

### **After 13 years of spending cuts, PW-S Board OKs plan that funds new positions, technology improvements**

A Port Washington-Saukville School Board that has fought for more than a decade to protect educational programs, class sizes and teaching jobs approved a 2012-13 budget Monday that will fund two new district-wide positions, an ambitious technology initiative and an energy savings improvement fund designed to pay future dividends.

It also predicts a modest tax rate decrease. The budget — the first in 13 years that has not required spending cuts and, in fact, calls for a \$58,000 surplus — benefits from significant changes to employee benefits, federal job-creation money and the retirement of all referendum debt.

“This is a unique budget,” Supt. Michael Weber said during Monday’s budget hearing. “This is the first time in 13 years the Administrative Council has not needed to reduce the budget because of a structural deficit.

“Now we have an opportunity to focus on program needs, student needs and some areas of achievement that we need to beef up for the future.”

Although district expenses are projected to increase \$745,721 (2.33%) for a total of \$32.8 million next school year, the tax levy is expected to decrease \$257,873 (1.82%) to \$13.9 million.

That translates to a tax rate of \$9.19 per \$1,000 of equalized value, a 17-cent (1.8%) decrease from this year. That means the owner of a \$175,000 house would theoretically pay \$29.83 less in school taxes, assuming no increase in property values. The impact of the school tax rate will vary among taxing entities within the district, depending on changes in property values.

Director of Business Services Jim Froemming stressed that the budget is based on several assumptions and could change slightly by the time the board approves the tax levy on Oct. 29. State aid, property values and student enrollment are among the key variables, and hiring decisions that have yet to be made will impact salary and benefit costs.

But even with changes, it’s clear that the 2012-13 budget provides the best financial outlook the district has seen in years, in part because of significant employee benefit savings.

This is the first budget that reflects changes required by Act 10, the controversial state law that ended most collective bargaining rights for public employees.

## Breakthrough budget gives district some leeway at last

Written by BILL SCHANEN IV  
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Shortly before that law was enacted last year, board members approved a one-year teacher contract extension, saying they needed a year to revamp benefits. Since then, the board has decided to end the district's long relationship with WEA Trust, the health insurance provider affiliated with the state's largest teachers union, and contract with Humana for considerably less expensive benefits due in part to higher employee and retiree deductibles and co-pays. Those as well as other changes, such as paring the cash in lieu of insurance benefit, are expected to result in a \$600,000 savings to the district, Froemming said.

Weber said that although the district has been able to use Act 10 to its advantage, it's strong financial outlook shouldn't be attributed to the law.

"I get very uncomfortable when I read about how a district is in good or bad financial shape because of Act 10. There's more to it than that," he said. "Our key has been strong financial management long before Act 10.

"The districts that are in the best shape under Act 10 are the ones that were in good financial shape before Act. 10."

The budget also benefits from \$544,789 in federal grant money intended to create and retain jobs. If the district chooses to use its allocation, it must do so during the 2012-13 school year.

Some of that money will be used to create two new positions — a district-wide math specialist and a technology education specialist.

The math specialist will track and improve student achievement.

The technology specialist figures into a broader technology initiative and will help teachers use computers and software to educate students.

The district has budgeted \$88,695 in salary and benefits for each position.

Another important component of the budget is what's missing — an annual referendum debt payment of \$473,529. That debt was retired earlier this year.

The district will set aside just less than half that amount — \$217,000 — in a new energy savings capital improvement fund. Administrators intend to contribute annually to this fund, which will be used to pay for cost-cutting improvements.

"This is another investment in the financial stability of the district in the future," Weber said.

In addition to investing in personnel and energy efficiency projects, the district has budgeted for technology improvements that include the installation of wireless Internet equipment at Port Washington High School and Thomas Jefferson Middle School. That project is expected to cost \$144,345.

The technology initiative also includes the purchase of 90 netbooks — small laptop

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computers specifically designed for accessing the Internet — and 140 Apple iPads for a pilot project in middle school math and communication classes. The district will pay \$700 per netbook and \$458 per iPad for a total cost of \$153,000, which includes storage carts and covers for the iPads. An additional \$163,720 has been budgeted for teacher training.