



Berlin Journal Article
Point of Focus
Berlin Area School District

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Author: Dr. Emmett Durtschi

Topic: Referendum - Cost Savings

Title: School Referendum: Cost Savings

The fall election held on November 5th is only four weeks away and if you are anything like me, you feel a bit tired. Our mailboxes, email inboxes, radio waves, and televisions are overflowing with ads, news, soundbites, and talking heads, all focused on the upcoming election.

Although you may be tempted to disconnect or tune out, as I am at times, I encourage you to remain engaged. The American form of democracy, or technically a constitutional federal republic or representative democracy, requires its citizens to stay informed and vote. So, as one citizen to another, please take a break from the noise, but keep learning about the issues and candidates, and cast an informed vote on November 5th.

Over the past few weeks I have been focusing my column on the school referendum, including topics such as the reason for the referendum, the implications if it passes or fails, and the tax impact if it passes. Last week I wrote about how our school district is not alone in needing to go to an operational referendum. In fact, 87% of the 421 school districts in Wisconsin have already had to go to referendum to close budget gaps and provide for the operational needs of their school districts.

In this week's column I am going to focus on cost savings and adjustments we have made as a school district to reduce the tax impact of the referendum on the taxpayers.

How does this referendum compare with the referendum in 2023?

The first and only time the Berlin Area School District placed an operational referendum question on the ballot was in April 2023. There were two referendum questions on the ballot and the voters rejected both of them. The operational question would have cost taxpayers a total of

\$12,500,000 spread over 5 years. This November, the operational question is for a total of \$7,065,513 spread over 4 years.

Why is the new referendum question less than the last time?

There are several reasons this operational referendum amount is less than the last attempt at passing a referendum. Historically, the Berlin Area School District has been a low spending school district compared with the majority of school districts in Wisconsin. The District takes in less taxes and spends less per student than average. Since we have been a low spending district, the Wisconsin school funding formula locked the District into a low revenue limit. In the last Wisconsin biennial budget, the State corrected some of this problem by providing some relief and increased our lower revenue limit. This allowed the BASD school board to reduce the budget deficit as well as the total referendum amount.

How has the District reduced costs?

Another reason this operation referendum amount is less than last time is due to significant budget reductions. After the voters rejected the last operational referendum, the District was forced to look for budget reductions, above and beyond typical reductions, in order to balance the budget. These cost savings included the cutting of two in city school bus routes, reducing school and department budgets, and eliminating several staff positions totalling over \$1,000,000 in savings for this school year alone.

What is the impact on these budget cuts?

A common question I have heard at the referendum community information sessions and when I am sharing information around town relates to the impact of the budget cuts. Some have shared that they feel the school district must make the cuts, regardless of the impact on our students and staff. It is true, the District must balance the budget every year, just as it has in the past, even if this requires budget cuts. However, the impact on these cuts is negatively impacting students and staff, with larger class sizes, fewer support services for students, and the elimination of some educational programs. If the referendum fails in November, the school district will need to cut over \$1,000,000 per year going forward, which will further negatively impact the quality of our public schools in Berlin.

How has ESSER funding been used to offset budget reductions?

The Elementary and Secondary School Emergency Relief Fund (ESSER) is a federal program that provided additional funding to K-12 schools during the COVID-19 pandemic. These funds have now all been spent and the program has sunset this fall. During these past four years of ESSER, the Wisconsin Legislature did something other states chose not to do, they froze annual per student funding increases for two years, which increased the budget deficit and forced school districts to use ESSER to help close budget gaps. During this time, the Berlin Area School District used \$850,000 to help reduce cuts to staffing.

In addition, the District used ESSER funds to pay for COVID-19 health and safety responses, HVAC and air purification systems, summer school to help close academic gaps, curriculum and materials, musical instruments, technology, security camera systems, high school theater sound

system, alternative education programs, and the Clay playground rebuild. The District carefully chose these programs and purchases based on the longevity of the impact and with a focus on one time purchases. The goal was to improve the educational experience for our students while also reducing future costs for the taxpayer. Some of these projects and purchases have an anticipated life of 10 to 20 years or more, helping reduce costs to taxpayers for decades.

Why do we need an operational referendum with all these cuts?

Despite all the cost savings, budget cuts, and use of ESSER funds, due to the manner in which the State funds public education, there continues to be projected annual budget deficits in the coming school years. Since 2009, State funding has not kept up with inflation, so the Berlin Area School District is joining with the other 87% of school districts in the State who have had to ask the public to assist in closing the budget gaps. The taxpayers need to know that the District will continue to reduce costs, even if the referendum passes, but a successful referendum will greatly reduce the negative impact that budget cuts have on the quality of our public school system.

I encourage everyone to stay engaged and learn more about our schools, inform yourselves regarding the referendum question, and then get out to vote on November 5th. In these final four weeks there will be another mailer, social media posts, webpages, articles in the Berlin Journal, and community meetings. Since all taxpayers in the district boundaries support our schools through property taxes, it is important to learn more about our schools and the value they bring to the community.

Thank you for your continued support of our children and community.