

Operational Referendum

A CRITICAL DECISION

FISCAL RESPONSIBILITY

What is the history of Linn Joint 6 School District's tax levy rate?

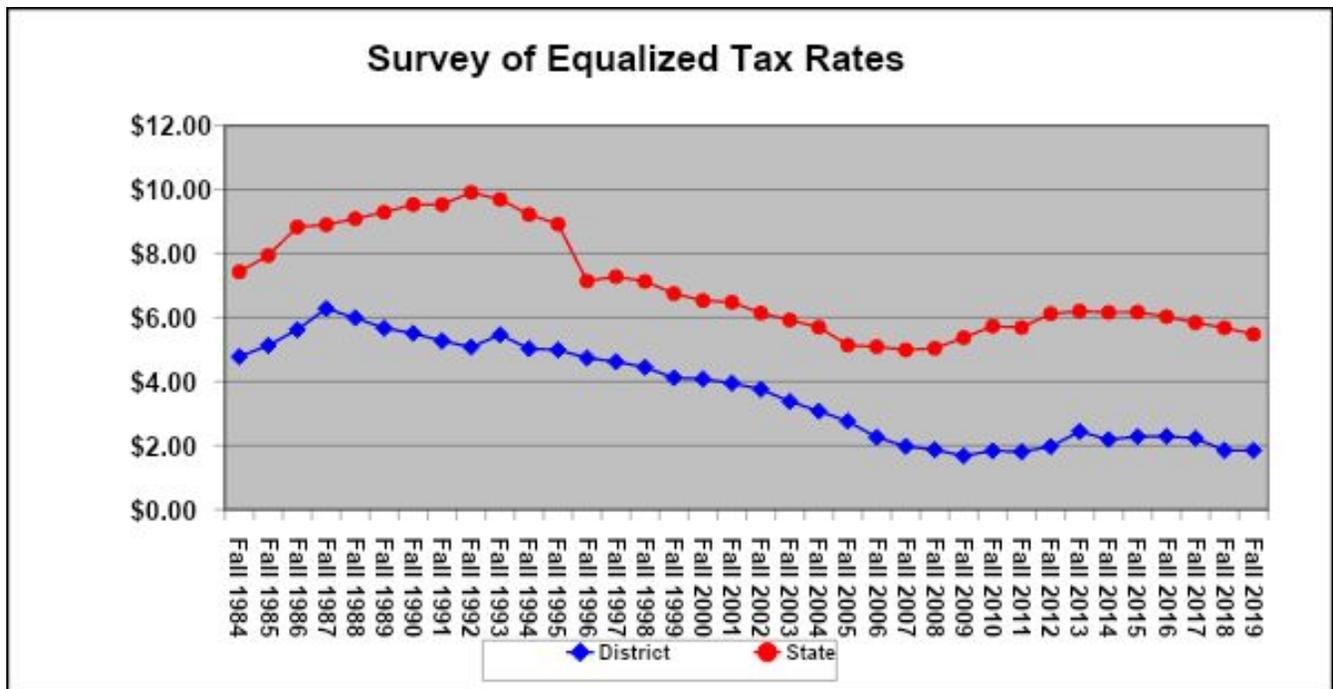
The Linn Joint 6 School District School Board has always worked to maintain a stable tax rate.

Year	State Average Mill Rate	Linn Joint 6 Mill Rate
2000	\$6.53	\$4.08
2001	\$6.48	\$3.95
2002	\$6.14	\$3.76
2003	\$5.92	\$3.38
2004	\$5.70	\$3.08
2005	\$5.14	\$2.76
2006	\$5.09	\$2.26
2007	\$4.99	\$1.98
2008	\$5.04	\$1.87
2009	\$5.37	\$1.68
2010	\$5.73	\$1.84
2011	\$5.69	\$1.81
2012	\$6.12	\$1.97
2013	\$6.20	\$2.44
2014	\$6.16	\$2.19
2015	\$6.17	\$2.28
2016	\$6.03	\$2.29
2017	\$5.84	\$2.23
2018	\$5.68	\$1.85
2019	\$5.48	\$1.85

The average state mill rate over the past 20 years has been \$5.78. Comparatively, the average mill rate for Linn Joint 6 School District over the past 20 years has been \$2.48. The current tax rate of \$ 1.85, and the proposed \$ 1.88 tax rate, are both well below the 20-year average.

LINN JOINT SCHOOL DISTRICT MILL RATES – 1984-2019

Longitudinal Survey of Equalized Tax Rates



Why does the assessed mill rate on my tax bill not match with the district's (and Department of Public Instruction) published mill rate?

Linn Joint 6 School District establishes an annual tax levy. That levy is then distributed on an equalized value (Fair Market Value) basis between the municipalities within the School District. The distribution is not

determined by the School District but rather by the Wisconsin Department of Revenue. Because municipalities reassess the properties in different cycles, the state uses “equalized value” as a way of distributing the taxes. Once municipalities receive their portion of the tax from their school district, they then divide that total tax by their total assessed value, and come up with a tax rate that each individual taxpayer pays. There is sometimes a gap between the “assessed value” and “equalized value” in a municipality which accounts for why the mill rates are expressed differently.

The average property tax increase for the referendum would be \$3.00 per \$100,000 in property value.

What will the operating referendum fund?

Linn Joint 6 School District prides itself on providing an outstanding education to our students in a building with an emphasis on a positive culture. We shine in academics, sports, and the arts. Increases on operating costs have outpaced the increases in state and federal funding for many years. In order to avoid significant cost-cutting measures that could have a negative impact on our students’ experiences, an overall increase in the district’s operating budget is imperative. Passing the referendum will allow us to maintain staff with one teacher per classroom and avoid combined grade-level classes. We will also be able to pay the many operational costs which continue to increase including utilities, transportation, athletic programs, insurance and infrastructure maintenance costs. The operating referendum will also ensure that Linn Joint 6 School District is able to continue to provide the same level of academic excellence.

What has already been done to manage the budget?

Linn Joint 6 School District has worked hard to balance its annual budget and be fiscally responsible. Historically, the district has been very successful! Linn Joint 6 School District currently has the 2nd lowest mill rate of all Wisconsin K-8 school districts. Furthermore, we have the 3rd lowest mill rate out of all 446 school districts in Wisconsin. If the referendum passes, Linn Joint 6 School District will still be the 3rd lowest in the state. As proven by the district’s continued low tax rate, Linn Joint 6 School District has highly valued fiscal responsibility, and will continue to do so in the future.

How does Open Enrollment affect the district’s budget?

We are pleased that many families from the surrounding communities choose to send their children to Reek School through Open Enrollment. In the 2019-2020 school year we had

61 students attending school through Open Enrollment

86 resident students

Thus 41% of our total enrollment is through open enrollment.

In 2019-2020 we had 18 students open enroll out of the Reek School district.

Open enrollment provides an additional revenue source which results in taxpayer relief. The open enrolled students help to fill class sizes to the board mandated guidelines. We do not need to hire more staff to accommodate open enrolled students. Because revenue from open enrollment helps keep the tax levy down, the program benefits our taxpayers.

WHY THE NEED FOR SUPPORT

• **Low revenue limits that have not kept pace with inflation**

State-imposed revenue limits (the amount a school district receives per resident student) have not kept pace with inflation. Additionally, Reek School does not receive much financial support from federal funding or state aid due to the high property values of the homes surrounding Lake Geneva.

• **3rd lowest mill rate in the state**

- o Inflation has outpaced increases in state and federal funding for years
- o The district is already one of the lowest funded in the state, and even with a referendum will remain one of the lowest funded
- o Despite stagnant state and federal funding and revenue limits, Linn Joint 6 School District has never had an operating referendum before. Any prior referenda for the district were for repairing or improving facilities and infrastructure.
- o Other K-8 districts in the area have an average mill rate of \$5.65. Linn Joint 6 School District's rate is significantly lower.

• **School funding is a statewide problem**

- o In April 2020 alone, 44 Wisconsin school districts put out 57 funding requests to increase school funds. Over 80 percent of the requests passed, for a total amount of over \$1.7 billion.

- **Rising fixed costs and declining resident enrollment**

- Health insurance costs are dramatically increasing beyond inflation even though the district implemented a high-deductible (\$10,000 family plan, \$5,000 single plan), consumer-driven plan.
- Fixed costs, which include building maintenance, operations and utilities, continue to increase even when enrollment declines.
- The cost of housing in the Reek School area is not comparable with neighboring communities. Affordable housing for families with young children is difficult to find.