Keep the Pressure on Legislators To See Change in School Funding

News From St. Ignace Area Schools

By Mike Springsteen, Superintendent

Michigan is in a financial bind. Gary Olsen, director of the Senate Fiscal Agency, just released information that the state's deficit stands at $819 million – $442 million from the general fund and $337 million from the school aid fund. By law, the state cannot run a deficit budget. The governor gave her State of the State address February 6 and on February 8 will give an address on the state budget, at which time there will be official recognition that the state has less revenues than anticipated. From that point, she and the legislature will have 30 days to balance the budget, either by cutting programs or raising taxes.

For perspective, the current deficit in the school aid fund amounts to $224 per student. At the beginning of the current school year, the student foundation allowance was increased by $210. Our budget and plans were based on receiving these revenues.

History of free public education

The concept of the right to a free education for all children is a relatively new concept. Previous to the formation of the USA, formal educational opportunity was available only to those born into royalty or wealth. Our founding fathers realized that if our country were to survive the experiment of self governance, we would need a population that was responsible and educated.

The U.S. Constitution placed the responsibility for education in the hands of the individual states. In Michigan, each township was given one section of land to be put aside for education of the public. By the early 1920's in Michigan, there were more than 7,000 individual school districts. Improved transportation and communication made it possible to consolidate districts. Consolidations provided an economy of scale that lowered costs to taxpayers, while at the same time improved educational opportunities to students. Today, the number of individual public school districts stands at 552.

Funding public schools prior to Proposal A

Originally, funding schools was a local concern. This was accomplished by a mandated property tax levy on district residents. Millage elections to consider additional taxes beyond the mandated amount occurred when requested by the local school boards. Communities supported these requests for additional funds, so long as they were affordable to their voters and the voters felt the school was doing a good job. This system of funding schools worked fairly well for the first half of the 20th century.

In the 1960's, gaps in the financial abilities of school districts began to widen. A district with a huge industrial or commercial base – one that had Ford Motors in its boundary lines, for example – may easily have 10 times the tax base on a per-pupil basis of a district that had no industrial or commercial base. One mill in that district would raise 10 times more per pupil than one mill in a district with no industrial base. To lesson this disparity, the state began to assist local districts with state aid. Despite state assistance, financial gaps between schools continued to grow. Districts with the lowest amount of taxable values were often taxing themselves at rates that were many times that of the more affluent districts. Boards of education were forced yearly to ask their voters to choose between tax increases or cuts in programs.

There is no defense for why we, as taxpayers, fund students in one district at $12,000 each, while students in another school district receive $7,000 each.

Wealthy districts with lower tax rates had per-pupil funding levels that were much higher. By 1994, Michigan voters were ready to make a change in how schools were funded.

Proposal A

The goals of Proposal A were to reduce the reliance of education on the property tax, to provide a more reliable method of funding our public schools, and to bring equality in funding students, no matter what district they attended.

Passage of Proposal A shifted most of the responsibility for funding schools from the local district to the entire state. Local property taxes were reduced, and homestead property taxes for school support that were once 30 or more mills were reduced to a maximum of six mills. This six mills was sent to the state for redistribution equally to all school districts on a per-pupil basis. To make up for the lost revenue, the sales tax was increased by two percent. Not all property taxes were sent to the state for redistribution. Non-homestead property taxes were limited to a maximum of 18 mills. These 18 mills were kept in the local district. Districts with a huge industrial or commercial base were able to keep the revenue from those taxes. The state set a per-pupil foundation allowance for each district. These amounts were different for every district and were based in part on how much the district had been raising per pupil prior to the passage of Proposal A. A part of the goal was to narrow the differences, eventually funding all students equally.

For the poorer/lower funded districts, this was initially a boon. Property owners received immediate tax relief. The prospect of yearly millage requests was eliminated. While the state's economy was healthy, the new system worked well for public schools. The state made attempts to narrow the funding gap between the poor and the rich districts. When the state's economy slowed, Proposal A made funding public schools more difficult.

The state's economy has suffered in the past five years and the growth in sales tax revenues has declined. Because much of the state's school aid fund is based on sales tax revenues, as they have slowed or declined the school aid fund has shrunk and has not kept pace with the overall cost of living increases. The state's overall poor economic climate has forced the legislature to make difficult decisions in regard to what programs receive funding and at what level to fund them. School aid funding has suffered. For three consecutive years, the state did not increase the funding levels for public schools. On two occasions, after the state set the funding levels, midway through the year the state decreased the funding level. In these cases, it was after school budgets had been set and school programs put in place. In the past four years, the overall Consumer Price Index has risen 9.1 percent. During that time period, the state's spending increased by 7.9 percent. Over that same period of time, the state increased revenue to the school aid fund by only 3.1 percent.

To further see an example of the effects of Proposal A, consider the following two school districts for comparison purposes: Birmingham City Schools and St. Ignace Area Schools. In 1995, the state legislature set funding levels for students in the Birmingham City Schools at $10,337, while funding levels for St. Ignace students were $4,490. The difference was $5,847. In 2006, funding levels for Birmingham students are set at $12,262, and $7,085 for St. Ignace students. The legislature established a $5,847 difference in the funding levels for the students in each district 11 years ago. Today, the difference is still more than $5,000. Huge inequities existed before Proposal A, and continue to exist today.

There will be no change until citizens demand change.

Our public schools are extremely important. They are the place that every one of our children, whether rich or poor, should have an equal opportunity. They are the vehicle that our children ride to a successful future. Funding them has evolved from a local responsibility to a state responsibility. We have two issues that must be addressed if we are to move forward. They are: 1) Equal funding. There is no justifiable excuse for unequal funding. 2) Adequate funding. In years when the state's economy doesn't keep pace with the consumer price index, school funding needs to at a minimum keep pace with overall state spending. From 2002 to date, state spending increased by 7.9 percent, yet the school aid fund increased by only 3.1 percent.

There is not an easy solution to this issue. The state has an obligation to treat each student equally and fund each student equally. It is not doing that, but there will be no change until the citizens demand a change. There is no defense for why we, as taxpayers, fund students in one district at $12,000 each, while students in another school district receive $7,000 each. Call or write your legislator if you want to see change, and keep the pressure on until it happens.

Happenings around the school

Despite dire financial woes, life goes on in the schools for our students. We have half of the school year completed. Fall MEAP scores in grades three through eight are now online at the Michigan Department of Education Web site. Teachers have been aligning and adopting the new curriculum standards. This year's positive test scores are showing the results of that work. Student mathematics scores were clearly superior to the state scores, and our English/language arts scores were all either statistically at or above the state scores.

The month of February will be a busy month, as a full athletic schedule keeps the gyms and students busy daily from 6:30 a.m. to 9 p.m. School-wide, more than 50 percent of students in grades seven through 12 participate in athletic programs. Other activities scheduled for February include the grades five through eight spelling bee, elementary group pictures, K-7 Winter Snow Daze and Chili Dinner, parent teacher conferences, and District Court at the school. In addition, the school is used for a variety of other reasons including EMT classes, Bus Driver Training classes, Cub Scout classes, and youth archery classes.

We are focused on aligning the curriculum and trying to ensure that we are doing everything possible to raise student test scores. In that process, however, we are focused on something more important and something that takes longer to measure. We want to be number one in education, and in so doing, we want our final outcomes to produce responsible and successful citizens. It is something that requires the support of the home and community, is more important than a test score, and won't be fully measured until years after graduation. It has been a focus in St. Ignace and rural America for many years, and I hope it is something that we are able to keep as a focus.

Michigan Politics

By George Weeks

Emergency Panel: Instant and Long Term Changes Needed in Fiscal Crisis

There are few rabbits left in the hat.

– Governor's Emergency Financial Advisory Panel

Six-term Democratic Governor G. Mennen "Soapy" Williams (1949-60) once said of Michigan's chief executives: "Each and every one of us stands on the shoulders of our predecessors."

In recent decades it could be said: "Each and every one of us sinks in the deficits of our predecessors." Current Democratic Governor Jennifer Granholm is now in the deepest gubernatorial hole ever, not all inherited.

She did indeed inherit a deficit from Republican Governor John Engler (1991-2002), who inherited one from Democratic Governor Jim Blanchard (1983-90), who inherited one from Republican Governor Bill Milliken (1969-82).

Blanchard and Milliken co-chaired Granholm's 12-member bipartisan Emergency Financial Advisory Panel that in its "Michigan's Defining Moment" report Friday said:

"Michigan faces both a cyclical and structural dilemma. Over the next 18 months, state policy makers are looking at approximately $3.5 billion of services and programs unsupported by revenues."

As panelist Tom Clay of the respected Citizens Research Council of Michigan said in plainer language: "The state faces a fiscal train wreck."

In 1982, Milliken, Michigan's longest-serving governor, lamented in his 14th and final year, "two back-to-back national recessions…have left depression conditions in Michigan."

Now, says Milliken, Granholm faces "a one-state recession" and "the gravest" dilemma of any Michigan governor.

How grave?

For starters, as noted by the panel, the current fiscal year will be the seventh consecutive in which state revenues have fallen short in funding state programs and services; Michigan has had six consecutive years of net job losses, the longest stretch at least since the Great Depression of the 1930s; and its per capita income is now five percent below the national average – our lowest point since 1933.

The panel, conveniently named by Granholm to do a quickie one-month assessment *after* her 2006 reelection campaign in which Republicans contended she was engineer of the train wreck, said:

"A convergence of forces imperils Michigan's state and local governments. The combination of tax cuts without corresponding spending cuts, failure to confront overdue government policy and structural reforms, a pattern of using one-time money to handle real structural deficits, and the extreme stress placed on the state's manufactures has produced the crisis. It has been developing for a long period of time and will take uncommon courage, vision, and actions hewn from facts to resolve."

The panel called for "policy makers at all levels" – who else but Granholm and the Legislature? – to "accept the mantel of stewardship and shed the robes of partisanship."

Ringing rhetoric – but fact is, the solution will be slugged out in partisan trenches under a Capitol dome where there is a Democratic House and a Republican Senate.

The panel, as predicted in this and other spaces, did not recommend specific taxes, but did indeed offer a cover for increases that Granholm will recommend.

The panel was void of a true economic balance because it lacked conservative voices, but it nonetheless was wise in concluding that Michigan:

• Cannot economically grow its way out of the current financial crisis facing state and local government.

• Should not rely solely on budget cuts to balance state budgets this year and next.

• Must restructure taxes in a manner that would immediately increase revenues, but should not solely tax its way to balanced state budgets.

• Must fundamentally reform government and the delivery of public services.

On the last point, it is hardly a quick fix to the current crisis, but the panel correctly said consideration should be given to "encouraging, and if need be requiring, local units of government and school districts to share or consolidate administrative services and deliver them more cost effectively."

In short, while dealing with the current emergency, take steps to cut future costs for taxpayers.

George Weeks retired last year after 22 years as political columnist for The Detroit News. His weekly Michigan Politics column is syndicated by Superior Features.

Letter to the Editor

Voters Want Elected, Not Appointed, Road Commission

To the Editor,

I've found it interesting to hear that some of our county commissioners think we need five road commissioners.

Here is some of the history of Mackinac County I will share with you. I hired in as a heavy equipment operator October 3, 1985. At that time, we had an appointed road commission. There were three appointed commissioners: Chuck Blanc from Moran, Con Shoberg from Cedarville, and Richard Pershinske from Engadine. Voters in the late 1980s made a change to an elected board of three for the road commission. I was at a public meeting when people from the west end of the county were afraid they would never get a replacement for Pershinske on their end of the county. I told them they probably would get a replacement if they had a good candidate from up there to run for the position. If my memory serves me right, Lester Livermore was the first one up there to run, and he did win the election. He completed a six-year term and was re-elected to another term. Gary Reid from Cedarville completed two six-year terms as road commissioner. He chose not to run in 2000.

At that time, I decided to run for the position. The road commissioners then passed a resolution stating that if a road commission employee runs for political office, he has to take a leave without pay of 60 days prior to each election.

In spite of this added expense to me, I ran for office. John Duncan of Cedarville won the election by 80 votes. I was allowed to come back to work then.

In 2003, the three road commissioners changed their resolution. It now states if you run for any Mackinac County office, you have to take 60 days off prior to the elections without pay. There are about 40 people employed at the Mackinac County Road Commission, and with this resolution in place, they cannot afford to run for any Mackinac County office.

In the years between 2000 and 2006, people had a lot of changes made they had to accept. We went from four garages to two garages. The commissioners at that time made these changes and picked the locations for the garages. I built the buildings of their choice.

Many voters throughout the county encouraged me to run again. Some voters wanted me because they know I have a lot of road working experience throughout the county. Some people wanted me because they were unhappy with a lot of prior decisions that were made by previous road commissioners. And some voters felt it was time for a change.

I do plan on making some changes. You voters need to keep us road commissioners informed of what changes you want.

Our prior board said they could get by with three road commissioners, and I agree with them. In two years, you will have the opportunity to replace one road commissioner if you would like.

The voters already made their decision. They do not want an appointed road commission.

Here is my view of it as a voter and taxpayer and your newly elected road commissioner.

Frank P. Luepnitz,
Moran

Editor's Note: Mr. Luepnitz is chairman of the Mackinac County Road Commission.

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and Les Cheneaux Islands Weekly Wave

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The quotation under the flag of *The St. Ignace News* on Page 1 is from the 10 triads written by Dr. Fred Newton Scott, creator and teacher of the first continuous course in journalism in the United States at the University of Michigan in 1890. The 10 triads are chiseled on the parapet of the Detroit News Building at 615 Lafayette Boulevard, Detroit. They were headed "Ideals of the Press" or "The Newspaper in a Free Society," and serve as a reminder of what a free press means to us.

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