

PPEL VOTE FAQ

What is a Physical Plant Equipment Levy or PPEL?

There are two types of Physical Plant Equipment Levy (PPEL). One is approved by the school board annually in order to certify a regular PPEL in an amount up to 33 cents per thousand dollars of assessed valuation. The revenues from the PPEL may be used for the purchase and improvement of grounds; construction and demolition; payment of debt principal related to construction; acquisition of a single unit of equipment or technology exceeding \$500 in value per unit; remodeling or repair of facilities; energy conservation; facility rental; acquisition of facilities, transportation equipment, or recreation equipment; and payment of TIF obligations. Revenues may not be used for any purpose not expressly authorized by Iowa Code.

The second type is one in which the voters may authorize a Voted Physical Plant and Equipment Levy (VPPEL) for a period not exceeding ten years and in an amount not exceeding \$1.34 per thousand dollars of assessed valuation. The VPPEL revenues may be used for the same purposes as the PPEL revenues. In addition, the board may obtain loans against future VPPEL revenues and may repay that debt with interest from the VPPEL. Iowa Code section 298.2. Winfield-Mount Union Schools is seeking voter approval for the \$1.34 VPPEL.

When is the vote taking place?

The vote is taking place February 2, 2010, from noon until 8:00 P.M. All school district residents will vote in Winfield at City Hall.

How much is this tax going to cost me?

By reducing taxation in sub categories of the total property tax, WMU can obtain the \$1.34 PPEL for a very small increase. The answer would have been unanimously “no tax increase”, however Governor Culver’s 10% across the board tax cut causes us to be more conservative in an attempt to save jobs with WMUCSD. As an example, an average home in Winfield costs roughly \$93,000. If there would be a dime increase, it would be \$93,000 divided by 1000, which equals 93. Multiply 93 by a dime (.1) and you get a \$9.30 tax increase. This is without calculating in “tax rollback”, (currently at 45.6% residential and 93.8% agricultural) which decreases the amount again. You can calculate various scenarios by using the equation with your home’s value and by plugging in various multipliers. Please do not exceed a quarter (.25), as sub category reductions allow for the \$1.34 at or less than twenty-five cents per \$1000 assessed valuation.

How long will the tax last?

The duration of the voted PPEL is 10 years. At the end of the ten year period, the levy would either stop or the voters could reinstate it with a majority vote of all registered voters in the school district.

How much money does this tax generate?

Over ten years, \$1.2 million will be generated. It is important to mention that the PPEL can be borrowed against, which allows us to move forward in a timely fashion.

What will the money from the tax be used for?

The majority of the money will be spent on facility enhancements to the sports complex. The important thing to remember is that the PPEL allows WMU to complete the objectives with the sports complex, thereby freeing up the SILO money for application to the school buildings. This is a very important and a positive secondary effect of the PPEL. Also, having the PPEL allows WMU and the Facility Enhancement Committee to apply for matching grants. Which greatly increases our potential for additional funding, and thus the PPEL flows into the physical school building.

Who decides how the money is spent?

The WMU school board establishes short and long term goals each year. The PPEL allows the sports complex goal to be completed while not encumbering our SILO dollars. Thus, objectives are financially addressed simultaneously, creating quicker outcomes for our students, teachers and community.

Why should I vote yes for the PPEL?

You should vote yes for several reasons. As mentioned earlier, by reducing sub portions of the overall property tax, the PPEL can be obtained for very little tax increase. The PPEL allows for simultaneous application of SILO and PPEL funds for improvements for our children, teachers and community. The PPEL gives the facilities enhancement committee the viability of applying for matching fund grants. Improved facilities will increase school pride and enrollment. Increased enrollment increases funding. A track will undoubtedly increase the overall speed of our student athletes which would be felt across all sports. Research shows that students who are active in sports and fine arts activities perform better academically and socially. The sports complex will be a great community asset for WMU's youth programs and our overall community health. With all that said, the bottom line is we need to vote yes because it is the right thing to do for our students and our community as a whole. We must invest in our collective future as a community or we all will fail to meet our potential.

When the PPEL passes, how will it affect the facility project?

Again, the PPEL can be borrowed against. This allows WMU to begin moving forward immediately. And by opening the door for match fund grants, the facility project has the potential to allow for application of PPEL dollars toward the school buildings or other large equipment purchases.

Please get out and vote February 2, 2010, 12:00-8:00 p.m. at Winfield City Hall.