Ottawa Hills Schools

2023 District Enrollment Growth and Finance Update
Outstanding Achievement
in Open and Transparent Government

presented to...
Ottawa Hills Local School District
Lucas County | 07/01/2021 to 06/30/2022

Keith Faber, Ohio Auditor of State
Date signed: 03/30/2023
Review of How Our Schools are Funded

- Ohio School Districts Are Financed With A Combination Of Federal, State And Local Funds.
- State Level - Funding Received From The Ohio Department Of Education And Lottery Profits
- Local Level - Funding Received From Locally Levied Property Taxes
Five Years Ago, Where were we...

- Declining Enrollment - *Implemented Tuition Program*
- Large Bond/Perm. Improvement Levy Failed
  - Culture Of Post Levy Failure - *Uncommon For Ottawa Hills*
  - Trust & Collaboration Challenges
- Decision To Stretch Nov 2013 Operating Levy and Spend down Cash Balance
Where are We Now...and WHY?

- Success Of Educating During The Covid-19 Pandemic
- Passage Of November 2020 Operating Levy & Bond Levy
  - To Add Staff, Services And Support, As Well As To Update Facilities (JHHS)
- Capped School District Due To District Financial Profile
- Enrollment & Student Need Unexpectedly Increased (Projections Were That It Would Continue To Decline)
- Currently At One Of Our Largest Enrollments Ever
Taxes On Average Currently going to the School District...

- Average Home In Ottawa Hills = $325,075
  - $11,155 a year, around 70% ($8,172) goes to the district

- On A $500,000 Home In Ottawa Hills
  - $17,158 a year, around 70% ($12,570) goes to the district
Comparable Tuition a Year for Private Schools in our Area *(without fees)*...

- Maumee Valley - $27,800
- St. Johns - $16,000
- St. Ursula - $13,600
- St. Francis - $13,200
- Notre Dame - $14,500
- Ottawa Hills Tuition Program - $12,589 per student
<table>
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<tr>
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<th>2022</th>
<th>2021</th>
<th>2020</th>
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<tr>
<td></td>
<td>$25,447 Orange</td>
<td>$24,291 Orange</td>
<td>$24,854 Orange</td>
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<td>$22,423 Beachwood</td>
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<td>$19,330 Indian Hill</td>
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<td>$17,927 Ottawa Hills</td>
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<td>$13,475 Madeira</td>
<td>$13,405 Madeira</td>
<td>$12,618 Madeira</td>
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Cost Savings We Are Making to Help Budget

- Securing as many Grants as we can - school safety related ($100,000), facility related, technology grants ($400,000), etc.
- Private Donations- The Ottawa Hills Schools Foundation
- Board Finance Committee Looking Hard At Current District Spending (Making Savings
- Evaluating More Cost Savings Measures For The 23-24 School Year

Without Increased Revenue We Will Soon Be In “Fiscal Caution”

And Will Have To Make Deeper Staffing Cuts
Cost Savings Already Made

- Administrative Pay Cut, Retire/Rehire of Asst. Principal at JHHS and eliminated all travel and conferences for Admin and the Board (-$73,000)
- Eliminated Administrative Position- Full Time Comm. Director (-$85,000)
- Eliminated 1 Gifted Intervention Teacher- ESC position (-$55,000)
- 10% Budget Cuts in all District Budgets (-$225,000)
- Delayed new English Language Arts Curriculum Adoption (-$240,000)
Cost Savings End of School Year

- Eliminate Consumer Science Program and Teacher (-$160,000)
- Attrition of an English Teacher at JHHS (-$145,000)
- Eliminate Junior High Gifted Intervention Teacher-ESC position (-$55,000)
- Eliminate 1 School Nurse (COVID related hire) (-$42,000)
- Eliminated ½ World Language Position (retire/rehire savings) (-$62,000)
- Retirement Savings for Lindsay/Mendez/Lavetter (-$144,000)
- PE Program Changes- allowing for ½ time PE position cut (-$23,000)
Our Pursuit; Moving Forward Towards A “Blended Funding Model”

More Equitable for each Participant in the System...

- **Property Tax Operating Levy**- Primarily For Operating Expenses in the area of 10 mills, (November 2023)
- **Future School District Income Tax** - Percentage On Income Of District Residents (May 2024 or November 2024)
- **Aiming to Achieve Other Income Generators beyond Levies**
Operating Levy Costs to Homeowners

Based on a 10 mill levy:

For every $100,000 of Home Value= about $30 a month

Average Home Valuation In Ottawa Hills = $325,075

10 Mill Levy Cost = $94.79 a month

Home Valuation For A $500,000 Home

10 Mill Levy Cost = $145.83 a month
**Income Tax Levy - What would it generate in the future...**

Ohio Department Of Taxation
Estimated Income Tax Collections For 2023

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<tr>
<th>Rate</th>
<th>Traditional Base</th>
<th>Millage Equivalent</th>
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<tbody>
<tr>
<td>0.5%</td>
<td>$2,773,065</td>
<td>15.229</td>
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<table>
<thead>
<tr>
<th>Rate</th>
<th>Earned Income</th>
<th>Millage Equivalent</th>
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<tr>
<td>0.5%</td>
<td>$1,653,318</td>
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Exploring Other Income Generators

- Working with the Foundation to turn their focus with private fundraising to help support the operational areas of the district (curriculum, technology, programming, etc.)
- Renting out the use of our facilities for income
- Is there a future where Ottawa Hills has a Preschool that brings in Income?
- Should we expand our Tuition Program at Grade Levels that can absorb growth (Est. Tuition= $12,500 at student)
- Open to other Ideas and Feedback from the Community
Voted Millage

<table>
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<th>Time Period</th>
<th>Millage</th>
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<tr>
<td>75 to 84</td>
<td>26.6</td>
</tr>
<tr>
<td>85 to 94</td>
<td>21.8</td>
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<tr>
<td>95 to 04</td>
<td>20.9</td>
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<tr>
<td>05 to 14</td>
<td>20.0</td>
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<tr>
<td>15 to 24</td>
<td>1.0</td>
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Next Steps for Communication and Decision Making

- Continue Internal & External Communication On District Financial State
- Monitoring District Expenses And Enrollment To Accurately Set Need Amount—should be set by June after getting new state funding amount
- Continuing To Gauge Community Feedback And What Will Be Supported To Be Successful
- Begin To Build A Community Led Levy Team and Select Levy “co-chairs” before Summer
Time for Continued “Conversation with the School Board.”

Thank you for your time and support.