

**VOTED PPEL (PHYSICAL PLANT AND EQUIPMENT LEVY)
SPECIAL ELECTION INFORMATION
FEBRUARY 6. 2018**

ELEVATOR SPEECH- Why a Voted PPEL?

Many districts have moved forward with a Voted PPEL. We have a board-approved PPEL already in place that is .33/\$1000

A Voted PPEL provides additional funding to the district and there are specific guidelines in place on how you can spend these dollars. In recent years, the state legislature has expanded the types of expenditures that are allowed in the PPEL. The district continues to have eligible PPEL fund expenses being expended in the general fund. This change would allow the general fund to be used to focus on programming and staff. The district can then allocate eligible expenses currently in our general fund to PPEL funding, such as technology, transportation fleet and energy conservation.

Why now?

- Important revenue to NKCS D based on forecasts using current state supplemental aid distributions and student enrollment
- Protects general fund (salaries, textbooks and educational programs)
- Recent legislative changes in allowable expenditures in PPEL
- More than 75 % of school districts in Iowa have a Voted PPEL in place

OTHER DISTRICT INFORMATION

- 15-16 State of Iowa Data* (16-17 Data not available until October/November 2017)
 - 12/16 Top of Iowa Conference Schools have the Voted PPEL (*now 14/16*)
 - 28/29 schools in Iowa approved a Voted PPEL

PPEL FUNDING

- PPEL funds can be used for:
 - Projects that provide a safe & secure school for students & staff
 - Energy conservation that protects General Fund cost
 - Technology exceeding \$500 in value per unit
 - Transportation fleet purchases and repairs
 - The purchase/improvement of grounds
 - Purchase, Lease, or Lease purchase of a single unit of equipment
 - Repairing, remodeling, reconstructing, improving or expanding

- Potential plans at NKCS D:
 - Technology – computers, tablets, and other items
 - Continued tuckpointing and roof repair
 - Water drainage (fix/locate lower floor flooding)
 - Remodel plan for classrooms and hallways in all buildings
 - Transportation Fleet Rotation
 - Americans with Disabilities Act compliance updates
 - Boiler and HVAC updates

VOTE SPECIFICS

- Voted PPEL would be in place for ten (10) years
- A successful Voted PPEL requires a YES vote of 50% +1
- Proposed Voter Approved PPEL not to exceed \$.67/\$1000 of assessed valuation blended with income surtax. Board sets rates annually.
- Blend of property tax and income surtax:
 - Property tax is a tax that is assessed to district citizens based on the TAXABLE valuation of property, including residential, commercial, and agricultural land which property owners pay in property tax. Income surtax is applied to the State of Iowa tax bill of district residents and only applies to individual income tax filers, not corporate income tax filers. The proposed ballot blends both taxes, distributing the responsibility among nearly all district citizens, rather than placing the tax solely on property owners.

- Board Approved PPEL not to exceed \$0.33/\$1000 of assessed valuation already in place (not included in this vote).

ESTIMATED REVENUE

Estimated 2018-2019 Revenue Generated

Voted PPEL Rate @ \$0.67/\$1,000 = \$160,000

TAX IMPLICATIONS

- NK residents will have a projected property tax increase of \$0.67 with 0% Income Surtax
0% Income Surtax

Property Tax	Value	Annual Tax Increase	Monthly Tax Increase
Residential	\$100,000	\$33.12	\$2.76
Commercial	\$100,000	\$60.24	\$5.02
Ag	80 acres	\$51.60	\$4.30

- NK residents will have a projected property tax increase of \$0.59 with 1% Income Surtax

1% Income Surtax

Property Tax	Value	Annual Tax Increase	Monthly Tax Increase
Residential	\$100,000	\$29.04	\$2.42
Commercial	\$100,000	\$53.04	\$4.42
Ag	80 acres	\$44.04	\$3.67

- NK residents will have a projected property tax increase of \$0.51 with 2% Income Surtax
2% Income Surtax

Property Tax	Value	Annual Tax Increase	Monthly Tax Increase
Residential	\$100,000	\$24.96	\$2.08
Commercial	\$100,000	\$45.84	\$3.82
Ag	80 acres	\$36.36	\$3.03