

School officials wrestle with budget crunch

Written by Steve Ostermann
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District explores ways to offset \$1 million shortfall expected under new state law

Grafton school officials aren't exactly sure how much the newly enacted state budget-repair law will impact the district, but they're bracing for a shortfall expected to top \$1 million.

Finance Committee Chairman Paul Lorge told the School Board on Monday that the district anticipates losing \$1.36 million in per-pupil state aid.

Combined with a structural deficit of \$1 million for the 2011-12 school year, the district faces an initial shortfall of \$2.3 million as it begins preparing the next spending package, he said.

The district will be able to tap into several revenue sources in an effort to balance the budget. Lorge noted that these include an anticipated \$740,000 savings in pension costs based on the law's requirement that teachers and other public-employee unions increase their contributions and \$339,000 remaining from federal Education Jobs Fund money the district was awarded last fall.

"But with all of those numbers, we are still short by \$1 million to \$1.3 million," Lorge said.

Yet undetermined is how much the district will save in health-insurance costs. Business Manager Don Amundson said union members could pay about \$600,000 more in that category, but the figure will not be determined until the district explores its options in negotiating a new contract with the teachers union, the Grafton Education Association.

The district has also taken other cost-saving steps, including combining administrative posts to save \$100,000.

The current two-year teachers contract expires in June. Given the sweeping changes that have stripped public-employee unions of collective bargaining rights, many school districts are weighing cost-savings options as they begin negotiations this spring.

"It's a difficult time from an economic perspective, from an academic perspective and from a morale perspective," Lorge said.

Supt. Jeff Pechura said the district administrative team is working with the GEA, parent groups, aides, residents and other school districts to obtain budget ideas.

"The waiting is the hardest thing," Pechura said. "We're trying to do things with as little negative impact as possible on students and the quality of education."

Lorge said the Finance Committee will receive input from the administrative team during the next few weeks in preparation for the first draft of the budget in April.

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With the terms of the next teachers contract undetermined, the board on Monday tabled a staff member's request for a one-year leave of absence.

Ginny Kopp, a third-grade teacher at Woodview Elementary School, asked for the leave for family reasons. Although the board was poised to approve the request, it delayed taking action when Lorge said the district might not have a job for Kopp next year.