

### **Despite 4.4% decrease in equalized value, board members say they're determined to keep tax rate flat**

Although the official notice of the Cedar Grove-Belgium School District's proposed 2012-13 budget that will appear in next week's Ozaukee Press may show an increase of 43 cents in the proposed tax mill rate, the School Board is determined to get the rate down to the same as last year — \$9.27 per \$1,000 equalized valuation.

The board learned Monday that the equalized valuation of the district decreased 4.4% from \$597.5 million in 2011 to \$571.1 million this year. Last year, there was a minor decrease in valuation, following years of increasing valuations and enrollment.

"It's a huge swing in the property values," business manager Kris De Bruine told the board. "And we're going to get cuts in federal and state aids."

To cover proposed expenses — which includes a recently negotiated \$500 per teacher wage increase and similar raises for support staff and administrators — the mill rate would have to increase to \$9.70 per \$1,000 equalized valuation if the tax levy is kept the same as last year, \$5.5 million, De Bruine said.

The owner of a property with an equalized valuation of \$250,000 would pay an additional \$108 in taxes if the rate is raised to \$9.70.

The board will meet Tuesday, Oct. 2, in an effort to cut \$250,000 from the budget or take some money from the fund balance to reduce the levy and keep the tax rate level.

The annual meeting will be at 7 p.m. Monday, Oct. 15, at which time electors will set the tax levy.

"I was under the impression that we weren't worried about the dollar amount (for the levy). I thought we were trying to keep our mill rate the same," board president Jim Lautenschlaeger said.

Board member Todd Bucher said, "We're back to where we were a couple months ago, worrying about cutting costs."

Board member Aileen Dahlke was concerned that needed repairs would be delayed if the budget is cut.

"I don't think we know what will be cut with the information we have now," Lautenschlaeger said. "We will know more on Tuesday."

## Sliding property values pinch school budget

Written by CAROL POMEDAY

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Board member Chad Hoopman said the board has two choices.

“This is the sign of a poor economy,” Hoopman said. “People are struggling.

“You can hit them up with a tax increase at a time they’re struggling or you can tighten your belt and stay the course until we get out of this.”

Noting that 80% of the budget is for personnel costs, Supt. Steve Shaw said the remaining 20% includes fixed costs for utilities and transportation.

The budget, he said, was based on what teachers and principals said they need.

“We may have to look at what is a need and what is a want,” Lautenschlaeger said.

“Eventually, we’re going to have to look at our staffing needs and not go into negotiations not knowing what we have to give.”

Teacher Mary Anderson said, “Everybody understands the predicament that we’re all in. I think we all know that this is a really difficult time. A lot of teachers buy things out of their pocket. I just bought some books over the weekend for my classroom.”

Bucher said perhaps \$100,000 can be cut from the budget and \$100,000 taken from the fund balance.

The portions of the towns of Belgium and Holland that are in the district saw the greatest decrease in equalized valuation — 5.7% and 5.6% respectfully.

The Town of Belgium went from \$137.3 million to \$129.4 million. The Village of Belgium went from \$150.5 million to \$144 million, a 4.3% decrease.

The Town of Holland went from \$174.7 million to \$164.9 million and the Village of Cedar Grove went from \$134.6 million to \$132.4 million, a 1.6% decrease.

Although equalized valuations are used when figuring the school district tax, property taxes are based on assessed valuations.

The board also heard about the possible impact the health care reform law will have on the district’s health insurance plans and who is eligible for insurance from its carrier.

Under the reform law, anyone who works at least 30 hours per week is eligible for health care benefits, Matt Kollings of Benefit Partners told the board.

“We have plenty of employees who work 30 hours and they’re not offered insurance,” De Bruine said.

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Most of those employees, including teacher aides, work during the school year or summer so they are not currently eligible under the district's plan, she said. That would change under the health reform law, she said.