



## SCHOOL FINANCES & PERMANENT IMPROVEMENT LEVY

### INFORMATION TALKING POINTS

- Our schools are asking for 1.2 mills additional over the present, expiring 2.8 mills. The additional funds are necessary to maintain our three buildings and their numerous aging systems and infrastructure.
- The HVAC, Roof and additional building needs cannot be neglected. These needs are critical. Without passage of this PI Levy the district will be forced to pay these costs from our insufficient operating funds, which will require additional cuts beyond the \$1,000,000 in reductions already made - in extracurricular programs, elective courses, and programs. These cuts would prove very detrimental to our students.
- The additional PI Levy funds requested is only 1.2 mills. This equates to **\$3.50 per month on a \$100,000 home.** Those with different Home values and those Agricultural Business can calculate their value with the CAUV rate calculation to see what it will cost you per month.
- The remaining PI amount on the ballot is the 2.8 mill PI renewal (was initially 2.0 mills in 1974 then increased to 2.8 mills in 1989 – **30 years since last increased**)
- Reminder: the PI Levy is exclusively for our buildings, facilities, and permanent expenditures. The district CANNOT BY LAW use these funds for any operating needs or employment.
- The district realizes that our area Farmers have been hurt by the state's recalculation of the CAUV rate. The District appreciates the support of our agricultural business community as well as the support of our families and businesses throughout the school district.

### A few things to know

- ✓ The district did not receive additional revenue through the increases in CAUV taxes of our farmers, because the funding formula simply spreads the additional revenue and absorbs this increase by slightly lowering the property taxes of our homeowners to balance this.
- ✓ The district was actually negatively impacted in the state school funding formula because with the CAUV increase the state then increased the valuation of the school district as a whole, which reduced the state operating funding to Northwestern because the district's overall "valuation" increased.
- ✓ Also, keep in mind that **ALL** funds provided for through the state school funding are Operating Funds and not Permanent Improvement Funds. We will continue operating

as efficiently and effectively as possible. The administration and Board of Education have already reduced annual budgeted costs by more than \$800,000 in summer, 2018 and will have reduced annual budgeted operating costs by an additional \$200,000 this summer, 2019. While these reductions TOTAL more than \$1,000,000, any further cuts will significantly and negatively impact student learning, which we feel is critical to avoid. Note that these reductions also **DO NOT** address the capital improvement needs of our buildings, including the \$582,181 HS HVAC upgrades this summer and the \$263,017 middle school roof replacement, or other major upcoming needs of our buildings.

- ✓ Note that the per pupil funding in the Governor's new budget proposal yet again is flat-lined – there is NO increase in state funding for operating funds at this time, only increased funds specifically mandated for expansion of student therapy and counseling services in schools.
- ✓ Note that there has been preliminary discussion regarding a change in the state funding operating formula for schools – the Cupp-Patterson school funding formula. Know that this will **NOT** impact school funding this year, but could, possibly, maybe, perhaps, theoretically impact school funding two years down the road in the next Ohio Bi-Annual 2022 state budget – or perhaps in four years – or perhaps not at all. At this time there is no indication that any relief for rural school operational costs will occur in the next two years.