

CITIZENS OF LUMBERTON & RED SPRINGS TO RECEIVE NEARLY 7 MILLION DOLLARS IN TAX DECREASES BY 1997 IF SCHOOL MERGER IS APPROVED!! COUNTY RESIDENTS WILL HAVE NO TAX INCREASES TO SUPPORT OUR SCHOOLS AFTER 1995! LOOK AT THE FACTS.

FOR YOUR INFORMATION



NORTH CAROLINA
DEPARTMENT OF
PUBLIC INSTRUCTION

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Memorandum

To: Mr. Purnell Swett
Mr. Leon M. McLean
Dr. J. Donald Hare
Mr. John C. Ray
Dr. Thomas F. Paquin

From: Darrell Spencer

Subject: Current Expense Funding According to Senate Bill 621

ROBESON COUNTY AD VALOREM TAX INCREASE TO FUND CURRENT EXPENSE ACCORDING TO SB 621

YEAR	% OF STATE AVERAGE	AD VALOREM TAX INCREASES		
		TO FUND TOTAL CURRENT EXPENSE NEEDS	TO FUND NEEDS MINUS SALES TAXES UNRESTRICTED PORTION	TO FUND NEEDS MINUS SALES TAXES AND TRANSFER FUNDS
1989-90	70%	24.4¢	6.4¢	--¢
1990-91	75	31.2	11.8	2.1
1991-92	80	38.5	17.8	7.6
1992-93	80	40.5	18.3	7.6
1993-94	80	42.5	12.3	1.1
1994-95	80	44.6	12.3	0.5
1995-96	80	46.9	12.3	--
1996-97	80	41.0	10.2	--

(1) Look at the last column of these most recent figures (Feb. 1, 1988) from the Dept. of Public Instruction. (That's the column outlined in red.) What this shows is that in the first year of merger in 1989-90, there will be no property tax increase!! By 1991 only a 2¢ increase will occur and by 1992-93 it will top out at 7.6¢. But then look what happens — taxes decline to a point in 1995 that no additional property taxes will ever need be levied in Robeson County to support our Schools.

(2) How is this possible? Because of the sales tax revenues and "transfer" funds. Merger opponents claim that not all current sales tax money can be used for schools and that's true. What they don't want you to know is that in the 1990's our sales tax revenues will grow. From 2 million to over 9 million dollars a year. Just the increase in revenues over the next 6 years is projected to be over 20 million dollars in funds not yet designated!!

(3) The current Lumberton city tax rate will decline from 80¢ per hundred (65¢ regular and 15¢ special school tax) to 65¢ (the school tax will no longer be collected.) THAT'S A 20% REDUCTION IN TAXES FOR LUMBERTON & RED SPRINGS OF WELL OVER \$600,000.00 PER YEAR.

(4) JUST LOOK AT THE BENEFITS FOR LUMBERTON & RED SPRINGS —

- A drastic tax reduction for residents who are on fixed incomes who must depend on Social Security and pensions to live.
- A dramatic tax reduction for local business to make them more profitable.
- A 17% increase in spending on Lumberton students from 63% of the statewide average to 80% of the statewide average by 1991 (and decrease taxes while we increase spending.) Red Springs would see a 24% increase in spending on its students.)
- Lumberton City System according to the 1983 DPI study has 36% of its classroom space empty. These rooms could be used to house students from other overcrowded areas and make Lumberton even more competitive in 4A sports!

**DO YOURSELF A FAVOR — VOTE FOR BETTER SCHOOLS AND LOWER TAXES
VOTE FOR MERGER**