

RENEWAL 2024 FREQUENTLY ASKED QUESTIONS

What are we voting on?

- There are two measures on the ballot for the school district. Neither one is a tax increase. Both are up for renewal in November.
 - Half-cent Sales Tax Renewal The school district will use the half-penny sales tax (approved 10 years ago) exclusively on construction, reconstruction, renovation, remodeling, improvement of school facilities and the purchase of technology.
 - Millage Renewal The district will continue to use a 1 mill tax (passed in 2020) to recruit and retain quality teachers, keep students safe, add mental health resources and enhance successful academic and career and technical programs.

Does any of this money go to school board members?

• No

What is the difference between operational and capital dollars? Why can't one tax handle all the needs?

- Operational dollars mostly pay for salaries and benefits, along with day-to-day expenses, like utilities, classroom supplies and textbooks. The 1 mill property tax can only be spent on operations.
- Capital dollars are used to build and maintain buildings, purchase furniture, buses, technology and pay debt. Salaries generally cannot be paid using this funding source.

How has the 1 mill tax been spent since voters approved it in 2020 and where will it go if renewed?

Since 2020, when 62% of voters approved the 1 mill tax, \$32 million has been collected and used to increase salaries vital for the district to remain competitive in recruiting and retaining a skilled workforce. Millage dollars also allowed the district to add certified school guardians for campus safety and mental health experts at schools, improve technology tools and enhance a wide variety of school programs. If renewed, the money will go to these same priority areas. Millage funds allow our district to remain on a level playing field with other districts when it comes to salaries.

How has the half-cent sales tax been spent since voters approved it in 2015?

• Since 2015, when 62% of voters approved the half-cent sales tax to repair schools, the district has collected \$107 million. The money was used to complete 1,161 projects that included new HVAC systems for most schools, roofs for multiple campuses and many other high priority repairs.

Why does the district need to renew these taxes?

• Federal money from the Inflation Reduction Act (ESSER) is going away. Current state funding alone will not position the district to compete with neighboring districts, most of whom have passed similar taxes for salaries, maintenance of schools and expanding services. The money has been spent as promised and has helped the district keep teachers in the classroom and facilities running. Every dollar has been, and will continue to be, directed toward remaining competitive in hiring, providing healthy learning spaces, offering strong academic and college and career programs and responding to growth by building and renovating schools as needed.

What happens if voters turn down the renewal of these two taxes?

• In 2015, the school district was forced to look for funding options to repair schools after years of declining impact fees and state funding. The voter-approved half-cent sales tax was responsible for helping the district repair aging schools. By 2020, the district lost ground to other districts that were able to draw talented educators with higher salaries. With the additional millage approved by voters, the district was able to offer staff a salary supplement. Without millage, those supplements cannot continue and salaries will decline. If the referendums fail, the district will lose ground in remaining competitive in hiring and retaining talented staff and maintaining efficient and healthy schools.

How much will the half-cent sales tax raise and what are the priorities for spending it?

• It is estimated that the district would receive approximately \$18 million annually from half-cent sales tax funds. All funds would be directed to existing capital projects already listed on the district's work plan and will allow the district to build new schools, which prevents over-crowding at existing schools.

How much does the half-cent sales tax cost Hernando County residents?

• Sales tax is paid by everyone who spends money in the county. It's estimated that 30% is paid by visitors. Think of it as costing a dime on a \$20 purchase. A half-penny sales tax will cost a family of four with a median income of \$56,000 less than \$6 a month.

How much will the 1 mill raise?

• For school year 2024/25, the district will collect an estimated \$19 million from the 1 mill.

How much does the 1 mill cost homeowners?

Again, this is a renewal, not a new tax. Homeowners are already paying it. One mill equals one dollar for every \$1,000 worth of home value. So, if your home is appraised at \$200,000 by the property appraiser, and you receive the standard \$25,000 homestead exemption, you will pay about \$14.50 a month. If you don't own property, such as renters, you don't pay property taxes.

Why do you need to renew the 1 mill rate?

• Every county is different. Hernando County has relatively low property values when compared to other districts, which means the same millage rate here raises less money than wealthier counties. Millage rates here have steadily declined over the past 10 years. At the same time, the school district has had to confront serious challenges, including a national teacher and bus driver shortage and the increasing cost of maintaining vital technology, school safety and up-to-date educational programs.

Isn't the state already providing an increase in teacher salaries?

Yes, the state has raised teachers' salaries due to the national teacher shortage. This helps Florida
remain competitive with other states. However, all districts in the state will receive that same amount, so
to stay competitive and keep teachers from going to districts with the 1 mill supplement, Hernando
County needs it as well.

Isn't this a bad time to ask voters to renew taxes, given the fact that families are struggling with inflation and high insurance rates?

• The Legislature determined that the district can ask voters for the renewals only during a general election. If we don't do it now, the district would have to wait two years to present a new tax to the voters. That means the tax would not be collected for at least two years and would result in a huge cut to the budget, which would lead to drastic measures. Keep in mind, teachers and staff are facing the same economic challenges as everyone else.

Most residents don't have children in school. Why should they support this?

Public education impacts everyone. Quality education is directly linked to community safety, pride and
economic development. Strong schools result in higher incomes, better jobs and rising property values.
Today's students are your future pharmacists, construction workers, nurses, electricians and engineers.
Our parents, grandparents and senior neighbors paid for our education. Investing in the next generation is a time-honored American tradition and a community-wide responsibility.

What about the lottery? Wasn't that supposed to supplement school budgets?

• It's true that lottery proceeds go to education. Most of it goes to Bright Future scholarships. Lottery dollars make up less than 1% of the district's budget. All of the lottery dollars could barely keep schools open for one day. It won't come close to fulfilling these needs.

How will we know if the money is being spent as promised?

• Two ways. First, all spending is transparent. The budget is posted on the school district's website and there is a separate tracking of the referendum dollars. Second, the school board has appointed a Citizens Millage Oversight Committee, consisting of qualified volunteers who review the budget and provide a report to the board and community.

Why should we trust the school board with additional money?

The district's financial house is in order. It has earned an A+ credit rating for 24 consecutive years and
maintained a solid unassigned fund balance of \$5 million reserved for unforeseen events. For 22 years
the district has earned the Certificate of Excellence in Financial Reporting. These are clear signs of good
fiscal management.

What are some of the significant milestones in the district?

Leading indicators demonstrate that the district is heading in the right direction. District graduate rates
continue to outpace the state average and the district has received a B grade from the Florida
Department of Education every year since 2015. The number of students in advanced placement courses
increases every year, as do the programs and students engaged in career and technical education. A
great point of pride for the community is the opening of The Wilton Simpson Technical College (WTC)
scheduled for this fall.

What questions will voters actually see on the ballot regarding the 1 mill renewal?

A. RENEWAL OF ONE-HALF CENT SALES SURTAX TO CONTINUE FUNDING FIXED CAPITAL IMPROVEMENTS TO SCHOOLS

SHALL THE SCHOOL DISTRICT'S ONE-HALF CENT SALES SURTAX CURRENTLY LEVIED IN HERNANDO COUNTY BE RENEWED FOR 10 YEARS TO BE USED FOR THE NEW CONSTRUCTION, RECONSTRUCTION, RENOVATION, REMODELING, OR IMPROVEMENT OF SCHOOL FACILITIES, INCLUDING SAFETY AND SECURITY IMPROVEMENTS AND THE PURCHASE OF TECHNOLOGY EQUIPMENT, INCLUDING HARDWARE AND SOFTWARE, TO BE SHARED AS REQUIRED WITH ELIGIBLE CHARTER SCHOOLS BASED ON THEIR PROPORTION OF TOTAL DISTRICT ENROLLMENT?

_____ FOR THE ONE-HALF CENT TAX
_____ AGAINST THE ONE-HALF CENT TAX

A. HERNANDO SCHOOL DISTRICT
MILLAGE ELECTION FOR PUBLIC SCHOOL STUDENTS

SHALL THE SCHOOL BOARD OF HERNANDO COUNTY RENEW THE LEVY OF AD-VALOREM OPERATING MILLAGE OF 1 MILL ANNUALLY TO 1) ATTRACT AND RETAIN HIGH-QUALITY TEACHERS AND STAFF WITH COMPETITIVE SALARIES AND PROVIDE ADDITIONAL STAFF TO SUPPORT STUDENT NEEDS, 2) MAINTAIN AND INCREASE SCHOOL SAFETY MEASURES AND INCREASE MENTAL HEALTH SERVICES FOR STUDENTS, 3) PROVIDE STUDENTS AND STAFF WITH DEVICES, RESOURCES AND SUPPORT, 4) MAINTAIN AND INCREASE EDUCATIONAL OPPORTUNITIES FOR ALL STUDENTS, AND 5) APPOINT A CITIZENS VOLUNTEER MILLAGE COMMITTEE FOR THE CONTINUED REVIEW OF ANNUAL SPENDING.

_____ YES, FOR MILLAGE _____ NO, AGAINST MILLAGE

