

Press Release 7-8-09

## ADDITIONAL BUDGET SHORTFALL IMPACTS EAST TROY SCHOOLS

The East Troy Community School Board called a special meeting on July 7, 2009 to address cutting additional funds in the target range of \$130,000 - \$160,000 in the 09-10 school year budget. The need to further reduce the budget comes after already addressing a \$327,000 shortfall for the new school year back in April.

While annual reductions are nothing new to schools while revenue limits have been in place and those limits have not kept up with increasing expenses, the additional amount that is currently necessary is due to the recently signed governor's budget and Act 28. The new state budget has reduced state aids to schools and decreased the revenue limit further. A "per pupil amount" which prior to the governor's budget taking effect in June was \$274.68, decreased to \$200.00. When multiplying that decrease by the number of students in any school district, schools all over Wisconsin are now trying to make up the losses.

Besides the drop in revenue limit, the state aid decrease creates further inequities. Superintendent Chris Hibner reported at the meeting, that the governor's proposal when populated into a July 1<sup>st</sup> estimate from the DPI (Department of Public Instruction), shifts the ratio of taxes to state aids in the budget. "Last year the school district's revenue limit was funded 27% with state aid and 73% with property taxes. The new proposal leaves us with a makeup of 24% of state aid and 76% property tax."

Some of the options presented to make up the new shortfall included: reconfiguring administration, reducing support staff positions and/or hours, reducing technology, building and grounds, and transportation budgets, delaying textbook adoptions, and discontinuing a software license, amongst others.

The School Board will reconvene on Monday, July 13<sup>th</sup> at 7:00 pm to take action on the decisions needed.