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Permit No. 191

April 2010
Special Edition

**ELMBROOK
SCHOOLS**
School District of Elmbrook

LINK

Connecting the Elmbrook Schools Community

Message from the Superintendent—The State of the Elmbrook Budget



The School District of Elmbrook has much to celebrate. Each day we watch thousands of students grow academically and emotionally, both in and outside of the classroom.

While we continue to celebrate student accomplishments, we do so in challenging financial times. The district is facing a budget shortfall and is working to identify innovative solutions to continue providing what makes us successful—community, excellence, and opportunity.

This special edition of *LINK* outlines various budget options that Elmbrook and many other school districts across the state are considering to address budget shortfalls.

District Budget Shortfall

Wisconsin school district budget shortfalls are caused by gaps between district expenditure increases and limited revenue

increases allowed by state law.

Since 1994, Elmbrook's expenses have risen 3 to 4 percent each year, while revenue caps have only allowed the district's revenues to increase between 2 and 3 percent each year. When a district's resident enrollment is growing, it is difficult but possible to operate under these financial constraints. When a district's enrollment is declining, as is now the case in Elmbrook, a structural deficit is created.

Elmbrook's enrollment is projected to decrease an average 1.5 percent each year over the next five years (Fig. 1). This, combined with the revenue and expense gap (Fig. 2), requires that Elmbrook implement \$16.1 million in budget reductions and/or revenue enhancements over the next five years.

Proactive Community Planning

Elmbrook leaders recognized the need to develop a fiscally responsible, long-term approach in fall 2008, when a comprehensive, five-year financial planning process began as part of our strategic plan. Several budget study teams comprised of community members, parents and staff have worked hand-in-hand with district administrators and the Board of Education to find innovative solutions to address the district's budget shortfall. We will continue to do this with our top priority—student learning—most in mind.

Our financial planning is strengthened greatly by community involvement. For this reason we encourage community members, parents, staff, and students to get involved in the process. Please see page 4 for several engagement opportunities related to our financial planning initiative. We invite you to join us in planning for our future.

Thank you for your support of Elmbrook Schools!

Matt Gibson
Dr. Matt Gibson
Superintendent

BECOME INVOLVED!

Your Community • Your Schools • Your Choices

Every school district across the state of Wisconsin is experiencing budget challenges. What makes Elmbrook unique is its ability to engage the community, parents, staff, and students in the financial planning process. Your participation strengthens our approach and ensures our collective focus on student learning.

Why should you help?

- Involvement of community members, parents, staff, and students creates accountability that all budget areas are reviewed. It also helps identify thresholds where cutting more programs or raising class sizes is no longer in the community's best interest.
- A quality, high-achieving school district supported by adequate financial and human resources draws people to purchase homes in the district, positively affecting property values.
- Education is a community-wide initiative in preparing our next generation for success.

Serve on a Budget Study Team

If you are interested in participating in the planning process by serving on a budget study team, please e-mail pr@elmbrookschoools.org. The financial planning process is ongoing. There are several opportunities to be involved and the district welcomes new volunteers at any time.

Attend a Listening & Feedback Session

In March, 150 citizens participated in Listening & Feedback Sessions to discuss potential budget adjustments for the 2010-11 school year. These sessions allowed for great discussion and feedback on items being considered, which will help inform the Board of Education as it determines next year's budget.

In May, the district will be conducting another round of Listening & Feedback Sessions at the Central Administrative Offices, 13780 Hope Street, Brookfield, to discuss innovative solutions for the district's long-term future.

- Thursday, May 20: 7 p.m.
- Friday, May 21: 7:30 & 9:30 a.m.
- Wednesday, May 26: 4 p.m. & 7 p.m.

Join Elmbrook PLAN

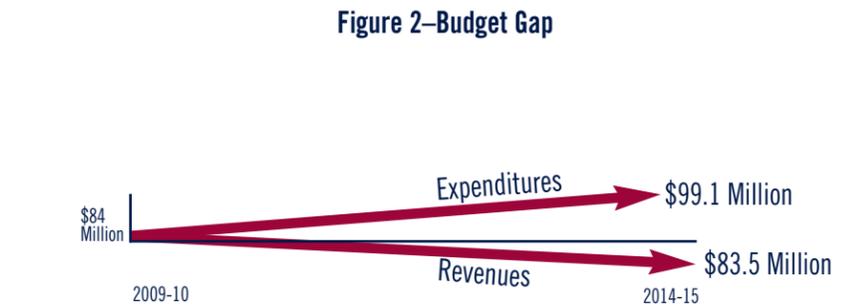
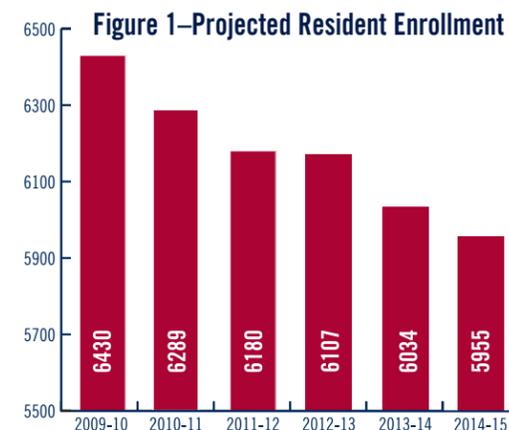
Elmbrook PLAN (Parent Legislative Alliance Network) is a newly forming non-profit, nonpartisan organization for those interested in learning about federal, state and local issues affecting public schools. They intend to inform residents about educational issues and encourage public participation in matters affecting schools; foster a social and political climate favorable to public education; and advocate for public policies that promote high-quality public education in Elmbrook. For more information on this group, please e-mail elmbrookplan@gmail.com.

Stay Informed

For up-to-date information on Elmbrook's financial planning process and opportunities for community engagement, visit www.elmbrookschoools.org/financialplan.

Submit Your Budget Questions & Feedback

E-mail feedback@elmbrookschoools.org with questions about Elmbrook's financial planning process and with opinions you wish to share.



Thank you for your support of Elmbrook Schools!

Elmbrook Schools Budget Options

DECREASE EXPENDITURES

School Board Control

Reduce Operational Costs

Elmbrook has realized efficiencies in the areas of energy reduction, facility maintenance, technology, business operations, debt management, and administrative and support staffing. Soon to begin is a study on possible savings with district transportation changes.

Increase Class Sizes

Student learning is Elmbrook's top priority. For that reason, the district values keeping class sizes at an ideal level to maximize student learning. While the district does not plan to exceed or revise its maximum class size policies, modest increases in class sizes will likely occur.

Modify Class Schedules & Delivery Models

Elmbrook's budget deficit presents an opportunity to investigate how schools can instruct students more effectively and efficiently. Studies are occurring to explore the student learning and cost-saving benefits connected to elementary multiage classrooms as well as alternatives for middle and high school scheduling.

Reduce Programs & Services

Over the last several years, programs like 3rd grade orchestra, elementary foreign language, driver's education, and middle and high school reading courses have been eliminated. Going forward, additional curricular programs and co-curricular activities will be evaluated for possible reduction, phase-out, change in delivery, or elimination.

Close a School

When faced with a budget shortfall and declining enrollment, many school districts choose to close schools and redistrict. Elmbrook's Enrollment Management Study Team, a team comprised of community and parent volunteers, is evaluating enrollment-based budget solutions. This spring, the team will recommend whether an elementary school closing/consolidation/redistricting study should occur during the 2010-11 school year.

Align Salary & Benefit Costs to Revenue Authority

Elmbrook offers a desirable compensation package to recruit and retain the best and brightest staff members. Because salaries and benefits account for most of the district's expenses (84%), studies and negotiations are under way with the goal of aligning all expenditures to match available revenues. Until salaries and benefits align to available revenues, the district's business model is not sustainable and forces increased pressure on the other budget options.

INCREASE REVENUES

NON-PROPERTY TAX SOURCES

State Legislature Control

Change Formulas for Aid Allocation

While there is benefit to the taxpayer in additional state funding to reduce the local tax levy, the additional state funding would not help to increase overall revenues nor would it provide local budget relief. The revenue limit formula caps the combination of state aid and taxes. As a result, an increase in one would simply mean a reduction to another.

School Board Control

Secure Outside Funding

Elmbrook is considering modest increases to student fees across all school and activity levels, as well as increased fees for community use of district facilities. The district is also investigating outside grant opportunities.

Increase Open Enrollment

Open enrollment allows parents to apply for their children to attend school districts other than the one in which they reside. For every open enrollment student Elmbrook accepts, the district receives \$6,500 in revenue. The Enrollment Management Study Team is studying how opening additional revenue-generating seats would affect the district.

PROPERTY TAX SOURCES

State Legislature Control

Change State Revenue Cap Formula

The amount of money school districts may collect in local property taxes is subject to revenue limits, a state law that caps the amount of money a district may receive in aid and property taxes. Without salary and benefit controls and with the state budget shortfall, this model fails to keep up with district expenditure increases. To learn more visit the School Finance Network at www.sfnwisconsin.org.

School Board Control

Increase Resident Enrollment

Marketing efforts are under way to attract prospective families to Elmbrook Schools. In addition, the Enrollment Management Study Team is determining whether re-instituting the district's 4-year-old Kindergarten program will be included in their recommendations to narrow the revenue and expenditure gap. Budget study teams are also developing proposals for a charter school and distance learning (online) courses in order to broaden the district's academic offerings and attract more resident students.

Elmbrook Electorate Control

Propose Operational Referendum

An operational override referendum would allow residents to approve increased taxes for district operations (over a specific period of time, up to a certain percentage or dollar amount). Elmbrook is committed to investigating all options and community sentiment toward this solution before a referendum is seriously considered.