

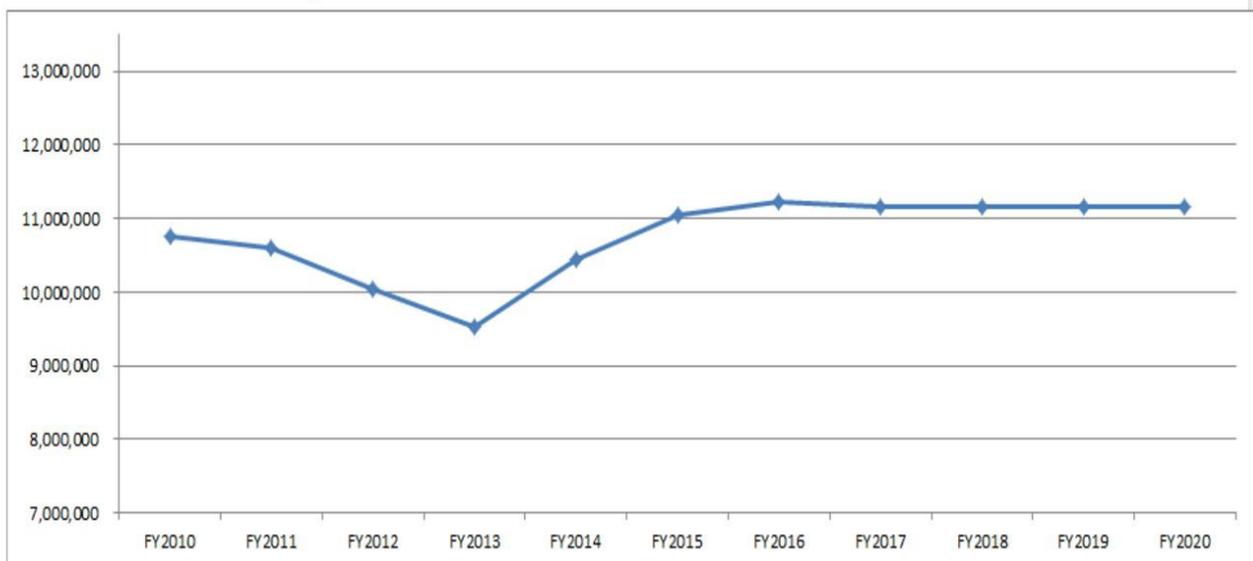


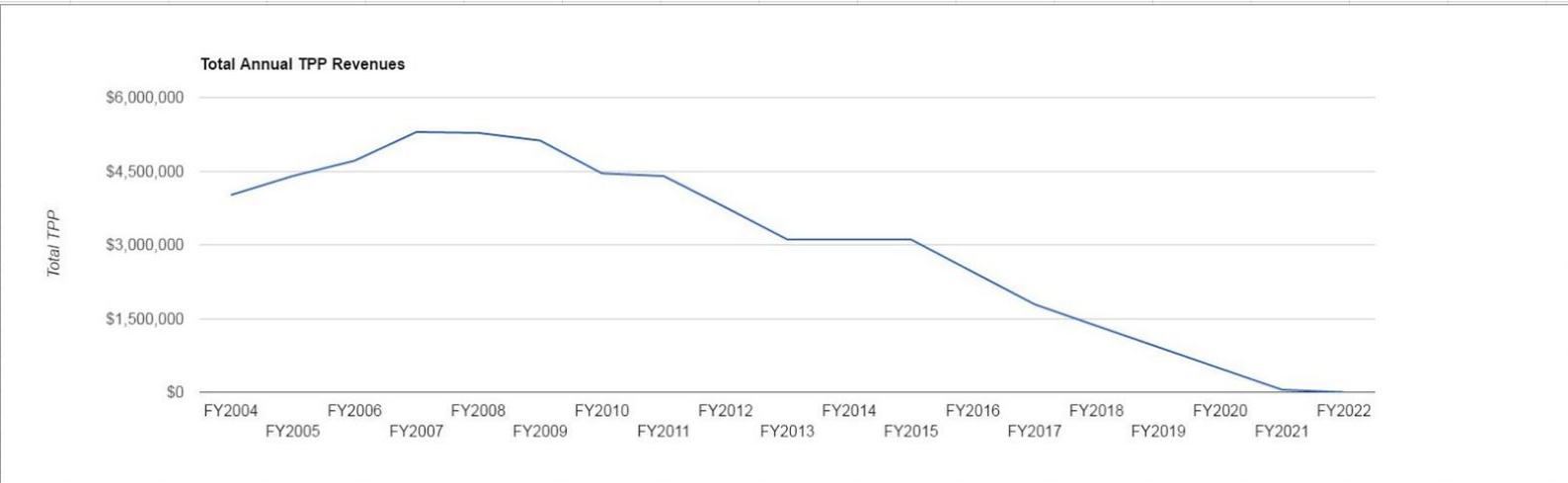
# Levy FAQs

## Why is the levy needed?

- Kings has seen no increase in state funding since 2010. We are expecting that trend to continue over the next 5 years, as well.
- Overall, state funding is expected to only increase by the minimal amount of less than ½ of 1% per year for Kings between 2010 and 2020, while many other districts around the state are realizing increases in funding.
- The state eliminated the Tangible Personal Property Tax in 2005. To ease costs for business, school district's lost significant tax revenue they had counted on for decades.
- The message the district has received from Columbus is that if additional funds are needed to operate our schools, they will have to come from the local community. **Ohio Governor, John Kasich** said, *"If you have a greater capacity in your district based on income and property values, state should do less."*<sup>1</sup>
- The district has realized a 5.5% increase in enrollment growth this year alone. That growth requires additional resources such as staff members, technology, furniture, and curriculum materials. This year's enrollment growth cost the district an additional \$270,000.

## State Funding Over 10 Years - Foundation & TPP Reimb.



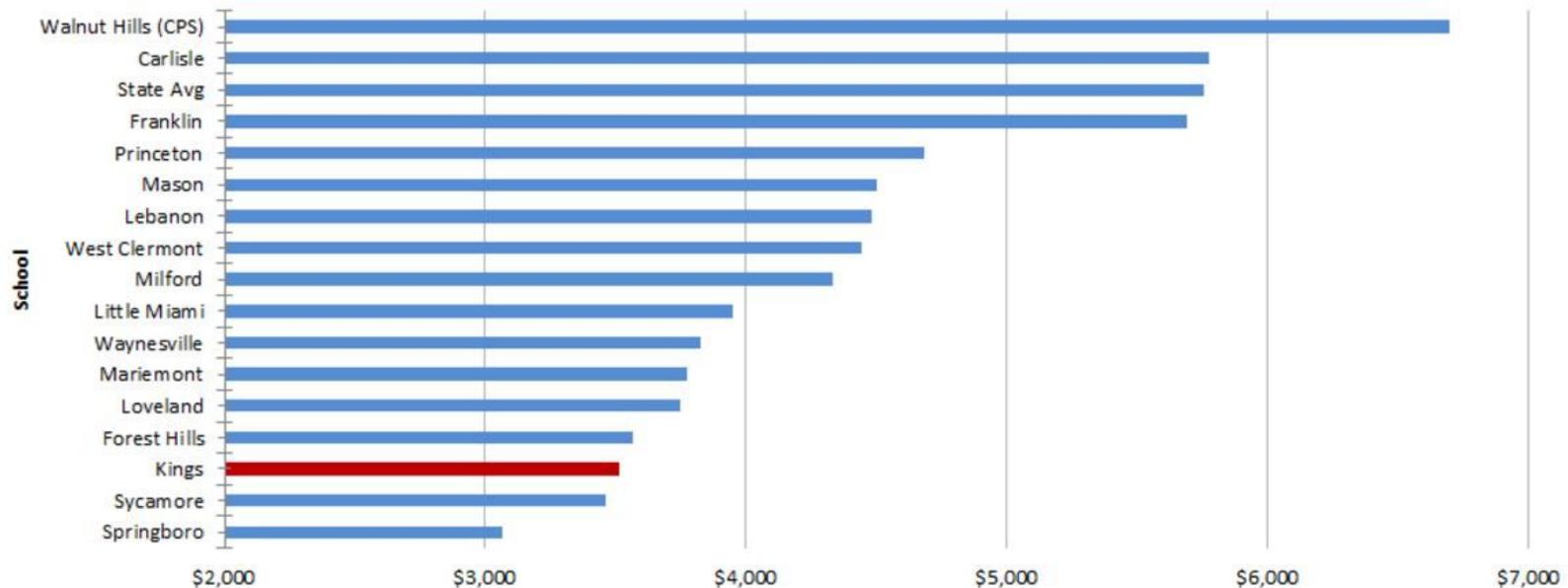


### How much funding does Kings receive from the State of Ohio?

The district has been flat funded by the state since 2010. The Kings School district receives \$3,516 per pupil per year. The state average funding per student is \$5,756, or 64% more than Kings.

- Kings is receiving below state average funding but producing above state average performing students.

### State Funding Per Student





## In what ways has the district tightened its belt and made budget reductions?

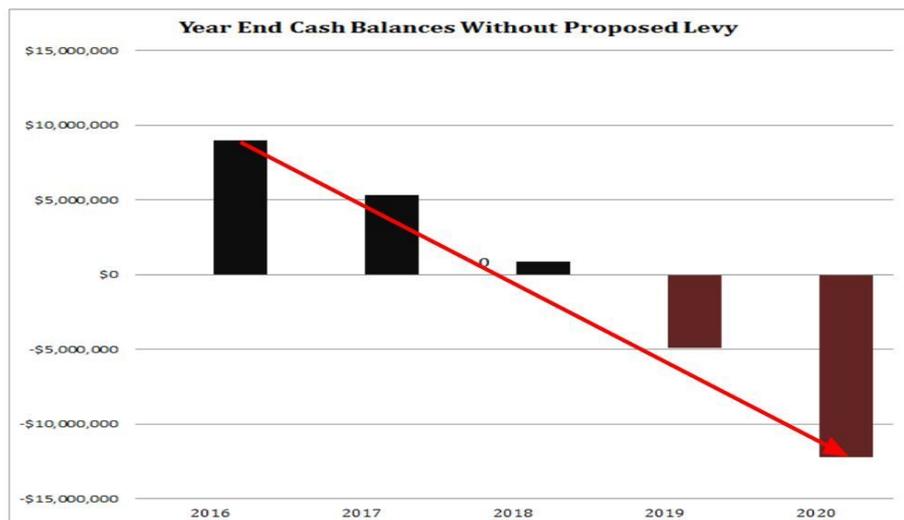
- The district implemented cost saving measures of **\$500,000** in fiscal year 2016.
- Additional **\$530,000** for fiscal year 2017.
- Furthermore, as a district, we are always looking for ways to be more efficient and deliver the best product we can for our students and taxpayers. Our ultimate goal is to protect the classroom, making as many reductions outside of the classroom as possible. The cost savings measures are a part of an ongoing effort, and we will continue to do that as we move forward.

## What is the scope of cost reductions that will have to be made if the district doesn't pass the tax issue this year or next?

- If the November operating levy fails, and the Board of Education votes to run another 6.2 mill levy in 2017, \$1.5 million in reductions of personnel and services will have to be made.
- If the levy again fails in 2017, and the Board votes to run a 6.2 mill levy in 2018, the district will need to make an additional \$2 million in reductions of services and personnel in order to maintain a positive cash balance.

## Projected Cash Balances if Levy Does Not Pass

This shows the projected cash balances from the May, 2016 Five Year Forecast. These numbers include the \$500K in cuts in FY'16 and the \$530K in cuts in FY'17, but do not include staff base salary increases for FY'18 and beyond.





## **How has the district been fiscally responsible since the last levy?**

The Kings District has made efficiencies and saved money in the following ways:

- Energy savings
- Employee high deductible health plan (Staff paying more for healthcare)
- Re-negotiated transportation contract
- Teacher salary freezes in 2 out of 5 years

## **When was the last time an operating levy was approved?**

The last increase for operations was approved by voters in 2010. Through diligent cost savings efforts, the district was able to make that last a total of six years, three years beyond the original forecast.

## **Didn't Kings just pass a levy last year?**

Yes. A Permanent Improvement Renewal Levy was passed by voters in the Spring of 2015. Those monies are used for items that last five years or longer, such as safety and security, equipment, furniture, and textbooks. They are NOT used for operating or personnel costs. This renewal levy did not add new tax for taxpayers.

## **What is the millage rate for the levy?**

The Kings Board of Education has voted to place a 6.2 mill levy on the November 8, 2016 ballot.

## **Why 6.2 mills?**

The Board discussed the recommended millage rate based on the district's five-year forecast to guarantee the levy lasts three years, assuming the state funding model remains as forecasted. There were also multiple community meetings held, prior to placing the levy on the ballot, to get feedback from the community.

## **How much will the levy cost?**

The cost to the taxpayer is \$217 per year, per \$100,000 of property true value, or about .59 cents per day.





### **Where will the new funds be used?**

The new funds would be used to fund the day to day operations of the district. We are anticipating increases in expenditures in multiple areas of the district, including personnel, transportation, special education, and also increases due to additional enrollment. This increase in expenses, coupled with flat funding from the state, is causing the district to eat into the current cash balance. Our projections show a positive cash balance for the current fiscal year 2017 and one more fiscal year (2018), and then the cash balance being used up and showing a negative cash balance for fiscal year 2019. By law, the district cannot operate with a negative cash balance, thus causing the need for the additional funds.

### **How long do you anticipate this levy will last?**

Assuming the district does not receive any additional funding cuts from the State, we anticipate this levy will protect the Kings' educational product for three years.

### **How much revenue will the levy generate annually?**

The County Auditor certification is \$4,661,384 per year. Kings' current effective millage for the general fund is 36.74 mills. 1 mill of property tax in the Kings District generates \$751,836.

### **Where can I find my home value for tax purposes?**

To find the market value used by the county to calculate your taxes, you can use the property tax search tool on the [Warren County Auditor's website](#) or by calling 513-695-1235.

### **How is levy money collected?**

When a levy is passed, we do not start collecting on that levy until the next calendar year, and will only receive ½ of it that year. The full amount is not collected until the 2nd calendar year after it has passed (i.e. levy passes in November 2016, district collects ½ in fiscal year 2017, and full amount in fiscal year 2018). If we wait until 2017 to run a levy we would collect ½ in fiscal year 2018 and the full amount in fiscal year 2019.





### **When is the election?**

Voters will decide on Kings' proposed operating levy during the election on November 8, 2016. Voting hours at polling locations are 6:30 a.m.-7:30 p.m. The Kings Operating Levy is **Issue 14** on the ballot.

### **What is the deadline to register to vote?**

The last day to register to vote or update your address for the November 8, 2016 General Election is October 11, 2016. Visit the [Warren County Board of Elections](#) to see if you are registered to vote in Warren County. The first day of early voting is Wednesday, October 12, 2016.

### **Can I vote by absentee ballot?**

Yes. The Secretary of State will be mailing an absentee ballot request form to ALL registered voters after Labor Day. Requests for absentee ballots must be received by November 5 at noon. All absentee ballots must be postmarked by the day prior to the election, or hand delivered to the [Warren County Board of Elections](#) office by 7:30 p.m. on Election Day, in order to be counted.

### **What is the projected enrollment in the next 5 years?**

The projected enrollment for the Kings Local School District is over 5,000 students by 2020, which is a 23% increase in enrollment. This year alone, Kings realized a 5.5% increase in enrollment from last school year. Due to this enrollment, Kings had to add 3.75 teachers, new equipment, and technology.

- A Long Range Facilities Planning Team will be looking at the future enrollment growth's impact on our school buildings.

### **Doesn't all the new construction bring in extra funding?**

With all of the new homes being constructed in the district, one would think that the district would be receiving a large amount of property tax. The district receives \$1,285 per \$100,000 of true market home value in property taxes per HOME. Many of these new homes are bringing more than one new student to the district. The district spends an average of \$10,678 per pupil. It would take an \$830,000 home to pay for one student in the district.





## How do good schools help my property value?

A recent article in the Cincinnati Business Courier featured a report by RE/Max of Southern Ohio regarding return on investment for homebuyers based on home sale prices in communities served by top public high schools in the area, according to U.S. News & World Report. The report states the Kings has an average home sale price of \$248,949 and sale prices in the district have increased by 8% from a year ago. Kings is ranked #2 in the Greater Cincinnati area for their property values and return on investment. [Read more here.](#)

## Bibliography

<sup>1</sup> Patrick O'Donnell, The Plain Dealer, Cleveland.com, February 2, 2015, Gov. Kasich announces \$700 million increase in state aid to school, change in aid formula based on local tax "capacity"

[http://www.cleveland.com/metro/index.ssf/2015/02/gov\\_kasich\\_announces\\_700\\_million\\_increase\\_in\\_state\\_aid\\_to\\_school\\_change\\_in\\_aid\\_formula\\_based\\_on\\_local\\_tax\\_capacity.html](http://www.cleveland.com/metro/index.ssf/2015/02/gov_kasich_announces_700_million_increase_in_state_aid_to_school_change_in_aid_formula_based_on_local_tax_capacity.html)

