

East Troy Board of Education to Pursue Operational Referendum, Continues to Discuss Ongoing Budget Challenges

EAST TROY, WI — At its November 11 meeting, the East Troy Community School District Board of Education unanimously voted to develop a resolution question for an April 2020 operational referendum. The final vote for the question's placement on the ballot will take place at the board's December 16 meeting.

After years of difficult budget balancing processes, the board decided last year to explore an operational referendum to address its financial challenges. In November 2018, a survey was sent to all district residents, seeking feedback on the district's financial and facilities-related needs, along with how it should best address those needs.

Survey respondents shared that if the district were to pursue a referendum, it should consider doing so with a tax impact of \$98 or less per \$100,000 of assessed property value. Respondents also said that funding should be used primarily to address building maintenance needs, enhance middle school security, enhance middle school science areas and maintain course offerings.

After considerable dialogue and debate regarding next steps, the Board of Education directed district administration to form an ad-hoc committee to explore several options. This committee—made up of community members, municipal representatives, parents, business owners and two school board members—met several times during the summer. District Business Manager Kathy Zwirgzdas and other administrators facilitated the meetings. Throughout the process, committee members reviewed the survey results and examined school finance and its impact on the district's budget.

Upon reviewing feedback from the committee in August, the board asked to have the topic on all upcoming board agendas to facilitate a dialogue with the community and carefully review all relevant information. The board also aimed to effectively prepare for a potential referendum in April 2020.

At a board meeting on August 26, ETCSO Director of Building and Grounds/District Safety Coordinator Bob Ellis presented the current maintenance budget. He then shared maintenance projects that need to be addressed. The following were a few examples that were shared:

- Replacement of roof sections at all district locations, except Little Prairie
- Replacement of the boilers at Prairie View and the high school
- Replacement/retrofitting furnace and boiler at DB (both are originals)
- Replacement of asphalt as needed (high priority at middle school)
- Relocate middle school office to ensure access to the building takes place at office
- Replace single-pane windows at the middle school
- Remodel/update science rooms at the middle school
- Continue installation of LED lighting at all district buildings, except Little Prairie

Business manager Kathy Zwirgzdas also shared five-year revenue and expense projections, along with a recent history indicating that 2018-19 state revenues for the district were the same as in 2010-11.

"In Wisconsin, the amount of money a school district receives is restricted by a revenue limit. Every district has its own revenue limit, impacted by the state budget every two years, and this limit dictates most of the operational budget," Zwirgzdas said. "State budgets have not increased revenue limits to

keep up. We have seen notable increases in costs related to inflation and maintaining our technology and facilities infrastructure. The structure of open enrollment payments and declining enrollment also decreases the revenue limits, creating problems in balancing the budget every year, even without the consideration of adding large-scale maintenance projects. Over the years, we have had to prioritize and choose what can be funded, and when we choose programs for the students in the classroom, we simply do not have the funding for high-expense maintenance replacements.”

The resolution currently being drafted is in the amount of \$1.6 million for five years, for the purposes of maintenance, operations and safety and security. The projected tax impact is \$98 per \$100,000 of assessed property value.

“This referendum amount would not address all our needs, nor would it fix the annual budgeting process entirely,” said Dr. Christopher Hibner, ETCSD Superintendent. “We will continue to make cost-effective changes to budget line items every year, but these funds would help make the annual gaps between revenue and expenses smaller. They would also address a significant portion of our maintenance needs. We must balance our schools’ needs with the needs of our community members and taxpayers.”

The referendum question will be in front of the board again for final approval at its next meeting, which will take place Monday, December 16 at 6 p.m. at East Troy Middle School.

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