

Perrysburg Schools 2016 Operating Levy Renewal



Frequently Asked Questions about the Nov. 8 Operating Levy Renewal

We appreciate all that this community has done to give all of our students a remarkable education and an intense pride and love for all things Perrysburg.

How much more will it cost?

It will not cost the voters any more than what they are paying today. This is not a new tax. The school district is asking voters to **renew** our current operating levy as a **continuing levy** on November 8, 2016, keeping it at the **same rate it is today**. The four-year operational incremental levy **expires** on December 31, 2016 and generates \$12,925,000 (16 mills) annually, which is nearly 27% of our total annual revenue.

What is the Rollback?

Currently, the State of Ohio pays 10% and 2.5% “rollbacks” for residential/agricultural property and owner-occupied residential property, respectively. These rollback amounts are included in our millage but paid by the State of Ohio instead of by our local taxpayers. If we were to change the amount of this levy instead of renewing it, we would lose these rollbacks and taxpayers would pay the difference (roughly \$1.2 million/year). A renewal would grandfather the rollback on this operational levy.

What is at stake?

A potential loss of nearly 27% of our budget or \$12.9 million in revenue would result in Perrysburg Schools not existing as we know it today. To put it in perspective, *just as an example*, if we closed Toth and Frank Elementary Schools and displaced 1,106 students (\$6,720,000); eliminated all textbooks, supplies and materials (\$2,020,449) and eliminated the Transportation Department (\$1,930,633), we would still need to cut an additional \$2,253,918.

The Board of Education voted **UNANIMOUSLY** to request the Renewal of this Expiring Levy.

What is the impact of renewing the levy?

- Based on assumptions in the 5-year forecast and student growth projections, the school district will end the 2020 fiscal year with a -\$263,689 cash balance.
- The school district would be spending down its cash balance from 2016-2020.
- Additional staff or new programs discouraged.
- Exposed to changes in state funding, local tax collections or legislation impacting operations.

Why seek a Continuing Levy?

- Today, up to 12.5% of this levy for residential property is actually paid for by the state through the rollback program.
- If we make any changes to the amount, we forfeit this benefit and every dollar would then be paid by local residents.
- This renewal takes advantage of the savings for local taxpayers by keeping the state's share of the payment, which is no longer available for any new levies.



Current Levy Expires
December 31, 2016

Millage Rate: 16 Mills

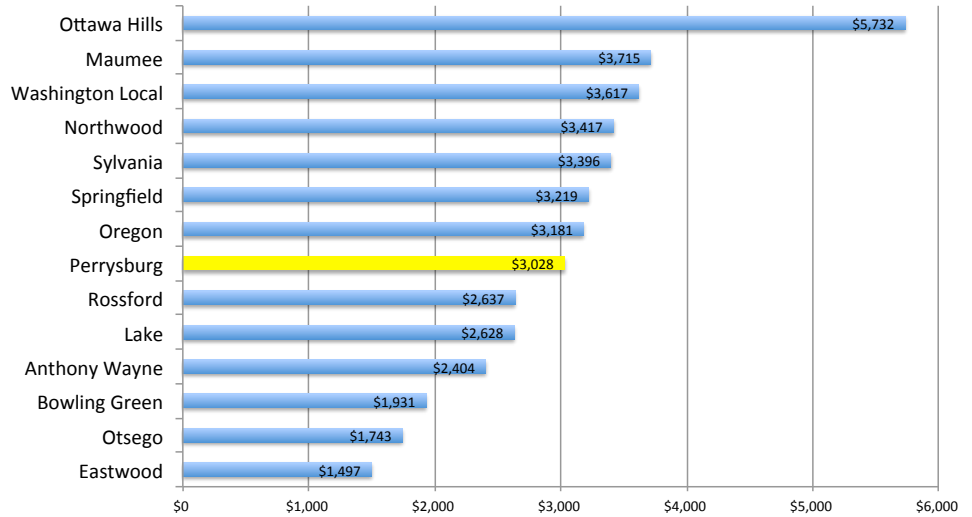
Annual Amount
Generated by Levy:
\$12,925,000

26.7% of Total Revenue

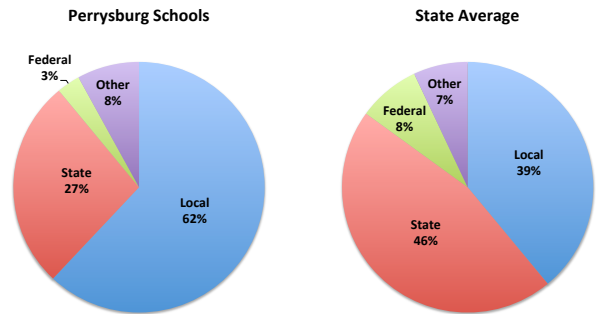
How do Perrysburg Schools property taxes stack up against other local school districts?

2015 School Property Taxes

Total Class I (Residential & Agricultural) Rate for a \$200,000 Home



Sources of Funding



What has the district been doing to save taxpayer dollars?

- District was aggressive in refinancing bonds this summer, which resulted in a SAVINGS of \$2,323,124 for local taxpayers over the next 10 years.
- District is collecting 0.59 mill BELOW expected millage from local taxpayers on current levy due to the recent refinancing, favorable interest rates and increases in valuation.

When may the district consider future levies?

- Permanent Improvement Levy renewed every five years since 1980. Expires next in 2020.
- If the school district continues to grow at 1.5-2% per year, may need additional elementary and PHS classroom space.
- Depending on local tax values and state funding, may need to ask voters for a small enhancement in 2019.

To learn more information about this levy, please call 419-874-9131 or visit the district's web site:

www.perrysburgschools.net/OperatingLevyRenewal2016.aspx