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**Deerfield School District Approves Tax Levy**

Deerfield, WI – On October 31st, 2011 at a special meeting of the Board of Education, the Deerfield Community School District set its annual budget and tax levy for 2011-2012. The school board uses statutory authority to annually approve a budget and mill rate that does not exceed the state imposed revenue limit thereby also limiting expenditures for the next school year. We have provided a set of frequently asked questions regarding the school district budget and tax levy to help district residents better understand recent changes to school funding.

**Q: I thought that there were cuts to school funding?**

**A:** Yes, there were decreases to school funding. The state biennial budget reduced state aid to school districts by over \$800 million. This year the reduction to state aid in Deerfield was \$500,449. In an effort to minimize the impact on local property taxpayers, the state budget also lowered the revenue limit by 5.5% per student, thereby decreasing the amount a school district can levy. Due to the revenue limit decrease and 9.98% reduction in state aid, the district was forced to make significant cuts. The district balanced its 2011-12 budget through several strategies, including: a 5.8% employee contribution to WRS, employee health care contributions, employee salary freeze, staff reductions and line-item budget reductions.

**Q: Are the school taxes going to increase this year?**

Yes, this year school taxes will increase because of two factors: a state aid decrease and an equalized valuation decrease. When state aid decreases, the school tax levy increases to make up the difference under the revenue limit. This year, the Department of Revenue reported equalized valuation of property in the five district municipalities totaling \$368,532,324. This is a 4.5% decrease over the 2010-11 valuation of \$385,891,181. The mill rate is inversely related to the equalized valuation, which results in the increased school mill rate of \$13.35 per \$1,000 in equalized property value.

**Q: Why can't the district just cut its costs like businesses and households do during difficult times?**

**A:** The general operating budget adopted for 2011-12 reflects a decrease of \$349,422.86. While the district continues to become more and more efficient and to stretch every tax dollar invested in it, the simple fact is that it cannot cut costs in the same way that households and businesses do. The district has a legal obligation to provide an education

to all students. Costs for fuel, utilities, insurance and essential items like learning materials continue to rise. With the help of a taxpayer approved referendum, the district has been able to move forward in areas of technology and curriculum and also address the most critical facility upgrades including our current roofing project. The district continues to work diligently on being fiscally responsible and transparent in its fiscal operations.

For additional information or questions please contact Jonathan Mitchell, Business Manager at 764-5431 or visit the district website [www.deerfield.k12.wi.us](http://www.deerfield.k12.wi.us) under District Services to view the 2011-2012 district budget documents.