

Rural Schools Task Force

10-23-13

Good afternoon

I would like to take this opportunity to welcome you to Rhinelander. I am Kelli Jacobi, the new Superintendent for the School District of Rhinelander. This is my 33rd year in education. I have been in Rhinelander since 1991 - as a teacher, a principal, the Director of Instruction, and as of July 1st – the Superintendent. I am very proud of our school district and I hope you enjoyed the tour of the high school. I would be happy to provide tours of the whole district at a later date upon request. We have much to be proud of and I'll share more about that this afternoon.

The School District of Rhinelander covers 411 square miles and is located in Oneida, Lincoln, and Langlade counties and encompasses the city of Rhinelander and the 9 surrounding townships. The School District of Rhinelander currently has just fewer than 2500 4K – 12th grade students. SDR currently has 278 employees and is one of the largest employers in the community.

I would like to share a little bit of Rhinelander's history to help put the following information in perspective - Since the 2002-2003 school year, SDR has made over 11.5 million dollars in cuts to balance the budget. Our current budget is just under \$30 million. We started by making cuts to areas that didn't directly impact students and student learning, such as:

- cuts to the maintenance budget
- reducing supply budgets
- eliminating holiday parties
- reducing out of district travel
- and other similar reductions

As the years passed we found we had to make cuts that had a much more negative impact on our district, students, and community. Some examples are:

- eliminating a foreign language program
- reductions in teacher, administrator, and support staff positions

- closing 5 buildings (4 schools) and consolidating students into fewer buildings
- outsourcing our maintenance, custodial, and food service programs

I could go on and on. We have been proactive in trying to solve our worsening financial situation. We are running out of options. We are a declining enrollment district. Our state aid has also been declining. We are in a unique position. We have high property values and high poverty. Much of the high value property in the district is owned as vacation property by people from outside the Rhinelander community. This type of situation wasn't taken into account when the original school funding formula was established.

Poverty/State Aid/Household Income

School	% of F/R Lunch	% of State Aid	Median Household Income
Antigo	54.48%	65.66	\$36,922
Baraboo	44.86%	54.50	\$47,091
Merrill	42.60%	69.30	\$38,671
Milton	22.40%	60.75	\$55,179
Monona	19.86%	35.04	\$52,905
Monroe	40.30%	63.76	\$40,441
Mosinee	30.43%	57.98	\$49,765
New London	36.89%	68.00	\$45,856
Port Washington	25.19%	47.70	\$56,713
Portage	39.40%	50.80	\$43,428
Reedsburg	52.30%	52.12	\$42,813
Sauk Prairie	31.06%	43.03	\$44,872
Shawano	53.86%	52.25	\$37,686
Whitefish Bay	0.00%	33.90	\$108,162
Rhinelander	47%	17.00	\$34,931
Wisconsin Median Household Income in 2011			\$52,374
Source: Median Household Income: US Census Bureau, % of Free and Reduced Lunch and % State Aid: DPI website			

High Poverty

When looking at the free and reduced numbers for our district. The 47% district average doesn't show the whole picture. Our elementary schools are all at 50 – 61% free/reduced. As the students get older, families are less likely to complete the free/reduced application. But we know that the same students that received free lunches in elementary grades are the same students that are in our secondary schools. We know that this happens in many districts and believe it should be taken into consideration when looking at how best to fund schools.

Declining State Aid

Property Taxes and State Aid

Property Taxes Include Revenue Limit Exemption for Operational Purposes and Energy Exemption

Year	Total Revenue Limit	Property Taxes	Percentage of Property Taxes	State Aid	Percentage of State Aid
2000-01	\$ 25,284,736	\$ 12,035,267	48%	\$ 13,249,469	52%
2001-02	\$ 25,848,349	\$ 13,460,627	52%	\$ 12,387,722	48%
2002-03	\$ 26,269,657	\$ 14,124,546	48%	\$ 12,145,111	46%
2003-04	\$ 26,689,149	\$ 15,351,872	58%	\$ 11,337,277	42%
2004-05	\$ 27,101,253	\$ 17,012,020	63%	\$ 10,089,233	37%
2005-06	\$ 27,307,195	\$ 15,613,885	57%	\$ 11,693,310	43%
2006-07	\$ 27,420,167	\$ 16,560,823	60%	\$ 10,859,344	40%
2007-08	\$ 27,914,896	\$ 18,600,885	67%	\$ 9,314,011	33%
2008-09	\$ 27,597,076	\$ 19,875,455	72%	\$ 7,721,621	28%
2009-10	\$ 28,041,214	\$ 21,412,770	76%	\$ 6,628,444	24%
2010-11	\$ 28,695,570	\$ 23,074,295	80%	\$ 5,621,275	20%
2011-12	\$ 26,147,462	\$ 21,087,157	81%	\$ 5,060,305	19%
2012-13	\$ 25,085,239	\$ 20,788,835	83%	\$ 4,296,404	17%

Referenda History

Rhineland has attempted many referenda over the years with many of them being voted down. As a district we have been working hard to build trust and improve communication with our community to help all stakeholders better understand the district's finances and the steps that have been taken to be fiscally responsible. The community has been much more supportive with the last several

referenda. In 2010, the community supported a referendum to complete additions to two of our elementary schools and for maintenance, repair, and improvement projects at most of the other schools. At the same time, voters approved a referendum to exceed the revenue for three years by 1.5 million a year for 3 years. In February of this year, the voters authorized the district to exceed the revenue limit by 4 million dollars per year for three years.

Revenue Limits Per Student

We have been doing some research in preparation for this meeting in regards to revenue limit per pupil. Rhinelander currently has the authority to levy \$9,277.20 per student. The range of districts across our state is \$9,100 as a low and \$18,915.48 as the high. Are the students in Wisconsin valued so differently from district to district? Should they be valued so differently? Isn't this in fact a form of discrimination? I believe Rhinelander students are just as valuable as all other students in the state, but in reality we are # 145 out of 424 on the low end of the range. If we were allowed to levy up to the mean revenue limit, we would be able to levy up to \$9,870 per student which is an increase of almost \$600 per student.

Transportation Costs

As mentioned previously, SDR covers 411 square miles. We have 31 bus routes and 2,320 miles are driven each day. Our transportation costs are huge – at just over 1.5 million dollars per year and we don't qualify for aid for high transportation costs. We haven't quite reached 150 % of the average transportation cost. Our total general fund (Fund 10) expenditures for 2013-2014 are \$28,179,115.

Sparsity Aid

Sparsity aid is another area that would benefit Rhinelander with a few changes. Our district membership is approximately 6 students per square mile, less than the 10 member criteria. Our poverty rate is more than double the criteria set for sparsity aid. The school student district membership is what prevents our district from receiving this aid. High poverty and few student members per square mile should be sufficient for a district to qualify.

SAGE

We are a sage district and appreciate the help in lowering our K -3 class sizes, but

it's not a fully funded program and with our next round of budget cuts, SAGE could be one of the cuts we would have to make. We would like to see the funding be increased.

Youth Options

Youth Options is another area that we could use the state's help to support this requirement. Youth Options is a great opportunity for students but the costs continue to rise. We spend about \$35,000 per year on our Youth Options Program. We are very lucky to have Nicolet College right here in our community; it's a great opportunity for our students, but as more students take advantage of the opportunity the costs continue to escalate.

Other Issues

There are other issues that I will touch on briefly that the Rural Schools Task Force could work on with us to find solutions. Some of these issues are:

- Increasing the availability of high speed internet in rural areas
- Start date and number of day requirements
- Support for Wisconsin Virtual School and other virtual options for public school students
- Allow retirees to come back to work for more than 50%, especially in hard to find a subject areas
- Providing relief from additional mandates that take time and funding away from core instruction

Other Ways to Fund Schools

There is a plan on the DPI website – The Fair Funding for Our Future Plan – that addresses many of the issues that I have shared:

- Makes our school finance system more fair, sustainable, and easier to understand
- Guarantees a minimum amount of state funding for every student
- Accounts for family income and student poverty instead of relying solely on local property values
- Provides additional support to rural schools and schools with declining enrollment

- Holds the line on property taxes
- Directs all state aid right to the school boards
- Establishes predictable growth in state funding for schools
- Restores additional revenue limit authority to all districts

We know that there are brilliant people in Madison and throughout the state that could work together to come up with funding solutions for the school districts that are equitable and make sense. This should be a top priority!

It is disheartening to me to hear that there is no money to increase support for struggling schools, but \$100 million magically appears for property tax relief. I hope that all legislators decide to work together to keep Wisconsin schools strong.

Thank you for your time!