

**SCHOOL DISTRICT OF CHETEK
WEYERHAEUSER AREA SCHOOL DISTRICT**

CONSOLIDATION FEASIBILITY STUDY

Prepared for
Dr. Al Brown, District Administrator
and
Mr. Christopher (Chris) Nelson, District Administrator
and
School Boards
School District of Chetek
Weyerhaeuser Area School District

Dr. Kay T. Worner
Roger Worner Associates, Inc.
Cedar, Minnesota

Dr. Roger B. Worner
Roger Worner Associates, Inc.
Cedar, Minnesota

December, 2008

**School District of Chetek
and Weyerhaeuser Area School District
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CHAPTER I

DESIGN OF THE STUDY

1.0 Purpose of the Study

The District Administrator of the School District of Chetek, Dr. Al Brown, the District Administrator of Weyerhaeuser Area School District, Mr. Christopher (Chris) Nelson, and the School Boards of the School District of Chetek and Weyerhaeuser Area School District determined it was in the collective best interests of their school organizations and communities to commission a **Consolidation Feasibility Study** to assess the status of their respective organizations, identify pressing organizational needs, develop viable alternatives for addressing those organizational needs, including the possibility of school district restructuring, and assist in fashioning a comprehensive plan of action to strengthen the organizations' enrollments, finances, programs, services, staffing, facilities, and other operational components. Toward that end, the school districts sought and received funding from the State of Wisconsin to partially cost underwrite the engagement of the services of an independent third party neutral firm to conduct a **Consolidation Feasibility Study**.

The School District of Chetek and Weyerhaeuser Area School District engaged the services of Roger Worner Associates, Inc. to conduct the **Consolidation Feasibility Study**. The Project Consultants were Drs. Roger and Kay Worner, President and Vice-President of Roger Worner Associates, Inc., Cedar, Minnesota. Drs. Roger and Kay Worner have served as principal investigators in over 300 studies of P-K-12 school districts (involving nearly 1,000 school districts), including numerous multi-school district studies in which participating school organizations

considered enhanced collaboration/cooperation, restructuring, or consolidation as viable options for preserving and protecting school, community, student, program and service, staffing, and facility assets.

It was determined the **Consolidation Feasibility Study** would include analyses of the school districts' enrollments, enrollment trends, programs, services, staffing, facilities, and related organizational components. The study was designed to gather and analyze multi-school district data, present findings, draw conclusions, identify alternatives, and prepare recommendations that would be valuable for the District Administrators and School Boards of the School District of Chetek and Weyerhaeuser Area School District in delineating preferred courses of action for the future.

The timetable for the **Consolidation Feasibility Study** spanned approximately 4½ months, commencing on or about July 30, 2008 and concluding on or about December 15, 2008. (It is to be noted that the contract document was not executed until August 11, 2008 and the first meeting with the school districts' leaderships did not occur until August 20, 2008).

1.1 Need for the Study

The leadership of the School District of Chetek and Weyerhaeuser Area School District recognize that, as a result of the organizations' small critical masses by State of Wisconsin standards, past student enrollment declines, persistent cost escalations, past budget reductions, probable future budget reductions, and the inherent losses of programs, services, and staffing, there is value in considering the merits (and demerits) of structuring a more collaborative and cooperative working relationship among the two school

districts—including the possibility of consolidation—in the future. In order to facilitate effective decision-making on the part of the two School Boards and District Administrators, there is a significant need for and value in commissioning a **Consolidation Feasibility Study** by an experienced, school-based, independent third party neutral firm.

It is to be noted that the status of Weyerhaeuser Area School District is particularly precarious, given the organization's diminutive critical student mass (district size) and history of continuous student enrollment decline. As a consequence, Weyerhaeuser Area School District's District Administrator and School Board have enthusiastically agreed to participate, simultaneously, in two **Consolidation Feasibility Study** projects involving—in the first instance—the School District of Chetek and Weyerhaeuser Area School District and—in the second instance—the School District of Bruce, Ladysmith-Hawkins School District, and Weyerhaeuser Area School District.

Roger Worner Associates, Inc. determined that the School Boards and District Administrators were in a position to verify that the needs of the School District of Chetek's and Weyerhaeuser Area School District's **Consolidation Feasibility Study** also included the following:

- ❖ The school districts have a need to provide programs, services, staffing, and facilities that are cost/effectively operated within the financial parameters of the school districts' budgets.

- ❖ The school districts have a need to insure that programs, services, staffing, organizational configurations, methodologies, delivery systems, and facilities will be enhancing to the teaching/learning

processes in the future and increase the probability the organizations will retain or, if possible, expand their marketshares of mobile families, parents, and students who choose to locate/reside in the school districts and their communities.

- ❖ The school districts have a need to provide quality programs, services, staffing, and facilities that will accommodate the short-term and long-term educational (academic), extra-curricular, co-curricular, recreational, social, and support programs and services for and fulfill the needs, expectations, and interests of the communities' pre-school, school-aged, and adult populations.
- ❖ The school districts have a need to preserve and protect vestiges of a comprehensive array of programs, services, staffing, and facilities during a span of time when both student enrollments and community populations are experiencing decline.

1.2 Methodology

At the time of the initiation of the **Consolidation Feasibility Study**, the Project Consultants delineated methodological procedures to address the purpose and needs of the study. Salient components of the study's methodology were as follows:

- ❖ Interview the District Administrators.
- ❖ Interview members of the School Boards.
- ❖ Interview key district-level administrators.

- ❖ Interview districts' Principals.
- ❖ Interview a (small) sampling of key community patrons or conduct individual community focus groups.
- ❖ Interview key governmental officials.
- ❖ Analyze area demographic data/trends.
- ❖ Analyze current P-K-12 enrollment data.
- ❖ Analyze enrollment trend (past) data.
- ❖ Analyze projected enrollment data.
- ❖ Analyze open enrollment, non-resident agreement, parochial, and home school data.
- ❖ Analyze financial trend data.
- ❖ Prepare financial projections.
- ❖ Analyze class size data.
- ❖ Analyze school schedules.
- ❖ Analyze programs and services and extracurricular programs.

- ❖ Analyze course offerings.
- ❖ Analyze Community Education programming.
- ❖ Analyze Special Education staffing, programs, and services.
- ❖ Analyze facility ages, square footages, and square footage/student data.
- ❖ Analyze facility operating costs.
- ❖ Analyze conditions/status of facilities.
- ❖ Analyze educational adequacy of facilities.
- ❖ Analyze bonded indebtedness.
- ❖ Analyze transportation contracts.
- ❖ Analyze curriculum adoption/development processes.
- ❖ Analyze staff development processes/focuses.
- ❖ Analyze achievement test data.
- ❖ Confer with a public finance advisor.

- ❖ Confer with a construction management firm.
- ❖ Confer with the Wisconsin Department of Public Instruction.
- ❖ Gather/analyze other data as may be warranted.
- ❖ Prepare the **Consolidation Feasibility Study** final document.
- ❖ Present the **Consolidation Feasibility Study** final document, including conclusions, alternatives, and recommendations, to the School Boards and District Administrators.

1.3 Geographic Setting

The School District of Chetek is a rural school organization that encompasses 168.24 square miles in northwest Wisconsin. The school district's largest community is the City of Chetek with a population of 2,207. In addition to the City of Chetek, the school district is comprised of nine townships, the largest of which are the Township of Chetek (1,786 residents), and the Township of Prairie Lake (1,545 residents). Portions of the School District of Chetek are located in the counties of Barron, Chippewa, Dunn, and Rusk.

Weyerhaeuser Area School District is also a rural school organization that spans 118.16 square miles in northwest Wisconsin. The school district is situated almost entirely in Rusk County with a diminutive amount of property in Barron County. Weyerhaeuser Area School District's largest community is Weyerhaeuser with a population of 353 residents.

The communities of the City of Chetek and Village of Weyerhaeuser are located approximately 20 miles from one another along Highway 8 and Highway M. Additionally, the City of Chetek is situated approximately 17 miles south of the City of Rice Lake along Highway 53 and 40 miles north of the City of Eau Claire along Highway 53 and Highway 8. The Village of Weyerhaeuser is situated approximately 23 miles south and east of the City of Rice Lake along Highway 53 and Highway 8 and approximately 62 miles north of the City of Eau Claire along Highway 53 and Highway 8. The Village of Weyerhaeuser is 7 miles west of the City of Bruce and 16 miles east of the City of Cameron along Highway 8.

Five school districts are contiguous to the School District of Chetek: Barron (west), Cameron (north), Weyerhaeuser (northeast), New Auburn (east), and Colfax (south). Six school districts are contiguous to Weyerhaeuser Area School District: Chetek (southwest), Cameron (west), Rice Lake (west), Birchwood (north), Bruce (east), and New Auburn (south).

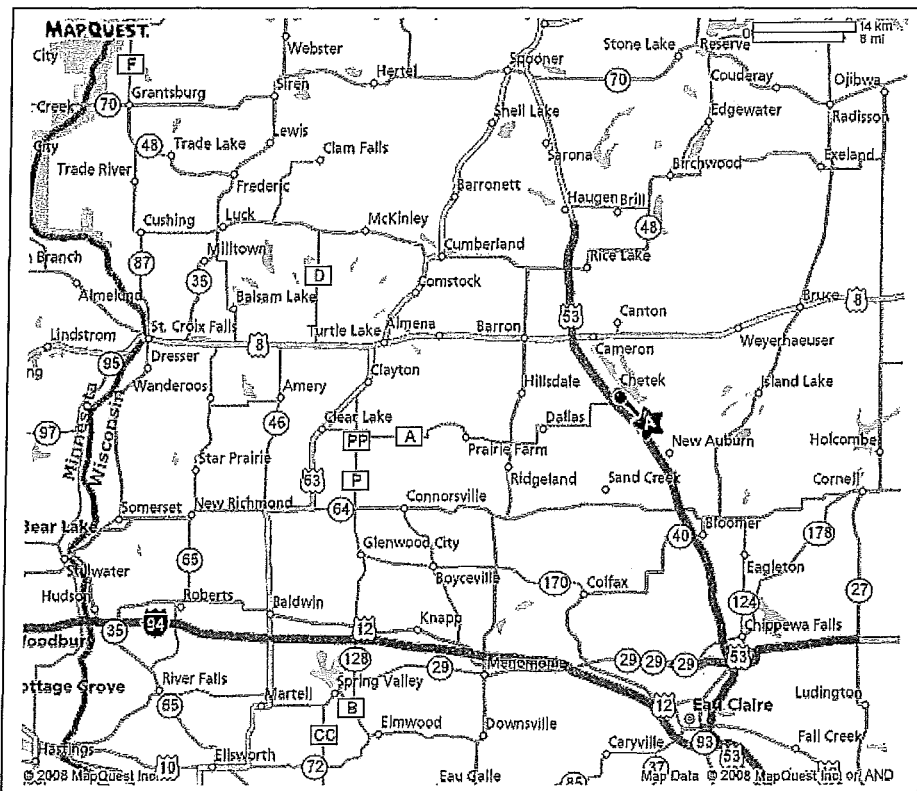
Dr. Al Brown serves as District Administrator of the School District of Chetek. The School District of Chetek is headquartered in the Chetek High School/Middle School facility at 1001 Knapp Street, Chetek, Wisconsin 54728.

Mr. Christopher (Chris) Nelson serves as District Administrator of Weyerhaeuser Area School District. The headquarters for Weyerhaeuser Area School District is in the Weyerhaeuser Elementary/Secondary School at 402 North Second Street, Weyerhaeuser, Wisconsin 54895.

Agriculture, agri-business, recreation, forestry/lumber, manufacturing, commercial/industrial, small retail/commercial, education, and nursing are the primary sources of employment for residents of the School District of Chetek and Weyerhaeuser Area School District. Many residents commute to other communities for employment.

The largest employers in the School District of Chetek and surrounding area include Knapp Haven Rest Home (nursing) with 133 employees; School District of Chetek (education) with 130 employees; Parker Hannifin (manufacturing) with 90 employees; and Kirkwoods IGA Store (grocery/hardware) with 60 employees.

Provided below is a map cross-section to provide a perspective on the geographic relationship of the School District of Chetek and Weyerhaeuser Area School District and the two school districts' location/relationships with/to other communities in the surrounding area.



1.4 Questions of the Study

During the conduct of the School District of Chetek and Weyerhaeuser Area School District **Consolidation Feasibility Study**, the Project Consultants identified select questions to aid in investigating the purpose of and needs for the study. Subsequently, the Project Consultants gathered and analyzed data which would permit the development of findings, conclusions, alternatives, and recommendations for review and consideration by the School Boards and District Administrators of the participating school district organizations.

The specific questions prepared to guide the Project Consultants and furnish substantial content for the **Consolidation Feasibility Study** document were as follows:

- ❖ What is the current status of each school district's enrollment, enrollment trends, finances, programs, services, staffing, organizational configuration, facilities, and related issues?
- ❖ Is there probable cause for either/both of the school districts to consider the possibility of future consolidation?
- ❖ What conclusions may be drawn about future program and service benefits and opportunities for students served if the original school districts were to consider consolidation?
- ❖ What conclusions may be drawn about the cost/effectiveness of the resulting school district if the original school districts were to consider consolidation?

- ❖ What conclusions may be drawn about long-term merits/demerits for the taxpayers if the original school districts were to consider consolidation?

- ❖ What recommendations do the Project Consultants tender to the School Boards and District Administrators of the participating school districts regarding improvement of the organizations' statuses and/or consideration of the possibility of future consolidation?

1.5 Assumptions

The Project Consultants identified specific, operating assumptions that would facilitate the qualitative conduct of the **Consolidation Feasibility Study** for the School District of Chetek and Weyerhaeuser Area School District. As a precursor to actually gathering and analyzing comprehensive data, drawing conclusions, weighing alternatives, and tendering recommendations, the Project Consultants identified the following operating assumptions:

- ❖ The School District of Chetek and Weyerhaeuser Area School District are small critical student mass school districts—and will continue to be so—by State of Wisconsin standards.

- ❖ The School District of Chetek and Weyerhaeuser Area School District have experienced student enrollment decline in recent years and, unless countervailing measures are instituted, will continue to experience enrollment decline in the future.

- ❖ The School District of Chetek and Weyerhaeuser Area School District—as a result of their small critical student masses and current/future student enrollment decline—have begun to display (or significantly display) evidence of cost/ineffectiveness.
- ❖ The School District of Chetek and Weyerhaeuser Area School District maintain a quality array of programs and services for their pre-school, school-aged, and adult populations.
- ❖ The School District of Chetek and Weyerhaeuser Area School District engage in minimal program, service, staffing, and other collaboration and cooperation.
- ❖ The School District of Chetek and Weyerhaeuser Area School District have substantial differences in school organization, communities, staffing, programs, services, and other components which may have a bearing on one or more of the school district's willingness to participate in a consolidation endeavor.
- ❖ The School District of Chetek and Weyerhaeuser Area School District have been fiscally well-managed organizations, though as a result of declining enrollment they have been forced—of necessity—to embrace increasing levels of cost/ineffectiveness.
- ❖ The School District of Chetek and Weyerhaeuser Area School District parents and patrons desire that quality, modern-day programs, services, teaching methodologies, delivery systems, organizational

configurations, and teaching/learning processes be made available to the school district's children and young adults.

- ❖ The School District of Chetek and Weyerhaeuser Area School District parents and patrons are committed to providing high-quality, cost/effective programs, services, staffing, methodologies, delivery systems, organizational configurations, and facilities that best meet the needs of the young people and adults served by the school districts.
- ❖ The School District of Chetek and Weyerhaeuser Area School District parents, patrons, and community leaders believe that their school district is the “centerpiece” of the area and essential to the vitality of their respective communities.
- ❖ The School District of Chetek and Weyerhaeuser Area School District parents and patrons will support improvements in and/or changes to the organization, components of the organization, and, indeed, the structure of the two school districts to preserve and protect the quality and reputation of offerings and opportunities provided to the communities' children and young people to ensure the short-term and long-term financial viability of one (or more) school enterprise.

1.6 Organization of the Study

The School District of Chetek's and Weyerhaeuser Area School District's **Consolidation Feasibility Study** is organized in a six chapter format. Chapter I contains the study's design, including purpose, need, methodology, geographic setting, questions, assumptions, and

organization. Chapters II-V present data regarding the school districts' enrollment and enrollment trends; finances; class sizes, programs, services, staffing, teaching/learning methodologies, delivery systems, organizational configurations, and the like; and facilities. Chapter VI offers the Project Consultants' conclusions; alternatives, and recommendations for deliberation and future action by the District Administrators, School Boards, parents, patrons, and administrative and teaching staffs of the School District of Chetek and Weyerhaeuser Area School District.

CHAPTER II

DISTRICT SIZE AND ENROLLMENT TRENDS

2.0 Introduction

School district size and enrollment trends represent the two most significant variables which impact the long-term financial and programmatic viability of educational enterprises, whether large, urban school districts, wealthy, suburban school districts, large, rural educational enterprises, or remote, small school districts. Consequently, it was most logical that the Project Consultants would begin the School District of Chetek and Weyerhaeuser Area School District **Consolidation Feasibility Study** by gathering and analyzing actual past and current student enrollments, projected enrollments, non-public school student enrollments, in-migration and out-migration student data, and related information. It was anticipated that, with the aforementioned information in hand, the Project Consultants, District Administrators, School Boards, and school district staffs would be in a position to identify the need for instituting “course corrections” in the school districts’ organizations (including the possibility of consolidation), finances, staffing, programs and services, grade level configurations, facilities, and a range of other operating policies, procedures, and practices.

District size provides a critical perspective on the status of any given school enterprise. While some exceptions will be noted, small school districts tend to have fewer staff members, smaller budgets, less course offerings, fewer services, teachers involved in more course preparations, greater percentages of cost/ineffective courses or class section sizes, proportionately smaller fund balances, more frequent problems with the

adequacy of their school facilities, and less bonded indebtedness. Larger-sized school districts typically enjoy larger budgets, greater and more diversified staffs, less teacher preparations, more expansive course offerings, a greater array of services, more updated (but not necessarily state-of-the-art) facilities, and a higher level of cost/effectiveness, but they typically encounter, as well, higher tax rates, greater bonded indebtedness, larger class sizes (though more cost/effective than their smaller district counterparts), and much more.

One critical disadvantage experienced by low critical (student) mass school districts (those smaller than the average size of school districts in the State) is the lesser flexibility or capability of recovering from unanticipated downturns, unplanned events, or conditions that could jeopardize the organization's long-term survival, such as high inflation, meager (or no) increases in educational funding from the State level, increases in unfunded mandates, enrollment decline through weakening birth rates, loss of enrollment to other school districts, changes in local economic conditions, statutory changes, unnatural calamity (fire), or the like. As an example, an enrollment drop of 40 students in two school districts—one of 200 students and the other of 2,000 students—represents a problem of the same magnitude (loss of 40 students each) but one of dramatically different proportionate magnitude (20% compared to 2% loss of students). In the former case, the loss of students could very well be devastating to the existence of the school district, while in the latter case, the loss of students is a challenging problem, but it is one which can be dealt with as a part of a standard budget reduction process. Indeed, district size is a crucial variable for any school district to consider in planning its future options. The

Project Consultants note the importance of the district size variable to the School District of Chetek and Weyerhaeuser Area School District.

A school district's enrollment trend is a second and equally vital variable for the organization to consider in mapping the future. Enrollment is the variable which drives the funding of school districts in the State of Wisconsin and virtually every other state. Enrollment trends (growth, stability, and decline) are the harbingers of change in a school district's budget, budget reserves, tax rates, staffing, programs and services, facility needs/utilization, cost/effectiveness, and the organization's ability to respond to changes in State requirements, needs, interests, and expectations (of students, parents, and patrons), as well as many other operational conditions. It is a certainty that smaller school districts—experiencing long-term moderate or steep enrollment decline—are much more vulnerable than school districts able to boast a large critical mass of students and experiencing stable or increasing enrollment.

2.1 District Size

The School District of Chetek's and Weyerhaeuser Area School District's 2008-09 grade level enrollments are reported, respectively, in Tables 1-C and 1-W below.

Table 1-C reports that 911 students were enrolled in the School District of Chetek in grades P-K-12 during the 2008-09 school year. The school district's critical student mass would rank it near the mid-point by size of all school districts in the State of Wisconsin during the 2008-09 school year. (In 2007-08, the School District of Chetek ranked 209th in size among Wisconsin's 445 school districts). By State of Wisconsin standards, the

School District of Chetek would be classified as a **mid-size critical student mass school district**.

An examination of Table 1-C data affirmed that 56 students were enrolled in 4-year-old kindergarten (an additional four students were enrolled in pre-school programming), 67 students were enrolled in the 5-year-old kindergarten, 291 students were enrolled in grades 1-5, 200 students were enrolled in grades 6-8, and 293 students were enrolled in grades 9-12 in 2008-09. The school district's largest grade level enrollments in 2008-09 were found in grade 12 (80 students), grade 11 (72 students), grades 8 and 9 (71 students each), and grade 10 (70 students). The school district's smallest grade level enrollments during the same school year appeared in grade 1 (43 students), kindergarten (4) (56 students), grade 2 (57 students), and grade 4 (59 students).

The school district's largest three-grade level enrollment span occurred in grades 10-12 with 222 students enrolled during the 2008-09 organizational year. The school district's smallest three-grade level enrollment span was recorded in grades K(4)-1 with 166 students enrolled during that year.

The Project Consultants observed that the 2008-09 student enrollment in grades K(4)-1, the school district's smallest three-grade level enrollment span, was -56 students or -25.2% smaller than the grades 10-12 enrollment (222 students), the largest three-grade level enrollment span in the School District of Chetek.

**TABLE 1-C
SCHOOL DISTRICT OF CHETEK
ENROLLMENT
2008-09**

<u>Grade</u>	<u>Enrollment</u>	<u>Rank by Size</u>
PK	4	-
K (4)	56	13
K (5)	67	8
1	43	14
2	57	12
3	63	9
4	59	11
5	69	6-7
6	60	10
7	69	6-7
8	71	3-4
9	71	3-4
10	70	5
11	72	2
12	80	1
Total	911	
PK	4	
K (4)	56	
K (5)	67	
1-5	291	
6-8	200	
9-12	293	
Total	911	

Largest three-grade level enrollment span: grades 10-12 = 222 students
Smallest three-grade level enrollment span: grades K(4)-1 = 166 students

The average grade level enrollment size in the School District of Chetek during the 2008-09 school year was 64.8 students. That figure amounts, on average, to the equivalent of 3.0 sections of approximately 20

students/section. Assuming section sizes of approximately 20 students/section, the number of grade level sections in the School District of Chetek during the 2008-09 school year would range from 4.0 (grade 12) to 2.0 (grade 1).

The Project Consultants concluded that the School District of Chetek's student enrollment by grade level in 2008-09 offered adequate current and future potential for achieving cost/effective staffing and balancing class section sizes in grades K-3 (SAGE classrooms) but increasingly marginal future potential for achieving cost/effective staffing and balancing class section sizes in grades 4-12. Over time and with continuing declining enrollment, the School District of Chetek will be faced with mounting difficulties in achieving balanced class section sizes and staffing cost/effectiveness.

Table 1-W delineates that Weyerhaeuser Area School District enrolled 159 students in grades K(4)-12 during the 2008-09 organizational year. The school's critical student mass would place it among the smallest 5% of all school districts in the State of Wisconsin during the 2008-09 school year. (According to the Wisconsin Department of Public Instruction, Weyerhaeuser Area School District was ranked 420th among the State of Wisconsin's 445 school districts in 2007-08). By State of Wisconsin standards, Weyerhaeuser Area School District would be classified as a **small critical student mass school organization**.

An examination of Table 1-W data revealed that 4 students were enrolled in the 4-year-old kindergarten, 9 students were enrolled in the 5-year-old kindergarten, 38 students were enrolled in grades 1-5, 33 students were

enrolled in grades 6-8, and 73 students were enrolled in grades 9-12. The school district's largest grade level enrollments in 2008-09 occurred in grades 10 and 11 (19 students each), grade 12 (18 students), grade 9 (17 students), and grade 8 (15 students). The school district's smallest grade level enrollments during the same school year were found in 4-year-old kindergarten (4 students), grades 4 and 5 (5 students each), and grades 1 and 3 (8 students each).

The school district's largest three-grade level enrollment span occurred at grades 10-12 with 56 students enrolled during the 2008-09 organizational year. The school district's smallest three-grade level enrollment span appeared in grades 3-5 with 18 students enrolled during that year.

The Project Consultants computed that the student enrollment during the 2008-09 organizational year in grades 3-5 (18 students), the school district's smallest three-grade level enrollment span, was -38 students or -67.9% smaller than the grade 10-12 enrollment (56 students), the largest three-grade level enrollment span in Weyerhaeuser Area School District.

The average grade level enrollment size in Weyerhaeuser Area School District during the 2008-09 school year was 11.4 students. That figure amounts, on average, to the equivalent of .5 sections of approximately 20 students/section. Assuming section sizes of approximately 20 students/section, the number of grade level sections in Weyerhaeuser Area School District during the 2008-09 school year would range from approximately 1.0 (grades 10, 11, and 12) to .25 (K(4) and grades 4 and 5).

TABLE 1-W
WEYERHAEUSER AREA SCHOOL DISTRICT
ENROLLMENT
2008-09

<u>Grade</u>	<u>Enrollment</u>	<u>Rank by Size</u>
K (4)	4 (+2)	14
K (5)	9	7-8-9
1	8	10-11
2	12	6
3	8	10-11
4	5	12-13
5	5	12-13
6	9	7-8-9
7	9	7-8-9
8	15	5
9	17	4
10	19	1-2
11	19	1-2
12	18	3
Total	159 (157 +2)	
K (4)	4 (+2)	
K (5)	9	
1-5	38	
6-8	33	
9-12	73	
Total	159 (157 +2)	
Largest three-grade level enrollment span: grades 10-12 = 56 students		
Smallest three-grade level enrollment span: grades 3-5 = 18 students		

The Project Consultants concluded that Weyerhaeuser Area School District's student enrollment by grade level in 2008-09 is operated—of necessity—at a cost/ineffective level. To the credit of Weyerhaeuser Area School District's leadership, compensatory adjustments for small grade level sizes have been partly counterbalanced through the creation of one

multi-age/grade level section (combination classroom) at the elementary school level.

The Project Consultants further concluded that, with the passage of time the obvious erosion of enrollment at the elementary school level, achieving cost/effective staffing and/or balancing class section sizes in the future will prove to be impossible without substantial changes in organizational configuration and modifications to the delivery of the teaching/learning process.

2.2 Enrollment Trends: Actual

Actual past enrollment trends for the School District of Chetek and Weyerhaeuser Area School District are presented in Tables 2-C and 2-W for the school years from 1998-99 through 2008-09 as reported by the Wisconsin Department of Public Instruction, School District of Chetek and Weyerhaeuser Area School District documents. (It should be noted that the Project Consultants employed documentation from three different sources in gathering and/or reporting school district trend data. Their sources included the school district; the Wisconsin Department of Public Instruction; and the Wisconsin Taxpayers Alliance **SchoolFacts**. It was not infrequent that data reported from the three sources varied—though generally slightly—on a regular basis). The data permit the reader to evaluate changes in enrollment conditions over a ten year span of time and facilitate estimating and/or projecting changes that did or did not occur in the school districts' funding, staffing, programs and services, and facility usage and cost/effectiveness.

The School District of Chetek reported a third Friday of September average daily membership of 1,119 students in 1998-99 and 911 students in 2008-09, a net loss of -208 students or -18.6% over the ten year span of time.

The school district’s enrollment “low-water mark” between 1998-99 and 2008-09 was in 2008-09 when 911 students were enrolled in the school district’s K(4)-12 programs. The “high-water mark” enrollment for the school district for the same eleven years was in 1998-99 when 1,119 students were enrolled in grades K(4)-12. From the base year (1998-99) enrollment figure, the School District of Chetek experienced student enrollment decline on eight occasions and student enrollment increase on two occasions. Since 2002-03, the School District of Chetek’s student enrollment has decreased six consecutive years.

The Project Consultants concluded that the School District of Chetek would be profiled as a **declining enrollment school district**.

<p style="text-align: center;">TABLE 2-C SCHOOL DISTRICT OF CHETEK ACTUAL PAST ENROLLMENT 1998-99 / 2008-09</p>											
<u>District</u>	<u>98-99</u>	<u>99-00</u>	<u>00-01</u>	<u>01-02</u>	<u>02-03</u>	<u>03-04</u>	<u>04-05</u>	<u>05-06</u>	<u>06-07</u>	<u>07-08</u>	<u>08-09</u>
Chetek	1,119	1,118	1,087	1,095	1,102	1,098	1,069	1,009	987	943	911
*Enrollment figures, 2000-01/2007-08, from WDPI source.											

Actual past enrollment trends for Weyerhaeuser Area School District are recorded in Table 2-W for the ten year span of time from 1998-99 through 2008-09.

Weyerhaeuser Area School District enrolled an average daily membership of 241 students in 1998-99 and 159 students in 2008-09, a net loss of -82 students or -34.0% over the ten year span of time.

The school district's "low-water mark" enrollment figure was 159 students in 2008-09. The organization's "high-water mark" student enrollment was 260 students in 2001-02. From the base year (1998-99), Weyerhaeuser Area School District experienced school enrollment decline on six occasions and student enrollment growth on four occasions. Since the 2001-02 organizational year, Weyerhaeuser Area School District has realized student enrollment decline on six occasions and student enrollment growth on a single occasion.

The Project Consultants concluded that Weyerhaeuser Area School District would be profiled as a **declining enrollment school district**.

TABLE 2-W
WEYERHAEUSER AREA SCHOOL DISTRICT
ACTUAL PAST ENROLLMENT
1998-99 / 2008-09

<u>District</u>	<u>98-99</u>	<u>99-00</u>	<u>00-01*</u>	<u>01-02</u>	<u>02-03</u>	<u>03-04</u>	<u>04-05</u>	<u>05-06</u>	<u>06-07</u>	<u>07-08</u>	<u>08-09</u>
Weyerhaeuser	241	246	250	260	249	225	212	194	177	190	159

*Enrollment figures, 2001-01/2007-08 from WDPI source.

2.3 Enrollment Trends: Projected

School District of Chetek and Weyerhaeuser Area School District administrators provided the Project Consultants with enrollment projections for the three year span of time from 2008-09 (current and base year) through 2011-12.

As detailed in Table 3-C, School District of Chetek's administrators projected the organization's student enrollment would decrease from 911 students in 2008-09 to 889 students in 2011-12, a net loss of -22 students or -2.4%.

TABLE 3-C SCHOOL DISTRICT OF CHETEK ENROLLMENT PROJECTIONS 2008-09 / 2011-12				
<u>District</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>
Chetek	911	898	892	889

The Project Consultants concluded that the School District of Chetek could anticipate continued enrollment decline and, further, a continuing, modest reduction in programs, services, and staffing in the future as a result of decreasing resident (and non-resident) student enrollment.

Table 3-W reports that Weyerhaeuser Area School District's student enrollment will decrease from 159 students in 2008-09 to 125 students in 2011-12, a net loss of -34 students or -21.4% over the three year span of time.

TABLE 3-W WEYERHAEUSER AREA SCHOOL DISTRICT ENROLLMENT PROJECTIONS 2008-09 / 2011-12				
<u>District</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>
Weyerhaeuser	159	157	142	125

The Project Consultants concluded that Weyerhaeuser Area School District should anticipate continuing loss of programs, services, and staffing in the future as a result of student enrollment decline, further jeopardizing the organization's viability.

2.4 Changes in Average Daily Membership

Average daily membership trends between 1998-99 and 2011-12 are reported for the School District of Chetek and Weyerhaeuser Area School District, respectively, in Tables 4-C and 4-W.

TABLE 4-C SCHOOL DISTRICT OF CHETEK TRENDS IN AVERAGE DAILY MEMBERSHIP 1998-99 / 2011-2012			
<u>District</u>	<u>Actual Change</u> <u>1998-99 / 2008-09</u>	<u>Projected Change</u> <u>2008-09 / 2011-12</u>	<u>Gain/Loss</u>
Chetek	-108	-22	-230

As revealed in Table 4-C, over the 14 year span of time from 1998-99 through 2011-12, the School District of Chetek's enrollment (actual and projected) displays a loss of -230 students or -20.6% from the base year (1998-99) enrollment figure of 1,119 students in grades K(4)-12.

In Table 4-W, the average daily membership trends for Weyerhaeuser Area School District are reported over the 14 year span of time from 1998-99 through 2011-12. Table data reveal that the school district's enrollment (actual and projected) have decreased and will continue to decrease by

-116 students or -48.1% from the base year (1998-99) enrollment figure of 241 students in K(4)-12.

TABLE 4-W WEYERHAEUSER AREA SCHOOL DISTRICT TRENDS IN AVERAGE DAILY MEMBERSHIP 1998-99 / 2011-2012			
<u>District</u>	<u>Actual Change</u> <u>1998-99 / 2008-09</u>	<u>Projected Change</u> <u>2008-09 / 2011-12</u>	<u>Gain/Loss</u>
Weyerhaeuser	-82	-34	-116

The Project Consultants concluded that the School District of Chetek's student enrollment will decline, modestly in the future, and student losses will require continuing, persistent oversight accompanied by continuous reduction in school district staffing, program, services, and budget.

The Project Consultants concluded that Weyerhaeuser Area School District's student enrollment decline will plummet at the same (or greater) rate in the next several years as has characterized student enrollment decline over the ten year span of time from 1998-99 through 2008-09. In the short term, the school district's future will be secured as a result of the generosity of taxpayers who, recently, elevated the organization's revenue cap and strengthened the school district's funding. The long-term survival of the school district is dependent upon maintaining—if not improving—student enrollment, however, it would appear to the Project Consultants it is a virtual certainty that outcome will not be achieved. Hence, Weyerhaeuser Area School District's leadership can anticipate further, future, student

enrollment decline, accompanied by budgetary, staffing, program, and service reductions.

2.5 Enrollment Attrition

The Project Consultants examined the School District of Chetek's and Weyerhaeuser Area School District's grade level enrollments for each of the 2006-07, 2007-08, and 2008-09 school years to ascertain whether or not enrollment decline—faced by both of the school districts—was mostly or entirely attributable to in-coming kindergarten classes with enrollments that were smaller when compared to larger, departing (graduating) grade 12 classes or, perhaps, to persistent, broad-based loss of students through attrition (non-resident agreements; open enrollment; home schooling; private parochial school attendance; family relocation; or the like) or a combination of both; significant differences between incoming kindergarten classes and out-going grade 12 classes **and** broadly-based attrition.

The Project Consultants found in examining the School District of Chetek's grade level enrollments over a multi-year time span that enrollment losses are occurring as a result of a comparatively smaller in-coming kindergarten class—coupled with a larger departing grade 12 class—and attritional losses in students at several grade levels from one year to the next.

The Project Consultants found in examining Weyerhaeuser Area School District's grade level enrollments over a multi-year time span that enrollment losses are occurring as a result of a comparatively smaller in-coming kindergarten class—coupled with a larger departing grade 12 class—and attritional losses in students at several grade levels from one year to the next.

The Project Consultants further conclude that, as student enrollment decline continues to plummet in both the School District of Chetek and Weyerhaeuser Area School District and, as a result, programs and services—of necessity—decline, the leadership of the two school districts can anticipate that there will be heightened losses of students through attrition in the future. Attritional losses of students, in turn, will confound School Boards and District Administrators in accurately projecting a subsequent year's enrollment, staffing, and budgeting.

2.6 Open Enrollment

Open enrollment is a variable that can significantly impact the short-term and long-term enrollment, financial, program and service, and staffing viability of Wisconsin school districts and, as a result, was examined by the Project Consultants in conducting the **Consolidation Feasibility Study**.

The State of Wisconsin authorizes parents to enroll their youngsters in an alternative school district to the one in which they reside—providing there is sufficient space available in the receiving school district to accept such in-migrating students. If a school district experiences a larger number of “out-migrating students” than “in-migrating students,” the school district's future could be jeopardized through losses in enrollment, finances, staffing, and programs and services.

Based on information provided by the school district's administration, the Project Consultants learned that in 2007-08, the School District of Chetek currently enrolled +10 non-resident students who had “in-migrated” from other school districts and reported -89 resident students had “out-migrated” to other school districts through open enrollment. Table 4a-C reveals th

the School District of Chetek's net balance of open enrollment in 2007-08 was -79 students. The school districts to which School District of Chetek students most frequently "out-migrated" were Cameron School District (38 students), New Auburn School District (23 students), Barron School District (6 students), Bloomer School District (5 students), and others. Those non-resident students who "in-migrated" to the School District of Chetek arrived in greatest numbers from Cameron School District and Barron School District (4 students each) and others.

The Project Consultants concluded that the School District of Chetek has experienced substantial losses of resident students (and revenue) through the State of Wisconsin's open enrollment process.

TABLE 4a-C SCHOOL DISTRICT OF CHETEK OPEN ENROLLMENT 2007-08			
<u>District</u>	<u>In-Migration</u>	<u>Out-Migration</u>	<u>Net</u>
Chetek	+10	-89	-79

Based on information provided by the school district's administration, the Project Consultants learned that in 2007-08 Weyerhaeuser Area School District enrolled +15 non-resident students who had "in-migrated" from other school districts, while -9 resident students "out-migrated" to other school districts through open enrollment. Table 4a-W records that Weyerhaeuser Area School District's net balance on open enrollment in 2007-08 was +6 students. The school district from which Weyerhaeuser Area School District most frequently received "in-migrating" non-resident

students was from the School District of Bruce, while resident students most frequently out-migrated from Weyerhaeuser Area School District to Cameron and Rice Lake School Districts.

The Project Consultants concluded that, while Weyerhaeuser Area School District's larger "in-migration" of non-resident students into the school district than "out-migration" of resident students to other school districts would be viewed positively, the State of Wisconsin's open enrollment statute has not had or will have a significant bearing on the long-term viability of Weyerhaeuser Area School District.

TABLE 4a-W WEYERHAEUSER AREA SCHOOL DISTRICT OPEN ENROLLMENT 2007-08 (and 2008-09)			
<u>District</u>	<u>In-Migration</u>	<u>Out-Migration</u>	<u>Net</u>
Weyerhaeuser	+15 (+20)	-9* (-16)	+6 (+4)
*WDPI report (9); District (6)			

2.7 Non-Public School and Home School Attendance

The State of Wisconsin offers other "choice options" for parents to educate their children other than through open enrollment between and among Wisconsin public schools. Attendance in non-public or home school settings is available for parents (and their children) to choose as beliefs, desires, and/or opportunities may dictate.

Table 4b-C reports the School District of Chetek's 2007-08 resident students enrolled in non-public and home school settings. The School

District of Chetek's resident students attending non-public schools in 2007-08 was unreported (Amish-run schools).

TABLE 4b-C SCHOOL DISTRICT OF CHETEK NON-PUBLIC AND HOME SCHOOL ENROLLMENT 2007-08			
<u>District</u>	<u>Non-Public School</u>	<u>Home School</u>	<u>Total</u>
Chetek	*	-48	-48
*Amish schools (number unreported)			

During the 2007-08 school year, the School District of Chetek reported 48 resident students were delivered alternative programs and services in their homes (home schooling).

TABLE 4b-W WEYERHAEUSER AREA SCHOOL DISTRICT NON-PUBLIC AND HOME SCHOOL ENROLLMENT 2007-08			
<u>District</u>	<u>Non-Public School</u>	<u>Home School</u>	<u>Total</u>
Weyerhaeuser	0	-6	-6

Table 4b-W details Weyerhaeuser Area School District's 2007-08 resident students enrolled in non-public and home school settings. There were no Weyerhaeuser Area School District resident students attending non-public schools in 2007-08.

During the 2007-08 school year, Weyerhaeuser Area School District reported 6 resident students were delivered alternative programs and services in their homes (home schooling).

The Project Consultants concluded that the School District of Chetek's enrollment losses to non-public school and home school settings have had an impact on the school district's student enrollment base and finances.

The Project Consultants concluded that Weyerhaeuser Area School District's enrollment losses to non-public and home school settings have been negligible in their student and/or financial impact on the organization.

2.8 Census Information

The Project Consultants reviewed demographic information from the United States Census Bureau and the State of Wisconsin on Barron County and Rusk County—as well as the City of Chetek and Village of Weyerhaeuser—to ascertain whether or not conditions existed which would be likely to reverse trends experienced by the School District of Chetek and Weyerhaeuser Area School District.

Information on Barron County revealed a 2000 population of 44,963 and a 2006 estimated population of 45,889, a gain of +926 residents or +2.1%, while the population of the State of Wisconsin over the same span of time increased by +3.6%. The 2004 median household income in Barron County was \$39,789, a figure that trailed the \$46,142 2004 median household income in the State of Wisconsin. The percentage of individuals living below the poverty line in Barron County in 2004 was 11.1%, compared to 10.9% of State of Wisconsin individuals in like financial status.

In Barron County, the density of population was 52.1 residents/square mile in 2000, while the average number of residents/square mile in the State of Wisconsin is 98.9.

The population of Rusk County declined from 15,347 residents in 2000 to 15,054 residents in 2006, a loss of -293 residents or -1.9%. During that span of time, the State of Wisconsin's population increased by +3.6%. The 2004 median household income in Rusk County was \$34,468 (State of Wisconsin was \$46,142). In 2004, the number of individuals living below the poverty line in Rusk County was 12.9%, comparing unfavorably to the State of Wisconsin figure (10.9%). The number of individuals residing in Rusk County in 2000 was 16.8 residents/square mile (State of Wisconsin was 98.9 residents/square mile).

In 2000, the median household income in the City of Chetek was \$31,270. The percentage of families living below the poverty line in the City of Chetek in 2000 was 9%. Slightly more than 90% of those working individuals—living in the City of Chetek—commuted to work by vehicle (mean travel time to work was 18.8 minutes).

In 2000, the median household income in the Village of Weyerhaeuser was \$26,250. The percentage of families living below the poverty line in the Village of Weyerhaeuser in 2000 was 4.9%. In the Village of Weyerhaeuser, 81% of those working individuals commuted to work by vehicle (mean travel time to work was 22.9 minutes).

CHAPTER III FINANCES

3.0 Background Information

School Boards and District Administrators recognize that no factors have more profound impacts on the long-term financial viability of an educational enterprise than the size, enrollments, and enrollment trends of that organization. As such, the Project Consultants followed their analysis of the School District of Chetek's and Weyerhaeuser Area School District's demographics with a study of the organizations' financial conditions. The purposes of the financial analyses were to assess the quality of the school districts' fiscal management, ascertain financial trends, determine the organizations' reserves, compare the school districts' spending patterns with the average of all Wisconsin school districts, and determine each organization's debt load. The Project Consultants ascertained through past experiences in studying a multitude of school districts that school district patrons are vitally interested in the financial condition of the educational enterprise they support prior to approving any major and/or long-term commitment affecting the organization's future.

3.1 Financial Analysis

The Project Consultants examined the School District of Chetek's and Weyerhaeuser Area School District's annual audit reports for seven consecutive years from 2001-02 through 2007-08 as a part of the **Consolidation Feasibility Study**.

Table 5-C delineates that the School District of Chetek's General Fund revenue increased from \$8,433,960 in 2001-02 to \$10,120,888 in 2007-08,

an increase of +\$1,686,928 or +20.0%. Within the same six year span of time, the school district's General Fund expenditures increased from \$7,633,882 in 2001-02 to \$9,128,888 in 2007-08, an increase of +\$1,495,006 or +19.6%.

Between 2001-02 (base year) and 2007-08, the school district's General Fund balance grew from \$2,093,169 to \$2,590,791, an increase of +\$497,622 or +23.8%.

The Project Consultants observed that the School District of Chetek operated balanced General Fund budgets in each of seven consecutive years from 2001-02 to 2007-08. Revenue growth over the six year span of time (using the 2001-02 revenue figure as a base) averaged 3.33%/year.

At the conclusion of the 2007-08 school year, the School District of Chetek's General Fund balance of \$2,590,791 amounted to a healthy 28.4% of the school district's General Fund expenditure budget of \$9,128,888.

The Project Consultants observed that the School District of Chetek's six year growth in revenue (+20.0%) **exceeded** the organization's six year trend in expenditures (+19.6%) by +.4%.

The Project Consultants assessed that the School District of Chetek has been a fiscally well-managed educational organization. The School Board, District Administrator, and business administrative staff of the school district have managed the school district effectively during a time period when the organization has been experiencing student enrollment decline.

TABLE 5-C
SCHOOL DISTRICT OF CHETEK
GENERAL FUND REVENUES, EXPENDITURES, FUND BALANCES
2001-02 / 2007-08

<u>Fiscal Year</u>	<u>Revenue</u>	<u>Expenditure</u>	<u>Fund Balance</u>
2001-02	\$8,433,960	\$7,633,882	\$2,093,169
2002-03	\$8,938,531	\$8,346,034	\$2,006,117
2003-04	\$9,441,390	\$8,380,180	\$2,361,929
2004-05	\$9,747,600	\$8,723,047	\$2,541,732
2005-06	\$9,874,013	\$9,406,226	\$2,257,319
2006-07	\$9,961,954	\$9,018,844	\$2,414,734
2007-08	\$10,120,888	\$9,128,888	\$2,590,791
Change	+\$1,686,928	+\$1,495,006	+\$497,622
% Change	+20.0%	+19.6%	+23.8%

Table 5-W reveals that Weyerhaeuser Area School District's General Fund revenue decreased from \$2,410,082 in 2001-02 to \$2,259,342 in 2007-08, a decrease of -\$150,740 or -6.3%. Within the same six year span of time, the school district's General Fund expenditures increased from \$2,142,379 in 2001-02 to \$2,220,972 in 2007-08, an increase of +\$78,593 or +3.7%.

Between 2001-02 (base year) and 2007-08, the school district's General Fund balance decreased from \$919,436 to \$299,212, a decline of -\$620,324 or -67.5%.

The Project Consultants observed that Weyerhaeuser Area School District operated balanced General Fund budgets in five of the seven years from 2001-02 through 2007-08. In the three most recent years reported in Table

5-W, Weyerhaeuser Area School District operated imbalanced General Fund budgets in 2005-06 and 2006-07, while the 2007-08 General Fund budget was balanced. Over the six year span of time from 2001-02 (base year), the school district's General Fund revenue declined an average of -1.5%/year.

TABLE 5-W
WEYERHAEUSER SCHOOL DISTRICT
GENERAL FUND REVENUES, EXPENDITURES, FUND BALANCES
2001-02 / 2007-08

<u>Fiscal Year</u>	<u>Revenue</u>	<u>Expenditure</u>	<u>Fund Balance</u>
2001-02	\$2,410,082	\$2,142,379	\$919,436
2002-03	\$2,522,862	\$2,436,318	\$880,719
2003-04	\$2,593,308	\$2,338,951	\$1,011,089
2004-05	\$2,564,540	\$2,433,984	\$968,575
2005-06	\$2,421,782	\$2,482,368	\$671,514
2006-07	\$2,278,910	\$2,292,874	\$472,300
2007-08	\$2,259,342	\$2,220,972	\$299,112
Change	-\$150,740	+\$78,593	-\$620,324
% Change	-6.3%	+3.7%	-67.5%

At the conclusion of the 2007-08 school year, Weyerhaeuser Area School District's General Fund balance of \$299,112 amounted to a commendable 13.5% of the school district's General Fund expenditure budget of \$2,220,972.

The Project Consultants observed that Weyerhaeuser Area School District's six year decline in General Fund revenue (-6.3%) **lagged behind** the organization's six year trend in expenditures (+3.7%) by -10.0%.

The Project Consultants concluded that Weyerhaeuser Area School District is a financially struggling educational organization, due largely to the school district's diminutive critical student mass (size) and declining enrollment. The District Administrator and School Board wisely sought community support to exceed the revenue cap and furnish under-girding fiscal support to the organization. Patrons of Weyerhaeuser Area School District supported the measure to increase funding to the school district.

3.2 Change in General Fund Revenue

The Project Consultants examined the School District of Chetek's change in General Fund revenue over the six year span of time from 2001-02 to 2007-08 to ascertain the degree to which financial support of the school district had or had not shifted and, if so, the nature of that revenue shift.

As revealed in Table 5a-C, the School District of Chetek's primary sources of General Fund revenue in 2001-02 were local (\$2,611,375); state (\$5,361,163); and federal (\$330,317). Total General Fund revenue in 2001-02 was \$8,433,960. By 2007-08, the School District of Chetek's primary sources of General Fund revenue were as follows: local (\$4,618,624); state (\$4,781,759); and federal (\$464,564). The school district's 2007-08 General Fund revenue totaled (\$10,120,884).

As table data reveal, over the six year span of time from 2001-02 (base year) to 2007-08, local General Fund revenue in the School District of Chetek increased by +\$2,007,249 or +76.9% while State of Wisconsin General Fund revenue decreased by -\$579,404 or -10.8%. Federal revenue supporting the General Fund budget increased by +\$134,247 or

+40.6%. Overall, the School District of Chetek's General Fund revenue increased by +\$1,686,924 or +20.0% over the six year span of time from 2001-02 to 2007-08.

TABLE 5a – C SCHOOL DISTRICT OF CHETEK CHANGE IN GENERAL FUND REVENUE 2001-02 / 2007-08				
<u>Source*</u>	<u>2001-02</u>	<u>2007-08</u>	<u>Change</u>	<u>% Change</u>
Local	\$2,611,375	\$4,618,624	+\$2,007,249	+76.9%
State	\$5,361,163	\$4,781,759	-\$579,404	-10.8%
Federal	\$330,317	\$464,564	+\$134,247	+40.6%
Total	\$8,433,960	\$10,120,884	+\$1,686,924	+20.0%
*Other minor sources of revenue not included in total (inter-district, intermediate, other)				

The Project Consultants noted that, in 2001-02, the State of Wisconsin contributed 53.6% of the School District of Chetek's General Fund revenue budget. By 2007-08, the State of Wisconsin's revenue contribution had substantially slipped to 47.2%.

The Project Consultants concluded that, between 2001-02 and 2007-08, the School District of Chetek taxpayers had assumed a substantially greater responsibility for funding the school district's operations, while the State of Wisconsin's obligations to the school district over the same span of time had markedly decreased.

The Project Consultants examined Weyerhaeuser Area School District's change in General Fund revenue over the six year span of time from 2001-02 to 2007-08 to ascertain the degree to which financial support of the school district had or had not shifted and, if so, the nature of that revenue shift.

As revealed in Table 5a-W, Weyerhaeuser Area School District's primary sources of General Fund revenue in 2001-02 were local (\$1,357,824); state (\$904,070); and federal (\$57,780). Total General Fund revenue in 2001-02 was \$2,410,082. By 2007-08, Weyerhaeuser Area School District's primary sources of General Fund revenue were as follows: local (\$1,587,958); state (\$478,238); and federal (\$85,285). The school district's 2007-08 General Fund revenue totaled (\$2,259,342).

TABLE 5a – W				
WEYERHAEUSER AREA SCHOOL DISTRICT				
CHANGE IN GENERAL FUND REVENUE				
2001-02 / 2007-08				
<u>Source*</u>	<u>2001-02</u>	<u>2007-08</u>	<u>Change</u>	<u>% Change</u>
Local	\$1,357,824	\$1,587,958	+\$230,134	+16.9%
State	\$904,070	\$478,238	-\$425,832	-47.1%
Federal	\$57,780	\$85,285	+\$27,505	+47.6%
Total	\$2,410,082	\$2,259,342	-\$150,740	-6.3%
*Other minor sources of revenue not included in total (inter-district, intermediate, other)				

As table data reveal, over the six year span of time from 2001-02 (base year) to 2007-08, Weyerhaeuser Area School District's local General Fund revenue increased by +\$230,134 or +16.9%, while State of Wisconsin General Fund revenue decreased by -\$425,832 or -47.1%. Federal revenue supporting the General Fund budget increased by +\$27,505 or +47.6%. Overall, Weyerhaeuser Area School District's General Fund revenue decreased by -\$150,740 or -6.3% over the six year span of time from 2001-02 to 2007-08.

The Project Consultants noted that, in 2001-02, the State of Wisconsin contributed 37.5% of Weyerhaeuser School District's General Fund revenue budget. By 2007-08, the State of Wisconsin's revenue contribution had dropped to 21.2%.

The Project Consultants concluded that, between 2001-02 and 2007-08, Weyerhaeuser School District taxpayers had assumed a substantially greater responsibility for funding the school district's operations, while the State of Wisconsin's obligations to the school district over the same span of time had substantially decreased.

3.3 Total Expenditures Per Student

Following an examination of seven years of the School District of Chetek's and Weyerhaeuser Area School District's audit reports, the Project Consultants determined it would be instructive to review each of the organization's total expenditures/student trend data over the ten inclusive years from 1996-97 through 2006-07 and, additionally, a comparison of those expenditures with the average of all State of Wisconsin school districts' figures over the same span of time. Such data—it was believed—

would reveal the growth rate of each school district's total expenditures/student and the extent to which such expenditures would appear to be displaying heightened cost/effectiveness or cost/ineffectiveness.

As detailed in Table 6-C, the School District of Chetek's total expenditures/student in 1996-97 was \$6,391/student, an amount that was -\$944/student or -12.9% less than the State of Wisconsin average figure (\$7,335/student) in that year.

TABLE 6-C SCHOOL DISTRICT OF CHETEK TOTAL EXPENDITURES/STUDENT 1996-97 / 2006-07					
	<u>1996-97</u>	<u>2001-02</u>	<u>2006-07</u>	<u>Change</u>	<u>% Change</u>
Chetek	\$6,391	\$8,360	\$10,854	+\$4,463	+69.8%
K-12 Average	\$7,335	\$9,241	\$10,933	+\$3,598	+49.1%

Over the nine year span of time from 1996-97 (base year) through 2006-07, the School District of Chetek's total expenditures/student increased from \$6,391/student to \$10,854/student, a gain of +\$4,463/student or +69.8%, while the average of all State of Wisconsin school districts' figure increased from \$7,335/student in 1996-97 to \$10,933/student in 2006-07, a gain of +\$3,598/student or +49.1%.

In 2006-07, the School District of Chetek's total expenditures/student (\$10,854/student) slightly trailed the total expenditures/student figure for the average of all State of Wisconsin school districts (\$10,933/student) by -\$79/student or -.7%.

The Project Consultants concluded that, while the total expenditures/student for the School District of Chetek had significantly trailed that figure for the average of all State of Wisconsin school districts, the rate of increase in total expenditures/student for the School District of Chetek has rapidly escalated from 1996-97 to 2006-07 to a point of virtually approximating the State of Wisconsin average. If that trend continues, the School District of Chetek can anticipate its total expenditures/student elevating above the State of Wisconsin average and becoming increasing cost/ineffective.

As delineated in Table 6-W, Weyerhaeuser Area School District's total expenditures/student in 1996-97 was \$8,529/student, an amount that exceeded the average of all State of Wisconsin school districts' figure (\$7,335/student) by +\$1,194/student or +16.3%.

Over the nine year span of time from 1996-97 (base year) through 2006-07, Weyerhaeuser Area School District's total expenditures/student increased from \$8,529/student to \$14,282/student, a gain of +\$5,753/student or +67.4%, while the State of Wisconsin school districts' average figure increased from \$7,335/student (1996-97) to \$10,933/student (2006-07), a growth of +\$3,598/student or +49.1%.

In 2006-07, Weyerhaeuser Area School District's total expenditures/student (\$14,282/student) was significantly higher than the total expenditures/student figure for the average of all State of Wisconsin school districts (\$10,933/student) by +\$3,349/student or +30.6%.

The Project Consultants concluded that Weyerhaeuser Area School District has consistently spent substantially greater total expenditures/student dollars than the average of all State of Wisconsin school districts over the nine year span of time from 1996-97 through 2006-07. Weyerhaeuser Area School District's total expenditures/student—as one would expect with the combination of low critical student mass (size) and persistently declining enrollment—is cost/ineffectively high and can be expected to escalate uncontrollably in the near and distant future.

<p style="text-align: center;">TABLE 6-W WEYERHAEUSER AREA SCHOOL DISTRICT TOTAL EXPENDITURES/STUDENT 1996-97 / 2006-07</p>					
	<u>1996-97</u>	<u>2001-02</u>	<u>2006-07</u>	<u>Change</u>	<u>% Change</u>
Weyerhaeuser	\$8,529	\$8,996	\$14,282	+\$5,753	+67.4%
K-12 Average	\$7,335	\$9,241	\$10,933	+\$3,598	+49.1%

3.4 Total Instructional Expenditures Per Student

Following an examination of the School District of Chetek's and Weyerhaeuser Area School District's total expenditures/student trends, the Project Consultants determined it would be additionally instructive to review total instructional expenditures/student trends and comparative district

expenditures with the average of all State of Wisconsin school districts over a nine year span of time (10 years). Such further analyses were deemed essential to the Project Consultants in determining the extent to which the school districts had succeeded in cost containment (in relationship to inflation) and/or maintained cost/effectiveness in instructional spending.

Table 7-C details the School District of Chetek's total instructional expenditures/student over a nine year span of time from 1996-97 (base year) through 2006-07.

In 1996-97, the School District of Chetek spent \$4,169/student for total instructional expenditures, while the average of all State of Wisconsin school districts' expenditures for total instruction was \$4,453/student. Thus, in that year, the School District of Chetek expended -\$284/student or -6.4% less than the average of all school districts in the State of Wisconsin for total instruction.

Over the nine year span of time, total instructional expenditures/student in the School District of Chetek increased from \$4,169/student (1996-97) to \$6,050/student (2006-07), an increase of +\$1,881/student or +45.1%, while the State of Wisconsin average total instructional figure grew from \$4,453/student (1996-97) to \$6,381/student (2006-07), an increase of +\$1,928/student or +43.3%.

In 2006-07, the School District of Chetek spent \$6,050/student for total instruction, a figure that was -\$331/student or -5.2% less than the total instructional expenditures in the average of all State of Wisconsin school districts in that year (\$6,381/student).

The Project Consultants found that the School District of Chetek has consistently (and slightly) expended less total instructional dollars than and at a more cost/effective level when compared to the average of all school districts in the State of Wisconsin. It should be noted that, over the nine year span of time from 1996-97 to 2006-07, the School District of Chetek increased—ever so slightly—its total instructional expenditures/student in relationship to the average of all State of Wisconsin school districts.

<p style="text-align: center;">TABLE 7-C SCHOOL DISTRICT OF CHETEK TOTAL INSTRUCTIONAL EXPENDITURES/STUDENT 1996-97 / 2006-07</p>					
	<u>1996-97</u>	<u>2001-02</u>	<u>2006-07</u>	<u>Change</u>	<u>% Change</u>
Chetek	\$4,169	\$4,725	\$6,050	+\$1,881	+45.1%
K-12 Average	\$4,453	\$5,403	\$6,381	+\$1,928	+43.3%

Table 7-W provides an overview of Weyerhaeuser Area School District's total instructional expenditures/student over the nine year span of time from 1996-97 through 2006-07.

In 1996-97, Weyerhaeuser Area School District spent \$4,811/student for total instructional expenditures, while the average of all State of Wisconsin school districts spent \$4,453/student. Thus, Weyerhaeuser Area School District spent +\$358/student or +8.0% greater dollars for total instruction than the average of all State of Wisconsin school districts in that year.

Over the nine year span of time from 1996-97 through 2006-07, Weyerhaeuser Area School District's total instructional expenditures increased from \$4,811/student (1996-97) to \$9,006/student (2006-07), an expenditure gain of +\$4,195/student or +87.2%. During the same span of time, expenditures for total instructional in the average of all State of Wisconsin school districts increased from \$4,453/student (1996-97) to \$6,381/student (2006-07), an increase of +\$1,928/student or +43.3%.

TABLE 7-W WEYERHAEUSER AREA SCHOOL DISTRICT TOTAL INSTRUCTIONAL EXPENDITURES/STUDENT 1996-97 / 2006-07					
	<u>1996-97</u>	<u>2001-02</u>	<u>2006-07</u>	<u>Change</u>	<u>% Change</u>
Weyerhaeuser	\$4,811	\$5,596	\$9,006	+\$4,195	+87.2%
K-12 Average	\$4,453	\$5,403	\$6,381	+\$1,928	+43.3%

In 2006-07, Weyerhaeuser Area School District's total instructional expenditures were \$9,006/student, a figure that was +\$2,625/student or +41.1% greater than such expenditures in the average of all State of Wisconsin school districts.

The Project Consultants concluded that Weyerhaeuser Area School District's total instructional expenditures have rapidly and cost/ineffectively increased over the nine year span of time from 1996-97 through 2006-07—compared to the average of all State of Wisconsin school districts—and will continue to increase, uncontrollably and cost/ineffectively, as student enrollment plummets.

3.5 Fund Balance

Fund balance trends for the School District of Chetek and Weyerhaeuser Area School District are detailed below in Tables 8-C and 8-W. According to **SchoolFacts 08**, fund balance represents revenues not currently being used by a school district, including dollars reserved for an upcoming capital expenditure (such as building construction) or cash reserved until state aid and property tax appropriations are received. The fund balance could serve as a “rainy day fund” in the event of an emergency.

Table 8-C reports that the School District of Chetek’s 1996-97 fund balance was \$2,133/student, a figure that was -\$518/student or -19.5% less than the fund balance of the average of all State of Wisconsin school districts (\$2,651/student).

Over the nine year span of time from 1996-97 (base year) to 2006-07, the School District of Chetek’s fund balance increased from \$2,133/student (1996-97) to \$2,354/student (2006-07), a gain of +\$221/student or +10.4%. Over the same span of time, the fund balance for the average of all State of Wisconsin school districts increased from \$2,651/student (1996-97) to \$3,727/student (2006-07), a gain of +\$1,076/student or +40.6%.

At the conclusion of the 2006-07 school year, the fund balance in the average of all State of Wisconsin school districts (\$3,727/student) exceeded the fund balance of the School District of Chetek (\$2,354/student) by +\$1,373/student or +58.3%.

The Project Consultants concluded that the School District of Chetek’s fund balance increased modestly (an average of approximately 1%/year) from

1996-97 through 2006-07, a noteworthy event in light of the organization's declining enrollment. At the same time, however, the fund balance of the average of all State of Wisconsin school districts increased—over the same span of time—at an average rate of +4%/year. The Project Consultants commend the School District of Chetek on its excellent fiscal management and close monitoring of conditions which clearly could have had deleterious effects on the organization's long-term fiscal viability.

TABLE 8-C SCHOOL DISTRICT OF CHETEK FUND BALANCE 1996-97 / 2006-07					
	<u>1996-97</u>	<u>2001-02</u>	<u>2006-07</u>	<u>Change</u>	<u>% Change</u>
Chetek	\$2,133	\$2,093	\$2,354	+\$221	+10.4%
K-12 Average	\$2,651	\$3,177	\$3,727	+\$1,076	+40.6%

Table 8-W reveals that Weyerhaeuser Area School District's 1996-97 fund balance was \$627/student, a figure that was -\$2,024/student or -76.3% less than the fund balance of the average of all State of Wisconsin school districts (\$2,651/student).

Over the nine year span of time from 1996-97 through 2006-07, Weyerhaeuser Area School District's fund balance decreased from \$627/student (1996-97) to \$472/student (2006-07), a loss of -\$155/student or -24.7%. During the same span of time, the fund balance of the average of all State of Wisconsin school districts increased from \$2,651/student (1996-97) to \$3,727/student (2006-07), a gain of +\$1,076/student or +40.6.

<p style="text-align: center;">TABLE 8-W WEYERHAEUSER AREA SCHOOL DISTRICT FUND BALANCE 1996-97 / 2006-07</p>					
	<u>1996-97</u>	<u>2001-02</u>	<u>2006-07</u>	<u>Change</u>	<u>% Change</u>
Weyerhaeuser	\$627	\$919	\$472	-\$155	-24.7%
K-12 Average	\$2,651	\$3,177	\$3,727	+\$1,076	+40.6%

At the conclusion of the 2006-07 school year, the fund balance in Weyerhaeuser Area School District (\$472/student) trailed the fund balance in the average of all State of Wisconsin school districts (\$3,727/student) by -\$3,255/student or -87.3%.

The Project Consultants concluded that Weyerhaeuser Area School District's fund balance was diminutive in 1996-97 and has continued to erode, over time, is staggeringly below the average of all State of Wisconsin school districts, likely will marginally improve as a result of local patrons' authorization for the school district to exceed revenue caps, and, then over time, will continue to decline as General Fund revenue diminishes with the erosion of student enrollment. The Project Consultants further concluded that Weyerhaeuser Area School District's fund balance is cost/ineffectively low.

3.6 Property and Tax Data

The Project Consultants examined select property and tax data for the School District of Chetek and Weyerhaeuser Area School District,

employing the Wisconsin Department of Public Instruction's financial data records.

Table 9-C details that the School District of Chetek's 2006-07 equalized value was \$609,784,219, and the district's equalized value/member was \$580,747. (Over the five year span of time from 2001-02 to 2006-07, the School District of Chetek's equalized value/member increased from \$325,150/member to \$580,747/member, a gain of +\$255,597/member or +78.6%).

<p style="text-align: center;">TABLE 9-C SCHOOL DISTRICT OF CHETEK PROPERTY/TAX DATA 2001-02 / 2006-07</p>				
	<u>2006-07</u>	<u>2001-02</u>	<u>Change</u>	<u>% Change</u>
Equalized Value	\$609,784,219			
Equalized Value/mbr	\$580,747	\$325,150	+\$255,597	+78.6%
Mill Rate	\$8.11	\$8.07	+.04	.00%
Equalized Aid	\$4,596,137			
Equalized Aid/mbr	\$4,377			
Total Levy	\$5,411,471			
Tax Levy/mbr	\$5,239			

The 2006-07 mill rate of the School District of Chetek was \$8.11 (per \$1,000 of valuation). (Over the five year span of time from 2001-02 to 2006-07, the School District of Chetek's mill rate increased from \$8.07 to \$8.11, a gain of +\$.04 per \$1,000 of valuation or 0%).

The 2006-07 equalized aid for the School District of Chetek was \$4,596,137, while the equalized aid/member was \$4,377/member. The total 2006-07 levy amounted to \$5,411,471, yielding a tax levy/member of \$5,239/member.

Table 9-W reveals that Weyerhaeuser Area School District's 2006-07 equalized value was \$153,653,092, and the district's equalized value/member was \$808,700. (Over the five year span of time from 2001-02 to 2006-07, Weyerhaeuser Area School District's equalized value/member increased from \$415,141/member to \$808,700/member, a gain of +\$393,559/member or +94.8%).

<p style="text-align: center;">TABLE 9-W WEYERHAEUSER AREA SCHOOL DISTRICT PROPERTY/TAX DATA 2001-02 / 2006-07</p>				
	<u>2006-07</u>	<u>2001-02</u>	<u>Change</u>	<u>% Change</u>
Equalized Value	\$153,653,092			
Equalized Value/mbr	\$808,700	\$415,141	+\$393,559	+94.8%
Mill Rate	\$8.93	\$12.08	-\$3.15	-26.1%
Equalized Aid	\$109,440			
Equalized Aid/ mbr	\$576			
Total Levy	\$1,582,034			
Tax Levy/mbr	\$8,888			

The 2006-07 mill rate of Weyerhaeuser Area School District was \$8.93 (per \$1,000 of valuation). (Over the five year span of time from 2001-02 to

2006-07, Weyerhaeuser Area School District's mill rate decreased from \$12.08 to \$8.93, a net change of -\$3.15 per \$1,000 of valuation or -26.1% decrease).

The 2006-07 equalized aid for Weyerhaeuser Area School District was \$109,440, while the equalized aid/member was \$576/member. The total 2006-07 levy amounted to \$1,582,034, yielding a tax levy/member of \$8,888/member.

3.7 Referendum to Exceed Revenue Cap

The State of Wisconsin permits local school districts to bring before their patrons a referendum to increase revenue for general operations or remodeling/new construction of school facilities. In April, 2008, residents of the School District of Chetek denied the organization authority to exceed the revenue cap. In June, 2008, residents of Weyerhaeuser Area School District authorized the organization to exceed the revenue cap by the amount of \$1,800,000 over a three year period of time, thereby easing the school district's cash flow difficulties and need for short-term borrowing.

The Project Consultants concluded that exceeding the revenue caps for both school districts—experiencing declining enrollment and budget reductions—was/is essential to ensure long-term fiscal and program/service viability.

3.8 Administrative Expenditures

The School District of Chetek is administered by five administrators: District Administrator; elementary principal; middle school principal; high school principal; and business manager. Over the ten inclusive years from

1996-97 through 2006-07, the school district has retained five administrative positions. Over that span of time, the School District of Chetek's administrative cost per student increased from \$479/student in 1996-97 to \$836/student in 2006-07, an increase of +\$357/student or +74.5%. In 1996-97, the school district's cost of administration trailed that of the average of all State of Wisconsin school districts by -\$180/student or -27.3%, while in 2006-07, the school district's administrative costs exceeded those of the average of all State of Wisconsin school districts by +\$14/student or +1.7%.

The Project Consultants concluded that, as the school district's student enrollment declines, administrative (and other) costs will become increasingly cost/ineffective. Signs of that trend are already abundantly evident.

Weyerhaeuser Area School District is administered by two administrators: District Administrator and elementary/secondary principal. Over the ten inclusive years from 1996-97 through 2006-07, the school district has retained two administrative positions. Over that span of time, Weyerhaeuser School District's administrative cost per student has increased from \$1,031/student in 1996-97 to \$1,804/student, an increase of +\$773/student or +75.0%. In 1996-97, the school district's cost of administration exceeded that of the average of all State of Wisconsin school districts by +\$372/student or +56.4%, while in 2006-07, the school district's administrative costs exceeded those of the average of all State of Wisconsin school districts by +\$982/student or +119.5%.

The Project Consultants concluded that Weyerhaeuser Area School District's administrative costs are cost/ineffectively high.

3.9 Teacher Master Agreements

The Project Consultants examined the Master Agreements negotiated by the School Boards of the School District of Chetek and Weyerhaeuser Area School District and their respective teacher organizations to determine negotiated salary/wage and health insurance benefits. In the event of the consolidation of school districts, staffs—in whole or, likely, in part—will be merged (on a seniority basis), and the more favorably-negotiated contract conditions prevail/apply.

The School District of Chetek's 2008-09 teacher salary schedule wages/benefits were reported as follows: BA: \$31,643; BA + 24: \$32,704; MA: \$33,752; MA + 30: \$34,829; and MA + 30 (top): \$55,347.

Weyerhaeuser Area School District's 2008-09 teacher salary schedule wages/benefits were reported as follows: BA: \$28,030; BA + 24: \$29,552; MA/BA +30: \$29,932; MA + 18: \$31,073; and MA + 18 (top): \$47,100.

The School District of Chetek's health benefits were detailed as follows: teachers receive single or family health insurance at 95% of quoted rate. At retirement, teachers receive 100% of the current benefit for three years.

Weyerhaeuser Area School District's health benefits were detailed as follows: teachers receive single or family health insurance benefits at 98% of quoted premium. Teacher voluntary retirement health benefits are \$250/month for a maximum of five years.

Consolidation of the School District of Chetek and Weyerhaeuser Area School District teaching staffs would likely result in a moderate increase in wages/salary and health benefits for the resulting, merged teaching staff.

3.10 Employee Retirement System Obligations

The Project Consultants examined the School District of Chetek's and Weyerhaeuser Area School District's annual financial reports (audits) to ascertain long-term obligations to the Wisconsin Retirement System (WRS), a cost-sharing, multi-employer defined benefit Public Employee Retirement System (PERS).

The School District of Chetek had no unfunded liability under the plan on June 30, 2008.

Weyerhaeuser Area School District had an unfunded, pension-related liability of \$390,592 on June 30, 2008.

3.11 Other Post-Employment Benefits (OPEB) Obligations

The Governmental Accounting Standards Board issued Statement 45 on Other Post-Employment Benefits (OPEB) accounting by governmental agencies to provide more complete, reliable, and decision-useful financial reporting regarding the costs and financial obligations that governments incur when they provide post-employment benefits other than pensions (OPEB) as part of the compensation for services rendered by their employees. Post-employment healthcare benefits, the most common form of OPEB, are a very significant financial commitment by many governmental agencies.

Prior to Statement 45, governmental agencies typically followed a “pay-as-you-go” accounting approach in which the cost of benefits is not reported until after employees retire. This approach is not comprehensive—only revealing a limited amount of data and failing to account for costs and obligations incurred as governmental agencies receive employee services each year for which they have been promised future benefit payments in exchange (Citation: GASB).

The School District of Chetek’s actuarial accrued liability is \$5,254,158.

Weyerhaeuser Area School District’s actuarial accrued liability is \$386,503.

3.12 Student Transportation

The Project Consultants reviewed the School of Chetek’s and Weyerhaeuser Area School District’s student transportation routes, expenditures, and transportation agreements (if privately contracted) to render general judgments about the potential impact of school consolidation on the effectiveness, efficiency, and cost implications of transporting students.

During the 2008-09 school year, the School District of Chetek operated 11 regular student transportation routes, 3 Noon routes (4-year-old kindergarten students), and 1 special education route. The school district’s 2007-08 General Fund and Special Education Fund expenditures for pupil transportation amounted to \$608,713. The School District of Chetek contracted with Erb Rural Bus Service to provide student transportation services. The longest duration of bus routes appears to be one hour and

ten minutes (6:45-7:55 a.m. and one hour and five minutes (3:25-4:30 p.m.).

Weyerhaeuser Area School District owns and operates its own student transportation system. Representatives of the Transportation Department reported operating three routes. The roster of students on each of the three transportation routes illustrates that 100 students are transported. According to the 2007-08 annual audit, Weyerhaeuser Area School District expended \$105,309 for operation of the student transportation system from the General Fund and Special Education Fund budgets. The school district's longest student transportation route is 54 miles with one hour and fifteen minutes of travel time.

According to **SchoolFacts** data for the 2006-07 school year, the cost/student for student transportation services in the School District of Chetek (\$571/student) and Weyerhaeuser Area School District (\$566/student) exceeded the State of Wisconsin K-12 district average cost/student (\$441/student). The Project Consultants concluded that such levels of expenditure may well be understandable, given the rural nature of the study's school districts, their small critical student masses, and declining enrollments.

In the event of consolidation of the School District of Chetek and Weyerhaeuser Area School District, the Project Consultants would recommend that (a) the school districts engage the services of a transportation consultant to reexamine the school districts' current student transportation routes to enhance efficiency and (b) as required, increase bus service to the Weyerhaeuser Area School District area—using savings

achieved through consolidation—to reduce student transportation time under one hour to the School District of Chetek.

CHAPTER IV

EDUCATIONAL PROGRAMS, SERVICES, AND STAFFING

4.0 Introduction

Following analyses of district sizes, enrollments, enrollment trends, and financial data for the School District of Chetek and Weyerhaeuser Area School District, data were gathered by the Project Consultants through source documents, interviews, and observations on the organization's educational programs, services, and staffing, the "centerpieces" of the school districts' operations.

The primary purpose of the operation of public school districts in Wisconsin and throughout the United States is the delivery of instructional programs and services to resident and, through open enrollment and tuition agreements, non-resident P-K-12 students, initially, and, ever more increasingly in recent decades, to resident and non-resident pre-school youngsters and adults. The breadth, scope, and sophistication of the school district's programs and services have manifoldly increased over the past four decades in response to changing societal needs, family structure, business/industrial priorities, population aging, technological expansion, global competition, and a myriad of other interacting and intersecting variables.

A school district's size, enrollment trends, and finances have a direct bearing on the number, breadth, scope, and sophistication of programs and services, the numbers and types of staff members, and the numbers, types, and sophistication of facilities. In this light, it is axiomatic that the Project Consultants would investigate the status of the School District of Chetek's

and Weyerhaeuser Area School District's educational programs, services, staffing, and related issues (including class section sizes, course credit offerings, teacher preparations, staffing, pupil/teacher ratios, extra-curricular programming, instructional and support services, organizational configuration, methodologies and delivery systems, and the like) to serve the school district's pre-school, school-aged, and adult populations and their communities.

A cross-section of the Project Consultants' findings in examining programs, services, staffing, and other indicators is presented in this chapter. The purposes inherent in the analyses of such data are to determine the School District of Chetek's and Weyerhaeuser Area School District's statuses, assess the organizations' strengths and needs, conduct comparative analyses, and, as appropriate, identify potential, future courses of action for consideration by the School Boards and District Administrators.

4.1 Elementary Class Sizes

A summary of the School District of Chetek's 2008-09 elementary class section sizes, grades K(4)-5 is presented in Table 10-C.

The School District of Chetek provided elementary instructional programming in a grade K(4)-5 configuration for 418 youngsters during the 2008-09 school year. The school district served 4 pre-school students, 56 4-year-old kindergarten students, 67 5-year-old kindergarten students, and 291 grade 1-5 students for an average (excluding pre-school students) of 59.1 students/grade level in grades K(4)-5 in 2008-09. The school district operates an all day/every day/no fee kindergarten program for 5 year olds. The school district also is a participant in the SAGE Program.

An examination of Table 10-C data illustrate that the School District of Chetek operated 24 elementary class sections during the 2008-09 school year. Twenty (20) elementary class sections or 83.3% were operated with enrollments of less than 20 students, while 4 elementary class sections or 16.7% enrolled 20-25 students/section. There were no elementary class sections which enrolled either 26-29 students/section or 30 students or greater/section. There were no multi-grade, combination class sections operated in the school district's elementary school. Class section sizes in K(4), K(5), and grades 1-3 maintained enrollments of approximately 15 students or less as required by the State of Wisconsin's SAGE Program.

<p style="text-align: center;">TABLE 10-C SCHOOL DISTRICT OF CHETEK ELEMENTARY CLASS SIZES 2008-09</p>					
<u>School</u>	<u>Less than 20</u>	<u>20-25</u>	<u>26-29</u>	<u>30 or larger</u>	<u>Total</u>
K-5	20	4	0	0	24
%	83.3%	16.7%	0	0	100.0%

The Project Consultants found that the average elementary class section size in the School District of Chetek during the 2008-09 school year was computed at 173 students/section.

The Project Consultants concluded that elementary class section sizes in the School District of Chetek are operated at a favorable and cost/effective level. The school district's demographics suggest a trend toward declining student enrollment and increasing cost/ineffectiveness at the elementary school level.

Weyerhaeuser Area School District provided elementary instructional programming in grades K(4)-5 at Weyerhaeuser Elementary/Secondary School during the 2008-09 school year. The school district served 4 students in K(4), 9 students in K(5), and 38 students in grades 1-5 for an average of 7.3 students/grade level in grades K(4)-5 during the 2008-09 organizational year.

An examination of Table 10-W illustrates that Weyerhaeuser Area School District operated six elementary class sections during the 2008-09 school year. Six class sections or 100.0% were operated with enrollments of less than 20 students. There were no elementary class sections enrolling 20-25 students/section, 26-29 students/section, or 30 students or larger/section during the 2008-09 school year.

Weyerhaeuser Area School District operates an all day/every day/no fee Kindergarten Program. The school district's 4-year-old kindergarten students are served by the School District of Bruce in conjunction with the school district's Head Start Program.

Weyerhaeuser Area School District employed one multi-age level/combination classroom during the 2008-09 school year at grades 4-5.

The Project Consultants found that the average elementary class section size in Weyerhaeuser Area School District during the 2008-09 school year was computed at 8.5 students/section.

The Project Consultants concluded that elementary class section sizes in Weyerhaeuser Area School District are highly cost/ineffective and will become increasingly so, over time, as student enrollment continues to decline. The school district's demographics confirmed that the trend toward increasing cost/ineffectiveness will continue.

TABLE 10-W WEYERHAEUSER AREA SCHOOL DISTRICT ELEMENTARY CLASS SIZES 2008-09					
<u>School</u>	<u>Less than 20</u>	<u>20-25</u>	<u>26-29</u>	<u>30 or larger</u>	<u>Total</u>
K(4)-5	6	0	0	0	6
%	100.0%	0.0%	0.0%	0.0%	100.0%

4.2 Secondary School Class Section Sizes

An analysis of the first trimester/semester secondary school class section sizes in the School District of Chetek and Weyerhaeuser Area School District are presented, respectively, in Tables 11-C and 11-W for the 2008-09 school year.

During the first trimester of the 2008-09 organizational year, Chetek Middle School conducted 68 trimester sections of which 3 course sections or 4.4% enrolled less than 20 students/section; 61 course sections or 89.7% enrolled 20-25 students/section; 0 course sections enrolled 26-29 students/sections; and 4 course sections or 5.9% enrolled 30 or more students/section.

The Project Consultants concluded that the School District of Chetek operated middle school course sections at a cost/effective level during the 2008-09 organizational year.

<p style="text-align: center;">TABLE 11-C SCHOOL DISTRICT OF CHETEK SECONDARY CLASS SIZES 2008-09</p>					
<u>School</u>	<u>Less than 20</u>	<u>20-25</u>	<u>26-29</u>	<u>30 or larger</u>	<u>Total</u>
Middle School*	3	61	0	4	68
%	4.4%	89.7%	0.0%	5.9%	100.0%
High School**	46	24	9	4	83**
%	55.4%	28.9%	10.8%	4.8%	100.0%
<p>* Trimester 1 only. ** Does not include Period 6 resource. Does include Band and Choir.</p>					

During the same organizational year, Chetek High School delivered 83 trimester sections of which 46 course sections or 55.4% enrolled less than 20 students/section, while 24 sections or 28.9% enrolled 20-25 students/section, 9 sections or 10.8% enrolled 26-29 students/section, and 4 sections or 4.8% enrolled 30 students or greater/section. (It should be noted that Chetek High School's resource settings—offered during Period 6—were not included in class section size computations).

The Project Consultants concluded that Chetek High School operated a substantial number of course sections with enrollments of less than 20 students/section (at a cost/ineffective level) during the 2008-09 organizational year. As time elapses and student enrollment erodes, the school district can anticipate reductions in teaching/learning staff and

course offerings, accompanied by increasing cost/ineffectiveness in secondary school class section sizes.

During the 2008-09 organizational year, Weyerhaeuser Area School District Secondary School conducted 53 first semester course sections of which 49 sections or 92.5% enrolled less than 20 students/section (at a cost/ineffective level). Additionally, the secondary school operated 4 course sections or 7.5% with enrollments of 20-25 students/section. The secondary school offered no course sections enrolling 26-29 students/section or 30 students or larger/section.

TABLE 11-W WEYERHAEUSER AREA SCHOOL DISTRICT SECONDARY CLASS SIZES 2008-09					
<u>School</u>	<u>Less than 20</u>	<u>20-25</u>	<u>26-29</u>	<u>30 or larger</u>	<u>Total</u>
Secondary*	49	4	0	0	53
%	92.5%	7.5%	0.0%	0.0%	100.0%
* Semester 1 only.					

The Project Consultants concluded that Weyerhaeuser Area School District's Secondary School maintained a high level of cost/ineffectively operated and staffed secondary school courses during the 2008-09 school year. The Project Consultants observed that Weyerhaeuser Area School District's high level of cost/ineffectively operated secondary school course sections were attributable to the organization's low critical student mass. Over time, the Project Consultants concluded the cost/ineffectiveness of Weyerhaeuser Area School District's Secondary School class section sizes will further, uncontrollably, worsen.

4.3 Senior High School Credit Course Offerings

During the 2008-09 school year, the School District of Chetek operated a six period schedule with a period length of 64 minutes and passing periods of 5 minutes. School hours extended from 8:00 a.m. through 3:20 p.m. Course offerings were typically designed on a trimester, two trimester, or year-long basis.

The Project Consultants examined the Chetek High School **2008-09 Course Planning Guide** to ascertain course offerings which would be made available to grade 9-12 students in Chetek High School during the 2008-09 organizational year.

Table 12-C reports that Chetek High School made available 81.0 credit course offerings to high school students in grades 9-12 during the 2008-09 school year (including courses accessed through telecommunication). Course offerings spanned 12 disciplines: art; business and information technology/marketing; computer science; English/language arts; family and consumer science; mathematics; music; physical education and health; science; social studies; technology education; and world languages.

High school students were afforded the broadest arrays of credit course offerings in the following disciplines: science (14.0 credits); social studies (13.0); English/language arts (9.5); and mathematics (7.5). The smallest arrays of high school credit course offerings were made available to grade 9-12 students enrolled in Chetek High School in the following subject-matter disciplines during the 2008-09 school year: computer science (1.5 credits); art (3.5); world languages (4.0); family and consumer science (4.5); and physical education and health (4.5).

TABLE 12-C
SCHOOL DISTRICT OF CHETEK
CREDIT COURSE OFFERINGS, 9-12
2008-09

<u>Discipline/Subject</u>	<u>Credits</u>
Art	3.5
Business & Information Technology/Marketing	7.0
Computer Science	1.5
English/Language Arts	9.5
Family and Consumer Science	4.5
Mathematics	7.5
Music	6.0
Physical Education & Health	4.5
Science	14.0
Social Studies	13.0
Technology Education	5.0
World Languages	4.0
Other	1.0
Total	81.0

Chetek High School students were provided opportunities to secure course credit through the University of Wisconsin and Wisconsin Technical College systems (offering dual credit) and on-line learning options (e.g. Wisconsin Virtual School, Aventa Learning, and Virtual Greenbush) (high school/dual credit). The school district provides virtual education/on-line learning opportunities.

The breadth and scope of grade 9-12 course offerings made available to Chetek High School students during the 2008-09 school year were comparable to offerings found in high schools with similar critical student masses.

During the 2008-09 school year, Weyerhaeuser Area School District operated an eight period schedule with a period length of 44 minutes and a passing period of 4 minutes. School hours extended from 8:10 a.m. through 3:20 p.m. Course offerings were typically designed on a semester or year-long basis.

Table 12-W details that Weyerhaeuser Area School District made available 81.0 credit course offerings to high school students in grades 9-12 during the 2008-09 school year (including 17 courses accessed through telecommunication). Course offerings spanned 11 disciplines: art; business and information technology; English; family and consumer science; mathematics; music; physical education and health; science; social studies; technology education; and world languages.

High school students were offered the broadest arrays of credit courses in the following disciplines during the 2008-09 school year: mathematics (9.5 credits); science (7.5); English (7.5); and family and consumer science (7.0). The narrowest arrays of high school credit courses were made available to grade 9-12 students in the following subject-matter disciplines during the 2008-09 school year: world languages (3.0 credits); art (3.0); physical education and health (3.5); and technology education (4.0).

TABLE 12-W
WEYERHAEUSER AREA SCHOOL DISTRICT
CREDIT COURSE OFFERINGS, 9-12
2008-09

<u>Discipline/Subject</u>	<u>Credits</u>
Art	3.0
Business & Information Technology	5.5
English	7.5
Family and Consumer Science	7.0
Mathematics	9.5
Music	6.0
Physical Education & Health	3.5
Science	7.5
Social Studies	6.5
Technology Education	4.0
World Languages	3.0
Other	1.0 + 17.0*
Total	64.0 + 17.0*
*CVTC, WITC, and UWBC courses	

High school students in Weyerhaeuser Area School District were provided with opportunities to access telecommunication offerings through WIN ITV and acquire credits (high school or dual) provided through the University of Wisconsin and Wisconsin Technical College systems.

The breadth and scope of grade 9-12 course offerings made available to Weyerhaeuser Area School District students during the 2008-09 school

year would be somewhat larger than offerings found in high schools with a comparable critical student mass.

4.4 Course Preparations

The master schedules of the School District of Chetek and Weyerhaeuser Area School District for the 2008-09 school year were reviewed by the Project Consultants to ascertain the number of course preparations assigned to full-time and part-time teaching staff members in grades 9-12. Secondary school teacher course assignments in a school district illustrate to the Project Consultants the teaching load of full-time and part-time staff members and assist in assessing the cost/ineffectiveness of a school district's current staffing.

In a review of the School District of Chetek's high school master schedule for the 2008-09 school year, it was determined that 11 of 24 regular teaching staff members held split assignments between Chetek Middle School and Chetek High School. (Most were assigned only 1 period at Chetek Middle School). Considering all regular (non-special education) teachers at Chetek High School during the first trimester of the 2008-09 school year, 16 teaching staff members were assigned 3 or 4 teaching preparations daily, while 8 teaching staff members were assigned 1 or 2 teaching preparations daily.

The Project Consultants concluded that the number and distribution of teaching preparations assigned to School District of Chetek High School full-time and part-time teaching staff members during the 2008-09 school year were within reasonable parameters when compared to assignments found in comparably-sized secondary schools in the upper Midwest.

An examination of Weyerhaeuser Area School District's Secondary School's master schedule yielded that, among the regular education teaching staff of 11, 7 teachers held full-time assignments and 4 held part-time assignments (at the elementary school level) during the first semester of the 2008-09 school year. With an eight period teaching/learning schedule, 5 of the 7 full-time regular teaching staff members were assigned 6 or 7 teaching preparations daily, while the remaining 2 full-time regular teaching staff members were assigned, respectively, 4 and 2 teaching preparations daily. Among Weyerhaeuser Area School District's 4, part-time, regular education teachers, 2 staff members were assigned 4 preparations daily, while the remaining 2 staff members were assigned, respectively, 2 preparations and 1 preparation daily.

The Project Consultants concluded that the number and distribution of teaching preparations assigned to Weyerhaeuser Area School District's full-time teaching staff members during the 2008-09 school year reflected the substantial difficulties experienced by a low critical student mass organization when it endeavors to provide a broad and comprehensive array of course offerings to its students with insufficient funding and staffing.

4.5 Total Professional Staffing Trends

The Project Consultants undertook an examination of the School District of Chetek's and Weyerhaeuser Area School District's total professional staffing trends from 1996-97 through 2006-07. (The Project Consultants employed data gathered from the Wisconsin Taxpayers' Alliance documents entitled **SchoolFacts**).

As detailed in Table 13-C, 116.8 full-time equivalent professional staff members were employed by the School District of Chetek in 1996-97 and 113.8 full-time equivalent professional staff members were employed in 2006-07, yielding a net decrease of -3.0 full-time equivalent professional staff members or -2.6% over the nine year span of time.

A review of the School District of Chetek's student enrollment from 1996-97 through 2006-07 reveals a decline in student enrollment from 1,142 to 987 students, a net loss of -155 students or -13.6%. When comparing changes in the school district's student enrollment and full-time equivalent professional staff member losses between 1996-97 and 2006-07, the Project Consultants concluded that the School District of Chetek has not synchronized its reduction in full-time equivalent professional staff members with the organization's student enrollment losses over the nine year span of time.

TABLE 13-C SCHOOL DISTRICT OF CHETEK TOTAL STAFF (FTE) 1996-97 / 2006-07			
<u>School</u>	<u>1996-97</u>	<u>2001-02</u>	<u>2006-07</u>
Chetek	116.8	113.5	113.8

As delineated in Table 13-W, 42.2 full-time equivalent professional staff members were employed by Weyerhaeuser Area School District in 1996-97, while 38.7 full-time equivalent staff members were employed in 2006-07, yielding a net decrease of -3.5 full-time equivalent professional staff members or -8.3% over the nine year span of time.

A review of Weyerhaeuser Area School District's student enrollment from 1996-97 through 2006-07 reveals a decline in student enrollment from 237 to 177 students, a net loss of -60 students or -25.3%. When comparing changes in the school district's student enrollment and full-time equivalent professional staff member losses between 1996-97 and 2006-07, the Project Consultants concluded that Weyerhaeuser Area School District has not synchronized its reduction in full-time equivalent professional staff members with the organization's student enrollment losses over the nine year span of time.

TABLE 13-W WEYERHAEUSER AREA SCHOOL DISTRICT TOTAL STAFF (FTE) 1996-97 / 2006-07			
<u>School</u>	<u>1996-97</u>	<u>2001-02</u>	<u>2006-07</u>
Weyerhaeuser	42.2	44.2	38.7

4.6 Pupil/Teacher Ratio Trends

The pupil/teacher ratio trends for the School District of Chetek and Weyerhaeuser Area School District between 1996-97 and 2006-07 are reported in Tables 14-C and 14-W.

In 1996-97, the School District of Chetek's pupil/teacher ratio was 15.6/1, a figure that was +.3 students/1 teacher or +2.0% greater/worse than the average of all Wisconsin school districts in that year (15.3/1). Over the nine year span of time from 1996-97 to 2006-07, the School District of Chetek's pupil/teacher ratio decreased from 15.6/1 to 14.4/1, a decline of

-1.2 pupils/teacher or -7.7%. During the same nine year span of time, the pupil/teacher ratio for the average of all Wisconsin school districts declined from 15.3/1 to 14.7/1, a decrease of -.6 pupil/1 teacher or -3.9%.

During the 2006-07 school year, the School District of Chetek's pupil/teacher ratio (14.4/1) trailed (was better than) the average of all Wisconsin school districts' pupil/teacher ratio (14.7/1) by -.3 pupil/1 teacher or -2.0%.

TABLE 14-C SCHOOL DISTRICT OF CHETEK PUPIL/TEACHER RATIO 1996-97 / 2006-07			
<u>School</u>	<u>1996-97</u>	<u>2001-02</u>	<u>2006-07</u>
Chetek	15.6/1	16.1/1	14.4/1
WI Ave	15.3/1	14.4/1	14.7/1

The Project Consultants concluded that the School District of Chetek's pupil/teacher ratio improved over the nine year span of time from 1996-97 through 2006-07 at a significantly greater rate than the pupil/teacher ratio improved for the average of all State of Wisconsin school districts. Thus, over time, the School District of Chetek's pupil/teacher ratio has changed from being less favorable to more favorable than the average of all State of Wisconsin school districts' pupil/teacher ratio, a desirable attribute for parents but a cautionary sign, potentially, of increasing cost/ineffectiveness.

In 1996-97, Weyerhaeuser Area School District recorded a pupil/teacher ratio of 11.1/1, a figure that was -4.2 pupils/1 teacher or -27.5% less than

(more favorable than) the figure for the average of all State of Wisconsin school districts in that year (15.3/1). In that year, then, Weyerhaeuser Area School District could boast a pupil/teacher ratio that was much better—though substantially less cost/effective—than the ratio for the average of all State of Wisconsin school districts.

Between 1996-97 and 2006-07, Weyerhaeuser Area School District's pupil/teacher ratio declined from 11.1/1 to 7.9/1, a drop of -3.2 pupils/1 teacher or -28.8%. During the same span of time, the average of all State of Wisconsin school districts' pupil/teacher ratio decreased from 15.3/1 to 14.7/1, a decline of -.6 pupil/1 teacher or -3.9%.

By 2006-07, Weyerhaeuser School District's pupil/teacher ratio (7.9/1) was -6.8 pupils/1 teacher or -46.3% less (better) than the pupil/teacher ratio figure (14.7/1) computed for the average of all State of Wisconsin school districts.

The Project Consultants concluded that Weyerhaeuser Area School District's pupil/teacher ratio was substantially cost/ineffective when compared to the average of all State of Wisconsin school districts in 1996-97, continued to plummet over the nine year span of time from 1996-97 to 2006-07, and was even more cost/ineffective in 2006-07 when compared to the pupil/teacher ratio for the average of all State of Wisconsin school districts. Weyerhaeuser Area School District's pupil/teacher ratio trend will continue to become increasingly cost/ineffective as student enrollment declines and the organization finds it necessary to retain a basic contingency of staff to provide basic and adequate educational programs and services.

<p style="text-align: center;">TABLE 14-W WEYERHAEUSER AREA SCHOOL DISTRICT PUPIL/TEACHER RATIO 1996-97 / 2006-07</p>			
<u>School</u>	<u>1996-97</u>	<u>2001-02</u>	<u>2006-07</u>
Weyerhaeuser	11.1/1	10.9/1	7.9/1
WI Ave	15.3/1	14.4/1	14.7/1

4.7 High School Activities

The Project Consultants examined 2008-09 student activities offered by the School District of Chetek and Weyerhaeuser Area School District. (The intent of this section is to provide a general overview of student opportunities which may not be reflective of all student options).

The School District of Chetek made the following activities available to Chetek High School students during the 2008-09 school year: baseball; basketball; cross country; football; golf; hockey (with Barron and Turtle Lake); track; wrestling; softball; volleyball; cheerleading; palm pon; dramatics; forensics; vocal jazz; jazz band; chamber choir; Future Business Leaders of America; yearbook; student council; Spanish club; Spirit club; academic competition; and others.

Weyerhaeuser Area School District made the following activities available to high school students during the 2008-09 school year: football; basketball; wrestling; track; volleyball; golf; student council; letter club; yearbook; forensics; Drama Club/play; cheerleading; National Honor Society; and others. Weyerhaeuser Area School District collaborates with Birchwood School District and the School District of Bruce in the delivery of select student activity programs.

4.8 Instructional and Support Services

The School District of Chetek furnishes a broad and comprehensive array of instructional and support services for pre-school, school-aged, and, to a lesser extent, adult populations that would be characteristic of Wisconsin school districts of comparable size. To be sure, Weyerhaeuser Area School District offers a much less comprehensive package of instructional and support services for their pre-school, school-aged, and adult populations in keeping with their diminutive school district, community, population, and learner bases.

Instructional and support services are typically defined as programs and services that extend beyond those dispensed by professional teaching staff members (in the regular and general classroom setting) during the regular school day (8:00 A.M.-4:00 P.M.).

The School District of Chetek delivers such typical instructional and support services as co-curricular and extra-curricular activities (athletics, speech, band, choir, music ensembles, yearbook, cheerleading, others); academic competitions; leadership groups (National Honor Society, student council); clubs (Spirit; Spanish; FBLA); programs and services delivered by specialist personnel (music specialist, physical education specialist, library/media specialist, gifted/talented specialist, computer specialist); special education programs and services (learning disability, communication/speech disorder, mental disability, emotional/behavioral disability, physical disability, other health impaired, psychological services, physical therapy, early childhood/special education, and the like); community education programs and services (adult education, summer school); programs and services for disenfranchised learners (alternative

education); programs and services for under-achieving students (Title I); pre-school and early childhood programs and services (pre-school, 4-year-old kindergarten); multi-school district and/or multi-institutional collaboration/cooperative programming (CESA, hockey, telecommunication networking); other student support programs (guidance counselor, county social worker); school-aged childcare (Kids Club); and others.

To a much smaller degree, Weyerhaeuser Area School District offers instructional and support services—in some instances collaboratively—in co-curricular and extra-curricular activities; academic competitions; leadership groups; services delivered by specialist personnel; special education programs and services; community education programs and services; programs and services for disenfranchised learners; pre-school and early childhood programs and services; multi-school district and/or multi-institutional collaborative/cooperative programming; and other student support programs.

The Project Consultants concluded that the School District of Chetek and Weyerhaeuser Area School District provided—given their respective critical student masses—instructional and support services that would be comparable in quantity and quality to Wisconsin school districts of like-size.

4.9 Organizational Configuration

The Project Consultants observed that the School District of Chetek operated a P-K(4)-5, 6-8, 9-12 organizational configuration during the 2008-09 school year. The school district's facilities were specifically designed to accommodate the students served at each of the three

organizational levels, though—of necessity—Chetek Middle School and Chetek High School students must use select, common, core facilities.

During the 2008-09 school year, Weyerhaeuser Area School District operated a P-K(4)-5, 6-8, 9-12 organizational configuration. The school district's elementary/secondary school was designed to accommodate a small P-K-12 student population, and insofar as was possible, the facility was designed in such a way as to separate elementary school students from their secondary level counterparts, though the demarcation between middle school and high school level instructional spaces is much more blurred. Virtually all common, core spaces—of necessity—are shared by Weyerhaeuser Area School District's enrolled students at all three organizational levels.

4.10 Textbook Adoption Cycle

The Project Consultants found that the School District of Chetek has—in place—a more formalized textbook adoption cycle. Every other year, the school district focuses on adoption of textbooks, and on alternate years, the organization focuses on technology adoptions/purchases.

The School District of Chetek provides monthly teacher release time to devote to curriculum/textbook planning and review. Every school district teacher is assigned to a facilitated subject-matter discipline committee.

At an earlier point in time, Weyerhaeuser Area School District had in place a five year textbook adoption cycle. In recent years, however, the school district's financial pressures halted a regularized, formal schedule for reviewing and adopting new textbooks. It was reported that the school

district intends to re-visit formal adoption and curriculum alignment (left idle for approximately five years) in the future.

4.11 Staff Development

The Project Consultants probed the presence and priorities for staff development/in-service training in the School District of Chetek and Weyerhaeuser Area School District during the 2008-09 organizational year.

Among the School District of Chetek's staff development focuses were the implementation/application of technology software (Skyward); a standards-based software, development of unit plans/lessons (Link for Learning), and language arts strategies.

Weyerhaeuser Area School District's 2008-09 staff development focuses included Response To Intervention (RTI) and goal-setting.

4.12 Teaching Methodologies and Delivery Systems

The Project Consultants interviewed the District Administrators, Principals, School Board members, and—on a random basis—select classroom teachers in the School District of Chetek and Weyerhaeuser Area School District, toured the school districts' facilities, and observed the delivery of instructional programs and services and the school districts' methodologies to determine the prevailing instructional methodologies and delivery systems.

In the main, the Project Consultants found that School District of Chetek and Weyerhaeuser Area School District teachers employed an array of conventional and "best practices" methodologies at the elementary, middle

school, and high school levels, including—but not limited to—whole group instruction, small group instruction, differentiation, cooperative learning, project-based learning, technology-based learning, research-based learning, performance-based assessment, multi-age level instructional delivery, interdisciplinary instructional delivery, inclusive instruction (special education), resource-based instruction (special education), peer tutoring, team teaching, and others.

In addition to regular classroom delivery of instructional programs, specialists were available to deliver original and support services in Title I, art, physical education, music, library/media, technology, special education, enrichment, and other, related programs and services. The school districts employed inclusive instruction with special education specialists working with individual, special education-eligible students in the classroom while regular instruction was ensuing and/or in resource rooms/center-based programs.

Multiple delivery systems were employed by the School District of Chetek and, to a lesser degree, Weyerhaeuser Area School District, including—but not limited to—on-line learning; interactive instructional television learning; Wisconsin Technical College-based learning; Wisconsin State University-based learning; multi-school district alternative education programming; Wisconsin Virtual High School programming; CESA-based services; College In The School programming; and others.

The Project Consultants acknowledged that the School District of Chetek and, to a lesser extent because of its small critical student mass, Weyerhaeuser Area School District provide their students with access to a

broad array of alternative delivery systems incorporating both direct and on-line instruction.

4.13 Special Education Programs and Services

The School District of Chetek provides eligible students with a comprehensive array of special education programs and services. The school district's 2007-08 annual audit report revealed a special education expenditure budget of \$1,292,464.

The School District of Chetek's special education staff during the 2008-09 school year included 2.5 FTE teachers at the elementary school level, 3.0 FTE teachers at the middle school level, 3.0 FTE teachers at the high school level, and 1.5 FTE staff members at the district level. The school district is delivering special education programs and services to 147 eligible students during the 2008-09 school year.

The School District of Chetek delivers instructional programs and services through a combination of inclusion/mainstreaming in the regular classroom and resource/center-based instruction, as may be appropriate for students' programming needs.

Weyerhaeuser Area School District provides eligible students with a comprehensive array of special education programs and services. The school district's 2007-08 annual audit report revealed a special education expenditure budget of \$473,496.

Weyerhaeuser Area School District employs 2.0 full time equivalent special education professional staff members (and 1 part-time speech/language

therapist) to serve its eligible students' needs. Twenty-two (22) special education students were served by Weyerhaeuser Area School District during the 2008-09 organizational year.

Weyerhaeuser Area School District delivers instructional programs and services through a combination of inclusion/mainstreaming in the regular classroom and resource/center-based instruction, as may be appropriate for students' programming needs.

4.14 Achievement Test Results

The Project Consultants examined the School District of Chetek's and Weyerhaeuser Area School District's 2007-08 achievement test results on the Wisconsin Knowledge and Concepts Exams (WKCE) to ascertain student performance levels in reading and mathematics at grades 4, 5, 6, 7, 8, and 10. (Results detailed below reflect the percentages of students scoring at the proficient and advanced levels of proficiency in each of the two school districts).

The School District of Chetek's student performances on the WKCE were as follows (State of Wisconsin averages are reported parenthetically, following the school district's proficiency level): grade 4: reading: 90 (81); mathematics: 78 (77); grade 5: reading: 85 (84); mathematics: 76 (76); grade 6: reading: 83 (85); mathematics: 79 (76); grade 7: reading: 81 (85); mathematics: 82 (77); grade 8: reading: 79 (84); mathematics: 84 (75); grade 10: reading: 82 (75); mathematics: 80 (70).

Weyerhaeuser School District's student performances on the WKCE were as follows (State of Wisconsin averages are reported parenthetically,

following the school district's proficiency level): grade 4: reading: 63 (81); mathematics: 63 (77); grade 5: reading: 88 (84); mathematics: 88 (76); grade 6: reading: 78 (85); mathematics: 67 (76); grade 7: reading: 77 (85); mathematics: 92 (77); grade 8: reading: 92 (84); mathematics: 75 (75); grade 10: reading: 76 (75); mathematics: 88 (70).

The Project Consultants concluded that the two school districts' student performances on achievement tests posed no deterrent to further collaboration/cooperation between or consolidation of the two school organizations.

4.15 Collaboration and Cooperation

The School District of Chetek and Weyerhaeuser Area School District are only minimally collaborative with one another in light of their close geographic proximity. Though the former school district is a member of CESA 11, and the latter is a member of CESA 10.

In their own rights, both the School District of Chetek and Weyerhaeuser Area School District are collaborative organizations and, as appropriate, have established and maintained relationships with other school districts, colleges and universities, profit and non-profit organizations, businesses, cities, counties, and other service-providers to expand and enhance the quantity and quality of educational programs and services delivered to their respective organization's clientele.

4.16 Interview Perceptions: District Strengths, Needs, and Ratings

The Project Consultants conducted interviews with the District Administrators, School Board members, Principals, and other community

patrons and parents to secure perspectives about perceived strengths, needs, and priority ratings of the School District of Chetek and Weyerhaeuser Area School District.

The most frequently identified strengths of the School District of Chetek among individuals interviewed were as follows: buildings; strong leadership (administration and School Board); teachers; extra-curricular programs; small size/individual attention; opportunities.

The most frequently identified needs/concerns of the School District of Chetek among individuals interviewed were as follows: finances; loss of students through open enrollment; declining enrollment; loss of state aid; community perception of schools/image; communication.

Individuals interviewed by the Project Consultants were asked to rate select quality factors/characteristics of the School District of Chetek on a rating scale of 0 to 10 (lowest to highest). Respondents' assessments—when averaged—yielded the following quality ratings of organizational characteristics:

- ❖ Quality of the school district: 7.2
- ❖ Quality of the School Board: 6.7
- ❖ Quality of the administrative staff: 7.6
- ❖ Quality of the teaching staff: 8.2
- ❖ Quality of the school district's communication with its publics: 5.5

- ❖ Quality of the school district's planning for the future: 7.1
- ❖ Oppressiveness of school property taxes: 5.3
- ❖ Community support of a reasonably developed and explained school district consolidation plan: 5.4

The most frequently identified strengths of Weyerhaeuser Area School District among individuals interviewed were as follows: teachers/staff; administration; athletics/music; small town environment; small school environment.

The most frequently identified needs/concerns of Weyerhaeuser Area School District among individuals interviewed were as follows: money/finances; cutting teaching staff; declining enrollment; taxes; loss of students (open enrollment).

Individuals interviewed by the Project Consultants were asked to rate select quality factors/characteristics of Weyerhaeuser Area School District on a rating scale of 0 to 10 (lowest to highest). Respondents' assessments—when averaged—yielded the following quality ratings of organizational characteristics:

- ❖ Quality of the school district: 8.3
- ❖ Quality of the School Board: 7.4
- ❖ Quality of the administrative staff: 8.7

- ❖ Quality of the teaching staff: 8.7
- ❖ Quality of the school district's communication with its publics: 7.9
- ❖ Quality of the school district's planning for the future: 6.0
- ❖ Oppressiveness of school property taxes: 6.7
- ❖ Community support of a reasonably developed and explained school district consolidation plan: 6.0

CHAPTER V

SCHOOL FACILITIES

5.0 Introduction

With the Project Consultants' analysis of the School District of Chetek's and Weyerhaeuser Area School District's sizes, enrollment, enrollment trends, finances, educational programs and services, staffing, organizations, delivery systems and methodologies, and related issues, a contextual frame of reference had been established within which assessments could be made on the conditions of the two school districts' current facilities. Those assessments are/were particularly important in this and other **Consolidation Feasibility Studies** since such studies frequently include discussions about—if not the reality of—the possibility of school closures as one mechanism to achieve long-term organizational cost/effectiveness.

5.1 Importance of School Facilities

It is axiomatic that the environment in which a process occurs (in this case, the education of learners) is supremely important to an organization's mission statement, goals, productivity, performance, and public accountability. School facilities provide the environment within which the teaching/learning process unfolds and within which students either will or will not acquire skills, concepts, processes, attitudes, and attributes necessary to function with distinction in the highly-competitive global economy that does and will continue to characterize the 21st Century.

It is with more than just passing interest the Project Consultants observed that, only in the last few decades, school districts have given studied consideration to the degree to which school facilities may enhance or

detract from the delivery of educational programs and services for and the successes achieved by students.

Prior to the 1970's and the onset of special education programs, gender equity in the delivery of curricular, extra-curricular, and co-curricular programs, handicapped accessibility, health and life safety issues, technology expansion, child-care, early childhood/family education programming, parent education, Senior Citizen programming, multi-institutional collaboration, burgeoning recreational and enrichment programming, and a myriad of other programs and services, school facilities simply "housed" instructional programs and services. In today's and tomorrow's information age, school facilities must do much more than "house" the needs of pre-schoolers, school-aged students, parents, and community patrons. Access to sophisticated laboratories, a range of co-educational programs, rapidly changing technology, sophisticated media, child-care programming, early childhood opportunities, enhanced parent/patron involvement in the schools, business/educational partnerships, performance-based curricular design, multi-district telecommunications connectivity, co-located governmental programs and services, expanded volunteerism, community-based and project-based learning, graduation standards' implementation, and much, much more must be taken into consideration in appraising and addressing existing and/or future school facilities.

In part, the School District of Chetek and Weyerhaeuser Area School District **Consolidation Feasibility Study** is focused on assessing the school districts' teaching/learning environments in which "students either will or will not acquire skills, concepts, processes, attitudes, and attributes

necessary to function with distinction in the highly-competitive global economy that is and will continue to characterize the 21st Century,” offering conclusions, alternatives, and recommendations to assist the School Boards, District Administrators, administrative and teaching staffs, and community patrons strengthen the organizations’ teaching/learning environments, and, indeed, providing a framework within which the school districts can be strengthened as the “centerpieces of their communities infrastructures” to retain or, more beneficially, attract prospective parents, patrons, and students to the school districts and communities in the future.

5.2 Guidelines for School Facilities

Presented below in Table 17 are Select Guidelines for School Facilities which provided representative benchmarks for the Project Consultants and the study’s school districts to use in undertaking comparative facility appraisal and/or planning, designing, and implementing new facility construction, renovation, and remodeling projects.

Detailed in the table are guidelines for school site acreage and facility square footage information per student in modern-day elementary, middle, junior high, senior high, junior-senior high, and campus school settings.

Square footage data per student are also provided for elementary, middle school, and high school facilities which enroll less than 500 students or 500-999 students and in school districts which have constructed a swimming pool and/or auditorium.

TABLE 17
SELECT GUIDELINES FOR SCHOOL FACILITIES

<u>School Enrollment</u>	<u>Elementary SF</u>	<u>Middle Level SF</u>	<u>High School SF</u>
Less than 500	125-155	170-200	200-225
500-999	110-135	160-190	190-220
For Pool Addition	10-12	10-12	10-12
For Auditorium Addition	10-12	10-12	10-12
<u>Site</u>	<u>Acreage</u>	<u>Square Foot Per Student</u>	
Elementary	10	100 SF – 110 SF	
Middle School	20	48 SF or 25/1200 SF	
Junior High	25	36 SF or 25/900 SF	
Senior High	35	150 – 200 SF depending upon grade organization and enrollment	
Junior-Senior High	40	150-200 SF depending upon grade organization and enrollment	
Campus (Several Schools)	40 – 60	32 SF or 25/800 SF	
PLUS One acre for each 100 students of estimated capacity, including additions			

The Project Consultants employed the data delineated in Table 17—in part—in making qualitative and quantitative judgments about the educational adequacy of the school district’s teaching/learning facilities.

5.3 Overview of the School Districts' Facilities

At the time of the conduct of the **Consolidation Feasibility Study**, the School District of Chetek owned and operated two teaching/learning facilities: Roselawn Elementary School and Chetek High School/Middle School. Weyerhaeuser Area School District operated a single teaching/learning facility: Weyerhaeuser Elementary/Secondary School.

Tables 18-C and 18-W below provide the dates of original construction of and additions to each of the School District of Chetek's and Weyerhaeuser Area School District's facilities; the types of organizational configurations; facility square footages; 2008-09 enrollments; and 2008-09 square footages/student.

TABLE 18-C SCHOOL DISTRICT OF CHETEK OVERVIEW OF FACILITIES 2008-09					
<u>School</u>	<u>Dates</u>	<u>Type</u>	<u>Square Feet</u>	<u>Enrollment</u>	<u>Sq. Ft./ Student</u>
Roselawn Elementary	1960 1985	P-K-5	68,200	418	163.2
High/Middle School	1956 1985 1990 2000	6-8/9-12	158,407	493	321.3

Roselawn Elementary School is a P-K-5 teaching/learning facility, located in the City of Chetek. The facility was constructed in 1960 and received a subsequent addition in 1985. The elementary school structure provided 68,200 square feet of teaching/learning, office, and support spaces for the

2008-09 student population of 418, offering an ample 163.2 square feet/student.

Chetek High School/Middle School is a grade 6-8/9-12 teaching/learning facility, located in the City of Chetek. The facility was originally constructed in 1956 and received three subsequent additions in 1985, 1990, and 2000. The secondary school structure provided 158,407 square feet of teaching/learning, office, and support spaces for the 2008-09 student population of 493, offering a cost/ineffectively high 321.3 square feet/student.

<p style="text-align: center;">TABLE 18-W WEYERHAEUSER AREA SCHOOL DISTRICT OVERVIEW OF FACILITIES 2008-09</p>					
<u>School</u>	<u>Dates</u>	<u>Type</u>	<u>Square Feet</u>	<u>Enrollment</u>	<u>Sq. Ft./ Student</u>
Elementary/ Secondary	1955 1977 2005	P-K-6, 7-12	64,039	159	402.8

Weyerhaeuser Elementary/Secondary School is a P-K-12 (P-K-6; 7-12) teaching/learning facility, located in the Village of Weyerhaeuser. The facility was originally constructed in 1955 (stated as mid-1950's) and received two subsequent additions in 1977 and 2005. Weyerhaeuser Elementary/Secondary School provided 64,039 square feet of teaching/learning, office, and support spaces during the 2008-09 organizational year. With an enrollment of 159 students in 2008-09, the facility offered a cost/ineffectively high 402.8 square feet/student.

5.4 Facility Observations by the Project Consultants

The Project Consultants toured the School District of Chetek's and Weyerhaeuser Area School District's facilities to assess the **educational adequacy** of the facilities. **Educational adequacy** is a phrase employed to describe the capabilities of a school facility to enhance the delivery of modern-day programs, services, methodologies, and learning experiences that will ensure students are well-positioned to perform with distinction in a highly-competitive, global marketplace upon high school graduation and subsequent further training in an institution of higher learning (e.g. technical institution, college, university, military, or other).

Except in newly-constructed schools, most modern-day school facilities lack select components of **educational adequacy**, but in the main, they exhibit a significant majority of the following design components and characteristics:

- ❖ Adequate size, including space for parking, playgrounds, athletics/recreational/community usage, transportation access, other.
- ❖ Provide safe and secure entries—including visual inspection—to deter intruders.
- ❖ Meet health, life safety, and accessibility statutes and codes.
- ❖ Display modern-day electrical and mechanical systems.
- ❖ Display current technology, including voice, video, and data access.

- ❖ Provide adequate classroom and specialty room space per student.
- ❖ Provide custom-designed teaching/learning spaces for art, music, physical education, technology, special education, science, business education, technical education, family and consumer science, fitness, and the like.
- ❖ Are flexibly-designed to accommodate multi-purpose functions.
- ❖ Accommodate modern-day teaching methodologies and delivery systems, including team teaching, project-based learning, applied learning, cooperative learning, community-based learning, interdisciplinary curriculum delivery, performance-based assessment, co-located programming, inclusion model, resource-based model, multi-age level grouping, technology-based learning, peer tutoring, and the like.
- ❖ Provide adequate conferencing space.
- ❖ Furnish variable teaching/learning spaces, including independent study, small group, and large group spaces.
- ❖ Offer specialty spaces for teacher planning, teaming, and curriculum design.
- ❖ Offer a centrally-located, spacious, multi-purpose media center as the “hub” of the school.

- ❖ Provide teacher office areas.
- ❖ Incorporate contemporary equipment, furniture, and fixtures.
- ❖ Encourage before and after school usage by the community, while maintaining the integrity (security) of the school district's properties.
- ❖ Facilitate usage of technology in the teaching/learning process.
- ❖ Other factors.

As the Project Consultants tour, review, and assess the educational adequacy of a school district's schools, the comparative benchmark employed (by the Project Consultants) is/would be a typical, recently-constructed, mid-range costed, modern-day elementary school, middle school, or high school (as the comparison may dictate) in the same state or general region (in this case the Midwest) of the United States. The Project Consultants examine each of the school district's teaching/learning facilities in the light of the aforementioned **educational adequacy** components as those components would be found in the recently-constructed, modern-day school of like organizational level. Each school facility school component is ranked, employing the following coding system: Excellent (state-of-the-art); Good (definitely a higher quality than that which is typically found in most schools); Adequate (acceptable; workable; average, not necessarily deficient; not necessarily remarkable); Marginal (below standard; deficient); Poor (inadequate; unacceptable as a teaching/learning environment).

To provide a broad spectrum perspective for the reader in assessing a school district's teaching/learning facilities, the Project Consultants would describe, for example, the educational adequacy of an "excellent" teaching/learning environment as follows: spacious; well-lighted; modern-day flooring and ceilings; ample modern-day cabinetry; technology-laden (SMART Board); modern-day furniture; flexible seating; adequate storage; and the like. By comparison, the Project Consultants would characterize the educational adequacy of a "poor" teaching/learning environment as follows: under-sized; antiquated flooring; antiquated, soiled, and, potentially, missing ceiling components; insufficient electricity; aged and/or insufficient storage; absence of technology; period-dated furniture; aged heating and ventilation system; period-dated and inadequate lighting; poor air quality; and the like.

With the aforementioned guidelines in mind, the Project Consultants toured the teaching/learning facilities and examined the floor plans of the School District of Chetek and Weyerhaeuser Area School District and noted the following, select, educational adequacies and inadequacies:

SCHOOL DISTRICT OF CHETEK

Roselawn Elementary School

- ◆ School is situated on an adequate site; one story structure; handicapped accessible; fire compliant.

- ◆ Office suite is in close proximity to front entry for security purposes; reception; offices; storage; medical; work; adequate.

- ◆ Classrooms are adequate to good; well appointed; technology.

- ◇ Kindergarten classroom/space is spacious; well appointed; adequate to good.
- ◇ Special education spaces/classrooms/office are generally good; spacious; well appointed.
- ◇ Kids Club space is good; spacious; well appointed.
- ◇ Music suite is tiered; spacious; good.
- ◇ Art suite is good; spacious; storage; work space.
- ◇ Media/library is good; spacious; appointed; exterior view.
- ◇ Gymnasium is two station; good to excellent; spacious; bleachers; wood floor; adjoining bathrooms.
- ◇ Cafeteria/multi-purpose room is adequate.
- ◇ Computer laboratory is spacious; modern; good.
- ◇ Conference space is available and adequate.
- ◇ School is adequate to good by modern-day standards.

Chetek High School/Middle School

- ◇ School is situated on an expansive, appealing site; one story structure; handicapped accessible; fire compliant.

- ◇ Office suites are located in proximity to front entries for security purposes; spacious; good layout; access to student services; good.
- ◇ Classrooms are adequate to good; well appointed; spacious.
- ◇ Library/media is good; spacious; well appointed; technology; offices.
- ◇ Gymnasias are good to excellent; two stories; stage; seating; storage; appointments.
- ◇ Weight room is spacious; accessible to public; good.
- ◇ Computer laboratories are adequate to good; special design; well appointed.
- ◇ Business Education classrooms are adequate.
- ◇ Music suites are tiered; adequate (choir) to good (band); office; storage; practice.
- ◇ Cafeterias are good; separate serving lines; well appointed; spacious.
- ◇ Art suite is adequate to good, two joined rooms; natural lighting; appointed; storage.
- ◇ Family and Consumer Science is undersized though adequate; laboratory; storage; appointed.

- ◆ Science laboratories are adequate to good; well appointed; storage; central work area; close proximity (high school).
- ◆ Technology shops and adjoining classroom/space range from adequate to good; technology (CAD); spacious.
- ◆ Special education classrooms/spaces/offices are adequate to good; appointed; functional.
- ◆ Conference space is available.
- ◆ School is good by modern-day standards.

WEYERHAEUSER AREA SCHOOL DISTRICT

Weyerhaeuser Elementary/Secondary School

- ◆ School is situated on an ample site; single story structure; handicapped accessible; fire compliant.
- ◆ Office suite is remotely located from the front entry; doors locked for security; guests ushered; office reception area limited; overall adequate.
- ◆ Classrooms are generally adequate in size, quality, appointment; some multi-grade level.
- ◆ Kindergarten classroom is adequate though undersized.

- ◇ Library/media is undersized but adequate; adjoins small ITV room; adjoins computer room; unremarkable.
- ◇ Gymnasium is adequate by modern-day standards; stage; multi-station; adjoins multi-purpose gymnasium/cafeteria/food service.
- ◇ Computer laboratories (including Business Education) are converted regular classroom; spacious; adequate to good.
- ◇ Music is adequate; office; storage; practice space; access to stage; non-acoustic.
- ◇ Cafeteria is adequate.
- ◇ Art suite is adequate to good; spacious; appointed; storage.
- ◇ Family and Consumer Science is adequate; spacious; lecture/laboratory.
- ◇ Science laboratory is adequate; lecture/laboratory; spacious; storage; appointed.
- ◇ Technology (wood) shop is excellent; state of the art; multi-purpose.
- ◇ Special education spaces and offices are generally adequate.
- ◇ Conference space is available.

◇ School is adequate by modern-day standards.

5.5 Long-Term Facility Debt

The Project Consultants examined the annual financial reports (audits) of the School District of Chetek and Weyerhaeuser Area School District for the 2007-08 organizational year to ascertain the extent of long-term facility debt, including bonds, refunding bonds, and State Trust Fund Loans.

TABLE 19-C			
SCHOOL DISTRICT OF CHETEK			
LONG-TERM FACILITY DEBT			
2007-08			
<u>District</u>	<u>Principal*</u>	<u>Interest</u>	<u>Total</u>
Chetek	\$8,730,058	\$3,420,111	\$12,150,169
*Margin of Indebtedness: \$62,438,713			

Table 19-C reveals that the School District of Chetek's long-term facility debt (refunding bonds and State Trust Fund Loans) obligation at the conclusion of the 2007-08 school year amounted to \$8,730,058 (principal), \$3,420,111 (interest), and \$12,150,169 (total).

The School District of Chetek's 2007 equalized valuation was \$711,687,713. With a debt limit (10% of 2007 equalized value) of \$71,168,771 and long-term (principal) debt of \$8,730,058, the organization's margin of indebtedness was \$62,438,713.

The Project Consultants concluded that the School District of Chetek's long-term facility debt—when compared to the organization's margin of indebtedness—was most reasonable.

Table 19-W delineates Weyerhaeuser Area School District's long-term facility debt (State Trust Fund Loans) obligation at the conclusion of the 2007-08 school year amounted to \$422,121 (principal), \$71,746 (interest), and \$493,867 (total).

TABLE 19-W WEYERHAEUSER AREA SCHOOL DISTRICT LONG-TERM FACILITY DEBT 2007-08			
<u>District</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Weyerhaeuser	\$422,121	\$71,746	\$493,867
*Margin of Indebtedness: \$18,155,459			

Weyerhaeuser Area School District's 2007 equalized valuation was \$185,775,800. With a debt limit (10% of 2007 equalized value) of \$18,577,580 and long-term (principal) debt of \$422,121, the organization's margin of indebtedness was \$18,155,459.

The Project Consultants concluded that Weyerhaeuser Area School District's long-term facility debt—when compared to the organization's margin of indebtedness—was minimal.

5.6 Capital Leases

The Project Consultants examined the School District of Chetek's and Weyerhaeuser Area School District's annual financial reports (audits) for the 2007-08 organizational year to ascertain the existence and extent of capital leases.

The School District of Chetek reported a capital lease agreement (water boilers) in the amount of \$62,421.

Weyerhaeuser Area School District has no capital leases in place.

5.7 Utilities Expenditure

The Project Consultants reviewed the 2007-08 utilities consumption (electricity, natural gas, water/sewer, and garbage) for the School District of Chetek and Weyerhaeuser Area School District.

The School District of Chetek expended \$126,586 for electricity, \$132,168 for natural gas, \$8,008 for water/sewer, and \$23,075 for garbage, totaling \$289,837 during the 2007-08 organizational year. With a total of 226,607 square feet of facility, the school district's combined utility cost consumption was \$1.28/square foot. The utility cost consumption per student (using the 911 students enrolled in 2008-09) was \$318/student.

Weyerhaeuser Area School District expended \$33,151 for electricity, \$36,238 for natural gas, \$2,921 for water/sewer, and \$3,494 for garbage, totaling \$75,804 during the 2007-08 organizational year. With a total of 64,039 square feet of facility, the school district's combined utility cost

consumption was \$1.18/square foot. The utility cost consumption per student (using the 159 students enrolled in 2008-09) was \$477/student.

The Project Consultants concluded that the higher utility consumption cost/square foot in the School District of Chetek—when compared to Weyerhaeuser Area School District—would largely be attributable to more extensive facility usage and the presence/usage of specialty facilities by school district students and the community at large.

The Project Consultants concluded that Weyerhaeuser Area School District's cost/ineffectively high utilities cost consumption was largely attributable to the cost/ineffectively high volume of square footage allocation per student (402.8 square feet/student).

CHAPTER VI

CONCLUSIONS, ALTERNATIVES, AND RECOMMENDATIONS

6.0 Introduction

The District Administrator of the School District of Chetek, Dr. Al Brown, the District Administrator of Weyerhaeuser Area School District, Mr. Christopher (Chris) Nelson, and the School Boards of the School District of Chetek and Weyerhaeuser Area School District determined it was in the collective best interests of their school organizations and communities to commission a **Consolidation Feasibility Study** to assess the status of their respective organizations, identify pressing organizational needs, develop viable alternatives for addressing those organizational needs, including the possibility of school district restructuring, and assist in fashioning a comprehensive plan of action to strengthen the organizations' enrollments, finances, programs, services, staffing, facilities, and other operational components. Toward that end, the school districts sought and received funding from the State of Wisconsin to partially cost underwrite the engagement of the services of an independent third party neutral firm to conduct a **Consolidation Feasibility Study**.

Cited below are those questions which were prepared to guide the conduct of the **Consolidation Feasibility Study**:

- ❖ What is the current status of each school district's enrollment, enrollment trends, finances, programs, services, staffing, organizational configuration, facilities, and related issues?

- ❖ Is there probable cause for either/both of the school districts to consider the possibility of future consolidation?

- ❖ What conclusions may be drawn about future program and service benefits and opportunities for students served if the original school districts were to consider consolidation?
- ❖ What conclusions may be drawn about the cost/effectiveness of the resulting school district if the original school districts were to consider consolidation?
- ❖ What conclusions may be drawn about long-term merits/demerits for the taxpayers if the original school districts were to consider consolidation?
- ❖ What recommendations do the Project Consultants tender to the School Boards and District Administrators of the participating school districts regarding improvement of the organizations' statuses and/or consideration of the possibility of future consolidation?

6.1 Conclusions

Based on data gathered, analyzed, and presented in the previous five chapters of the **Consolidation Feasibility Study**, the Project Consultants offer the following conclusions to the School Boards and District Administrators of the School District of Chetek and Weyerhaeuser Area School District:

District Sizes and Enrollment Trends

The School District of Chetek would be classified as a mid-sized critical student mass school district. It would be profiled as a declining enrollment school district.

Weyerhaeuser Area School District would be classified as a small critical student mass school organization. It would be profiled as a declining enrollment school district.

The School District of Chetek experienced a net loss of -218 students or -18.6% over the ten year span of time from 1998-99 through 2008-09. The school district's enrollment is projected to continue declining. The school district enrolled 911 students in 2008-09.

Weyerhaeuser Area School District experienced the loss of -82 students or -34.0% over the ten year span of time from 1998-99 through 2008-09. The school district enrolled 159 students in 2008-09.

While the School District of Chetek may anticipate the loss of -22 students or -2.4% between 2008-09 and 2011-12, Weyerhaeuser Area School District will likely experience a net loss of -34 students or -21.4% over the same three year span of time.

Besides losing larger numbers of students (with graduation) at grade 12 than are gained, annually, in the 4-year-old kindergarten program, both the School District of Chetek and Weyerhaeuser Area School District typically display additional losses among some/many grade levels during grade level transitions from one school year to the next.

The School District of Chetek has a substantial "out-migration" of resident students to other school districts through Wisconsin's open enrollment option. Weyerhaeuser Area School District—diminutive in size—actually realizes a net gain in students through open enrollment. Unfortunately,

those meager student enrollment gains are insufficient to stabilize the organization's P(4)-12 enrollment.

The School District of Chetek loses almost 5% of its resident student population to home schooling, resulting in a further deterioration of its finances. Weyerhaeuser Area School District's losses to home schooling are traditionally smaller in number and percentage. Neither school district reveals significant student losses through non-public school attendance.

The Project Consultants concluded that the School District of Chetek has sufficient critical student mass and a sufficiently slow rate of decline to ensure long-term viability. At the same time, the school district's enrollment losses will result in short- and long-term deterioration of the organization's budget, staff, programs and services, and, eventually, facilities.

The Project Consultants concluded that Weyerhaeuser Area School District's small critical student mass and declining enrollment will result, shortly, in the organization's demise.

The Project Consultants concluded that both the School District of Chetek and Weyerhaeuser Area School District would significantly benefit through the merger of the organizations' critical student masses.

Finances

The School District of Chetek has been a fiscally well-managed educational organization. Its 2007-08 General Fund balance amounted to a healthy 28.4% of the school district's General Fund expenditure budget. General Fund budgets were balanced in the most recent, seven, consecutive years.

General Fund revenues have increased slowly over the past six years—reflecting student enrollment decline—barely exceeding General Fund expenditure growth.

Weyerhaeuser Area School District is a financially struggling educational organization, due largely to the school district's diminutive critical student mass (size) and declining enrollment. In 2007-08, the school district's General Fund balance amounted to a commendable 13.5% of the organization's General Fund expenditure budget. In the main, the school district has operated balanced General Fund budgets over the course of the past seven years (excepting two years). General Fund revenues have decreased -6.3% over the course of the past six years, a reflection of declining student enrollment, while the organization's six year trend in expenditures grew a paltry +3.7%, assisted by repeated General Fund budget reductions.

The School District of Chetek's local contribution to the support of the General Fund budget has increased over the most recent six years, while the State of Wisconsin's contributions have markedly decreased. The same trend has been apparent in Weyerhaeuser Area School District, though the State of Wisconsin's support of the school district has diminished at a staggering rate.

The School District of Chetek's total expenditure/student and total instructional expenditure/student in 2006-07 trailed such spending levels in the average of all State of Wisconsin school districts, though there is evidence that the school district's expenditure rates in these categories are increasing at a more rapid rate than the average of all State of Wisconsin

school districts (cost/ineffectively). Conversely, Weyerhaeuser Area School District's total expenditure/student and total instructional expenditure/student in 2006-07 substantially exceeded the spending rates in the average of all State of Wisconsin school districts, and the organization's spending in these categories is escalating at a cost/ineffective rate when compared to the average of all State of Wisconsin school districts.

The School District of Chetek's fund balance increased over the past ten years, though at a slower rate and amount than the average of all State of Wisconsin school districts. Weyerhaeuser Area School District's fund balance decreased over the course of the past ten years and is staggeringly below the average of all State of Wisconsin school districts.

The School District of Chetek's equalized value/member in 2006-07 was \$580,747/member, and the organization's mill rate was \$8.11. Weyerhaeuser Area School District's 2006-07 equalized value/member was \$808,700/member, and its mill rate was \$8.93.

In April, 2008, residents of the School District of Chetek denied the organization authority to exceed the revenue cap. In June, 2008, residents of Weyerhaeuser Area School District authorized the organization to exceed the revenue cap by the amount of \$1,800,000 over a three year period of time.

Conditions of the School District of Chetek's and Weyerhaeuser Area School District's teacher master agreements, employee retirement system obligations, and other post-employment benefits (OPEB) obligations do not

present barriers—as assessed by the Project Consultants—for consideration of future consolidation by the two school organizations.

The Project Consultants concluded that the School District of Chetek is financially viable and, as a consequence, is in a position to weigh the merits/demerits (financially and otherwise) of a future consolidation with Weyerhaeuser Area School District or some other neighboring school district. Alternately, the Project Consultants concluded that Weyerhaeuser Area School District is in a precarious financial position which, over time, can/will worsen. Thus, the Project Consultants concluded that the leadership of Weyerhaeuser Area School District is pursuing a prudent course of action in seeking a viable school district with which to consolidate. The School District of Chetek is just such a school district.

Educational Programs and Services

The School District of Chetek operated favorable and cost/effective class section sizes at the elementary and middle school levels and marginally cost/effective class section sizes at the high school level, though with declining enrollment, deteriorating budgets, and reduced staff, the organization will experience increasing cost/ineffectiveness over time.

With its small critical student mass, Weyerhaeuser Area School District operated cost/ineffectively small class section sizes at the elementary and secondary school levels. The school district does not have the capability to significantly enhance the cost/effectiveness of its class section sizes (even through employing multi-age, combination classes).

The School District of Chetek made available to its students a broad and comprehensive array of high school credit course offerings as well as other/alternative avenues for securing high school/college credits through the University of Wisconsin and Wisconsin Technical College system and on-line learning options.

Given its small critical student mass, Weyerhaeuser Area School District furnishes its students with an excellent array of credit course offerings and, as well, provides access to telecommunication offerings through WIN ITV and the University of Wisconsin and Wisconsin Technical College systems.

Over time and as a result of student enrollment decline, the School District of Chetek's total professional staff has decreased and, in turn, the organization's pupil/teacher ratio has declined/improved (more cost/ineffectively so). Weyerhaeuser Area School District has decreased its total professional staff, as well, over the course of the past ten years, but the demands for course offerings and the inability to reduce professional teaching staff, proportionately to student losses, has resulted in a staggeringly low pupil/teacher ratio (cost/ineffectively so) when compared to the average of all State of Wisconsin school districts.

The School District of Chetek furnishes an excellent array of high school activities, instructional and support services, curriculum renewal, staff development planning, and special education programming.

Weyerhaeuser Area School District offers a much smaller array of high school activities and instructional support services, though it has augmented its offerings to school district students through

collaboration/cooperation with other, neighboring school districts. Because of the demands placed on administrative and teaching staff members in Weyerhaeuser Area School District, the breadth and scope of curriculum planning and staff development are far less operationalized and refined. Special education programs and services in the school district, as well, are provided by a small number of staff members and, as required, secured through contracting with other school districts.

The Project Consultants concluded that the educational programs and services delivered by the School District of Chetek display a breadth, scope, and quality that would characterize progressive school districts of like-size (or somewhat larger) in the State of Wisconsin.

The Project Consultants concluded that Weyerhaeuser Area School District's educational programs and services have been and will continue to be impacted by the organization's small critical student mass and declining enrollment. For example, mostly under-sized class sections—while desirable for achieving personalized attention from teaching staff members—minimize student to student interaction. Furthermore, the large number of preparations assigned to regular classroom teachers virtually ensures that quality preparedness for classroom leadership and content delivery will diminish.

The Project Consultants concluded that the students of Weyerhaeuser Area School District would significantly benefit—both academically and interpersonally—through a consolidation of the organization with a neighboring school district.

Facilities

The School District of Chetek operates a modern-day elementary school and modern-day high school/middle school. Chetek High School/Middle School provided its 2008-09 student population of 493 a cost/ineffectively high 321.3 square feet/student. The School District of Chetek's facilities are educationally adequate and good by modern-day standards.

Weyerhaeuser Area School District operates a single elementary/secondary school facility. The school is adequate by modern-day standards. With an enrollment of 159 students in 2008-09, Weyerhaeuser Area School District's teaching/learning facility offered a cost/ineffectively high 402.8 square feet/student.

The School District of Chetek's long-term facility debt—principal and interest—at the conclusion of the 2007-08 organizational year was \$12,150,169. As well, the school district reported a capital lease agreement in the amount of \$62,421.

Weyerhaeuser Area School District's long-term facility debt—principal and interest—amounted to \$493,867 in 2007-08. The school district had no capital leases in place at that time.

The Project Consultants concluded that the School District of Chetek operates quality teaching/learning facilities, but as student enrollment continues to decline and square footage/student further escalates, the school district's leadership will need to consider an alternative grade level configuration for the organization and, eventually, a school closure.

The Project Consultants concluded there is substantial likelihood that, in the consolidation of Weyerhaeuser Area School District with the School District of Chetek or some other neighboring school district, Weyerhaeuser Elementary/Secondary School would be closed.

Assessment of the Study Questions

The Project Consultants concluded there is probable cause for the School District of Chetek and Weyerhaeuser Area School District to consider the possibility of future consolidation. The School District of Chetek would be strengthened by the possible acquisition of 100-150 K(4)-12 students in the resulting school district, thereby enhancing critical student mass, cost/effectiveness, and State of Wisconsin foundation aid. Weyerhaeuser Area School District would acquire a quality array of staff members, programs, and services—along with a stable future—for the students it is entrusted to serve.

The Project Consultants concluded that the students of the School District of Chetek and Weyerhaeuser Area School District would acquire future program and service benefits and opportunities as a result of the partial re-investment of funds secured through the merger of the two school districts' budgets and subsequent cost economizations.

The Project Consultants concluded that the resultant school district—formed from the consolidation of the School District of Chetek and Weyerhaeuser Area School District—would be more cost/effective than the original school districts with a potential savings (or re-investment) of \$1,000,000-\$1,500,000 from the combined General Fund budgets.

The Project Consultants concluded that the State of Wisconsin's funding of consolidated school districts may well need to be reexamined and modified by the Wisconsin State Legislature. It would appear that, with the consolidation of two or more school districts, the equalized value/member of one or more of the consolidating school districts will increase beyond the current level(s) and, thereby, reduce State of Wisconsin General Fund aid to the resulting school district, elevating local mill rates and taxes above levels that existed prior to consolidation. In this instance, the actions by Wisconsin school districts to enhance organizational cost/effectiveness and expand programs and services to students served would/could actually result in penalizing the participating/consolidating school districts. Unless that circumstance is favorably addressed, the Project Consultants would recommend that the School District of Chetek and Weyerhaeuser Area School District not consolidate.

6.2 Alternatives

The Project Consultants identified the following alternatives as available for future consideration by the School Boards and administrative leaderships of the School District of Chetek and Weyerhaeuser Area School District:

Alternative 1

The School District of Chetek and Weyerhaeuser Area School District consolidate, resulting in enhanced organizational cost/effectiveness and expanded programs, services, staffing, and opportunities for the students of the current school districts.

Alternative 2

That the School District of Chetek reject consolidation with Weyerhaeuser Area School District, and Weyerhaeuser Area School District seek consolidation with an alternative school district.

Alternative 3

That the School District of Chetek reject consolidation with Weyerhaeuser Area School District, and Weyerhaeuser Area School District institute proceedings to dissolve.

6.3 Twelve Criteria for Gauging the Need for Organizational Restructuring

Roger Worner Associates, Inc. employ data-driven decision-making in rendering assessments about the short-term and long-term viability of school districts and the need for and value of organizational restructuring (including consolidation). The “Twelve Criteria for Gauging the Need for Organizational Restructuring” are based on the Project Consultants’ conduct of some 350 studies—involving 1,000 Midwest school districts—over the span of 19 years and has proven to contain reliable benchmarks for determining the viability of educational enterprises. These criteria were applied by the Project Consultants to each of the school districts participating in the **Consolidation Feasibility Study** in determining findings, developing conclusions, identifying alternatives, and rendering recommendations. Detailed below, then, are twelve major criteria which are used to gauge the need for organizational restructuring:

- ❖ Small critical student mass organization.

- ❖ Past declining student enrollment.
- ❖ Projected declining student enrollment.
- ❖ Imbalanced General Fund budget and/or General Fund budget reductions.
- ❖ Cost/ineffectively high spending per pupil (when compared to the State average or peer group average).
- ❖ Inability to pass an operating referendum.
- ❖ Declining or stagnating General Fund balance.
- ❖ Cost/ineffectively small class section sizes.
- ❖ Cost/ineffectively low pupil/teacher ratios.
- ❖ Cost/ineffectively high number of teaching preparations.
- ❖ Declining programs, services, staffing, and/or course offerings.
- ❖ Cost/ineffectively high facility square footage per pupil.

The Project Consultants have found—with experience and over time—those school districts which display one-half or more of the criteria for gauging the need for and value of organizational restructuring will experience difficulties with organizational viability in the future.

6.4 Recommendations

The Project Consultants tender the following recommendations to the School District of Chetek's and Weyerhaeuser Area School District's School Boards, District Administrators, staff, parents, and patrons:

Recommendation 1

That the school districts create a Joint Consolidation Study Task Force—comprised of ten open-minded representatives from each of the School District of Chetek and Weyerhaeuser Area School District—to study the **Consolidation Feasibility Study** and tender recommendations regarding the feasibility of the School Boards of the School District of Chetek and Weyerhaeuser Area School District further pursuing the possibility of school district consolidation.

Recommendation 2

That the School District of Chetek and Weyerhaeuser Area School District propose to consolidate, effective July 1, 2010.

Recommendation 3

That the consolidated school district merge the K(4)-12 student populations from the School District of Chetek and Weyerhaeuser Area School District—effective at the beginning of the 2010-11 school year—and house those two populations in Roselawn Elementary School and Chetek High School/Middle School, closing Weyerhaeuser Elementary/Secondary School.

Recommendation 4

That the School District of Chetek and Weyerhaeuser Area School District initiate planning to merge the school districts' administrative, teaching, and support staffs; curricular course offerings; instructional support services; negotiated agreements; policies, procedures, and operations; and a myriad of other functions/responsibilities.

Recommendation 5

That the School District of Chetek and Weyerhaeuser Area School District initiate a comprehensive, independent, third-party neutral study of the (proposed) consolidated school district's student transportation system to reduce time travel for students—to and from school—to no greater than 60 minutes.

Recommendation 6

That the School Boards and District Administrators of the School District of Chetek and Weyerhaeuser Area School District confer with the Wisconsin Department of Public Instruction and, as required, area legislators and the Wisconsin State Legislature to ensure that the resultant, consolidated school district's taxpayers are not financially penalized by the State of Wisconsin for having supported a decision to enhance multi-district cost/effectiveness and strengthen programs, services, staffing, and opportunities provided to the students through consolidation of the initial school districts.

