

SCHOOL DISTRICT OF DENMARK

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To: Representative Andre Jacque, Senator Frank Lasee, Governor Scott Walker

From: School District of Denmark – School Board and Administration

Re: State Budget Proposal

Date: March 10, 2015

We are very concerned with a number of items that were included in the Governor's Budget Proposal concerning K-12 education. Many of these concerns are listed below:

- The budget eliminates a categorical aid payment in 2015-16. This is a decrease of \$210,000 for the 2015-16 school year. The second year does add a categorical aid payment of approximately the same amount back into the budget. Over the two years, revenue is basically capped at the 2014-15 spending level without an adjustment for inflation or other increased costs. Schools need revenue for ongoing expenses, inflationary costs, and to provide adequate compensation to attract and keep quality staff.
- There is a general aid increase of \$108 million for districts the second year; however, there is still a freeze on revenue limits. This means that these dollars do not go to schools, but to tax relief. Local school boards have no local control to raise money for needed items. We don't believe our residents understand that an increase in state aid is not going to local districts.
- The School Levy Tax Credit is increased \$105.6 million in each year of the budget. This also does not go to schools, but to tax relief. Districts with higher property wealth receive the most tax relief. Millions of dollars from the School Levy Tax Credit go to second home owners and to out-of-state residents. We ask, when will the legislature investigate if the Tax Levy Credit is a wise use of local taxpayer money?
- The budget proposes the elimination of the Local Government Property Insurance which covers Wisconsin schools, municipalities and other public entities at a lower rate than private insurance. This increased cost, between \$2500 and \$4000, will come from district budgets. Government can and does provide valuable services to protect the local taxpayers.
- Rural schools are getting some additional money for things like transportation and technology. Because Denmark is not rural enough, as defined by this legislation, the district receives no additional support.

- The voucher school cap of 1000 students is eliminated with some income limits. It is our understanding that any additional money going to voucher schools will come from general aid (taxes paid by all residents) that goes to public schools. Any additional cost from lifting the cap will increase taxes for public school property owners; or, worse yet, districts will need to cut expenses to benefit students in voucher schools.
- The new Smarter Balanced Assessment (also called the Badger Exam) to begin this spring is forbidden to be used after the 2014-15 year. There is no local control even if districts believe the Badger Exam will provide valuable data for students.
- Schools will be graded A-F through the school accountability system. Without one exam for all students receiving State monies, both public and voucher schools, the comparison between these schools will not be valid. In addition, research has proven those schools that have students from higher income parents score higher on assessments, and those schools with more economically disadvantaged students score lower on state exams. Putting a D/F grade on a school already struggling to help students from the most disadvantaged families will have a disproportional negative impact on these schools. Please leave the accountability levels as they were agreed upon by the Governor, the DPI, and many educational groups when the School Report Cards were established.
- Another key area with unknown results is budget recommendations to significantly change the Worker's Compensation System. In summary, Worker's Compensation under the Department of Workforce Development would cease to exist and current functions would move to other departments or be eliminated. The result will be a lack of protection for employers, employees, insurers and medical providers, and possible higher Worker's Compensation premium costs for employers/school districts. This information is coming from our private insurance advisors.

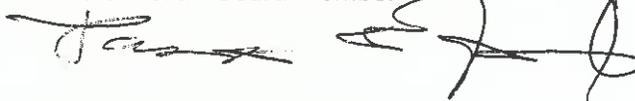
As can be seen, we disagree with many of the proposals impacting public schools and the School District of Denmark in particular. Please be an advocate for positive change to the budget proposal. Thank you for your interest in our local public schools.

Sincerely,

Joe Duckett – Board President



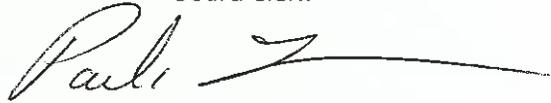
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