



NORTHERN OZAUKEE SCHOOL DISTRICT
BOARD of EDUCATION MEETING MINUTES
ANNUAL BUDGET MEETING
Monday, October 26, 2009 · 7 p.m.
OHS Professional Development rm. 424

*** AMENDED MINUTES ***

(Note: Digital recording of minutes will be kept on file in the District Office for 90 days after approval of minutes.)

- Call to Order:** 7 p.m. by Paul Krause, President. Pledge of Allegiance followed by roll call; quorum established.
- Members Present:** Paul Krause, President; Stacie Stark, Vice President; Tim Burmesch, Clerk; Kendall Thistle; Stephen Burmesch; Steven Baumeister; arriving later, Francis Kleckner, Treasurer; Rick Hamm; Tom Hoffmann
- Others Present:** William R. Harbron, Superintendent; Walter Clarke, Business Manager; Paul Moore; Mark Jaeger, *Ozaukee Press*; Vicki Depies
- Agenda:** Motion to adopt the agenda in print made by T. Burmesch, seconded by S. Stark. ***Motion carried unanimously.***
- Public Forum:** P. Moore asked that the Public Forum be held after the budget presentation in order to have the opportunity to ask questions. Motion to move the Public Forum after the presentation for tonight's meeting made by K. Thistle, seconded by T. Burmesch. ***Motion carried unanimously.***
- Budget Presentation:** W. Clarke began the presentation by stating the meeting had the following goals: 1) Review financial results for 2008-09, 2) review and approve the final budget for 2009-10, 3) review Fund 73 Other Post-Employment Benefit Trust (OPEB) status, and 4) approve tax levy of \$5,859,194. Audited results show that NOSD has achieved a surplus of \$159,403. 2009-10 budget assumptions include a 3.8 percent teacher settlement, 3 percent support staff settlement, 2 percent administrative increase, \$40,000 funding of future retiree benefits trust, 842 FTE virtual school students, and 61 open enrollment-in and 95 open enrollment-out brick-and-mortar students.
- Status of Fund 73 OPEB Trust was reviewed. Balance at September 30, 2009 was \$151,094.66. Disbursements totaled \$386,285.06. 2008-09 audited earnings totaled \$4171.25. 2009-10 year-to-date earnings totaled \$1739.44. 2009-10 planned contributions total \$40,000.
- Questions were taken following the budget presentation. P. Krause stated there was a figure anomaly on page 34; the numbers don't add up, but the totals are right. W. Clarke said the errors were corrected in the revised handout. [Transcribed from recording: Rick Hamm: I guess I have a couple concerns. Number one, we're looking at a 15 percent fund balance. This year, for operating costs, we borrowed 25 percent, pretty close, of our budget. (Walt: We have a line of credit for [inaudible; more than one person speaking]...) I'm just...so, if we have to, if we're at 15, we're still borrowing 10 percent. That's kind of scary to me. If we'd get the 15 percent. It's kind of disturbing. A little. W. Clarke: We get to that point for a brief period of time during the year, and then we get aid, like in February, from tax revenues, and so it goes back down again, so...Paul Krause: Understood; understood, Rick. If we were at a steady 15 percent, (unclear; background conversations) we...interest income for part of the year when we were not above that level, we have interest expense, but you're right, we would still have to have short-term borrowing. No you're right, and I think the state guideline is 15 to 20-some percent. Um, we're aiming to try to get to 15 percent, and I don't know what other districts in the area are at, but certainly state guidance would be fiscally prudent, for sure.] R. Hamm continued by saying that we are increasing our budget by close to \$1.5 million; we have 1684 students, including special education students. That's an \$800 per student increase in the budget this year. F. Kleckner replied that it is still within state guidelines allowing two percent. Discussion followed.
- Public Forum:** P. Moore addressed the Board on the tax rate assumption. The government told him his property did not increase or decrease in valuation. He has been trying to sell his house and stated that for everything along the I-43 corridor, from here into Milwaukee, both selling and buying, the real property value has decreased by 25 percent. Although you can say the tax rate is \$9-something, what people are really getting hit with is a lot higher percentage rate than what we're saying here. F. Kleckner responded by

saying that the equalized value is based on the previous year's sales, so if Paul is right, next year his equalized value will increase tremendously to account for the value decrease. Property sales in our area have still been bringing assessed value. P. Krause provided further explanation. T. Hoffmann added that equalized aid is not only affected by individual property sales in an area, but overall throughout the state. Further discussion took place.

**Adoption of
2009-10 Budget:**

Motion to adopt 2009-10 budget made by S. Stark, seconded by T. Hoffmann. Roll call vote: K. Thistle, yes; T. Hoffmann, yes; S. Baumeister, yes; T. Burmesch, yes; S. Stark, yes; P. Krause, yes; F. Kleckner, yes; S. Burmesch, yes; R. Hamm, no. ***Motion carried with one opposed.***

**Certification of
Tax Levy:**

Motion to certify the tax levy in the amount of \$5,859,194 made by T. Hoffmann, seconded by T. Burmesch. Roll call vote: R. Hamm, no; S. Burmesch, yes; F. Kleckner, yes; P. Krause, yes; S. Stark, yes; T. Burmesch, yes; S. Baumeister, yes; T. Hoffmann, yes; K. Thistle, yes. ***Motion carried with one opposed.*** F. Kleckner noted that in years past, the budget report reflected the district's total debt; it is not shown in this year's report. A total is listed, but it isn't broken down.

Adjournment:

Motion to adjourn made by F. Kleckner, seconded by T. Hoffmann. ***Motion carried unanimously.*** Meeting adjourned at 8:12 p.m.

Respectfully submitted,

/s/ _____
Timothy C. Burmesch
Board Clerk

/s/ _____
Paul Krause
Board President

TCB:vld