

District News:

*2008-2009 School Enrollment:*

The key ingredient in local school funding is the enrollment. The district's revenue limit is based on a 3-year rolling average of our enrollment on the third Friday in September. During our referendum public meetings, I projected that this year's enrollment would 1035 full-time equivalent students. The actual count is 1032 full time equivalents. This total represents a total of 36 less students than last year at this time. In addition, we reduced summer school significantly due to budget restraints, bringing our grand total to 42 less full-time equivalent students for this budget cycle compared to last year. One area of concern is with our kindergarten population where our actual count was 56 compared to the projection of 65.

With revenue limits being associated with enrollment, declining enrollment continues to be our Achilles heel. The projected numbers continue to show this declining trend.

*2008-2009 Budget:*

I have discussed countless times the structural deficit that faces almost half of the school districts in the State of Wisconsin. The annual increase in revenue does not cover the annual cost to continue. With our enrollment dropping, our revenue limit for this year will increase only about \$112,902, or a 1.06% increase from last year. The revenue limit for this year will be \$10,670,756 or approximately \$28,000 higher than my projection during the public hearings (within 2/10<sup>th</sup>s of 1% of projection). With fixed expenditures increasing approximately 4% overall, you can see the structural deficit we face on an annual basis. Revenue is increasing 1% while expenses increase 4%. This deficit is the reason that the Board of Education had to cut some \$350,000 from this year's budget to balance the budget. It is a very difficult thing to do, but a process that will continue annually until the revenue limit funding formula changes.

*Proposed changes to the state budget:*

During a recent work session with Governor Doyle, I was encouraged by a number of items regarding school funding that are being proposed in the new state budget cycle. One item is very appealing to districts like Durand has to do with how student transportation is funded. The Governor's proposal is to take that mandated expense off the local budget and fund it through the state transportation budget. This would be to our financial advantage, since we spend nearly \$1.2 million dollars a year on student transportation. The other budgetary item of interest to Durand is the declining enrollment formula. Currently it is a one-time exemption, but the new proposal would allow that exemption to be a 3-year aid, with 100% the first year, 75% the second and 50% the third year. Districts, like ours, with declining enrollment would have a more gradual reduction in revenue under this plan, rather than the sudden decrease in dollars.

*Equalized Aid:*

One of the difficulties in generating the budget with concrete numbers, is that all the required information is not available yet. At this writing, we still have not received our equalized aid amount from the state. This aid number is subtracted from our revenue limit leaving the dollar amount to be levied locally. The equalized aid is based on prior year

expenditures, so the good news / bad news about our expenditures coming in under budget last year is that we now realize a decrease in equalized aid. Our aid appears to be about \$100,000 less than last year because our expenditures were \$350,000 less than budgeted. Our 'surplus' actually causes a reduction in aid. Right, wrong or indifferent, that is how the system works. Our job is to live within the system.

*Parent - Teacher Conferences:*

This is a reminder to all parents of students in our district that Parent-Teacher Conferences are scheduled for Monday, October 13<sup>th</sup> from 1:00 PM until 8:00 PM. These conferences are a very important component in home and school communication, and also with the educational success of your student. Please take advantage of this opportunity to meet with the teachers and ask questions regarding your student's progress.

*Staff Development:*

Thursday and Friday of this week are professional development days for our teachers. Most of them will be spending those two days attending workshops in Eau Claire at the Northwestern Wisconsin Education Association annual convention. This is a great opportunity for teachers to attend professional development in their specific field of expertise and to network with other area professionals. Teachers not attending the conference will be in-district working on specific items.

Monday, October 13<sup>th</sup> will involve more professional development as we train teachers in the use of the SmartBoard. As you recall, the Board of Education has approved the purchase of 12 of these instructional devices, and we are excited to learn to use them with our students. This professional development is prior to the start of the parent - teacher conferences.