

# Twinsburg City School District

## Renewal Levy Frequently Asked Questions



**EVEN IN CHALLENGING  
TIMES... PROMISES MADE,  
PROMISES KEPT.**

### ABOUT THE RENEWAL LEVY

#### **What are the basic facts about the May 4, 2021, levy?**

This is a \$5 million Renewal Levy for the day-to-day expenses of the District. It was originally approved May 8, 2001. It is NOT a new tax. This type of levy, called an Emergency Levy, is a fixed dollar amount for a period of one (1) to ten (10) years. After the voted period lapses, the levy expires unless reapproved by a vote of the electorate. You will not see this levy show up on your tax bill. The Twinsburg Board of Education determined the need for this Renewal Levy in order to maintain the excellent educational programs and opportunities for our students as it represents 10.4% of the FY20 Operating Budget.

#### **What will this Renewal Levy money be used for?**

This is a Renewal Levy for the day-to-day expenses of the District such as utilities, insurance, operation of buses, classroom instructional materials, supplies, professional services, salary and benefits for certificated and classified employees. The District will continue to monitor class sizes and reassign staff members as necessary, which is our current practice.

#### **What will be eliminated or reduced if the Renewal Levy fails?**

While the Twinsburg Board of Education has not yet identified the reductions in staffing, services and programming which would occur post rejection of the Renewal Levy, it is essential for all to understand the devastating impact this would have on the Twinsburg City School District and its students, as well as the negative impact it will have upon the value of homes in our school community. We anticipate the loss of this funding source would result in \$5 million in reductions. By law, school districts in Ohio are not permitted to operate in the red, meaning either a significant reduction in expenditures must occur or an increase in revenue must be gained through the passage of a levy. The passage of this Renewal Levy is critically important to maintaining the excellent educational programs and opportunities we offer our students.

### DISTRICT FINANCES & SCHOOL FUNDING

#### **How is the TCSD budget categorized by both expenditures and revenues?**

Based on the FY21 Five Year Forecast, General Fund Expenditures (does not include Permanent Improvement Expenditures) are 62% for salaries, 23% for benefits, 11% for purchased services, 2% for supplies and 2% for other objects. Our FY20 revenues are 71% from real estate tax dollars, 13% from state foundation, 6% homestead & roll back, 6% TPP/CAT, and 4% other revenues.

#### **How does Twinsburg compare to the performance and expenditures of our neighboring communities?**

When it comes to academic performance, our students excel! In April 2020, the U.S. News and World Report ranked Twinsburg High School (THS) number #4 in the Akron Metro Ohio area, #44 in Ohio out of 691 public high schools and #1197 in the nation out of 17,792 high schools. This means that THS ranks in the top 6% of public high schools in Ohio and THS ranks in the top 7% of all high schools nationally.

According to the Cupp Report for FY20, the Twinsburg City School District spends \$12,344 per pupil. This is \$348 below the state average. In our area, Bedford spends \$15,597 per pupil, Solon \$15,301, Hudson \$14,352, Nardon \$13,714, and Aurora \$13,150. Similar-sized school districts to TCSD spend \$12,502. The year-to-year increase in expense per pupil over the last seven years at TCSD has gone from \$10,406 to an increase of \$12,344. Due to the fact public education is primarily funded through property tax, school districts in Ohio rely on the passage of levies for funding to provide excellent programs and opportunities for our students.

Residents can compare revenue sources for surrounding public school districts by accessing their Five-Year Forecasts and/or the Cupp Reports via the Ohio Department of Education's website: [www.education.ohio.gov](http://www.education.ohio.gov)

#### **Does Twinsburg City School District have a cash balance built up? Is the District currently operating with a budget surplus or deficit?**

The Twinsburg City School District is fiscally conservative and has been frugal with every dollar it receives. The District has a cash flow because of efforts to cut expenditures over the years and due to diligent efforts to watch our spending. These efforts have provided flexibility to the District. For example, as the pandemic necessitated unexpected expenditures including extra staffing and personal protection equipment (PPE) which were critical to keep our students, staff members, and the greater community safe and healthy, the District was able to respond. Further the District's financial situation provided flexibility in our academic offerings during the pandemic, with parents selecting whether an on-campus option or the Twinsburg Virtual Academy option.

The District ended the 2020 school year with a budget deficit (expenditures over revenues) of -\$319,740 due to reductions in both the TPP/CAT Tax and the state foundation. The previous year in 2019, we had a budget surplus of more than \$1.1 million.

### What happened to the TPP/CAT Tax dollars if it is not coming to TCSD?

In Ohio, House Bill 66 (HB66) is legislation eliminating the tax businesses pay on Tangible Personal Property (TPP). The original legislation set forth that the State of Ohio would reimburse school districts for several years the amount of lost revenues. A tax once under local/county control has been eliminated and replaced by a State collected Commercial Activity Tax (CAT). The result is that Twinsburg City School District will lose approximately \$9.8 million (23% of the current budget) and will be faced with significant fiscal challenges while the State of Ohio keeps the CAT tax money in the State's General Fund. The State will systematically eliminate this revenue by 2024. The District will no longer receive the taxes businesses once paid for their equipment and machinery (TPP), however, local businesses will continue to pay Real Estate taxes, just like residents.

### Is TCSD going to receive additional revenue given the recent increase in property values?

All mills in excess of 10 have to be approved by the voters. These are called VOTED MILLS. Voted mills are the major source of income for most school districts, but H.B. 920 freezes a school district's income on voted mills. This freeze on school income started in 1976, so the income our school district receives from each levy voted since 1976 was frozen the moment the levy passed. Even when home values increase, a school district's revenue remains the same because of H.B. 920. No revenue increase is permitted for schools, except a one-time increase for new construction, and a small amount of revenue growth on inside mills. For school districts, simply keeping up with day-to-day cost increases is impossible under H.B. 920 and the main reason for their return to taxpayers for additional revenue every few years.

### Has the District received funds to help defray the expense of operating during the pandemic?

Yes, coronavirus relief funds were received and are helping to offset expenditures including the purchase of additional Chromebooks, the purchase of personal protective equipment (PPE), the purchase of supplies and equipment to ensure, to our greatest ability, that our facilities are protected against the COVID-19 virus, and to employ additional staff members so that the District could maintain six-foot social distancing protocols in our schools. This was a "one-time" supplemental funding source and was meant to assist school districts in meeting needs necessitated by the ongoing pandemic caused by COVID-19.

### What is being done to gain funding from the state of Ohio?

Information about our District's ongoing advocacy efforts can be heard at our Board of Education meetings where advocacy efforts and legislative actions are discussed in detail. In addition, our school publications and District website include financial information. While the Board of Education and District administrators have been advocating to legislators for relief regarding the state's elimination of the business tax once known as Tangible Personal Property Tax (TPP) and now known as the Commercial Activity Tax (CAT), we have not been successful reaching that goal. Consequently, District revenues have been flat for ten years. From 2007 to 2018 revenues increased by approximately \$3 million which is less than 1% per year.

### What has the District done to cut expenses?

The Board of Education gathered feedback from our three communities in 2012 and developed the Operational Change Plan. This plan included cost-saving measures such as reductions in staff, implementation of academic and pay-to-participate fees and technological strategies to increase operational efficiencies. This plan continues to be in effect today, based on community input, and with the focus being on continuing excellent educational programming for students.

Further, the District participates in several group purchasing consortiums that saves money on things like insurance, natural gas and electricity, cleaning supplies and much more. TCSD also completed two HB264 Energy Conservation projects that resulted in substantially reducing utility expenditures since 2011.

### What are some examples of what my property tax dollars do to actually support our schools?

Funds received through the passage of this renewal levy will continue to support the excellent educational programs we offer our students. These include:

- 21st Century Learning
- A Chromebook for every student;
- Blended Learning;
- Social-Emotional Learning;
- The 5-Star Step Up to Quality Preschool including our Integrated Preschool Program (IPP) and our Kindergarten Preparatory Program (KPP);
- The Academy at Twinsburg High School;
- Athletics and extra-curricular activities;
- State & nationally-recognized award-winning schools.

## Have Questions?

Join a Zoom Coffee with the Levy Committee

April 10, 2021, at 10 a.m. or  
April 14, 2021, at 7 p.m.

Login information available  
at [TwinsburgLevy.org](https://TwinsburgLevy.org)



The community will ultimately determine the quality of the Twinsburg City School District.

**Our Kids — Our Schools**

Read more Frequently Asked Questions at [TwinsburgLevy.org](https://TwinsburgLevy.org)

Paid for by the Blue Ribbon Schools Committee, Treasurer, Steve Cribley