

Overview of Parkview Finances for the 2015-2016 School Year

Each year, on or around October 15th, the state of Wisconsin will certify General Aid and communicate to public school districts the amount of state aid they will receive during the current fiscal year. For many school districts, this is the last piece in the puzzle in preparing the tax levy for that year. On October 17th 2016, the Parkview Board of Education voted on and approved the 2016-2017 property tax levy. The total property tax levy that was approved by the Board was \$4,861,830.

Tax Levy

While there are many different factors that make up the property tax levy for school districts, the basic equation is based on a revenue limit imposed by the state on all public school districts. When a school district has determined their revenue limit and state aid figures, they are ready to set the levy and distribute the tax amounts to each municipality in their district. The amount that is distributed to each municipality depends on their property value relative to the total property value for the school district. Once these municipalities receive their tax bill from the school district, they will distribute it among the taxpayers based on individual property values.

Municipality	TIDOUT Equalized Values	Tax Levy	% of Total
T. Avon	\$ 17,696,192.00	\$ 216,539.96	4%
T. Center	\$ 25,255,098.00	\$ 309,034.73	6%
T. Magnolia	\$ 4,793,867.00	\$ 58,660.29	1%
T. Newark	\$ 117,225,300.00	\$ 1,434,430.72	30%
T. Plymouth	\$ 92,960,100.00	\$ 1,137,508.91	23%
T. Rock	\$ 12,381,353.00	\$ 151,504.78	3%
T. Spring Valley	\$ 33,922,613.00	\$ 415,095.02	9%
V. Footville	\$ 31,386,300.00	\$ 384,059.35	8%
V. Orfordville	\$ 61,700,200.00	\$ 754,996.25	16%
	\$ 397,321,023.00	\$ 4,861,830.00	100%

One tool that can be used to estimate the tax impact for an individual taxpayer in the district is the mill rate. The mill rate is a calculation that uses the total tax levy and property value in the district to determine a rate based on individual valuation. For 2016-2017, it is anticipated that the mill rate for the Parkview School District will be \$12.24. Based on this mill rate, a taxpayer can expect to pay \$12.24 for every \$1,000 valuation of their home. For example, a property owner with a home valued at \$100,000 could estimate their property tax bill from Parkview to be \$1,224 for 2016-2017. While the mill rate helps a taxpayer get an idea of how much they could pay on property taxes for the year, there are factors that can change the final number including variances in property values for surrounding homes and the distribution of taxes to the different municipalities. That is why it is important to remember that the mill rate is an estimate and not an exact figure when determining your individual property tax amounts.

For 2015-2016, the mill rate for the Parkview School District was \$13.49, which means that the mill rate for 2016-2017 decreased by \$1.25 over the prior year. The main reason for this decrease is due to a 3.12% decrease in the District's revenue limit authority and a 3.85% increase in general aid from the state. While this increase in general aid does not increase the overall amount of money available to the

fund the District's operations, it does allow the district to decrease the amount it levies from the District's taxpayers.

Fiscal Budget

The Parkview School District is projected to have a budget shortfall of \$225,903.56 for the 2016-2017 fiscal year due in large part to the completion of construction projects approved in the 2015-2016 fiscal year. It is important to note that without the voter approved operational referendum from April 1, 2014, the general fund deficit would have been around \$575,903.56 for 2016-2017. While much of this fiscal years budget shortfall is due to onetime construction related expenses, it has been difficult to balance the budget without going to referendum.

Although school districts were given more resources to help offset the major funding cuts in 2011 as part of Act 10 it is becoming increasingly difficult to present a balanced budget while maintaining strong educational programs taught by high quality staff. This is due to the fact that while total funding has increased from year to year after the funding cuts in 2011, these increases have not been enough to keep up with inflation. As a result, the District's revenue has not kept pace with expenditures in most areas and growing shortages in the number of qualified educators, bus drivers, and custodial staff have only increased costs for districts seeking to maintain high quality educational programs.

Building a Bigger Better Future

While the District's revenues have declined again this year, the sale of three properties during the 2015-2016 fiscal year created an opportunity to continue to improve our campus while maintaining a healthy fund balance. Having a strong fund balance not only helps cover unplanned expenses that occur during the school year, but it also allows a district to avoid short-term borrowing to cover payroll expenses when state aid payments do not coincide with payroll dates and it typically leads to lower interest rates when a district takes on new debt. At the end of 2016-2017, it is projected that the Parkview School District will have a fund balance percent of 25.53% (\$2,648,500.51). As the District begins to look at the fiscal budget for 2017-2018 and beyond, the Board of Education and administration will continue to look for ways to present a balanced budget to the community while still maintaining strong educational and extra-curricular programs.