

## **Board members express frustration over anticipated shortfall in revenue**

The Port Washington-Saukville School District would have to grapple with an estimated \$600,000 deficit next school year under Gov. Scott Walker's proposed budget — a sobering realization that prompted an uncharacteristic flash of frustration from some School Board members last week.

“We always find a way (to balance the budget and maintain educational programs), and people have come to expect that, but at what point do people understand that we simply can't afford the same education for our children,” board member Sara McCutcheon, chairman of the Finance Committee, said during a March 25 committee meeting.

“I think there is an assumption at the state level that we'll just figure it out, and we have. We keep pulling rabbits out of a hat, but how do we keep working the magic if the funding isn't there?”

“What's happening to our children isn't fair.”

In his 2013-15 state budget, Walker is proposing to keep the revenue cap for general school district operations — the amount of money schools can collect in state aid and local property tax — flat for two years.

Supt. Michael Weber, who noted that expenses the district can't control like utilities and transportation inevitably increase, said the proposed state budget would result in a deficit of about \$600,000 for the 2013-14 school year.

“I don't think we'll have to cut programs, but it will slow down our initiatives and the opportunities we offer kids,” he said.

At the urging of the committee, School Board President Jim Eden is writing a letter on behalf of the board to state legislators that will urge support for an alternative school funding plan proposed by Republican senators Luther Olsen and Mike Ellis. Their plan calls for increasing the revenue cap by \$150 per student for each of the next two years, which would result in a Port-Saukville School District deficit of about \$200,000 next school year.

“It will be a positive letter, not one criticizing or chastising elected officials,” Weber said. “It essentially will say, ‘Hey, look at what we've done in our district, and look at what we could do in the future.’”

The board is looking for relief under the revenue cap instead of a return to the years of managing six-figure or higher deficits while trying to maintain educational programs, class sizes

and teaching jobs, which it has done for most of a decade.

The largest deficit in recent history was \$1.7 million in the 2002-03 school year. Two top administrators and 11 paraprofessional positions were eliminated and the district cleaning staff was pared significantly to help balance that budget.

“We’re at a point now where we’ll really struggle to reduce personnel and maintain our programs,” Weber said. “We’ll balance this budget, and the goal is to do it without eliminating programs, but it will be a struggle. We’ll have to look for unplanned sources of revenue.”

The district has dealt with smaller deficits since 2002-03 and managed to position itself to better deal with the vagaries of the state education funding formula by establishing and maintaining a building and grounds maintenance fund, restructuring its long-term pension liability, growing its fund equity reserve account to 17% of its operating budget — 2% higher than the level recommended by auditors — and achieving an AA Standard & Poor’s bond rating.

This school year, the district was not faced with a deficit and emphasis has been placed on advancing education initiatives, particularly in the areas of technology, science, engineering and math.

“This (projected deficit) is coming at a really key time for us when the district is making so many strides for our students,” Weber said.

Among the initiatives in the works is the expansion of the Project Lead the Way program at the high school, including the addition of a biomedical engineering course, and an ongoing investment in technology such as iPads and Chromebooks to further the goal of individualized learning.

The district remains committed to those initiatives, Weber said, but programs and opportunities for students “that aren’t even on the drawing board yet” are threatened by the state’s revenue cap.

That’s discouraging, board member Brian McCutcheon said, noting that school district residents and business leaders rely on the district to prepare students for the jobs of tomorrow.

“Right when we get moving, someone pulls the rug out from underneath us,” he said.