

Special Committee on Review of State School Aid Formula

Senator Luther Olsen, Chair

Representatives: Davis, Fields, Mursau, Strachota, Towns,
Vruwink and Williams

Senators: Darling, Erpenbach and Lassa

Public Members: Andrews, Berry, Borch, Burnett, Gaier,
Hendrickson, Lang, Nate, Reschovsky and
Welch

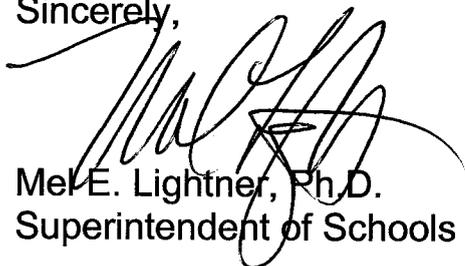
Introduction

The Kimberly Area School District is part of what is commonly referred to as the "Fox Cities". Bordering the east side of Appleton, the district consists of 17 square miles and has the Fox River as the northern border and Lake Winnebago as the southern border.

Municipalities contained within the district include all of the Village of Kimberly, and portions of the Village of Combined Locks, City of Appleton and Townships of Buchanan and Harrison. The district prides itself on high student achievement and low spending. Student enrollment has increased since 1988.

Despite high enrollment growth the district faces unique budget challenges due to its desire to manage the district in a fiscally responsible manner. We hope that the information we present will provide committee members insight to the fact that our district desires budget flexibility in order to meet the educational needs of our children.

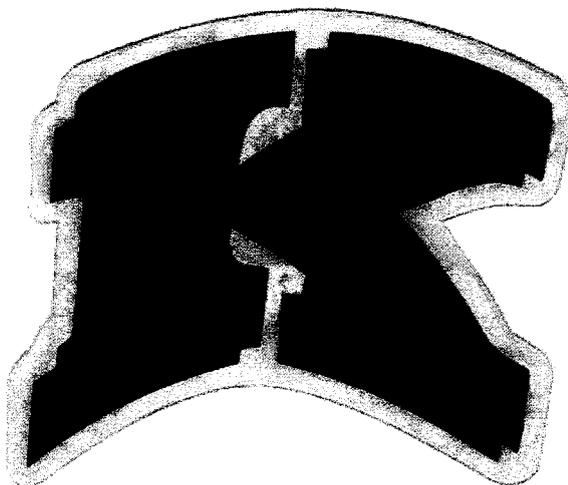
Sincerely,



Mel E. Lightner, Ph.D.
Superintendent of Schools



Gary Kvasnica
Director of Business Services



- **2004-05 per student expenditures (comparative expenditures – “School Facts 05” Wisconsin Taxpayers Alliance) were \$7,367 which is in the bottom 10% of Wisconsin school districts (see attached)**

- **2005-06 Student Achievement Data (see attached)**
The district initiated “**Mission Possible - Raise Student Achievement**” in 1997 in response to the accountability movement, state standards and the realization that the level of student achievement was low. The district allocated resources to reduce class sizes and to train educators. Student achievement has risen considerably (see attached).

- **Enrollment Growth**
The student enrollment in the Kimberly Area School District has grown from 1582 FTE students in 1988 to 4211 FTE students in 2006 (see attached).

- **Referendums**
 - The citizens of the Kimberly Area School District have approved the following building referendums
 - April 1995 – \$6.9 million - new elementary school, addition to existing high school.
 - April 1999 - \$26.55 million - new high school, convert high school to middle school, gymnasium additions to two elementary schools
 - November 2004 - \$24.68 million - expansion of high school, conversion of elementary school to an intermediate school, build a combination elementary and intermediate school (two schools under one roof with shared spaces)
 - The district did not ask the citizens to exceed the revenue cap for operational costs in any of the aforementioned referendums

- **Cost Containment Efforts**
 - Health Insurance
 - Energy Efficiency
 - Outsourcing
 - Post Retirement Benefit Funding and Reduction (see attached memo)
 - Elimination of Programs
 - Elimination of Positions

- **Budget Prioritization**

- In the Kimberly Area School District, we do not plan a budget, we budget our plans
 - Staffing
 - Capital Improvements
 - Technology
 - Transportation

The Need for Budget Flexibility

Although the Kimberly Area School District has exhibited sound fiscal practices, engaged in proper planning and has controlled expenditures, in the future we will face the need to have the flexibility to increase expenditures in order to protect our taxpayers from unnecessary costs and to maintain our allocation of budget dollars toward student learning.

Soon a 50-year old boiler in one of our elementary schools will need to be replaced. The estimated cost is \$750,000. The district could borrow that amount and pay it over a period of time, perhaps 10 years. That payment would need to fall under the revenue cap. That money could be utilized on student learning, maintaining adequate student/teacher ratios, instructional materials, etc.

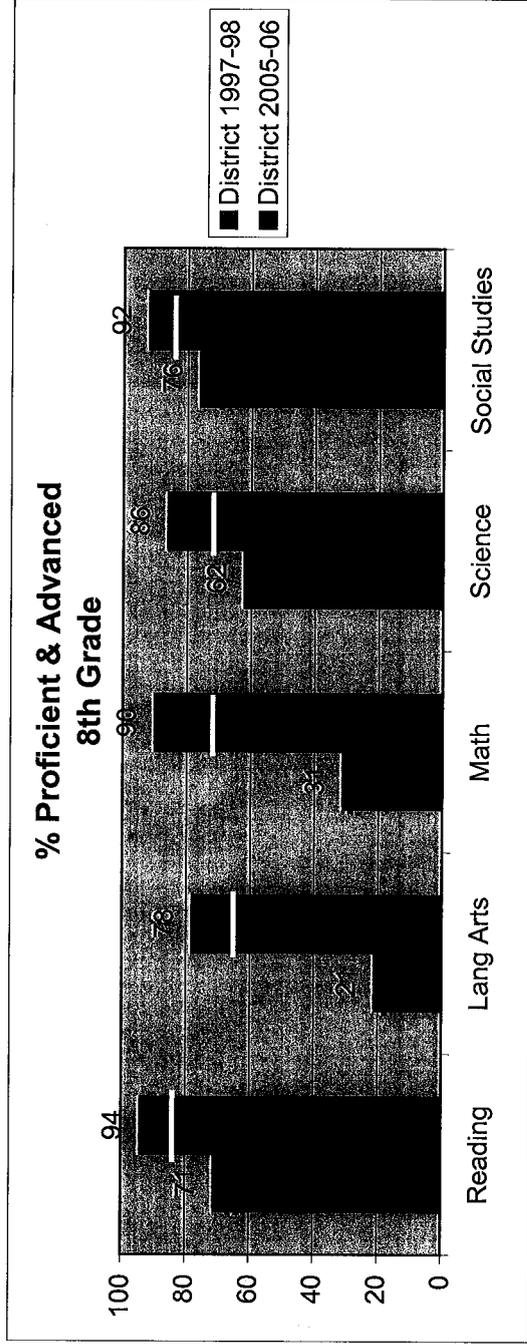
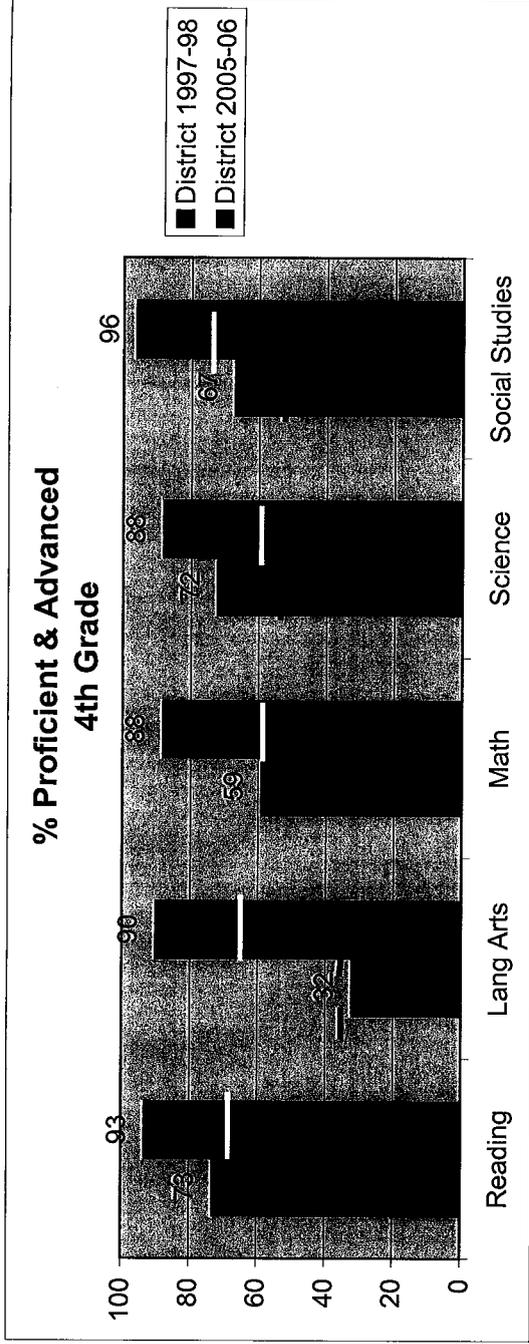
Rather, the Board of Education could have the authority to levy for all (\$750,000) or part of the amount. It would eliminate or reduce the need to pay unnecessary interest rates.

The Kimberly Area School District has a general operating budget of approximately \$34,000,000. If the Board of Education were given the authority to exceed the revenue cap by anywhere from 1% to 3% for a year or a number of years, it would provide much needed revenue for capital improvement projects. In this case, the boiler would be replaced by a high efficiency heating system thereby spending less on utility costs.

Board members are duly elected to represent the citizens and taxpayers of the school district. By allowing them to exceed the revenue cap for capital improvement and building maintenance projects it will protect the investment that taxpayers have already made.

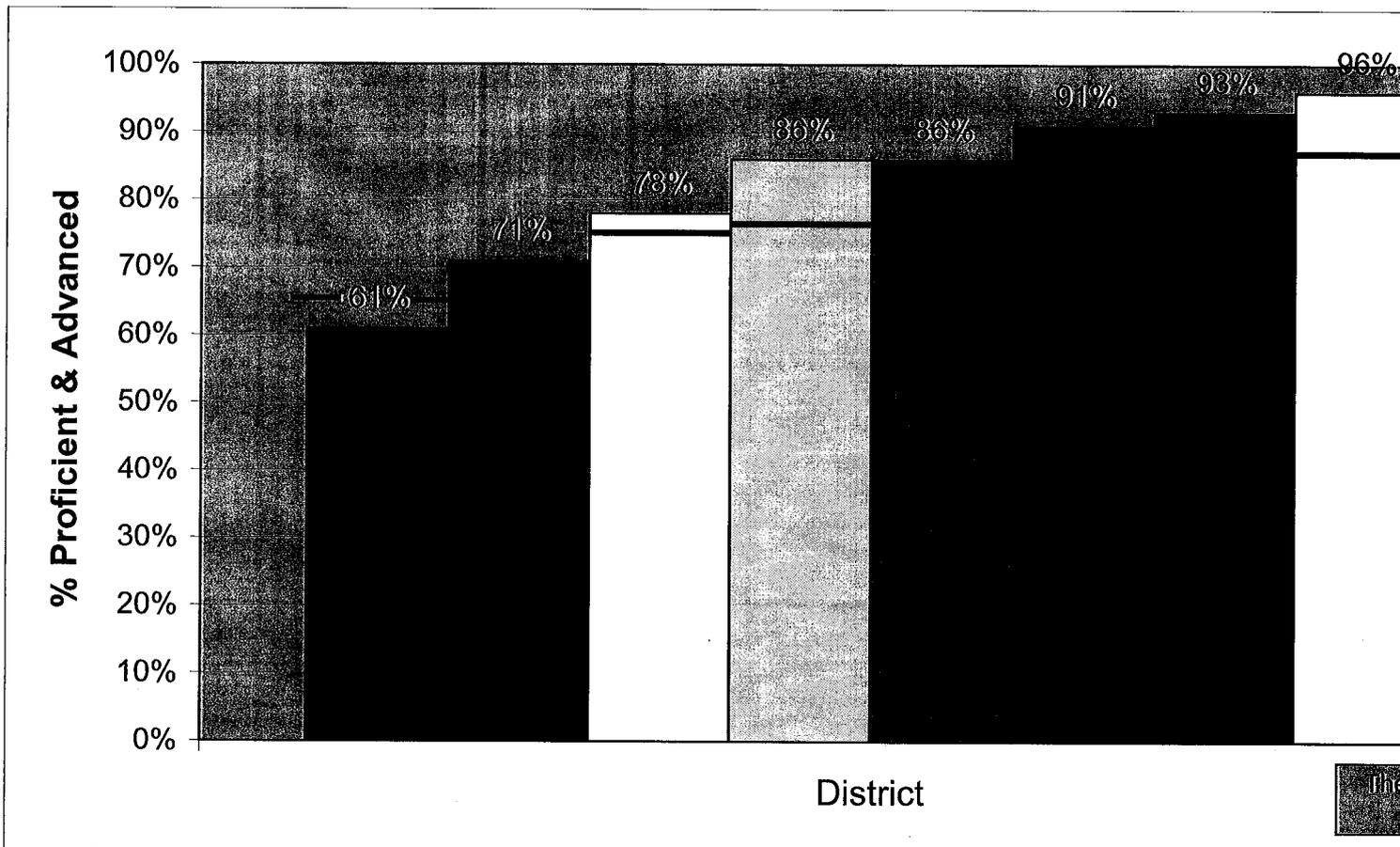
DISTRICT		PER STUDENT EXPENDITURES 2004-05 BUDGET										FUND		
		Instruction		Capital						Comparative Exp.		Endin		
Type	Name	Total	Sal. & Fringe	Pupil Serv.	Instr. Supp.	Admin.	Bldg. Grds.	Pupil Trans.	Exp./Debt	Total Exp.	Amt.		K-12 % St. Avg. (+/-)	(\$000)
K-8 DISTRICT AVG.		5,969	5,241	358	478	954	954	419	943	10,515	8,713			
UHS DISTRICT AVG.		6,156	5,406	544	449	890	1,307	411	1,149	11,430	9,346		3	
K-12 DISTRICT AVG.		6,069	5,434	441	501	778	944	408	710	10,347	8,734		3	
K-12 AVG. MINUS MPS		5,966	5,414	431	476	761	956	383	752	10,220	8,590		2	
K-12	Horicon	6,286	5,166	276	356	684	771	370	937	9,965	8,373	7	-4.1	1
K-12	Hortonville	5,401	4,655	318	382	641	701	550	1,143	9,375	7,443	10	-14.8	3
K-12	Howards Grove	5,483	4,943	366	296	912	913	516	964	9,744	7,970	9	-8.7	1
K-12	Howard-Suamico	5,011	4,552	308	390	644	782	334	851	9,443	7,135	10	-18.3	4
K-12	Hudson	5,350	4,781	401	377	589	790	375	765	9,334	7,507	10	-14.0	15
K-12	Hurley	5,678	5,312	429	273	1,082	1,180	984	732	10,920	8,642	5	-1.1	1
K-12	Hustisford	6,793	5,295	398	498	1,042	988	648	586	11,278	9,719	2	11.3	
K-12	Independence	5,705	4,762	531	355	1,211	1,003	833	2,180	12,270	8,805	4	0.8	
K-12	Iola-Scandinavia	5,043	4,503	308	339	1,134	1,193	360	883	9,510	8,017	8	-8.2	1
K-12	Iowa-Grant	6,368	5,815	372	588	938	819	514	956	10,757	9,085	3	4.0	1
K-12	Ithaca	6,180	5,337	434	523	943	1,098	686	683	10,890	9,179	3	5.1	
K-12	Janesville	5,874	5,444	564	425	547	1,130	181	401	9,631	8,540	5	-2.2	19
K-12	Jefferson	5,825	5,327	407	504	852	802	380	492	9,606	8,391	6	-3.9	2
K-12	Johnson Creek	6,574	5,977	425	396	1,067	893	334	515	10,553	9,355	2	7.1	
K-12	Juda	5,868	4,746	390	465	843	1,059	317	1,462	11,008	8,624	5	-1.3	
K-12	Kaukauna Area	5,623	5,096	421	423	638	802	328	825	9,474	7,908	9	-9.5	5
K-12	Kenosha	6,237	5,857	571	530	613	991	266	541	10,033	8,941	4	2.4	1
K-12	Kettle Moraine	5,828	5,410	401	339	692	726	501	961	10,171	7,986	9	-8.6	
K-12	Kewaskum	5,664	4,875	314	325	840	965	477	685	9,600	8,109	8	-7.2	2
K-12	Kewaunee	5,567	5,051	353	437	756	1,004	525	1,141	10,247	8,117	8	-7.1	
K-12	Kickapoo Area	6,054	5,450	384	292	1,037	889	717	1,004	11,017	8,656	5	-0.9	
K-12	Kiel Area	5,290	4,776	371	588	837	1,115	426	914	9,823	8,202	7	-6.1	
*K-12	Kimberly	5,109	4,623	435	450	645	727	241	1,047	9,178	7,367	10	-15.7	4
K-12	Kohler	6,677	6,033	376	554	1,084	1,065	157	1,400	11,535	9,756	2	11.7	
K-12	La Crosse	7,042	6,424	562	780	734	873	326	317	11,137	9,992	1	14.4	2

Kimberly Area School District
Wisconsin Knowledge & Concept Exam
8 Year Comparison by Subject



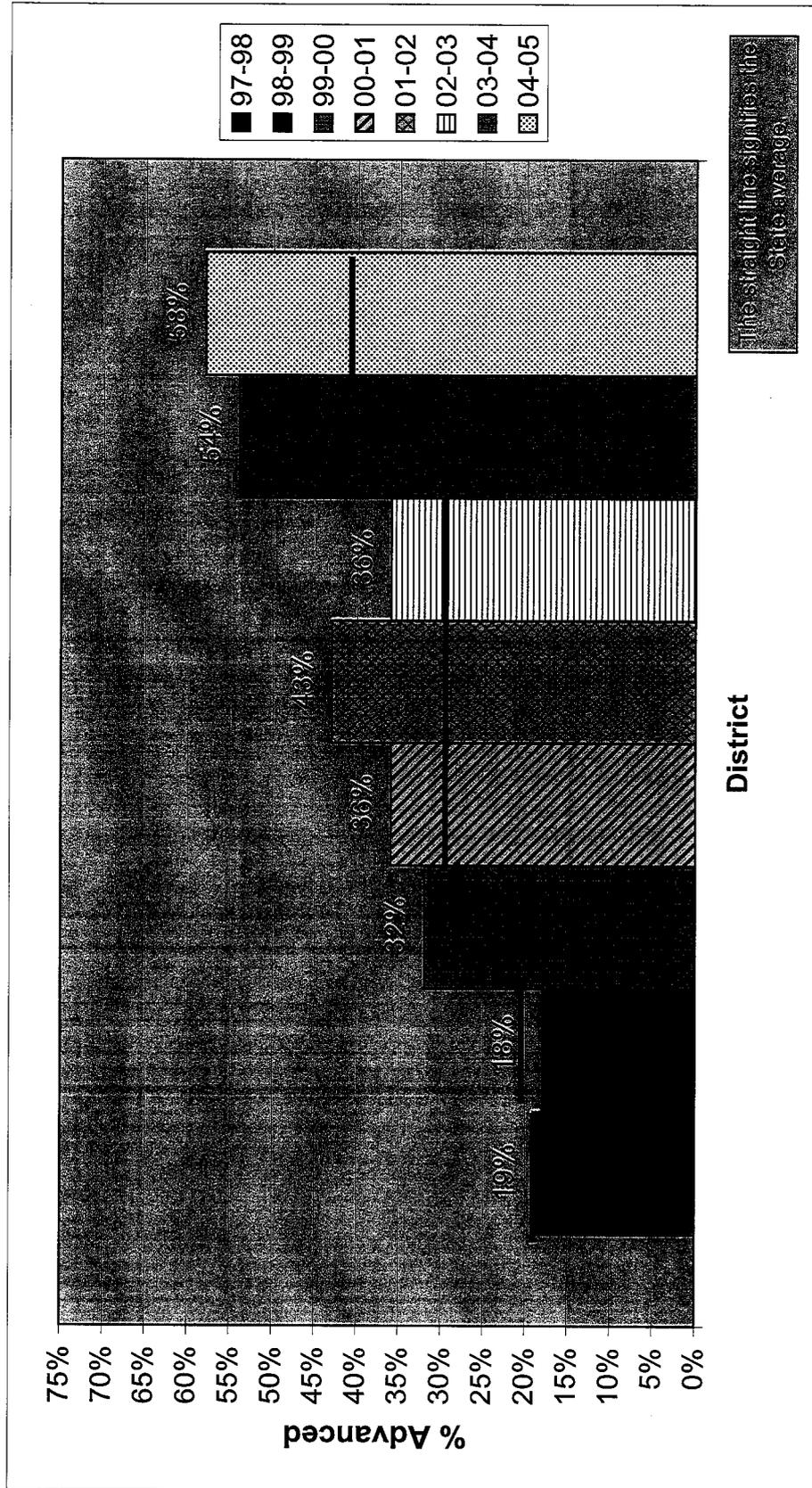
Kimberly Area School District

**Wisconsin Reading Comprehension Test
8 Year Comparison
3rd Grade - % Proficient & Advanced**



Kimberly Area School District

Wisconsin Reading Comprehension Test
8 Year Comparison
3rd Grade - % Advanced



Kimberly Area School District
ENROLLMENT SINCE 1988
Third Friday in September Count

Year	Westside	Janssen	Sunrise	Mapleview	JRG	KHS	3 rd Friday Enrollment
1988	440	269			317	556	1582
1989	533	269			314	560	1676
1990	592	287			359	538	1776
1991	607	337			382	542	1868
1992	614	404			450	571	2039
1993	564	480		110 -Maple Street	442	564	2160
1994	589	516		121 -Maple Street	468	639	2333
1995	612	535		124 -Maple Street	516	674	2461
1996	463	361	522		558	705	2609
1997	482	392	538		568	763	2743
1998	461	452	561		610	774	2858
1999	439	470	625		609	835	2978
2000	444	505	640		654	885	3128
2001	428	377	578	329	678	937	3327
2002	423	394	630	341	768	1015	3571
2003	418	418	682	355	798	1079	3750
2004	408	428	744	337	875	1130	3922
2005	434	478	744	316	882	1187	4041

Year	Westside	Janssen	Sunrise	Woodland	Mapleview Intermediate	JRG	KHS	3 rd Friday Enrollment
2006	392	458	495	468	320	605	1243	4211

Third Friday in September Count Numbers Used

MEMORANDUM

To: Board of Education
From: Mel E. Lightner, Ph.D.
Superintendent of Schools
Date: August 24, 2006
RE: Early Retirement Benefits



Many employers are burdened with a huge fiscal liability in the form of health insurance retirement benefits. Employers in both the public and private sector have reduced or eliminated some or all of the early retirement benefits that they hitherto have given employees. The Kimberly Area School District has been proactive in establishing a trust for the payment of future early retirement liabilities. While the establishment of the trust may help, I believe it is time that the Kimberly Area School District Board of Education gives serious consideration to eliminating early retirement health insurance premium benefits for all non-union employees that are hired in the future. Existing employees would still be eligible for early retirement health insurance. However, those employees newly hired in the "administrator", "administrative assistant" and some "at will" categories would not receive the benefit.

The employment relationship with the teaching staff is governed by a collective bargaining agreement and if the early retirement health insurance premium benefit were to ever be eliminated or reduced, it must be negotiated between the board and the union.

If the board gives their consent, Director of Business Services, Gary Kvasnica, Director of Human Resources, Denise Weyenberg and I would work on proposals to present to the board that could replace the early retirement health insurance premium benefit for "administrators", "administrative assistants" and "at will" employees that are hired in the future. If the board likes any of our proposals, you could then change the fringe benefit package to reflect the proposal. **It is high time that school districts and other public entities make great attempts to end the very costly early retirement health insurance benefit. The reason for this, of course, is that the more taxpayer money that is directed to pay early retirement benefits the less can be spent on educating the community's children.**

I eagerly await your response to this concept.