



# WILLOUGHBY-EASTLAKE LEVY CAMPAIGN FREQUENTLY ASKED QUESTIONS (FAQS)



## YES on 1

## RENEWAL ISSUE NO NEW TAXES

### VOTING YES ON ISSUE 1:

- Maintains current funding levels, allowing all current student programming to remain in place.
- Keeps all tax and funding levels the same. \$13.560M/year in funding will be renewed.
- Preserves the 12.5% tax reduction to property owners already paying this tax. The State of Ohio will continue pay this 12.5% only if Issue 1 is renewed.



### ELECTION INFORMATION

**When will W-E Schools Issue 1 be on the ballot?**

Willoughby-Eastlake schools are on the ballot on May 2<sup>nd</sup> without a tax increase. Early and Absentee Voting begins on April 4<sup>th</sup>.

**ELECTION DAY:**



#### What is Issue 1?

Willoughby-Eastlake voters are being asked to pass Issue 1 – which combines two current five-year renewal levies into one 10-year renewal levy. This money is a permanent part of the W-E budget and combining them into one will save tens of thousands of taxpayer dollars through reduced ballot and legal fees, which must be paid each time the district appears on the ballot. Information on those original levies is as follows:

Originally Passed	1987	2009
Value	\$7.585M	\$5.975M
Levy Term	5-year	5- year

**ISSUE 1 COMBINES  
THESE TWO LEVIES INTO ONE,**  
with a value of \$13.560M  
and a 10-year renewal cycle.

Issue 1  
comprises

# 12.7%

of W-E Schools  
Budget



### TAXPAYER INFORMATION

**How much will Issue 1 cost taxpayers?**

- This is a school RENEWAL issue. There are **NO NEW TAXES** on taxpayers.
- A homeowner will continue to contribute \$212 for every \$100,000 of home value if this funding remains in place. This estimate includes a 12.5% property tax reduction from the State of Ohio.



**Why is a renewal issue so crucial for taxpayers?**

- Issue 1 is eligible for the Homestead and Rollback credits which means the State of Ohio pays 12.5% and taxpayers fund 87.5%.
- Renewing Issue 1 guarantees the Homestead and Rollback credits for taxpayers.
- If renewals fail, and W-E Schools are forced to go on the ballot for new money, taxpayers foot 100% of any future new money levy.



**What will happen if Issue 1 fails?**

- The tax revenue being renewed as part of Issue 1 represents a permanent part of the W-E operating budget. If money is not renewed by the end of 2023, the district would face a catastrophic funding loss of millions of dollars annually starting in January 2024.
- If this renewal were to fail, the Board of Education would most likely place a renewal levy back on the November ballot, and create a list of cuts to staffing, student programming and district services to be implemented. If that November renewal levy were to fail, it would be necessary to account for a significant loss of funding and balance the budget. November would be the last opportunity to renew current funding before it would be lost.



**DISTRICT FINANCIALS**

**What will this levy fund?**

Passage of this renewal keeps current programming in place. Without this renewal the district will lose more than \$13 Million per year and would need to make significant cuts to balance the District’s budget and avoid a state takeover.

**How much does it cost to run the district?**

- Roughly \$8M per month, or nearly \$100M per year.
- [Monthly Financial statements](#) can be found on the Treasurer’s page of the District’s website.

**How do W-E operating expenses compare to other districts?**

- W-E is at the state average for spending per student.
- Our District employs fewer administrators than similarly sized districts, including Mentor Public Schools. [\(See Ohio Department of Education's District Profile Reports \(Cupp Report\)\)](#)

District	District Total Expenditure Per Pupil
Perry Local SD	\$ 17,460.37
Mentor Ex Vill SD	\$ 14,279.96
Painsville City Local SD	\$ 14,220.58
<b>Willoughby-Eastlake City SD</b>	<b>\$ 13,537.38</b>
Kirtland Local SD	\$ 12,958.87
Fairport Harbor Ex Vill SD	\$ 11,192.30
Riverside Local SD	\$ 11,066.42
Madison Local SD	\$ 10,720.85

**Aren't W-E Schools always on the ballot asking for more money?**

- House Bill 920 (passed in 1976) protected homeowners from inflation and froze school funding. Ohio schools must ask for additional money from taxpayers to keep up with rising costs to operate.
- Ohio schools can put permanent or time-limited levies on the ballot to collect property taxes which fund District Operations.
- W-E is in a minority of districts in Ohio relying on time-limited levies to operate. Therefore W-E schools appear on the ballot each time they need renew existing funding AND then when new money is needed. **The district is not seeking additional funds during this election.**
- **Issue 1 is a RENEWAL** and will MAINTAIN current operations. A failure of Issue 1 is the equivalent of defunding our schools by more than \$13M annually. There are **NO NEW TAXES** associated with passage.





**What about the new school buildings in our District?**

Levies are for learning. Building construction costs are paid for by bonds. W-E’s 2015 bond issue paid for the North, South, and Longfellow buildings. No money from bond issues can legally be used for district operations.

**Why did the District purchase a large building for its main offices?**

W-E Schools had replacement insurance on the old board office and the insurance adjuster approved a replacement office in the amount of \$7,881,427.74. The District only received this amount in insurance if the new building met or exceeded that estimate.

The insurance settlement from the fire at the old BOE building paid for the purchase and renovation of the new BOE building.



**Why does such a large portion of my tax bill go to schools?**

- Most Ohio school funding comes from local tax revenue, so schools are heavily reliant on property taxes.
- With limited income from State and Federal sources, roughly 70% of W-E Schools funding is generated from residential property taxes.
- The amount a District can collect on a time-limited levy is frozen at the same amount at the time of its passage.
- While the over-reliance of local property taxes of to fund Ohio schools has been ruled unconstitutional by the Ohio Supreme Court, the State of Ohio Legislature has not resolved the issue to date, and in fact continues to actively consider legislation that would further undercut funding to public education in Ohio. The district has and will continue to lobby the state legislature to fairly fund Ohio local school districts to reduce the financial burden on local property taxpayers.

The District rents roof space for cell towers, generating \$1,900/month.

Various school related organizations earn money by working the parking lot for Captains games.

**Why can’t the District fund by other means? (Sales or Income Tax?)**

- Only counties can issue a sales tax.
- Schools can either place a property tax or income tax on the ballot.
  - In Willoughby-Eastlake, 100% of your income tax goes to your city of residence. As your salary goes up, so does the amount they collect.

**Why do short-term levies cost taxpayers more money?**

- Each time a question goes on the ballot, it costs W-E Schools money.
- Since 1987, our district has paid over \$300,000 in fees to the Board of Elections.
- School districts relying on short-term levies are considered bigger credit risks and pay more interest on borrowed money.
- By combining two 5-year renewal levies into one single 10-year renewal levy, W-E will save thousands of dollars in election fees and gain greater financial stability, which could lead to lower interest rates on the 2015 bond and result in a sizable long-term cost saving to W-E taxpayers.

**Who pays for Issue 1 campaign expenses?**

- Ohio school districts cannot use taxpayer dollars to fund political campaigns.
- W-E Schools, however, must pay fees to the Board of Elections every time they put a question on the ballot.
- All yard signs, educational materials, mailings, and other expenses related to Issue 1 are funded via donations to the Campaign, which is run by volunteers.

Per Ohio law, no District funds can be used for the Levy campaign. All funds come from private and corporate donations.



# ISSUE 1 SCHOOL IMPACTS

## What is at stake?

- If Issue 1 does not pass, the W-E School District must rebalance the budget to comply with state regulations.
- Balancing the budget would likely mean significant cuts to things like educational programming, staffing, student activities, transportation, and even redistricting to close aging school buildings.
- W-E Board of Education has not published a list of cuts but will be required to do so if Issue 1 fails. The District will be required to present a plan to the State to show how they will balance the budget.



# ISSUE 1 COMMUNITY IMPACT

## How will the cities of Willoughby-Eastlake Schools be impacted by Issue 1?

- Strong schools attract people to our cities.
- Graduates of our schools are more likely to remain in the area where they grew up if they feel comfortable raising families here.

### What will happen to property values?

- When schools cut critical programming, more people are likely to leave the area.
- Families relocating will impact property values negatively.
- Young families look at the schools when they are buying a home and are unlikely to buy homes where schools have financial struggles that impact the educational experience.

### What will happen to local businesses?

Local businesses are facing staffing shortages. Educating our children in public schools helps prepare them not only for higher education (if they choose), but also to be employable in our community. Making our cities places they want to live and work after they graduate is the best way to support local industry.

Investing in our schools means investing in our community.

**STRONG SCHOOLS – STRONG COMMUNITY**



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