

2005-2006

Annual
Budget
Report



School District of Kettle Moraine
P.O. Box 901, 563 A. J. Allen Circle, Wales, WI 53183
262-968-6330 • www.kmsd.edu

100 Kudos to Kettle Moraine!



The School District of Kettle Moraine has a long-standing tradition of excellence that continues to champion children and learning as first priorities. There are many achievements, honors, awards, initiatives, and comparisons that prove this point. Several are listed below for your information. This is representative but not comprehensive due to space limitations and the knowledge that brevity is a virtue! Thank you for your continued support, encouragement and involvement in the School District of Kettle Moraine.

Cordially,

Sarah Jerome

Sarah Jerome, Ed.D. — Superintendent

District

- Distinguished and distinctive service to children and learning with a history of sound fiscal management, high achieving students and strong community support.
- Public Policy Forum School District Ranking 2004 recognizes KMMS 8th graders as #1 in reading (WKCE) and 4th graders as 2nd (WKCE) in 50 Southeastern Wisconsin K-12 school districts.
- Wisconsin Taxpayer Alliance School Facts '04 recognizes Kettle Moraine as the lowest CEC (Current Education Cost) in all Waukesha County K-12 districts at \$7811 per student. The state average is \$8409.
- WTA also compares total per pupil costs: KM spends \$9,889 per pupil while the state average is \$9940.
- Kettle Moraine provides excellent teacher-student ratios ranging from 1:12 to 1:16 depending on grade level - and with fewer administrators than the state average.
- ACT average composite score for the past 11 years is 23. The 2004 ACT highest student score is 35 out of a possible 36 and the 2004 SAT highest student score is 1540 out of a possible 1600.
- Kettle Moraine resident average adjusted gross income is \$66,085. The K-12 range among Southeastern Wisconsin school districts is from \$30,000 to \$93,000. (See *Public Policy Forum - Public Schooling 2004 and Wisconsin Taxpayer Alliance School Facts '04*.)
- Professional Development Programs include SEWAC (Southeastern Wisconsin Assessment Collaborative) for teachers; "Right from the Start" - KM Teacher Induction Program; and focused learning in writing, technology, and assessment strategies.
- Implementation of CPM (College Preparatory Mathematics) mathematics at high school with High School Math Lab support for all math areas.
- Implementation of new elementary science curriculum and materials.
- Introduction of Curriculum Improvement Cycle using program evaluation model.
- Completion of Human Growth & Development committee's first year of work- revising Parent Resource Guide.
- Teaching Tolerance Grant (\$1800) awarded to the elementary schools from Southern Poverty Law Center.
- Preschool Expansion Grant (\$2500) from DPI (application in progress).
- Safe and Drug Free Schools Grant (\$32,000) awarded to the district from DPI.
- The Alternative Education Collaborative Grant (Hustisford, Kettle Moraine, Oconomowoc, Palmyra Eagle) for \$90,000 with OP, Inc from DPI.
- Honors to district staff include: Doctoral degrees awarded to Dr. Bob Davidovich, Dr. Sean LaRoque, and Dr. Betty Womack and currently Pat Deklotz, Mary Schwartz, Pam Martin, and Roger Dickson are enrolled in doctoral degree programs.
- Kohl's Teacher Fellowship Recipients - 1990 Cris Leibner, 1991 Peter Nielsen, 1992 Maggie Amberg, 1992 Nick White, 1993 Kay Nelson, 1994 Gail Stark, 1997 Mary Anne Zupan, 1998 Sandy Tully, 2003 Susan Chandler, 2003 John Hallagan, 2003 Linda Melton, 2003 Mary Lou Qualler, 2003 Audrey Weber, 2005 Lynn Haugner. Who's Who of America's Teachers - 100 KMSD Teachers have been recognized.
- Two Nationally Certified teachers - Jennifer Metzger, Dousman & Mary McGlinchey, Wales.
- Roger Dickson, Wisconsin School Business Official of the Year 2000.
- John Hanold, Wisconsin Elementary Principal of the Year 2002 & National Distinguished Principal 2003.
- Char Hall, Wisconsin Middle School Principal of the Year 2004.
- Sarah Jerome, Wisconsin Superintendent of the Year 2005 & National Superintendent of the Year Finalist 2005.
- Nancy Waddell, Wisconsin Media Specialist of the Year 2005.
- Jody Goswitz, Wisconsin Media Specialist of the Year 2000.
- Michael Fink, District VI Athletic Director of the Year 2005.
- MAGNA Award for K-12 Writing Program from NSBA, March 2004. Program coordinators Linda Melton and Claudia Caves presented to "standing room only" audience in April 2005.
- Kennedy Center Education Award for Arts Education Programs from Kennedy Center and NSBA 1997.
- Wisconsin Manufacturers & Commerce Award for High Performance/Low Cost Schools - Star Award 1999.
- Wisconsin Taxpayer Alliance Report School Facts 2004 noting high performance and one of the lowest per pupil costs in comparison to 50 Southeastern Wisconsin districts.
- Annual Certificates of Excellence in Financial Reporting Award since 1995 from the Association of School Business Officials International.
- John Hallagan, National presenter for the National Association of Immigration Attorneys - John Hallagan produced the Immigration video in 2001.
- Ruth Sternemann - Wisconsin Public Relations - Media and Publications Awards for Calendar, Communicator, and Annual Report publications.
- Debbie Williams, President, Wisconsin Community Education Association.
- Celeste Defenbaugh - Partners in Education Distinguished Educator Award.
- Diane Powell, Wisconsin Humanities Council Outstanding Educator 1998.
- Terry Kaldhusdal and John Hallagan - Young Author's Conference and Summer Writer's Academy with Milwaukee Art Museum.
- Dana Broehl, KMHS Spanish teacher/author, published book *Bittersweet Chances* in 2004, reprinted 2005.
- Kettle Moraine Summer Academy - record high enrollments.
- Laura Beenen - Global Educator of the Year 2005.
- Susan Chandler - Wisconsin Outstanding Music Educator Award 2005.
- Jim Krofta, National Band Association of Excellence Award 2005.
- Laser Trailblazer Hall of Fame has inducted 20 KMHS graduates including Callie Bjurstrom, Alice Kamps, John Kamps, Margaret McCormick, Jenny Magnus, Gene Peterson, Jeffery Scherer, John Scherer, Mike Seipel, Thor Stein, Linda Taege, Randy Tritz, John Zsido, Craig Vock, Mark Jones, Jeffrey Butzer, Skipp Jones, Stephen Koepp, Joe Randa, and David Koepp
- The formation of a new parent group to provide advocacy for Kettle Moraine Schools and public education at the local, state, and national level.
- KM Education Foundation formed to develop funding and support for Kettle Moraine programs.

Cushing Elementary

- Lynn Haugner, Reading Specialist, was recipient of Kohl Fellowship for Teachers.
- Two teachers designed a phonemic awareness intervention for ten kindergartners. Pre and post-test results showed that all the students dramatically improved their pre-reading skills. Such interventions hold promise for reducing the need for special education referrals.
- Fourth grader, Emily Bley, wrote winning essay "When Pigs Fly in 2105!" for the Lake Country Reporter.
- Fourth graders became historians as they took part in an intergenerational study of the Great Depression. Seven senior citizens from the . . .

Continued on page 3

Board of Education

The School District serves all or part of the following communities: City of Delafield, Town of Delafield, Village of Dousman, Town of Eagle, Town of Genesee, Village of North Prairie, Town of Ottawa, Town of Sullivan, Town of Summit, and the Village of Wales.

The Kettle Moraine School Board is a stable board representing 40 years of collective service to the community. Their commitment and historic interest in schools of excellence is their steady guidance toward quality and attention to student achievement and sound fiscal management. Recognition of all schools as Blue Ribbon Schools of Excellence is a mark of the Board's intense interest in quality schools for a quality community.

Gerald Powell
Clerk
Term Expires
April, 2006
Years of
Service on
School Board: 11



Doris Murphy
Transportation & Policy Chair
Term Expires April, 2007
Years of Service on
School Board: 1



Jay Crouse
President
Term Expires April, 2006
Years of Service on
School Board: 2



Gary Vose
Treasurer/Building & Finance Chair
Term Expires April, 2008
Years of Service on
School Board: 18



Patricia Millichap
Vice President
Term Expires April, 2006
Years of Service on
School Board: 5



Dennis Krueger
Personnel & Negotiations Chair
Term Expires April, 2007
Years of Service on
School Board: 1



Kristi Davis
Curriculum Chair
Term Expires April, 2008
Elected April, 2005



38th Annual Meeting Agenda

Tuesday, June 21st, 2005 — Kettle Moraine High School - 8:00 PM

The Superintendent reports that proper notification of this meeting has been posted in accordance with the open meeting laws of the State of Wisconsin.

Agenda

- I. Roll Call
- II. Pledge of Allegiance and song *Power of the Dream* sung by Diane Saxe and Todd Jaeger
- III. Voter Qualifications (Page 2)
- IV. Election of Meeting Chairperson
- V. Approve Minutes of Last Annual Meeting (Page 7)
- VI. Superintendent's Report
Flag presentation from WSPRA & NSPRA by Bruce Connolly
- VII. Budget for 2005 - 2006 (Pages 3-7)
Questions/comments period
- VIII. Approval of Tax Levy
 - A. Be it resolved by the electors of the School District of Kettle Moraine that a tax in the amount of \$217,000 be levied on all property, real and personal, within the bounds of the School District of Kettle Moraine, for the purpose of financing current and future capital expenditures related to building and building sites.
 - B. Be it resolved by the electors of the School District of Kettle Moraine that a tax in the amount of 28,305,714 be levied on all property, real or personal, within the bounds of the School District of Kettle Moraine, for the purpose of operating the school district, including, but not limited to, maintaining buildings and sites, operating and maintaining transportation vehicles, discharge debts and liabilities, repay bond indebtedness, and operate a recreation program.
- IX. Unfinished Business
- X. New Business
 - A. Board Member are each paid an annual stipend of \$3,000 and reimbursed for actual expenses incurred in the conduct of official school business. A motion to maintain or change salaries and continue authorization for reimbursement of expenses would be in order. Sample Motion: "I move to maintain/increase/decrease (choose one) board salaries to \$ _____ and that School Board members be reimbursed for actual expenses incurred in the conduct of official school business."
 - B. Other new business
- XI. Informational Items
- XII. A motion to establish the date and time for the 2006 Annual Meeting as Tuesday, June 20, 2006, at 8:00 PM would be in order.
- XIII. Adjournment

All Welcome To Annual Meeting

The Annual Meeting is the opportunity for citizens to vote on the School District of Kettle Moraine's proposed tax levy for 2005-2006. Information about the levy is included in this Annual Report. We welcome your presence and participation at the meeting.

Notice of Budget Hearing (Section 65.90(4))

Notice is hereby given to qualified electors of the School District of Kettle Moraine, that the budget hearing will be held at the Kettle Moraine High School on Tuesday, the 21st day of June, 2005 at 7:00 PM. The summary of the budget is printed herein. Detailed copies of the budget are available for inspection in the District's office at 563 A.J. Allen Circle, Wales, WI.

Dated this 1st day of June, 2005.



Gerald Powell,
District Clerk

Notice for Annual District Meeting (Section 120.08(1))

Notice is hereby given to qualified electors of the School District of Kettle Moraine, that the annual meeting of said district for the transaction of business, will be held at Kettle Moraine High School, on the 21st day of June, 2005, at 8 PM.

Dated this 1st day of June, 2005.



Gerald Powell,
District Clerk

Voters Qualifications for the Annual Meeting

- A. A citizen of the United States, eighteen years of age or older.
- B. A resident of the district for at least ten (10) days before any election. (Wisconsin Statutes Sec. 6.02)
- C. If a person is challenged as to his/her qualifications to vote, the chairperson shall state the above qualifications to the challenged person. If such challenged person declares he/she is eligible to vote and the challenged is not withdrawn, the chairperson shall administer the following oath and affirmation to the challenged person: "You do solemnly swear (or affirm) that you are an actual resident of this school district and that you are qualified, according to law, to vote at this meeting."
A person taking such oath or affirmation shall be permitted to vote, but

if he/she refuses to take such oath or affirmation, he/she may not vote. (Wisconsin Statutes Sec.120.08 (3).)

Ground Rules for the Annual Meeting

1. Each person addressing the chair shall rise and state his/her name and place of residence.
2. No person shall speak more than twice on the same subject or more than two minutes unless authorized by a 2/3 vote of the assembly.
3. The chair may establish an order of speakers to give equal time to pro and con sides.
4. All voters shall be voice votes unless a division of the house is specifically requested. Standing votes shall be used, unless paper secret ballots are requested.

120.10 Powers of annual meeting. The annual meeting of a common or union high school district may:

- (1) CHAIRPERSON AND CLERK. Elect a chairperson and, in the absence of the school district clerk, elect a person to act as the clerk of the meeting.
- (2) ADJOURNMENT. Adjourn from time to time.
- (3) SALARIES OF SCHOOL BOARD MEMBERS. Vote annual salaries for school board members or an amount for each school board meeting the member actually attends.
- (4) REIMBURSEMENT OF SCHOOL BOARD MEMBERS. Authorize the payment of actual and necessary expenses of a school board member when traveling in the performance of duties and the reimbursement of a school board member for actual loss of earnings when duties require the school board member to be absent from regular employment.
- (5) BUILDING SITES. Designate sites for school district building and provide for the erection of suitable building or for the lease of suitable buildings for a period not exceeding 20 years with annual rentals as fixed by the lease.
(5m) REAL ESTATE. Authorize the school board to acquire, by purchase or condemnation under ch. 32, real estate and structures and facilities appurtenant to such real estate necessary for school district purposes.
- (6) TAX FOR SITES, BUILDINGS AND MAINTENANCE. Vote a tax to purchase or lease suitable sites for school building, to build rent, lease or purchase and furnish, equip and maintain school district buildings. The tax may be spread over as many years as are required to pay any obligations approved or authorized at the annual meeting including rental payments due to future years under an authorized lease.
- (7) TAX AND TRANSPORTATION VEHICLES. Vote a tax to purchase, operate and maintain transportation vehicles and to purchase liability insurance for such vehicles, and to finance contracts for the use and services of such vehicles.
- (8) TAX AND OPERATION. Vote a tax for the operation of the school of the school district.
- (9) TAX FOR DEBTS. Vote a tax necessary to discharge any debts or liabilities of the school district.
- (10) SCHOOL DEBT SERVICE FUND. Vote a tax to create a fund for the purpose of

paying all current bonded indebtedness for capital expenditures. All money raised through taxation or otherwise collected pursuant to this subsection shall be deposited by the school district treasurer in a segregated fund. Such money shall not be used for any other purpose, except as provided by s. 67.11(1), or be transferred to any other fund except by authorization by a two-thirds majority vote of the total number of electors of the school district.

(10m) SCHOOL CAPITAL EXPANSION FUND. Vote a tax to create a fund for the purpose of financing all current and future capital expenditures related to building sites. All money raised through taxation or otherwise collected pursuant to this subsection shall be deposited by the school district treasurer in a segregated fund. Such money shall not be used for any other purpose or be transferred to any other fund except by authorization by a majority vote of the electors present at a subsequent annual meeting and only if notice that the issue would be on the agenda was included in the notice of the subsequent annual meeting under s. 120.08(1) (c).

(11) TAX FOR RECREATION AUTHORITY. Vote a tax for the purposes specified in s. 66.0123.

(12) SALE OF PROPERTY. Authorize the sale of any property belonging to and not needed by the school district. If a school site or other lands are to be abandoned which were acquired or are held upon condition that they revert to the prior owner when no longer used for school purposes, the school board shall sell any school buildings thereon or move them to another site within 8 months after the school buildings cease to be used for school purposes or the site ceases to be maintained as a school district playground or park.

(14) LEGAL PROCEEDINGS. Direct and provide for the prosecution or defense of any action or proceedings in which the school district is interested.

(15) TEXTBOOKS. Authorize the school to furnish textbooks under conditions prescribed by the annual meeting or by the school board. The authorization shall continue in effect until revoked by a subsequent annual meeting.

(16) SCHOOL LUNCHESES. Direct the school board to furnish school lunches to the pupils of the school district and appropriate funds for that purpose.

(19) CONSOLIDATION OF HIGH SCHOOLS. In an union high school district, vote to consolidate schools or to discontinue a school where more than one high school is operated by the school district.

Planning for the Future.....

2005-2006 Kettle Moraine School District Annual Budget Report

The strength of Kettle Moraine lies in its high pupil achievement provided at reasonable cost. This is delivered by high quality staff and managed by careful allocation of resources made possible by thoughtful analysis of current and long-term needs and trends.

The landscape of school funding is on the verge of significant change at the state level. Kettle Moraine, like other school districts in Wisconsin, has operated under a school finance system that aligns financial resources to the change in the cost of living and change in the number of pupils served. It is clear that future increases in available resources will not keep pace with future increases in the cost to provide education under the present delivery model. To meet the challenge of providing high quality education with reduced funding, Kettle Moraine has initiated a long-range planning process to define its core mission and explore alternative delivery models that will continue the district's high pupil achievement even under

a changing financial landscape.

The planning will continue for the next two years. This planning will intentionally challenge the status quo as we evaluate our models of delivery. Any process that identifies a new way of doing things can be unsettling at first. We recognize this as not only necessary but also a vital part of the process of proactively addressing challenges. We want you to know that education of children is paramount as we articulate the mission and align resources to maintain instructional excellence. To be successful, we will need the support, patience and insights of all stakeholders for this difficult work.

The proposed budget for 2005-06 assumes continuation of the current educational delivery model, while taking advan-

tage of natural opportunities to begin to achieve greater cost efficiency. These natural opportunities include continued examination of procurement methods, reduction in non-essential services, restrictions on hiring, and taking advantage of employee turnover to eliminate costs when doing so will not impede the district's educational excellence.



100 Kudos to Kettle Moraine! continued.....

- Delafield area worked with the students on projects depicting issues from the depression-era.
- 50. As defibrillators are being placed in public buildings, it is more important to provide education on resuscitation techniques. All fifth graders became certified in CPR through the efforts of the school nurse and the Delafield Fire Department. This is the first time students this young have been trained and certified.
- 51. The PTO raised money for the construction of new playground equipment. Installation June 25, 2005.
- 52. All second graders received chess instruction from a chess master. The intent of this pilot effort was to strengthen students' visual-spatial reasoning: a skill important to mathematics development.
- 53. Money from the KM 5K run financed a fantastic heart unit in physical education classes. An interactive, full-gym simulation allowed students to develop a greater understanding of how their heart works.
- 54. Dr. Bob Davidovich received his doctorate degree in Educational leadership from Cardinal Stritch University and is writing a book in collaboration with Carol Commodore.

Dousman Elementary

- Through diligent effort, team spirit and a commitment to our school-wide goals of increased student achievement and enhanced school culture, Dousman Elementary...
- 55. Provides Quality Instruction: The newly created Book Room improves the quality, quantity and range of titles available for use in K-5 guided reading groups. Learning teams collaborate to differentiate instruction by applying research-based methods of Assessment for Learning in the areas of reading and mathematics.
- 56. Promotes Professional Development: Approximately 20 Dousman staff members along with parent representatives will participate in a weeklong workshop on Responsive Classroom (August 2005).
- 57. Nurtures School Culture: A team of school representatives will attend Teachers and Administrators Leading Together to Improve Student Learning (Wisconsin Schools Leadership Academy, June 2005).
- 58. Appreciates Parent Involvement: With gratitude we thank our PTO who supports quality education for our children by funding the Book Room, Author Day, ROPES, Responsive Classroom, as well as play ground equipment, classroom purchases, and assembly programs. Numerous parents continue to serve as classroom volunteers.
- 59. Cares for Community: Student Council contributed thousands of dollars in cash, toys and food to a variety of charitable organizations in the Waukesha area this past year. Most recently they extended a helping hand to African children by donating hundreds of beanie babies scheduled for delivery this summer.
- 60. Connects with the Community: Staff members serve as volunteers at the annual Dousman Street Dance. The Three Pillars Retirement Community, in partnership with classroom teachers, provides intergenerational learning opportunities for students in the area of writing, social studies, mentoring, and tutoring.

Magee Elementary

- 61. Sense of community and educational responsibility among PTO, community, staff, and students.
- 62. State recognition of excellence to include student test scores and Wisconsin Educational Media Association Award.
- 63. Appreciation of the environment through a teacher-developed student recycling program and Magee Prairie Savannah Curriculum.
- 64. Fostering the community spirit of Magee through two all-school field trips each year.
- 65. Continual integration of technology into the curriculum through such projects as daily LIVE announcements, Virtualville PowerPoint campaigns, and Magee TV.
- 66. Encourage Magee students to become lifelong learners as evidenced by 40,000 library books circulated.
- 67. Pride in a school district where families purchase homes because of the excellent educational system.

Wales Elementary

- 68. Wales successfully transitioned with the following changes over the summer: new principal, nine new staff members, eight new support staff
- 69. Every student participated in the first all school writing field trip to the Milwaukee Public Museum. Approximately 520 students in grades kindergarten through five traveled to the museum in January to explore exhibits in depth for the purpose of creating a context for writing.
- 70. A team of teachers engaged in the SEWAC training on Assessment FOR Learning. As a result of their leadership, the staff learned to apply the research-based ideas to the new elementary science curriculum.

- Powerful "enduring understandings" were defined that guide the learning and assessment goals for science. Tremendous professional development was realized through the process as the new science curriculum was organized to put into practice the most effective research-based practices regarding increased student learning. Alongside this work, the staff successfully implemented the new science curriculum.
- 71. Significant progress was made in improving reading instruction in the building. The kindergarten through third grade teachers are very excited about the new Fountas and Pinnell "Word Study" program and its potential for building students vocabulary and spelling in support of both the reading and writing process. The kindergarten teachers received training in Guided Reading that they found very helpful. They have implemented many new ideas and are asking for more. The fifth grade teachers received training in reading strategy instruction that they found very helpful. Many ideas have already been tried, and they now have a framework to guide their instruction throughout the year. Representatives from every grade level have formed a study group team to learn about and implement Robert Marzano's important work on Building Background Knowledge.
- 72. Important conversations about student learning were started with both the staff and parents at Wales. The groundwork was laid to take these conversations and begin to use them to define our core purpose and drive learning in all ways. The greatest assets of Wales as a learning community defined by its caring culture and high expectations for learning was reinforced and celebrated. The next phase of growth for Wales Elementary as a school of excellence is in place.

Middle School

- 73. The middle school makes a concerted effort to secure funding from sources other than the taxpayer. This year, for example, four middle school science teachers are involved in the DPI's State Technology Evaluation grant. The primary goal of the project is to improve student achievement through the use of technology and writing in science classes. This project has funding that provides equipment and professional development for the teachers.
 - 74. The Middle School PTO continues to provide outstanding support for middle school programs and activities. The PTO provides financial support for special programs/activities/equipment that benefit both students and staff as well as annually fund a staff member's attendance at the national conference. In addition, the PTO supports the staff in numerous ways including staff appreciation luncheons and breakfast, and meals on parent/teacher conference nights. Literally hundreds of parents donate products or services to the middle school each year.
 - 75. Laser Live 9, our in-house TV station, broadcasts school news and information throughout the entire building every school day. The participating students work with their staff sponsors on the various aspects of live production. This is a great example of student learning and commitment that benefits the entire school.
 - 76. Overall student achievement at the middle school continues to be outstanding in all areas. Our students perform very well on state and national tests, and are actively engaged in their learning. Teams of visitors come each year from other school districts to observe and learn about our instructional programs.
 - 77. Brianna Decker, 8th grader, is an outstanding ice hockey player and has been viewed as a possible Olympic hopeful.
 - 78. Mother-Daughter Fashion Show and Father-Son Night projects sponsored by the KMMS PTO.
 - 79. The 600 Right House - Castle Morado students collected money to help fund landscaping projects at KMMS under the leadership of Mary Lou Qualler.
 - 80. Highest academic achievement and effort students were recognized by the Milwaukee Brewers with free tickets to a Brewer game.
 - 81. Ten KMMS teachers are in progress with masters degree study.
 - 82. KMMS staff Cindy Farnsworth and Jan Frans are working with Pat Deklotz and other district staff on designing and implementing the KM Teacher Induction Program.
- Our students are involved and committed to improving the school and community with a wide variety of service projects. Some of their efforts include:
- 83. KM Food Pantry
 - 84. Waukesha Food Pantry

Continued on the middle of page 7

2004-2005 Goals.....

The 2004-05 budget supported 11 goals adopted by the School Board in March 2004:

Goal	Status
1. Create an educational environment that is supportive of quality, balanced assessment; with an emphasis on Assessment For Learning.	Staff development to support growth in practices that support both assessment of and assessment for learning have been conducted throughout the year. This initiative will be refined and evaluated to sustain continuous progress.
2. Provide incentives to encourage National Teacher Certification and continue to support teacher mastery through advanced educational degrees.	Financial incentives have been created in the teacher's salary schedule. Mentoring, technology, and other supports are in place.
3. Create professional development guidelines to ensure rigorous and high quality professional growth, anchored in research based exemplary curricular, instructional, and assessment practices that enhance learning opportunities for students.	Professional development offerings are regularly reviewed and aligned to staff needs, curriculum focus, district / building goals and state standards. Evaluation of computer applications to support managerial overview is complete and software selection will be made in 2005-06.
4. Continue curriculum articulation with emphasis on K-5 science, K-12 social studies, 6-12 math, and K-12 music, physical education and art.	The curriculum review and support systems have focused on these areas.
5. Expand community education opportunities for enrichment programs for children, such as K-1 Piano Keyboarding and elementary Spanish	The community education department has expanded programming and will continue to do so in the future.
6. Begin implementation of a high school math lab pilot.	A high school math lab was created and staffed. Evaluation will be made after the end of the year. Early feedback indicates the lab is successful.
7. Review courses of study and graduation requirements to align and realign with needed skills for 21st century successful living.	A formal 6-year curriculum improvement cycle to assure systematic evaluation has received School Board approval. Periodic reports are made to the Board.
8. Implement procedures and processes to meet the requirements of No Child Left Behind (NCLB) and new Wisconsin teacher certification standards.	Management and teacher representatives have created a pilot-mentoring program. Program evaluation will take place at year-end. Early feedback indicates the program is successful but needs some modification to meet needs of diverse experiences of teachers coming to the district. Procedures are in place to assure compliance with NCLB.
9. Seek resolution for wastewater treatment issues at the high school campus.	Benefits of a site based water treatment plant were not sufficient to outweigh costs. The district will continue to haul waste until a community wide solution is agreed upon.
10. Use data collected from the School Perceptions Survey as the basis for long-range planning.	Data will be used in the multi-year strategic planning process described above.
11. Reach agreement with all employee groups for 2003-05 labor contracts	All employee groups except paraeducators have a current labor contract.

2005-2006 Goals.....

Many of the goals for last year reflected a number of initiatives. The initiatives were successful and now need to be incorporated into district systems and processes.



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| <ol style="list-style-type: none"> 1. Provide training and support so the educational environment is supportive of quality, balanced assessment; with an emphasis on Assessment For Learning. 2. Implement professional development procedures to ensure rigorous and high quality professional growth, anchored in research based exemplary curricular, instructional, and assessment practices that enhance learning opportunities for students. 3. Implement the 6 year cycle for curriculum articulation and program evaluation beginning with K-5 Math, HS English and | <ol style="list-style-type: none"> Language Arts, and 6-12 Science. 4. Assess community education enrichment programs started in 2004-05 and determine additional offerings, such as K-1 Piano Keyboarding and elementary Spanish. 5. Evaluate the high school math lab. 7. Evaluate procedures and processes implemented in 2004-05 for supporting the new Wisconsin teacher certification standards, licensing provisions and No Child Left Behind (NCLB). Implement improvements as necessary. |
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Budget Highlights

2004-05 to 2005-06

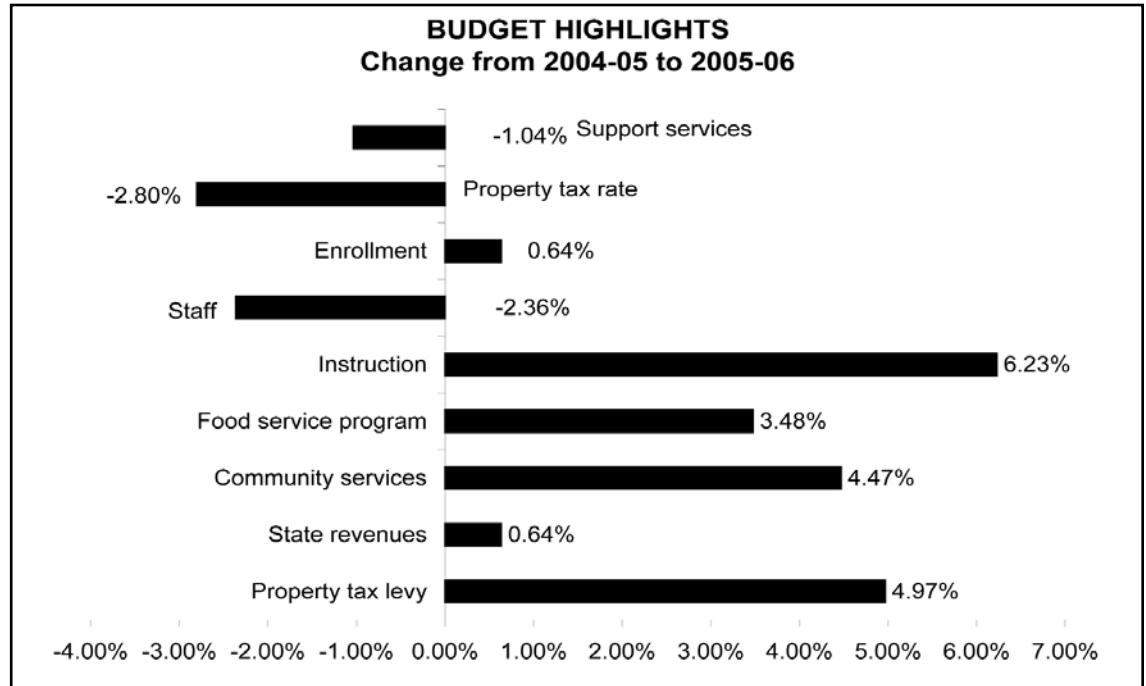
The following changes reflect the difference between the 2004-05 budget and the 2005-06 proposed interim budget.

- Enrollment is estimated to increase 28 students.
- Support services will decrease mostly due to a change in accounting rules that allocate costs for postemployment benefits to active years of employment. This change causes the larger than normal increase in instruction, food service and community service costs.
- The tax rate will decrease for the 11th time in 13 years.
- Staff reductions, necessary for a balanced budget, are made primarily through attrition.
- Food service cost increases are paid through increased revenues in the program.
- A slight increase in state

revenues is anticipated based on the gubernatorial budget proposal.

- The proposed property tax levy

includes an additional \$425,575 to retire outstanding debt early.



Enrollment

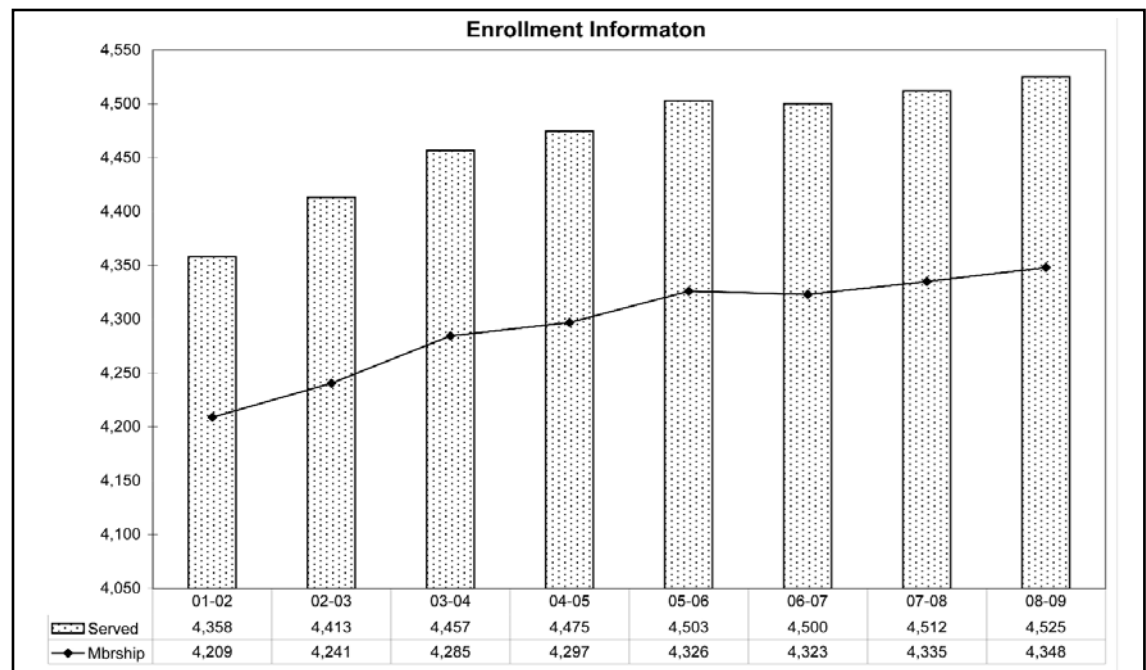
School district budgets are driven primarily by enrollment. The enrollment history for the past four years and projected for the next four is shown here. Enrollment for next year is projected to increase 28, including students attending from other school districts under the open enrollment law. The enrollment projection does not take into consideration proposed residential development under consideration in the district.

The graph also reports projected changes in membership which is total enrollment adjusted for residence status and full-time equivalency. Membership is used for revenue limit and general state aid purposes.

Students served include both students who attend a Kettle Moraine school, regardless of their district of residence, as well as students

who are residents of Kettle Moraine but have chosen to attend schools in other school districts. The budget includes 61 resident

students attending other school districts and 164 students from other districts who will be attending a school in Kettle Moraine.

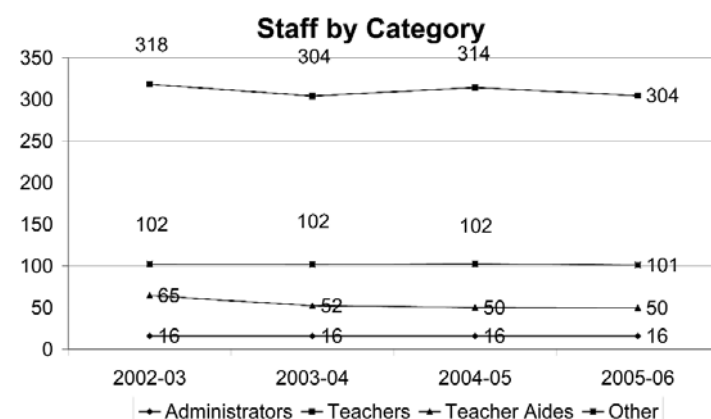
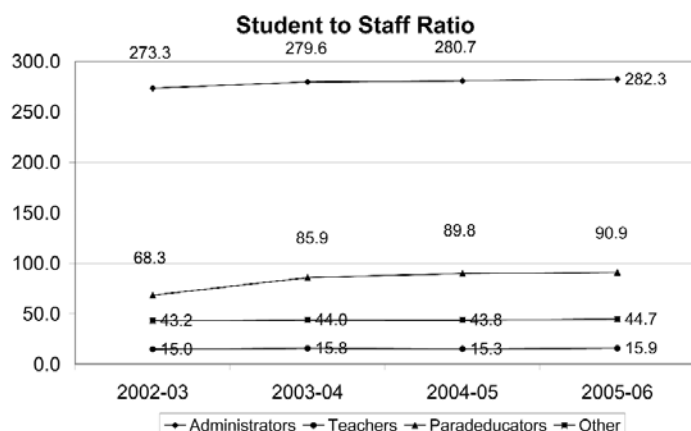


Staffing

Personnel is the largest cost for school districts. The district has attempted to maintain a pupil to teacher ratio of approximately 15 to 1 for many years. Due to revenue limits the ratio has increased, start-

ing in 2003-04. In the early years of revenue limits the district concentrated on reducing administrators and other support positions. However, with 75% of total staff engaged in direct instructional activ-

ities, it became necessary to reduce teachers and paraeducators during the last three years. Paraeducators were reduced the most due to labor cost increases that were significantly above trends for any other group.



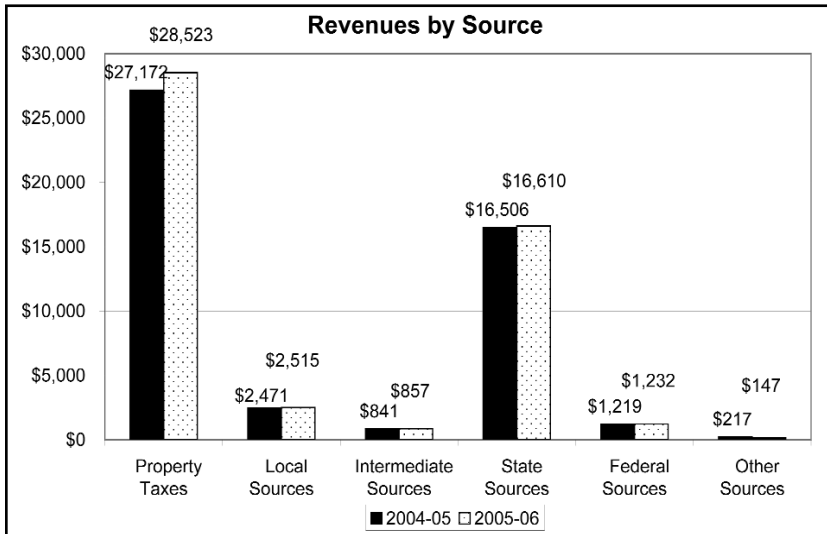
Financial Summary

The budget for all governmental activities of the district, except non-annual capital projects, is presented on page 7. Although the budget shows expenditures greater than revenue of \$42,400 the budget is considered balanced. The excess expenditures are due to the difference in timing of tax receipts and payments in the Debt Service Funds.

Revenue

Funds for public schools come from six sources, with two of the sources, property taxes and state aid, providing over 90% of total revenue. The Revenue by Source chart illustrates the relative contribution made by each source for the current and next year: local - 5.3%, intermediate (usually other school districts) - 1.7%, federal - 2.5% and other - less than 1%. The relative relationship of each revenue source does not change materially from year to year.

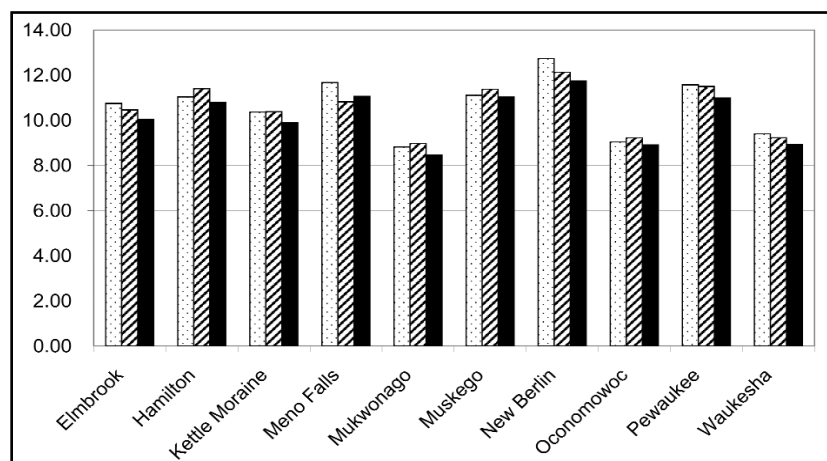
The largest revenue for Kettle Moraine is property taxes, accounting for over \$28.5 million in 2005-06.



Property taxes are used for general operations, repayment of debt, capital projects and to fund community education programs. The property tax levy is estimated at \$28,523,223 including a special levy of \$425,575 approved by the School Board to retire outstanding debt early. The tax levy will increase \$1,351,049, or 4.9%. Without the special levy, the increase would be 3.4%.

The 2005-06 tax rate is \$9.63 per \$1,000 of equalized value, \$.28 less than the 2004-05 rate. The difference in the increase in tax levy of 4.9% and the decrease in the tax rate of 2.8% is due to an estimated 8% increase in property values. The property tax levy and tax rate are estimates. A number of factors, such as actual enrollment and actual changes in property values, determined in September, and the amount of general state aid, determined in October, will change the levy to be approved by the School Board in October.

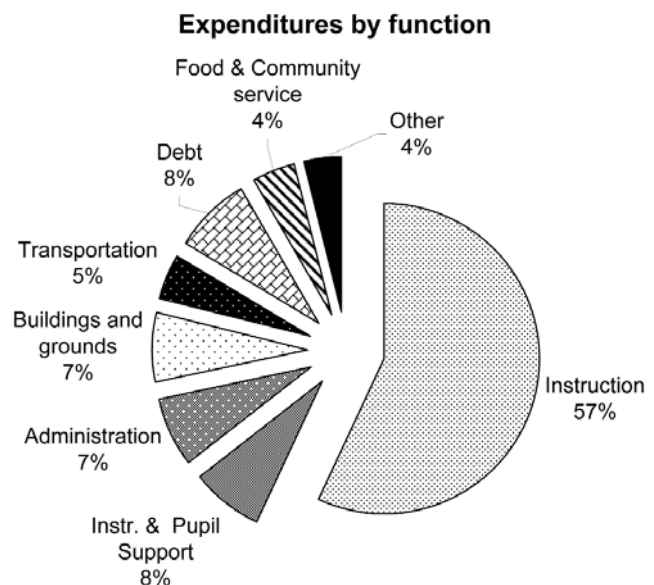
There are 10 Waukesha County school districts operating grades kindergarten through 12th. Six have a higher property tax rate than Kettle Moraine.



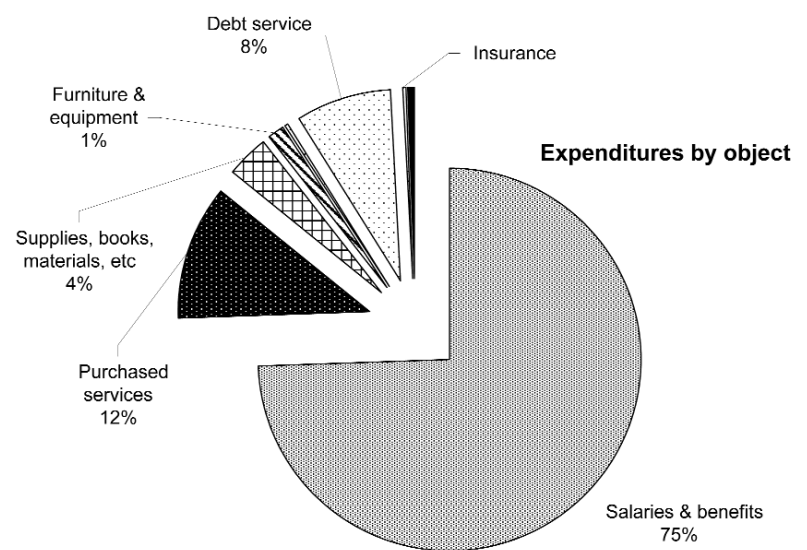
Expenditures

The school district analyzes expenditures from a number of perspectives. Two analysis, function and object, are shown in the following charts. Function is the purpose for which an expenditure is made and an object is the thing or service being purchased.

The function analysis shows that 65% of the district's budget is for direct instruction or to support direct instruction. Another 12% is used to provide for safe and adequate facilities and to get children to and from school. Overhead, payment of debt, the offering of food service and community programs accounts for 23% of the expenditures.



The object view shows wages and benefits at 75% of the budget. Personnel costs are budgeted to increase 4.4%, which is based on a total compensation increase of 3.8% plus additional compensation for educational preparation and postemployment benefit payments, minus budgeted reductions in staff. The district continues to experience double-digit increases in health insurance costs, which accounts for nearly 12% of the total budget.



The revenue and expenditures budget is shown on the following page.

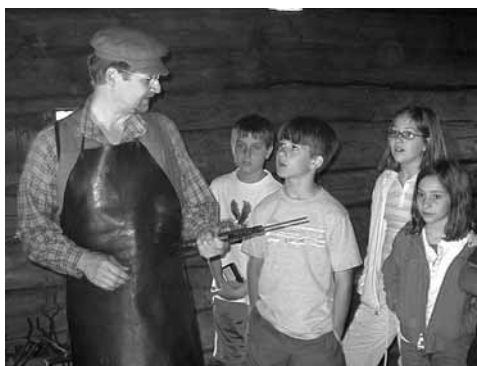
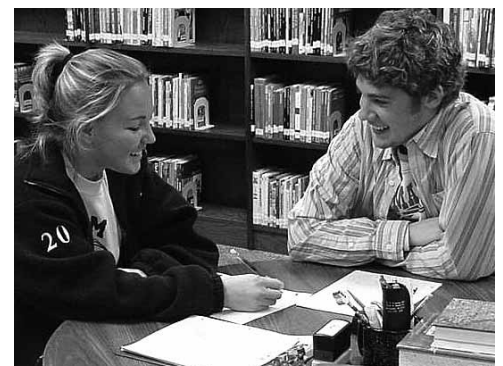


Photo courtesy of fourth grade teacher Larry Lueck



Financial Condition

	2002-03 ACTUAL	2003-04 ACTUAL	2004-05 BUDGET	2005-06 INTERIM
Revenues by Source				
Property Taxes	\$23,429,739	\$26,110,433	\$27,172,174	\$28,522,714
Local Sources	2,108,329	2,435,306	2,471,326	2,514,825
Intermediate Sources	531,287	682,537	841,486	857,188
State Sources	17,310,767	16,254,905	16,505,509	16,610,343
Federal Sources	1,220,824	1,075,039	1,218,708	1,231,566
Other Sources	150,419	149,881	217,390	147,100
Total Revenues	44,751,365	46,708,102	48,426,593	49,883,735
Expenditures by Function				
Instruction				
Regular Instruction	18,144,773	17,899,816	18,929,006	20,179,582
Vocational Instruction	936,653	893,679	1,072,878	1,078,956
Special Instruction	4,247,986	4,467,925	4,998,114	5,348,589
Other Instruction	1,846,196	1,726,310	1,780,221	1,841,453
Total Instruction	25,175,608	24,987,731	26,780,218	28,448,580
Support Service				
Pupil Services	1,886,059	1,800,536	1,842,747	2,045,089
Libraries & Instructional Support	1,388,114	1,349,541	1,559,623	1,729,581
Administration	3,067,241	3,178,015	3,177,381	3,574,774
Buildings & grounds	3,169,540	3,423,199	3,492,763	3,617,043
Transportation	2,005,618	2,048,982	2,249,134	2,333,794
Debt payments	11,756,032	4,080,386	4,098,499	4,071,530
Other support services	2,628,021	2,739,841	3,235,441	1,983,182
Food service	1,591,551	1,651,865	1,630,736	1,687,441
Community service	305,031	458,387	416,510	435,134
Total Support Services	27,797,207	20,730,752	21,702,834	21,477,569
Total Expenditures	52,972,815	45,718,484	48,483,052	49,926,149
Excess (deficiency) of Revenues over Expenditures				
	(8,221,449)	989,618	(56,459)	(42,413)

The district's financial condition is of interest to creditors and regulatory bodies. The ability to meet current obligations is represented by fund balance. Generally the district's fund balance should be greater than 10%. A fund balance greater than 15% should be justified with a specific purpose, such as avoidance of cash flow borrowing.

Kettle Moraine's estimated beginning fund balance for 2005-06 is \$5,976,394 which is 11.9% of budgeted expenditures.

In addition to the amounts reported here, the district will budget approximately \$146,000 to complete the high school expansion and renovation project. The School Board has approved setting aside \$770,000 with the intent it be used to pay the cost for a permanent solution for wastewater treatment at the Wales campus.

For additional information visit the district's web site www.kmsd.edu. For questions on the budget contact Roger J. Dickson, Assistant Superintendent at 968-6303 or roger@kmsd.edu.

100 Kudos to Kettle Moraine! Continued

85. Penny Jars for Make-A-Wish Foundation
86. Willow for Weber campaign
87. Clothing for the Women's Center
88. Assisting KMMS families in need with cash and food donations
89. Collecting school supplies and books for our "sister school."

High School

90. DECA team of Lauren Evans and Stephanie Hoefs brought back a 2nd place trophy in Hospitality Services from the National DECA competition in Anaheim, CA. Over 14,000 marketing students competed nationally.
91. "Willow for Weber" - The Business Management class's fundraising venture netted over \$20,000, exceeding their \$6,000-\$8,000 goal. Teacher, Ely Miller, and students were featured speakers and honorees at the Waukesha County Partners in Education Breakfast.
92. **Student Honors:** Meg Hyland - Herb Kohl Educational Foundation Excellence Scholar; KMHS Academic Decathlon Team took 2nd place in the state Academic Decathlon competition; National Achievement Scholarship Program has recognized Kyla Barr as an academically strong Black American high school student, one of 4,600 students recognized nationally; Claire Gannon - Delafield Student of the Year; Susan Locklin and Robert Muth - National Merit Scholars; Elias Anozko placed second in the 2005

- American Chemical Society Chemistry Olympiad Exam and was one of 900 students nationwide to be invited to take the national exam; AP Scholar with Distinction, WI All-State Scholar Award, and U.S. Presidential Scholar Candidate Award - Susan Locklin; AP Scholar with Honors - Rebecca Denison, Brian Quinn, and Heather Rusk.
93. The KM Scholarship Foundation awarded \$56,000 in scholarships to 63 KMHS 2005 graduates to help fund post-secondary education.
94. Three musical extravaganzas - orchestra's Puttin' On the Ritz, choir's Madrigal Dinner, and band's A Taste of New Orleans - showcased student musical talent and provided community building entertainment venues.
95. Percent of students who achieved Honor Roll status (3.2 GPA or higher for 2004-2005): 36% seniors, 44% juniors, 46% sophomores, and 52% freshmen.
96. WI Academic Excellence Tuition Scholarship: Susan Locklin, Rebecca Denison, and Meg Hyland.
97. Hannah Bailey and Justin Golownia produced the best position papers at the 2005 Model U.N. Conference.
98. First place winners at the state FBLA conference, Brianna Henderson, Michelle LaMountain, and Maggie Augustin will compete nationally. Brianna Henderson's Business Plan ranked within top ten in the nation.
99. Amber Wisniewski will receive the 2005 Award of Excellence from the Women's Sports Advocates of WI.
100. Five KMHS Human Relation Coalition members founded, planned, and facilitated UNIFEST 2005.

Annual Meeting Minutes

June 22, 2004

The Annual Meeting of the School District of Kettle Moraine was called to order by the temporary chairperson, Patricia Millichap, at 8:15 p.m., Tuesday, June 22, 2004, in the Kettle Moraine High School auditorium.

Board of Education members present: Jay Crouse, Kimberly Haines, Dennis Krueger, Doris Murphy, and Patricia Millichap. Board of Education members excused: Gerald Powell and Gary Vose.

Others present: Sarah Jerome, Superintendent; Pat Deklotz, Assistant Superintendent for Instruction; Roger Dickson, Assistant Superintendent for Business; Debbie Williams, Michelle Ayers, Helen Bera, Karen Bewer, Susan Blaesing, Greg Bolin, Nancy Brundidge, Colin Butler, Jeff Butzer, David Carr, Ann Churches, Ed Cohen, David Coles, LeAnne Coles, Paul Craig, Richelle Cuomo, Melissa Cutting, Mac Davis, Joe Deklotz, Stephanie Delmore, Harold Dessart, Jennifer Faris, Sean Faris, Gerry Flakas, Esther Flakas, Kim Giombi, Steve Graff, Susan Graham, Lonnie Grall, Rick Grothaus, Char Hall, John Hallagan, John Hanold, Mary Hauke, Margaret Heffron Neuhold, Laurel Hopkins, Cindy Hulén, Jim Jastrow, Barb Johns, Cathy Kneusel, Vincent Koepple, Kathy Konig, Patty Koshak, Monica LaBonte, Don LaBonte, Marnie Lecher, Sarah Leet, Carla Leonhardt, Eric Lichtenwald, Colleen Lichtenwald, Jean Lindemeyer, John Lui, Laura Marusinec, Mary McGlinchey, Laura Melby, Jim Merchant, Ann Muzi, Lori Narloch, Elizabeth Neitzel, Tracey Neuwirth, Pam Nijedlo, Terri Phillips, Denis Powell, Shelly Repp, Sherri Rigden, Nicole Ring, Keith Schaeftl, Julie Schmidt, Heidi Schoknecht, Dan Schultz, Mary Schwartz, Megan Simone, Laurie Spoerke, Ruth Sternemann, Kay Sullivan, Sue Thomas, Lorrie True, Carol Vandenberg, Suzanne Woggon, Georgia Wood, Kim Woyahn, Steve Zajc, Lisa Zajc, David Zeier, Marybeth Ziobro, and Mary Anne Zupan. Press: Erin Mellone of The Index, and Krista Ledbetter of The Waukesha Freeman.

Ms. Millichap announced that notice of this meeting had been posted and published as per Wisconsin Statute 120.08 (c) in The Index, the official newspaper of the district.

Kim Haines led the assembly in the Pledge of Allegiance.

Ms. Millichap reviewed the voter qualifications and ground rules for the annual meeting. Nominations were opened for chairperson.

Motion: Doris Murphy moved and Kim Haines seconded the nomination of Patricia Millichap as chairperson for the annual meeting. There were no further nominations. Motion carried.

Motion: Jay Crouse moved and Dennis Krueger seconded the motion to approve the minutes of the June 24, 2003 School District of Kettle Moraine Annual Meeting. Motion carried.

Dr. Jerome welcomed everyone to the Annual meeting and thanked them for being present and engaged in the business of the school district. She said this is an opportunity for the community to learn more about the connection between the district budget and student achievement. Kettle Moraine students are top performers as evidenced in the WKCE exams. Communities are known by their schools and Kettle Moraine is working to make it the best possible place for children. We engage in conversations and work for common ground in an effort to make our district stronger to educate our children.

Dr. Jerome said she recently sifted through 13 years of school correspondence and saw her first Annual Meeting Report. There were several similarities between the message then and today. Some community members want the best education money can buy for their children. Others think the district spends too much on education. We continue to have growing property values and declining state aids, causing us to face budget challenges. Kettle Moraine is making progress. Student achievement has improved. We are building a future together.

Not everyone agrees on how to best accomplish the best possible school district. However, we are drawn together with the noble goal of providing an education for our children. Through conversations, healthy debates, and a democratic process, we can share in this goal.

Dr. Jerome shared a quote from Dana Broehl, a high school teacher who wrote the book *Bittersweet Chances*. This book was her journal as her husband was in the throes of double lung transplant surgery. She shares this thought: "No matter what our circumstances, no matter how profoundly sweet or how profoundly sour life is, there is beauty in everything. In fact, there is often more beauty and more opportunity for growth and self-awareness in those experiences that we deem unpleasant or difficult. Embrace the difficult and see the lessons to be learned, and you will grow in unimaginable ways." Dana writes with wisdom according to Dr. Jerome.

Ms. Millichap welcomed the residents attending the Annual meeting. She stated the 2004-2005 budget for the School District of Kettle Moraine had been presented prior to the Annual Meeting at the Budget Hearing. The floor was open for questions specifically related to the budget as presented.

Public appearances were made by:

- Gerry Flakas, Delafield, said he was surprised to see the increase in the tax levy and asked the electors to reject the proposed school district budget.
- Paul Craig, Delafield, said that as the Mayor of the City of Delafield, he is also accountable for the budget. He understands how difficult it is and hears a common message that property taxes are too high. Mr. Craig said we need to lower expenses and lower our budgets.
- Greg Bolin, North Prairie, asked if plans for future building was included in the resolution for the tax levy of \$217,000. Mr. Dickson said a separate action item is required for a capital expansion fund. Mr. Bolin also asked about maintenance and operations.
- Steve Graff, Wales, spoke about salary and benefits for employees and said it is time to reassess the budget and vote no.
- Jeff Butzer, Delafield, said Dr. Jerome provides great leadership to the Kettle Moraine School District as evidenced by student standardized test scores. He encouraged residents to pass the budget.
- Colin Butler, Dousman, discussed the funding of custodial positions.
- Sarah Leet, Waukesha, a graduate of Kettle Moraine High School, said her education prepared her to attend Lawrence University. She thanked the Board and said she appreciated receiving that foundation in preparation for college.
- Jennifer Faris, Wales, said she moved into the district knowing the property taxes were high, but also knowing Kettle Moraine provided a good education for her children. Mrs. Faris expressed her concern for class sizes.

Mr. Dickson explained that the School Board is bound by State Statute to create a budget. Voters at the Annual Meeting take action on the tax levy and the Board adopts the budget. The Board adjusts the tax levy in October staying within the parameters of the law. Because of the difference in timing of revenues and expenses, it is necessary to approve a tax levy in order for the Board to have authority to borrow funds.

Jim Merchant and Char Hall were asked to count the votes following the motions.

Motion: Colin Butler moved and Kim Haines seconded the motion that it be RESOLVED that a tax in the amount of \$217,000 be levied on all the property, real and personal, within the bounds of the School District of Kettle Moraine, for the purpose of financing current and future capital expenditures related to building and building sites. Mr. Dickson explained that school districts are penalized if the district passes a lower tax levy. If a higher tax levy would be needed at a later date, we would not be able to recover that in the future. Vote taken by show of hands. Motion carried by a vote of 73, yes, and 7, no.

Motion: Char Hall moved and Sean Faris seconded the motion that it be RESOLVED by the electors of the School District of Kettle Moraine that a tax in the amount of \$27,783,730 be levied on all property, real or personal, within the bounds of the School District of Kettle Moraine, for the purpose of operating the school district, including, but not limited to, maintaining buildings and sites, operating and maintaining transportation vehicles, discharge debts and liabilities, repay bond indebtedness, and operate a recreation program. Vote was taken by show of hands. Motion carried 74, yes and 11, no.

Ms. Millichap brought forward unfinished business from the 2003 Annual meeting. A motion had been made regarding textbooks. The School Board obtained legal advice and was informed the motion had been correctly ruled out of order.

Motion: David Wentworth moved and Colin Butler seconded the motion to maintain the salary of school board members at \$3,000 per year for 2003-2004 and that the School Board members be reimbursed for actual expenses incurred in the conduct of official school business. Mr. Faris asked for a ballpark figure of anticipated expenses of a board member. Mr. Dickson said it would be minimal. Occasionally a board member attends a national conference, in which case, expenses would be around \$1,500 - \$1,800. Motion carried. School Board members abstained from voting due to possible conflict of interest.

Ms. Millichap referenced the items that are appropriate for new business at the annual meeting. There was no new business.

There were no information items.

Motion: Jay Crouse moved and Dennis Krueger seconded to establish the 2005 Annual Meeting to be held Tuesday, June 21, 2005 at 8:00 p.m. Motion carried.

Motion: Kim Haines moved and Jay Crouse seconded the motion to adjourn. Motion carried.

The June 22, 2004 Annual Meeting adjourned at 9:15 p.m.

Submitted: Debbie Williams, Secretary to the School Board

Approved: (FOR CONTENT ONLY) July 20, 2004

Patricia Millichap, Board President
Gerald Powell, Clerk

SCHOOL BOARD CALENDAR

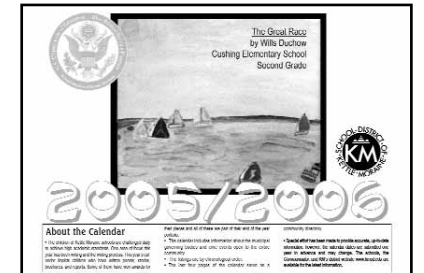
The 2005-2006 Board meetings are on the second and fourth Tuesday of each month. One meeting is held in August, December, June, and July. All School Board meetings begin at 7:30 PM.

- 2005** August 23 - District Office
 September 13 - Magee
 September 27 - District Office
 October 11 - Cushing
 October 25 - District Office
 November 8 - Dousman
 November 22 - District Office
 December 13 - Wales
- 2006** January 10 - Middle School
 January 24 - District Office
 February 14 - High School
 February 28 - District Office
 March 14 - Magee
 March 28 - District Office
 April 11 - Dousman
 April 25 - District Office or High School
 May 9 - Cushing
 May 23 - District Office
 June 20 - High School-Annual Mtg.
 July 18 - District Office
 August 22 - District Office

CALENDAR HIGHLIGHTS

- 2005**
- Aug. 15 - Registration - students new to district (K-12)
 Aug. 17, 18 - HS Registration
 Aug. 19 - HS New Student Orientation
 Aug. 22 - Magee Registration
 Aug. 23 - MS Registration
 Aug. 25 - Dousman Registration
 Aug. 30 - Cushing Open House
 Aug. 30 - Wales Open House
 Sept. 1 - School Begins K-12
 Sept. 5 - Labor Day — No School
 Oct. 27, 28 - No School
 Nov. 7 - No School
 Nov. 24, 25 - No School
 Dec. 26-Jan. 2 - No School
- 2006**
- Jan. 3 - School Resumes
 Jan. 23 - No School
 Mar. 27 - No School
 Apr. 14-21 - Spring Break — No School
 Apr. 24 - School Resumes
 May 29 - Memorial Day Observed
 June 8 - Last Day of School

The 2005-2006 School and Community Calendar will be mailed mid-July to all families with children enrolled in the KM Schools and also to those who have previously requested to be retained on the list. Any resident is welcome to be included on the mailing list. Call 968-6300 ext. 326 and leave your name and address. Calendars will also be distributed through the village and town halls and all district public and parochial schools.



KETTLE MORAINÉ

Budget Report

Published - June, 2005
 Superintendent - Sarah Jerome Ed.D.
 Budget Summary - Roger Dickson
 Editor - Ruth Sternemann
 General Assistance - Kelly Donaldson

The *Communicator* is the official newsletter of the Kettle Moraine School District.

School District Of Kettle Moraine
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