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Parents split over decision not to raise school taxes

By Sara Cunningham

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The Oldham County school board voted not to raise property taxes last week, a decision that delighted and surprised some residents.

Goshen resident Nancy Bailey, who has two children at Harmony Elementary School, agreed with the board's decision.

"It just needs to stay where it is right now," Bailey said of the tax rate. "I'm trusting them to know what they're doing with the budget."

But Tricia Williams, another Harmony parent, said she was surprised at the board's decision.

"I thought it was a done deal," Williams said of the tax increase. "I guess that it's great this year but where are we going to be next year?"

The school district had been considering an increase from 66.9 cents per \$100 of assessed value to 67.1 cents.

That would have raised taxes on a \$100,000 home by \$2 and would have provided the district with an additional \$2 million, compared to tax income last year.

Superintendent Paul Upchurch said board members reconsidered the increase after Upchurch spoke with them in the days before the vote.

Board members had asked that Upchurch and other district officials evaluate what would happen if the rate stayed the same, Upchurch said. The day of the meeting, Upchurch met again with Chuck Litrell, the finance officer and treasurer for Oldham County Public Schools.

"We took a look again today to see what would happen if we kept the rate the same, and we think that we will be OK for this year," Upchurch said after the board meeting and vote.

"We want to be sensitive to what's happening with the economy and what people in Oldham are facing," he said. "We feel comfortable enough with where we are to make this kind of decision."

Like other districts, Oldham County Schools is dealing with rising fuel costs and shrinking state and federal funding. This year, state and federal cuts for Oldham schools total about \$700,000. The district lost grants and funding in areas like teacher training, extended school services and the safe-schools program, Litrell said. The district will have to cover those losses, he said.

However, the district also has a healthy "contingency account." At the board's July meeting, Litrell told board members that the district ended the fiscal year with an unreserved fund balance of \$7.2 million.

That is an increase of about \$436,000 compared to last year, Litrell said.

With a tentative budget of \$99,713,394 for this fiscal year, the unreserved fund represents more than 7 percent of the whole budget. The Kentucky Department of Education requires districts to have 2 percent of their total budgets set aside as unreserved money.

Upchurch said the unreserved fund was not the only reason school officials decided to recommend keeping the tax the same, but it was factored in.

"Overall, our budget looks good for this year and that's why we went ahead with the same rate," he said after the board meeting. "No one knows what things will look like next year but for now, we're OK."

Only one Oldham resident spoke during the public comment period that was scheduled before the tax vote was taken last week.

Dewey Wotring of La Grange spoke against raising rates and said he was pleased with the board's decision not to increase taxes.

Wotring is one of several people who sued the school board, the state and others in 2004 after the board voted to raise rates about 19 percent. The opponents tried to get a public recall vote and argued that they were robbed of that right. The lawsuit is still pending in Frankfort.

Wotring said he has been attending board meetings when tax rates are discussed. This year's decision was a good one, Wotring said.

"I think it was a commendable effort," he said after last week's vote.

But Williams said an increase of 0.2 cents per \$100 doesn't mean that much less cash in pocket for residents.

"I'd rather pay two more dollars and know that teachers were going to have professional development, textbooks, raises and whatever else they need to help our kids," she said. "In the end, parents cover the gap with being asked to buy more supplies or hand in more fees. That's usually a lot more than \$2."

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