

Grandview Heights City Schools

Community Forum
April 8, 2010



Tonight's discussion centers around receiving community input on two critical issues.

The current status of permanent improvement funds and operating funds.

The potential need for additional funding.

What is the status of the 2005 Permanent Improvement Levy?

*Originally passed in November 2005.

*5 Year- 1.65 mill levy.

*Collection of this levy ends this year.



*The levy raised approximately \$330,000 each year.



*We have approximately \$70,000 remaining for any projects that need done between now and December 2010.

Of these dollars, over \$1,000,000 went into replacement of aging HVAC equipment and roof repairs.

Other projects included concrete and pavement repairs, fire alarm system updates, carpeting and floor repairs, general maintenance and emergency repairs.

We have additional HVAC issues, building security needs, technology needs, handicap accessibility concerns, and buildings that are older and in need of continued repairs.



Why are you including Technology Dollars in Permanent Improvements?

Technology Quick Facts

1. Network Infrastructure first completed in 1996-97 with SchoolNet funding. That network supported 200 devices.
2. The network now supports 800 devices.
3. 2000: 4 certified staff members/2 half-time aides. 2010: 4 certified staff members/1 classified technology/network specialist.
4. SchoolNet (State funding) district allocations 1998-2008 = \$236,400
Future SchoolNet district allocations= \$0
5. Technology Literacy Challenge Fund granted to the high school in 2001 = \$200,000
6. Grants and State funding have dried up. The majority of future infrastructure improvements and purchases of hardware/software will come out of district funds. Currently, these purchases are accessed through the general fund.

GHCS D NETWORK 2000



GHCS D NETWORK 2010



Operating Dollars

In 2005, the taxpayers approved a 7.85 mill operating levy.

The board at that time projected that they would return to voters in three years for additional operating dollars.

It has now been five years since the 2005 levy request. Due to state reimbursements and conservative fiscal management, we have not yet returned to voters for additional operating dollars.

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
Cash Bal.	6,185,407	3,553,107	3,203,962	1,400,459	(245,486)
Local Rev	10,065,130	11,271,685	10,400,087	11,151,681	11,215,374
State Rev	<u>4,394,730</u>	<u>4,486,511</u>	<u>4,454,511</u>	<u>4,424,511</u>	<u>3,699,805</u>
Total Rev	14,459,860	15,758,196	14,854,598	15,576,192	14,915,179
Personnel	13,256,897	13,114,384	13,621,278	14,042,225	14,488,211
Sr/Sp/Eq/Ot	2,943,272	2,872,489	2,970,233	3,114,065	3,225,685
Cn/Tr/Debt	141,991	120,467	66,591	65,847	65,103
Budget Res	<u>750,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Exp	17,092,160	16,107,340	16,658,102	17,222,137	17,778,999
Cash Bal.	3,553,107	3,203,962	1,400,459	(245,486)	(3,109,306)

81% of General Fund total expenditures is personnel.

19% of General Fund total expenditures is everything else.

General Fund Projected Unencumbered Cash Balances:

	With no new <u>Operating Levy</u>	<u>With 2010 Operating Levy</u>	<u>With 2011 Operating Levy</u>
June 30, 2010	\$3,553,107		
2011	3,203,962		
2012	1,400,459		
2013	(245,486)	No Deficit	No Deficit
2014	(3,109,306)	No Deficit	No Deficit
2015	(6,801,898)	Next Projected Deficit	No Deficit

Note: Current negotiated agreements expire after June 30, 2012.

For every \$100,000 of APPRAISED residential property value:

3 mills = \$91.88	8 mills = \$245.00
4 mills = \$122.50	9 mills = \$275.63
5 mills = \$153.13	10 mills = \$306.25
6 mills = \$183.75	11 mills = \$336.88
7 mills = \$214.38	12 mills = \$367.50

What impact will the Grandview Yard have on district finances?



In the fall of 2007, city leadership began discussions with the school district about a potential project taking place on the old Big Bear Site.



From our first meeting, the city was upfront about the inability to do this project without the help of the school district. This help would come in the form of the school district releasing a share of our tax proceeds on the increased valuation of the property to help support the construction of necessary infrastructure.

(TIF)

Why enter into an agreement? Because in the long term, the local taxpayers will benefit from our agreement. In the interim, we are “held harmless” while warehouse demolition takes place.



Our Agreement:

- *The district will receive our regular share of property tax on the original property valuation of \$47,333,900 for the life of the agreement.
- *The district will receive the first 11% of all taxes generated by the increased property valuation for retail space, commercial space, and hotel use.
- *The district receives a minimum of 15% up to a maximum of 70% of all taxes generated by the increased property valuation for residential use.

Without this agreement, there would be no Grandview Yard. The long term impact for the city and the school district could have been significant.



What should our local taxpayers expect?

In the short term- very little if any change. It will take at least five-ten years before this property will have a significant impact on our school district finances.

In the long-term, the community should expect longer periods of time between levy requests and/or smaller millage requests than have been customary. However, it will not change our reliance on local taxpayers to support the school district.



What are we asking of you this evening?

We are asking for input regarding a potential permanent improvement levy for the fall of 2010 and whether technology updates should be addressed with PI or operating dollars.

We are asking for input on the timing of the next operating levy.

We are asking you what you believe the community needs to understand in order to support any future requests for taxpayer support of the school district.

THANK YOU!