
W. Aurora schools talk tax hike to pay the bills

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As they are now, property taxes will not generate enough money for West Aurora School District 129 to pay the bills, and next year the situation will get worse, officials said.

District administration outlined a proposed referendum Monday that would levy for additional tax revenue and set the district on a firm financial foundation, Superintendent James Rydland said.

The increase would be for years 2007-2010 and would increase taxes .5 percent above the limiting rate — equal to just over 3.5 percent of equalized assessed value. The levy would be for operation costs and not new buildings Rydland said.

“The operating rate is the focus. It is the key to a sound financial school district,” Rydland said.

In real numbers that would mean a first-year projected increase of \$166 for a \$100,000 house. If property values increase at 6.3 percent as anticipated, \$100,000-homeowners could expect to pay just over \$400 more in 2010 than in 2005, according to the report presented to the board of education Monday.

If approved by the board in early 2007, the question would be put in voters’ hands on the April 17, 2007 ballot, Rydland said.

Chief Financial Officer Kevin Wegner said the district is operating about \$2 million in the red this year and projects that number to rise to nearly \$3 million next year. He said that estimate would mean the district could not pay its operation bills next year.

The district can only speculate on its course if a referendum did not appear on the ballot or was rejected by voters. However, with 75 percent of its operating costs coming from personnel, a cut in staff could be part of the answer, officials said.

Another part could be to borrow money, which would be accompanied by interest.

With the extra revenue, the district would improve safety and security, start a refresh cycle for large equipment — like band instruments and busses — and provide portable classrooms for crowded schools, the report said.

The district projects that the increase would generate an unrestricted fund balance of more than \$11 million in fiscal year 2011.

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