

Prop 1967 and Prop 2025

Q and A

Q: What does the community get if Prop 1967 and/or Prop 2025 are approved?

A: *Wright City R-II Schools is asking voters to approve two no-tax-increase issues on Tuesday, April 5.*

- **Proposition 1967** is a no-tax-increase for \$37 million in bonds for the construction of a new high school.
- **Proposition 2025** is also a no-tax-increase but asks the voters to allow the district to transfer 0.21 to the operations levy where the board will then decrease the debt service tax levy by the same amount. This second issue generates funds toward further completion of the Wright City High School Master Plan.

Q: What is a bond issue?

A: A bond issue is a traditional way for schools to borrow money to pay for capital projects that are too costly for a typical budget. In Missouri, this **requires voter approval even** if the bond issue will not raise the tax rate.

Q: How does a bond issue work?

A: When voters approve a bond issue, the school district sells bonds to a purchaser who offers the lowest interest rate. These funds are used to complete the project and the debt is paid back over time. It is similar to a home loan.

Q: How can there be no tax increase when a bond issue passes?

A: Each year the district pays off old debt from past bond issues. As the loan balance decreases, the district can borrow more and pay back from existing revenue sources such as growth in assessed valuation and low-interest rates. To generate additional revenue, the existing tax rate is extended, but not increased.

Q: Can the money generated by passing a no-tax-increase bond issue be used for things other than capital expenses?

A: NO, it cannot be used for salaries, supplies, utilities, etc.

Q: The Prop 2025 question says there will be an increase of the tax levy of \$0.21 per \$100.00 assessed valuation. Isn't that a tax increase?

A: The operating funds will be transferred from the district's debt service account. So, the operating fund will go up \$0.21 and the debt service fund will go down \$0.21. Therefore, our overall levy will

remain the same. The state requires school districts to ask for permission from our voters to move money from our debt service levy to our operating levy.

Q: What are the financial reasons for passing this issue in the District?

A: Without bond money, the need for facility improvements and upgrades still exists – the only other option for the money to come from is the operating budget which supports our current programs, salaries, etc. Deep cuts would be required to finance the costly projects generally reserved for bond money.

Q: Why are we not renovating the current high school instead of starting anew?

A: A first step in evaluating the WCHS Master Plan was an evaluation of the current building. That evaluation showed the old site was not cost-effective for renovation: HVAC, space/design, roof. Nor was the current WCHS site (20.5 acres) big enough for a modern high school. The new site, which was acquired in 2010 is 85 acres and will accommodate students and program growth.

Q: If the school is planned to be accessed by Roelker Road, can Roelker Road handle the added traffic?

A: A traffic analysis has been conducted for Roelker Road and Roelker can handle the additional traffic. The new high school would be back from the road to allow for an easement for a future slip lane to accommodate additional volume as needed.

Q: Will there be access to the new high school from F Hwy?

A: The plan calls for an East/West road across the Northside of the property to connect Roelker Road and F Highway. The Master Plan calls for the new school to be accessible from F Highway.

