FACT SHEET FOR MAY 2025 LEVY

1. **Why is the Clark-Shawnee Local School District asking for additional revenue in the form of an income tax?**

District residents last approved a new operating levy in 2014. At that time, District administrators projected that the funds generated from the new operating levy would support District operations for a period of four years. Through careful fiscal management and responsible use of taxpayer dollars, the District has been able to extend the levy's effectiveness into 2025. Now, eleven years later, the District is seeking additional revenue through an earned income tax to address growing financial needs.

Specifically, the District's November 2024 Financial Forecast projects an annual deficit of $1,493,529. By the end of the 2028 fiscal year, the District's projected cash balance is anticipated to be $34,941, with a negative cash balance expected by the end of the 2029 fiscal year. These projections represent timely and critical fiscal concerns for the District, and if not addressed, will cause the District to be in an emergency financial situation in the 2028 fiscal year. The District's fiscal year runs from July 1 through June 30 each year.

The forecast indicates that expenditure reductions alone will not be sufficient to address the District's escalating financial needs. The full forecast is available on the Clark-Shawnee website. Click Departments, then click Treasurer's Office.

TREASURER'S OFFICE - Clark-Shawnee Local School District

2. **What steps have already been taken to address the District's current financial concerns?**

The District is committed to financial stewardship, ensuring that every dollar is spent wisely to benefit students, staff, and the community. While evaluating the current financial concerns, the District has implemented the following plan to address the deficiencies. The steps outlined in this plan will save the District an estimated $3,641,994 by the 2029 fiscal year. The District's fiscal year runs from July 1 through June 30 each year.

- The District has 15 teacher vacancies at the end of the 2024-2025 school year for various reasons.
  - The District will only fill 9 of the vacancies. At this time, the remaining 6 vacancies will not be filled.
- Support Staff Reduction
- Adjusted timing of technology purchases
- Technology Fees–based on actual costs; students retain devices at graduation
- Elimination of Boys and Girls Tennis

3. **What is considered earned income under the 1% Earned Income Tax levy? What will not be taxed under an Earned Income Tax?**

The Earned Income Tax only applies to wages and salaries earned through employment or self-employment. Pensions, retirement, social security, and unemployment **are not** subject to the Earned Income Tax under this ballot issue.

4. **What will appear on the ballot in May 2025 for District residents?**

The Clark-Shawnee Local School District Board of Education voted to place a 1% Earned Income Tax on the May 2025 ballot. The duration of the proposed Earned Income Tax levy is five years. If the Earned Income Tax levy is approved by voters in 2025, collection would start in 2026.

The Earned Income Tax only applies to wages and salaries earned through employment or self-employment. Pensions, retirement, social security, and unemployment **are not** subject to the Earned Income Tax under this ballot issue. The proposed Earned Income Tax will appear on the May 2025 ballot as follows:

Clark Shawnee Local School District

Proposed Income Tax

Clark Shawnee Local School District

A majority affirmative vote is necessary for passage.

Shall an annual income tax of 1% on the earned income of individuals residing in the school district be imposed by Clark Shawnee Local School District for 5 years, beginning January 1, 2026, for the purpose of current expenses of the school district?

- **For the Tax**
- **Against the Tax**

5. **Why is the District proposing an Earned Income Tax instead of a property tax? Will all of the tax revenue collected from the proposed Earned Income Tax levy remain in the District?**

The proposed 1% Earned Income Tax would be paid by all residents of the District who earn wages. The Tax Increment Financing (TIF) and Community Reinvestment Area (CRA) that impact property taxes in Bridgewater, Melody Parks, Sycamore Ridge, and Maple Grove do not “exempt” residents in these areas from the Earned Income Tax.

Under an Earned Income Tax, all residents pay the tax based on wages and salaries earned through employment or self-employment. The City of Springfield is not able to divert any funds collected by the District on an Earned Income Tax, under current Ohio law.

6. **How can I determine how much the Earned Income Tax will cost me?**

District residents can estimate their share of Earned Income Tax by taking the Ohio Adjusted Gross Income, available in box 16 of the W2, and multiplying it by 1%. This will estimate the amount of Earned Income Tax that would be payable if the Earned Income Tax levy is approved by voters in May of 2025. For example, if a resident's gross income is $50,000, the Earned Income Tax would be $500 annually.

7. **If the Earned Income Tax is approved by voters in May of 2025, what is the forecasted financial impact for the District?**

If voters approve the Earned Income Tax levy, the revenue generated will be allocated to support district operations and is projected to sustain the district's current operations for the next five years. These operations include bussing, athletics, academics, personnel expenses, contracted services, supplies, and more.

8. **If the Earned Income Tax is not approved by voters in May of 2025, what will be impacted for the 2025-2026 school year?**

If the Earned Income Tax is not approved by voters in May 2025, the District's financial outlook will continue to decline, and additional reductions will be made to maintain district operations. This will include the following:

- Reduction of athletic offerings
- General Student Fee increased by $20
- Pay to Participate Fees Increased to:
  - MS: $100/sport
  - HS: $200/sport
  - Family cap = $400
- Eliminate one Teaching Position

9. **How do I become a registered voter in Clark County?**

To be a registered voter in Clark County, you must reside in Clark County and register to vote through the Clark County Board of Elections. Learn about becoming a registered voter through the Clark County Board of Elections website.
https://www.boe.ohio.gov/clark/voter-registration-information/

10. **Where can I get answers to additional questions about the District's proposed Earned Income Tax levy?**

Please reach out to Tom Faulkner, Treasurer; Brian Kuhn, Superintendent; or Adam Billet, Assistant Superintendent, with any questions regarding Clark-Shawnee's proposed Earned Income Tax levy.
Tom Faulkner, Treasurer, 937-717-2401, tom.faulkner@cslocal.org
Brian Kuhn, Superintendent, 937-717-2401, brian.kuhn@cslocal.org
Adam Billet, Assistant Superintendent, 937-717-2401, adam.billet@cslocal.org