Chairman Swearingen, Vice-Chairman Clark, and Distinguished Members of the Rural Schools Task Force, I would like to thank you for your invitation to appear before you to share my concerns as a rural school administrator. I would also like to thank Speaker Vos and any others responsible for the formation of this important bi-partisan committee. I know I can speak on behalf of many other rural school administrators, school board members, teachers, ancillary school staff, parents, and community members who are hopeful that your findings and the recommendations your committee will take back to the Legislature and the Governor, will result in legislative actions that will address the critical issues that rural schools are facing today.

My name is Steven Sedlmayr, and I have served my 35-1/2 years as a professional educator exclusively in small rural schools, 11 years in North Dakota and the past 24-1/2 years in Alma. The first three years were as a teacher and coach, the following four years were as a principal, teacher and coach, and my last 28-1/2 years as a superintendent in two districts, Leonard, ND for 4 years and Alma, WI for the past 24-1/2 years.

I would like to share some information regarding our school district, which we were honored to have you visit this morning. Our only regret is that the extreme winter weather conditions we are experiencing kept you from observing our staff and students as they proceed through a typical school day. You would have observed our elementary students during reading and English language arts instruction along with some physical education classes. In our junior and senior high school you would have observed our typical morning classes.

The issues I will address this morning are issues that not only affect my school district, but many other small, rural school districts who face many of the same issues we face. I am also glad that you came to our lovely area of our State. We are blessed with the scenic beauty of the Mississippi River, the bluffs, the hardwood forests, spring-fed creeks, and the wildlife that we share our area with. Because of our location and the natural attractions it holds, we find ourselves in a school funding dilemma. This situation brings me to my first area of concern.

Declining Enrollment / Increasing Property Values = Decreased Equalized Aid

Our school has been termed the “State Champions of Declining Enrollment” by an area newspaper reporter when the WI Taxpayers Alliance published a document on this issue five years ago. This dubious distinction does not put a trophy in the trophy case! As membership and cost per member is a major factor in the equalized aid formula, we have been impacted severely by declining enrollment.

Another unique issue that is faced by many small rural schools who find themselves along the Mississippi River and some of the inland lakes in our state is the increasing value of recreational land. The Pepin School District because of the availability of
property for building sites along Lake Pepin on the Mississippi has seen a dramatic increase in their values. Our school district can contribute some of our valuation increase to the Mississippi, but much of our increased valuation is due to the well-known fact in whitetail deer hunting circles, that Buffalo County is one of the prime deer hunting areas anywhere. This knowledge and the desire of many hunters with fiscal means to have their own hunting area, has brought the value of hunting land from the $100 to $200 per acre price to $5,000 to $8,000 per acre over the past several years. This has impacted the value of comparable property throughout the district. Much of these properties have been put into programs such as the Managed Forest Land program and others, which reduce the tax liabilities for those who enroll according to the stipulations, while many farmers in our area who live and work Century Farms, do not enroll in these programs, which leaves them with an increased tax liability.

Put declining enrollment together with increasing property values and you will find your school district in a situation of drastically shifting the proportion of revenues from state equalized aid to local property tax as sources of revenue as well as the amount of revenue you are allowed to operate. With a reduction in homestead credits and the many property tax credits for businesses and agricultural land, an ever increasing burden is placed on residential property owners or renters, many of which are on fixed and low incomes in our rural communities. I have attached a historical overview of the impact of the combination of severe declining enrollment and increasing property values that have occurred during my tenure as superintendent here in Alma.

Our funding formula also uses the cost per pupil as a major factor in determining equalized aid. It is well recognized by many, including legislators, that our equalized aid formula which uses property values as the “equalizing factor” in determining the ability of school district residents to pay school property taxes, is broken. While real property values look good on an individual’s asset sheet, it is not liquid unless liquidated! The income factor, which many argue is more of a factor in the ability to pay is not considered in our current formula. In North Dakota, (I haven’t said that phrase very often since my first 6 months here in Wisconsin, but it is worth noting now) we had a foundation aid formula that understood the “economy of scale” factor. Rural school districts with total enrollments under 400 students received a “weighting factor” which gave students in grades 4 through 8 a weighting factor of 1.3 for each student enrolled in those grades. For students in grades 9-12, a weighting factor of 1.7 was applied. It was understood that the cost of educating a high school student was greater than an intermediate grade student, which was greater than the cost of educating a primary (K-3) student. This small school weighting factor survived a challenge from the larger schools in the state who challenged the North Dakota funding formula. The principle behind this is certainly worth a study to see if it would be a viable solution to better help the rural schools to continue to provide the students in their districts a quality education.
Reduced Staffing & Staff Sharing

How do you deal with this situation? You prepare! It does require that you have the foresight to identify the reduction in aid and revenues that will ensue, and it requires that you develop a plan to reduce costs long before you face the dramatic losses.

It is nice to be able to reduce staff through attrition. In our district’s situation, we seldom lose staff to other districts. Of the 27 teachers under current contract with our school district, I have hired only 18 during my 25 years. My predecessor hired 9. That speaks well for our retention rate. While attrition has worked in most situations, we have had lay-offs of staff from full-time status and we have done this without cutting programs. Fortunately, we have been able to return some of those positions to full-time status.

Our partnership over the past nine years with the Pepin School District has resulted in an increase in the sharing of staff. Our close working relationship has resulted in finding ways that both districts can benefit when staff retirements or resignation creates a void in staffing needs. Currently we share the following positions with Pepin: School Psychologist (25+ years and the last 3 years also shared with Plum City), Physics, Vocal Music, Family and Consumer Education, Library/Media Specialist, and Art. In addition, our district shares a Speech/Language teacher with Plum City.

We have also reduced staffing through our successful cooperative sports programs on a junior and senior high school level with the Pepin School District.

In all schools, staffing (salaries and benefits) make up the largest percentage of budget costs, therefore, staffing to appropriate levels for the enrollment must be a primary consideration when reducing budgets. Over the past 12 years, we have eliminated over 12 full-time equivalency positions (20% of our staff) including teachers, paraprofessionals, an administrator, a custodian, food service staff and a part-time clerical position. When this happens, those remaining are left to pick-up the slack. With the understanding and cooperation of a highly skilled and dedicated staff, we have survived these cuts.

This has been possible because teachers have obtained additional certification and have taken on additional classes and responsibilities with little or no additional pay. Without some of the specialists that larger schools provide, our teachers review data of student progress and plan and carryout individualized instruction for students who are not achieving at grade level and plan and provide enrichment activities to those students they feel are up to that challenge. I cannot say enough about the quality and professionalism of my teaching staff!

Paraprofessionals also have increased duties and responsibilities in playground supervision and assisting teachers in the classroom. They appear to be driven by their
dedication to the students and the teachers they work with as well as the school district in which they live and are employed.

I don't like to talk about the effects of administrative cuts because it can appear to be self-serving. Two years ago, our high school principal and athletic director of 37 years retired. He was a truly dedicated individual who left no stone unturned and no duty unfinished. Therefore, there were some pretty “big shoes to fill” (both literally and figuratively as he wore size 15 shoes) when he left! This required our school district to look at administrative restructuring. In addition to their other duties, the superintendent, elementary principal, guidance counselor and high school English teacher, bookkeeper, high school secretary and head custodian took on additional responsibilities in areas of discipline, teacher supervision, staff inservice and training, student progress monitoring, scheduling, transportation direction, athletic director, student attendance monitoring, food service reporting and more. Individually, small school administrators assume the sole responsibility for duties that are held by several staff in larger districts. In small districts you have the same number of reports to file and initiatives to facilitate. You just have smaller numbers to fill in on the reports, and you have fewer people to be responsible for them. During this time in public education, when everyone in the building is faced with new initiatives and is already stretched beyond reasonable expectations, there is no one to delegate things to. Again, the dedication of everyone on staff “stepping in” and offering to when they see the need, makes the difference in the remarkable success of the small rural schools in our State.

**Future Staffing and Staff Retention**

This is an issue that will first strike the rural school districts in our state. In fact, in some geographic areas and curricular disciplines, it already has. Twenty-seven years ago, as a second year superintendent in a very popular geographic area just outside of Fargo, North Dakota, I sought someone to fill a K-12 music position (band and vocal). My district was 1 of 7 seeking the same. No one was getting any applicants for the position. As I am a native Iowan, I got the idea to put an ad in the Teachers Wanted section of the Des Moines Register, which was the major source for teacher opening announcements in the state at that time. I had two applicants for the position, I drove to Iowa and interviewed each in the Amana Colonies just outside of Iowa City and Cedar Rapids. Luckily I hired an outstanding applicant, and giving the other applicant’s name to a neighboring superintendent, he was able to secure that person for his vacancy. Currently, there is a shortage of speech/language teachers, and vocational education teachers (including Vo-Ag, Tech-Ed, and Family and Consumer Education). Last year a rural school within a short distance of where we sit had four applicants for an elementary teaching position. Even rural schools would have between 75 and 125 applicants for those positions within the last 5 or 6 years.
I am pleased to learn of a piece of legislation that would provide for loan forgiveness for teachers willing to work in rural schools. This would be a good start, but we must look at a competitive salary and benefit package to entice potential candidates for teaching to go through the rigors and the costs of getting a teaching degree and to stay in the profession. As much as needing competitive salary and benefit packages for teachers, we as a society need to demonstrate the respect for this profession which touches the lives and impacts the future for so many. Without this, how can we expect to recruit the best and the brightest into the field of education. All research has proven that the classroom teacher is and always has been the most critical factor in successful student achievement!

Transportation Issues

The word transportation strikes fear in most rural school administrators. This area is responsible for a large percentage of total budget expenditures. It can hold administrators hostage, forcing them to close school during inclement weather, and can begin your day or end your day with a telephone call that a bus is broken down and action must be immediately taken. The terror of transportation is the costs involved in providing it for our students which takes away from our ability to provide updated technology, staffing, and other curricular needs important to the educational process.

In recent years, fuel costs and bus replacement costs have skyrocketed. Diesel fuel has stabilized in costs around the $3.75 per gallon during moderate weather, of course when blending fuel for extreme cold weather that cost increases by $.30 to $.40 per gallon. A replacement bus (new) will run between $90K and $110K dollars due to raw material costs and emissions control costs. This has caused districts to extend their bus replacement schedules from 10 to 12 years up to 15 and more. Our district currently uses a bus that was purchased one year before I took my position 25 years ago. It is in good condition and is used to “shuttle” athletes between our school and the Pepin School. Several years ago, our board decided to purchase used buses from contractor’s who had depreciated out buses that were 10 years old. Each of these buses we purchased had lower miles that the buses they replaced in our fleet. We learned through experience that this was not cost effective, as major and minor repair bills mounted to the point where a new bus with warranty amortized over a 10 year period would result in savings.

The amount of money our district receives in state transportation aid does not cover the cost of routine maintenance (oil changes, tire replacement, misc) for our fleet.

Because of the proprietary technology, tools and the expertise involved in engine, transmission and other bus repairs, many rural areas lack local access to service when problems evolve, causing increased costs to tow or take the buses great distances for repair, sometimes up to 150 miles or more away. Again, these are common issues for
remote, rural schools who are faced with these additional costs in to their transportation budgets.

In small rural schools, bus route elimination is considered in situations of declining enrollment and budget cuts. The capital equipment costs, maintenance costs, fuel costs and labor are significant in the budgets of small schools. When you cut 1 bus route, you eliminate close to $22,000 per year in driver’s salary and benefits, $10,000 per year in amortized capital acquisition costs (assuming a 10 year bus life), and $3,000 to $5,000 average per year (over a ten year period) in maintenance costs. That $35,000 to $37,000 per year is significant to a small school. With that money, I could equip a computer lab with updated technology.

It is difficult to do that in small schools such as ours. First of all, in our situation, for safety reasons, our location along a major state highway has no walkways or safe bicycle paths. Because of this, 99% of our students are precluded from walking or bicycling to school. Due to our topography, our primary and secondary rural roads are not laid out in either a horizontal and/or straight manner as the follow the hills and curves which were formed by the glaciers years ago. Because of this, the average speed of each bus is not measured by miles per hour, but the ability to operate safely on these challenging roads which consist of bluff “dugways” and their steep grades, blind corners, narrow roads and bridges, and don’t forget the deer and wildlife that comprise more than 50% of vehicular accidents in Buffalo County each year. (I have had a least one incident of a deer being struck by, or run into the side of, by deer each year of my 25 years in Alma) and other road conditions that are present on each of our routes. Rural school districts have bus routes that sometimes travel 5 or 6 miles between stops due to densities of less than 1 pupil per square mile in the district. Each of our 4 route buses log between 130 and 155 miles per day.

Due to the reduction of 6 bus routes to 4, our drivers have increased the time and distance of their routes. We have been forced to overlook our long-held goal of having no student ride more than an hour one-way to school. Although declining enrollment has reduced the number of students riding our buses, our 4 routes have not reduced in the total miles traveled each day from the miles we travelled with 6 routes. We have fewer stops now, but again, the reduction from 6 routes to 4 has left each route with the same number of stops as when we had six buses. As the individual who is responsible for establishing the bus routes, it is difficult to do, knowing that some students will have a travel time of more than an hour to school in the morning and at least an hour home in the afternoon. That makes for a long day!

Teacher and Staff Training and the Implementation of New Initiatives in Rural Schools

Wisconsin is moving toward many new initiatives at this time. Many of these initiatives have the potential to improve teaching and learning in all of the public schools
across our state. Implementing these initiatives in small schools is no small undertaking. Again, as small schools do not have the staff to assign the implementation of these programs, we are forced to put the burden on existing staff that are already spread too thin. Our CESAs are given some money to train school staff in the implementation of these programs, but the money they receive is not enough to put them out in the schools working directly with all of the staff who need to have a thorough background to understand the initiative and to learn the skills and protocols necessary to put the initiatives to work in their classrooms. Instead, a “train-the-trainer” model is used with the expectations that a day’s program here and there will qualify a staff person who has other primary duties in their school. I attend many of these sessions and find that the larger schools in our CESA have curriculum directors, assistant principals, or specially hired staff to lead the implementation of these initiatives in their schools. We bring CESA staff in to help us train our staff, but finding the time to do these things is difficult. Our calendars have little flexibility to allow for staff development, and our resources to add time to contracts and hire more fully trained staff such as CESA staff is also limited. Our CESAs work hard and they have skilled personnel who work to help our schools, but they also have limitations in staffing and the resources to provide services needed in our smaller rural schools.

We offer and encourage staff to participate in summer academies offered by the CESAs. They provide support and training for the staff members who take part, but it is important to provide training for all of the staff in a school so that peers have the opportunity to share their ideas and work together to insure the success of the program. Again, the “economy of scale” works against small rural schools. Mandated initiatives should provide small rural schools or CESA’s with funding to hire professionals to train staff in 4 or 5 small school districts instead of having to work with 26 schools. This could be accomplished over a one or two week period in the summer months. It would also require funds to provide stipends to staff for the time involved in training for these initiatives, as many teachers have summer jobs to supplement their teaching salaries.

**Vocational Education**

Small schools are finding it more difficult to provide much beyond the basic courses in vocational education. This is in part due to funding which does allow small rural schools to hire full-time instructors who are qualified to teach the classes as the needs of industry in times of changing and developing technology requires. With a shortage of teachers in many of the vocational areas, even having the available fiscal resources could not be the answer. The other issue here is the cost of technology required for the training of students. Small school budgets simply do not have the fiscal resources to meet the needs of students who are preparing to leave high school and enter the skilled workforce. Our vocational colleges do a wonderful job of preparing their students for area job markets, but many students need to have “exploratory” experiences in high
school to give them an idea of what they will be investing their time and money in preparation for a career they believe they want to pursue.

Here I go again, 31 years ago, back in North Dakota, as I began my position as high school principal in Gwinner, N.D., I learned of an initiative of the State Board for Vocational Education, which had built a facility which housed high school vocational certificate programs in the community of Oakes, which provided services to students from 8 area high schools. Students were taken to the vo-tech from their home high school either upon their arrival at school in the morning, or after lunch in the afternoon. The programs of study were designed to provide certification to the students after four semesters of participation over their junior and senior years. As all of the schools were within a 30 to 40 minute drive from the vo-tech, instruction time ran for approximately 135 minutes a day. Students continued to receive instruction in their required courses at their home high schools, which is important to most small school students. You might ask, “Couldn’t the vocational colleges provide these services?”

My answer to that is our location prohibits that for many of us. In Alma, we are on the ends of the earth, if you consider Wisconsin as the earth. The services available for students and staff for our school and our immediate neighboring schools in our area all involve a considerable amount of travel on roads which provide many challenges. Weather conditions including dense fog from our area rivers and sloughs are routine for us.

Due to our location, in 1993, Supt. John Benson approved the Alma School District to change from CESA #11 to CESA #4 because of the distance to the new CESA#11 facility which was being moved to Turtle Lake. Supt. Benson did this despite significant political pressure from CESAs who didn’t want to “open the flood gates” by taking such an action. The fact that Supt. Benson used in justifying his decision to allow the transfer was the travel distance of an hour and 40 minutes to Turtle Lake (under ideal conditions) made it difficult for Alma teachers and staff to take part in training activities. At that time, CESA #4 was located in Onalaska. Our short trip was extended as due to facility needs and available sites in the La Crosse metro area, the CESA #4 facility was moved to West Salem, increasing travel time for us from an hour to an hour and fifteen minutes. Chippewa Valley Technical College in Eau Claire is a minimum of an hour’s travel time under ideal travel conditions.

I have often thought that a project based upon the North Dakota plan, centrally located in our area would be an excellent project for a foundation such as the Annenberg Foundation who has demonstrated interest in some rural school issues. Unfortunately, we don’t have the money for a grant writer. Better yet, it would make a great pilot program for our state to invest “ready to work” job skills to help the state in its quest to rebuild its fiscal stability.
Rural Schools & Poverty

Recent studies have shown that rural America is rapidly catching up with urban centers with increased populations of impoverished citizens. This has been evident in our school district over the past 8 years. 25 years ago, our district had a free and reduced lunch rate of under 18%. 12 years ago ran in the same. 10 years ago, it increased to 22-23%, remaining stable for 3 more years. In fact, our school district did not meet the necessary poverty rate required to receive the Microsoft settlement dollars based on the poverty rate of 7 years ago. If they had taken our poverty the following year, we would have qualified as we moved to a rate of around 30%. The following year we were at 36%, followed by 38%, and three years ago, we peaked at over 40% free and reduced lunches. Of our numbers, only one student qualified for reduced lunch rates while the remainder of our students were qualified as free.

Research has shown us that the greatest obstacle to student achievement is poverty. My teachers could tell you that it wouldn’t take a “brain surgeon” to tell you that. Families in poverty live their lives much differently that middle or upper-middle class families. Worries about providing necessities have parents working full-time jobs (if available) and one or two part-time jobs. Yes, we all know that there are extenuating situations that contribute to poverty and each of us has seen that poverty can be multi-generational, but unless we decide as a society to move forward to deal with these issues, children of poverty will grow into adults of poverty, and the cycle will continue. Public schools are still the great hope of many who walk into their doors. In small schools where everyone knows everyone, there is hope for these kids. Can we do more as a school to help them. I’ll be the first to admit that. Do we have the resources to do it?

The Success of Rural Schools

As I got the chance to take you through our small school this morning, I told you about our graduate who was the first technology industry CEO, Carol Bartz. I further bragged that an Alma graduate who was the chief of neurosurgery at the Mayo Clinic performed surgery on then President Reagan. I didn’t tell you about our 2 National Merit Scholarship Award winners, one in each of our last two classes. The total enrollment of those two classes combined was 46. There are only about 18 per state each year. Todd Berry, the President of the Wisconsin Taxpayer’s Alliance and a friend who enjoys the Alma community, sent me a nice email congratulating me and our school as he read in the Capital Times that we ranked 8th in the state on ACT scores last year. (I didn’t tell him that this year’s individual scores are looking even better!) What I did tell him is the same thing I told you this morning as you toured our school. The composite pictures of our student which hang in our main hallway is how I test our performance as a school. You see, I can tell you where and what 90% of those graduates live and what they do. I can tell you the level of education each has received and where they work. I know if
they are married or single (if they are married, there is a good chance I was at their wedding). I can measure the success of our school and the community we live in by this knowledge. It seems to be a bit more reliable than the WKCE. That is what is great about small schools.

Thank you for your time and attention.