

School Board gets OK, caution on budget

Written by Steve Ostermann
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Residents approve \$549,000 hike in 2010-11 levy but tell officials they should tighten belts on spending

Grafton School District residents on Monday approved a \$16.6 million levy to support the 2010-11 budget, but the favorable vote at the annual meeting didn't come until several of them criticized a 3.4% tax-rate increase included in the spending plan.

"The citizens of Grafton face the same problems as you do," resident Janiece Magestro told School Board members. "Can't you guys learn to live within your budget like everybody else?" Magestro was one of about 10 village and town residents who spoke against the proposed budget, which school officials said was pared to minimize cost without affecting the quality of education.

"We are living within the law established for school districts," Board Treasurer Paul Lorge told an audience of more than 100 people. "We are within the state levy limit."

During a budget presentation, Lorge said school officials were aware of the negative reaction to a 13.3% tax-rate hike in last year's budget, an increase he said resulted largely because of \$1 million reduction in state equalized aid.

This year, the district received \$7.2 million in state aid — \$130,000 more than originally expected — but still faces other expenditure increases, Lorge said. The largest increase is a 3.4% hike in salaries and benefits for teachers as part of a two-year contract with the Grafton Education Association.

A \$549,000 increase in the 2010-11 levy "represents our contractual obligation to the GEA," Lorge said.

The budget, which will not be finalized by the board until late October, calls for a tax rate of \$10.79 per \$1,000 of equalized valuation, up 36 cents from 2009-10.

Based on the new rate, the owner of a \$250,000 house would pay \$2,698 in taxes, or \$89 more, to support school spending in 2010-11. The owner of a \$300,000 home would pay \$3,238, or \$107 more.

The 68-27 vote adopting the levy came after a number of residents said the board should work harder to reduce costs.

Several residents questioned why teachers aren't required to pay for health insurance. Lorge said the contract was negotiated as a package deal including salaries and benefits, so covering insurance premiums actually limited pay increases.

Lorge said 29 teachers chose not to receive coverage through the negotiated insurance plan, saving the district more than \$300,000.

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Town of Grafton resident Paul Voelker said district taxpayers have been overburdened with rising expenses and urged voters to reject the proposed levy.

“In light of what’s going on with the economy, I don’t know how we can justify asking people of this community to pay another 3.4%,” Voelker said.

Voelker made a motion to keep the levy at last year’s level of \$16 million and received a second, but the proposal failed on a voice vote.

Several other residents, including teachers, defended the proposed budget as a necessity to maintain quality education.

“Keep in mind that Grafton is a very good school district,” resident Mike Dempsey said. “People move here because of the schools, not the dam or other things.”

Grafton Town Chairman Lester Bartel also praised the board for its budget preparation but said district officials “need to address the practice of continued levy increases.”

“No other taxing district in Ozaukee County is close to the two-year increases that the school district has had,” Bartel said. “That’s unsustainable over the long term.”

The \$16.6 million levy includes \$15.2 million for general-fund expenses and \$1.37 million for debt service. Total expenses of \$24 million in the general fund include \$16.7 million for salaries and benefits.

In addition to adopting the levy, voters approved \$100 increases in the annual salaries for board members. The president, vice president, clerk and treasurer will now be paid \$1,450, with all other members receiving \$1,350.