

## FAQ's – Frequently Asked Questions from the Public Budget Meetings February 23<sup>rd</sup> and March 2, 2010

### PART I: Relating to the Possibility of the Chester Byrnes Building Closing

***Where will the kids go in each building?*** Second graders would move from Doubek into Prairie View, where 6 classrooms are available for those grades. 4-K, Kindergarten, and 1<sup>st</sup> grade would move to Doubek. Current enrollment projections allow for each of the teachers in these grades to have his/her own classroom. Art and music would also have a classroom each, however should enrollment increase to the point of another classroom being needed, either of these areas may have to become mobile.

***How much would the close save?*** In the short-run, with the building staying vacated and utilities being greatly reduced, the possible reduction of support services, and operational maintenance budget savings, approximately \$120,000 is estimated in savings. Regarding long-term, a facilities maintenance study recently conducted suggests \$1.4 million in recommended maintenance upgrades and improvements over the course of the next 10 years could be avoided (cost avoidance).

***Will class sizes increase?*** Class sizes will not increase as a result of a closure of the Chester Byrnes building. Enough classrooms exist for our current level of teacher to student ratios to be maintained. Any pre-K – 12 class size increase for next school will occur due to budget shortfalls, not the change in buildings. A closing of the building with \$120,000 savings actually helps to avoid additional expenditure cuts to the already projected shortfall. (See slide number four in powerpoint presentation regarding the budget meeting also posted to the web.)

***Will staff be cut?*** The projection of \$120,000 savings may include support staff positions that will be cut or reduced.

***What are the advantages and disadvantages?*** Besides the cost savings and cost avoidance, the reduction of transitions from building to building in the primary grades as students advance is believed to be advantageous, as well as more efficient use of space, and less staff traveling between buildings. Disadvantages include parking congestion concerns, unexpected growth challenges, and possible mobile delivery of encore classes such as music and/or art if enrollment increases dictated an additional section was needed due to class size increases.

***If Chester Byrnes closes, how will the drop-off/pick-up be handled? Won't there be 100 more kids added to Doubek and 100 more kids added to Prairie View, creating more problems?*** We are always aware of transportation pick-up and drop-off congestion, and strive for any ideas that can help. Doubek would only grow in approximately 45 students, not 100, because 4K (half-day) programming sees only half of the students for that grade either in the morning or afternoon. Prairie View would have another 100

students, however that building was originally intended to handle at least that capacity. Regardless, transportation issues of large amounts of cars at pick-up and drop-off times and the safety of our students will continue to be a priority in any options that are considered.

***I hear they are building a subdivision – are we looking ahead to the future?*** Previous subdivision growth has not resulted in increased enrollment overall. (See slide number three in powerpoint presentation regarding the budget meeting also posted to the web.) We will continue to work with the Village and Townships for projected changes.

***If we need the building again, will we be able to fire it back up?*** The district is currently confirming with our heating and ventilation contractor on the pros and cons of a complete shut down of the heating systems at Chester Byrnes. Initially we are planning to keep the heating plant operational, but at a very low setting so the system can be monitored and therefore we have conservative estimates on the dollars saved in the gas and electrical utilities use. We feel this gives us the best ability to return to Chester Byrnes if needed.

***Why didn't they just build Prairie View big enough for both Byrnes and Doubek when Prairie View was being built?*** Plans from the past did show expansion of the Prairie View School as the future of the district, with possibilities for that expansion including additional wings or even a second, separate building on the large land area that was purchased. A statement in the pamphlet for the referendum representing the new building states, "The building core areas would be "sized" for future expansion of up to 800 students."

***Is there any government money available for building?*** Not direct money, just a special zero percent interest program. QZAB's and QSCB's are available, and the East Troy School District would qualify for the latter QSCB (Qualified School Construction Bond). However, the bond issue is subject to the Wisconsin Statutes which govern the aggregate amount of outstanding debt a school district may incur without elector approval. Wisconsin Statutes provide school districts with the authority to borrow up to \$1,000,000 without elector approval at public hearing or referendum. However, this non-referendum debt falls under the revenue cap, so if East Troy did look into \$1,000,000 under this provision, \$1,000,000 would have to be cut from the regular budget in staffing and programming. Only a referendum would allow for monies to exceed the regular budget, which is always approved at a Board meeting after the annual meeting.

***What kind of money would be put into Byrnes if it was kept – it will still be \$ going into an old building?*** The current maintenance review lists up to \$1.4 million dollars of identifiable changes to the Chester Byrnes building, but the review is not all encompassing. It does not address issues related to classroom improvements from an educational point of view. In addition, the review does not reflect any costs related to the removal of hazardous substances such as asbestos to allow for the repair or replacement of heating systems.

***What is an estimate of the cost to build on to Prairie View?*** A very rough estimate would be approximately \$175 per sq ft, with 21,000 sq ft needed at least for additional

classrooms to accommodate grades 4K, Kindergarten, and 1<sup>st</sup>, or \$3.675 million. Additional work may need to be done to assess cafeteria, kitchen, gym, playground, parking lot, transportation pick-up/drop-off and other spaces.

***What would happen to the playground equipment?*** We are fortunate that the PTO has been very generous in helping the district get better play equipment for the campuses. Should the decision be to close Byrnes for next year, we will assess the age appropriateness and condition of current equipment at Doubek and Byrnes, and make decisions on transitions in stages. The stages depend on duplication of equipment, space, and the future direction of the Byrnes building.

***What would happen to the building?*** No decisions have been made as to the future of the building. At least for the first year, Chester Byrnes would remain so that the option to return to it if needed would exist. A recommendation would be brought forth to the Board of Education regarding future configurations.

***Would it be better to close Doubek instead of Byrnes?*** Doubek has more classrooms (three) and square footage (3,652) than Byrnes, so the space to move Doubek into Byrnes just is not there under our current number of sections. Also, the maintenance study shows more needs at Byrnes (\$1.4 million) in comparison to Doubek (\$900,000).

## **Part II: Relating to Next Year's Budget in General**

***Have there been other options other than lay-off – such as pay freezes for staff?*** Yes, administration and supervisors had a pay freeze this year (09-10) and changed retirement benefits for new and recent hires toward addressing the long-term liability of the District. Negotiations for teacher salaries and benefits are underway for the 09-10 and 10-11 school years and initial offers have been exchanged. The Board has proposed in that initial offer addressing long-term liability and a salary schedule to be held frozen for 09-10 from 08-09, however still allowing for step and lane movement.

***How did we get to this point – that we are so far short?*** In 1993 revenue limits came into affect. Since that point in time, schools have slowly been addressing shortfalls each year as revenues have not kept up with expenditures (some districts greater than others and for a longer period of time than others, based on enrollments and spending levels). Now 17 years later, the cuts and shortfalls are greater and more drastic. In addition, in June 2009, the governor's Act 21 further reduced funding in both state aid, and in the revenue limit formula by reducing something called a "per pupil allocation". The projected shortfall for 09-10 is a minimum of \$450,000.

***What is the cost per student compared to other districts?*** One of the ways to answer this question is by comparing the amount of revenue given to each school in the revenue limit formula:

	Total Revenue Limit Per Member 09-10 without exemptions*
East Troy	9,343.47
Mukwonago	9,200.00
Elkhorn	9,355.81
Burlington	10,460.94
Muskego	10,246.48
Jefferson	9,871.21
Evansville	9,749.89
Wisconsin Dells	9,582.14
Lodi	9,685.85
Ripon	9,789.22

Schools in Blue are Local Districts; Schools in Pink are Similar via Enrollment  
(See slide #8 for explanation of exemptions in powerpoint budget presentation also posted to the web.)

***Will there be increased class sizes and staff cuts?*** The reality for East Troy School District is that 81% of the current budget lies in salaries and benefits of staff. See slide nine in the powerpoint budget presentation. To decrease a budget by at least \$450,000, expenditures must be cut. Therefore staffing will be reduced by some level. The severity depends upon the shortfall, enrollment, and other items that involve salary and benefits. Currently, we do anticipate class size increases, but are attempting to assess schedules to assist with class sizes, but more importantly assist with instructional practices and programming opportunities. Any class size increase is not due to the possibility of closing Chester Byrnes.

***Are programs being cut?*** At this time, no programs have been eliminated, nor are there plans to eliminate any one program. All programs are being reviewed to redefine, streamline, alter, and look at different ways of providing programs to meet the 21<sup>st</sup> century learner while being efficient.

***How many administrators are there and how does this compare to other districts?***  
From the Taxpayers Alliance, School Facts 08, regarding 06-07 data:

	# Admin	# Students
East Troy	8.0	1,731
Mukwonago	15.0	5,133
Elkhorn	10.0	3,033
Burlington	16.2	3,640
Muskego	19.8	4,823
Jefferson	10.0	1,892
Evansville	11.0	1,793
Wisconsin Dells	9.0	1,656
Lodi	9.5	1,681
Ripon	9.1	1,777

Schools in Blue are Local Districts; Schools in Pink are Similar via Enrollment  
 Note: currently the East Troy Schools in 09-10 have 8.6 admin due to a .6 increase in a special education director in school year 08-09, due to the transfer of special education services from Lakeland. Also, the District has done its own study to assist our district.

**What is the unfunded liability for teacher benefits and how is this being addressed?**

The District completed the actuarial study for “OPEB” – Other Post Employment Benefits – in the spring of 2009. The figure reported was \$15,975,085. The funding is being addressed with proposed changes to the retirement benefits in negotiations.

**Tax increases were the largest this year. Where is this money going?** The money collected through taxes is one of the two major revenue sources for the District, the other being state aid. This year’s increase was due to primarily a loss in state aid. In the 08-09 school year, 70% of revenues from the revenue limit were from property taxes, and 30% from state aid. This year, due to the state aid drop, 73.6% came from property taxes and 26.4% from state aid.

**How do taxes compare to other local districts?**

	Mill Rate 09-10 per equalized value
East Troy	8.85
Mukwonago	8.58
Elkhorn	8.71
Burlington	9.05
Muskego	10.29

Our mill rate history:



***Can East Troy Community Schools combine with another school district?*** Yes, by Statute:

**INITIATION OF PROCEDURES**  
**Wis. Stats. 117.08(1)**

The school boards of two (2) or more school districts may adopt resolutions stating that they will consider consolidating their school districts. The school district clerk of each school board adopting a resolution to consider consolidation under s. 117.08, Wis. Stats., shall send a certified copy of resolution to the school boards of each of the other affected school districts and to the Secretary of the School District Boundary Appeal Board.

**SCHOOL BOARD ACTION**  
**Wis. Stats. 117.08(2)**

In the first July following the adoptions of the resolutions to consider consolidation, the affected school boards may order the school districts consolidated by adoption of resolutions by each of those school districts ordering the consolidation. A consolidation may occur only if all of the affected school boards agree. The school district clerk of each school board adopting a resolution under s. 117.08(2), Wis. Stats., either ordering or denying a consolidation, shall, within five (5) days after the adoption of the resolution, send a certified copy of the resolution to the school boards of each of the other affected school districts and file a certified copy of the resolution as provided under s. 117.17(2), Wis. Stats.

If the school board of each affected school district adopts a resolution ordering the consolidation, the consolidation shall take effect on the next July 1 unless a referendum, as described below, is required.

**REFERENDUM**  
**Wis. Stats. 117.08(3)**

Even if the affected school boards agree to consolidate, a referendum will be held if either of the following happens:

A petition requesting a referendum is filed before the 2nd Tuesday of September. The petition must be signed by at least ten (10) percent of the electors who reside in any affected school district and is filed with the clerk of the school district that has the highest equalized valuation of the affected school districts;

**OR**

At the time of adopting a resolution ordering the consolidation, the school board of any affected school district directs the holding of a referendum.

***Has the District looked into outsourcing transportation or cleaning?*** In the past, a study of costs for outsourcing transportation did not yield cost savings. As for custodial and maintenance, some maintenance work has been outsourced when the costs and improvements to district operations warranted it. History has shown the District revisits these decisions – when it can be provided cheaper and more effectively internally, the services have been brought back in.

***Has the District looked into sharing resources with the Village or other schools?*** When part-time needs exist, the District looks to other schools to see if an employee can be shared. In addition, CESAs (Cooperative Educational Service Agencies) exist for just that purpose – to provide services that one school could not justify entire costs of - and East Troy utilizes those services as needed. Sharing with the Village exists in community facility use, baseball fields, crossing guards, and police liaison services.

***What is the timeline for the cuts?*** Final layoff notification must be issued by May 1<sup>st</sup> per the collective bargaining agreement with the teacher's union. Per the collective bargaining agreement with the support staff, notification must be issued by June 30<sup>th</sup>, or with 14 days notice after June 30<sup>th</sup>.

***How will we ever grow when the budget is always in a defensive situation? Maybe this is more than a local issue...*** Fiscal challenges are issues that all public schools are facing, just like challenges existing on every level: National, State, business, and household. We can only try to make the best decisions we can for our community with what we have, and continuously strive for solutions that balance sustainability and student learning for tomorrow.