

December 23, 2016

Dear Melrose-Mindoro School District Residents:

In an effort to explain your property tax bill which you recently received, please allow me to help clarify.

First of all, please remember that school district taxes may go up or down at different rates from one municipality to another. School taxes are based upon fair market value, not the assessed value. This is a factor in your property taxes that is not in the school district's control.

Secondly, the mill rate is also key. There are numerous mill rates used to calculate the total mill rate. Information figuring the mill rate is as follows:

1. Mill rate for Fund 39 (Referendum Fund): As stated on the referendum literature the Fund 39 estimated mill rate increase of \$222 per \$100,000 property value is true and accurate based on the information provided. The referendum impact is a 2.218 mill rate increase over the 2015-16 debt mill rate of .728 mills ($2.218 + .728 = 2.946$).
2. Mill rate for Fund 10 (General Fund): The school board elected to set our total Fund 10 mill rate at 10.792 mills. When you add the 2.946 (Fund 39) mills plus the 10.792 (Fund 10) mills equals a total mill rate 13.738 mills.
3. The school board considered different budget options to keep the Fund 10 mill rate set at 10.063 mills but decided to set the 2016-17 Fund 10 mill rate at 10.792 which is a difference of .729 mills. This is the reason for the increase in your tax bill that is above the 2.218. The decision was made based on the following rationale:
 - a. Not spend down the District's fund balance.
 - b. Help the District achieve a better bond rating thus saving the taxpayers a great deal of money in interest expense.

I hope this helps. If I can help answer any other questions please do not hesitate to contact me at deberg@mel-min.k12.wi.us or (608) 488-2201 or (608) 857-3417.

Proud to be a Mustang!

Del DeBerg, Superintendent
Melrose-Mindoro School District

***Please see next page for further help.

FAQ: How are my Melrose-Mindoro School District taxes being affected?

Please remember that your school taxes are based on the fair market value of your property and not the assessed value.

On a \$100,000 fair market value of property:

The Fund 39 (referendum) estimated impact (increase over 2015-16) would be	\$222
Plus the Fund 10 impact (increase over 2015-16) for operations of	\$73
For a total impact (Fund 39 + Fund 10 increase over 2015-16) of	\$295

The rationale for the Fund 10 increase in mill rate is to help build a better fund balance in Fund 10 to help the District receive a better bond rating, thus, reducing the interest expense on the consolidated campus (Fund 39, referendum debt).

	Fund 10 (General Fund) Mill Rate	Fund 39 (Referendum Debt Fund) Mill Rate	Total Mill Rate (Fund 10 + Fund 39)
Fiscal Year 2015-16	10.063	0.728	10.791
Fiscal Year 2016-17	10.792	2.946	13.738
Impact Over 2015-16	0.729	2.218	2.947