



Wellman-Union ISD

Tax Rate and Bond



History

- Leading up to the bond proposal, there had been discussions about building a new school among the community, school board, and administration. The previous building was approximately 50 years old and a decision needed to be made whether to put money into an old building, or build a new school.
- In 2013, a bond proposal of approximately \$19M was put in front of the voters. The bond passed, and plans for a new building began.

District's Tax Rate History 2006-2013

- 2006 \$1.50
- 2007 \$1.37
- 2008 \$1.04
- 2009 \$1.12
- 2010 \$1.12
- 2011 \$1.12
- 2012 \$1.12
- 2013 \$1.04

What is the Effect on the District's Tax Rate?

- In 2013, voters approved passage of bond for a new school of roughly \$19M
- The tax rate at the time was \$1.04
- The estimated increase in the I/S Interest and Sinking Fund tax rate was approximately 0.38 cents
- At the time, values were approximately \$270,000,000
- The estimated 2014 tax rate increase with bond passing was \$1.42

Exemptions

- Homeowners receive the \$15,000 homestead exemption.
- A taxpayer that is 65 or older, or who has disabilities, will not see an increase in their taxes for residential homestead values above the frozen levy amount as established within the Over-65 or Disabled exemption.

Estimated Impact of the Bond Issue

Projected Home Value before Exemptions	Projected Home Value After Exemptions	Annual Impact on WUISD Taxpayers	Monthly Impact on WUISD Taxpayers
\$65,000	\$50,000	\$193.50	\$16.13
\$90,000	\$75,000	\$290.25	\$24.19
\$115,000	\$100,000	\$387.00	\$32.25
\$165,000	\$150,000	\$580.50	\$48.38
\$215,000	\$200,000	\$774.00	\$64.50
\$315,000	\$300,000	\$1,161	\$96.75
\$515,000	\$500,000	\$1,935	\$161.25

Previous 10 Year Tax Values History

Year	M/O	I/S	Values
2011	\$1.12	\$0	\$181,302,220
2012	\$1.12	\$0	\$190,997,367
2013	\$1.04	\$0	\$267,701,735
2014	\$1.04	0.381	\$271,268,782
2015	\$1.04	0.381	\$333,461,001
2016	\$1.04	0.455	\$233,266,489
2017	\$1.08	0.505	\$174,135,162
2018	\$1.07	0.516	\$184,587,589
2019	\$1.07	0.516	\$215,541,047
2020	\$1.00	0.541	\$149,633,998
			\$220,189,539 10 Year Average

The Project Originally Included:

- New Pre-K thru 12 School
- School and District Offices
- Classroom Technology
- General Classrooms
- Cafeteria/Commons
- Computer Labs
- Gymnasium
- Locker Rooms
- New Auditorium
- Home Ec Room
- Library
- Ag Shop
- New Buses and Bus Barn
- Stadium Renovations
- Community Room
- Tennis Courts

2017

In 2017, construction of the building was completed and the new school building opened. The following items were taken out of the plans due to increased construction costs:

- Ag Shop
- New Buses and Bus Barn
- Stadium Renovations
- Community Room
- Auxiliary Gym
- Tennis Courts

Bond Refinance in 2020

- Wellman-Union took advantage of low interest rates during the Summer of 2020 to refinance the bond.
- Annual Payments have been reduced by approximately \$180,000 per year.
- The bond still expires in 2048, but the refinance will save the taxpayers \$5 Million over the life of the loan.

Current Values

- Due to a decline in tax values over the past couple of years, the district will need to increase its I/S tax rate to cover the bond payment.
- Historically, values have fluctuated year to year with current values showing roughly \$121,000,000 compared to \$333,000,000 just five to six years ago.
- This will result in an increase in next year's tax rate for WUISD taxpayers.

Estimated Taxes for 2021-22 School Year

- Our bond payment for 2021 is \$860,000.
- Our bond payment for 2022 and future years is approximately \$1,020,000.
- If estimated values hold at \$121,000,000 the I/S tax rate will be 0.84-0.87 cents.
- If values were to increase to \$150,000,000 the I/S tax rate would be 0.68-0.71 cents
- If values were to increase to \$200,000,000 the I/S tax rate would be 0.51-0.54 cents
- If values were to return to the 10 year average of \$220,000,000 the I/S tax rate would be 0.46-0.49 cents

The Future

- Unfortunately, the future tax rate is unpredictable, but the hope is this is as low as the tax values will fall. If that's the case, local taxpayers likely will see their tax rate reduced in future years (compared to the 2021-22 school year).
- Please keep in mind that the district is obligated to make the annual bond payment and must set the tax rate each year based on tax values.