



# Key Facts About Issue 5 on the November 8 ballot

After delaying an operating levy request for the past two years, the Upper Arlington Board of Education is returning to the ballot on November 8. Issue 5 is a 6.9 mill continuing levy that would fund daily operations and maintain current academic programming so that the district can continue providing the current quality of education for Upper Arlington's students.

## What Issue 5 would cost taxpayers

Issue 5 would add approximately \$241.50 a year in property taxes per \$100,000 of auditor's appraised home value. For a home with an auditor's appraised value of \$400,000, the levy would add about \$966 per year in property taxes based on calendar year 2022 tax valuations. You can look up your appraised home value at [www.franklincountyauditor.com](http://www.franklincountyauditor.com).

## What happens if Issue 5 fails

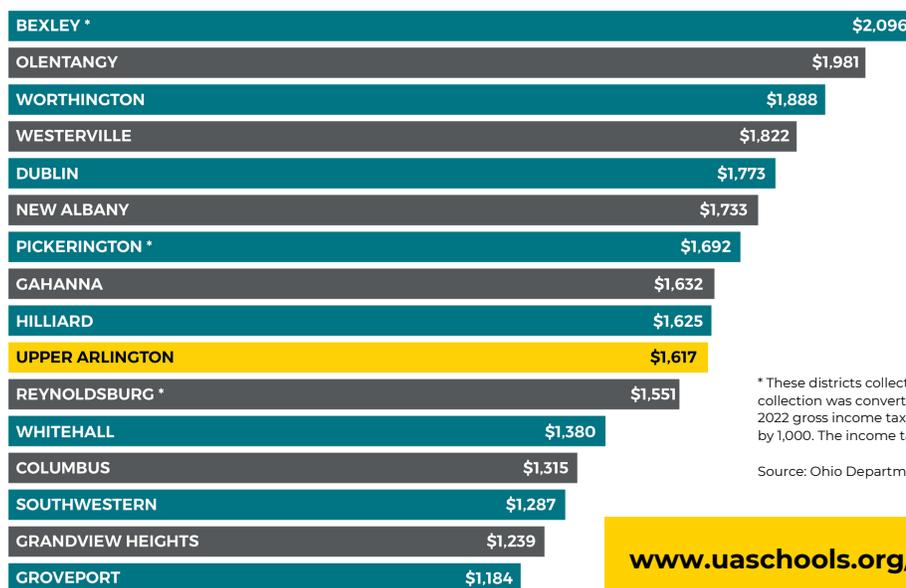
If Issue 5 fails, approximately \$11 million — about 100 positions — would have to be cut from the district's budget within the first year. This would amount to a significant restructuring of the district including cuts to academic programming and extracurricular opportunities for students.

## UA Schools was last on the ballot five years ago.

Upper Arlington voters approved a 3.75 mill operating levy in November 2017, which was meant to maintain the current operations and academic programming at the time. Also in November 2017, voters approved a bond issue that funded the first phase of the facilities master plan.

## In terms of school tax rates, UA Schools is in the middle of the pack among local school districts.

This is a chart showing the school tax collected in 2022 on a county-appraised \$100,000 home for various school districts in Franklin County. These amounts, which are rounded to the nearest dollar, include income tax collected by school district as well as the portion the state pays directly for state tax credits such as Homestead (owner-occupied) and Rollback for levies passed before November 2013.



## UA Schools enrollment has been growing, and projections indicate that it will continue to grow at an even faster rate over the next decade.

During the past 10 years, student enrollment has grown by approximately 7%. A third-party enrollment projection report projects that UA Schools could grow by as much as 24.6% — or an additional 1,500 students — over the next 10 years.

This is one of the most exciting challenges for the school district and the community — and it's something that the district is monitoring closely as it plans for the future. More students create a need for more staff and school resources.

\* These districts collect income tax in addition to property tax. Each district's school income tax collection was converted into mills and included in the per-\$100,000 tax rate by dividing fiscal year 2022 gross income tax distributions by tax year 2021 total property tax valuation and multiplying by 1,000. The income tax rates are: Bexley, 0.75%; Pickerington, 1%; and Reynoldsburg, 0.5%

Source: Ohio Department of Taxation



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## UA Schools receives the majority of its revenue from local property taxes. State aid represents only 13.1% of total district revenue.

The district receives the majority of its revenue — 83% — from local property taxes. Of that, approximately 90% of property taxes are generated from residential property because the district has relatively little commercial property.

State aid represents only 13.1% of the total revenue for Upper Arlington Schools. Because of a relatively high property valuation and income per pupil, as well as other demographic figures, the district is considered wealthy and receives much less than the state average. In fact, last school year Upper Arlington Schools received less than half the amount of state funding per-pupil than private schools received. District leaders continue to advocate for increasing state support for the district so that it is comparable to the amount a private school receives.

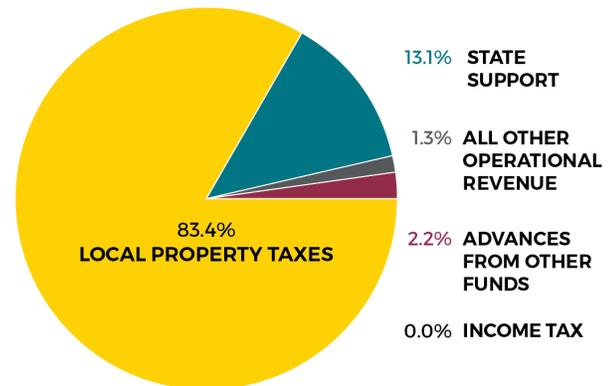
This is why the majority of revenue for a suburban school district like Upper Arlington comes from school property taxes.

## Approximately 96% of district revenues are fixed, with little or no room for growth, due to a state law known as House Bill 920.

House Bill 920 ensures that voted operating levies do not grow as property values increase. As property values increase, the millage collected for each voted operating levy is reduced to ensure the district's funding from the operating levy remains flat.

A major factor in the impact of HB 920 is inflation. Every three years, the value of taxable property in a school district is determined by the county auditor. If inflation has caused the value of the property to increase, the auditor reduces the school tax rate so schools do not receive more money. So, as inflation drives up the value of property, HB 920 prevents schools from collecting more money. However, that also leaves districts unable to meet the increases in school costs caused by inflation and enrollment growth.

Generally speaking, the only way school districts see an increase in property tax revenue is when voters approve a new operating levy. That contributes to the need for suburban school districts like Upper Arlington to return to voters every three to five years to keep up with the cost of doing business.



## State funding has remained relatively flat for UA Schools for decades. In fact, it's lower today than it was in 1999.

In 2022, Upper Arlington Schools received \$2.6 million in funding from the state. If you look back 23 years, to 1999, Upper Arlington Schools received \$3.4 million in state funding. Adjusted for inflation, that would amount to approximately \$6 million in 2022 dollars.

Even amid continued enrollment growth and inflation, the district's state funding total is expected to remain steady. That's why as costs and enrollment grow, suburban school districts like Upper Arlington return to the ballot to request additional operating funding to cover costs.