

Focus

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In brief

Wisconsin schools budgeted to spend \$9.94 billion last year, or \$11,522 per pupil. About 58% of that went to instruction. Over the past decade, increases in per pupil spending have averaged 4.0% per year. Meanwhile, statewide enrollments have dropped for five consecutive years.

Capitol notes

■ At the end of August, state legislative candidates had \$5.5 million (m) in cash on hand, of which \$3.9m (71%) was held by incumbents. (Source: Wis. Democracy Campaign)

■ “[T]he number of teachers retiring over the decade 2010-20 will be the largest in any decade post-World War II. But because of relatively slow growth in the school-age population going forward, the total number of new hires needed for all reasons is not far from historical norms.” (Chicago Fed Letter, 9/08)

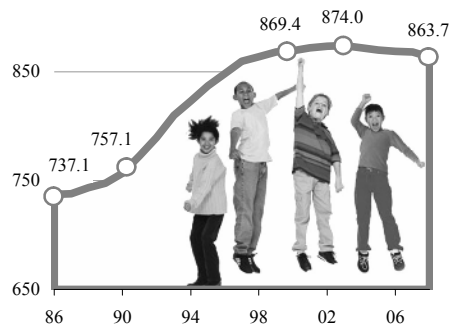
■ Economic development programs and funding are summarized for state businesses and interested citizens on the state Department of Commerce Web site (www.commerce.state.wi.us/bd/BD-Act125-2008.html).

■ State Superintendent of Public Instruction Elizabeth Burmaster will not seek a third term in April. Burmaster’s deputy, Tony Evers, has announced that he will seek the post, as he did in 2001 when he lost to Burmaster in the primary.

Picturing Wisconsin school trends

The world in which Wisconsin public schools operate today is markedly different from the one in the early 1990s. Enrollments and expenditure trends, and spending and staffing patterns, have all changed—in some cases, dramatically. But, simple pictures often tell the story.

“Baby Boom Echo” Grows Quiet
K-12 School Students (000), 1986-2008



Counting kids

One of the most noticeable developments over the past 20 years has been the ebb and flow of student numbers. The “baby boom echo” led to K-12 enrollments rising from 757,050 in 1990 to 874,042 in 2003 (see graph above). Since then, however, the student count dropped to 863,660 in 2008, the fifth consecutive year of decline.

Over the past decade, 265 (63.1%) of Wisconsin school districts had enrollment declines (graph, above right), and in 35% of those, the drop has exceeded 10%. Over the past five years, over a quarter of districts experienced three consecutive years of falling enrollment. Forecasts suggest little growth in the statewide school-age cohort for the foreseeable future.

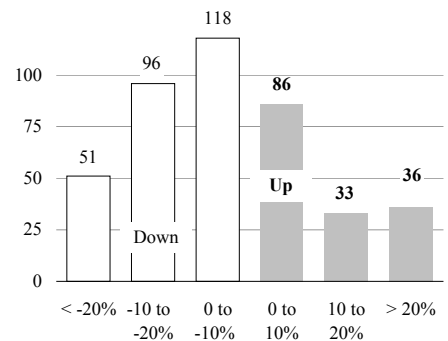
Districts with the largest declines were Florence (-34.4%), Alma (-33.8%), Mercer (-33.6%), Butternut (-33.2%), and Glidden (-32.8%). The fastest-

growing K12 district was Kimberly (53.1%).

Counting cash

While enrollments have stabilized, school expenditures have continued to rise. In 2007-08, districts budgeted

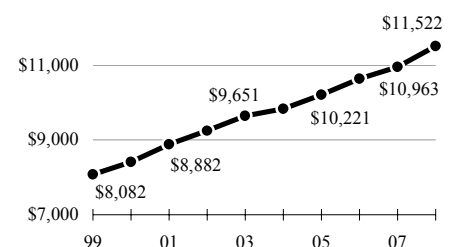
63% of Districts Lose Kids in Decade
No. of Districts with Losses, 1999-2008



about \$9.94 billion (b). The graph below shows that per student costs were just over \$8,000 in 1999 and topped \$11,500 in 2007-08. The per student figure was up 5.1% from 2006-07, while annual spending increases over the entire decade have averaged 4.0%.

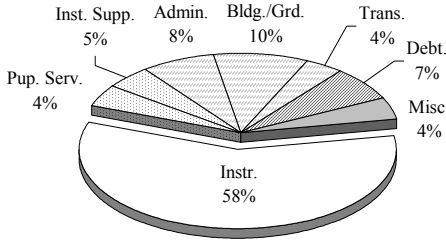
□ Spending specifics. Of almost \$10b budgeted last year, about \$5.8b, or 58.5%, went for instruction (see first graph, over). By individual district, that percentage varied from 45% in Big Foot to 71% in Neosho. Salaries and benefits comprised 85% of instructional costs. Instructional support for such

Average Per Pupil Costs Top \$11,500
Ann. Cost Incr. Averages 4.0%, 1999-2008



How to Spend \$9.94b, 2007-08

Shares of Total School Expenses Budgeted



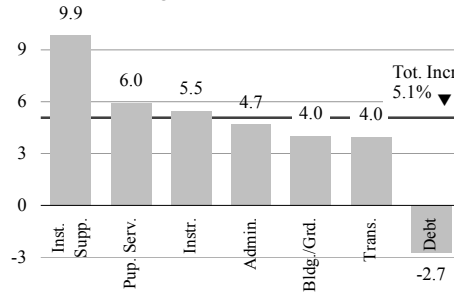
items as staff development and libraries was a related expense, accounting for \$473.9 million (m), or 4.8% of the total budgeted. Items such as counseling and guidance are counted as pupil services, which totalled \$424.7m (4.3%).

Other categories relate to “backroom” spending. The largest of these was buildings and grounds (\$966.6m, 9.7%), followed by administration (\$747.9m, 7.5%). Lesser items were transportation (\$397.2m, 4.0%), debt (\$682.5m, 6.9%), and miscellaneous expenditures (\$440.6m, 4.4%).

□ *Spending growth.* Spending amounts were not necessarily related to rates of budget increase between 2006-07 and 2007-08. Instruction claimed the largest amount per student (over \$6,735), but it increased less (5.5%) than instructional support (\$549, 9.9%). The graph above (center) displays increases for various categories of spending per student. Pupil services

Per Student Expenditure Chgs.

Pct. Chg., 2006-07 to 2007-08



was the second fastest growing category (\$492, 6.0%). Administrative (\$866, 4.7%), buildings/grounds (\$1,119, 4.0%), and transportation (\$460, 4.0%) spending all grew less than the increase in total per student expenditures (5.1%).

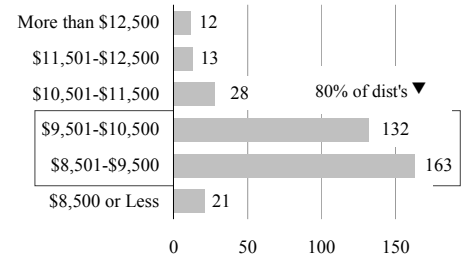
Spending differences

Some educators and advocates seek to compare per pupil spending among districts. Doing so can be problematic because districts vary by structure and location. By looking only at the 369 K-12 districts and omitting debt and transportation expenses, an alternate measure—“comparative expenditure” per student—results. Statewide, the average amount of “comparative spending” per pupil was \$9,760.

The graph (above, right) summarizes the number of districts falling within various comparative expenditure ranges. About 80% of Wisconsin districts spent within \$1,000 of \$9,500 per

Budget Comparisons Among Districts

“Comparative Spending” Per Student, 2007-08



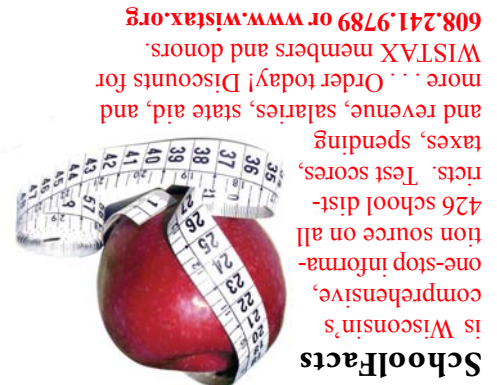
pupil. Only about 12% of districts spent less than \$8,500 (21, 5.7%) or more than \$11,500 (25, 6.8%) per student.

Due to Wisconsin’s “equalizing” school aid formula that provides more aid to “property-poor” districts and less to “property-rich” ones, spending differences among districts here are less than elsewhere. And they have been shrinking over the past 15 years due, in part, to state-imposed revenue limits.

Finding school facts

Figures used here are from the Wisconsin Taxpayers Alliance school district fact book, *SchoolFacts08*. For the past 13 years, the book has offered citizens, school board members, teachers, administrators, and state policymakers a comprehensive, one-stop source of information on Wisconsin’s leading public expenditure, the almost \$10b devoted to our public schools. More information below.

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