

Williamsville-Sherman CUSD #15 District Dispatch - October 2018



A Publication for Community Members

From the Superintendent's Desk

Sangamon County Schools Seek a 1% Sales Tax Referendum to Address Facility Needs.

Sangamon County Schools will place a 1% sales tax question on the November 6th Ballot as a step to help increase school safety, security, and improve school facilities. There are many questions about the 1% sales tax and as a result, I have compiled many common questions and have listed answers. If you have a question you would like answered, please feel free to contact Tip Reedy at reedy@wcusd15.org or call the Unit Office at 217-566-2014.

Frequently Asked Questions:

Why did Sangamon County School Boards adopt a resolution to put the County Schools Facilities Tax on the November 6th ballot?

Most of the Boards of Education in Sangamon County wanted to give voters the opportunity to decide if a 1% sales tax should be imposed exclusively to pay for school facility purposes. The sales tax is a state approved alternative method to pay for school facilities instead of relying heavily on local property taxes. The WCUSD#15 School Board feels having access to approximately \$1,060,000 per year will allow the district to complete much needed facility upgrades.

Why would individuals who pay property taxes in Sangamon County be interested in the County Schools Facilities Sales Tax?

Property owners bear the heaviest burden of paying for school facility maintenance, renovations, construction, and improvements. Currently, school districts must issue debt to pay for larger school facility needs which is funded through property taxes. The sales tax is an alternative way to "share" the cost with visitors shopping and staying in Sangamon County, who will contribute to the annual Sales Tax revenue. WCUSD#15 has worked hard to provide the best possible value for tax payers and has the 13th lowest tax rate of the school districts in Sangamon County.

How will my property tax be affected?

This is not a property tax increase. The 1% sales tax can reduce your property tax bill, either through utilizing the revenue to pay-off current debt or by replacing the need to incur debt to complete needed facility improvements. The school districts in Sangamon County can use the same strategy with money from the County Schools Facilities Sales Tax to pay off bonds relieving the burden from property taxes, and thus lowering property tax rates. WCUSD#15 has worked very hard to deliver a great education without having to use bonds. This opportunity for

Sangamon County Districts to pay off debt and lower taxes is an opportunity for tax payers to save money.

What is the difference between paying for schools through property taxes or paying for them through sales tax revenues? Schools are still funded through taxes. Why would I support a new tax?

The 1% sales tax is a fair deal for property owner taxpayers because it is collected from all consumers, rather than just property owners. Home values rise and fall, subjecting local school districts to unfair budget turmoil. The 1% sales tax is spread over a much larger number of people including those who pass through Sangamon County, which proportionately decreases any impact on the local consumer. Also, depending on home values, what the average person spends in sales taxes on an annual basis is usually far less than their property taxes. The 1% sales tax funding method will reduce the need for school districts to rely exclusively on the property taxes for school facilities.

How many counties in Illinois have passed the 1% Sales Tax?

Currently, there are 51 counties that have approved the 1% Sales Tax in the State of Illinois. Also, Sangamon County is surrounded by counties who have all passed the 1% facility sales tax (Mason, Logan, Cass, Morgan, Macoupin, Montgomery, Christian, and Macon).

What items would be taxed?

Not everything is taxed. Items taxed include “general merchandise” as defined by the Illinois Department of Revenue.

Are services taxed?

If it is not currently taxed, it will not be taxed. Services are not taxed. Services include anything that is not tangible such as labor to repair something, dry cleaning, cleaning services, nail and hair salons, etc.

What items would not be taxed?

The following items would NOT be taxed:

- Cars, trucks, ATVs
- Boats & RVs
- Mobile homes
- Unprepared food (groceries)
- Medications, drugs (Including over-the-counter and vitamins)
- Farm equipment and parts, farm inputs, seed

How much would I be paying if this 1% sales tax passed?

- \$100.00 of grocery food = no increase
- \$50.00 of gas = 50 cents
- \$35,000 car/truck = no increase
- \$7.00 of fast food = 7 cents
- \$450.00 TV = \$4.50
- \$40.00 of medicine = no increase
- \$175.00 work clothes and boots = \$1.75

Because the sales tax is restricted to school facilities, what can the revenue be used for?

- Security, entrances, safety, disabled access
- Additions and renovations
- General maintenance
- Fire prevention and life safety as required by law
- Energy efficiency (HVAC, windows, etc.)
- Parking lots
- Roof repairs and replacement

Since the sales tax is restricted, what can it NOT be used for?

The sales tax revenue can only be used for facilities. Revenue generated from the sales tax cannot be used for instructional costs (salaries), textbooks, buses, detached furniture and fixtures, computers, movable equipment, and operating costs such as utility bills.

What facility needs have been identified for our schools in Sangamon County, and would the new sales tax revenue completely pay for these needs?

The school districts in Sangamon County have identified priority needs that would be funded through the 1% sales tax. Over the past several years, the school districts have deferred many needed projects due to budget constraints. These are not frivolous “wants”, but desperate needs. The WCUSD#15 lists the following facility needs as a priority:

- Utilize the revenue to enhance School Security and Safety
- Utilize the revenue to pay off existing annual Debt Certificate payments
- Utilize the revenue for Health Life Safety expenses
- Utilize the revenue for the deferred maintenance on all District Buildings
- Utilize the revenue over time for District Facility upgrades

Is it required to spend the sales tax revenue for facilities each year?

No, a school district may choose to save the sales tax revenue for a larger project.

I don't have children attending Sangamon County schools anymore. Why should I support this sales tax increase?

Whether you are a senior citizen, a limited-income family, or have no affiliation to our school districts, all homeowners pay property taxes which is the primary funding source for the community's public education. Anyone who pays property taxes in Sangamon County will reap the benefits of the shared sales tax, for other people living outside of Sangamon County are contributing toward public school facilities. Data shows 30-40% of Sangamon County sales tax is paid for by people outside of Sangamon County.

How do I know the Illinois General Assembly will not take the sales tax revenue from schools and put it in the legislative coffers?

By law, the sales tax revenues do not flow through the Illinois General Assembly budget process and are not subject to cuts like what school districts are currently experiencing relating to State Aid. This is how the money flows to the Sangamon County Schools: All shoppers in Sangamon County will pay the sales tax on qualified sales; Revenue flows to the Illinois Department of Revenue where 2% is withheld (common to all sales tax); Revenue is transferred to the Sangamon-Menard County Regional Office of Education and distributed to the Sangamon County Schools on a per resident pupil basis. The sales tax revenue follows the student.

How will this impact our local economy?

Investing in school improvements and construction in Sangamon County has the potential to boost our local economy. Many projects funded by this sales tax will put people to work across the county. Excellent school systems with quality facilities and learning environments are a key factor in attracting families to live within our county.

- School facilities: This dedicated revenue source will keep schools and classrooms maintained for safety, security, and sustainability.
- Jobs and economic growth: Many projects funded by the sales tax will put local people to work and support local businesses throughout Sangamon County.
- Local control of funds: Every school district will control how it uses this tax revenue through the elected school board members who represent each school community.
- Shift away from property taxes: A sales tax represents a shift away from property taxes. School districts would become less reliant on property taxes with options to pay off existing bonds or avoid new property taxes.
- Funding from outside our county: Visitors to Sangamon County will support schools with their spending. An estimated 30-40% of sales tax revenue comes from non-residents shopping, dining, and staying in Sangamon County.
- Quality of life: Schools play an important role in attracting families to settle in our communities. Attracting new families and retaining our current residents help to ensure a positive future across Sangamon County.

How do school facilities improve the quality of education in our schools?

The revenue provided by the sales tax will mean an improved learning environment including an emphasis on safety and security for students across the county. Buildings will be maintained to increase their future years of service to our community. This revenue will allow Sangamon County school districts to provide the facilities necessary to support a 21st century education, which is critical to ensuring that our students have the tools they need to compete in a changing economy.

Who should I contact if I have questions or want more information?

Please contact Tip Reedy, WCUSD#15 Superintendent by emailing reedy@wcusd15.org or call 217-566-2014

Ballot Question: When you go to the polls on November 6, the ballot question for the School Facilities Sales Tax will read as follows:

Shall a retailer's occupation tax and a service occupation tax (commonly referred to as a "Sales Tax") be imposed in Sangamon County at a rate of 1% to be used exclusively for school facility purposes?

WCUSD#15 has not had the revenue over the past several years to maintain our facilities and buildings. The 1-cent Sangamon County Schools Facility Sales Tax would allow the district to begin the much-needed improvements and ensure our facilities provide a safe, secure, and comfortable learning environment for generations to come.

November 6, 2018, Sangamon County Voters will have the opportunity to vote for the 1% Sangamon County Schools Facility Sales Tax. The Board of Education publicly approved a

resolution with priority to utilize the Sangamon County Schools Facility Sales Tax revenue to enhance and improve WCUSD#15 school security, facilities, and maintenance.

The WCUSD#15 Board of Education wants each of you to have accurate information about the Sangamon County Schools Facility Sales Tax and how it will impact our schools. Please remember to exercise your right to vote on Tuesday, November 6th. If you have questions or would like more information, please feel free to contact Tip Reedy WCUSD#15 Superintendent (217)566-2014 or visit our website www.wcusd15.org.

For up to date district information, I encourage you to follow me on twitter @wcusd15supt, check our website www.wcusd15.org, and like our district Facebook page Williamsville-Sherman CUSD #15. If you have any questions, please contact me.

IT'S A GREAT DAY TO BE A BULLET!

Tip Reedy
reedy@wcusd15.org
(217) 566-2014
@wcusd15supt