

FAQ ON DISTRICT FINANCES

Updated as of March 8, 2024



This FAQ on District Finances provides answers to frequently asked questions.

Questions you cannot find answers to can be emailed directly to individual [Board members](#), [district staff](#), or to info@ohschools.org.

All answers are provided by the person(s) whose role, authority, and expertise allow for the best response. Answers are provided by:

The Board of Education (BOE)

Dr. Adam Fineske, Superintendent

Mr. Cajon Keeton, Interim Treasurer

Ms. Erica Silk, Director of Development and Alumni Relations

FAQ TABLE OF CONTENTS

What is the Board of Education asking for?	3
How much will the 12.9 mill levy generate?	3
Why can't voters wait until November 2024 to pass this levy?	3
What is the impact if the levy is approved?	4
What is the impact if the levy is not approved?	4
What is the potential impact on class sizes at the elementary school?	5
How will levy approval impact homeowners?	5
What is the current 5-year forecast for the district?	6
What factors are different for Ottawa Hills Local Schools from other districts in terms of tax base?	6
How often do school districts typically need levies to maintain adequate funding for operations?	7
Why doesn't the district receive more money when my property tax bill increases?	7
With flat revenue and increasing annual expenses, what is the long-term plan to ensure adequate funding?	8
What other creative ways is the district exploring for revenue generation?	8
What is the percentage increase in spending for the past three years?	8
How much of our expense is for personnel? Are we overspending on administration, support staff, or instructional staff?	9
What cost savings have been made through January 2024?	10
Why can't permanent improvement dollars be used to pay operating expenses?	10
What actions are being taken to ensure that future spending plans do not exceed projected revenue	

<u>sources?</u>	11
<u>What can the BOE do to ensure that the district maintains financial security in the future?</u>	11
<u>What is the Board of Education's role in ensuring sound management and fiscal responsibility for the district?</u>	11
<u>What circumstances and decisions have led us to where we are now, with expenses far exceeding available revenue?</u>	12
<u>What did the 4.9 mill operating levy in 2020 help to fund?</u>	12
<u>If more funding for operations was needed in 2020, why were voters asked to approve a smaller operating levy but also a bond levy? Why was the bond levy needed then?</u>	12
<u>Why didn't the district ask for a levy sooner?</u>	12
<u>Why has the deficit not been dealt with sooner?</u>	13
<u>What happened to prevent the November 2023 levy from being on the ballot and what procedures are in place to prevent errors on important documents such as future ballot language?</u>	13
<u>How has enrollment changed over the last 10 years?</u>	14
<u>How have enrollment projections impacted decisions over the last 10 years?</u>	14
<u>Can you provide details on tuition students in our district?</u>	14
<u>How does the current lawsuit affect the school district?</u>	15
<u>If this levy fails, can our school system be absorbed by another school?</u>	15
<u>Are substitutes being cut?</u>	15
<u>Can you provide details on the Kenwood property purchase, annual income/expense, and current value?</u>	15
<u>Who owns the property at Richards Rd.?</u>	16
<u>Are we in fiscal caution and what does that mean?</u>	16
<u>Why did the district invest in the Wondry if it needs more operating dollars?</u>	16
<u>What is the Ottawa Hills Schools Foundation doing to help?</u>	16
<u>What is the district doing to increase communications to the entire community and to reach households that do not have a student currently enrolled?</u>	17
<u>What is being done to communicate the need for the operating levy in the Village of Ottawa Hills?</u>	17

What is the Board of Education asking for?

BOE: The BOE has directed the Treasurer’s office to place a **12.9 mill operating levy on the March 19, 2024, ballot**. Operating levies are needed periodically and must be approved by voters. Operating revenue is used to pay for classroom supplies, building operations, and to pay teacher and staff salaries and benefits (nearly 86% of the operating budget goes to personnel costs). It is important to note that this Election Day falls over the Ottawa Hills Local Schools’ spring break. As with all elections, early and absentee voting options are available.

How much will the 12.9 mill levy generate?

Cajon Keeton: It will generate **just over \$2.3 million** (not \$12.9 million as is often assumed) and will begin collecting in January of 2025. We will collect half in Fiscal Year 2025, with full collection beginning in Fiscal Year 2026.

FY Forecasts WITH the levy

(rounded)

	FY24	FY25	FY26	FY27	FY28
Total Revenue	\$17.2M	\$18.5M	\$19.8M	\$19.7M	\$19.7M
Total Expenses	\$17.7M	\$18.5M	\$19M	\$19.5M	\$20M
Ending Cash Balance	\$1.2M	\$1.3M	\$2.1M	\$2.3M	\$1.9M

FY Forecasts WITHOUT the levy

(rounded)

	FY24	FY25	FY26	FY27	FY28
Total Revenue	\$17.2M	\$17.3M	\$17.5M	\$17.3M	\$17.4M
Total Expenses	\$17.7M	\$18.5M	\$19M	\$19.5M	\$20M
Ending Cash Balance	\$1.2M	\$143K	-\$1.3M	-\$3.5M	-\$6.2M

Why can’t voters wait until November 2024 to pass this levy?

BOE: Even though the district won’t receive funds until January 2025, passage of the levy in March is crucial because it will allow planning for the 2024-2025 school year with inclusion of the first tax receipt (about \$1.1 million) in the budget. If the levy fails in March, the budget will assume no additional revenue in Fiscal Year 2025, requiring at least **\$1.5 million in operating budget cuts before the start of the 2024-2025 school year**.

What is the impact if the levy is approved?

Adam Fineske: While the district will still need to continue efforts to operate more efficiently and effectively, we will **have the ability to better maintain our current staffing and support levels**, and start working on accomplishing goals within our

strategic plan. Our goal will then be to stay off the ballot for up to three years and return to our past practice of asking for smaller operating levies, on a more regular basis (every three years) as the community has supported in decades past.

MOVING FORWARD

It will not be business as usual...

- a promise to be more fiscally minded
- continue to evaluate all staff positions based on need
- evaluate how we deliver services
- exploring new opportunities for revenue
- evaluating schedules at both buildings
- look to gain further savings and efficiencies
- do everything we can to stay off the ballot for 3 years and continue to look for ways to generate revenue from sources other than our tax base

What is the impact if the levy is not approved?

Dr. Fineske: Under the current 5-year forecast a rejected levy will **require \$1.5 million in cuts in the 2024-2025 school year budget.** The district has had to prepare a budget that balances with no additional revenue and the areas of impact on the budget are outlined below. Additionally, the changes outlined below are likely to have an impact on future State Report Cards and our College Profile.

District Cost Cutting Plan Without Additional Revenue for the 2024-2025 School Year

Cut \$1.5 million from the operating budget by eliminating funding for:

JUNIOR/SENIOR HIGH SCHOOL

- Dean of students position
- 1 full time world language teacher
- 1 full time math teacher (will impact science)
- 1/2 art & 1/2 computers/tech teachers
- 1 special education support position
- 1 full time building paraprofessional

ELEMENTARY SCHOOL

- 4 regular classroom teachers
- 1 full time special area teacher
- 1 full time gifted position
- 3/4 time counselor position

DISTRICT

- Funding for 1 theater production
- Funding for 2 varsity sports
- 1 full time grounds/custodian position
- Delay new classroom instruction purchases

What is the potential impact on class sizes at the elementary school?

Dr. Fineske: Below are current average class sizes in the elementary school, with a column added to show what average class sizes would be using current enrollment with one less section per grade. As with every school year, enrollments over the summer help us determine the number of sections needed for each grade level. **Without additional revenue in the operating budget, we will need to eliminate 4 grade level teachers (in addition to not replacing a retiring teacher) at the elementary school for the 2024-2025 school year.**

In the district we currently have an average student to teacher ratio of 16:1. The junior/senior high school has an average class size for grades 7-12 of 18 students for the 2023-2024 school year.

Current Average Elementary Class Sizes					
as of 1/31/24					
GRADE	TOTAL	New Students in 2023-2024 school year	Class Sections	Current Average Class Size	Average Class Size with one less section
Kindergarten	53	1	3*	17.66	26.5
First	72	2	4	18	24
Second	82	11	4	20.5	27.33
Third	89	7	4	22.25	29.67
Fourth	91	8	4	22.75	30.33
Fifth	83	5	4	20.75	27.67
Sixth	80	1	4	20	26.67
TOTAL	550	35			

*Kindergarten is a job share with 1 section

How will levy approval impact homeowners?

Cajon Keeton: Per the ballot language for this, Issue 5, this is an additional tax for the benefit of the Ottawa Hills Local School District, for the purpose of current expenses, that the county auditor estimates will collect \$2,343,000 annually, at a rate not exceeding 12.9 mills for each \$1 of taxable value, which amounts to **\$452 per year for each \$100,000 of the county auditor's appraised value**, for a continuing period of time, commencing in 2024, first due in calendar year 2025. County Auditor appraised values can be found by homeowners using the AREIS tool [here](#).

What is the current 5-year forecast for the district?

Cajon Keeton: At the November 20 Board of Education meeting, I presented the updated 5-year forecast covering fiscal years 2024-2028 that reflects reductions made for the current fiscal year and assumes passage of the 12.9 mill levy in March 2024. The 5-year forecast serves as a tool to communicate and assess the financial health of a school district and includes historical and projected financial data. School districts are required to submit 5-year forecasts twice annually to the Ohio Department of Education. The **updated 5-year forecast is available [here](#) and the recording of the meeting is available [here](#).** If the levy is not passed in March, the district must include the operating expense reduction of \$1.5 million in the May 2024 forecast submission.

How much funding does the state provide?

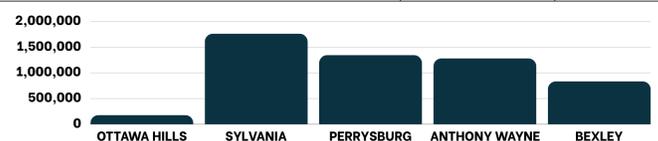
Cajon Keeton: Under the new Fair School Funding plan, the state of Ohio factors residents' income level per pupil and district valuation to determine a state and local share for funding. The amount that the state of Ohio has determined to fund every student in Ottawa Hills is \$2,405.90. To complicate this issue further, the state of Ohio is not currently fully funding the school funding formula for any Ohio school district, which means that **we only receive about \$1,500 per additional student** enrolling in the district in 2024. The actual cost per pupil in our district is closer to \$18,000, leaving the additional expense up to the taxpayers to cover. Bottom line, in Ottawa Hills, state funding makes up about 15% of our district revenue and we must rely on property tax for the rest.

What factors are different for Ottawa Hills Local Schools from other districts in terms of tax base?

Cajon Keeton: Unlike many districts in Ohio, income from property tax levies comes almost entirely from residents. **Most districts have commercial, agricultural, or public utility tax bases to offset what residents pay in property taxes.**

Our community valuation (as noted in the below graph) is \$179,059,000. This means that 1-mil brings in \$179,059. In order to raise \$2.34 million we need to go on the ballot for 12.9 mils, while our neighbors can raise the same revenue for a much smaller millage rate. For example, Sylvania would need just over 1 mil to raise \$2 million in their school district. This has created a challenge in our local funding for decades.

1-MILL GENERATION COMPARISON		
DISTRICT	1-MILL GENERATES	PERCENT PAID BY RESIDENTS
Ottawa Hills	\$179,059	98.4%
Sylvania	\$1,763,497	80.2%
Perrysburg	\$1,346,800	81.8%
Anthony Wayne	\$1,283,676	86.2%
Bexley (peer district)	\$835,080	96%

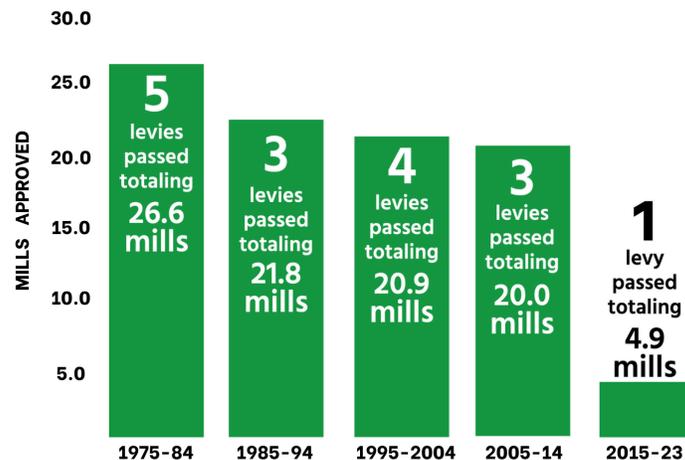


How often do school districts typically need levies to maintain adequate funding for operations?

Cajon Keeton: This widely varies throughout the state. For example, over 100 school districts in Ohio are on the “20-mil floor” which means as home values increase districts receive 20-mils for all added taxable value. In Ottawa Hills, as home values increase tax rates are largely rolled back, which leads to little opportunity for revenue growth. Also, nearly 130 school districts have an income tax with increases coming from additional earnings from taxpayers. These are examples of unvoted revenue increases for schools. Outside of state aid increases, our taxpayers will continue to have a vote on the majority of revenue increases to the district.

BOE: Historically, Ottawa Hills residents have passed operating levies approximately **every 3 years**. Regular levy requests are needed to keep up with inflationary increases in district expenses and salaries. A school district income tax would likely reduce the need to pass levies as frequently. The board and district leadership are considering this option for future funding, but it would need to be approved by the voters.

HISTORIC LEVIES PASSED IN OTTAWA HILLS



Why doesn't the district receive more money when my property tax bill increases?

Cajon Keeton: Ohio House Bill 920 adjusts property taxes so that **no more tax than the originally voted on amount is collected** overall. Property taxes in the Village of Ottawa Hills are adjusted so the district receives the same amount overall, even if you see a change in your tax bill. This means that the school district receives no inflationary increase in revenue on levied property tax. The only way to increase revenue is to request additional millage with a new operating levy.

With flat revenue and increasing annual expenses, what is the long-term plan to ensure adequate funding?

Dr. Fineske: In addition to long-term strategic planning for funding needs, the following will be in place and coordinated by the Superintendent's office:

- Weekly meetings with Superintendent and Treasurer to review all budgets and monies in and out for the week
- Continued evaluation of all staff positions based on need
- Continued exploration of new opportunities for revenue
- Yearly evaluation of schedules at both buildings
- Capture further savings and efficiencies through attrition when possible
- Regular meetings with grant committee in an effort to utilize grant funding to offset operating costs whenever possible
- Work with local legislators as well as state organizations to lobby in Columbus to ensure our school district is more fairly funded

What other creative ways is the district exploring for revenue generation?

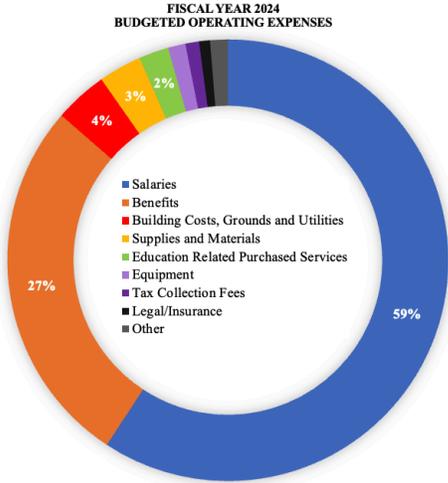
Dr. Fineske: Erica Silk, Director of Development and Alumni Relations, and Dr. Bill Miller, Superintendent of Curriculum and Instruction, are two members of a newly created **grants committee** that will research and apply for grants in an effort to increase financial support to the district. We are also focused on finding ways to rent district facilities to generate additional revenue for the district. We have had private organizations utilize our fields and our theater is available for groups to use during summer months. We will continue to explore additional ways for our wonderful buildings to be utilized by other groups and organizations as the safety and security of students and staff allows.

What is the percentage increase in spending for the past three years?

Cajon Keeton: Total expenditures (excluding transfers to other funds) increased 3.9% in fiscal year 2021, 8.64% in fiscal year 2022, and 3% in fiscal year 2023. When comparing FY22 to FY23 our state funding per pupil actually fell 2.1%, while our peers increased 9.4% and statewide, schools saw a 17.3% increase in school funding per student. **We have LOWERED our cost to educate students, despite our growing enrollment.** Our expenses per pupil fell from FY22 to FY23, while our peer districts rose 14.2% and statewide rose 5.1%.

How much of our expense is for personnel? Are we overspending on administration, support staff, or instructional staff?

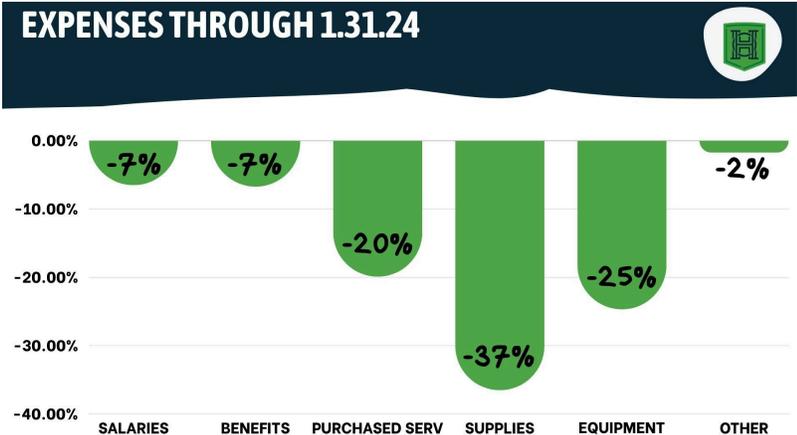
Cajon Keeton: Personnel and benefits make up 86% of the operating budget. Based on 2023 salary expenditures, we spend 65% on direct classroom instruction (classroom teachers, Special Education teachers, etc.), 23% on support staff (instructional aides, recess aides, coaches, counselors, mental health supports, custodial staff and more), and 12% on Administrative Support / District Leadership. We are unique in the sense that we strive to attract the very best in every position in our schools. We must continue to evaluate our salaries against our contiguous school districts, something that we review annually.



BOE: Each year we evaluate our cost per pupil comparison with other schools of similar size and performance (all top 40 in statewide performance) around the state. 2022 data showed us that we were higher than most in both instructional (teachers) and pupil support (counselors, intervention, etc.) spending. Using 2022 data, our direct instructional spending per pupil was 21% higher than the average comparable district. This is great information to have and told us that we could and should be able to reduce our instructional spending and still achieve the same great performance results we all desire for our students.

The BOE challenged district leadership to find strategic ways to reduce our cost structure while maintaining the careful balance of optimum class sizes and opportunities for every student.

As a result, the cost structure was reduced going into this 2023-2024 school year by more than \$1.5 million. Personnel needs were scrutinized and the reduction of 15 full and part-time positions was achieved through attrition, reorganization and careful streamlining. Expenses through



1.31.24 are under budget in every expense category, showing progress in controlling costs even beyond the original budgeted reductions.

The 2023 cost per pupil comparison report shows significant progress. Ottawa Hills spending per pupil is now just below the average of our state peer districts. Direct instructional spending is still 12% higher than our peers, but every other category of spending (support, operations and administration) is at or below the level of peer group spending. View the Ohio Department of Education and Workforce Office of Budget and School Funding District Profile Report for FY 23 [here](#).

What cost savings have been made through January 2024?

Dr. Fineske: Please view the summary of **cost savings made by the district beginning last year in January and continuing [here](#)**.

Why can't permanent improvement dollars be used to pay operating expenses?

Cajon Keeton: The **Ohio Auditor of State regulations prevent the use of permanent improvement dollars for operational expenses**. Those dollars are used for long term (greater than 5 years) improvements/projects.

What actions are being taken to ensure that future spending plans do not exceed projected revenue sources?

Dr. Fineske: The district is tackling our future budget and financial needs from all angles. The Superintendent and Treasurer will work in tandem to ensure budgets, revenue, and expenditures are reviewed on a weekly basis. The district has implemented an **instructional budget freeze** which will save \$200,000-\$300,000 this year. Future budgets will be set by the Treasurer and Superintendent in consultation with principals, department, and grade level chairs based on the current 5-year forecast and reevaluated by the Superintendent and Treasurer on an ongoing basis. The **Board finance committee will continue to meet on a more frequent basis to monitor revenue and spending** with regular updates to the Board of Education. The Board is requiring that the district maintains a minimum 30 days cash reserve and is working to revise the current procedure for approving expenditures and operating budgets.

What can the BOE do to ensure that the district maintains financial security in the future?

BOE: The BOE has established a policy to ensure a **minimum of 30 days cash reserve** (about \$1.4 million today) to ensure financial security for the district. The Board will require that spending plans be adjusted by district leadership as needed to maintain an adequate cash balance - even if that results in the reduction of valued staff or services. A district finance policy review is underway and will be included in the district policy manual once completed.

What is the Board of Education's role in ensuring sound management and fiscal responsibility for the district?

BOE: The Board employs the superintendent and treasurer and works closely with them to establish policy, vision and long-range goals for the district. **The Board holds the superintendent and treasurer accountable for the fiscal planning necessary to provide adequate opportunities to the district's students and families while maintaining fiscal health of the district.** Two Board members serve on the finance committee with the superintendent and treasurer, which meets monthly for an in-depth review of financial statements and to discuss financial planning issues as they arise.

What circumstances and decisions have led us to where we are now, with expenses far exceeding available revenue?

Dr. Fineske:

1. Student **enrollment growth up 160 students FY 2017-present**
2. An increase in social-emotional and academic support **student needs** (in general and post pandemic)
3. **Decrease in state funding and only a 3% increase in revenue since 2018**

What did the 4.9 mill operating levy in 2020 help to fund?

Dr. Fineske: The passage of the November 2020 operating levy allowed to the district to add the staff necessary to address the growth in enrollment and increased need for student support as follows:

- 1 full time math teacher at the JHHS
- 1 full time counselor, 1 full time school psychologist, 1 elementary school nurse
- Special education teachers
- 4 elementary teachers to keep class sizes as low as possible

If more funding for operations was needed in 2020, why were voters asked to approve a smaller operating levy but also a bond levy? Why was the bond levy needed then?

Dr. Fineske: The amount of the millage was set in response to a **community survey** conducted by Great Lakes Marketing Research on behalf of the district (you can view the survey results [here](#)). Feedback at the time supported both an operating levy of no more than 5 mills in addition to a separate bond levy to make much needed upgrades in facilities at the JHHS. It is important to note that the levy came in the midst of the COVID pandemic and at a time of global uncertainty. While we knew the need was greater than the request, we also knew we needed the levy to be successful in order to meet the needs of our growing student population and aging buildings.

Why didn't the district ask for a levy sooner?

BOE: A major permanent improvement levy request was rejected by voters in November 2015. Soon after, a climate survey was conducted and focus groups were assembled to get a better sense of why the levy had failed. The feedback obtained and released in 2017, which can be viewed [here](#), indicated that a majority of community members did not support the 2015 levy for a variety of reasons including: a lack of trust, declining enrollment, and a sense that the planned building improvements and additional funds requested were not needed at the time.

In August of 2019, a new superintendent was hired. In the months that followed, the focus was on acclimating the new superintendent to the district – however, this focus quickly shifted in the aftermath of the arrest of a district employee in December 2019 and the onset of the COVID-19 pandemic in March 2020. The district was very aware of the need for a levy but also very cognizant of the fact that we were in the midst of a global pandemic and our community members were very concerned about physical health, safety, and financial security.

In 2020, the feedback from the community was that any request over 5 mills was very likely to be rejected. As a result, the district asked for an amount that was much less than was needed to both maintain current operations and add the resources necessary to meet increased student need and community demand. We now know that we should have returned to the voters in 2022. However, at that time, district leadership voiced concern about the likelihood of success just two years after the 2020 levy and just as our community was rebounding from the COVID-19 pandemic. What is now quite clear is that it is imperative that the district return to a regular levy cycle, with a smaller millage request every 2-3 years.

Why has the deficit not been dealt with sooner?

Dr. Fineske: While increased efforts to address the deficit have been ongoing since 2021, it is clear that this cost structure review and reduction should have started as soon as the need for increased staff was realized. Budgets should have been tightened sooner to reduce the deficit. These measures **would not have eliminated the need for the levy; however, they would have helped us maintain a more comfortable cash balance until a levy could be requested.**

What happened to prevent the November 2023 levy from being on the ballot and what procedures are in place to prevent errors on important documents such as future ballot language?

BOE: Standard procedures for ballot initiative review were not followed which resulted in paperwork with a substantive error being submitted to the Board of Elections. Industry standard requires that all levy paperwork be reviewed by district counsel prior to it being submitted in order to protect the district and its employees. The treasurer did not complete this step in the process. **The Board relied on the information presented by the treasurer as having been reviewed and accurate. In the future the Board will ensure that the procedure for review of ballot initiatives is adhered to as follows:**

1. The treasurer and superintendent both review and approve paperwork.
2. District counsel review of all ballot initiatives and related paperwork.
3. Confirmation by the Board of Education that the previous steps have been taken to ensure accuracy before approval.
4. Review of paperwork by full board with notification to members prior to board meeting.
5. School board review and vote on documents at a public meeting.

How has enrollment changed over the last 10 years?

Dr. Fineske: In 2013 we had 970 students enrolled in the district. By 2015 enrollment fell to 917 students before rebounding back up to 987 by 2018. The district then saw an unprecedented increase in 2020 when our enrollment reached 1059 students. In 2022 enrollment grew to a high of 1073 students. **As of January 2024, our enrollment is 1055 students.**

How have enrollment projections impacted decisions over the last 10 years?

Dr. Fineske: In late 2015, a study was conducted for the school district by Fanning Howey. That **study predicted that our enrollment would be decreasing** over the coming years. You can view this study [here](#). At the time, the district decided to begin a tuition program to allow students to attend Ottawa Hills Schools by paying tuition, similar to a private school, with hopes that families would end up moving to the Village. This was heavily promoted and advertised in and around the Metropolitan Toledo area. **Starting in the 2018-2019 school year enrollment began to increase**, instead of decrease, and by 2021 it was way above what the study had predicted. Due to total enrollment, especially in the elementary building, the district put a hold on accepting tuition students who were new to the district. The increased enrollment has impacted our budget significantly. At the same time, the district has also experienced increased academic, behavioral and social emotional needs of students that have resulted in increased spending on support staff and programmatic changes.

Can you provide details on tuition students in our district?

Dr. Fineske: Public school tuition rates are set by the state of Ohio. This year, the rate for tuition for a full academic year is \$12,228.61. At Ottawa Hills, tuition applications are evaluated on a case-by-case basis. The district has not accepted tuition students who are new to the district for the past two years. Tuition students in good standing are allowed to continue until graduation. **We currently have 11 tuition students remaining** in our district, with three scheduled to graduate this spring (2024).

How does the current lawsuit affect the school district?

Dr. Fineske: Although the pending litigation occasionally requires the attention of members of our staff, it does not disrupt the daily operations of the district. **Our lawyers are vigorously defending the allegations, and that defense is being paid for by the district's insurance carrier.**

The district's response to the amended complaint may be found [here](#).

If this levy fails, can our school system be absorbed by another school?

BOE: No, our district will not be absorbed by another school district.

Are substitutes being cut?

Dr. Fineske: No, however we have restructured the use of in-house staff as temporary substitutes to be more cost efficient. If a teacher is out for a half day or more, we are still bringing in a substitute teacher.

Can you provide details on the Kenwood property purchase, annual income/expense, and current value?

Cajon Keeton: Until the fall of 2023 we collected \$1200 per month in rent on this property and the only expense was a management fee of \$120 per month. Total net revenue is \$12,960 per year. Since we are a public school district and own this home, our property taxes are waived. We have been told by local realtors in the fall of 2023 that if we were to sell the home, we should list it somewhere between \$160,000-\$170,000 (we paid \$155,000 for the home). At this point the district is holding off on selling the home.

BOE: The plan was to eventually tear down the home and keep the land for future development. The Board instead chose to rent the home for fair market value to generate revenue into the operating fund, partially offsetting the lease payment for the Village Green offices. Board member Corey Hupp's daughter was renting the home at fair market value of \$1,200 per month through the end of November 2023. As of December 2, 2023, the BOE approved the lease to a new tenant through November 30, 2024, at the fair market rate of \$1,400 per month. The BOE also decided to no longer use a management company for the property, and instead collect the rent through the Treasurer's office. Net revenue under the new lease will generate \$16,800 per year.

Who owns the property at Richards Rd.?

Dr. Fineske: The property is owned by the Village of Ottawa Hills, not the school district.

Are we in fiscal caution and what does that mean?

Cajon Keeton: Cost savings made prior to January 2024 prevented the district from entering fiscal caution with the November 2023 5-year forecast submission. The next forecast submission in May 2024 will likely trigger a fiscal caution if the levy is unsuccessful. This means we will have to provide the Department of Education with a written plan to address our current fiscal situation. Fiscal caution means that the Department of Education will work closely with the district to change the course of our financial trajectory. More information can be found [here](#).

Why did the district invest in the Wondry if it needs more operating dollars?

Erica Silk: The Wondry marked the final phase of the Ottawa Hills Schools Foundation's Full STEAM Ahead Capital Campaign. The Wondry, renovations to the 6th Grade Science Research Lab, and elementary ArtLab, were **funded by private donations to the Foundation**. Donations made to the Full STEAM Ahead Capital Campaign were direct donations for those capital projects and could not be used for the district's operating expenses.

What is the Ottawa Hills Schools Foundation doing to help?

Erica Silk: The Ottawa Hills Schools Foundation provides financial support to the district, faculty, and students to enhance the student experience at Ottawa Hills. The Foundation anticipates providing approximately \$90,000 in grants this year. Examples of grants approved to date include: 2nd grade Engineering in the Classroom; 8th and 12th grade trips to Washington, D.C.; Biology lab kits; MakerSpace equipment; fitness center training; Home to Home; and faculty and staff professional development.

Directed donations can be made to the Foundation to support the district's current operating expenses. Those directed donations are tax-exempt and can be used as unrestricted funds to support the district's financial strains. More information about the Ottawa Hills Schools Foundation can be found [here](#).

The Ottawa Hills Schools Foundation was formed after the 2015 bond/permanent improvement levy was not passed. The Foundation provides a vehicle for private donations to be used to fund major capital improvements such as the Kadens Family Fitness Center, The Foundry, and The Wondry. The Foundation also supports programs that go above and beyond the traditional experiences in our classrooms that benefit students.

What is the district doing to increase communications to the entire community and to reach households that do not have a student currently enrolled?

Dr. Fineske: The district puts out a **weekly newsletter** that is sent to all parents and staff, as well as opted-in subscribers. Anyone can subscribe to receive the Weekly District Newsletter [here](#). Going forward, those subscribed to receive communications from the Village of Ottawa Hills will also see a link to the district weekly newsletter

included. The district also publishes the **Around These Hills** magazine periodically. You can view the Summer 2023 issue that included a district finance update [here](#).

What is being done to communicate the need for the operating levy in the Village of Ottawa Hills?

Adam Fineske: A team of **community volunteers have formed a ballot issue committee, “The Citizens for Ottawa Hills Schools,”** led by co-chairs Erica Kelm and Julie MacMillan. This committee will be communicating the need for the levy to Ottawa Hills residents through regular informational meetings open to the public, digital information sharing, mailers, and door to door canvassing.

Additionally, the 2024 State of District, co-hosted with our interim treasurer Mr. Keeton focused on the financial state of our district. The **entire community was mailed an invitation to attend the January 31 presentation and participate in the question and answer** following. A recording of that can be watched [here](#) and the presentation slideshow can be viewed [here](#).