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December 5, 2019

School District Boundary Appeal Board

Dear Board Members,

First, we would like to thank you again for your willingness to work to review the issue of the Palmyra-Eagle Area School District dissolution.

As we testified at the November 21, 2019 hearing, the Whitewater Unified School District (WUSD) does not want the Palmyra-Eagle Area School District (PEASD) to dissolve. We believe that every school district should be provided with sufficient financial resources to educate the students who live within the boundaries of the school district.

If dissolution is the decision of the Board, we ask that as you assign the assets and liabilities of PEASD, the school district's territory, and provide for the employees of PEASD, that you consider the challenges that WUSD will face.

We do not have the physical space to educate additional students at the elementary level in our existing facilities. Assigning one of the PEASD buildings to WUSD would be necessary to accommodate additional elementary-age students.

If a building is assigned to WUSD, then the primary challenge becomes: Does the PEASD territory assigned to WUSD contain enough resident students to make it financially feasible to operate an additional building? This would be further negatively impacted by students who choose to open enroll out of the district. A secondary challenge would be not receiving sufficient property tax base to bear the cost of educating additional students, operating another building, and transporting middle and/or high school students to our existing buildings.

It seems unlikely that the School District Boundary Appeal Board can make assignments that would not have a detrimental financial effect on one or more of the adjoining school districts. WUSD is one of many school districts in Wisconsin dependent on passing referenda for operating funds. Adding any additional costs to a school district or making any changes that might erode community support, could bring about the nightmare scenario of a cascade of dissolutions for financial reasons.

## A Possible Alternative:

In reviewing the results of the operating and advisory referenda and testimony during the public hearings before the Board, generally speaking, the voters of PEASD expressed their desire that the Jefferson and Walworth Counties portions maintain an independent school district and that the Waukesha County portion of PEASD become part of the Mukwonago Area School District (MASD).

If it is possible under current dissolution statutes, the Board could consider drawing the Waukesha County portion of PEASD into MASD. Through this, assets and liabilities and current Eagle Elementary staff could be assigned to MASD. The Jefferson and Walworth Counties portions of PEASD would remain and operate as it currently does. The challenges in this scenario are whether the Board has the authority to draw boundaries in this manner and whether PEASD would have the financial resources to operate as an independent school district.

If the Board determines that redrawing boundaries in this manner is not within its authority, then current laws provide mechanisms for alternative methods to achieve a similar result. Specifically, detachment of some territory from PEASD and attachment of the territory to MASD. This scenario may require PEASD to remain intact through the 2020-21 school year to meet the timeline requirements under current Wisconsin Statutes and would again be dependent on the ability of the Jefferson and Walworth Counties portions having the financial resources to operate as an independent school district.

It remains our belief that no dissolution should occur.

Sincerely,

Casey Judd School Board President

Dr. Jim Shaw, PhD District Administrator Matthew Sylvester-Knudtson Director of Business Services