



OLENTANGY | LOCAL SCHOOL DISTRICT

Our mission is to facilitate maximum learning for every student

Demystifying School Taxes

*Presented and hosted by
Olentangy's School Funding Action
Committee (SFAC)*

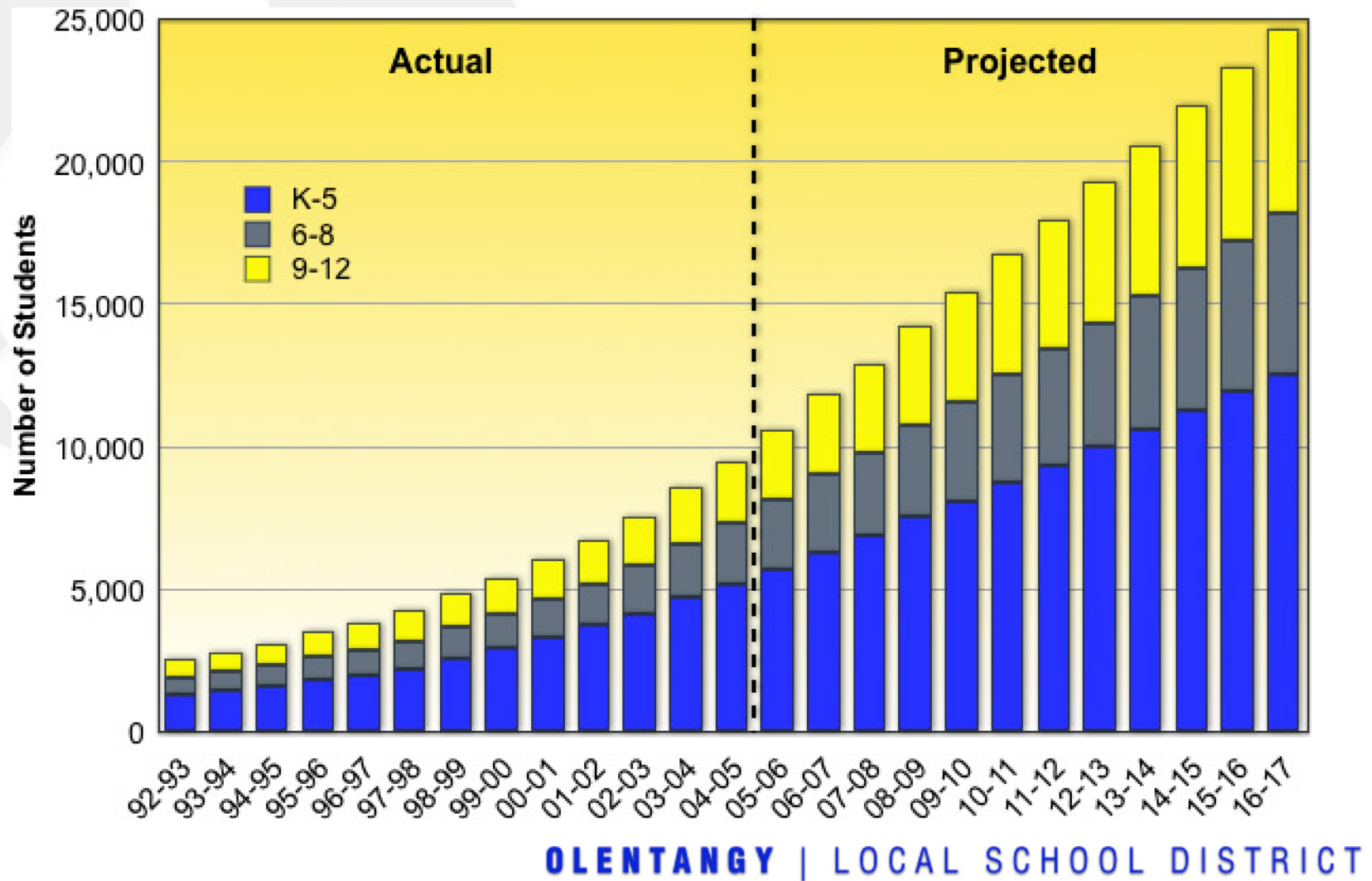
March 23, 2005



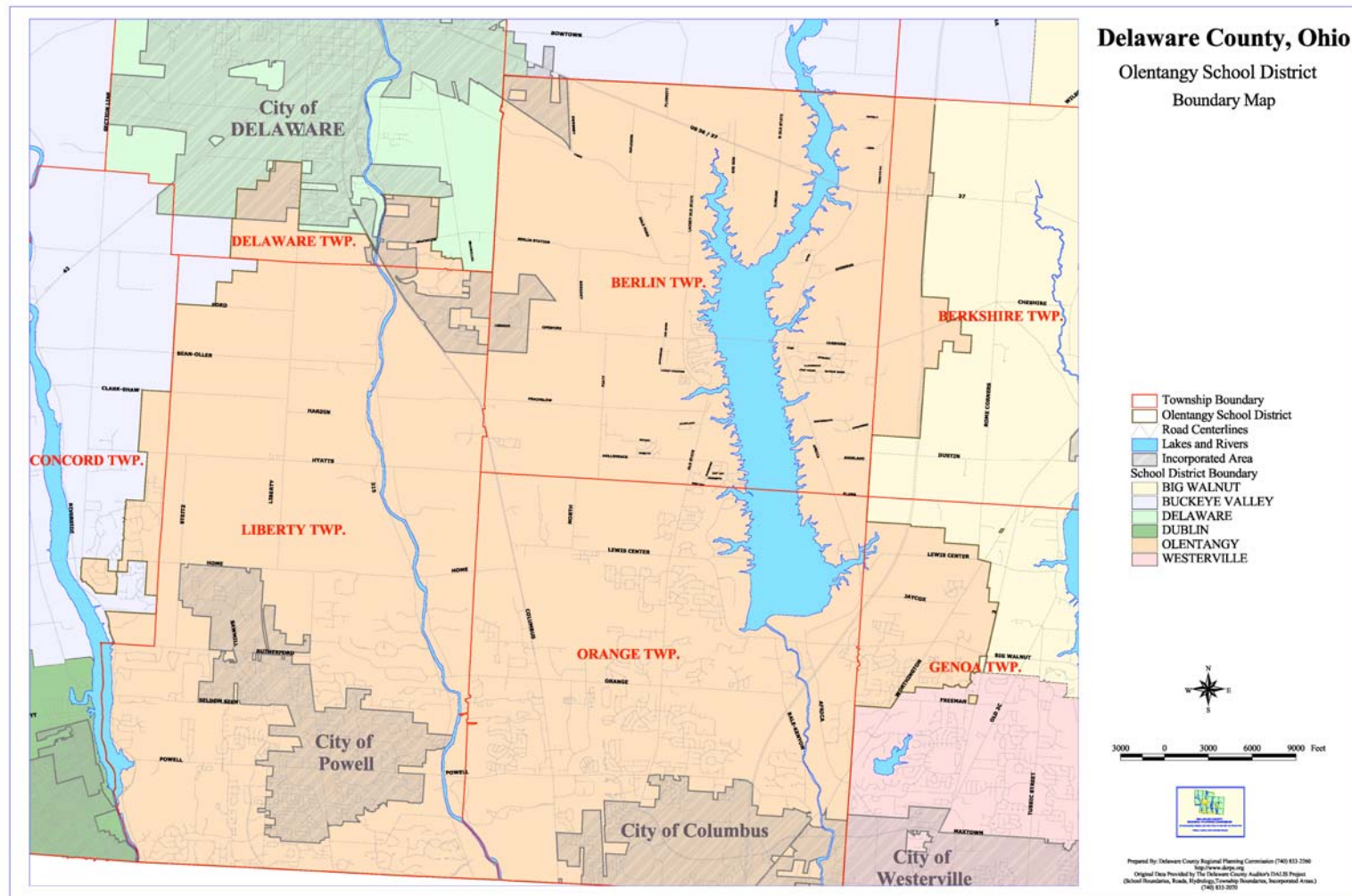
What is SFAC?

- Our purpose is to educate Olentangy residents regarding the system of funding public schools.
- Our goals are to educate & advocate.

What is the Olentangy School District?



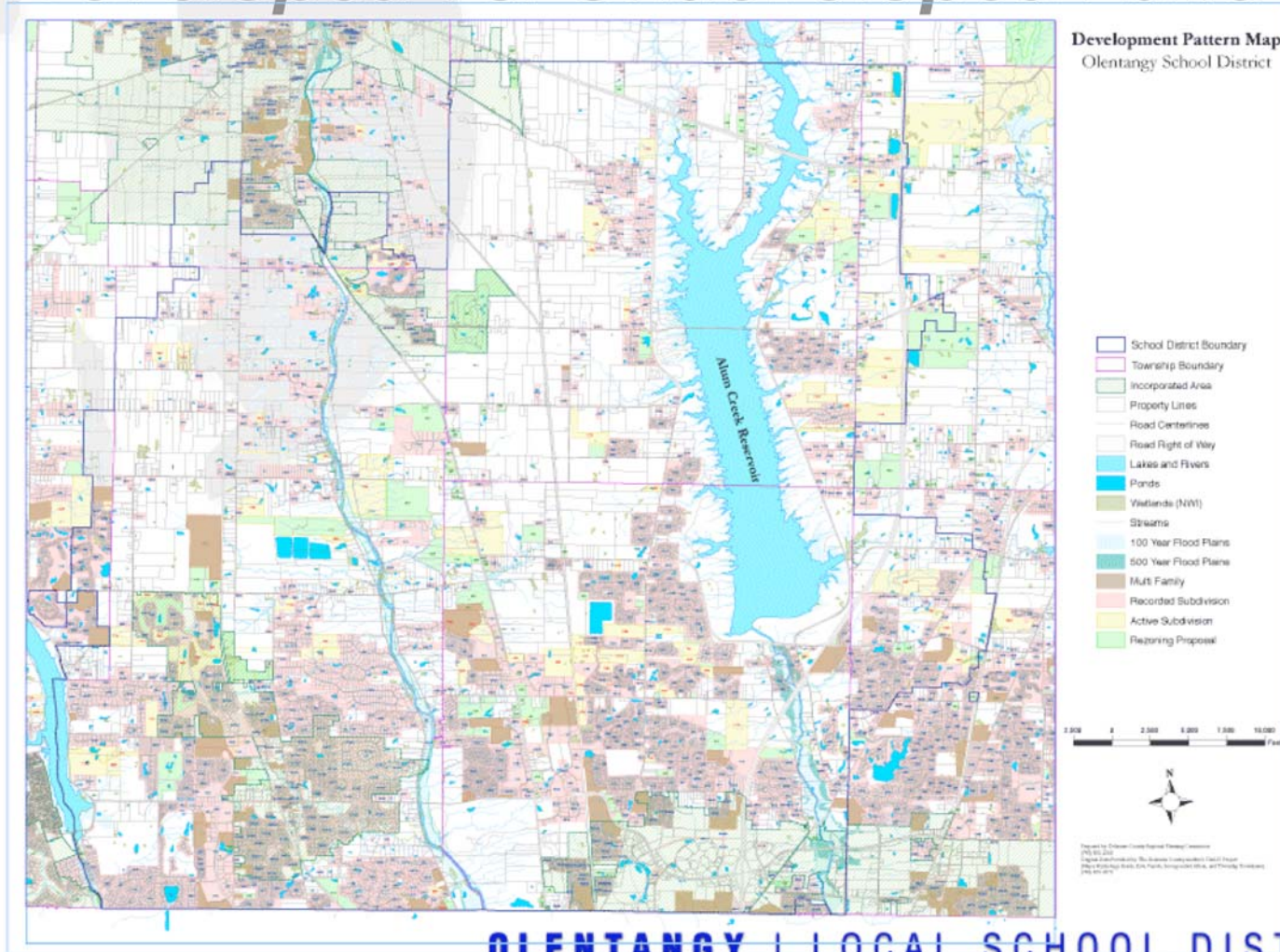
Governmental Entities within District



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What is the Olentangy School District?

Developed vs. Undeveloped Land





Why do people move here?

- They like the housing
- They love the school district
- The school system gets results

Student Yield Factor

Single-Family Home	0.71 students
Condominium	0.18 students
Commercial	0 students



School Taxes

from one house or condo

- School taxes on a \$280,000 home=

\$2,805

Source: Calendar year 2004 tax rate used

- FY 2004 cost to educate one child for one school year=

\$9,054

Source: Ohio Department of Education

- Years to pay for the education of one student=

3.2 years

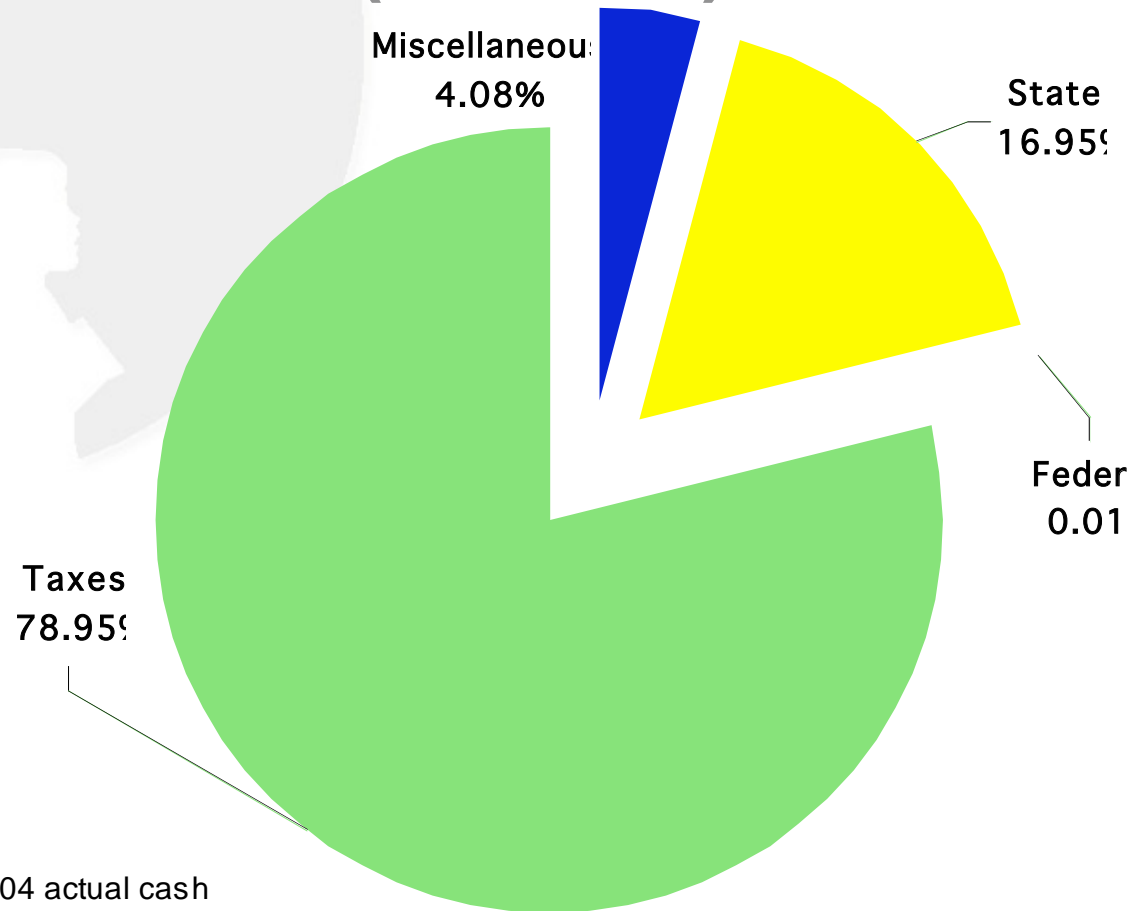
Assuming commercial revenue remains 0

- Years to pay for the K-12 education of one student=

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40.3 years

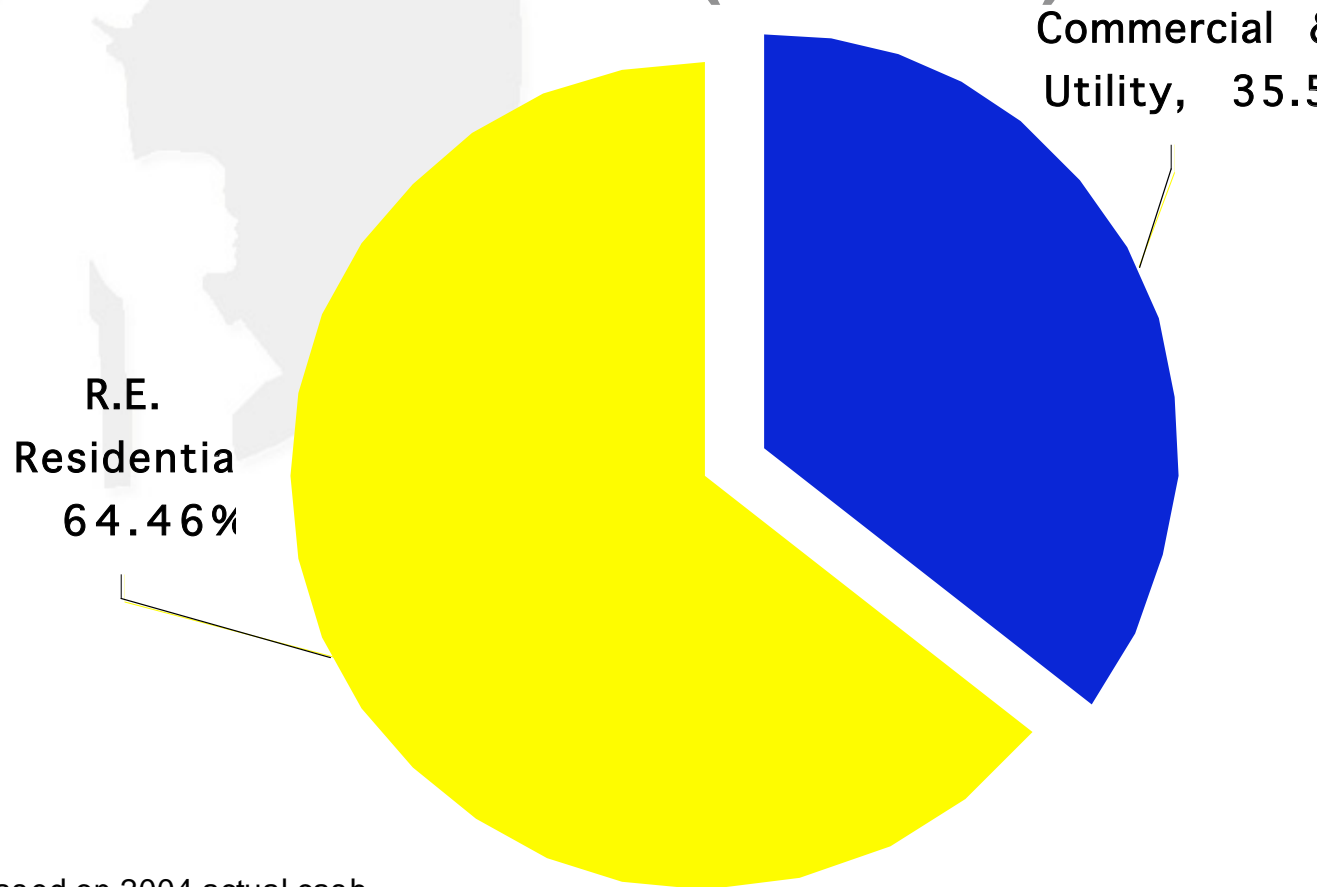
Source: Calculation based on the following: $9054 \times 12.5 \text{ schooling years} = 11375 / 2805 = 40.3$

Olentangy's General Fund Revenue* (FY 2004)



*Based on 2004 actual cash receipts

Olentangy's General Fund Tax Revenue* (FY 2004)



*Based on 2004 actual cash receipts



School taxes do not grow with inflation

- Can collect only the voted millage or less in the first year of an operating levy
- HB 920 intended to prevent an increase in unvoted taxes (no inflationary increase).



Phantom Revenue

- A penalty of sorts that is the result of the current state school funding system.
- For Olentangy, phantom revenue occurs after the every-three-year reappraisal.
- After a reappraisal, the state assumes that the district receives this additional revenue when, in fact, HB 920 prevents this increase in local taxes from being collected.

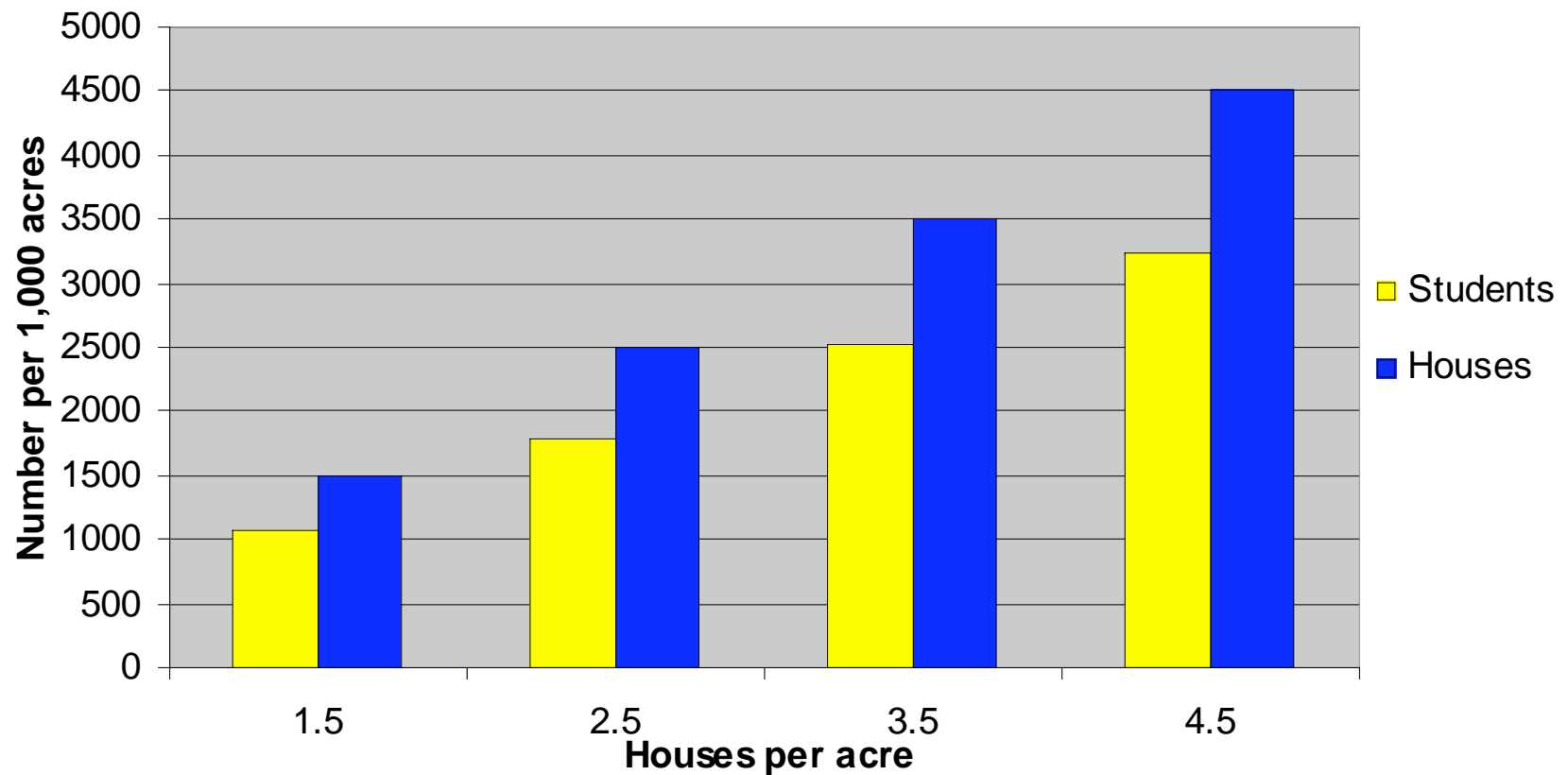



The state will give more money to fund schools. FALSE.

- State does not have any new money
- Impact of Governor's Blue Ribbon Task Force is unknown
- If “phantom revenue” is not addressed then Olentangy will continue to receive less and less state funding each year.

Cities and townships affect school taxes through zoning? **TRUE.**

Houses and Students





Cities, townships and counties can impact school taxes? TRUE.

- Abatements

- Property tax abatements are given to attract commercial development
- School taxes are reduced for the term of the abatement
- If abatements are granted, schools should be “made whole.”



Cities and townships affect school taxes through zoning? TRUE.

- Commercial taxes help schools
- Depends on type of abatements
- Office development is especially beneficial to schools
- Need to preserve land for commercial use (ie: U.S. 23, Rt. 36-37, Sawmill Parkway)

What now?

The challenge for Olentangy Schools

- Limited options for raising money
- School property taxes are the only taxes that do not increase with inflation
- Schools need to return to voters regularly
- Need to be actively involved with government entities that impact schools

A large, light gray circular graphic on the left side of the page contains a white silhouette of an adult sitting and reading a book to a smaller child sitting in front of them. The text "How can we work together?" is centered over the right side of this graphic.

How can we work together?

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