

## East Troy Community Schools Finalizes 10-11 Budget and Adopts Tax Levy

East Troy Community School District property taxpayers will see an average tax rate of \$9.16 per \$1,000 equalized value on their tax bills this year. At a school board meeting October 25<sup>th</sup>, 2010, the Board of Education set the levy at an increase of 3.08%.

“This was a welcome relief for us this year. Our last two prior years, the levy has increased 10.68% and 9.02%, respectively,” stated Superintendent Chris Hibner.

Past high levy increases come primarily at the hands of declining state aid. Public school districts in Wisconsin receive funding through two main sources, state aid and property taxes. When state aid is down, property taxes tend to pick up the difference.

The school district has made significant cuts in the last several years, in order to balance budgets and to try to keep the tax levies down. According to the 10-11 annual meeting booklet for the East Troy Schools, in preparation for 10-11 \$1.4 million of cuts were made to balance the budget, in 09-10 the amount was \$455,750 and in 08-09 the amount was \$355,000.

Although the levy increase was much lower this year than previous years, the Board still had a significant amount of discussions at many meetings regarding underlevying and trying to keep the increase at zero. “While a 3.08% levy increase would be very good in any other year, the current challenges within our economy make any increase difficult. The Board was very cognizant of unemployment in our community, and the financial difficulties families are having. However, we also must continue to balance our finances with providing and improving upon our educational systems for the betterment of students today and tomorrow,” Hibner added.

The reason the District’s levy was lower this year than past years was more a matter of good fortune based on the elements in Wisconsin’s funding formula. Business Manager Kathy Zwirgzdas explained the school’s state aid finally increased slightly this year. See Figure 1:

Figure 1: Recent State Aid for East Troy Schools

Year	State Aid	Change in State Aid	% Change
07-08	5,063,851		
08-09	4,785,305	(278,546)	(5.5%)
09-10	4,443,317	(341,988)	(7.15%)
10-11	4,565,684	122,367	2.75%

“According to figures released by the DPI, 159 (37 percent ) of local school districts saw a state general aid increase over last year’s amount, while 265 districts (63 percent) will receive less in 2010-11 than they did in 2009-10. We were one those receiving more because our property value per student in 09-10 shifted slightly favorably in comparison to state averages. We haven’t yet seen how this year’s property values in East Troy will compare to the rest of the state, but next year we may be back to the other direction,” stated Zwirgzdas.

In addition Dr. Hibner added, “We continue to asses all of our resources, but in the process of reform, it becomes evermore difficult when state funding does not assist in the necessary reform and puts even more of a burden on the local taxpayer.”

In a survey amongst 10 other local area districts, East Troy’s tax rate was the third lowest. On average, an owner of a \$100,000 fair market home this year will see school taxes of \$916, up from \$889 last year.