

OTSEGO FINANCIAL UPDATE

NEWSLETTER



December 2024

Big News This Month:

At the November meeting, the Otsego Board of Education approved our five year forecast. Every school district has to complete a fall and spring financial forecast, outlining their district's expected revenue and expenses for the next five years. Last spring we made over \$700k worth of cuts / non replacements. We needed to balance our budget for this current year. While we tried to limit the impact of these financial cuts to our students, undoubtedly some of the reductions have impacted the educational experience we are able to provide.

From a revenue side, we are seeing our Income Tax payments increasing, we will see an increase in property tax money due to Lucas County's reappraisal, and we will get the second half of the Wood County increase from last year.

Our expenses will see a smaller growth than previous years because of the cuts we made, and concessions that our labor unions have made to help the district.

To see the full forecast packet, please click this [link](#).

Year Over Year Comparisons of Revenue and Expenses

****A School's Fiscal Year runs July 1st through June 30th. We are currently in Fiscal Year 25 (FY25)****

	FY24 Total	FY24 To Date (July 1st, 2023-End of November 2023)	FY25 To Date (July 1st, 2024-End of November 2024)	Change
Revenue	\$18,794,137	\$8,400,555.39	\$9,088,866.12	\$688,811
Total Expenses (Including Transfers)	\$19,560,588	\$8,757,683.24	\$8,812,131.76	\$54,449

Our increase in revenue is reflecting the timing of payments from our Wood County reappraisal and the increase we have seen in our Income Tax revenue.

When comparing our expenses it is important to note that the calendar currently has us one pay behind last year. With the large amount of cuts we have made, we have worked really hard to limit increases to expenditures.



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Lucas County Reappraisal

Last year our Wood County residents saw their property taxes increase due to a reappraisal. This year Lucas County residents will have their reappraisal and property tax increase. Otsego Local Schools goes into Lucas and Henry, so this reappraisal will generate about 100k of extra revenue for our schools this year.

Otsego is able to collect the full increase of this reappraisal because we are on the 20 mil floor. Being on the 20 mil floor allows us to have one of the lowest property taxes in the area.

Otsego Financial Quick Facts:

- Otsego made over \$700k worth of cuts / non replacements in the spring of 2024 to have a balanced budget for the current fiscal year.
- Otsego was able to install new cameras all around campus to increase security, all paid for by safety grants. A total of \$300,000 was awarded and used by Otsego to increase the safety of its students and staff.

UPCOMING EVENTS.

- 12/5 5:30 PM- Community Financial Talk at Otsego High School Library
- 12/16 5:30 PM- Community Financial Talk at Otsego High School Library
- 12/19 6:00 PM- Otsego Board of Education Meeting
- 1/15 7:30 PM- Community Financial Talk at Otsego High School Library
- 1/29 7:30 PM- Community Financial Talk at Otsego High School Library

HELPFUL LINKS.

- [Otsego School's Website](#)
- [Otsego's Treasurer Website](#)
- [Community Engagement Calendar](#)
- [Current Board Approved 5 Year Forecast](#)



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