

TAX
GATHERING
(October 8, 2025)

October 8, 2025
Tax Gathering
Summary Agenda

- 1) Panel Members Arrive..... 5:00PM
- 2) Meet and Greet, Residents and Panel Members..... 5:30PM
- 3) Gathering Begins..... 6:00PM
- 4) Introductions..... 6:05PM
 - a) Steve Woolf
- 5) Expert Panel - State, County, Local Efforts..... 6:15PM
 - a) State Representative, Rodney Creech - Ohio State Efforts
 - b) Montgomery County Team Effort:
 - i) Montgomery County Auditor, Mr. Karl Keith
 - ii) Montgomery County Treasurer, Mr. John McManus
 - c) Business Owner, Farmowner, Labor Leader, Resident Comments
- 6) Local Tax Project #1: Creating New Township..... 7:15PM
 - a) Steve Woolf - Ohio Revised Code
- 7) Break..... 8:00PM
- 8) Local Tax Project #2: Transfer of New Township, Franklin-Monroe..... 8:15PM
 - a) Steve Woolf - Ohio Revised Code
- 9) Future Actions/Meetings..... 9:30PM
- 10) Wrap Up/Close Meeting.....10:00PM

Schedule of Future Gatherings

Wednesday, November 12, 2025

- Forming 503-C Non-Profit
- Legal Representative Engaged
- Schedule of Expectation Defined

Wednesday, January 14, 2025

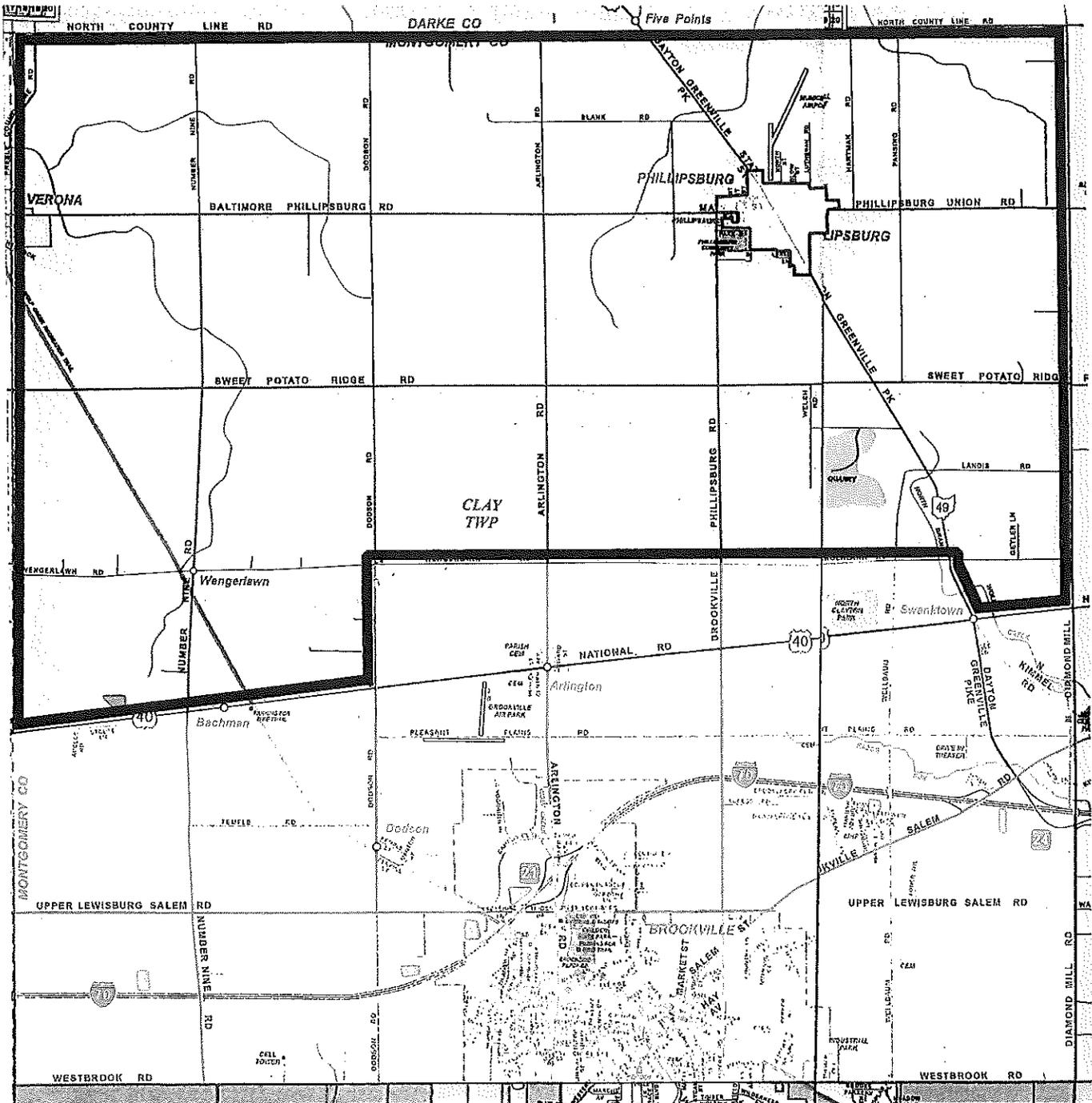
- Petition Distribution Begins
- Signature Process Begins

Wednesday, February 11, 2026

- Update on Status of Both Local Projects
- Additional Committees to be Formed

Slide 1: Introduction - Proposal Overview

- **Summary:** This document (and presentation) outlines a proposal for a new township and a transfer of school districts in Ohio, specifically focusing on the financial and community benefits for residents in the unincorporated area of Northern Clay Township.



Slide 2: Tax Gathering Agenda

- **Discussion on Current Concerns in Community**
 - The Lack of Strength on our votes on any and all issues
 - The Taxation in Montgomery County continue to grow
 - The concerns for all residents of Northern Clay Township
 - Fire/Rescue funding not sustainable/in jeopardy
 - Lack of Police coverage due to demand for services in near future in Clay Township
 - Reduced services received in North of 40 vs. South of 40 in Township (Current example: Repair of roads like Blank and Hartman Roads)
 - Folding of the Village of Phillipsburg. Default to local Township, not loyal to this area
 - HB 331 - not sustainable
- **Plan to Make a Lifetime Change to our Tax Structure**
 - One petition signed by landowners required. NO Public vote, signed by only property owners
 - Property owners only in the unincorporated area of Northern Clay, excluding the Village of Phillipsburg
 - Includes:
 - Forming New Township. Ohio Revised Code 503.02
 - County Commissioners by petition
 - New Township territory removed from existing Clay Township
 - Transfer of New Township to New School District. Ohio Revised Code 3311.22 to 3311.24
 - State of Ohio School Board by petition
 - Transfer new Township area from Northmont School District to Franklin Monroe School District
- **Result of Plan; If Approved**
 - The ORC requires the State of Ohio to split up the current value/revenue/funds of Clay Township, and be transferred to new Township before the New Township begins operation
 - County Auditor will determine the transfer to be projected \$3,000,000 to General Fund
 - New Township Boundaries - Montgomery County Line to Diamond Mill Rd., SR40 to SR 49, SR49 to Wengerlawn, Wengerlawn to Dodson, Dodson to SR40, SR40 to Preble County Line Rd., Preble County Line to Montgomery County/Darke County Line.
 - County Commissioners appoint 3 new Trustees and 1 Fiscal Officer (run for election later)
 - New Zoning Map set

New levies for all operations to be "reset" to limits slightly higher than present.



Ohio Revised Code

Section 503.09 Petition to erect new township excluding territory of municipal corporation.

Effective: July 26, 1982

Legislation: House Bill 77

Where a township contains a municipal corporation, either in whole or in part, if a majority of the freehold electors owning land in the portion of such a township outside the municipal corporation's corporate limits, petitions, with a map accurately setting forth such territory, praying to have such territory erected into a new township, and excluding the territory within the municipal corporation, the board of county commissioners shall enter an order erecting such territory into a new township, the boundaries of which need not include twenty-two square miles of territory. Upon the erection of such new township, the territory lying within the limits of the municipal corporation in the original township shall be considered as not being located in any township.

Slide 4: Local Taxes and Services - Current vs. Proposed

- **Current Clay Township: NOW**

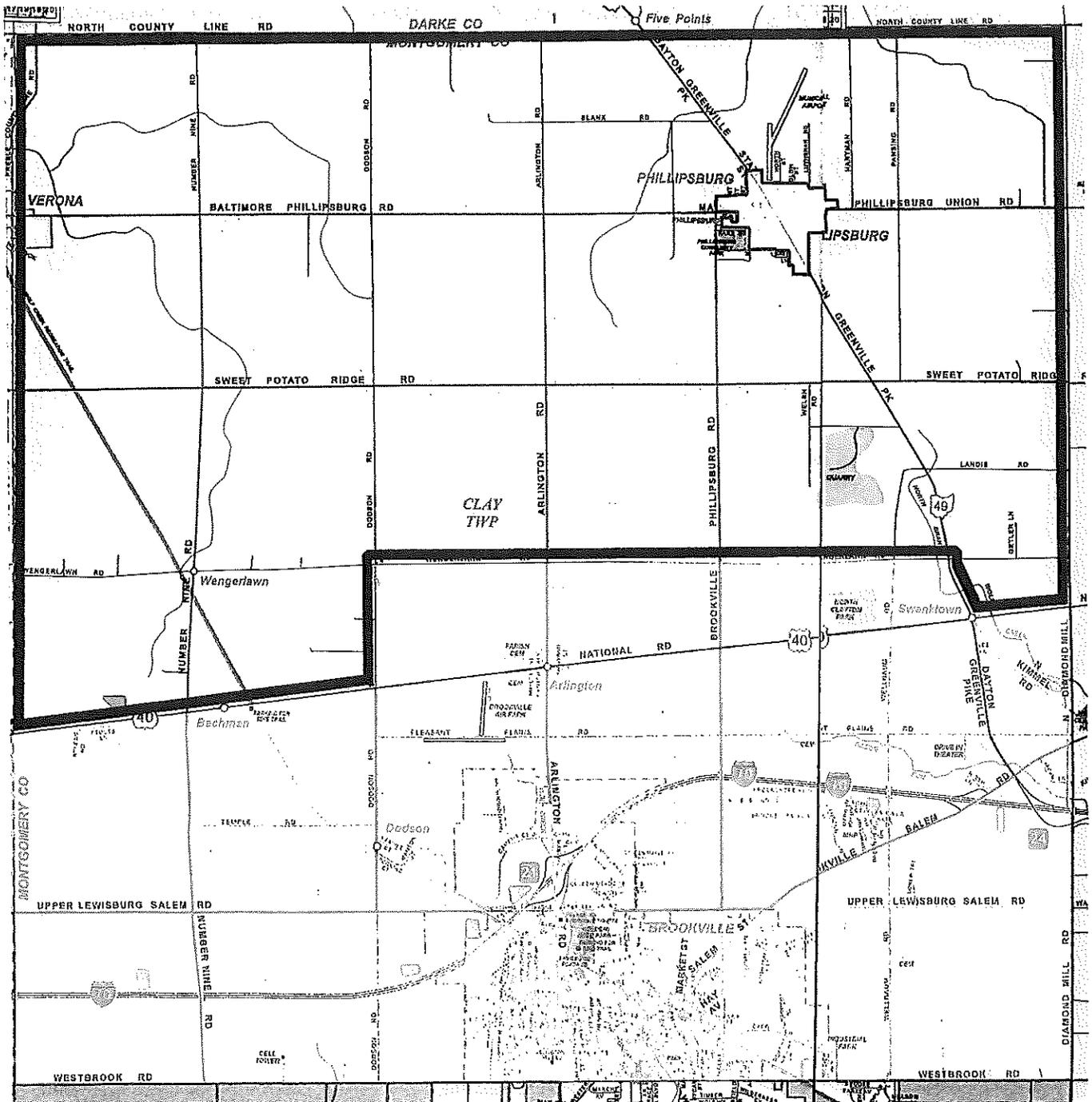
- General 3.0 mills
- Fire 3.5 mills (1.0 mill and 2.5 mills) Volunteer/part-time service
- Police 8.0 mills (Multiple levies) Limited staffed Police Department
- Road 2.0 mills (1 levy) Full-time Road Maintenance/Lack of Quality
- Inside Mills 1.0 (1 levy under 10 mill limitation)
- No Park Levy, No Drainage District, No Lighting District, No Community Fund, No Income Tax
- Total Voted Mills: 17.5 mills*

- **New Township Proposal: Nothing Decided Upon**

- Beginning funds: \$3,000,000
- 22 mills - New Township will give a 5 Year Guarantee of NO NEW PROPERTY TAXES
LOCALLY
- General Fund 2.0 mills Overall Operating Fund
- Fire Levy 8.0 mills Full-time Fire and EMS - New Fire Department - 24/7
- Police Levy 8.0 mills Full-time - possible Montgomery County Sheriff - 2 cars - 24/7
- Road 1.0 mill Full-time - additional funding received from other sources
- Park/Cemetery 1.0 mill
- Drainage Projects/Stormwater .5 mills Maintenance of our drainage system
- Community Fund .5 mills Used to promote and fund community events
- Economic Development/Chamber of Commerce .5 mills
- Zoning/Code Enforcement Program .5 mills

Slide 5: Legal Process - Township Boundary Changes (Ohio Revised Code 503.04)

- **Notice Requirements:** Before any action can be taken on an application to change township boundaries, the board of county commissioners must provide public notice.
- **Advertisement:** This notice must be published in at least three public places within the area affected by the proposed boundary change.
- **Recording Keeping:** The board is responsible for maintaining a record of all township boundary changes in a specific book.
- **Unique Names:** Each new township created must be given a name that is not already in use by another township within the same county.
- The County Auditor will develop the split of revenue/worth that will be transferred to the New Township.
- No Public Vote. Only a petition is needed.



Ohio Revised Code

Section 3311.24 Transfer of city, exempted village or local school district territory to adjoining district.

Effective: September 17, 2014

Legislation: House Bill 487 - 130th General Assembly

(A)(1) Except as provided in division (B) of this section, the board of education of a city, exempted village, or local school district shall file with the state board of education a proposal to transfer territory from such district to an adjoining city, exempted village, or local school district in any of the following circumstances:

(a) The district board deems the transfer advisable and, if the portion of the district proposed to be transferred is five acres or more, the board has obtained written consent to the transfer from seventy-five per cent of the owners of parcels of real property on the tax duplicate within that portion of the district;

(b) A petition, signed by seventy-five per cent of the qualified electors residing within that portion of a city, exempted village, or local school district proposed to be transferred voting at the last general election, requests such a transfer;

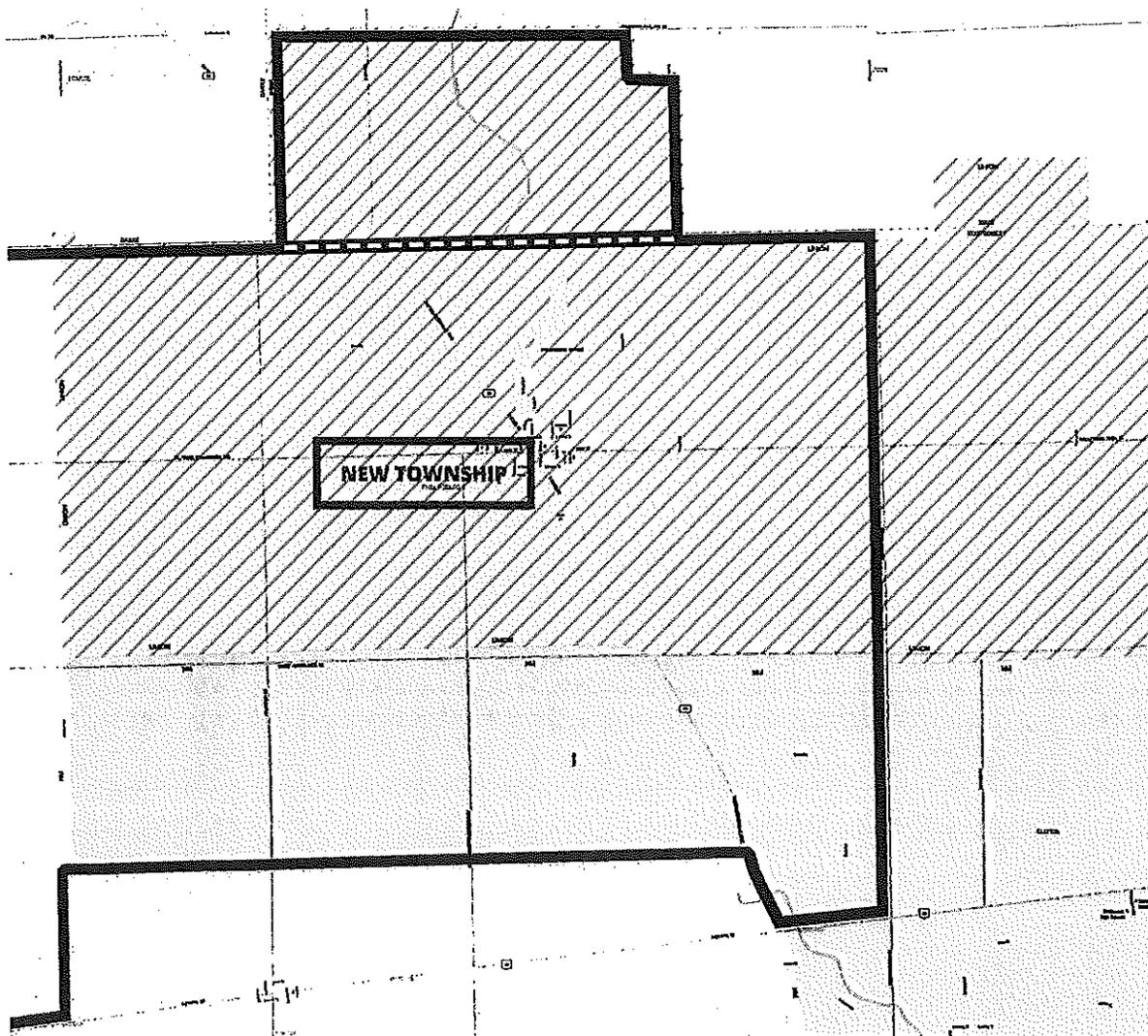
(c) If no qualified electors reside in that portion of the district proposed to be transferred, a petition, signed by seventy-five per cent of the owners of parcels of real property on the tax duplicate within that portion of the district, requests such a transfer.

(2) The board of education of the district in which such proposal originates shall file such proposal, together with a map showing the boundaries of the territory proposed to be transferred, with the state board of education prior to the first day of April in any even-numbered year. The state board of education may, if it is advisable, provide for a hearing in any suitable place in any of the school districts affected by such proposed transfer of territory. The state board of education or its representatives shall preside at any such hearing.

(3) A board of education of a city, exempted village, or local school district that receives a petition of transfer signed by electors of the district under division (A)(1)(b) of this section shall cause the

Slide 7: Legal Process - School District Transfer (Ohio Revised Code 3311.22 and 3311.23)

- **Initiation:** The transfer can be initiated by either the governing board of an educational service center or a petition signed by qualified electors within the affected area.
- **Agreement or Petition:** The governing board can propose the transfer by resolution, while electors can propose it via a petition.
- **Adjacent District Requirement:** Transfers can generally only be made in adjoining (adjacent) school districts.
- **State Board Involvement:** The Ohio State Board of Education plays a role in the process; requiring negotiation and approval of the transfer, particularly for transfers involving city or exempted village school districts.
- **Negotiations:** If negotiations are required, the boards of the affected districts must participate and attempt to reach an agreement on various aspects like revenue sharing and cooperative programs.
- **State Board Approval:** The State Board of Education ultimately decides whether to approve or disapprove the transfer, potentially holding hearings.
- **Due Process:** The State Board must provide due process to all parties involved if negotiations fail or if a transfer is reconsidered after being previously disapproved.
- **Division of Funds:** If a transfer occurs, the Educational Service Center Governing Board will divide funds between the acquiring district and the original district, according to Ohio Revised Code 3311.231.
- **Agreement between School Districts and County ESC offices:** There is an agreement required from the former district and new district on items like: Busing, students that want to remain in the former district without tuition. Any existing bond issues that must be paid by former property owners of Northmont, until paid off.



Slide 8: School Transfer Project/Mills Breakdown/School Funding Comparison

- **Franklin-Monroe School Funding (Per Darke County Auditor)**
 - Voted Mills (active): **35.68 Mills**
 - Effective Mills Collected: **23.494274 Mills**
 - Income Tax Collected: **.0025 Rate**
 - Last Operational Levy Request: 1986
 - Last Bond Levy Request: 2008. Building New School (expires 2036)
 - No levy planned for 2026, 2027
- **Northmont School Funding (Per Montgomery County Auditor)**
 - Voted Mills (active): 80.19 Mills + Plus 3.44 Mill Emergency Levy Passed 2025 (84.63 mills in 2026)
 - Effective Mills Collected: 68.49 Mills plus 3.44 Emergency Levy Passed 2025 (71.93 Mills in 2025)
 - Last Operational Levy Request: 2025
 - Previous Operational Levy Requests Since 1986: 8 levy requests, excluding bond requests
 - Last Bond construction Levy Request: 2012
- **Comparison of the New Township transfers to Franklin Monroe School District:**
 - Northmont current effective rate as of 2026: 71.93 Mills
 - Franklin Monroe Effective rate as of 2026: 23.49 Mills
 - Plus .0025 Income Tax. (1/4 of 1%)
 - Savings: 48.44 Mills saved on annual Tax Bill, Year after Year
 - Minus Income Tax Assessed
 - Agricultural and Residential Property Owners
- **School Savings:**
 - Franklin Monroe 23 mills and .0025 income tax/\$100,000 income earned @ 30 mills
 - Net School Savings 23.5 mills PLUS savings for longevity versus Northmont expenditures.
- **Overall Proposal Plan:**
 - School Savings: 23.5 mills
 - Net Increase Local Tax 7.5 mills
 - Net savings for New Township residents: 18 mills
 - New Township Potential Mills over existing (22-17=5) -5 mills
 - Total savings 13 mills

**Notice to Taxpayers of Montgomery County, Ohio
Rates of Taxation for 2024 (Payable 2025)**

In Pursuance of Law, I, JOHN MCMANUS, Treasurer of Montgomery County, Ohio, do hereby give notice that the number of mill levies on each dollar of property listed for taxation within said county on the General Tax List and General Duplicate for the year 2024 is as follows:

TAX LEVIES FOR COUNTY PURPOSES: The total County Levy of Mills consists of the General Fund, 1.7 Mills; Community College, 4.2 Mills; Board of Mental Retardation and Development Disabilities, 1.0 Mills; Human Services 2014 (A) 8.21 Mills; Human Services 2010 (B) 6.03 Mills, Five Rivers MetroParks, 3.0 Mills.

COUNTY AND LOCAL TAX LEVIES AND RATES OF TAXATION FOR 2024 (PAYABLE 2025)

State Code	County Code	TAXING DISTRICTS	TAX LEVIES FOR LOCAL PURPOSES						TOTAL TAX RATE	RESIDENTIAL & AGRICULTURE		COMMERCIAL & INDUSTRIAL		County Code
			MONT CTY	SCHOOL	TWP	CITY	JVS	LIBRARY		REDUCTION FACTOR	EFF RATE	REDUCTION FACTOR	EFF RATE	
30	C04	CLAY TWP - Brookville LSD	24.14	71.63	17.35		3.66	3.72	120.40	0.601435	60.03	0.385304	74.01	C04
35	C04-1	Brookville City II - Brookville LSD	24.14	71.63	16.64	0.71	3.66	3.72	120.40	0.601435	60.03	0.385304	74.01	C04-1
40	C06	Brookville City - LSD	24.14	71.63	3.66	1.30	3.66	3.72	108.03	0.601892	63.81	0.384118	66.53	C06
60	C06	Northmont CSD	24.14	80.25	17.35		3.66	3.72	129.12	0.469578	68.49	0.308299	89.31	C06
60	C07	Clayton City - Northmont CSD	24.14	80.25	3.66	9.26	3.66	3.72	124.73	0.470863	66.00	0.305773	86.69	C07
70	C08	Phillipsburg Village - Northmont CSD	24.14	80.25	3.66	15.02	3.66	3.72	130.47	0.451931	71.61	0.268657	92.78	C08
80	C09	Tri-County North LSD	24.14	36.65	17.35		3.66	3.72	85.72	0.311506	69.02	0.194671	69.04	C09
80	C10	Verona Village - Tri-County North LSD	24.14	36.65	3.66	16.30	3.66	3.72	86.35	0.295132	62.28	0.192669	71.33	C10

Slide 9: Benefits for Landowners

- Reduction of school tax from current Northmont (84.63 mills - 2026) to Franklin Monroe (23 mills and a .0025 income tax*). Huge savings for both homeowners and CAUV/Agriculture landowners
- Insulation from higher taxes being planned in the near future by Northmont (estimate of 15 mills for upcoming new elementary schools and middle school remodel)
- Class sizes present at Northmont: 23-29 pupils; Franklin Monroe: 18-22 pupils
- Rural/country school versus Metro school system
- Real estate agents are making state and estimates that our property values would remain strong and rise due to buyers looking for rural areas to live and not be affected by the higher taxes and inherent social problems occurring at Northmont
- Creation of program by Franklin Monroe, including adding more performing arts and sports like football, hockey and lacrosse

Slide 10: Needs to Accomplish Plan

- Hold meeting with various landowners located inside the New Township territory
- Hire legal firm to advise and prepare all legal documents and gather signatures
- Solicit donations from landowners to pay for legal expenses
- Find/identify four (4) people to be appointed to elected positions
- Build a government structure as desired by the community including all ORC laws