

EMERGENCY LEVY INFORMATION **(Needed to cover budget shortfall)**

What is a Emergency Levy?

An Emergency Levy is a “fixed sum” levy – this fixed sum levy will raise \$750,000 for the District each year. This levy **will not increase the tax bill as the appraisal on your home and business increases**; it is a “set” amount. As your appraisal value increases, the millage on the levy decreases to keep the fixed sum and your tax payment the same.

Why is it called an Emergency Levy?

Oddly enough, an emergency levy is not named because of an ominous or emergency budgetary situation. It is simply the name used for a property tax that serves as a limited operating levy for a school district. Because the dollar amount of emergency taxes charged by the levy must stay constant, the millage rate increases or decreases as property values change. Emergency levies may be renewed for the dollar amount originally requested.

Why is there a need for a Levy?

State support of **school funding is decreasing**. The Ohio legislature favors large, urban school districts rather than small, rural ones such as Garaway. Overall, for the current school year, state revenue support for education and for bus transportation services are decreasing. In addition, federal funding is being cut significantly and cuts are scheduled to continue. The state has started many new initiatives and mandates and passed the cost to the local school District.

We have a great school and a great community – the Garaway tradition of excellence needs to continue.

How does an Emergency Levy work?

The Emergency Levy collection is divided up among more entities and everyone pays a smaller piece of the pie. The cost to the individual taxpayer over time tends to slightly decrease, not increase as a levy based on home valuation would. **As the tax base expands, the size of the slice of pie (or your contribution) decreases.**

Amount of the Levy: \$750,000 for a period of 10 years.

Levy Mills: 3 mills

Why an Emergency Levy over other levies:

1. **Taxes are fixed, they will not increase** as home valuation increases. Taxes trend to *decrease* slightly over time.
2. By starting to collect the levy **sooner, rather than later, the levy can be for a smaller amount & less burdensome to the taxpayer.**

3. We want to be fiscally responsible stewards and conservative with taxpayer money. **This is a very conservative estimate of our needs.**
4. Helps to decrease operating deficit. The goal is to eliminate/minimize any operating deficits with cost efficiencies and/or supplement it with other revenue growth.
5. Helps to **keep our buildings and grounds viable** and functional.
6. **Doesn't stifle growth of other levies** in effect – the District remains at the 20-mill floor.

Cost to the Taxpayer:

It would cost the taxpayer \$105 per year (3 mills x \$35) on a \$100,000 home, or \$8.75 per month.

What will the money from this levy be used for?

Dollars generated from this levy will help fund day-to-day operational expenses such as utilities, bus fuel, classroom supplies, and quality teachers. Keep our buildings viable. This revenue will maintain the current expenses provided to our students, their families, and our community.