

FINDLAY CITY SCHOOLS

FINANCIAL FACTS

- ## WHAT IS AT STAKE?
- Findlay City Schools is facing a \$13 million deficit, and must make \$6 million in cuts for the 2025-2026 school year.
 - Without additional funding, more cuts will be required, further reducing staff, programs, and extracurriculars.
 - The district has not received new operating funds in 20 years (since 2004), and has been held flat on collection rates due to HB920.

WHAT IS THE 1% EARNED INCOME TAX LEVY?

- A 1% earned income tax would apply only to earned wages (salaries, wages, and self-employment income).
- It does NOT tax Social Security, disability benefits, pensions, child support, worker's compensation, or investment income.
- Findlay would remain in line with or below many neighboring districts that already have an income tax.

WHY NOW?

- ESSER funds (COVID relief) expired in September 2024, eliminating temporary financial support.
- Rising costs, levy failure in November, and flat funding have required the district to make \$6 million in cuts for the 2025-26 school year, including:
 - 43 teachers lost through layoffs and attrition
 - 23 support staff positions cut
 - 6 administrative positions eliminated
 - 92 supplemental (extracurricular) positions removed
 - Pay-to-participate fees introduced for middle and high school activities
 - Elimination of high school busing and increased walking distance to 2 miles

WHAT HAPPENS IF THE LEVY PASSES?

- The district will not receive the first full collection until April of 2026, and therefore must proceed with the near \$6 million in cuts for the 25-26 year.
- The levy would prevent further reductions and stabilize the district's budget.
- During the 25-26 school year, the Board will consider the programs and positions that could be restored in a fiscally responsible manner for the 26-27 school year.
- The district could avoid having to ask voters for new operating funds for the foreseeable future.

WHAT HAPPENS IF THE LEVY FAILS?

- Additional cuts will be required.
- Larger class sizes, fewer course offerings, and limited extracurricular activities would result.
- Findlay City Schools risks state fiscal oversight, meaning the state would step in to mandate further cuts.



EARLY VOTING:
APRIL 8, 2025

ELECTION DAY:
MAY 6, 2025



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TROJAN
TREASURER TIME



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FINANCIAL FACTS

OHIO SCHOOL FUNDING

HOW ARE PUBLIC SCHOOLS IN OHIO FUNDED?

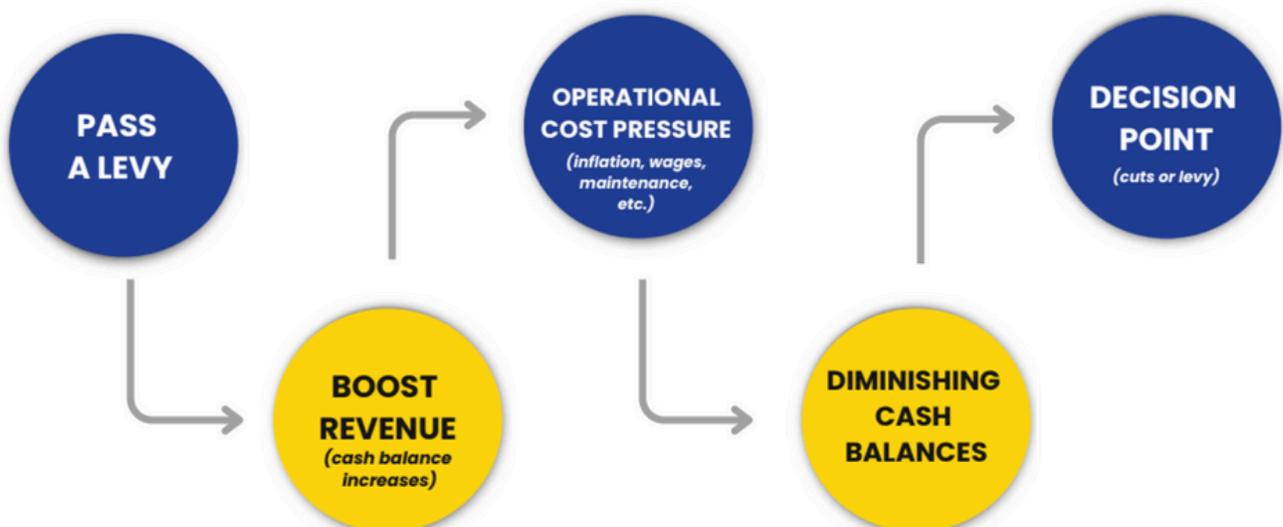
Ohio public schools receive funding from three primary sources: state funding, federal funding, and local funding through taxes – primarily property taxes. The state provides a foundation amount per student, supplemented by local property taxes and federal funds. As calculated by the state funding formula, local property taxes often represent the largest portion of school funding, especially in districts with higher property values per pupil.

WHAT IS THE ROLE OF LEVIES IN SCHOOL FUNDING?

Levies are a fundamental mechanism in Ohio's school-funding model. A levy is a local property tax specifically approved by voters to fund schools beyond what is provided by state and federal funds. There are different types of levies, including operating levies for day-to-day expenses, bond levies for long-term capital improvements, or permanent improvement levies for ongoing maintenance. Ohio school districts often rely on regular levy approvals to maintain operations and accommodate growth or inflationary costs.

WHAT DOES A SCHOOL DISTRICT FUNDING CYCLE LOOK LIKE?

When a levy is passed, it does not take effect immediately. Depending on the timing of the levy's approval and the tax collection cycle, there may be a delay before the first revenues from the new levy begin to flow into the district. This means that school districts must budget carefully to manage the flow of cash. They must ensure there is enough money on hand to cover operational expenses throughout the year, not just when tax revenues are received. Once collections start, they often come in as a lump sum twice a year, temporarily boosting the district's cash balance. The initial boost in cash balance is not an indication of excess funding; rather, it's part of a calculated influx intended to fund the district for the duration of the levy period. Districts plan their budgets around this cycle, allocating funds to cover expected increases in operating costs over upcoming years until the next levy cycle. This includes covering regular expenses such as salaries, benefits, utilities, maintenance, and other operational needs. Since levy revenue is fixed and does not increase with inflation or property value increases (due to House Bill 920), the cash from a levy must often stretch further each year. As costs rise due to inflation, the purchasing power of the originally collected amount can decrease, which can strain the latter years and eventually lead a district back to the ballot to make another levy request or make significant cuts.



WHAT IS HOUSE BILL 920, & HOW DOES IT AFFECT SCHOOL FUNDING?

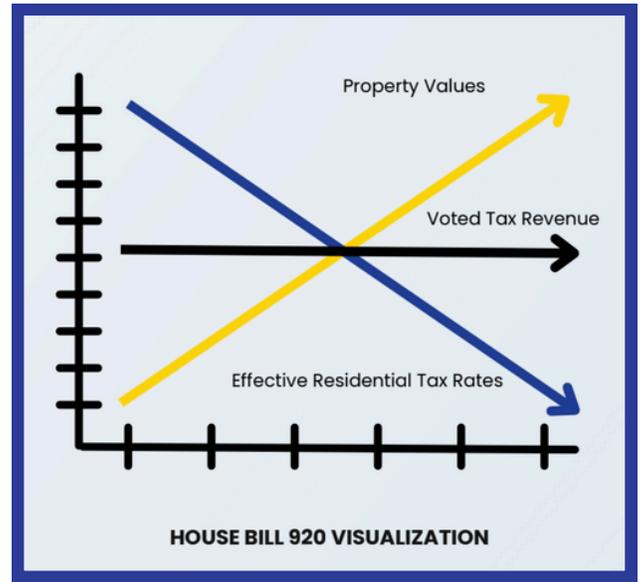
House Bill 920, enacted in 1976, is a law designed to prevent school districts from realizing substantial revenue increases as property values rise. It freezes the amount of revenue a school district can receive from a specific levy to the amount that was approved by voters. This means that even as property values increase, the tax rate adjusts downward to keep revenue constant, unless voters approve a new levy to increase funding.

HOW DO PROPERTY VALUATIONS IMPACT SCHOOL FUNDING?

Due to House Bill 920, increases in property valuations do not automatically translate into increased revenue for schools. When a county auditor completes a triennial property valuation, there is an adjustment of residents' property taxes. Those in the community whose property value grew by a larger-than-average rate will see their tax rate adjusted to coincide with the valuation increase. Similarly, those who see a below-average property valuation will have their tax rate adjusted accordingly. The important thing to note is the total amount of revenue collected from the community-at-large remains the same during a property valuation. In order for the district to receive additional funds to operate, the community needs to vote on a new levy. The one exception is inside millage, which does grow, but that is a fraction of the overall millage.

IF THE SCHOOLS DON'T GET MORE MONEY, THEN WHY DID MY TAXES INCREASE SO MUCH?

It all depends on how your property valuation compares to the rest of those within the community. Properties that experienced a higher-than-average growth on the latest valuation would see an increase in taxes. At the same time, a home down the street or on the other side of town may see a decrease in their property taxes due to a lower-than-average valuation. The net outcome for the school district is a zero increase on voted mills: Some families' taxes will increase, some will decrease, and some will stay the same. This happens at each property valuation conducted by the county auditor.



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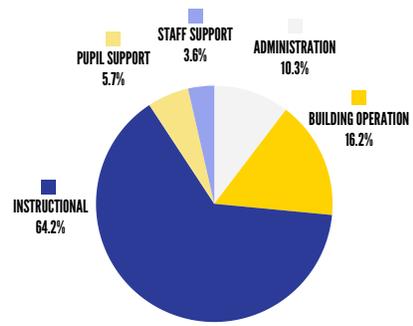
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 **ODEW OVERVIEW OF SCHOOL FUNDING**

 **TROJAN TREASURER TIME**

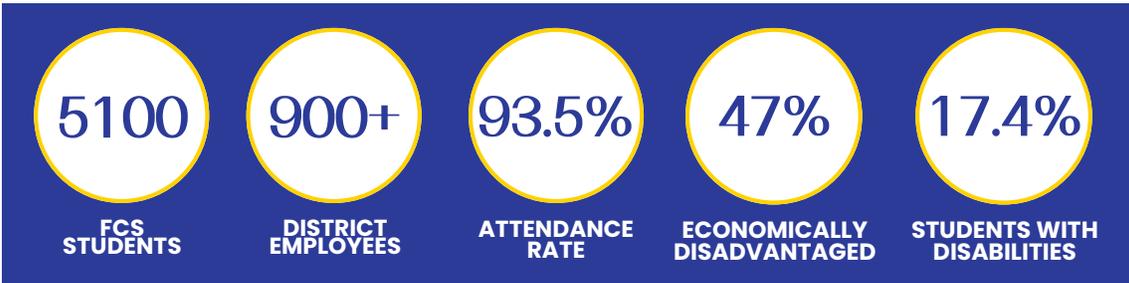
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FAST FACTS



FINDLAY RANKS **6TH** OUT OF 43 SIMILAR-SIZED DISTRICTS IN THE AMOUNT OF FUNDS SPENT ON CLASSROOM INSTRUCTION!

- 1** PRESCHOOL BUILDING (AGES 3-5)
- 3** PRIMARY BUILDINGS (GRADES K-2)
- 3** INTERMEDIATE BUILDINGS (GRADES 3-5)
- 2** MIDDLE SCHOOLS (GRADES 6-8)
- 1** HIGH SCHOOL (GRADES 9-12)
- 1** CAREER TECH BUILDING (GRADES 9-12)



- 15** SCHOOL COUNSELORS
- 5** SCHOOL PSYCHOLOGISTS
- 8** SCHOOL NURSES
- 112** PARAPROFESSIONALS
- 30** BUS DRIVERS

5TH LARGEST EMPLOYER IN FINDLAY

City of Findlay Annual Comprehensive Financial Report



GRADUATION RATE



OPPORTUNITIES

PERFORMING ARTS

- CONCERT BAND
- CONCERT CHOIR
- CONCERT STRINGS
- DRUMLINE
- ELECTRIC YOUTH
- FINDLAY FIRST EDITION
- FINDLAY STRING FACTOR
- JAZZ BAND
- MARCHING BAND
- MUSICAL THEATRE
- SYMPHONIC BAND
- SYMPHONY STRINGS
- SYMPHONIC CHOIR
- VOICES IN PERFECTION
- THEATRE
- WIND ENSEMBLE



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...AND MORE!



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