

# RENEWAL

EMERGENCY OPERATING LEVIES  
NOVEMBER 8, 2005



# TITAN TRADITION



Ottawa-Glandorf Local Schools

September, 2005

## What will it cost homeowners?

Both emergency operating levies are renewals and if approved it would **NOT** be an increase of tax.

Market Value of Property	Cost per day for Both Levies
50,000	12 cents
75,000	17 cents
100,000	23 cents
125,000	29 cents
150,000	35 cents
200,000	46 cents

### QUICK LEVY FACTS

- ▶ Originally passed in 1980
- ▶ Each has been renewed 5 times
- ▶ Expire in 2005 (last monies collected in 2006)
- ▶ Both generate \$451,863 annually (same as in 1980)
- ▶ Both are renewals and if approved would **NOT** be an increase of tax but rather a continuation of existing tax levies.



Ottawa-Glandorf Schools  
630 Glendale Avenue  
Ottawa, OH 45875

Non-Profit Organization  
**US POSTAGE PAID**  
Ottawa, OH 45875  
Permit No. 26

**CURRENT RESIDENT**

# SPECIAL EDITION

## RENEWAL EMERGENCY OPERATING LEVY NOVEMBER 8, 2005

At the July, 2005 School Board meeting, the Board of Education passed a resolution to place our two renewal emergency tax levies on the November 8, 2005 ballot. These two emergency levies are renewals and were first passed in 1980. Together, they generate a total of \$451,863 annually for the operation of the school district. By renewing these two levies on November 8, they will still generate a total of \$451,863. The school district will not see additional funds from these renewals. The millage rates used to generate the dollar amount in 1980 were much higher than they are today. In 1980, the mills needed for both levies were 7.1. This November the millage on the combined levies has been reduced to 2.76 mills to generate the same funds. This is because of the increase to property values. We currently operate our schools with funds generated by the two emergency levies that are up for renewal plus a one-half percent income tax. These are the only locally voted funds we have for the day-to-day operations of our school district. This does not include the permanent improvement levy because those funds are not, and can not, be used for general operating expenses. The funds generated from these two renewal levies are used for operating expenses including textbooks, educational supplies, educational equipment, personnel costs, utilities, and transportation.

## SUPERINTENDENT'S MESSAGE

School finances are on the mind of every Superintendent, Treasurer, and Board of Education across the state of Ohio. With the passage of the State Budget last summer, schools, including Ottawa-Glandorf, will need to continue to look for ways to budget their resources in a manner that maintains excellence and opportunities for students, while at the same time keeping expenses in check. Ottawa-Glandorf Schools is dedicated to meeting this challenge of school finance while at the same time, continuing the EXCELLENT rating we received last year on the Local Report Card. Hopefully this "Special Edition" of the *Titan Tradition* will help explain the need for our current funding along with the cost cutting efforts we have taken over the past years.

Ottawa-Glandorf School District has been very fortunate to have the outstanding support from our community on past school levies. I appreciate the willingness of the residents to understand the importance of having a strong educational institution. Without this support, Ottawa-Glandorf Schools would not be nearly as strong as we are today. Please feel free to call me at 419-523-5261 if you have any questions.

Sincerely,  
*Kevin Brinkman*  
Superintendent

FOR INFORMATION ON STATE FUNDING

Year	Millage	Dollars Collected	Millage	Dollars Collected
1980	4.40	\$ 278,457	2.70	\$ 173,406
1983	3.70	278,457	2.30	173,406
1986	3.70	278,457	2.30	173,406
1990	3.15	278,457	1.95	173,406
1995	2.38	278,457	1.48	173,406
2000	1.77	278,457	1.10	173,406
2005 estimate	1.70	278,457	1.06	173,406

## INFLATIONARY EXPENDITURES

There are a few expenditures in your personal budgets as well as our school budget that continue to accelerate well above typical cost of living increases. Health Care Insurance, diesel fuel, and heating costs continue to increase at an alarming rate. I understand the feelings of many of you as you pull into the gas station and pay the higher cost to fill up your vehicle, however we also must pay this cost as we fuel our buses to pickup and drop off your children for school. These are uncontrollable costs to our school district that we are forced to pay. Health insurance cost also continues to increase. Ottawa-Glandorf Schools are expected to pay 20% more for health care for employees than we paid last year. Because of changes in the recent contract negotiations, Ottawa-Glandorf schools no longer pay for 100% of health care cost. No school employee receives full health care benefits. Some employees pay as much as 30% of their health care insurance.

Although these costs continue to rise, we also continue to explore means to curtail them. We have established an idling policy for all buses so we don't needlessly waste fuel. We will also make sure that field trips are educationally sound prior to approving extra trips. More than half of the expenses for athletic trips is paid for out of the athletic fund which is supported by ticket sales at home games.

In the health care arena, Ottawa-Glandorf Schools is part of the Putnam County Insurance consortium. A committee of superintendents and teachers from the area constantly monitor these costs and investigate ways to keep them reasonable. This committee is working hard this fall to explore options to keep costs in check.

We are very concerned and committed to controlling cost. We will continue to make every effort to use your investment in as sound and efficient manner as possible, and to continue to provide all students with an excellent education.

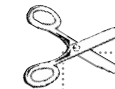
## STATE FUNDING

On June 30, 2005, Governor Taft signed House Bill 66, which has been called the tightest budget in recent years. Several provisions in the budget will have a significant impact on schools. Based on simulations provided by the state, Ottawa-Glandorf could see a 1.9% increase for the 2005-2006 school year. 1.9% equals approximately \$104,000 for Ottawa-Glandorf Schools. However, this increase is somewhat misleading as the increase includes \$32,000 that used to come to the school through a student intervention grant. The school will no longer receive this grant in 2005-2006. For the 2006-2007 school year, Ottawa-Glandorf will not receive any increase in state foundation funding.

House Bill 66 will also eliminate personal tangible property taxes (this tax affects businesses only) over the next four years. The legislature has communicated that the personal tangible property tax is an unfair tax to manufacturers due to the nature of the tax. It penalizes businesses for making investments in property and equipment. The tax on inventory was already in the process of being eliminated; this will just accelerate that process. The legislature has said that schools will be held harmless for the first five years. Ottawa-Glandorf received \$350,000 during 2004-2005 from personal property taxes. By the 2009-2010 school year, the district will not receive any receipts from tangible personal property taxes. The state plans to use the new Commercial Activity Tax (CAT) to reimburse schools for the loss of personal property taxes through 2009-2010. After that, the reimbursements are phased-out. After the 2009-2010 school year, O-G will need to look at different ways to deal with the loss of this income.

### Titan Tradition of Excellence

Ottawa-Glandorf Schools continue to offer an EXCELLENT education at a very low cost to taxpayers. Last year O-G spent \$7,060 to educate one child. This compares to the state average of \$8,761 per pupil and a county average of \$7,715. We are very proud of the fact that we were rated EXCELLENT on the local report card from the state and can provide this quality of education at a low cost.

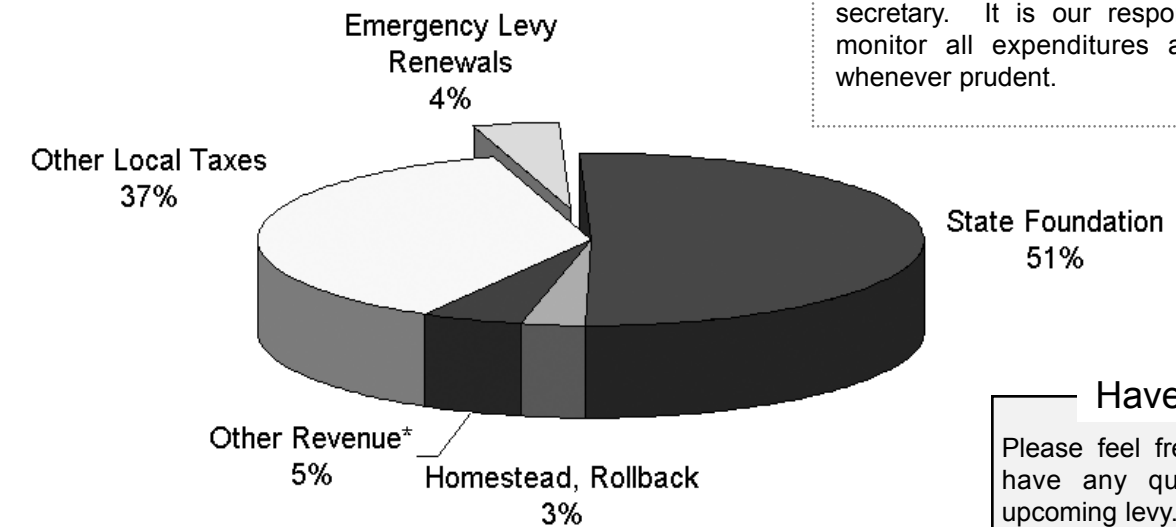


### CUTTING COSTS

Planning for the financial future in any household, business, or educational institution requires a complete look at both revenues and expenditures. Over the last few years the administration and Board of Education has continually looked for ways to operate more efficiently. Since our revenues are dependent on the passage of operational levies and the school foundation formula, (monies received from the state), we must make reductions in expenditures whenever possible, without jeopardizing the quality of education our students receive.

Over the last three years Ottawa-Glandorf Schools have reduced expenditures by \$1,065,779. Many of these reductions came in the form of retirements, resignations, and the elimination of positions. Some of these reductions included the elimination of two administrative positions, the Career Based Intervention program, one Industrial Arts position, and a phased-out French program. Also eliminated were the transportation secretarial position and a reduction in the hours of the Central Office secretary. It is our responsibility to continually monitor all expenditures and make reductions whenever prudent.

### 2005-06 Projected Revenues



\* Other Revenue includes open enrollment from other districts, interest income, workbook fees, facility rental and donations.

### REDUCTIONS IN EXPENDITURES

#### 2003-2004 School Year:

▶ Savings realized through attrition (retirements, resignations, separation agreements, etc.)	\$ 185,377
▶ Half time kindergarten position reduced due to declining enrollment	18,531
▶ Use of grant funds for after-school and reading programs	46,183
▶ Use of Special Education Grant to fund HS LD salary	16,248

#### 2004-2005 School Year:

▶ Savings realized through attrition (retirements, resignations, separation agreements, etc.)	\$ 326,456
▶ Elimination of two administrative positions	123,427
▶ Teaching staff layoffs	22,073
▶ Change to administrative/certified co-pay on health insurance	28,059
▶ Teaching staff reduction in hours	10,731
▶ Elimination of transportation secretary position (3 hours per day)	9,050

#### 2005-2006 School Year:

▶ Savings realized through attrition (retirements, resignations, separation agreements, etc.)	\$ 240,687
▶ Central Office Secretary	11,297
▶ Change to certified co-pay on health insurance	27,660

### GRAND TOTAL SAVINGS

**\$ 1,065,779**

### Have questions?

Please feel free to contact us if you have any questions regarding the upcoming levy.

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419-523-5261