Are School Revenue Limits Limiting Learning?

A report from the statewide forums on the impact of revenue limits on Wisconsin public schools.

January 2001
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Information compiled from forums organized by the following groups:

- Appleton PTA Council
- Big 8 Summit on Spending Caps
- Institute for Wisconsin's Future
- Janesville Joint Legislative Committee
- Price County Citizens Who CARE
- Stevens Point Area PTA
- Superior School District
- West Allis/West Milwaukee PTA Council
- Wisconsin Federation of Teachers
- Wisconsin PTA

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PART I.

“By forcing increased class sizes, programming cuts, and delayed maintenance projects, Wisconsin is failing in its responsibility to educate its young people. We are not only capping the revenue schools can spend, but, more importantly, we are capping the education of Wisconsin’s youth.”

—Jennifer Dye, 1999 graduate of Parker High School, Janesville

Introduction

Revenue limits were imposed on Wisconsin’s public schools in the mid-1990s to help taxpayers who were reeling from a half-dozen years of 8%+ annual growth in property taxes. The idea was simple: To check the spending by the largest unit of government supported by property taxes.

Revenue limits may have yielded a benefit for taxpayers, but it has come at a steep price.

As Jennifer Dye, a recent graduate of Janesville Parker High School, suggests in the quote above, revenue caps are stunting the growth of our youngest generation, the nearly 900,000 students in Wisconsin public schools. Since the imposition of revenue limits, survey data, anecdotal reports, and school balance sheets have all indicated that the limits are reducing schools’ capacity to maintain educational programs and services.

In the fall of 1999, a statewide consortium of school board members, parent organizations, school district administrators, teacher groups, and policy advocates met to plan a thorough assessment of the impact of revenue limits on schools and children. The result was a series of six hearings held throughout the state in the fall of 2000.

Over 1,000 people attended the six public events—in Appleton, Janesville, Rhinelander, Stevens Point, Superior, and West Allis. Approximately 260 people from 78 school districts testified. Parents, students, administrators, school board members, teachers, and community leaders explained—sometimes with clinical detail, sometimes with passion and drama—how revenue cuts are endangering education in Wisconsin.

This report is a compendium of the information compiled during these hearings.

Dye spoke at the Janesville forum. She is a college sophomore about to decide on her major subject of study. “Originally, I had been contemplating going into education,” she testified. “However, after seeing what the revenue cap is doing to public education in Wisconsin, I have decided that this is not a career path that has long-term stability. I have heard many other students say the same thing. College students who want to stay in Wisconsin are wary about majoring in education because our public education system is in limbo.”

A school system that has lost the confidence of its brightest graduates is a school system in danger. Is Dye correct in saying that Wisconsin’s public education system “is in limbo” because of revenue limits?

This report will examine the background and history of revenue limits. It will also chronicle the observations of hundreds of those closest to their impact.
Creation of revenue limits

Public schools have historically relied on local property taxes for revenues, although significant differences in local property wealth meant that state money was used to lessen the impact of these inequalities. Until the mid-1990s, however, property taxes remained the primary source of education dollars. In 1993, 55% of all local property taxes went to schools. All other beneficiaries of the taxes—municipal and county governments, technical colleges, and special assessments—shared the remaining 45%.

But property taxes were rising rapidly. The school portion alone rose nearly 11% in 1993, and total property taxes had jumped more than 7% each year since 1986.

Behind the surge in school costs were such factors as federal mandates to educate children with disabilities, expanded use of computer technology, and increasingly stringent performance standards. Meanwhile, the Legislature had significantly reduced corporate property taxes, putting a heavier burden on homeowners. But wages for the average worker were stagnant after inflation was accounted for. So, homeowners had difficulty paying higher property taxes, especially in property-poor districts with large low-income populations.

Property taxes are not the heaviest tax burden people pay. As a percentage of income, most people pay more in income and social security taxes. The property tax, however, is presented in a single bill only weeks before Christmas. Rising property taxes are a particular burden for those living on relatively small, fixed incomes.

All these factors led to the formation of numerous taxpayer groups that angrily lobbied Governor Tommy G. Thompson and state legislators to relieve the tax burden on families—especially the property tax burden. In January 1993, Governor Thompson introduced his biennial budget with a temporary school property tax rate freeze. The freeze was included in the budget that eventually passed, but was only minimally debated and there was no vote on the freeze itself.

In 1994, with pressure still on to reduce property taxes, the Legislature increased state aid to school districts, from 45% of education costs to two-thirds, increasing state school supports by one billion dollars. Lawmakers also converted the temporary school-tax freeze into a permanent cap on the growth of school revenues. This was intended to make the state’s new two-thirds funding commitment affordable. Fleshing out a comprehensive package of school finance reform, the state also imposed controls on increases in teacher salaries, through the creation of the “qualified economic offer” (QEO).

How revenue limits work

Revenue limits cap the amount of money a school district can raise through property taxes and general state aid. Because revenues are limited, so are school district expenditures. There are a few exceptions for funding some programs, but they account for a relatively small percentage of school revenues (federal and state aid for categorical programs).
Revenue levels are based on those in effect for the 1992-93 school year. As many critics have pointed out, this froze in place any spending inequities in existence that year.

Districts are allowed to increase revenues each year by an amount determined by a formula. That amount is augmented by a minimal number of special exemptions that can allow some districts to exceed limits by small amounts. For the 2000-01 school year, the allowable increase is $220 per student, or less than 2.6% of the state average per-pupil revenue.

A school district’s annual increase is calculated based on the allowed per-pupil increase, multiplied by the district’s enrollment. Technically speaking, ‘membership’ rather than enrollment is used. Membership is an approximation to full-time-equivalent enrollment, and is calculated based on school year and summer attendance, averaged out over three years to smooth out year-to-year fluctuations. Because the word “enrollment” is much more familiar than the word “membership”, it is used throughout this report, although calculations were made using membership whenever appropriate.

The use of enrollment means that districts with increasing numbers of students have revenue limits which continue to grow at a more healthy rate, while those with decreasing student numbers have limits which either decline or grow very little. At the time limits were imposed, only one-fifth the state’s districts registered enrollment declines. By 2000, more than half were seeing falling enrollment.

Districts are allowed to exceed revenue limits, if the school board authorizes a referendum and voters approve higher property taxes to cover the additional spending.

Chart 1
Percentage of school districts where revenue limits growth is lower than the federal education inflation index

Source: Wisconsin Department of Public Instruction, U.S. Bureau of Labor Statistics
**Structural impact of revenue limits**

Most school costs have grown even faster than the revenue limits, for example textbooks, utilities, health insurance, and wages.

This is compounded by the new high-standards testing policies, which require performance exams in the fourth, eighth, and tenth grades. The expenses for preparing students for the tests, administering them, and reporting of scores are additional costs for schools.

The revenue limits especially punish districts with falling enrollment, because the enrollment-based formula allows them lower increases. This occurs regardless of the actual change in district costs resulting from fewer students. Because declining numbers of students are usually spread among grades and schools, and not concentrated in one location, there is no comparable reduction in costs for staffing, utilities, transportation, or technology. But demographic trends have made declining enrollment a factor in over half the districts in the state.

Map 1

**State school districts with declining enrollment in 2000**

Source: *Wisconsin Department of Public Instruction*
Schools have been swamped by the costs of educating students with disabilities. The number of special-education students has grown steadily. At the same time, however, federal and state reimbursement has shrunk dramatically as a percentage of total costs. Remaining special costs—such as medical equipment, additional teaching staff, equipment for the visually- and hearing-impaired, and special transportation—must come from the regular school budget.

Chart 2
**Differential between costs for students with disabilities and state reimbursement**

Since the 1993-94 school year, costs for students with disabilities rose 52%, while state reimbursements grew only 21%.

Source: Wisconsin Department of Public Instruction

**Results for taxpayers**

The goal of revenue limits was to help property taxpayers. For taxpayers, the results have been mixed.

Indeed, school taxes dropped significantly when the state implemented its two-thirds commitment, and the growth in school taxes was lowered because of revenue caps. The total amount of property taxes collected for schools fell 6.5% from 1994 to 2000.

While schools were compelled to limit taxes, the technical colleges, cities, villages, towns, and counties were not. During the same period that school taxes fell 6.5%, municipal property taxes rose
Are School Revenue Limits Limiting Learning?

Revenue limits on schools slowed property tax growth, but the growing cost of municipal and county governments absorbed funds not used for schools. Revenue limits served primarily to slow tax growth and redistribute property tax revenues from K-12 schools to other branches of local government.

The impact on schools

Schools and public-education advocates were quick to understand that revenue limits were a problem:

In 1996, South Milwaukee parents, students, and teachers took buses to Madison to protest budget shortfalls.

In 1997, a survey by the University of Wisconsin-Milwaukee and the Institute for Wisconsin's Future found 86% of school principals responding faced financial difficulties because of revenue limits.

In 1998, 25 southeastern Wisconsin superintendents met with legislators to discuss the growing...
financial crises facing urban and suburban districts.

In 1999, a group of parents and teachers marched 250 miles from Price County to Madison to meet with the governor about the lack of educational resources in small rural districts.

In 2000, angry Milwaukee parents crowded into a school board meeting to protest program cuts forced by a $32 million budget shortfall.

Annual surveys of school superintendents by the Wisconsin Education Association Council and the Wisconsin Association of School District Administrators show that increasing numbers of districts are being forced to cut programs, services, and staff to keep within budget limits. By the 1999-00 school year, 60% or more of the superintendents reported making budget cuts in five key areas: building and grounds maintenance or improvements; textbook and curricular material purchases; computer and other technology purchases; staff development opportunities; and consumable supplies purchases. In addition, over half of the superintendents were forced to spend down their fund balances to support district budgets.

PART II.

“Locally elected boards of education must be permitted the financial latitude to maintain and improve the institutions which serve our children. I fear that without fundamental reform of revenue cap legislation, the quality of schools will quickly erode and the price we have paid for property tax relief will be far higher than anyone intended.”

—Anne Weiland, Menomonee Falls parent

Citizens’ forums on school funding

Over the past four years, a number of educational interest groups from throughout Wisconsin have determined that revenue limits have caused problems for public schools and should be reviewed by legislators and government officials. The Citizens’ Task Force on Revenue Limits included:

School districts of Greendale, Madison, and South Milwaukee
Janesville Joint Legislative Committee
Big 8 Summit On Spending Caps
Association for Equity in Funding
Price County Citizens Who CARE
Wisconsin Department of Public Instruction
State Superintendent’s Parent Advisory Council
Stevens Point Parent, Teacher, Student Association
Wisconsin Federation of Teachers
Wisconsin Education Association Council
Wisconsin PTA
Madison Metropolitan School District Student Senate
School Administrators’ Alliance
Racine Interfaith Council
Institute for Wisconsin’s Future
In the fall of 1999, a number of these groups met in Madison to discuss how to determine the severity and scope of the problems caused by the revenue limits and how to present these concerns to state policymakers.

To assess citizen concern regarding school funding problems, public forums were conducted in six regions of the state between October 5 and November 2, 2000. Forums were held in Janesville, Appleton, Rhinelander, Superior, West Allis, and Stevens Point. Commissioners were selected to hear and compile the testimony of those attending (see Appendix 1).

**Map 2**

**Boundaries of forum regions, cities where forums were held, and school districts represented by speakers (shaded)**

The forums attracted a large and diverse group of Wisconsin residents. Over 1,000 persons attended at least one of the events. Of these, 263 individuals from 78 school districts (18% of all districts) provided testimony (see Appendix 2). A wide cross section of individuals testified, with parents comprising the largest group of the speakers, followed by district administrators or business managers and then teachers.

Wisconsin’s public school system is comprised of 426 districts, with a 1999-00 enrollment of 868,544. Minority enrollment is 19%, and the low-income population is 14%. The average equalized property value is $292,951 per student. Between the 1998-99 and the 1999-00 school years, 214 districts (50%) had declining enrollment.
Overview of Testimony

A wide range of districts was represented at the forums—from wealthy suburban districts to property poor urban districts and from rural districts to those in small communities. Regardless of differences in economic and demographic characteristics, there was overall consensus that revenue limits and the lack of adequate state aid to schools for mandated programs are resulting in widespread shortfalls in school budgets. These shortfalls, in turn, are causing school districts to reduce or eliminate programs, services, staffing, and maintenance to an extent that is hurting the quality of children’s educational opportunities.

Table 1

<table>
<thead>
<tr>
<th>Breakdown of testifiers</th>
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</thead>
<tbody>
<tr>
<td>Parents –82</td>
</tr>
<tr>
<td>31%</td>
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<tr>
<td>District Administrators/</td>
</tr>
<tr>
<td>Business Managers –56</td>
</tr>
<tr>
<td>21%</td>
</tr>
<tr>
<td>Teachers –56</td>
</tr>
<tr>
<td>21%</td>
</tr>
<tr>
<td>Students –29</td>
</tr>
<tr>
<td>12%</td>
</tr>
<tr>
<td>School Board Members –16</td>
</tr>
<tr>
<td>6%</td>
</tr>
<tr>
<td>Citizens/Community Leaders –14</td>
</tr>
<tr>
<td>5%</td>
</tr>
<tr>
<td>Principals –10</td>
</tr>
<tr>
<td>4%</td>
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</tbody>
</table>

263 Testifiers total

Table 2

<table>
<thead>
<tr>
<th>Most commonly reported negative impacts of revenue caps</th>
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</thead>
<tbody>
<tr>
<td>Impact Areas</td>
</tr>
<tr>
<td>Increased class sizes/overcrowded classrooms</td>
</tr>
<tr>
<td>Program Cuts (Curricular 69%; Extra-curricular 17%; both 14%)</td>
</tr>
<tr>
<td>Outdated or inadequate textbooks/curricular materials</td>
</tr>
<tr>
<td>Staff cuts (instructional and other)</td>
</tr>
<tr>
<td>Delayed maintenance or building projects</td>
</tr>
<tr>
<td>Inadequate computers, equipment, use of technology</td>
</tr>
<tr>
<td>General budget cuts/shortfalls/deficits</td>
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<tr>
<td>Lack of inadequate supplies or teachers forced to pay for supplies with personal money</td>
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<tr>
<td>Staff development cut or eliminated</td>
</tr>
</tbody>
</table>
In addition to the overall budget reductions necessitated by revenue limits, speakers targeted specific cutbacks occurring in their schools or school districts that they perceived as particularly problematic. More than one in four speakers cited increased class size and program cuts. More than one in five referred to old textbooks, insufficient materials, and staffing reductions as barriers to effective schools. More than one in six pointed to delayed building maintenance and inadequate computer development as key issues in their district.

**Increased class size**

Although the state Legislature has allocated funding for the SAGE program to reduce class size for kindergarten through third-grade classes in low-income schools, many students do not benefit. Many non-SAGE schools have extremely large classes prior to the fourth grade. Even some students in the program don’t get the full benefit of SAGE because districts are forced to put two teachers in a room of 30 students (they don’t have enough or can’t build new classrooms). Although the teacher-student ratio is 2:30, studies show the benefits are less than if the ratio was 1:15. In the higher grades, there are many districts with extremely large classes, including Advanced Placement and special-needs classes.

Testimony from throughout the state cited examples of larger class sizes:

“This year we have classes in the basement, on the stage in the auditorium, and in the middle of the library. We have class sizes in the 30s and there are a great number of special needs students in the regular classrooms without the extra staff support necessary” —Michelle Demerath, Appleton teacher

“It is common for the average class at the secondary level to have 29 or 30 students. Perhaps to an outsider, this does not seem outrageous ... but in a single class, there are students with a wide range of abilities—from those with special needs to those who are termed talented and gifted to students from different demographic backgrounds. It is increasingly difficult to meet the needs of these different students while the public is asking for more accountability and academic rigor.” —Edward Stied, Janesville teacher

“My daughter has art and music only one time a week and during that time her class has to be doubled up with another kindergarten, because the music and art teacher is not there enough. That means over 30 5-year-old students with one teacher.” —Brenda Schrader-Johnson, Superior parent

“As our enrollment continues to decline and we are forced to reduce expenses, we will be forced to further raise class size and reduce teaching staff who assist students deficient in academic areas. (This) impedes our ability to improve student performance on state tests. For a district with a high poverty rate and a significant minority student population, we need to maintain or increase resources.” —Benjamin Villarruel, Ashland superintendent

“I am a speech pathologist with 42 students on my caseload. Five new students are being added and I know that teachers are concerned about other students who have not even been tested yet.” —Nancy Petit, Appleton teacher

“My nephew in eighth grade is in a physical education class with 58 children and one teacher. This cannot be a safe environment.” —Tammie Walsh, Superior parent


**Program cuts**

In districts throughout the state, school programs are being reduced or eliminated to meet budget shortages. These programs include academics, the arts, at-risk intervention, and special opportunities for the gifted and talented, as well as extracurricular activities and student services. These program cuts are occurring at all school levels, elementary through high school, despite protests from parents and students.

Program cuts were cited in the testimony of numerous individuals from around Wisconsin:

“The contact advocate teacher was cut so middle school students have no parent conferencing. How am I to know if my child is progressing, what her strengths and weaknesses are, and what I can do to help?” —Karen Zickus, Racine parent

“This year we only have a librarian two days a week. We cannot go to the library as often to check out books, and she is unable to teach us library skills or information seeking skills to get us ready for a high tech world.” —Alex Kowalsky, Milwaukee Public Schools student

“For 1999-00, the middle school had to eliminate 3.3 teachers and reduce programs in music, art, family and consumer education, industrial technology, and foreign language. The reading immersion program was cut altogether.” —John Blankush, Superior principal

“The middle school lost the reading teacher and two family and consumer education teachers as the classes got larger. The elementary foreign language program was eliminated.” —Kathy Engsheim, West Allis/West Milwaukee parent

“We were forced in the 2000-01 school year to reduce our summer school offerings, eliminate band in fifth grade, reduce a program to improve the writing skills of our students, and reduce professional development for remedial programs.” —Benjamin Villarruel, Ashland superintendent

“Over a two-year period, we are losing over 16 sections of business class electives at a time when the demand for business classes is growing. In athletics we had a ‘no-cut’ policy so everyone who tried out for a team made it. We had to eliminate this policy so fewer students are enrolled in athletics where they meet people, stay off the streets, and feel like they belong.” —Ed Gallagher, Ashland teacher

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**Janesville forum—South Central Region**

The Janesville forum was held on October 5, 2000, and was attended by about 100 residents of the region. Twenty-three persons from 13 school districts testified at the hearing.

81 school districts
151,000 students
Enrollment 95% white
$258,186 average equalized property value
17% low-income students
16% special-education enrollment
42% declining enrollment districts

“Per-pupil allocation (in Beloit) has not changed since 1993-94. Our buying power has not increased to keep up with increased costs. Purchases of classroom instructional supplies and materials and classroom furniture replacement have been minimal during this time period. Two educational assistant aide positions for the primary grades, hired three years before the implementation of the SAGE program, have been cut.” —Tom Teteak, Beloit principal

“School districts are now, seven years later, literally struggling to find the money to fix leaking roofs or to keep their buildings open. We struggle to hold on to current classes and programs, not allowing ourselves to even dream any longer of new and exciting initiatives. Do we really want our schools to make choices between surfacing a parking lot or offering classes to challenge advanced students?” —Susan Jacobson, Janesville parent
“Woodshop, auto mechanics, metal shop, home economics, general business, and school guidance services are either extinct or nearing that. These are classes that are both needed and wanted (because they provide) basic skills for future workers.” —Dianne Sutton, New Berlin parent

“Kenosha has an after-school program for 19,000 middle schoolers in danger of closing. Of those who attend the program, 98% are free of delinquency referrals, 62% decrease truancy, and 72% maintained or improved their grade point.” —Jill Anderson, Kenosha parent

“Parenting classes have been discontinued and after-school programming for social, emotional, and academic needs has been discontinued. We have lost funding for field trips. Our district has a high proportion of disadvantaged students who will not get a trip to the Great Lakes Aquarium or visit the nursing homes to read to the elderly—all extra travel is cut.” —Karen Saarinen, Ashland librarian

“The language immersion school has sustained budget cuts over the last four years that have seriously cut into most programs. Art and music have been cut to the bone. We had to eliminate all extra-curriculars except athletics.” —Marcia Lynn Morris, Milwaukee Language Immersion School parent

Textbooks and curriculum materials

More than one in four speakers stated that cutbacks in textbooks and curriculum materials are a major problem. Textbooks and curriculum materials are often outdated, insufficient, and/or in poor shape. Social science books have incorrect geographical and political information due to their age. Students must share books and are unable to take books home. Textbook replacement cycles have moved from once every five years to once every ten years and curriculum materials for classroom use are increasingly inadequate.

Many people cited textbooks and curriculum as a problem:

“The textbooks we use are the same ones we used when I was a student. You should see their faces when I give them books that look like that.” —Laura Heller, Appleton teacher

“We have texts at (Appleton) West that are 20 years old. Students say to me, ‘Ms. Kading, this text is older than I am.’ ” —Margaret Kading, Appleton teachers

“Our school librarian cannot order one book, one video, or any book stickers because her library budget is zero.” —Ginny Thompson, Appleton teacher

“We don’t have microscopes or scales, but we do have more students. The eighth-grade science department has 25 beakers and 17 graduated cylinders to share among 350 students. In family and consumer education, the sewing machines are falling apart.” —Brian Hanes, Oostburg superintendent

“In my son’s elementary school, the textbooks are old and in bad repair and there’s not always enough to go around. This year the exciting buzz was that sixth graders had new math books and were not going to have to share.” —Donna Flake, Superior parent

“Textbook materials, especially in science and social studies, are outdated.” —Mary Anne Korsch, Superior principal
“We do not have textbooks for science or social studies in grade four. Teachers create their own with countless hours of research at the library and combing through books at the Learning Shop, not to mention hundreds of dollars from their own pocket.” — Kathy Summers, Appleton teacher

“In my German textbook, the Berlin Wall has not fallen yet, so I definitely think we need new textbooks.” — Crystal Nisle, Superior student

**Staff cuts**

Because staff costs comprise over 80% of most school district budgets, reductions in teacher positions, aides, administrators, and support personnel are the primary mechanisms for meeting budget restrictions. Increasingly, school boards are using lay-offs, delays in hiring, and non-replacement of staff to lower annual costs. This in turn has increased class size, reduced curriculum options, and limited the range of support services available to students in and out of the classroom.

In addition, many schools have almost eliminated staff development, which has been identified by experts both locally and nationally as a prerequisite for high quality teaching at all levels. This is particularly important with the expanded inclusion of special needs children and the implementation of the new state standards and testing procedures.

Staffing restrictions were mentioned often:

“In many cases, first graders know more about computers than teachers because there has been no funding for teacher training.” — Carol Weston, Stevens Point parent

“Our problem is the inability to pay teachers. We have a deficit this year of $370,000 and next year it will be $660,000. Michigan pays $10,000 more per year and is recruiting trained teachers. We have cut maintenance staff. Four cooks are running three kitchens, but we can’t cut food service. With our low-income kids, lunch may be the only meal they get.” — Heidi Garrell, Florence business manager

“Over the last two years, we have cut three full-time equivalency teaching positions. In a district of 1,250 students, it is difficult to cut staff because we do not have economies of scale and the flexibility of larger districts.” — Erin K. Gauthier, Palmyra-Eagle business manager

### Rhinelander forum—North Region

The Rhinelander forum was on October 11, 2000. Twenty-five persons from 12 school districts testified at the hearing. Almost half were school district superintendents or business managers. One in three were teachers and the other 20% were parents or school board members.

- **42 school districts**
- **45,000 students**
- **Enrollment 90% white**
- **$449,331 average equalized property value**
- **31% low-income students**
- **14% special-education students**
- **62% declining enrollment districts**

“Phelps has not replaced teachers who left, has depleted its $350,000 fund balance, has limited materials and supplies, has placed curriculum for needed programs on hold, and has gone to referendum for regular operations dollars.” — Robert Cavannaugh, Phelps administrator

“Elcho is facing budget cuts in 2000. It is unlikely that the business teacher will be affordable. Another key academic teaching position and teacher aides will have to be cut. A desperately needed roof replacement will be put off. The janitor will continue to put larger buckets in the classrooms and in the gym to catch the leaks. Equipment replacement budgets and supplies have already been cut along with textbooks.” — Wayne Johnson, Elcho superintendent
“Over two hours per week were added to the teacher load in art, music, and physical education this year so the district wouldn’t have to hire new teachers. But, each of these teachers works in more than one building with over 700 students a week. These teachers are desperately worried that they will not be able to do the ‘extra’s’ that Janesville expects, such as the elementary track meets, the all-city ‘sing’ and various art shows.” — Edward Stried, Janesville Craig High School teacher

“School nurses are in schools only three hours each day. Children with chronic health needs (diabetes, asthma, ADHD) are monitored by their teacher, the school secretary, or the principal the rest of the day.” — Mary Anne Korsch, Superior principal

“Marshfield learned last spring of a 30% increase in health insurance requiring a $675,000 budget cut. The result was a loss of instructional staff for programs like the gifted and talented, a reading specialist, and other programs.” — Dave Smette, Marshfield superintendent

“Because of the increase in health insurance premiums, people will have to be laid off or reduced in hours to pay for the huge increase. Our hourly employees might have to take a pay cut.” — Dave Wessel, Athens superintendent

“In my daughter’s school, we have no reading specialist. There is a half-time librarian and half-time guidance counselor for 274 students to handle drug, alcohol, sexual, and physical abuse. My daughter deserves better.” — Randy Kunsch, Phillips parent and teacher

“We have attempted to balance the budget by making $163,127 in cuts for 2000-01 and placing minimal stress on system quality. But, you cannot cut all teacher overloads, reduce a school psychologist, eliminate part-time staff positions, eliminate 3 full-time equivalent teacher positions, decrease teacher expenditures...and not inflict unknown harm on the school and the community.” — Michael Manning, Wonewoc Center superintendent

“Viroqua is operating with six less teachers, ... less staff development, field trips (and) supplies than two years ago.... Revenue limits are eroding our ability to deliver a quality education.” — Angie Lawrence, Viroqua parent

“This year there were 14 positions eliminated: two elementary classroom teachers, five middle school classroom teachers, five high school positions, and one elementary library position. Because of these cuts, Superior students have larger class size—many with over 30—and fewer electives in technology, business, science, math, art, vocal music, and band.” — Jay Mitchell, Superior superintendent

“The pool of dollars available to teachers for professional development hasn’t changed for a decade. In the meantime, the number of teachers has increased, the registration fees have skyrocketed, and the cost of substitutes has increased. It isn’t that our school board doesn’t understand the importance of professional development—and certainly the policy-makers understand it because they’ve made it a key component of the new licensure rules—but when school boards are faced with decisions allocating dollars to staff development versus something as basic as keeping staff in the classroom, there really is little choice.” — Mary Lee Reineking, Stevens Point teacher

Delayed maintenance

One in six persons who testified discussed the inability of districts to cover the cost of building repairs, ongoing maintenance, building improvements, and new construction. Most districts have frozen maintenance budgets for a number of years.
Many people testified that revenue limits are adversely affecting Wisconsin’s public school facilities:

“I have had a plastic bag on my computer for six years, because when it rains, it falls on my computer. The roof hasn’t been fixed in six years. The children eat lunch on the gym floor, (because) we don’t have a cafeteria.”—Don Balliet, Appleton teacher

“I asked a new teacher what she needed most. She said heat, as she is teaching in a refurbished storage room.”—Marcia Engen, Appleton teacher

“At this time we are anticipating a 60% increase in natural gas costs for the 2000-01 school year. (That money) has to come from somewhere.”—Merwyn Meyer, Ashwaubenon school board

“In 1996, we established a capital improvement plan to build a new grade school. We levied $50,000 a year. We never built that school and the capital fund is gone.”—Dr. Felix Holewinski, Hilbert superintendent

“Our school has no elevator. We had a student with a broken leg and she couldn’t get up the stairs to my class. When she got a walking cast, she had to sit on her rear and scoot up the steps.”—Christine Scott, Appleton teacher

“Our buildings and playgrounds and stadium bleachers are more poorly kept each year. If we are lucky ... our meager maintenance budget stays one step ahead of disaster. We have parking lots with only one light when we need two or three. (We have) roofs that, while not leaking, are not keeping the heat in (and it costs) us more to heat the building.”—Cynthia DiCamelli, Oregon school board

“The infrastructure budget has been reduced 47% over the past four years. We have stopped improving our buildings, and we are doing only necessary maintenance. For next year’s budget ... I will recommend deferring maintenance in hopes that the ‘feds’ or the state will come in with monies.”—Marty Holmqquist, Cassville superintendent

“We are one of the fastest growing communities in southeastern Wisconsin. Our schools are already at full capacity, and there are no plans for new schools or extensions to existing schools. As classroom sizes grow, the children’s education will suffer. Our library, textbooks and related materials, and computer facilities need updating.”—Rebecca Stolfi, Pleasant Prairie parent

“Over the past two years, our PTO has spent $5,000 on new desks replacing the originals built in 1957. Instead of raising money for new books,
field trips, or assemblies, we are buying furniture so our children have a safe place to sit. My initial reaction was to blame the district, but I quickly learned that with expenses like salaries, electricity, and transportation increasing at twice the rate of revenue limits, there wasn’t enough for major repairs, much less furniture.— *Frank Finman, Waukesha parent*

“Our 1953 building does not have energy efficient windows. The request to replace the old single panel windows has been made for the past 10 years, but has never made it to the top of the priority list.”— *Sheila Omholt, Appleton principal*

“I’m in a gifted program in a Jackson school that’s in a storage space converted into a classroom. We have small computers and they use halls for space. And in orchestra, the lessons are in the teacher’s office.”— *Ian Miller, Stevens Point student*

**Inadequate technology**

Almost one in six persons pointed to the lack of up-to-date computers, software, and teacher training. In addition, there are insufficient numbers of computers for students to practice their skills, research on the internet, or use special learning programs. Moreover, many buildings are not adequately wired to handle the technology.

Comments from throughout the state dealt with inadequate computer technology:

“I am a parent of two kids from Washington Elementary where the computers are so old and so slow you want to throw them, and the kids in the computer lab are crawling all over each other because it is so small.”— *Trish Baker, Stevens Point parent and assistant superintendent*

“The minor increase allowed under the caps has not kept pace with the rising cost of modern education. Our kids will be coming out of the public school system having learned their computer skills on old and outdated computers, because the district can’t afford to keep up with the new technology. What kind of education is that?”— *Jodi Thornton, Washburn parent*

“In science, last year, I had to sit on a stool because we didn’t have enough desks, and I had to do my homework there. In technical education, the books are old and tattered because they put money into the wood. For science, we use Apple IIe computers and a lot of new software doesn’t even run on those old computers.”— *Mahalia Morrison, Stevens Point student*

“At our school we have one computer lab and 750 students. By the first day of school, it was reserved through October.”— *Brad Wiese, Appleton teacher*

“Students are still taught in a 77 year-old building with a defective, out-dated boiler and chicken wire on the ceiling to keep falling plaster in place.”— *Michelle Bjela, Stevens Point parent*

“Adequate computer equipment and software, installation costs, phone line maintenance, physical space, and trained personnel are beyond the reach of too many schools. Fewer dollars spent on the school media center stress local public libraries, especially in northern rural communities where small public libraries are already operating with reduced personnel and hours of access. The result is that Wisconsin students do not have equal access to information and library services to support curriculum.”— *Kris Adams Wendt, public librarian in Rhinelander*
“Two of my children had classes in closets in grade school. For the past three years, my fifth grader has had his classroom in a trailer isolated from the rest of the school. The computer labs have obsolete computers that can’t run current programs. When the computer club entered the statewide web page competition, club members came to my home to finish the project because the school computer didn’t have the capacity to store the data needed for the web page.”—Carol Weston, Stevens Point parent

Transportation and heating

Sixteen speakers indicated that the annual revenue cap increase was inadequate in the face of fixed costs, such as heating, electricity, and the fuel costs of transportation. In small rural communities, transportation is a costly and critical component of the educational budget. The recent jump in gasoline and heating fuels has made it difficult for districts with no flexibility in their budgets. In the northwest region, which has large and sparsely populated school districts, student transportation is a major expense. When fuel price increases occur—such as those in the past 10 months—the revenue limits are a wall that prevents flexibility in grappling with short-term crises.

Many of those who testified mentioned problems with fuel and transportation costs:

“Antigo is a 520-square-mile district. We spend $1.5 million a year for gasoline to get our children to and from school. If we reroute anymore, children in (grades) K-4 and K-5 will spend 2 1/2 hours on the bus. When gas prices went up, there was nothing we could do but cut programs.”—Lance Alwin, Antigo superintendent

“District fuel costs have increased 17% to over $100,000 this year. Natural gas costs have risen 25% to over $110,000. Cutting bus routes is not an option. Students wearing jackets in cold classrooms is not an option.”—Donna Spotts, Ashland parent

“If it could be possible, please just give us enough money to heat our building, please.”—Katie Heisel, Superior student

Appleton forum—Northeast Region

Appleton, on October 10, 2000, was the second in the series of forums. Approximately 100 regional residents attended. There were 41 speakers from 11 districts who testified. Slightly less than half of the speakers were teachers, one in four were district or school administrators, and one in six were parents or concerned citizens.

72 school districts
169,000 students
Enrollment 95% white
$350,783 average equalized property value
12% low-income students
14% special-education enrollment
49% declining enrollment districts

“Because of the declining student population, Oakfield is looking at cutting out our drivers’ education program; reducing our music, art, and physical education programs at the elementary schools; and possibly going to only intramural sports at the middle school level to save on transportation, coaches, and officiating fees.”—Joseph Heinzelman, Oakfield superintendent

“Tigerton had to go to referendum to purchase a school bus and to replace the district’s van for a total of $80,000. We have deferred maintenance. Our budget calls for tapping into the fund balance by about $25,000 this year, and the real crunch for us is down the road when we expect declining enrollment.”—Mike Shimshak, Tigerton superintendent
Compensation for school staff

Almost one in three speakers—including parents, college students, and academics—pointed to inadequate salaries and the Qualified Economic Offer (QEO) as significant problems that are making it difficult to hire and keep qualified personnel in Wisconsin school districts. Speakers noted that the skill level and commitment of educators is one of the primary determinants of school quality that may erode if qualified persons choose other, more lucrative professions.

Forum comments included:

“Our daughter, who was a teacher, recently quit after five years because she was unable to pay her bills. She is now in pharmaceutical marketing, doing a wonderful job, and her bonus for work was $18,000. I asked her, ‘It’s been a year since you’ve been out of education, how are you doing?’ She said, ‘I’m able to pay my bills, but at the end of the day, I don’t feel like I have made a difference.’”
—Helen Schaal, Green Bay Education Association

“My concern is for the future of teaching. Are we going to get the best when current teachers retire? There are good people out there who have families, (but they) won’t be teachers because they can’t afford it.”
—Lisa Britton, Appleton teacher

“Teacher salaries are significantly lower than what comparable college educated professionals make. Lest you think this is an issue purely of self-interest to teachers... data show that—controlling for parents’ educational level, income, and later educational attainment—the earnings of male high school graduates increase by 1% for every 3% increase in the average teacher salary in their high school.”
—Cheryl Maranto, Associate Dean Marquette University College of Business Administration

“There is a teacher shortage in many areas. One of the reasons is money. How many college graduates have to settle for $25,000 per year? The gap is growing and we are not able to pay signing bonuses and (give) company cars.”
—Jim Friesen, Owen-Withee superintendent

“This year our district was granted a 3.8% qualified economic offer (QEO). Due to large insurance increases, our salary was decreased by $385 and we were frozen on advancement.”
—Jim Ganrude, Blair-Taylor teacher

“It is a pretty harsh reality when a veteran teacher with over 25 years of experience comes away with a net increase of $11 per month in his or her paycheck.”
—Dr. James Fitzpatrick, Fort Atkinson superintendent

Referenda difficulties

Lawmakers did provide a mechanism to exceed revenue limits. School districts can ask voters, through a referendum, to increase local property taxes. Thirty-three speakers (13%) recounted their experiences with holding referenda in their districts and testified that this option is often not a viable way of meeting critical district costs.
Speakers noted that many taxes at the municipal and county level are rising, but their spending is not subject to referendum approval. This is particularly important, they said, because the vast majority of voters do not have children in school. Speakers also noted that the referenda are labor intensive and drain substantial time, energy, and money away from the central task of education.

Forum comments included:

“When a district goes to referendum, it absorbs the time, energy, and personnel of the district from three to six months. That means that all other issues which these people should be concerned with get pushed aside until the referendum is over. Increasingly, districts are finding that they have to go four or five times to get people to approve changes in their school budget.” — Carol Carstensen, Madison school board member

“In Stevens Point, we tried two referenda that failed. I worked on them. Everybody who worked on them is too busy to do referenda. The referendum process, intellectually and theoretically, sounds very nice—the local control, the citizens making the decision—but it ends up on the back of about 24-40 people like me who are taken away from so many things. We have professionals who know what they are doing who could be doing this.” — Trish Baker, Stevens Point parent

“Most of the townships and municipalities have been reassessed so there has not been great taxpayer relief even though we received two-thirds state funding. The Trempealeau County Board is presently campaigning for a new jail and additional staffing. With this on the horizon, we are not optimistic about a referendum to exceed the caps anytime soon.” — Guy Leavitt, Blair-Taylor superintendent

“After a failed referendum for building repairs ... a true coalition of parents, community, labor, and civic groups; administrative and school personnel; and townspeople worked even harder to make the case for student needs. Community events were held, and massive outreach, (many) phone calls, and (a great deal of) community education was completed. The funding request was turned down.” — Michele Bjela, Stevens Point parent

“Our technical education school was built 30 years ago—ineffective with increased technology. We need to remodel, add on and equip it. We went to referendum for $150,000 and lost by 24 votes. Students lost with the failure of the referendum.” — Patti Schoppe, Northland Pines parent

“Merrill lost 350 students and had to cut $300,000 this year. We cut supplies, textbooks, and maintenance. Next year, we will cut people and

West Allis forum—Southeast Region

The West Allis forum was on October 17, 2000. The 180 people who attended were from the urban, suburban, and rural areas of Southeastern Wisconsin.

92 school districts
304,251 students
Enrollment 91% white
$665,132 average equalized property value
9% low-income students
12% special-education students
27% declining enrollment districts

Because Milwaukee is included in this region, average numbers don’t accurately portray some of the demographic information. For example, while the average percentage of low-income students in the region is 9%, it is 81% in Milwaukee Public Schools (MPS).

“In Grafton, our schools are falling apart. While enrollment has remained constant over the past eight years, programs have been cut, classes have become overcrowded, and maintenance has been delayed.” — David Hofferbert, Grafton parent

“Responses to budget shortfalls can include postponing maintenance, eliminating infrastructure and technology improvements, eliminating extra-curricular programs and athletic opportunities, delaying implementation of security measures, delaying the purchase of books, increasing class sizes, and reducing staff.” — Anne Weiland, Menomonee Falls parent
programs. We can’t cut transportation because we are a rural district. This is a blue-collar district and a referenda will probably not pass.”—Pam Kurcheval, Merrill finance director

“I am tired of the political rhetoric that the solution is simple—just go to referendum. A referendum is the only time a citizen can say ‘no’ to rising taxes. They may be angry with the tech school budget increase of over 12% or the county increase of over 5% for the jail. The public school referendum is the only opportunity to say ‘no’, and, not surprisingly, our community said ‘no.’”—Linda Kunelius, Northland Pines superintendent

“There is a huge hurdle to jump when you ask people to approve a referendum when it is the only opportunity to say ‘no’ to a tax.”—John Knowlton, Stevens Point teacher

Students with disabilities

Costs have increased as a percentage of school district budgets due to the increased number of students with disabilities, the increased costs for medical and educational programs, and the reduction in state reimbursement percentages over the past 10 years. This has implications for both regular and special needs students. Because the programs are mandated by state and federal law, the funds for these programs—that are not fully reimbursed—are a first draw on school budgets. Moreover, the freeze in spending necessitated by the revenue caps sets limits on the program dollars available for students with disabilities. Thus, students with special educational needs face greater barriers to securing appropriate instruction under the revenue limits.

“Our children require specialists—special needs teachers, speech pathologists, occupational and physical therapists—and teaching assistants to help them stay in an ‘inclusive’ classroom. This requires a lot more money than regular curriculum. The additional money that the state pays is not nearly enough. In our district alone, the number of children enrolled in special needs programs has doubled in the past two years. My daughter has lost access to several regular classrooms. She asked me if this is happening because I forgot to give her a good brain when I made her.”—Kelly Hurda, Bayside special needs parent

“In Madison, the number of special education students has grown from 12% to 18% of the student population. If the state had maintained the 1993 level of reimbursement at 45%, Madison would have $5 million more each year. Madison has also seen a big change in the area of autism. In 1996, there were six students identified as autistic. Autistic children tend to be very high-cost because they have very specialized needs which have to be provided. This year, there are 205, but the special education allocations have not increased.”—Carol Carstensen, Madison school board member

“Students having certain physical needs, such as the hearing or visually impaired, have extensive costs—$32,000 for one hearing impaired child. These dollars compete with the needs and programming of regular education children. In 1989, our classroom budgets were $1,200 to $1,800. In the current year, they are $225.”—Susan Katrosits, Grafton special education teacher

“For children who cannot speak English, a key requirement is an enormous amount of extra help. They need assistance learning English and in the classroom, when coursework is particularly difficult, they need help just to take the tests. There are over 200 non-English speaking children in Shorewood, from 20 different countries, and they speak 27 languages.”—Mary Gundrum, Shorewood parent
“With the combination of revenue limits and the lack of state reimbursements as authorized in Wisconsin Statute section 115.88, we are forcing school districts to determine which group of children get the better education. I would like to send my son’s individual education plan to Madison with a big red stamp that reads ‘State Mandated Special Education Not Received Due To Insufficient Funds!’” —Gail Kolvenbach, St. Francis special needs parent

**Declining enrollment**

More than one in 10 speakers cited declining enrollment as a problem that, under revenue limits, is causing severe financial difficulties for school districts. Districts with declining enrollment have increased to 214 in the past three years. Declining enrollment is especially difficult for districts in northwestern Wisconsin, because they are also largely property poor, meaning there is a minimal property tax base to further reduce spending.

**Superior forum—Northwest Region**

The Superior forum was on October 12, 2000, and was attended by 600 residents of the area. There were 83 testifiers from six districts.

- 23 school districts
- 24,000 students
- Enrollment 90% white
- $385,950 average equalized property value
- 41% low-income students
- 15% special-education students
- 74% declining enrollment districts

“As our enrollment continues to decline and we are forced to further reduce our expenses, we will be forced to raise class sizes, to reduce or eliminate teachers... to reduce or eliminate summer school which is targeted for students who need academic assistance, and to eliminate staff development programs. For a district with a high poverty rate and a significant minority student population, we need to maintain, if not increase, our programs. The revenue cap, however, will force us to reduce programs.” —Benjamin Villarruel, Ashland superintendent

“I believe it has been shown that there is a distinct correlation between what public schools have available to spend on education and the quality of the education students receive. (I)t is quite clear to me that more opportunities and a better education could be provided for the students of the Superior School District if additional funds were available.” —Dr. Julius E. Erlenbach, Chancellor, University of Wisconsin-Superior

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**Chart 4**

**Percentage of school districts with declining enrollment**

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<td>60%</td>
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*Source: Wisconsin Department of Public Instruction*
Suggested policy recommendations

Of those speaking at the six statewide forums, fifty-four called for reforms in the school finance system.

Twenty-seven people advocated for changes to the funding formula, with thirteen asking that full authority be restored to local school boards to raise local funds for schools. Another seven asked for carve-outs or exemptions to the caps for technology and building expenditures. Four people felt that the revenue cap limit should be greater (for example, at least match the increase in wages under the QEO), and three called specifically for the state to increase or begin funding for mandated programs and services, ranging from students with disabilities and English as Second Language (ESL) students to hazardous waste disposal and accounting standards.

Those who recommended policy changes said:

“Where does it all end? How much damage must be done before the message is heard?”—John Blankush, Superior principal

“A quality education is something I feel so strongly about that I have taken time away from my family and driven 80 miles here tonight to let you know how I feel. Please help the community of Washburn and the other communities of northern Wisconsin supply our young people with the possibility of a quality education by seeing that the revenue caps are repealed and that education funding can be more equitably distributed.”—Christina Sauer, Washburn parent

“Locally elected boards should have the authority to exceed the revenue caps or this proud state—which has led the nation in so many educational endeavors—might be headed toward the educational backwater.”—John Kammerud, Mauston superintendent

“There should be some measure of flexibility for school districts to deal with emergency situations, such as dramatic increases in health insurance. Special-education costs for mandated programs should be outside the revenue caps and more fully funded by the state and federal government.”—Dave Smette, Marshfield superintendent

“It is not reasonable to expect school districts to meet standards, maintain a faculty, pay increasing maintenance, transportation and utility bills, keep up with textbook (cost) hikes, negotiate salary increases, and provide expanded programs with smaller class sizes with the same budget that we had five years ago. Something had to be cut. At some point, any financial benefits you feel that you have reaped will have diminishing returns. I implore you to lift the caps ... and find an equitable way to shield taxpayers and protect schools from devastating fiscal burdens.”—Bonnie Dana, Antigo director of instruction

“It is ironic to me that the state highly recommends safety and security, including the deployment of school officers, and then limits the ability of school districts to fund such programs. Either the state should exclude safety and security provisions from the caps or pay the additional expenses incurred by the districts.”—Richard Myers, Appleton police chief

“Please tell our small rural districts which mandates are more important—the educational or the financial—because we have reached the point where we cannot comply with both.”—Stephen Seyfer, Gibraltar superintendent
Summary

The Citizens’ Task Force on Revenue Limits convened in 1999 to discuss how to compile information on problems with Wisconsin public school funding and how to improve the system. A key aspect of the funding system, the group decided, is the revenue limit law that froze school district revenues at 1992-93 levels, except for a minimal per pupil increase allowed each year. Districts can also exceed the limits through a successful referendum.

Although revenue limits and an increase in state aid to school districts have slowed the growth in property taxes raised for education, the net effect on schools has not been positive. Individual districts are facing a range of financial crises, and survey data from various sources confirm the fact that schools are facing increasingly serious cutbacks in basic programs, services, and facility maintenance and repair.

To determine the level of citizen concern about the issue, the Citizen’s Task Force organized six public forums throughout the state that were attended by over 1,000 people. Over 260 persons testified from 78 different districts. The majority of speakers were parents and students.

Problems listed most frequently were:

- Large and crowded classes resulting from staff cuts;
- Loss of educational and extra-curricular programs that reduce student options to learn and grow;
- Inadequate pay and training for teachers who are the primary determinant of educational quality;
- Inability to provide adequate textbooks, curriculum materials, and computer technology to ensure students have the tools needed for economic success; and
- Reduced maintenance and repairs to educational facilities.

Participants in the citizen forums also cited the problems of declining enrollment and severe reductions in state reimbursement for special education costs as exacerbating factors in the financial shortfalls that districts face.

More than one in five participants called for policy changes. Most were not specific, but they did ask for reform of the current system. Specific recommendations included:

- Increase revenue limits to meet rising fixed costs, such as utilities, transportation, and building costs;
- Increase state reimbursements for state and federally mandated programs, such as special education;
- Restore authority to local school boards to raise funds without going to referenda; and
- Link revenue limit increases to the QEO.
Conclusion

The public forums were among the largest and most publicized displays of opposition to the Wisconsin school funding system that have ever been held. For more than five years, there have been local, scattered attempts to call attention to financial and educational crises in individual districts. In most cases, policymakers have responded with minimal interest because the call for property tax relief has been the dominant pressure on the legislative agenda.

While calls for further tax cuts remain a priority with some constituent groups, the demand for attention to the education system is increasing. A society as diverse, sophisticated, and complex as the United States must have the capacity to utilize technology and knowledge to govern itself effectively. Public education has been the historic mechanism for ensuring that young people can obtain the training necessary to carry out the needs of the entire community.

Hundreds of people statewide traveled considerable distances to attend the citizen forums. They, in turn, spoke for many more parents, students, teachers, school principals, district school officials, and board members who could not attend on those particular nights.

Information that was presented at these forums reveals an emerging crisis in the state's public school system. Revenue shortfalls experienced in many districts are now being addressed in a stopgap manner. Many districts are using their reserve funds, and, in many cases, these funds will be exhausted in a short time. Classes are already too large and program reductions have already been made. Purchases of textbooks and computers have been delayed, and the maintenance and repair of facilities has already been postponed.

The gap between costs and revenue limits, however, keeps growing, and the consistency of issues across various regions and types of districts is significant.

The statewide forums were a significant attempt on the part of economically, racially, and geographically diverse constituents to draw the attention of their elected representatives to the financial needs of school districts. It is crucial that state and local policymakers act to address Wisconsin's school funding crisis in order to prevent bankruptcies in the short term and to ensure institutional stability and educational effectiveness in the long-term.
APPENDIX 1

Commissioners of the public forums on revenue limits

Representative Frank Boyle, 73rd District
Jann Brill, Director, Wisconsin Indianhead Technical College
Rita Cheng, professor, UW-Milwaukee School of Business
Ron Christensen, AFSCME in Superior
Alderman Michael D’Amato, 5th District
Senator Alberta Darling, 8th District
Winnie Doxsie, president, Wisconsin PTA
Tony Evers, CESA 6 Administrator
Nancy Graczyk, president, Beloit Education Association
Herbert Grover, former State Superintendent of Schools
Reverend Robert L. Harris, WISDOM
Elizabeth Hayes, member, Fond du Lac School Board
Darryl Helenius, Candidate for State Assembly, Superior
Supervisor Ken Herro, Waukesha County
Clem Hintz, supervisor, Steven Point County Board of Supervisors
Steve Hintz, professor, University of Wisconsin-Oshkosh
Senator Robert Jauch, 25th District
Robert Jenkins, former judge, Stevens Point
Representative Dean Kaufert, 55th District
Ted Kempkes, publisher, The Bee, Phillips
Bill Knutson, former editor, Appleton Post Crescent
Ken Krahn, former district administrator, Marshfield
Joseph Laux, Mayor, Menasha
Senator Mary Lazich, 28th District
Bob Mancel, business owner, Milladore
Bill Marris, business owner, Oconomowoc
John McCarty, Marshfield Clinic, Marshfield
Cathy McGinnis, MD, Stevens Point
David Meissner, director, Public Policy Forum
John Munson, Station Manager, Wisconsin Public Radio/KUWS
Representative Luther Olsen, 41st District
Sue Post, parent representative, Janesville Joint Legislative Council
Art Rainwater, district administrator, Madison School District
Bill Reis, district administrator, Delavan-Darien School District
Richelle Ridgeway, education reporter, WGBA-TV 26
Ray Rivard, editor, Lakeland Times, Minocqua
Richard Rogers, Mayor, Fennimore
Jean Rumsey, resident, Stevens Point
Ken Stubbe, director, Superior-Douglas County Development Association
Mike Wallschlaeger, chair, Educational Administration, UW-Superior
Representative Sheldon Wasserman, 22nd District
Virginia Wyss, president, Janesville School Board
APPENDIX 2

School districts with representation at the public forums on revenue caps

Adams-Friendship Area School District
Antigo School District
Appleton Area School District
Argyle School District
Ashland School District
Ashwaubenon School District
Athens School District
Beloit School District
Blair-Taylor School District
Bristol School District
Cambridge School District
Cassville School District
Cedarburg School District
Edgar School District
Elcho School District
Elmbrook School District
Florence School District
Fort Atkinson School District
Fox Point School District
Franklin School District
Frederic School District
Freedom Area School District
Germantown School District
Gibraltar School District
Glendale-River Hills School District
Grafton School District
Green Bay Area School District
Greendale School District
Hartland-Lakeside School District
Hilbert School District
Janesville School District
Kenosha School District
Laona School District
Madison Metropolitan School District
Manawa School District
Maple School District
Marathon City School District
Marshfield School District
Mauston School District
Medford Area School District
Mellen School District
Menasha School District
Menomonee Falls School District
Merrill Area School District
Milton School District
Milwaukee Public Schools
Minocqua-Hazelhurst-Lake-Tomahawk School District
New Berlin School District
Northland Pines School District
Oakfield School District
Oconomowoc Area School District
Oostburg School District
Oregon School District
Owen-Withee School District
Palmyra-Eagle Area School District
Pardeeville Area School District
Phelps School District
Phillips School District
Racine Unified School District
Rhinelander School District
Shell Lake School District
Shorewood School District
Saint Francis School District
Stevens Point Area School District
Sun Prairie Area School District
Superior School District
Tigerton School District
Verona Area School District
Viroqua Area School District
Washburn School District
Waukesha School District
Wausau School District
Wauwatosa School District
West Allis-West Milwaukee School District
West Bend School District
Whitefish Bay School District
Wisconsin Rapids School District
Wonewoc-Union Center School District
APPENDIX 3

List of testifiers

Adams-Wendt, Chris, Teacher-Librarian, Rhinelander School District
Affeldt, George, Teacher, Cedarburg School District
Aller, David, Student, Superior School District
Aller, Doug, Parent, Superior School District
Alwin, Lance, District Administrator, Antigo School District
Andersen, Jill, PTA, Bristol School District
Anderson, Barkley, District Administrator, Edgar School District
Anderson, Debra, PTA, Milwaukee Public Schools
Anderson, Gary, Citizen, Racine Interfaith Coalition
Anderson, Elise, Student, Superior School District
Anderson, Stephanie, Student, Superior School District
Archambault, Julie, Parent, Superior School District
Arndt, Jill, School Board Member, Phillips School District
Axt, Dave, Parent, Superior School District
Babcock, Emery, District Administrator, Stevens Point School District
Bacon, Pat, Teacher, Appleton Area School District
Bailey, Karen, Parent, Superior School District
Baker, Trish, Assistant District Administrator, Marathon County School District
Balcer, Marcie, Parent, Concerned People of Racine
Balliet, Dan, Teacher, Appleton Area School District
Batchelet, Dennis, Teacher, Elmbrook School District
Beck, Daniel, Parent, Phillips School District
Bell, Paula, Parent, Stevens Point School District
Bergum, Kent, Principal, Superior School District
Best, Dick, Teacher, Glendale-River Hills School District
Bettendorf, Cindy, Board Member/Regional Advisor, WI PTA
Bick, Kathryn, Student, Superior School District
Bjella, Michele, Parent, Stevens Point School District
Blankush, John, Principal, Superior School District
Blewett, Peter, Parent, Milwaukee Public Schools
Bohon, Frances, School Board, Marshfield School District
Boyd, William, Racine School District
Britton, Lisa, Teacher, Appleton Area School District
Carroll, Storm, District Administrator, Laona School District
Carstensen, Carol, Former School Board Member, Madison Metropolitan School District
Casey, Laurie, Parent, Wauwatosa School District
Cavanaugh, Robert, District Administrator, Phelps School District
Cody, Jackie, Teacher, Rhinelander School District
Congdon, Bill, President of Teacher Association, Fort Atkinson School District
Conley, Laura, Student, Superior School District
Corigat, Jerry, Principal, Stevens Point School District
Davidson, Debbie, Legislative Chair/WI PTA Board Member, Cambridge School District
Davis, Roberta, Parent, Milwaukee Public Schools
Debbink, David, Teacher, Appleton Area School District
DeMarco, Colleen, Parent, Stevens Point School District
Demerath, Michelle, Teacher, Appleton Area School District
DeVaney, Deb, Parent, Superior School District
DiCamelli, Cynthia, Parent/School Board Member, Oregon School District
Dolsen, Laurie, Parent, Superior School District
Dunlap, Ronald, Principal, Appleton Area School District
Dye, Jennifer, Former Student, Janesville School District
Dymerich, Rodney, Teacher, Phillips School District, Price County Citizens who CARE
Edwards, Wayne, District Administrator, Pardeeville School District
Ehrhardt, Jeff, District Administrator, Mellen School District
Ekedahl, Peg, District Administrator, Milton School District
Engen, Marcia, Teacher, Appleton Area School District
Engleson, Linda, Teacher, Superior School District
Erlenbach, Julius, Chancellor, University of Wisconsin-Superior
Evert, Thomas, District Administrator, Janesville School District, Big 8 Summit on Spending Caps
Farmer, Jennifer, Student
Ferguson, Anthony, Teacher, Superior School District
Finman, Frank, Parent, Waukesha School District
Fitzgerald, Jeff, School Board Member, Florence School District
Fitzpatrick, James, District Administrator, Fort Atkinson School District
Flake, Donna, Parent/PTA Legislative Chair, Superior School District
Flanders, Al, Citizen
Frei, Phillip, Deputy District Administrator, Sun Prairie Area School District
Freitag, Gerald, District Administrator, Franklin School District
Friesen, Jim, District Administrator, Owen-Withee School District
Gallagher, Ed, Teacher, Superior School District
Ganrude, Jim, President- Blair Taylor Education Association, Blair-Taylor School District
Garrell, Heidi, Business Manager/Parent, Florence School District
Gaskin, Linda, Parent, Milwaukee Public Schools, MPS SCOPE
Gatzo, Monica, Teacher, Florence School District
Gauthier, Erin, Business Manager, Palmyra-Eagle School District
Germain, James, School Board President, Greendale School District
Gray, Todd, Business Manager, Appleton Area School District
Green, Joel, Principal, Palmyra-Eagle School District
Green, Suzanne, Parent, Milwaukee Public Schools
Gruber, Jeffrey, School Board President, Hartland/Lakeside School District
Guardalebene, Michael, Student, Milwaukee Public Schools
Gucinski, Daniel, Teacher, Superior School District
Gudex, Nancy, Parent, Milwaukee Public Schools
Gundrum, Mary, Parent, Shorewood Public Schools
Hagen, Joy, Parent, Appleton Area School District
Hanes, Brian, District Administrator, Oostburg School District
Hanson, Teri, Educational Assistant, Phillips School District, Price County Citizens who CARE
Harrington, Frank, District Administrator, Merrill School District
Heck, Keith, School Board Member, Racine Unified School District
Heinzelman, Joseph, District Administrator, Oakfield School District
Heisel, Katie, Student, Superior School District
Heller, Laura, Teacher, Appleton Area School District
Herda, Kelly, Parent, Fox Point School District
Hines, Mike, Parent, Ashland School District
Hoeschen, Kevin, Teacher, Superior School District
Hofferbert, Dave, Parent, Grafton School District
Holewinski, Felix, District Administrator, Hilbert School District
Holm, Laurisa, Student
Holmquist, Marty, District Administrator, Cassville School District
Honkanen, Erik, Student, Superior School District
Hughes, Bill, District Administrator, Greendale School District
Hulne, Roger, District Administrator, Shell Lake Schools
Huseth-Duro, Peggi, Teacher, Racine School District
Jacobson, Susan, Joint Legislative Committee Member, Janesville School District
Jauch, Cecelia, Teacher, Maple School District
Jindrich, Lisa, Teacher, Wausau School District
Johnson, Wayne, District Administrator, Elcho School District
Johnson, Tina, Parent/PTA President, Milwaukee Public Schools
Johnson, Douglas, Business Manager, Oconomowoc School District
Johnson, Edwin, Teacher, Superior School District
Jones, Ruth, Parent, Waukesha School District, Project ABC
Joynt, Thomas, District Administrator, Green Bay School District
Joziak, Amy, Parent, Appleton Area School District
Kading, Peg, Teacher, Appleton Area School District
Kammerud, John, District Administrator, Mauston School District
Kasinski, Kenneth, District Administrator, Washburn School District
Katrosits, Sue, Teacher/ Grafton Education Association, Grafton School District
Kattman, Robert, District Administrator, Glendale-River Hills School District
Kaufman, Jessica, Student
Kilanowski, Ray, Legislative Chair WI PTA, Appleton School District
Knowlton, John, Teacher, Stevens Point School District
Kolvenbach, Gail, Parent, St. Francis School District
Korhonen, David, Director Buildings & Grounds, Superior School District
Are School Revenue Limits Limiting Learning?
APPENDIX 4

Forum reports by region

Northeast Region- Appleton

October 10, 2000
Appleton, Wisconsin

Commissioners:

Winnie Doxsie, president, Wisconsin PTA
Tony Evers, CESA 6 Administrator
Herbert Grover, former State Superintendent of Schools
Elizabeth Hayes, member, Fond du Lac School Board
Steve Hintz, professor, University of Wisconsin- Oshkosh
Representative Dean Kaufert, 55th District
Bill Knutson, former editor, Appleton Post Crescent
Joseph Laux, mayor, Menasha
Richelle Ridgeway, education reporter, WGBA- TV 26

Demographic and Enrollment Data

The northeast region is the area encompassing Door County, stretching south to Oostburg, and extending to Beaver Dam, Marion to the west and Green Bay to the north. The northeast region contains 72 school districts with a total 1999-2000 enrollment of 169,092 students. District size ranges from 115 (Washington) to 18,856 (Green Bay) students; the average enrollment is 1,470. The districts in the northeast region have significantly smaller populations of low-income and minority students than statewide averages, 12.4% and 4.7% respectively. The region has a similar number of special education students (14.0%) than districts throughout the state. The average revenue per member in the region is $8,300, ranging from $7,002 in Campbellsport to $10,462 in Gibraltar Area. The region’s median equalized value per student is $274,749; its average is $350,783. The K-12 state average is $292,951.

Of the 72 districts in the region, 35 or 48.6% of them reported a decline in their three-year rolling average enrollment between 1999 and 2000. On average, the decline was 1.3% for these districts. Ten districts experienced a decline greater than 2%, with Elkhart Lake-Glenbeulah the highest at 4.5%, followed closely by the Marion district at 4.1%.

Overview of Testifying Citizens  (See Appendix 3 for speaker listing)

Eleven school districts where represented at the forum: Appleton, Ashwaubenon, Freedom, Green Bay, Hilbert, Manawa, Menasha, Oakfield, Oostburg, Tigerton and Gibraltar. A district administrator or school board member represented all of these districts. In addition, parents, teachers, building principals and other citizens gave testimony. The breakdown is as follows:
District Administrators/Business Mgrs. & 10 & 24% 
Teachers & 20 & 49% 
Building Principals & 2 & 5% 
School Board Members & 2 & 5% 
Parents & 4 & 9% 
Citizens/Community Leaders & 2 & 5% 

Total Number of Testifiers & 41 & (100)

Summary of Testimony

The 41 speakers cited several areas which have been negatively affected by the revenue caps in their district or school. In this region, increasing class sizes and over-crowded classrooms were the most commonly reported negative impact (36%), followed closely by outdated or inadequate textbooks and curricular materials (34%). The table below delineates the most frequently reported negative impacts of revenue caps in the northeast region.

Speakers Reporting Specific Negative Impact of Revenue Caps

<table>
<thead>
<tr>
<th>Impact Areas</th>
<th>N</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased class sizes/overcrowded classrooms</td>
<td>15</td>
<td>36%</td>
</tr>
<tr>
<td>Outdated or inadequate textbooks/curricular materials</td>
<td>14</td>
<td>34%</td>
</tr>
<tr>
<td>Delayed or postponed maintenance or building projects</td>
<td>9</td>
<td>22%</td>
</tr>
<tr>
<td>Inadequate computers, equipment, use of technology</td>
<td>7</td>
<td>17%</td>
</tr>
<tr>
<td>Teachers paying for supplies/materials out of pocket</td>
<td>6</td>
<td>15%</td>
</tr>
<tr>
<td>Program Cuts</td>
<td>7</td>
<td>17%</td>
</tr>
<tr>
<td>Staff development cut or eliminated</td>
<td>5</td>
<td>12%</td>
</tr>
<tr>
<td>Staff Cuts (instructional and other)</td>
<td>4</td>
<td>10%</td>
</tr>
</tbody>
</table>

Other less frequently cited impacts were: general budget shortfall or cutbacks (7%); lack of basic supplies (9%) and the spending down of the district’s fund balance (2%).

Speakers cited several factors that exist within their district/school that, when considered in combination with revenue caps, have produced further funding problems for the districts/schools. The table below indicates these responses.
Speakers Reporting Factors Exacerbated by Revenue Caps

<table>
<thead>
<tr>
<th>Factor</th>
<th>N</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>The QEO has a negative impact on finances, salary levels, and/or ability to recruit, hire and retain teachers</td>
<td>6</td>
<td>15%</td>
</tr>
<tr>
<td>Low or non-competitive teacher wages/teacher shortages</td>
<td>10</td>
<td>24%</td>
</tr>
<tr>
<td>Status as a low spending/below state average district</td>
<td>8</td>
<td>19%</td>
</tr>
<tr>
<td>Declining or open enrollment</td>
<td>3</td>
<td>7%</td>
</tr>
<tr>
<td>Inadequate state reimbursements for ESL, special education and other mandates</td>
<td>3</td>
<td>7%</td>
</tr>
</tbody>
</table>

Five testifiers offered recommendations on improving the school finance system. Three advocated for changes to the funding formula, one for carve-outs or exemptions to the caps for certain expenditures and one recommended restoring the full authority of local school boards to raise local funds for schools.

Summary and Conclusion

The Forum on Revenue Caps in Appleton on October 10 was the second in the series of forums held across the state and provided concerned residents from the northeast region of Wisconsin with an opportunity to testify on how revenue limits have affected their school districts. There are 72 school districts in this region serving over 169,000 students. The population of this region is more than 95% white with average equalized property value approximately $57,000 above state average. Special education enrollment is at state average. Almost half (48%) of the districts have declining school enrollments. There were 41 speakers from eleven district testified at the forum. Slightly less than half of the speakers were teachers, one in four were district or school administrators and one in six were parents or concerned citizens. The testimony provided on revenue limits directly fell into six primary areas:

Almost half of those who testified focused on the large classes and overcrowded classrooms due to staffing cuts necessary under the revenue limits.

This year we have classes in the basement, on the stage in the auditorium and in the middle of the library. We have class sizes in the thirties and a great number of special needs students in the regular classrooms without the extra staff support necessary. —Michelle Demerath, Appleton teacher.

I am a speech pathologist with 42 students on my caseload, five new students being added and I know that teachers are concerned about other students who have not even been tested yet. —Nancy Petit, Appleton teacher.

Many schools have outdated or inadequate textbooks, curricular materials and computer technology as a result of the revenue limits.

We have texts that are 20 years old. Students say to me, “Ms. Kading, this text is older than I am.” —Margaret Kading, Appleton teacher.
Our school librarian cannot order one book, one video or any book stickers because her library budget is $0.00.
—Ginny Thompson, Appleton teacher

The textbooks we use are the same ones we used when I was a student. You should see their faces when I give them books that look like that. —Laura Heller, Appleton teacher

We don’t have microscopes or scales, but we have more students. The 8th grade science department has 25 beakers and 17 graduated cylinders to share among 350 students. In family and consumer education, the sewing machines are falling apart. —Brian Hanes, Oostburg teacher

At our school we have one computer lab and 750 students. By the first day of school, it was reserved through October. —Brad Wiese, Appleton teacher

**Building repairs, maintenance and expansion is being delayed or cancelled.**

I have had a plastic bag on my computer for six years because when it rains, it falls on my computer. The roof hasn’t been fixed in six years. The children eat lunch on the gym floor, we don’t have a cafeteria. —Dan Balliet, Appleton teacher

Our school has no elevator. We had a student with a broken leg and she couldn’t get up the stairs to my class. When she got a walking cast, she had to sit on her rear and scoot up the steps. —Christine Scott, Appleton teacher

I asked a new teacher what she needed most. She said heat, as she is teaching in a refurbished storage room. —Marcia Engen, Appleton teacher

At this time we are anticipating a 60% increase in natural gas costs for the 2000-2001 school year which has to come from somewhere. —Merwyn Meyer, Ashwaubenon school board member

Our 1953 building does not have energy efficient windows. The request to replace the old single panel windows has been made for the past ten years but has never made it to the top of the priority list. —Sheila Omholt, Appleton principal

In 1996, we established a capital improvement plan to build a new grade school. We levied $50,000 a year. We never built that school and the capital fund is gone. —Dr. Felix Holewinski, Hilbert district administrator

**Important programs have been reduced or eliminated.**

Because of the declining student population, we are planning to cut Driver’s Education, reducing Music, Art and Physical Education at the Elementary schools and possibly going to only intramural sports at the middle school level to save on transportation, coaches and officiating fees. —Joseph Heinzelman, Oakfield district administrator

Why should school boards have to eliminate programs that have proven to be very positive to use the money for very necessary capital expenditures? —Ronald Dunlap, Appleton principal

Districts are laying off academic staff to free up funds to cover the costs of security and school resource officers. —Richard Meyers, Appleton police chief
Schools have inadequate supplies for students, at times requiring teachers and parents to pay for supplies with personal funds

All of my kids’ teachers are going the extra mile. I know they are spending their own money and they don’t tell parents about it. —Joy Hagen, Appleton parent

Teachers will say they aren’t going to buy anything for their classroom, but the kids get so excited about a project and they don’t have the supplies, they go out and buy it anyway. —Lisa Britton, Appleton teacher

For 15 years I have volunteered at the schools. I have pulled data cable through crawl spaces and ceilings to keep costs down. I have bought scissors for the kindergarten and snacks for their snack time. —Mary Patterson-Smith, Appleton parent

Many speakers also discussed the low level of funding for educational staff. Both the QEO (Qualified Economic Offer which limits wage and benefit increases to 3.8%) and revenue limits have reduced compensation for teachers, especially in poor districts. This minimizes incentives for talented adults to enter or stay in the field.

Our daughter, who was a teacher, recently quit after five years because she was unable to pay her bills. She is now in pharmaceutical marketing, doing a wonderful job and her bonus for work was $18,000. I asked her, “It’s been a year since you’ve been out of education, how are you doing?” She said, “I’m able to pay my bills, but at the end of the day, I don’t feel like I have made a difference.” —Helen Schaal, Green Bay teacher

My concern is for the future of teaching. Are we going to get the best when current teachers retire? There are good people out there who have families who won’t be teachers because they can’t afford it. —Lisa Britton, Appleton teacher

Overall, speakers described school systems beset by serious shortages and educational barriers resulting from the revenue limit policy. Speakers were adamant that the policymakers should be aware of and address the problems caused by spending caps through changes in the policy.

It is ironic to me that the State highly recommends safety and security, including the deployment of school officers, and then limits the ability of school districts to fund such programs. Either the state should exclude safety and security provisions from the caps or pay the additional expenses incurred by the districts. —Richard Meyer, Appleton police chief

Please tell our small rural districts which mandates are more important — the educational or the financial — because we have reached the point where we cannot comply with both. —Dr. Stephen Seyfer, Gibraltar district administrator

PTA has planted school grounds, painted walls, provided books and gym equipment and paid for field trips for the families who couldn’t afford it. We have met our obligation. I now urge the state to meet theirs. —Mary Patterson-Smith, Appleton parent
South Central Region-Janesville

October 5, 2000
Janesville, Wisconsin

Commissioners:

Winnie Doxsie, president, Wisconsin PTA
Nancy Graczyk, president, Beloit Education Association
Herbert Grover, former State Superintendent of Schools
Sue Post, parent representative, Janesville Joint Legislative Council
Art Rainwater, district administrator, Madison School District
Bill Reis, district administrator, Delavan-Darien School District
Richard Rogers, Mayor, Fennimore
Virginia Wyss, president, Janesville School Board

Demographic and Enrollment Data

The south central region generally covers the southwest portion of the state. It spans from the Mississippi River eastward to Whitewater, Eagle and Watertown, as far north as Portage and extending south to the Illinois border. The region contains 81 school districts with a total 1999-2000 enrollment of 151,191 students. District size ranges from 306 (Benton) to 25,131 (Madison Metropolitan School District) students; the average enrollment is 1,866. The districts in the south central region have a smaller population of low-income students on average (16.6%) as compared to the state-wide average of 25.9%. The region's enrollment is 4.4% minority, as compared to 19.2% for the state as a whole. The region has a greater preponderance of special education students (16.4%) than the average for districts throughout the state (13.9%). The average revenue per pupil in the south central region is $8,663, ranging from $7,482 in Mount Horeb to $10,061 in the Monona Grove School District. The region's average equalized value per student is $258,186; its median is $251,192. The K-12 state average is $292,951.

Of the 81 districts in the south central region, 34 or 42% of them reported a decline in their three year rolling average enrollments between 1999-2000. On average, the decline was 1.4% for these districts. Ten districts experienced a decline of 2% or greater, with Shullsberg the highest at 4.7%.

Overview of Citizens Who Testified (See Appendix 3 for complete listing)

Thirteen school districts where represented at the forum: Argyle, Beloit, Cambridge, Cassville, Fort Atkinson, Janesville, Madison, Mauston, Milton, Oregon, Palmyra-Eagle, Pardeeville, and Sun Prairie Area. A district administrator or school board member represented 11 of these districts, all but Beloit and Cambridge. Additionally, parents, teachers, building principals, and other citizens gave testimony. Five people provided written testimony and 18 spoke at the forum. The breakdown is as follows:
Are School Revenue Limits Limiting Learning?

<table>
<thead>
<tr>
<th>N</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>39%</td>
</tr>
<tr>
<td>2</td>
<td>9%</td>
</tr>
<tr>
<td>2</td>
<td>9%</td>
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<td>2</td>
<td>9%</td>
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<td>2</td>
<td>9%</td>
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<tr>
<td>2</td>
<td>9%</td>
</tr>
<tr>
<td>4</td>
<td>16%</td>
</tr>
</tbody>
</table>

Total Number of Persons Who Testified 23 (100)

Overview of Testimony

The 23 persons providing testimony cited 11 general areas that have been negatively affected by the revenue caps in their district or school. Delayed or postponed maintenance projects/inability to adequately maintain buildings and district property was the most common problem cited by 35%. Five speakers (22%) indicated that their school/district faced a lack of supplies or that teachers were forced to pay for classroom supplies with their personal funds. Table 1 delineates the most frequently reported negative impacts of revenue caps in the south central region.

Table 1: Speakers Reporting Specific Negative Impact of Revenue Caps

<table>
<thead>
<tr>
<th>Impact Areas</th>
<th>N</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delayed or postponed maintenance or building projects</td>
<td>8</td>
<td>35%</td>
</tr>
<tr>
<td>Inadequate supplies/teachers pay with personal funds</td>
<td>5</td>
<td>22%</td>
</tr>
<tr>
<td>Program Cuts</td>
<td>4</td>
<td>17%</td>
</tr>
<tr>
<td>Outdated or inadequate textbooks/curricular materials</td>
<td>4</td>
<td>17%</td>
</tr>
<tr>
<td>Staff Cuts (instructional and other)</td>
<td>4</td>
<td>17%</td>
</tr>
<tr>
<td>Increased class sizes/overcrowded classrooms</td>
<td>3</td>
<td>13%</td>
</tr>
<tr>
<td>Insufficient access to computers/technology</td>
<td>3</td>
<td>13%</td>
</tr>
</tbody>
</table>

In the area of program cuts, comments focused on reading and language arts programs in the early grades and middle-school electives. In addition, one speaker cited cuts in staff training and development and one district had depleted its fund balance.

Speakers cited several factors that in combination with revenue caps, have produced further funding problems for the districts/schools. The QEO was the most commonly referenced issue (30%) as it relates to a district’s ability to attract and retain qualified teachers. Six speakers (26%) mentioned low teacher salaries in general and an impending shortage of teachers as concerns in their district. Table 2 indicates the range of these responses.
Table 2: Speakers Reporting Factors Exacerbated by Revenue Caps

<table>
<thead>
<tr>
<th>Factor</th>
<th>N</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>The QEO has a negative impact on finances, salary and/or ability to recruit, hire and retain teachers</td>
<td>7</td>
<td>30%</td>
</tr>
<tr>
<td>Low or non-competitive teacher wages/teacher shortages</td>
<td>6</td>
<td>26%</td>
</tr>
<tr>
<td>Underfunded ESL, special education and other mandates</td>
<td>4</td>
<td>17%</td>
</tr>
<tr>
<td>Declining enrollment</td>
<td>4</td>
<td>17%</td>
</tr>
<tr>
<td>Status as low spending/below state average districts</td>
<td>2</td>
<td>8%</td>
</tr>
</tbody>
</table>

In addition, five speakers reported on recent referenda held in the region. One had failed; three spoke of the difficult, time consuming and costly nature of conducting referenda. Five or 22% of those who testified stated that the annual revenue cap increase is inadequate to meet district’s rising personnel plus other operating and fixed costs. They indicated that the revenue caps curtailed the amount of funds available for non-personnel necessities.

Six testifiers offered recommendations on improving the school finance system. Two advocated for increases in the annual revenue cap allowance and two suggested carve-outs or exemptions to the caps for certain expenditures. One recommended restoring the full authority of local school boards to raise local funds for schools. Another speaker indicated that the State should increase its funding of mandated programs and standards. One speaker generally stated that while the revenue caps have provided some property tax relief, they need to be improved.

Summary and Conclusion

The Forum on Revenue Caps in Janesville on October 5 was the first in the series of forums held across the state and provided concerned residents from South Central Wisconsin with an opportunity to testify on how revenue limits have impacted their school districts. There are 81 districts in this primarily rural region serving over 151,191 students. The population of this region is more than 95% white with average equalized property value approximately $34,000 below the state average. Special education enrollment is 2.5% higher than state average. Moreover, 42% of the districts have declining school enrollments. Twenty-three persons from 13 school districts testified at the hearing. The vast majority were school district superintendents or business managers but parents, teachers, students and concerned community residents were also involved. The testimony provided on revenue limits directly fell into six primary areas:

Building repairs, maintenance and expansion is being delayed or cancelled.

Our buildings and playgrounds and stadium bleachers are more poorly kept each year. If we are lucky… our meager maintenance budget stays one step ahead of disaster… We have parking lots with only one light when we need two or three and roofs that, while not leaking, are not keeping the heat in costing us more to heat the building. — Cynthia Di Camelli, Oregon school board member

The infrastructure budget has been reduced 43% over the past four years. We have stopped improving our buildings and we are doing only necessary maintenance. For next year’s budget… I will recommend deferring maintenance in hopes that the feds or the state will come in with monies. — Marty Holmquist, Cassville district administrator
Schools have inadequate supplies for students, at times requiring teachers to pay for supplies with personal funds.

Our physical education teacher used his PTA dollars during the summer to go to garage sales and purchase baseball gloves so each child would have a glove. —Cynthia DiCamelli, Oregon school board member

My supply budget for classrooms has been cut 50% over three years — so far that when I visited the kindergarten several weeks ago, I noticed children waiting for another to be able to use a pair of scissors. The teacher hadn’t ordered more because she needed pencils and art supplies more. We did order more scissors — going over some other budgets hoping this will be another warm winter. —Marty Holmquist, Cassville district administrator

Important programs have been reduced or eliminated.

In athletics we had a “no-cut” policy so everyone who tried out for a team made it. We had to eliminate this policy so fewer students are enrolled in athletics where they meet people, stay off the streets and feel like they belong.

Because of revenue limits, funds are not available for some programs, such as the “FAST” program (Families and Schools Together) which provided parenting skills training for parents of at-risk elementary school students. This year it was not renewed. —Edward Stried, teacher and executive board member of the Janesville Education Association

Many schools have outdated or inadequate textbooks, curricular materials and computer technology as an outcome of the revenue limits.

In Janesville, 80% of our high school classrooms do not have modern computers. —Philip Frei, Sun Prairie deputy district administrator

For many students, school is the only place they have access to computers. If schools are not financially able to fill the technology chasm, then economically disadvantaged students risk becoming economically challenged adults. —Marty Stogsdill, student representative, Beloit school board

In many schools, staff reductions have become necessary.

Over the last two years, we have cut three full time equivalent teaching positions. In a district of 1,250 students, it is difficult to cut staff as we do not have economies of scale and the flexibility of larger districts. We have to maintain staff to meet state standards. —Erin Gauthier, Palmyra-Eagle business manager

Over two hours per week was added to the teacher load in art, music and physical education this year so the district wouldn’t have to hire new teachers. But each of these teachers works in more than one building with over 700 students a week. These teachers are desperately worried that they will not be able to do the “extra’s” that Janesville expects such as the elementary track meets, the all-city “sing” and various art shows. —Edward Stried, Janesville teacher

There are increasing class sizes and overcrowded classrooms.

It is common for the average class at the secondary level to have 29 or 30 students. Perhaps to an outsider, this
does not seem outrageous... But in a single class, there are students with a wide range of abilities from those with special needs up to those who are termed talented and gifted and students from different demographic backgrounds. It is increasingly difficult to meet the needs of these different students while the public is asking for more accountability and academic rigor. —Edward Stried, Janesville teacher

Many speakers also referred to problems in the level of funding for educational staff. Both the QEO (Qualified Economic Offer which limits wage and benefit increases to 3.8%) and revenue limits have reduced compensation for teachers, especially in poor districts. This minimizes incentives for talented adults to enter or stay in the field.

It is a pretty harsh reality when a veteran teacher with over 25 years of experience comes away with a net increase of $11 per month in his or her paycheck. —James Fitzpatrick, Fort Atkinson district administrator

As a college sophomore, I was about to declare my intended major. Originally, I had been contemplating going into education. However, after seeing what the revenue cap is doing to public education in Wisconsin, I have decided this is not a career path that has long term stability. —Jennifer Dye, UW-Madison and former Janesville student

While districts can use the district referendum to override the revenue limits, speakers noted that the process is arduous and diverts resources from the central task of education.

When a district goes to referendum, it absorbs time, energy and personnel of the district from three to six months. That means that all other issues which these people should be concerned with get pushed aside until the referendum is over. Increasingly, districts are finding that they have to go four or five times to get people to approve changes in their school budget. —Carol Carstensen, Madison school board member

Overall, speakers painted a negative picture of the scope and seriousness of the educational problems caused by the revenue limit policy.

This past summer, I was a delegate at the American Legion’s Badger Boys’ State where I learned Beloit was not the only school district in dire financial need. I was told by my fellow Boy Staters that their districts did not have the funds to remove asbestos, hire teachers or add new classes. —Marty Stogsdill, student representative, Beloit school board

More than one in four stated that the policymakers should be aware of and address the problems caused by spending caps through some changes in the policy.

I would invite Governor Thompson and state legislators to Sun Prairie classrooms to talk with staff and students about revenue caps. Ask the high school teacher if a computer is needed. Ask the kindergarten student if colored paper would make her project better. Speak with the Director of Building and Grounds how you add over 120,000 square feet of building space but aren’t allowed to add any custodians to clean it. —Philip Frei, Sun Prairie deputy district administrator

In what other government entity are the elected representatives told to go to referendum to gain improvements? None. Yet, dealing with children would seem infinitely more important than building a new garage for county trucks or deciding to buy a new fire engine. Who put children at the back of the line?
The speakers were overwhelmingly against the current structure of revenue limits and felt the long-term implications of continuing the policy were destructive to Wisconsin's schools and children.

Locally elected Boards should have the authority to exceed the revenue caps or this proud state which has led the nation in so many educational endeavors might be headed toward the educational backwater—John Kammerud, Mauston district administrator

We are not only capping the revenue schools can spend but more importantly we are capping the education of Wisconsin's youth.—Jennifer Dye, UW-Madison and former Janesville student

North Region of Wisconsin- Rhinelander

Held: October 11, 2000
Rhinelander, Wisconsin

Commissioners:
Winnie Doxsie, president, Wisconsin PTA
Herbert Grover, former State Superintendent of Schools
Ted Kempkes, publisher, The Bee, Phillips
Ray Rivard, Editor, Lakeland Times, Minocqua

Demographic and Enrollment Data

The north region covers the northeast corner of the state spanning westward via the Michigan border to Vilas County on the north, and Marathon County on the south, stretching from Edgar to Antigo. The region contains 42 school districts with a total 1999-2000 enrollment of 45,132 students. District size ranges from 187 (Phelps) to 3,453 (Merrill) students; the average enrollment is 1,074. The districts in the north region have a significantly larger population of low-income students on average (30.9%) than the rest of the state, which averages 25.9% low-income or 19.6% excluding Milwaukee Public Schools. The region's enrollment is 9.8% minority, as compared to 19.2% for the state as a whole. The region has a slightly larger population of special education students (14.5%) than the state as a whole (13.9%). The average revenue per pupil in the north region is $9,178, ranging from $7,435 in Phillips to $18,270 in the Lac du Flambeau #1 School District. (The highest spending non-Native American reservation school district is Phelps at $12,808.) The region's median equalized value per student is $282,450; the average is $449,331. The K-12 state average is $292,951.

Of the 42 districts in the north region, 26 or 62% of them reported a decline in their three-year average rolling enrollment between 1999-2000. On average, the decline was 1.4% for these districts. Nine districts experienced a decline of 2% or greater, with Phelps the highest at 4.7%.
Overview of Testifying Citizens  (See Appendix 3 for testifier listing)

Twelve school districts where represented at the forum: Antigo, Athens, Edgar, Elcho, Florence, Laona, Merrill, Minocqua-Hazelhurst-Lake Tomahawk, Northland Pines, Phelps, Phillips and Rhinelander. A district administrator or school board member represented all of these districts except Rhinelander. Additionally, parents and teachers/school staff gave testimony. Five people provided written testimony and 20 spoke at the forum. The breakdown is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>District Administrators/Business Mgrs.</td>
<td>12</td>
<td>48%</td>
</tr>
<tr>
<td>Teachers/Instructional aides</td>
<td>8</td>
<td>32%</td>
</tr>
<tr>
<td>School Board Members</td>
<td>2</td>
<td>8%</td>
</tr>
<tr>
<td>Parents</td>
<td>3</td>
<td>12%</td>
</tr>
<tr>
<td><strong>Total Number of Testifiers</strong></td>
<td><strong>25</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Overview of Testimony

The 25 persons providing written and verbal testimony for this region cited 12 general areas that have been negatively impacted by the revenue caps in their district or school. The most commonly mentioned negative impact of the caps was staffing reductions; seven speakers (29%) indicated that their school/district had been forced to cut staff, including teachers. Five speakers reported program cuts, all of which were instructional and were concentrated in the areas of foreign language, library, gifted and talented and remedial programs. Table 1 delineates the most frequently reported negative impacts of revenue caps in the north region.

Table 1: Speakers Reporting Specific Negative Impact of Revenue Caps

<table>
<thead>
<tr>
<th>Impact Areas</th>
<th>N</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Cuts (instructional and other)</td>
<td>7</td>
<td>29%</td>
</tr>
<tr>
<td>Program Cuts; Curricular</td>
<td>5</td>
<td>21%</td>
</tr>
<tr>
<td>Outdated or inadequate textbooks/curricular materials</td>
<td>5</td>
<td>21%</td>
</tr>
<tr>
<td>Inadequate supplies/teachers pay with personal funds</td>
<td>5</td>
<td>21%</td>
</tr>
<tr>
<td>Delayed or postponed maintenance or building projects</td>
<td>3</td>
<td>12%</td>
</tr>
<tr>
<td>Depleted/Low fund balance</td>
<td>3</td>
<td>12%</td>
</tr>
</tbody>
</table>

In addition, one speaker cited increased class sizes in key academic areas, one inadequate technology and equipment and two referenced a general budget cut or shortfall.

Speakers cited several mitigating factors that exist within their district/school that, when considered in combination with revenue caps, have produced further funding problems for the districts/schools. Teacher shortages due to low pay, regional competition and failure to replace exiting teachers were indicated by 25% of the testifiers. Declining enrollment was the second most commonly referenced issue (21%). The officials of four school districts mentioned the “sparcity factor”, or the fact that rural districts face proportionately higher transportation costs and difficulties when theses expenses increase due to rising fuel costs. Four speakers reported on the problems districts face due to under funded special education and other mandated programs. Table 2 indicates the range of these responses.
Table 2: Speakers Reporting Factors Exacerbated by Revenue Caps

<table>
<thead>
<tr>
<th>Factor</th>
<th>N</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teacher shortage due to low or non-competitive wages, regional competition, failure to replace</td>
<td>6</td>
<td>25%</td>
</tr>
<tr>
<td>Declining enrollment</td>
<td>5</td>
<td>21%</td>
</tr>
<tr>
<td>Underfunded special education and other mandates</td>
<td>4</td>
<td>17%</td>
</tr>
<tr>
<td>Rural transportation needs/increased fuel costs</td>
<td>4</td>
<td>17%</td>
</tr>
<tr>
<td>The QEO has a negative impact on finances, salary levels, and/or ability to recruit, hire and retain teachers</td>
<td>2</td>
<td>8%</td>
</tr>
</tbody>
</table>

In addition, nine speakers mentioned past or future referenda. Three of these had failed and two were in planning as follow-up to previous building referenda. Five of the speakers spoke of the difficulty of convincing voters to support operational or multiple referenda and the time consuming nature of the process.

Two testifiers offered recommendations to improve the school finance system. One advocated for increases in the annual revenue cap allowance and one recommended restoring the full authority of local school boards to raise local funds for schools.

Summary and Conclusion

The Forum on Revenue Caps in Rhinelander on October 11th was the third in the series of six forums held across the state and provided concerned residents from North Central Wisconsin with an opportunity to testify on how revenue limits have affected their school districts. There are 42 districts in this region serving over 45,000 students. The population of this region is more than 90% white with average equalized property value approximately $150,000 above state average. Special education enrollment is at state average. Almost two-thirds (63.4%) of the districts have declining school enrollments.

Twenty-five persons from 12 school districts testified at the hearing. Almost half were school district superintendents or business managers, one in three were teachers and the other 20% were parents or school board members. The testimony provided on revenue limits indicated that cuts in school budgets have caused budget shortfalls in most of the districts in the region.

Budget shortages have had a widespread impact on multiple aspects of school districts operations.

Phelps has not replaced teachers who left, depleted its $350,000 fund balance, limited materials and supplies, placed curriculum on hold for needed programs and gone to referendum for regular operations dollars.—Robert Cavannaugh, Phelps District Administrator

Athens is facing a projected increase in heating costs that will be 30-50% higher than last year. That will be a reduction in aide time, cancellation of field trips, refusal to order new texts or other painful measures.—Dave Wessel, Athens District Administrator

Elcho is facing budget cuts in 2000. It is unlikely that the business teacher will be affordable. Another key academic teaching position and teacher aides will have to be cut. A desperately needed roof replacement will be
put off. The janitor will continue to put larger buckets in the classrooms and in the gym to catch the leaks. Equipment replacement budgets and supplies have already been cut along with textbooks.— Wayne Johnson, Elcho Superintendent

Northland Pines in Eagle River has cut 17 FTE staff positions including the District Social Worker, the Alcohol and Drug Prevention Coordinator, the Reading Recovery teacher the District Hearing Impaired Coordinator, the Technology Coordinator, the Children at-Risk Coordinator, the Curriculum and Instruction Director, three special education aides and other school support staff. In addition, the district has cut the maintenance budget, the activity bus, all field trips, the textbook account, the breakfast program, middle school co-curricular programs, staff development and student accident insurance.— Linda Kunelius, Northland Pines District Administrator

Cuts in funding for staffing levels and staff development are reducing the quality of schools.

Marshfield learned last spring of a 30% increase in health insurance requiring a $675,00 budget cut. The result was a loss of instructional staff for programs like the gifted and talented, a reading specialist and other programs.—Dave Smette, Marshfield District Administrator

Because of the increase in health insurance premiums, people will have to be laid off or reduced in hours to pay for the huge increase. Our hourly employees might have to take a pay cut.— Dave Wessel, Athens District Administrator

In my daughter’s school, we have no reading specialist. There is a half time librarian and half time guidance counselor for 274 students to handle drug, alcohol, sexual and physical abuse. My daughter deserves better.— Randy Kunsch, parent and teacher, Phillips

Our problem is the inability to pay teachers. We have a deficit this year of $370,000 and next year it will be $660,000. Michigan pays $10,000 more per year and is recruiting trained teachers. We have cut maintenance staff, four cooks are running three kitchens but we can’t cut food service. With our low-income kids, lunch may be the only meal they get.—Heidi Garrell, Business Manager, Florence

Facilities, technology and supplies are inadequate for current educational programming.

Adequate computer equipment and software, installation costs, phone line maintenance, physical space and trained personnel are beyond the reach of too many schools. Fewer dollars spent on the school media center stress local public libraries especially in northern rural communities where small public libraries are already operating with reduced personnel and hours of access. The result is that Wisconsin students do not have equal access to information and library services to support curriculum.—Kris Wendt, librarian, Rhinelander

Textbooks in core curriculum areas were on a five year replacement schedule, now its ten. Horrible when you realize a new book is already seven years old (that’s how long it takes to write, edit and publish). We are delaying maintenance. If our 20+ years heating unit gives out in the high school, we will either have to close schools or “jerry rig” it again. High school drivers education (which is very important up here with no buses and our kids working after school) was eliminated. Behind the wheel instruction went from $40 to $320.— Patti Shoppe, parent, Northland Pines

In small rural communities, transportation is a costly and critical component of the educational budget.

Antigo is a 520 square mile district. We spend $1.5 million a tear in gasoline to get our children to and from
school. If we reroute anymore, children in K-4 and K-5 will spend 2 1/2 hours on the bus. When gas prices went up, there was nothing we could do but cut programs. — Lance Alwin, Antigo District Administrator

This region of the state is a low-wealth area with communities struggling to balance a deep commitment to education with the growing pressure of the state mandated revenue limits. Districts originally unharmed are now being affected because of declining enrollment.

Our technical education school was built 30 years ago — inadequate with increased technology. We need to remodel and add on and equip it. We went to referendum for $150,000 and lost by 24 votes. Students lost with the failure of the referendum. — Patti Schoppe, parent, Northland Pines

Merrill lost 350 students and had to cut $300,000 this year. We cut supplies, textbooks and maintenance. Next year, we will cut people and programs. We can’t cut transportation because we are a rural district. This is a blue-collar district and a referendum will probably not pass. — Pam Kurcheval, Finance Director, Merrill

I am tired of the political rhetoric that the solution is simple — just go to referendum. A referendum is the only time a citizens can say “NO” to rising taxes. They may be angry with the tech school budget increase of over 12% or the county increase of over 5% for the jail. The public school referendum is the only opportunity to say no and not surprisingly our community said no. — Linda Kunelius, Northland Pines District Administrator

Forum participants expressed serious apprehension about the future of the region’s schools and more than one in three expressed a strong demand to see policy change occur.

There should be some measure of flexibility for school districts to deal with emergency situations such as dramatic increases in health insurance, etc. Special Education costs for mandated programs should be outside the revenue caps and more fully funded by the state and federal government. — Dave Smette, Marshfield, District Administrator

It is not reasonable to expect school districts to meet standards, maintain a faculty, pay increasing maintenance, transportation, utility bills, keep up with textbook hikes, negotiate salary increases and provide expanded programs with smaller class sizes with the same budget that we had five years ago. Something had to be cut. At some point, any financial benefits you feel that you have reaped will have diminishing returns. I implore you to lift the caps . . . and find an equitable way to shield taxpayers and protect schools from devastating fiscal burdens. — Bonnie Dana, Director of Instruction, Antigo
Central Region- Stevens Point

November 2, 2000
Stevens Point, Wisconsin

Commissioners:
  Winnie Doxsie, president, Wisconsin PTA
  Herbert Grover, former State Superintendent of Schools
  Clem Hintz, supervisor, Steven Point County Board of Supervisors
  Robert Jenkins, former judge, Stevens Point
  Ken Krahn, former district administrator, Marshfield
  Bob Mancel, business owner, Milladore
  John McCarty, Marshfield Clinic, Marshfield
  Cathy McGinnis, MD, Stevens Point
  Representative Luther Olsen, 41st District
  Jean Rumsey, resident, Stevens Point

Demographic and Enrollment Data

The central region spans along the Mississippi River from St. Croix Falls at the north to Desoto at the south; the northern border extends to Wausau, Iola and Waupaca on the east and the southern boundary extends west through Wisconsin Dells, LaFarge and Viroqua. The central region is the largest with 116 school districts and a total 1999-2000 enrollment of 174,702 students. District size ranges from 112 (Saint Croix Central) to 11,122 (Eau Claire) students; the average enrollment is 1,508. The districts in the central region have a slightly larger population of low-income students (26.2%) as compared to the state-wide average of 25.9%. The region's enrollment is 4.1% minority, as compared to 19.2% for the state as a whole. The region has a similar number of special education students (13.6%) as districts throughout the state. The average revenue per pupil in the region is $8,376, ranging from $6,964 in Colfax to $10,831 in Pepin Area. The region’s median equalized value per student is $213,700; its average is $229,086. The K-12 state average is $292,951.

Of the 116 districts in the central region, 63 or 54.3% of them reported a decline in their three-year rolling average enrollments between 1999-2000. On average, the decline was 1% for these districts. Sixteen districts experienced a decline of 2% or more, with Prairie Farm the highest at 5.4%.

Overview of Testifying Citizens  (See Appendix 3 for speaker listing)

Twelve school districts where represented at the forum: Adams-Friendship, Blair-Taylor, Frederic, Marathon, Marshfield, Medford Area, Owen-Withee, Stevens Point, Viroqua, Wausau, Wisconsin Rapids and Wonewoc-Center. A district administrator or school board member represented 10 of these districts, all but Frederic and Viroqua. Additionally, parents, teachers, building principals, a legislator and other citizens gave testimony. The breakdown is as follows:
Overview of Testimony

The 31 speakers cited 12 general areas that have been negatively affected by the revenue caps in their district or school. Program cuts were the most frequently mentioned problem. Eight speakers, or 25%, reported that the caps had forced program cuts in the Wausau, Stevens Point, Merrill and the Owne-Withee school districts. The program cuts were essentially split between curricular and extra-curricular areas. Delaying or postponing building and maintenance projects was the second most common negative impact, with 22% of the speakers citing problems in this area.

Table 1: Speakers Reporting Specific Negative Impact of Revenue Caps

<table>
<thead>
<tr>
<th>Impact Areas</th>
<th>N</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Cuts</td>
<td>8</td>
<td>25%</td>
</tr>
<tr>
<td>Delayed or postponed maintenance or building projects</td>
<td>7</td>
<td>22%</td>
</tr>
<tr>
<td>Increased class sizes/overcrowded classrooms</td>
<td>6</td>
<td>19%</td>
</tr>
<tr>
<td>Outdated or inadequate textbooks/curricular materials</td>
<td>6</td>
<td>19%</td>
</tr>
<tr>
<td>General budget cuts/shortfalls/deficits</td>
<td>5</td>
<td>16%</td>
</tr>
<tr>
<td>Inadequate computers, equipment, use of technology</td>
<td>5</td>
<td>16%</td>
</tr>
<tr>
<td>Staff Cuts (instructional and other)</td>
<td>5</td>
<td>16%</td>
</tr>
<tr>
<td>Staff development cut or eliminated</td>
<td>4</td>
<td>12%</td>
</tr>
</tbody>
</table>

Program cuts focused on gifted and talented programs, early reading and other remedial programs. An elementary school in Wausau was closed as a result of revenue caps.

Speakers cited several factors that exist within their district/school that, in combination with revenue caps, have exacerbated funding problems for the districts/schools. Declining enrollment was the most commonly cited problem: 28% of the speakers reported that their district faced this issue. Table 2 indicates the range of these responses.
Table 2: Speakers Reporting Factors Exacerbated by Revenue Caps

<table>
<thead>
<tr>
<th>Factor</th>
<th>N</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Declining enrollment</td>
<td>9</td>
<td>28%</td>
</tr>
<tr>
<td>The QEO has a negative impact on finances, salary levels,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>and/or ability to recruit, hire and retain teachers</td>
<td>5</td>
<td>16%</td>
</tr>
<tr>
<td>Low or non-competitive teacher wages/teacher shortages</td>
<td>5</td>
<td>16%</td>
</tr>
<tr>
<td>Status as a low spending/below state average district</td>
<td>3</td>
<td>9%</td>
</tr>
<tr>
<td>Under-funded mandates, particularly ESL programs</td>
<td>3</td>
<td>9%</td>
</tr>
</tbody>
</table>

In addition, seven speakers reported on recent referenda held in the region. Three of them had failed. Four spoke of the difficult, time consuming and costly nature of conducting referenda, and how it diverts district resources away from education.

Two speakers mentioned that having passed building referenda in previous years makes it extremely unlikely that their communities would now approve referenda to exceed the revenue caps.

Ten testifiers offered recommendations on improving the school finance system. Four advocated for changes to in the funding formula, three for carve-outs or exemptions to the caps for certain expenditures and two recommended restoring the full authority of local school boards to raise local funds for schools. Two speakers indicated that the State should increase its funding of mandated programs and standards, in particular special education and ESL programs.

**Summary and Conclusion**

The Forum on Revenue Caps in Stevens Point on November 2nd was the last in the series of six forums held across the state and provided concerned residents from Central Wisconsin with an opportunity to testify on how revenue limits have affected their school districts. There are 116 districts in this region serving over 174,702 students. The school population of this region is more than 95% white with average equalized property value approximately $63,000 below state average. Special education enrollment is at state average. Moreover, over half (54%) of the districts have declining school enrollments.

Thirty -one persons from 12 school districts testified at the hearing. One in three were school district superintendents or business managers, more than one in four were parents. Teachers, school board members, students and concerned community residents were also involved. The testimony indicated that revenue caps have caused budget shortfalls in many districts in the region.

**Budget shortages have had a widespread impact on multiple aspects of school districts operations.**

Wausau has reduced the operating budget by $2 million in the last two years alone. This has forced the district to close an elementary school, reduce staff development, delay textbook and curriculum material purchasing, increase class size in secondary schools, halt expansion of foreign language program, reduce extra-curriculars and transportation, forced the administration to hire “lower cost staff” rather than experienced teachers who cost more, pushed the district into deficit spending. —Charles Skurka, Wausau District Administrator
Merrill has a shortfall of $450,000 which will be covered by added fees, reductions in equipment, cutbacks in co-curricular activities and reductions in programs and personnel.—Frank Harrington, Merrill District Administrator

Stevens Point has reduced staff development, put a moratorium on textbooks, supplies, equipment, held equipment purchases, curtailed the writing in-service, reduced maintenance, reduced the programs for ESL and the gifted, cut secretarial staff, 3 administrative positions, student travel, playground money, curriculum development and the list goes on and on.—Mike O’Meara, Stevens Point School Board member

Frederick made $150,000 worth of cuts which included classroom aides, a school-to-work coordinator, a transportation coordinator/bus driver, athletic coaches, advisors and club funding. Next year we will have a shortfall of over $250,000. Our building budgets have remained the same since 1992. Obviously, costs have not remained constant.—Don Peterson, Frederick principal

We’ve lived here six years and I have two kids in the system. I’ve pretty much heard nothing but we’ve got to cut, we need to trim… I can’t think of one category that hasn’t been cut.—Paula Bell, Stevens Point parent

To control property taxes, we have a system… that forces districts to cut the “fluff”, the “it was good but we can live without it”, then “only some people think its important”, then well, “we know this is best practice but we’ll have to get along without it” then talking about how many years before we are bankrupt.—John Knowlton, Stevens Point teacher

**Key programs are not available to meet student needs.**

Our state standards have been improved and yet as our budget is squeezed, we are cutting those programs to help meet those standards. The legislature wants us to test children more and prepare them for the global marketplace, we can but this requires a significant investment.—Francis Bohon, Marshfield School Board member

I am worried about the brain drain that occurs. Marshfield Clinic is a big part of the economy and professional people come here but leave because the programs aren’t there for the education of their kids.—Donna Rozar, Marshfield parent

**Cuts in staffing levels and staff development are reducing the quality of schools.**

We have attempted to balance the budget by making $163, 127 in cuts for 2000-2001 and place minimal stress on system quality. But, you cannot cut all teacher overloads, reduce a school psychologist, eliminate part-time staff positions, eliminate 3FTE teacher positions, decrease teacher expenditures,… and not inflict unknown harm to the school and the community.—Michael Manning, Wonewoc-Center School District Superintendent

Viroqua is operating with six less teachers,… less staff development, field trips supplies, etcetera, than two years ago,… revenue limits are eroding our ability to deliver a quality education.—Angie Lawrence, Viroqua parent

The pool of dollars available to teachers for professional development hasn’t changed for a decade. In the meantime, the number of teachers has increased, the registration fees have skyrocketed and the cost of substitutes has increased… It isn’t that our school board doesn’t understand the importance of professional development. And certainly the policy-makers understand it because they’ve made it a key component of the new licensure rules. But when school boards are faced with decisions allocating dollars to staff development versus something as basic as keeping staff in the classroom, there really is little choice.—Mary Lee Reineking, Stevens Point teacher
In many cases, first graders know more about computers than teachers because there has been no funding for teacher training. —Carol Weston, Stevens Point parent

Facilities, technology and supplies are inadequate for current educational programming.

Two of my children had classes in closets in grade school. For the past three years, my fifth grader has had his classroom in a trailer isolated from the rest of the school... the computer labs have obsolete computers that can’t run current programs... When the computer club entered the statewide web page competition, club members came to my home to finish the project because the school computer didn’t have the capacity to store the data needed for the web page. —Carol Weston, Stevens Point parent

I am a parent of two kids from Washington Elementary where the computers are so old and so slow you want to throw it, and the kids in the computer lab are crawling all over each other because it is so small. —Trish Baker, Parent and Assistant District Administrator, Marathon County

In science last year, I had to sit on a stool because we didn’t have enough desks and I had to do my homework there. In technical education, the books are old and tattered because they put money into the wood. For science, we use Apple IIE computers and a lot of new software doesn’t even run on those old computers. —Mahalia Miller, Stevens Point student

I’m a parent of two kids from Washington Elementary where the computers are so old and so slow you want to throw it, and the kids in the computer lab are crawling all over each other because it is so small. —Trish Baker, Parent and Assistant District Administrator, Marathon County

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I’m a parent of two kids from Washington Elementary where the computers are so old and so slow you want to throw it, and the kids in the computer lab are crawling all over each other because it is so small. —Trish Baker, Parent and Assistant District Administrator, Marathon County

Teacher wages are low which makes it difficult to find and keep qualified educators.

There is a teacher shortage in many areas. One of the reasons is money. How many college graduates have to settle for $25,000 per year... The gap is growing and we are not able to pay signing bonuses and company cars. —Jim Friesen, Owens-Withee District Administrator

This year our district was granted a 3.8 QEO. Due to large insurance increases, our salary was decreased by $385 and we were frozen on advancement. —Jim Ganrude, Blair-Taylor teacher

While school districts are told they can use the public referendum process to override the spending caps, parents and educator groups have found the referendum process to be a formidable barrier.

In Stevens Point, we tried two referenda that failed. I worked on them and everybody who worked on them is too busy to do referendum. The referendum process, intellectually and theoretically, sounds very nice—the local control, the citizens making the decision — but it ends up on the back of about 24-40 people like me who are taken away from so many things. We have professionals who know what they are doing who could be doing this. —Trish Baker, Stevens Point parent

Most of the townships and municipalities have been reassessed so there has not been great taxpayer relief even though we received 2/3 state funding. The Trempealeau County Board is presently campaigning for a new jail and additional staffing. With this on the horizon, we are not optimistic about a referendum to exceed the
caps anytime soon.—Guy Leavitt, Blair Taylor Superintendent

After a failed referendum for building repairs... a true coalition of parents, community labor and civic groups, administrative and school personnel and townspeople worked even harder to make the case for student needs. Community events were held, massive outreach, phone call efforts and community education were completed. The funding request was turned down. —Michele Bjela, Stevens Point parent

There is a huge hurdle to jump when you ask people to approve a referendum when it is the only opportunity to say "no" to a tax.—John Knowlton, Stevens Point teacher

This region of the state is a low-wealth area with communities struggling to balance a deep commitment to education with the growing pressure of the state mandated revenue limits. Districts originally unharmed are now being affected because of declining enrollment.

Medford will have a $439,853 shortfall by 2003 which will need to be made up through staff cuts, reduction in programs and reductions in maintenance. Can we do it? Yes. Is it the right thing to do for kids? No.
—Paul Schroenberger, Superintendent

Forum participants expressed serious apprehension about the future of the region’s schools and more than one in three expressed a strong demand to see policy change occur.

The continued existence of Wisconsin small rural districts is soon to be a memory under the present system of funding. —Michael Manning, Wonewoc-Center Superintendent

We have reorganized our elementary and middle schools over the past two years to maintain quality education but we are running out of options. We need a change in the way we fund public education. The inequities are getting broader and local boards cannot continue to operate as we have in the last few years.
—Angie Lawrence, Viroqua parent

Northwest Region- Superior

October 12, 2000
Superior, Wisconsin

Commissioners:
Representative Frank Boyle, 73rd District
Jann Brill, Director, WITC
Ron Christensen, director, AFSCME in Superior
Winnie Doxsie, President, Wisconsin PTA
Darryl Helenius, Candidate for State Assembly, Superior
Senator Robert Jauch, 25th District
John Munson, Station Manager, Wisconsin Public Radio/KUWS
Ken Stubbe, Director, Superior-Douglas County Development Association
Mike Wallschlaeger, Chair, Department of Educational Administration, UW-Superior
Demographic and Enrollment Data

The northwest region extends from Grantsburg to Superior following the northern state border from Bayfield to Hurley, on the east to Manitowish and Park Falls and on the south through Weyerhaeuser, Rice Lake and Siren. The northwest region contains 23 school districts with a total 1999-2000 enrollment of 24,176 students. District size ranges from 243 (Mercer) to 5,344 (Superior) students; the average enrollment is 1,085. The districts in the northwest region have a significantly larger population of low-income students than the state; it has a poverty rate of 41.4% versus 25.9% statewide. The region’s minority student population is lower (10.2%) than the statewide average of 19.2%. The region has a larger number of special education students (14.9%) than districts throughout the state. The average revenue per pupil in the region is $9,227, ranging from $7,515 in Maple to $11,438 in the South Shore School District. The region’s median equalized value per student is $299,044 and its average $385,950. In Wisconsin the statewide K-12 average is $292,951.

Of the 23 districts in the region, 17 or 74% of them reported a decline in their three-year rolling average enrollments between 1999-2000. On average, the decline was 1.9% for these districts. Six districts experienced a decline greater than 2%, with South Shore the highest at .6.3% and Butternut following at 5.2%.

Overview of Testifying Citizens  (See Appendix 3 for speaker listing)

Six school districts where represented at the forum: Ashland, Maple, Mellen, Shell Lake, Superior and Washburn. A district administrator or school board member represented all of these districts except Maple. In addition, parents, teachers, students, building principals and other citizens gave testimony. The breakdown is as follows:

<table>
<thead>
<tr>
<th>Role</th>
<th>Testifiers</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>District Administrators/Business Mgrs.</td>
<td>6</td>
<td>7%</td>
</tr>
<tr>
<td>Teachers</td>
<td>14</td>
<td>17%</td>
</tr>
<tr>
<td>Building Principals</td>
<td>4</td>
<td>5%</td>
</tr>
<tr>
<td>School Board Members</td>
<td>3</td>
<td>4%</td>
</tr>
<tr>
<td>Parents</td>
<td>32</td>
<td>38%</td>
</tr>
<tr>
<td>Students</td>
<td>20</td>
<td>24%</td>
</tr>
<tr>
<td>Citizens/Community Leaders</td>
<td>4</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Total Number of Testifiers</strong></td>
<td><strong>83</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Summary of Testimony

There was a total of 83 people who gave written or in-person testimony in the northwest region. Many of the speakers did not provide organizers with a written copy of their testimony. Further, technical difficulties with the forum recording made it impossible to glean the testimony of 17 individuals who spoke towards the end of the forum and did not provide a written copy. Therefore, for comparative purposes, the total number of valid testimonies was 66 instead of 83. The 66 documented testifiers cited twelve areas which have been negatively impacted by the revenue caps in their district or school. In this region, program cuts, the majority of which were curricular, was the most commonly reported negative impact (33%), followed closely by increased class sizes and over-crowded classrooms (30%). Table 1 delineates these and the other reported negative impacts of revenue
There were a significant number of students who spoke at the northwest forum. The majority spoke in support of programs where potential funding cuts may occur, such as in the visual arts and music. Other students, several recent high school graduates, relayed the importance of extra-curricular activities and other special programs to the success of students in high school and beyond.

Speakers cited several factors that exist within their district/school that, when considered in combination with revenue caps, have produced further funding problems for the districts/schools. Table 2 indicates these responses.

**Table 2: Speakers Reporting Factors Exacerbated by Revenue Caps**

<table>
<thead>
<tr>
<th>Factor</th>
<th>N</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low or non-competitive teacher wages/teacher shortages</td>
<td>7</td>
<td>11%</td>
</tr>
<tr>
<td>Status as a low spending/below state average district</td>
<td>5</td>
<td>7%</td>
</tr>
<tr>
<td>Declining enrollment</td>
<td>5</td>
<td>7%</td>
</tr>
<tr>
<td>The QEO has a negative impact on finances, salary levels, and/or ability to recruit, hire and retain teachers</td>
<td>4</td>
<td>6%</td>
</tr>
</tbody>
</table>

In addition, eleven people (17%) expressed general concerns relating to a lack of equity in terms of finance and educational quality across the state. These speakers felt that students in the region (and the entire northern portion of the state) were not afforded the same educational opportunity as children in other parts of the state. The fact that students in this region are disproportionately poorer than elsewhere, live in areas with lower property wealth and go to school in lower spending districts creates an inequitable and inadequate educational system for them, particularly under the revenue caps.

Six testifiers (9%) stated that the annual revenue cap increases are inadequate in keeping pace with rising personnel and fixed costs. Two individuals noted that the under funding of special education by the state was forcing the displacement of funds away from other areas of the budget. Seventeen speakers (24%) offered recommendations on improving the school finance system. Twelve advocated for changes to the funding formula and four supported the restoration of full authority of school boards to raise local funds for schools. One speaker requested that the state provide larger annual revenue cap allowances.
Summary and Conclusion

The Forum on Revenue Caps in Superior on October 12 was the fourth in the series of forums held across the state and provided concerned residents from the northwest region of Wisconsin with an opportunity to testify on how revenue limits have impacted their school districts. There are 23 school districts in this region serving 24,176 students. The population of this region is 89% white with average equalized property value approximately $93,000 above state average. Special education enrollment is at state average. The low-income population is 15% higher than the statewide average. Eighty percent (80%) of the districts have declining school enrollments. While 83 persons from six district testified at the forum, testimony from only 66 is included in this report. Almost two out of three speakers were parents or students from the region with the other one out of three being educators or educational administrators. There were a small number of general citizens. The testimony provided on revenue limits directly fell into six primary areas:

Important programs have been reduced or eliminated.

For 1999-2000, the middle school had to eliminate 3.3 teachers and reduce programs in music, art, family and consumer education, industrial technology and language. The reading immersion program was cut altogether.
—John Blankush, Superior principal

We were forced in the 2000-2001 school year to reduce our summer school offerings, eliminate band in fifth grade, reduce a program to improve the writing skills of our students and reduce professional development for remedial programs.
—Benjamin Villarruel, Ashland district administrator

Over a two year period, we are losing over 16 sections of business class electives at a time when the demand for business classes is growing.
—Ed Gallagher, Superior teacher

Parenting classes have been discontinued and after school programming for social/emotional and academic needs have been discontinued. We have lost funding for field trips. Our district has a high proportion of disadvantaged students who will not get a trip to the Great Lakes Aquarium or visit the nursing homes to read to the elderly – all extra travel is cut.
—Karen Saarinen, Ashland library specialist

Class size in schools is continuing to grow.

My daughter has art and music only one time a week and during that time her class has to be doubled up with another kindergarten because the music and art teacher is not there enough. That means over 30 5-year-old students with one teacher.
—Brenda Schrader-Johnson, Superior parent

There are now significantly larger classes at the 4th, 5th, and 6th grade level.
—Mary Anne Korsch, Superior principal

My nephew in 8th grade is in a physical education class with 58 children and one teacher. This cannot be a safe environment.
—Tammie Walsh, Superior parent

As our enrollment continues to decline and we are forced to reduce expenses, we will be forced to further raise class size and reduce teaching staff who assist students deficient in academic areas... which impedes our ability to improve student performance on state tests. For a district with a high poverty rate and a significant minority student population, we need to maintain or increase resources.
—Benjamin Villaruel, Ashland district administrator
Staff cuts have negatively impacted a wide range of educational and support services in the schools.

This year there were 14 positions eliminated: two elementary classroom teachers, five middle school classroom teachers, five high school positions and one elementary library position. Because of these cuts, Superior students have larger class size, many with over 30 in class and fewer electives in technology, business, science, math, art, vocal music and band. — Jay Mitchell, Superior district administrator

School nurses are in schools only three hours each day. Children with chronic health needs (diabetes, asthma, ADHD) are monitored by their teacher, the school secretary or the principal the rest of the day. — Mary Anne Korsch, Superior principal

Students focused heavily on the negative impact of staff cuts in extracurricular programs and the arts.

I am a student involved in swimming, forensics, the spring musical. High school is an opportunity to do things we love but may not have the chance to participate in after high school. This is our chance, please don’t take it away. — Katie Heisel, Superior High School student

There are 2,842 elementary art students being taught and evaluated every week by only four full-time art educators who also put on art shows, decorate for student programs and design art curriculum. — Craig Petersberg, Superior teacher

My life has been greatly enriched by having taken music classes and I can’t imagine school without these programs. — Misty Williams, senior at Superior High School

Schools are attempting to educate students with outdated or inadequate textbooks and materials.

In my son’s elementary school, the textbooks are old and in bad repair and there’s not always enough to go around. This year the exciting buzz was that sixth graders had new math books and were not going to have to share. — Donna Flake, Superior PTA leader

In my German textbook, the Berlin Wall has not fallen yet, so I definitely think we need new textbooks. — Crystal Nisle, Superior student

Basic maintenance is a luxury for many schools in this region.

District fuel costs have increased 17% to over $100,000 this year. Natural gas costs have risen 25% to over $110,000. Cutting bus routes is not an option. Students wearing jackets in cold classrooms is not an option. — Donna Spotts, Ashland parent

We are considering keeping the thermostat at 60 degrees in the upper grades to meet budget limits in the face of rising heating costs. — Jay Mitchell, Superior district administrator

If it could be possible, please just give us enough money to heat our building, Please. — Katie Heisel, Superior student
The district is unable to provide appropriate technology training due to inadequate computer and technology resources in the schools.

The minor increase allowed under the caps has not kept pace with the rising cost of modern education. Our kids will be coming out of the public school system having learned their computer skills on old and outdated computers because the district can’t afford to keep up with the new technology. What kind of education is that?
— Jodi Thronton, Washburn parent

The districts in the area are struggling to meet educational goals faced with the general budget shortfall.

This year, we are struggling to maintain most of the services we offered to our students in 1998 but with 25% less staff, class sizes that exceed thirty students, less available time and the same challenges as two years ago. I have to ask myself, “How much is too much?” — John Blankush, Superior principal

Decisions on which programs to reduce, which positions to leave vacant, what repairs to delay for another year — these are tough decisions. My time on the school board has been less of making the best possible education for our students and more concerned with doing the least possible damage. — David Tunell, president Superior school board

Many speakers spoke out against the lack of educational equity in the state. Parents and educators alike felt that the northwest region, particularly in the districts close to Superior, the lack of property wealth and the spending caps were creating conditions that left young people without a fair educational opportunity when compared to other, wealthier districts.

Why should children in Superior have less than someone in a district with higher per pupil expenditure? Why should our students in seventh grade not have vocational tech when almost every other school in the state has that offering? — Jay Mitchell, Superior district administrator

The forum in northwest Wisconsin was the largest (over 500 people attended) and longest (commissioners heard testimony for over 3 and one half hours) in the state. The level of concern was profound and the sense of real crisis was palpable. Families and educators from the northwest are want relief from the revenue limits and the chance to provide their children with the education needed to compete effectively.

Where does it all end? How much damage must be done before the message is heard? — John Blankush, Superior principal

A quality education is something I feel so strongly about that I have taken time away from my family and driven 80 miles here tonight to let you know how I feel. Please help the community of Washburn and the other communities of northern Wisconsin supply our young people with the possibility of a quality education by seeing that the revenue caps are repealed and that education funding can be more equitably distributed. — Christina Sauer, Washburn parent
Southeast Region- West Allis

October 17, 2000
West Allis, Wisconsin

Commissioners:

Rita Cheng, professor, UW-Milwaukee School of Business
Alderman Michael D’Amato, 5th District
Senator Alberta Darling, 8th District
Winnie Doxsie, president, Wisconsin PTA
Herbert Grover, former State Superintendent of Schools
Reverend Robert L. Harris, WISDOM
Supervisor Ken Herro, Waukesha County
Senator Mary Lazich, 28th District
Bill Marris, business owner, Oconomowoc
David Meissner, director, Public Policy Forum
Representative Sheldon Wasserman, 22nd District

Demographic and Enrollment Data

The region includes the southeastern corner of the state from Kenosha to Cedarburg, west to Waukesha and Washington Counties and West Bend on the north and Lake Geneva and most of Walworth County on the south. The southeast region contains 92 school districts with a total 1999-2000 enrollment of 304,251 students. District size ranges from 81 (Dover #1) to 101,905 (Milwaukee) students; the average enrollment is 3,307. The districts in the southeast region have significantly smaller populations of low-income students (9.0%) than statewide average of 25.9%.(Milwaukee is the exception at 80.5%) The same holds true for the minority student population, which is 9.1% for the region and 19.2% statewide. The region has a lower number of special education students (11.8%) than districts throughout the state (13.9%). The average revenue per pupil in the region is $9,009, ranging from $6,228 in Union Grove J1 to $13,618 in Nicolet. The region’s median equalized value per student is $452,986; its average is $665,132. The K-12 state average is $292,951.

Of the 92 districts in the region, 25 or 27.1% of them reported a decline in their three-year rolling average enrollment between 1999-2000. On average, the decline was .7% for these districts. Four districts experienced a decline greater than 2%, with Herman the highest at 6.8%.

Overview of Testifying Citizens (See Appendix 3 for speaker listing)

Twenty-three school districts where represented at the forum: Bristol, Cedarburg, Elmbrook, Fox Point, Franklin*, Germantown, Glendale-River Hills*, Grafton, Greendale*, Hartland-Lakeside*, Kenosha, Menomonee Falls, Milwaukee*, New Berlin*, Oconomowoc*, Racine*, Shorewood, St. Francis, Waukesha, Wauwatosa, West-Allis-West-Milwaukee*, West Bend and Whitefish Bay. A district administrator or school board member represented nine of these districts, indicated by a *
above. In addition, parents, teachers, students and other citizens gave testimony. The breakdown is as follows:

- **District Administrators/Business Mgrs.** 7 12%
- **Teachers** 8 14%
- **School Board Members** 5 8%
- **Parents** 31 53%
- **Students** 5 8%
- **Citizens/Community Leaders** 2 5%
- **Total Number of Testifiers** 58 (100)

**Overview of Testimony**

The 58 speakers cited several areas which have been negatively impacted by the revenue caps in their district or school. In this region, program cuts, predominantly curricular, were the most commonly mentioned impact at 27. This was followed closely by increasing class sizes and over-crowded classrooms, which was reported by 21 or 36% of the testifiers. Staff reductions were also commonly cited by 31% of the speakers. Table 1 delineates the most frequently reported negative impacts of revenue caps in the southeast region.

**Table 1: Speakers Reporting Specific Negative Impact of Revenue Caps**

<table>
<thead>
<tr>
<th>Impact Areas</th>
<th>N</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Cuts</td>
<td>27</td>
<td>46%</td>
</tr>
<tr>
<td>Increased class sizes/overcrowded classrooms</td>
<td>21</td>
<td>36%</td>
</tr>
<tr>
<td>Staff Cuts (instructional and other)</td>
<td>18</td>
<td>10%</td>
</tr>
<tr>
<td>Outdated or inadequate textbooks/curricular materials</td>
<td>17</td>
<td>29%</td>
</tr>
<tr>
<td>Inadequate computers, equipment, use of technology</td>
<td>17</td>
<td>29%</td>
</tr>
<tr>
<td>General budget cuts/shortfalls/deficits</td>
<td>13</td>
<td>22%</td>
</tr>
<tr>
<td>Delayed or postponed maintenance or building projects</td>
<td>7</td>
<td>12%</td>
</tr>
<tr>
<td>Depleted/low fund balance remaining</td>
<td>1</td>
<td>2%</td>
</tr>
</tbody>
</table>

Other less frequently cited impacts were: reduction or elimination of staff development activities (5%) and the spending down of the district’s fund balance (2%).

Speakers cited several factors that exist within their district/school that, when considered in combination with revenue caps, have produced further funding problems for the districts/schools. Table 2 indicates these responses.
Table 2: Speakers Reporting Factors Exacerbated by Revenue Caps

<table>
<thead>
<tr>
<th>Factor</th>
<th>N</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>The QEO has a negative impact on finances, salary levels, and/or ability to recruit, hire and retain teachers</td>
<td>9</td>
<td>15%</td>
</tr>
<tr>
<td>Low or non-competitive teacher wages/teacher shortages</td>
<td>7</td>
<td>12%</td>
</tr>
<tr>
<td>Inadequate state reimbursements for Special Education</td>
<td>6</td>
<td>10%</td>
</tr>
<tr>
<td>Inadequate state reimbursements for</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ESL and other mandates</td>
<td>5</td>
<td>9%</td>
</tr>
<tr>
<td>Status as a low spending/below state average district</td>
<td>2</td>
<td>3%</td>
</tr>
<tr>
<td>Declining or open enrollment</td>
<td>2</td>
<td>3%</td>
</tr>
</tbody>
</table>

Seven speakers recounted their experiences with holding referenda in their districts. The majority spoke about the difficult nature of passing referenda, especially for operating expenses/to exceed the revenue caps.

Seventeen testifiers offered recommendations on improving the school finance system. Three felt that the revenue cap increase should be greater, including to minimally match the QEO percentage. Eight advocated for changes to the funding formula, and one for carve-outs or exemptions to the caps for technology and building expenditures. Four speakers recommended restoring the full authority of local school boards to raise local funds for schools.

**Summary and Conclusions**

The Forum on Revenue Caps in West Allis on October 17th was the fifth in the series of forums held across the state and provided concerned residents from the urban and suburban areas of Southeastern Wisconsin with an opportunity to testify on how revenue limits have impacted their school districts. There are 92 districts in this region serving over 304,251 students. While the overall population of this region is more than 90% white, this region includes districts with high minority populations (Milwaukee at 73% and Racine at 38%). The average equalized property value is approximately $370,000 above state average – again including a number of districts with property wealth far below state average (Milwaukee at $160,703) Special education enrollment is 1% below state average. Less than one in three of the districts have declining school enrollments.

Fifty-eight persons from 23 school districts testified at the hearing. Over 60% were parents and students. One in four were school administrators or teachers and one in six were either school board members or concerned community leaders.

Diverse districts were represented at the hearing – wealthy suburban districts, property poor urban districts and small towns – but in spite of these differences, all have experienced serious budget shortfalls because of the revenue limits.

**Budget shortages have had a widespread impact on multiple aspects of school districts operations:**

New Berlin had eliminated 8.5 teachers, a District psychologist and 2 guidance counselors, two library positions, an athletic Director, two aides, an audio visual position and three clerical staff, reduced book purchases,
extra curriculars and busing, staff development, lowered salaries and increased fees and book rental costs in the first years after spending caps were implemented. Then in 1999-2000, a $2 million cut was required so the district had to eliminate 12.5 teaching positions including teachers of foreign languages and the gifted and talented. Over that the district cut 2.5 guidance staff, one nurse and a psychologist, a principal, a maintenance person and two aides. The district eliminated some coaching, all department coordinators and the middle school health program while reducing staff development. —Dick O’Connor, New Berlin School Board President

Greendale has been forced to make budget cuts of $1.2 million in the last three years. Among these cuts have been an elementary principal, 9 teachers, two librarians, a reading specialist, an elementary school guidance counselor, the high school technology education teacher, over 20 full time support staff, busing, extra co-curriculars, drivers’ ed and much more. We have frozen wages for maintenance personnel, coaches and extra curricular programs. Middle and high school classes have increased to 30, even the AP classes are projected to increase to the mid-30s within 4 to 5 years. —Jim Germain, Greendale School Board President

In Grafton, our schools are falling apart. While enrollment has remained constant, over the past eight years, programs have been cut, classes have become overcrowded, maintenance delayed. Resources have been stretched to the bone. —David Hofferbert, Grafton parent

“Responses to budget shortfalls can include postponing maintenance, eliminating infrastructure and technology improvements, eliminating extra-curricular programs and athletic opportunities, delaying implementation of security measures, delaying the purchase of books, increasing class sizes, and reducing staff.” —Anne Weiland, Menomonee Falls parent

The Hartland/Lakeside district has operated at a deficit for the past two fiscal years, in the last three years, the district has made numerous cuts including: eliminating summer school and the 5th grade science specialist; reducing library services, remedial math and reading, guidance, at-risk support services, gifted and talented program, maintenance and custodial services; deferring technical education, family and consumer education and computer application teacher. —Jeff Gruber, Hartland-Lakeside District Administrator

Cuts in staffing levels, pay and staff development are reducing the quality of schools.

In Madison, all resource teachers were eliminated, We lost the coordinators for math, science, art, phys ed and health. Vocational and advanced placement courses lost out, Our administrative staff with the expertise to act as resources to improve teaching have been cut and cut again. They work 60 hour weeks and are being courted by private industry where they can work less and earn more. —Kathy Zingsheim, Madison school board member

The new teacher licensure regulations create opportunity for meaningful performance goals as a condition of license renewal and advancement. But this license “revolution” will require new revenue for training and mentoring and serving on peer review committees. —Anne Weiland, parent, Menomonee Falls

In Glendale-River Hills, the administrative staff has been cut by 30%, the teaching staff by 17% and the custodians cut by 15%. —Robert Kattman, Glendale-River Hills District Administrator

Teacher salaries are significantly lower than what comparable college educated professionals make. Lest you think this is an issue purely of self-interest to teachers….Data shows that, controlling for parents’ educational level, income and later educational attainment, the earnings of male high school graduates increases by 1% for every 3% increase in the average teacher salary in their high school. —Cheryl Maranto, Associate Dean of Marquette University School of Business
Key programs are critical to meet student needs and spending caps are placing these programs in jeopardy.

Woodshop, auto mechanics, metal shop, home economics, general business and school guidance services are either extinct or nearing that. These are classes that are both needed and wanted with basic skills for future workers. —Dianne Satton, New Berlin parent

Kenosha has an after school program for 19,000 middle schoolers in danger of closing. Of those who attend the program, 98% are free of delinquency referrals, 62% decrease truancy, 72% maintained or improved their grade point. —Jill Anderson, Kenosha parent

Last year, budget cuts of $3.5 million were enacted and the students lost elective classes and music, art, consumer and tech ed were cut in half. The contact advocate teacher was cut so middle school students have no parent conferencing. How am I to know if my child is progressing, what her strengths and weaknesses are and what I can do to help? —Karen Zickus, Racine parent

The art teacher is reduced to 1/10 time. Music and gym teachers are only _ time. Instead of having art classes each week, they have art class once a month. —Peter Blewett, Milwaukee parent

This year we only have a librarian two days a week. We cannot go to the library as often to check out books and she is unable to teach us library skills or information seeking skills to get us ready for a high tech world. —Alex Kowalsky, Milwaukee student

The middle school lost the reading teacher and two family and consumer teachers as the classes got larger. The elementary foreign language program was eliminated. —Kathy Engsheim, West Allis/West Milwaukee parent

The language immersion school has sustained budget cuts over the last four years that have seriously cut into most programs. Art and music have been cut to the bone, we had to eliminate all extracurriculars except athletics. —Marcia Lynn Morris, Milwaukee parent

Facilities, technology and supplies are inadequate for current educational programming

We are one of the fastest growing communities in Southeastern Wisconsin. Our schools are already at full capacity and there are no plans for new schools or extensions to existing schools. As classroom sizes grow, the children’s education will suffer... Our library, textbooks and related materials and computer facilities need updating. —Rebecca Stolfi, Pleasant Prairie parent

Over the past two years, our PTO has spent $5,000 on new desks replacing the originals built in 1957, Instead of raising money for new books, field trips or assemblies, we are buying furniture so our children have a safe place to sit. My initial reaction was to blame the district but I quickly learned that with expenses like salaries, electricity and transportation increasing at twice the rate of revenue limits, there wasn’t enough for major repairs, much less furniture. —Frank Finman, Waukesha parent

We do not have enough money to replace equipment that breaks down and my class of 26 has to share 10 scissors and six bottles of glue to complete an art project and we’re not sure there will be any supplies for the next time. —Michael Guadalabene, Milwaukee student
Students with special educational needs face greater barriers to securing appropriate instruction under the revenue limits.

Our children require specialists—Special Needs teachers, Speech Pathologists, Occupational and Physical Therapists and teaching assistants to help them stay in an “inclusive” classroom. This requires a lot more money than regular curriculum. The additional money that the state pays is not nearly enough. In our district alone, the number of children enrolled in special needs programs have doubled in the past two years. My daughter has lost access to several regular classrooms. She asked me if this is happening because I forgot to give her a good brain when I made her. —Kelly Hurda, Bayside parent

Students having certain physical needs such as the hearing or visually impaired have extensive costs -- $32,000 for one hearing impaired child. These dollars compete with the needs and programming of regular education children. In 1989, our classroom budgets were $1,200 to $1,800. In the current year, it is $225. —Susan Katrosits, Special Education teacher, Grafton

For children who cannot speak English, a key requirement is an enormous amount of extra help. They need assistance learning English and in the classroom when coursework is particularly difficult, they need help just to take the tests. There are over 200 non-English speaking children in Shorewood from 20 different countries and they speak 27 languages. —Mary Gundrum, Shorewood parent

With the combination of revenue limits and the lack of state reimbursements as authorized in Wisconsin Statute section 115.88, we are forcing school districts to determine which group of children get the better education. I would like to send my son’s Individual Education Plan to Madison with a big red stamp that reads “STATE MANDATED SPECIAL EDUCATION NOT RECEIVED DUE TO INSUFFICIENT FUNDS!” —Gail Kolvenbach, St. Francis parent

Forum participants expressed serious apprehension about the future of the region’s schools and many expressed a strong demand to see policy change occur.

The revenue limit does not allow adequate growth for certain market based realities.

This year, MPS was faced with a structural deficit of over $30 million. One third of that was caused by a 12% increase in health insurance costs. What revenue limits force us to do with cost increases like health insurance that are beyond our control is to make cuts in areas that we can control. And more often than not, those cuts effect kids. —Michelle Nate, Finance Director, Milwaukee

Locally elected boards of education must be permitted the financial latitude to maintain and improve the institutions which serve our children. I fear that without fundamental reform of revenue cap legislation, the quality of schools will quickly erode and the price we have paid for property tax relief will be far higher than anyone intended. —Anne Weiland, Menomonee Falls parent