

Board of Education – *Committee of the Whole*
Williamsville Community Unit School District #15
Williamsville, Illinois 62693
May 20, 2019
7:00pm

MEMBERS PRESENT:

Matt Seman, Charlie Waugh, Kurt Ratliff, Tom Ray, Teresa Benner, Corey Conklin and Lorri Bandy

ADMINISTRATION & STAFF:

Tip Reedy, Superintendent

Public:

Tom Crabtree

The meeting was called to order at 7:30pm. The agenda was approved by Tom Ray and Matt Seman and signified by voice vote by all members.

BOE DISCUSSION

BOE viewed the May 13 District Vision Committee meeting presentation

- The District Facility proposal is estimated \$46,000,000 to \$50,000,000
- The facility proposal could be accomplished with no tax rate increase to the local property taxpayer.

The District has two bond payments until the original 2001 Building Bond expires in 2021.

- 2001 Building Bond Referendum \$7.8mil (WJHS & SES Additions)
- Capital Appreciation Bonds = Non-Callable, can't be refinanced, and payments increase annually
- FY19 - \$1,765,000 B&D Tax Rate = \$.94
- FY20 - \$1,850,000 B&D Tax Rate = \$.99
- FY21 - \$1,945,000 B&D Tax Rate = \$1.04
- B&D Tax Rate based on 2017 EAV \$187,475,559

Williamsville and Sherman TIFS expire in 2021 payable in FY2023 (school year 2022-2023)

- Estimated EAV increase of \$24,000,000
- Estimated Operating Fund increase of \$770,000
- We currently have an intergovernmental TIF agreement with Sherman and we received \$330,000 in FY19. (50% of Sherman TIF revenue goes to local taxing bodies)
- We use the Sherman TIF revenue for the District's Building Fund – Debt Certificate payments

BOE Questions to answer (Data and information are estimates)

- Do we have a referendum to maintain the bond and interest total tax rate or let it fall off?
 - Estimated bond rate based on current EAV is \$1.03.
 - Estimated Calculations (includes \$6,000 Homestead exemption)

Market Value of	Tax Rate Change			
	\$0.10	\$0.25	\$0.50	\$1.03
Home (Non-Senior)				
\$100,000	\$27.33	\$68.33	\$136.67	\$281.53
\$150,000	\$44.00	\$110.00	\$220.00	\$453.20

\$175,000	\$52.33	\$130.83	\$261.67	\$539.03
\$200,000	\$60.67	\$151.67	\$303.33	\$624.87
\$225,000	\$69.00	\$172.50	\$345.00	\$710.70
\$250,000	\$77.33	\$193.33	\$386.67	\$796.53
\$300,000	\$94.00	\$235.00	\$470.00	\$968.20
\$325,000	\$102.33	\$255.83	\$511.67	\$1,054.03
\$350,000	\$110.67	\$276.67	\$553.33	\$1,139.87
\$375,000	\$119.00	\$297.50	\$595.00	\$1,225.70
\$400,000	\$127.33	\$318.33	\$636.67	\$1,311.53
\$425,000	\$135.67	\$339.17	\$678.33	\$1,397.37
\$450,000	\$144.00	\$360.00	\$720.00	\$1,483.20
\$500,000	\$160.67	\$401.67	\$803.33	\$1,654.86
\$550,000	\$177.33	\$443.33	\$886.67	\$1,826.53
\$600,000	\$194.00	\$485.00	\$970.00	\$1,998.20
\$650,000	\$210.67	\$526.67	\$1,053.33	\$2,169.86

- Reducing the District's tax rate will reduce our bonding capacity
- Reducing the District's tax rate would reduce property taxes
- Interest rates affect bonding capacity
- EAV growth reduces the estimated tax rate and increases our bonding capacity
- Do we capture the TIF EAV and TIF EAV tax rate to increase our bonding capacity?
 - 25-year bond = estimated \$40,000,000 (2% EAV growth)
 - 20-year bond = estimated \$34,000,000 (2% EAV growth)
 - 25-year bond = estimated \$32,000,000 (No EAV growth)
 - 20-year bond = estimated \$28,000,000 (No EAV growth)
- Do we let the TIF EAV tax rate drop and give back estimated \$.10 to the property taxpayer?
 - 25-year bond = estimated \$37,000,000 (2% EAV growth)
 - 20-year bond = estimated \$31,000,000 (2% EAV growth)
 - 25-year bond = estimated \$29,000,000 (No EAV growth)
 - 20-year bond = estimated \$25,000,000 (No EAV growth)
- How long do we want to bond? 20 or 25 years?
 - 25-year bond increases our bonding capacity
 - 25-year bond takes legislative approval after the referendum passes
 - Common practice for School Districts once referendums pass
- Do we bond with estimated 2% in annual EAV growth/increase?
 - This will increase our bonding capacity
 - If the annual EAV does not increase by 2%, the tax rate will increase
 - The District's annual EAV has average 4.14% over the past 10-years
 - Only one time in the past 10-years has the District's annual EAV increased less than 2%.

<u>Year</u>	<u>EAV</u>	<u>Increase</u>
2007	121,802,800	
2008	126,102,731	3.53%
2009	131,974,974	4.66%
2010	138,678,208	5.08%
2011	144,623,710	4.29%
2012	148,570,760	2.73%
2013	155,457,667	4.64%
2014	163,572,988	5.22%
2015	171,344,757	4.75%
2016	177,957,007	3.86%
2017	187,475,559	5.35%
2018	190,198,279	1.43%

○ 4.14% Average

- Do we bond without estimated EAV annual EAV growth/increase?
 - This would reduce or limit our bonding capacity
 - This would affect the total tax rate
- Generating bonding for the total facility proposal would take the combination of Building Bonds and Alternate Revenue Bonds.
 - We have an estimated \$8,000,000 left in Alternate Revenue Bond capacity.
 - The entire District Facility proposal is estimated \$46,000,000 to \$50,000,000
- As future revenue from the CSFST accruals and generates fund balances, the BOE may consider abating property taxes. (8-10 years down the road)

Next Steps

- Next District Vision Committee Meeting is August 12 6:30 WJHS Cafeteria
- Generate excitement about the product.....
- BOE conversations, direction, and decisions May-December
- Community Engagement August-November
- December BOE approves the ballot question
- January 2020 the BOE approved ballot question is filed with the Sangamon County Clerk
- Vote "Yes" referendum team promotes the referendum January-March 2020
- March 17, 2020 Election Day & Referendum Passes
- Construction planning and preparations April 2020-May 2021
- Construction begins June 2021
- Estimated construction completion July 2023
- New district facilities open for student and community use August 2023
- All facility improvements can be accomplished with.....

NO PROPERTY TAX INCREASE

A motion was made by Corey Conklin and seconded by Lorri Bandy to adjourn the meeting. The meeting adjourned at 8:22pm.

Motion carried

Submitted by Tip Reedy