



KEEP SPRINGBORO STRONG VOTE YES ON ISSUE 18

Q: When was this particular emergency levy passed, how many renewals, and why was it needed at the time?

A: This emergency levy began in 2008 and reduced \$1,353,800 per year in 2013. It was originally passed because there were operating deficits and money was needed fast. Unfortunately, due to House Bill 920 (HB 920), tax rates continue to be reduced as our value increases. Therefore, we get nearly the same money on all our levies. With costs increasing as well as unfunded mandates by the state and federal government even with increases over the last several years from the state foundation and increases in pipeline revenue, our revenue is unable to keep up with our expenses. [Being a low cost provider as it is](#), there is very little fat to trim. Any major reduction in expenses we would make would affect our core education. The emergency from 2008 continues. Even with the renewal passing as a substitute new money will be needed within our forecast period.

Q: How long has the school district been operating on the \$7,916,500?

A: The \$7,916,500 is the reduced levy that was passed in November of 2013 that went into effect January 1, 2014, and we have been receiving that amount since. The amount previous to that passed in 2008 and was \$9,270,300. The levy was reduced by 1,353,800 per year.

Q: Under the substitute, wouldn't bills go up for both new and existing properties over time?

A: The tax bills will be virtually the same as the value of the new construction will be added in year 2 to the \$7,916,500, but then divided by the entire tax base including new construction. Each year the value of new construction will be based off how many houses are built and valued at the time the rates are determined. If tax bills were to be affected, it would be such a minimal amount it would be hard to tell.

It is also important to inform voters that this is not a new tax! It is the same millage as they are paying now. Also since this is not a new levy, they will still receive the rollback and homestead credits.

Q: How many new students have enrolled (estimated student growth) since that budget was set?

A: As far as new students, our enrollment from 2013 to now has increased by 259 students. This is the overall increase from students moving in and out, graduating. Our Special Education population has increased significantly, as well, costing the district more than our standard cot per pupil rate.

Q: How much money is forecasted to be generated by taxing new construction over the next 5 years (10 years)?

A: In the October 2017 forecast, presented at the Oct. 12th Board of Education meeting, it is projected that new construction from the substitute levy would generate:



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- \$84,012 for FY20 (July 1, 2019 - June 30, 2020)
- \$253,959 for FY21 (July 1, 2020 - June 30, 2021)
- \$427,647 for FY22 (July 1, 2021 - June 30, 2022).

These amounts are estimates, as it depends what homes are actually built and valued in a given year that are completed and are added to the tax duplicate. School districts forecast for five years because outside of that, there are too many variables that could change, which makes the data tough to predict (state funding - biennium budget, unfunded mandates, changes in federal funding. etc.).

Q: What does the district need that we don't have or can't get with a 5 or 10 year substitute levy?

A: The district passed an emergency levy back in 2008 for \$9,270,300. Emergency levies are the easiest type to pass because they are for a set period of time. If you look at the [2008 forecast](#): even with the emergency levy on, each year the cash balance was going down, showing that revenue was not keeping up with the expenses. The Springboro Community City School District is a low cost provider. They are in the lowest 3% in the state in terms of cost - per - pupil, but also in the top 20% in performance. The district continually looks for creative ways to keep spending low, retirement buyouts, changes in insurance, new revenue sources, etc. However, even with this substitute levy being modeled in our upcoming forecast, the district will still need new money in the forecast period.

This current levy represents 18% of our operating revenue. There is no foreseeable time now or in the future that we believe we can lose 18% of our operating revenue and deliver our current education program. This kind of loss would result in fiscal emergency for our district. By making this a continuous levy, any time growth occurs the district would benefit from the new construction. In any given year if there is no growth, then we simply receive what we did the previous year. In order for the district to be able to plan long-term, we need to have stability. The continuous part would allow the district to not have to ask every five-years for the same revenue.

Additionally, it would save money from having to run renewals every five-years and campaign. One of the biggest advantages of this substitute levy, is that the taxpayers still receive the rollback/homestead credits since it is not considered a new levy. In doing this, we will be able to ask for a smaller new money levy down the road where rollback/homestead credits (12.5) will no longer be given to homeowners, because the state removed that from the budget bill back in 2013.

Even with a 5 or 10 year substitute, it is not conceivable that there would be a time that we will not need \$8 million per year to operate the schools. It is also important to know that if at any time the district does not need a revenue stream that the taxpayers have provided, continuous or not, the district is able to rollback a levy.



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Q: What will the additional funding created by the tax on new construction be used for?

A: The additional money the substitute will generate will keep our current educational program intact, and allow us to seek a smaller new money levy in the future. We are currently deficit spending in each year of the forecast, so the additional revenue will also allow us to wait a little longer before asking for new money.

Q: If this levy passes, when will it go into effect?

A: If this substitute passes, it will go into effect January 1, 2019, after the current renewal levy expires (December 31, 2018).

Q: What other school levies are currently in place and what is their status?

A: All of our other operating levies that are in place are all continuing. This emergency levy we are asking to substitute is our only levy that is not continuing.

Here are our current levies:

1976 - 23 mill levy was passed due to HB920, that levy has been reduced 62% & is collecting 8.69 mills

1978 - 3.5 mill levy was passed that is now collecting at 1.64 mills (HB920)

1985 - 8.00 mill levy was passed that is now collecting at 4.01 mills (HB920)

1988 - 3.40 mill levy was passed that is now collecting at 1.79 mills (HB920)

We also have 2 bond levies; a 1995 bond issue of \$29,840,000 that is collecting at 2.10 mills and is set to be paid off in December of 2023 and will fall off your tax bill. The other bond levy passed in 2004 for \$61,500,000 is collecting at 4.39 mills and will be paid off in December of 2032 and will fall off your tax bill.

The only other levy the district has is this emergency levy originally passed in 2008, and reduced by 1,353,800 per year in 2013.

Q: What is House Bill 920 (HB 920) and why does the school district not receive more revenue as property values increase?

A: H.B. 920 effective millage adjustments In Ohio, the tax rates charged to the property owners may change when the tax base increases or decreases. The new assessed value is multiplied by the number of mills that will generate the voted dollar amount. **In other words, the amount of money a school district may collect cannot exceed the dollar amount that was originally generated when the levy was voted. This occurred when Ohio passed House Bill 920. As the value of your home increases, the adjustment to the**

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millage tax rate reflects a decrease; and, vice-versa, if the value of your home decreases, the adjustment to the millage tax rate increases. This adjustment to the millage is known as 'effective' mills and results in the school district collecting only the same amount as the year it was voted. Therefore, the millage rate multiplied by the assessed value may be lower than the millage tax rate that appeared on the ballot and was voted. A negative impact to the School District occurs when the community's valuation overall increases, the District may not receive more than the voted dollar amount, when that happens the "effective" millage rate is decreased resulting in taxpayers actually assessed at a lower rate. The County's triennial valuation update is scheduled to occur in calendar year 2018. First-half taxes for calendar year 2018 will be billed and collected beginning in January 2019. Second-half taxes for calendar year 2018 will be billed and collected beginning in July 2019. The School District's fiscal year begins July 1 and runs through June 30 of the following year.

Q: Can you explain the Rollback and Homestead Credit?

A: Two biennium budgets ago, Kasich and the budget committee removed the rollback and homestead exemptions that the state had been picking up for more than 40 years for any new levies put on the ballot Nov 2013 and after. On a homeowners tax bill they would receive a 10% credit for being a property owner and 2.5% credit if the property was occupied by the owner. The state will continue to give the credits on existing levies and their renewals, but will no longer subsidize new levies.

Therefore, the state would give credits to homeowners off their tax bills, then the state would reimbursement that same amount to the schools to make them whole. For any new levy, taxpayers wouldn't receive the credits off their tax bills anymore. However, a substitute levy is basically taking an existing emergency levy and changing it to be a substitute, which doesn't constitute it being a new levy so the rollback and homestead credits they are receiving with the renewal levy will continue.

[Toledo Blade Article \(July 2013\) – Ohio Cancels Property Tax Rollback](#)

Q: Does the Springboro Community City School District receive additional funding for College Credit Plus (CCP)?

A: No, College Credit Plus (CCP) costs the Springboro Community City School District roughly \$500,000 per year and is an unfunded mandate by the State of Ohio.

[Comet Student Press Network \(Sept. 2016\) - District Forced to Carry Financial Burden of College Credit Plus](#)



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Q: Why wasn't there any initiative to inform the public about the proposed levy back in May (2017) when this was decided?

A: There was an article published in the Dayton Daily News (DDN) on May 3, 2017. A second article was published in the DDN on May 6, 2017. On May 11, 2017, the Springboro Schools' Board of Education reviewed a Five-Year Forecast and voted on the Substitute Tax Levy to be placed on the ballot November 2017. A second Springboro Schools' Board of Education resolution was also held on May 24, 2017. The Five-Year Forecast was approved on May 24, 2017, then filed with the State of Ohio and the Ohio Department of Education (ODE). A Public Annual Financial Report (PAFR) for Springboro Schools was released to the public through www.springboro.org, as well as the district's social media channels on June 1, 2017.

Please review the links below:

[Popular Annual Financial Report \(2016\)](#)

[Springboro Schools Five-Year Forecast \(May 2017\)](#)

[Dayton Daily News \(April 27, 2017\) – Springboro Schools to Discuss Tax Levy Tonight](#)

[Dayton Daily News \(May 3, 2017\) – Springboro Schools to Seek Substitute Levy in November Election](#)

[Dayton Daily News \(May 6, 2017\) – Beavercreek, Springboro Schools Consider Substitute Levies](#)

[Dayton Daily News \(May 11, 2017\) – Springboro Schools Moves to Put Substitute Levy on the Ballot](#)

[Springboro Schools' Board of Education Meetings](#)

In addition to these links, articles were also run, regarding the Springboro Substitute Tax Levy, on WHIO (May 11, 2017), the Cincinnati Enquirer (May 11, 2017), and the Dayton Daily News (June 19, 2017), although these links do not appear available when searching each company's website.

Q: You mention seeking, "a smaller new money levy in the future." What are the current estimates for how much the "small new money levy" will be? How far into the future will the "smaller new money levy" be?

A: This is still being determined, we want to ensure that we are being as conservative as possible. We don't have an amount set in stone as of yet, in case current projections change based off new biennium budget shifts or continual unfunded mandates. Additionally, we continue to actively pursue other revenue streams in the way of grants, partnerships, resource allocation based off data driven initiatives, in order to stay off the ballot as long as possible.



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Q: What type of levy will the “small new money levy” be? Will the new money levy be one that periodically goes back to the voters, or will it also be a continuous levy so that 100% of school tax levies in Springboro will be continuous, and never need approval by voters again?

This has not been decided, but likely the recommendation will be to have a permanent improvement levy for items such as textbooks, technology, buses and facility upkeep. It has also not been determined as to the period of time, however all of these items that a permanent improvement levy are to be used for are ongoing items that have a replacement cycle as to when they would need to be replaced. In order to properly plan for the future and have financial stability, having levies in jeopardy every few years is not ideal. Being such a low cost provider in terms of [cost per pupil](#) and resource allocation, remaining accountable for the resources our taxpayers provide will always be a priority.

Q: How much growth can the current buildings support (number of additional students)?

A: The district has an extensive mobility plan, and are in no jeopardy of outgrowing our buildings. Keep in mind, Springboro may be growing, but we had a giant influx 10 plus years ago, with no increase like that anticipated again. Those large classes will be finishing through the schools, and even with growth, we have room in most of our buildings. As an example, Springboro Intermediate (SI) is really full this year, however the upcoming 6th grade class is considerably smaller, so that will only be this year at that capacity.

Q: How much money does it cost the Springboro School District to place a levy initiative on the ballot?

A: This is determined by the Board of Elections and depends on how many other levies are on the ballot to share expenses, and when levies are ran. In looking back at the 2012/2013 renewal levy, it appears it was around \$5,000. That amount is for the placing of the levy on the ballot, the ballot language and printing the information on the forms and their electronic system (all at the County Board of Elections). Again, it varies and is not a cost that the district has any control over. It also takes district employees many hours, outside of work, to prepare levy correspondence and provide guidance to the levy committee, as well as all of the individuals who donate their time and efforts for a levy.

Q: What criteria does the district use to decide if and when levies should be rolled back, as previously stated?

A: If at any time, the district’s revenue begins to increase beyond our plans and what we need to operate, the board would be able to approve millage to be rolled back. This is not likely however, with state funding, as you get wealthier in terms of local valuation and the way state funding is calculated, you get less money from the state (state funding). As well as the cost of services being provided continue to increase, it is unlikely that we would ever have a revenue surplus in order to rollback millage.

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Q: Will the new money levy only be needed for any growth that occurs due to new housing developments?

A: No, if you look at the [Five-Year Forecast](#) you can clearly see that even with the existing renewal levy and substitute levy passing, our current revenue is not enough to support the level of education we are providing now. A new money levy in the future would allow us to continue to provide the current level of education, maintain our facilities, up-grade technology, as well as purchase buses, and textbooks.

Q: Who is answering the questions that are submitted?

A: The questions are being answered by members of the Friends for Springboro Schools Levy Committee, who is made up of community parents, business leaders, and SCCSD staff, volunteering their time after normal business hours. All financial questions are answered by Terrah Floyd, Treasurer for the Springboro Community City School District.

Q: When was this particular Emergency levy passed, how many renewals, and why was it needed at the time?

A: The last new money continuing operating levy was approved in February 1988. In 1995, the first emergency levy was passed. A 3-Year emergency levy for \$600,000 was approved (ADM 2603) . It was renewed in 1998, and 2001. In 1999 a 5 Year emergency levy for \$1,400,000 was approved (ADM 3006). It was renewed in 2003 after combining the 600k levy and the 1,400,000 levy together. In 2005 a new 3 year emergency levy was approved for \$7,270,300 for 3 years (ADM 4311). In 2008 a five-year emergency levy was approved combining the 1995 \$600,000 levy, the 1999 \$1,400,000 levy, and the 7,270,300 levy. The levy was approved for \$9,270,300 (ADM 5040). In 2013 this renewal levy was reduced to \$7,916,500 essentially eliminating all together the 1999 levy for 1.4 million that was combined in with this levy. The district lost \$6,769,000 over the five-year period from this decision (ADM 5598). ADM 2017 (5755).