidation is not reasonable".

- 2) Please consider providing districts with the flexibility to select either the use of a three or five year rolling average for aid calculation, allowing time for transition.
- 3) Please consider at least maintaining the base level of state aid a district receives from year to year.
- 4) Please consider additional consideration for consolidation when geography allows. School consolidation under the current system appears to provide some incentives for consolidation. However, a closer examination uncovers a much different reality. Two of our neighboring districts explored consolidation. One district had an above-average mil rate and expenditure per pupil and the other below-average mil rate and spending per student. Even with the incentive, the low-spending, low-taxing district would have incurred significant increase in taxation and debt load. In addition to the increased cost, one contract for teachers provided greater salary and benefits that would have added cost, and to maintain a veteran staff over a less veteran staff required by contract would have resulted in loss of students due to the lay off of less experienced teachers. Dissolution of one district may prevent some of those "hidden costs", but dissolution comes with a host of problems.

May I suggest that the committee request that a task force be formed of legislative staff, DPI, superintendents/business managers, board members, and academics to explore consolidation strategies that may overcome many of the pitfalls of current law.

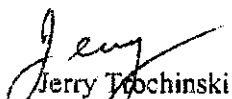
- 5) One last consideration - Wisconsin currently has Chapter PI 8 School District Standards that are to be met by all school districts and all charter schools (unless exception is granted). Even though these educational standards have been in place since 1988, I daresay they still are important minimal requirements for all Wisconsin school districts. Unfortunately, for many Wisconsin students, the spirit of standards is not being met and with a growing frequency, the bare minimum of the standards are not being met. The auditing practices for standards compliance was one of the first victims of the past governor's budget axe.

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Before consideration is given to creating new standards, maybe we should examine the appropriateness of current law and provide that at a minimum all current standards are met.

Thank you for your work on behalf of all children and young adults. If you have any questions, please contact me at [jtrochinski@phillips.k12.wi.us](mailto:jtrochinski@phillips.k12.wi.us) or by phone at 715-339-2419.

Yours truly,

  
Jerry Trochinski  
Superintendent

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Cc: Board of Education

P.S. There seemed to be a disconnect exhibited through discussion at the November 17, 2006 meeting between the reality of innovative scheduling practice (multiage, multigrade, distance education, community day care-4year old program, co-op classes, etc.) that currently are being employed and the idea that these scheduling strategies should at least be experimented with by some schools and the fact that these strategies are already in place in many districts. Also, while distance education typically does not save money - distance education may have some additional costs, yet the benefit of distance education is "opportunity".