

Benton-Carroll-Salem Local School District

Overview of financial position and review of interactions with the district regarding the unvoted property tax windfall the district will receive due to the Tax Year 2024 reappraisal.

Information contained herein are either public records or was produced from information that is publicly available. Any commentary contained herein solely reflects the views of Ottawa County Treasurer, Tony Hatmaker.

On October 8, 2024, County Auditor Jennifer Widmer and County Treasurer Tony Hatmaker met with school district treasurers. At that meeting Auditor Widmer provided district treasurers with preliminary estimates of what the districts stood to gain from their inside millage and the 20 Mill Floor adjustment due to the county-wide reappraisal for Tax Year 2024 (which would be collected in 2025).

The Ottawa County Budget Commission (consisting of County Auditor Jennifer Widmer, County Prosecutor, James VanEerten and County Treasurer, Tony Hatmaker) was concerned about the negative effect these unvoted property tax increases would have on county residents and decided to reach out directly to the elected Boards of Education. The goal of this contact was to see if any of the Boards of Education might be willing to provide some relief to their taxpayers by forgoing at least some of the unvoted windfall that they are now set to receive for Tax Year 2024 (collected in 2025). Toward that end, the notice on Page 2 was sent to the members of the Benton-Carroll-Salem Local School District Board of Education with hopes of engaging in a discussion.

Notice to the Benton-Carroll-Salom Local School District Board of Education

OTTAWA COUNTY BUDGET COMMISSION
Ottawa County Courthouse
315 Madison Street
Port Clinton, Ohio 43452

James VanEerten

Anthony Hatmaker

Jennifer Widmer

October 21, 2024

Dear Board Members,

The Budget Commission is requesting a meeting with the Board to discuss the 20 mill floor implications for the upcoming tax year. Due to increasing values and your school being at the 20 mill floor, your district is projected to get an increase of approximately \$1,600,000. This comes in the form of an unvoted millage increase for your voters.

While the Budget Commission does have authority to set the emergency levy rates, the School Board has decisions to make regarding these funds as well. The Budget Commission would like to make sure you are familiar with the details in order make these decisions and to answer your voters' questions.

Budget Commission would be happy to come to your next meeting, or send a representative. Alternatively, you are welcome to attend our next meeting on November 6, 2024 at 10:00am at the Courthouse. Please contact Auditor Widmer at 419-734-6742 or jwidmer@co.ottawa.oh.us to arrange meeting times. This matter is time sensitive so we would appreciate a reply as soon as possible.

Sincerely,
The Ottawa County Budget Commission.

At this point, it would be useful to get an understanding of the current financial position of the Benton-Carroll-Salem Local School District.

On the financials, the district ended Fiscal Year 2024 with just under \$10,000,000 in its' General Fund (001-0000). The district had a further \$11,200,000 in its' Capital Projects Fund (070-9020) which almost certainly came entirely from General Fund transfers (and therefore is available to the General Fund if needed or desired in the future). So, the district had about \$21,200,000 on hand between these two funds as of 6/30/24.

For Fiscal Year 2024, the district reported about \$21,750,000 in General Fund Expenses however, \$2,500,000 of that figure were transfers from the General Fund to the Capital Projects Fund and the Termination Benefits Fund (035-0000). So, the district's true General Fund operating expenses for Fiscal Year 2024 were about \$19,250,000. Meaning the district had a General Fund operating surplus of almost \$3,500,000 for Fiscal Year 2024. The unvoted windfall referenced on Page 2 will be in addition to the district's current operating surplus.

As of 6/30/24, the district had over a years' worth of General Fund expenses on hand between the its General Fund and Capital Projects Fund balances.

The district's annual operating surplus (currently at about \$3,500,000) is set to grow substantially as the unvoted windfall referenced on Page 2 is collected. **Clearly, the district is (and will be) collecting much more than is necessary for their current operations.**

This information can be seen on Pages 4 – 8 which is the District's Cash Summary Report as of June 30, 2024 (which is the end of district's Fiscal Year).

The district also completed the construction of a new school building recently without a bond issue. Information on how this was accomplished is contained on Page 9 with confirmation of how it was funded on Pages 10 and 11.

It should be noted that school district building projects are typically funded through a bond issue that is approved by the voters (which gives the voters a chance to weigh-in on the project). Also, these type of bond issues typically spread the cost of the project out over 30 or more years for taxpayers. The taxpayers of the Benton-Carroll-Salem School District paid for this new building over about five years because of decisions made by the Board of Education.

Benton-Carroll-Salem Local Cash Summary Report

Full Account Code	Description	Initial Cash	MTD Received	FYTD Received	MTD Expended	FYTD Expended	Fund Balance	Encumbrance	Unencumbered Balance
Fund: 001									
001-9000	BUDGET RESERVE FUND	\$ (6,040.00)	\$ 0.00	\$ 0.00	\$ (6,040.00)	\$ (6,040.00)	\$ 0.00	\$ 0.00	\$ 0.00
001-9194	STATE OF OHIO - BUS PURCHASE ALLOWANCE	0.00	0.00	0.00	(229,884.00)	0.00	0.00	0.00	0.00
001-0000	GENERAL FUND	9,027,045.62	488,318.10	22,713,651.35	4,262,392.56	21,763,355.89	9,977,341.08	533,672.69	9,443,668.39
		\$ 9,021,005.62	\$ 488,318.10	\$ 4,026,468.56	\$ 4,026,468.56	\$ 21,757,315.89	\$ 9,977,341.08	\$ 533,672.69	\$ 9,443,668.39
Fund: 003									
003-0000	PERMANENT IMPROVEMENT FUND	2,455,851.28	726.53	325,456.15	29,650.00	356,703.43	2,424,604.00	230,048.45	2,194,555.55
		\$ 2,455,851.28	\$ 726.53	\$ 325,456.15	\$ 29,650.00	\$ 356,703.43	\$ 2,424,604.00	\$ 230,048.45	\$ 2,194,555.55
Fund: 006									
006-0000	FOOD SERVICE FUND	666,472.22	55,526.66	745,549.78	37,656.03	967,754.62	444,267.38	80,018.97	364,248.41
		\$ 666,472.22	\$ 55,526.66	\$ 745,549.78	\$ 37,656.03	\$ 967,754.62	\$ 444,267.38	\$ 80,018.97	\$ 364,248.41
Fund: 009									
009-0000	UNIFORM SUPPLIES FUND	121,229.34	190.50	89,409.08	15,098.30	135,956.53	74,681.89	33,460.35	41,221.54
		\$ 121,229.34	\$ 190.50	\$ 89,409.08	\$ 15,098.30	\$ 135,956.53	\$ 74,681.89	\$ 33,460.35	\$ 41,221.54
Fund: 011									
011-0000	VOAG FARM OPERATIONS FUND	82,524.91	0.00	46,384.15	10,394.70	37,533.34	91,375.72	8,230.01	83,145.71
		\$ 82,524.91	\$ 0.00	\$ 46,384.15	\$ 10,394.70	\$ 37,533.34	\$ 91,375.72	\$ 8,230.01	\$ 83,145.71
Fund: 018									
018-9105	guidance account	1,372.94	0.00	178.00	1,142.70	1,324.68	226.26	0.00	226.26
018-9102	PRINCIPAL FUND	400.00	0.00	0.00	0.00	0.00	400.00	0.00	400.00
018-9301	Land Lab	1,066.84	0.00	0.00	0.00	0.00	1,066.84	0.00	1,066.84
018-9300	R.C.WATERS ELEM. PRINCIPAL'S FUND	1,851.06	0.00	6,201.21	211.19	6,936.66	1,115.61	1,216.56	(100.95)
018-9100	SENIOR HIGH PRINCIPAL'S FUND	2,331.11	0.00	2,325.30	343.84	3,213.36	1,443.05	4,324.23	(2,881.18)
018-9103	Special Services	1,728.02	0.00	436.07	0.00	701.97	1,462.12	1,117.32	344.80
018-9104	Launch Pad	2,351.29	0.00	0.00	0.00	0.00	2,351.29	0.00	2,351.29
018-9101	MARINE SCIENCE EDUCATION	4,538.44	0.00	9,846.88	0.00	11,740.27	2,645.05	20,307.55	(17,662.50)
018-9700	B-C-S Academic Booster Club	3,617.62	823.77	5,327.77	0.00	3,278.26	5,667.13	3,948.00	1,719.13
018-9201	OUTDOOR EDUCATION	5,618.15	0.00	26,656.25	26,334.00	26,334.00	5,940.40	0.00	5,940.40
018-9200	JUNIOR HIGH PRINCIPAL'S FUND	4,709.02	0.00	4,405.25	495.12	1,166.42	7,947.85	3,160.00	4,787.85
		\$ 29,584.49	\$ 823.77	\$ 55,376.73	\$ 28,526.85	\$ 54,695.62	\$ 30,265.60	\$ 34,073.66	\$ (3,808.06)
Fund: 020									
020-0000	COMMUNITY EDUCATION PROGRAM	0.00	0.00	2,825.93	0.00	751.63	2,074.30	15.49	2,058.81
		\$ 0.00	\$ 0.00	\$ 2,825.93	\$ 0.00	\$ 751.63	\$ 2,074.30	\$ 15.49	\$ 2,058.81
Fund: 022									
022-9600	STATE TOURNAMENT - TRACK	0.00	0.00	0.00	22.40	22.40	(22.40)	0.00	(22.40)
		\$ 0.00	\$ 0.00	\$ 0.00	\$ 22.40	\$ 22.40	\$ (22.40)	\$ 0.00	\$ (22.40)

Benton-Carroll-Salem Local Cash Summary Report

Full Account Code	Description	Initial Cash	MTD Received	FYTD Received	MTD Expended	FYTD Expended	Fund Balance	Encumbrance	Unencumbered Balance
022-9400	& FIELD STATE TOURNAMENT - BASEBALL	\$ 0.00	\$ 103.91	\$ 103.91	\$ 0.00	\$ 103.91	\$ 0.00	\$ 0.00	\$ 0.00
022-9500	STATE TOURNAMENT - SOFTBALL	0.00	173.18	173.18	0.00	173.18	0.00	0.00	0.00
022-9100	State Wrestling Tournament	0.00	196.11	196.11	0.00	196.11	0.00	0.00	0.00
022-9200	State Tournament - Swimming/Diving	0.00	(473.20)	(473.20)	2,123.64	(7,282.87)	6,809.67	0.00	6,809.67
Fund:	035	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,146.04	\$(6,787.27)	\$ 6,787.27	\$ 0.00	\$ 6,787.27
035-0000	TERMINATION - BENEFITS FUND	632,766.34	500,000.00	500,000.00	0.00	69,157.08	1,063,609.26	0.00	1,063,609.26
Fund:	070	\$ 632,766.34	\$ 500,000.00	\$ 500,000.00	\$ 0.00	\$ 69,157.08	\$ 1,063,609.26	\$ 0.00	\$ 1,063,609.26
070-0000	CAPITAL PROJECTS - SPECIAL REVENUE FUND	2,819,788.62	0.00	0.00	(409,421.40)	2,819,788.62	0.00	0.00	0.00
070-9020	CAPITAL PROJECTS 9020	12,194,959.75	2,000,000.00	2,000,000.00	409,421.40	2,960,514.97	11,234,444.78	346,562.90	10,887,881.88
		15,014,748.37	\$ 2,000,000.00	\$ 2,000,000.00	\$ 0.00	\$ 5,780,303.59	11,234,444.78	\$ 346,562.90	10,887,881.88
Fund:	200	329.27	0.00	0.00	(253.58)	329.27	0.00	0.00	0.00
200-9317	RCW Student Council	329.27	0.00	0.00	(253.58)	329.27	0.00	0.00	0.00
200-9231	OAK HARBOR STUDENT COUNCIL	(1,035.20)	0.00	3,430.00	363.12	2,394.80	0.00	412.46	(412.46)
200-9303	3rd grade team account	449.89	0.00	146.20	(241.54)	596.09	0.00	0.00	0.00
200-9250	OAK HARBOR FOREIGN LANGUAGE CLUB	4.39	0.00	0.00	0.00	0.00	4.39	0.00	4.39
200-9316	CBI FUND - HIGH SCHOOL	8.17	0.00	0.00	0.00	0.00	8.17	0.00	8.17
200-9213	OAK HARBOR-HONORS CLUB	38.57	0.00	0.00	0.00	0.00	38.57	0.00	38.57
200-9234	JUNIOR HIGH THESPIANS	134.22	0.00	0.00	0.00	0.00	134.22	0.00	134.22
200-9306	7TH GRADE TEAM	895.50	0.00	3,511.00	0.00	3,895.70	510.80	579.49	(68.69)
200-9238	S.A.F.E GROUP	456.69	0.00	231.00	0.00	122.98	564.71	88.94	475.77
200-9223	JUNIOR HIGH SPECIAL EDUCATION FUND	682.21	0.00	0.00	0.00	0.00	682.21	0.00	682.21
200-9209	7th and 8th Stuco	1,058.61	0.00	0.00	0.00	244.80	813.81	0.00	813.81
200-9304	5 County Art Show	816.67	0.00	750.00	0.00	732.62	834.05	0.00	834.05
200-9342	MIDDLE SCHOOL BAND	895.11	0.00	0.00	0.00	0.00	895.11	0.00	895.11
200-9210	JUNIOR HIGH F.C.C.L.A.	1,025.05	0.00	0.00	0.00	0.00	1,025.05	0.00	1,025.05
200-9308	LIFE SKILLS - HIGH SCHOOL	10.46	25.00	2,025.00	0.00	940.70	1,094.76	0.00	1,094.76
200-9307	8TH GRADE TEAM ACCOUNT	1,207.91	0.00	676.90	0.00	752.34	1,132.47	0.00	1,132.47
200-9220	RCWATERS SPECIAL EDUCATION BOOKSTORE	1,296.93	0.00	0.00	0.00	0.00	1,296.93	0.00	1,296.93
200-9236	OAK HARBOR VARSITY CLUB	1,320.88	0.00	0.00	0.00	0.00	1,320.88	0.00	1,320.88
200-9600	6th GRADE TEAM	966.50	0.00	2,606.50	(26,302.13)	2,150.99	1,422.01	2,641.47	(1,219.46)

5

Benton-Carroll-Salem Local Cash Summary Report

Full Account Code	Description	Initial Cash	MTD Received	FYTD Received	MTD Expended	FYTD Expended	Fund Balance	Encumbrance	Unencumbered Balance
200-9227	PROM	\$ 3,808.40	\$ 0.00	\$ 7,520.00	\$ 0.00	\$ 9,414.03	\$ 1,914.37	\$ 0.00	\$ 1,914.37
200-9241	JUNIOR HIGH YEARBOOK	2,144.05	0.00	0.00	0.00	0.00	2,144.05	500.00	1,644.05
200-9314	MIDDLE SCHOOL ART PROGRAM	1,174.29	0.00	1,028.32	0.00	0.00	2,202.61	0.00	2,202.61
200-9240	OAK HARBOR YEARBOOK	1,440.28	0.00	3,189.80	0.00	2,016.38	2,613.70	130.20	2,483.50
200-9222	JUNIOR HIGH STUDENT COUNCIL	3,651.57	0.00	6,458.53	0.00	7,157.18	2,952.92	420.23	2,532.69
200-9309	STUDENT MANAGED ACTIVITY	0.00	0.00	4,000.00	0.00	954.76	3,045.24	45.24	3,000.00
200-9212	OAK HARBOR F.C.C.I.A.	1,972.99	0.00	1,250.00	0.00	150.00	3,072.99	0.00	3,072.99
200-9217	O.H.H.S CHOIR	3,555.99	0.00	952.23	0.00	392.02	4,116.20	0.00	4,116.20
200-9340	O.H.H.S - DECA	4,535.80	951.50	13,005.98	7,820.16	13,422.93	4,118.85	2,778.35	1,340.50
200-9313	R.C. WATERS LIBRARY FUND	4,636.84	20.00	7,148.10	2,057.00	6,564.91	5,220.03	0.00	5,220.03
200-9315	HOPE SQUAD	0.00	0.00	5,510.00	0.00	0.00	5,510.00	500.00	5,010.00
200-9233	OAK HARBOR THESPIANS	6,260.27	0.00	5,906.55	0.00	6,177.07	5,989.75	850.00	5,139.75
200-9211	OAK HARBOR FEFA	6,263.80	0.00	52,792.19	860.62	52,423.33	6,632.66	10,529.41	(3,896.75)
200-9219	ART CLASS - HIGH SCHOOL	7,653.13	0.00	5,112.75	301.37	5,314.07	7,451.81	1,446.58	6,005.23
200-9225	RCWATERS ART PROGRAM	8,520.59	0.00	0.00	0.00	0.00	8,520.59	0.00	8,520.59
200-9216	OAK HARBOR HIGH SCHOOL BAND	10,596.12	0.00	0.00	0.00	0.00	10,596.12	0.00	10,596.12
Fund:		\$ 76,775.95	\$ 996.50	\$ 127,251.05	\$ (15,394.98)	\$ 116,146.97	\$ 87,880.03	\$ 20,922.37	\$ 66,957.66
300		3,498.41	0.00	0.00	(3,323.35)	3,498.41	0.00	406.00	(406.00)
300-9230	BASEBALL CAMP FUND	318.76	0.00	300.00	0.00	144.72	474.04	0.00	474.04
300-9227	ROCKET WRESTLING CAMP	500.00	0.00	1,065.00	0.00	530.00	1,035.00	664.80	370.20
300-9236	DISTRICT MANAGED ACTIVITY	1,034.31	0.00	182.96	0.00	0.00	1,217.27	0.00	1,217.27
300-9228	ROCKET TENNIS CAMP	1,723.65	0.00	322.13	0.00	180.44	1,865.34	0.00	1,865.34
300-9235	CROSS COUNTRY	8,160.08	2,200.00	4,232.70	2,000.00	10,399.14	1,993.64	1,398.61	595.03
300-9224	ROCKET VOLLEYBALL	1,680.44	0.00	5,618.40	100.00	3,784.00	3,514.84	1,000.00	2,514.84
300-9206	ROCKET BASKETBALL CAMP FUND	1,577.56	0.00	3,223.00	(324.00)	1,061.86	3,738.70	1,148.79	2,589.91
300-9226	CHEERLEADERS	7,832.67	1,040.00	2,096.20	535.50	6,149.41	3,779.46	1,043.91	2,735.55
300-9226	ROCKET GIRLS BASKETBALL CAMP FUND	6,160.96	344.25	39,246.02	0.00	41,153.21	4,253.77	4,339.72	(85.95)
300-9232	ROCKET GIRLS SOFTBALL FUND	5,859.55	0.00	2,970.64	0.00	3,765.79	5,064.40	450.00	4,614.40
300-9234	GIRLS SOCCER CAMP FUND	3,591.62	1,600.00	3,925.00	0.00	2,022.33	5,494.29	3,852.67	1,641.62
300-9223	Rocket Girls Golf	9,623.17	0.00	13,325.00	0.00	16,392.08	6,556.09	14,472.19	(7,916.10)
300-9200	ROCKET FOOTBALL CAMP	36,844.57	1,732.00	194,569.41	16,356.93	221,079.03	10,334.95	17,377.38	(7,042.43)
300-9222	ATHLETIC FUND	9,468.09	0.00	14,337.00	663.33	13,012.73	10,792.36	5,680.37	5,111.99
300-9233	Track Camp	11,746.99	0.00	2,676.10	0.00	2,628.50	11,794.59	1,349.70	10,444.89
300-9229	Boys Soccer Camp	14,132.86	3,865.90	52,268.45	7,033.78	48,763.41	17,637.90	1,064.90	16,573.00
	ROCKET SWIM CLUB	\$ 123,753.69	\$ 10,782.15	\$ 340,358.01	\$ 23,042.19	\$ 374,565.06	\$ 89,546.64	\$ 54,249.04	\$ 35,297.60

Benton-Carroll-Salem Local Cash Summary Report

Full Account Code	Description	Initial Cash	MTTD Received	FYTD Received	MTTD Expended	FYTD Expended	Fund Balance	Encumbrance	Unencumbered Balance
Fund: 452-9006	452 SCHOOLNET PROFESSIONAL DEVELOP-CURRENT YEAR	\$ 85.07	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 85.07	\$ 0.00	\$ 85.07
Fund: 467-9020	467 Student Wellness and Success	\$ 85.07	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 85.07	\$ 0.00	\$ 85.07
467-9021	Student Wellness and Success	303,791.68	0.00	0.00	250,126.56	303,791.68	0.00	300.00	(300.00)
		289,035.28	0.00	0.00	99,873.44	103,631.04	185,404.24	0.00	185,404.24
Fund: 499-9023	499 MISCELLANEOUS STATE GRANT FUND	\$ 592,826.96	\$ 0.00	\$ 0.00	\$ 350,000.00	\$ 407,422.72	\$ 185,404.24	\$ 300.00	\$ 185,104.24
Fund: 507-9002	507 ESSER II	\$ 0.00	\$ 0.00	\$ 135,000.00	\$ 0.00	\$ 135,000.00	\$ 0.00	\$ 0.00	\$ 0.00
		(243,311.59)	0.00	243,311.59	0.00	0.00	0.00	0.00	0.00
		\$ (243,311.59)	\$ 0.00	\$ 243,311.59	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Fund: 516-9024	516 IDEA B FUNDS	0.00	39,915.80	334,615.31	(5,578.37)	350,129.78	(15,514.47)	5,191.24	(20,705.71)
516-9021	IDEA B FUNDS	0.00	0.00	0.00	(1,369.26)	0.00	0.00	0.00	0.00
516-9025	IDEA B FUNDS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
516-9020	IDEA B FUNDS	0.00	0.00	0.00	(527.08)	0.00	0.00	0.00	0.00
516-9993	IDEA PART B GRANTS	0.00	0.00	72,617.19	0.00	72,617.19	0.00	0.00	0.00
516-9023	IDEA B FUNDS	(89,129.90)	0.00	136,009.02	(20,220.82)	46,879.12	0.00	0.00	0.00
		\$ (89,129.90)	\$ 39,915.80	\$ 543,241.52	\$ (27,695.53)	\$ 469,626.09	\$ (15,514.47)	\$ 5,191.24	\$ (20,705.71)
Fund: 572-9024	572 TITLE I FUNDS	0.00	32,404.73	147,503.95	15,572.06	172,476.15	(24,972.20)	0.00	(24,972.20)
572-9021	TITLE I FUNDS	0.00	0.00	0.00	(459.00)	0.00	0.00	30.00	(30.00)
572-9023	TITLE I FUNDS	(3,594.08)	0.00	40,258.59	0.00	20,337.79	16,326.72	0.00	16,326.72
		\$ (3,594.08)	\$ 32,404.73	\$ 187,762.54	\$ 15,113.06	\$ 192,813.94	\$ (8,645.48)	\$ 30.00	\$ (8,675.48)
Fund: 584-9024	584 TITLE IV, PART A, STUDENT SUPPORT AND ACADEMIC ENRICHMENT PROGRAMS	0.00	(14,974.75)	(14,974.75)	0.00	0.00	(14,974.75)	0.00	(14,974.75)
584-924N	TITLE IV, PART A, STUDENT SUPPORT AND ACADEMIC ENRICHMENT PROGRAMS	0.00	0.00	0.00	10,849.31	10,849.31	(10,849.31)	0.00	(10,849.31)
584-9023	TITLE IV, PART A, STUDENT SUPPORT AND ACADEMIC ENRICHMENT PROGRAMS	(13,912.54)	0.00	13,585.66	0.00	(326.88)	0.00	0.00	0.00
		\$ (13,912.54)	\$ (14,974.75)	\$ (1,389.09)	\$ 10,849.31	\$ 10,522.43	\$ (25,824.06)	\$ 0.00	\$ (25,824.06)
Fund: 587-9024	587 IDEA PRESCHOOL-HANDICAPPED	0.00	0.00	0.00	4,516.33	4,516.33	(4,516.33)	0.00	(4,516.33)
587-9023	IDEA PRESCHOOL-	0.00	0.00	4,375.76	0.00	4,375.76	0.00	0.00	0.00
		\$ 0.00	\$ 0.00	\$ 4,375.76	\$ 0.00	\$ 4,375.76	\$ 0.00	\$ 0.00	\$ 0.00

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**Benton-Carroll-Salem Local
 Cash Summary Report**

Full Account Code	Description	Initial Cash	MTTD Received	FYTD Received	MTTD Expended	FYTD Expended	Fund Balance	Encumbrance	Unencumbered Balance
587-9993	HANDICAPPED IDEA PRESCHOOL- HANDICAPPED	\$ 0.00	\$ 0.00	\$ 5,375.09	\$ 0.00	\$ 5,375.09	\$ 0.00	\$ 0.00	\$ 0.00
Fund:	590	\$ 0.00	\$ 0.00	\$ 9,750.85	\$ 4,516.33	\$ 14,267.18	\$ (4,516.33)	\$ 0.00	\$ (4,516.33)
590-9024	TITLE IIA FUNDS	0.00	1,500.00	14,076.39	1,914.12	15,990.51	(1,914.12)	32,809.33	(34,723.45)
590-9021	TITLE IIA FUNDS	0.00	0.00	0.00	(84.74)	0.00	0.00	0.00	0.00
590-9025	TITLE IIA FUNDS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
590-9023	TITLE IIA FUNDS	740.89	0.00	562.68	(1,708.63)	1,303.57	0.00	0.00	0.00
Fund:	599	\$ 740.89	\$ 1,500.00	\$ 14,639.07	\$ 120.75	\$ 17,294.08	\$ (1,914.12)	\$ 32,809.33	\$ (34,723.45)
599-9902	MISCELLANEOUS FED. GRANT FUND	130,009.52	0.00	0.00	0.00	130,009.52	0.00	0.00	0.00
599-9901	MISCELLANEOUS FED. GRANT FUND	112,615.00	0.00	0.00	0.00	112,615.00	0.00	0.00	0.00
Grand Total		\$ 242,624.52	\$ 0.00	\$ 0.00	\$ 0.00	\$ 242,624.52	\$ 0.00	\$ 0.00	\$ 0.00
			\$ 3,116,209.99		\$ 4,510,491.61		\$ 31,133,667.45	\$ 25,655,952.80	\$ 24,276,368.30
		28,711,041.54		28,078,578.71					

Ottawa County Treasurer
 Review of Benton Carroll Salem School District - Revenues and Balances
 21-Nov-24

BCS Revenue & Balance Review

Description	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Estimated FY 2024
1.01 - General Property Tax (Real Estate)	7,964,514	7,866,192	8,204,640	8,478,530	8,659,048	8,652,337	9,961,623	12,037,037	10,261,746	9,381,378	11,336,390	12,441,555	12,593,574	12,776,221	11,953,348
1.035 - Unrestricted Grants-In-Aid (from State)	3,581,215	3,513,764	3,497,214	3,482,027	3,507,319	3,529,495	3,561,415	3,648,914	3,773,160	5,201,317	3,452,317	4,039,518	4,169,397	4,062,541	4,128,609
1.050 - State Share of Local Property Taxes	5,955,699	6,026,611	5,334,458	4,980,927	4,984,984	4,989,268	4,843,470	4,513,448	4,085,256	3,834,753	4,424,365	4,408,719	4,432,599	4,454,972	4,453,609
1.070 - Total Revenue	18,479,560	18,443,728	17,906,754	17,832,606	18,169,165	18,099,909	19,392,530	21,439,493	19,710,356	19,965,129	20,898,405	22,286,038	22,081,998	22,975,986	22,539,811
5.01 - Operational Transfers-Out (of General Fund)	0	0	0	350,000	850,000	1,030,000	3,200,000	3,800,000	2,400,000	2,200,000	3,600,000	3,000,000	3,000,000	3,000,000	2,500,000
Cumulative Transfers-Out (of General Fund)		0	0	350,000	1,200,000	2,230,000	5,430,000	9,230,000	11,630,000	13,930,000	17,530,000	20,530,000	23,530,000	26,530,000	29,030,000
7.02 - Unreserved (General) Fund Balance June 30	4,620,627	2,875,046	1,591,547	2,373,121	3,463,106	4,558,946	4,716,054	5,180,445	5,384,146	5,651,740	5,709,100	6,597,716	8,022,003	9,021,005	9,845,979

Commentary:

Due to an anticipated devaluation of Davis-Beese, the district sought and passed two Emergency Levies. The first levy raises \$1,423,500 and was effective for Tax Year 2018 (to be collected starting in 2019). The second levy raises \$1,552,266 and was effective for Tax Year 2019 (to be collected starting in 2020). The district sought these levies while having as much as \$9 to \$11 million in other funds that was not reported as being available for General Fund obligations on the Five-Year Forecast.

In 2015, the district attempted a bond issue for a new building which failed. The desire for a new building remained. It is unclear how the devaluation situation resolved but the district continued to have operating surpluses each year and rather than suspending collection on one or both of the Emergency Levies the district, it appears, hit upon a way to fund a new building without having to ask the public again. The approximately \$3,000,000 generated per year by the Emergency Levies would be transferred into other funds in addition to the funds that had previously been placed into those funds and then used to pay for the new building.

In late 2023, the district opened a new building that was reported to cost approximately \$14,000,000. This amount along with the approximately \$11,200,000 that remains in the district's Capital Projects Fund (070) as of June 30, 2024, tracks with the cumulative transfers out of the district's General Fund since FY 2013. So from the figures above, it can be reasonably inferred that district used the proceeds from the two Emergency Levies to fund the construction of a new school building after the voters in the district turned down a request in 2015.

It appears that Section 5705.194 of the Ohio Revised Code governs Emergency Levies. That section of code indicates that Emergency Levies are permitted "to provide for the emergency requirements of the school district or to avoid an operating deficit". The section further states the Board resolution (establishing the need for the levy) "shall be confined to a single purpose and shall specify that purpose". No where in this section is there any mention of the ability to use funds derived from an Emergency Levy for a building project. I don't believe it can be reasonably argued that a new building project fits into the confines of "the emergency requirements of the school district" required by this section of code. Therefore, this course of action by the district appears to be very questionable and possibly outside of what is permitted by code.

Notes:

- Information with a line number (such as 1.01, 5.01, etc.) is taken directly from the Five-Year Forecasts submitted to the Ohio Department of Education by the district.
- School district Fiscal Years end on June 30th (FY 15 ended 6/30/15).
- For FY24, Lines 1.010 and 1.020 are combined to arrive at the figure listed above.

Fremont News Messenger.

NEWS

BCS breaks ground on new Oak Harbor Intermediate School

\$13M building for students in grades 4-6 set to open in November 2023

Daniel Carson Fremont News-Messenger

Published 5:35 a.m. ET June 30, 2022

OAK HARBOR — Community members celebrated the groundbreaking of Benton-Carroll-Salem School District's Oak Harbor Intermediate School Tuesday, as the district looks to complete the new addition by late 2023.

The addition will be BCS's first new building since 1975.

Superintendent Guy Parmigian said that after many delays, the school district is now in a position where it's able to build Oak Harbor Intermediate School.

"It's a historic day because we've been talking about it for over 25 years," Parmigian said.

BCS' board approved Holland-based Midwest Contracting Inc. Tuesday as the project's general contractor, with the district entering into a \$13,053,900 contract with the company.

He said construction will likely start after the Fourth of July holiday.

Parmigian said Midwest Contracting was one of three companies that bid on the project.

The new school will house students in grades 4-6.

Parmigian said there will be some shared spaces between Oak Harbor Intermediate and R.C. Waters Elementary School when the new 45,000-square-foot addition is completed.

He said the district has been fiscally conservative for years, which, combined with voters passing two levies, allowed BCS to construct a new, modern building for students and teachers.

Oak Harbor Mayor Quinton Babcock spoke at Tuesday's grand opening ceremony.

Prior to the ceremony, Babcock said that BCS and Parmigian had been instrumental in looking out for students and meeting their needs as they progress through grades in the school district.

"It's exciting to have this great new facility for the community," Babcock said.

Jessica Grzechowiak of the Ottawa County Improvement Corporation said the new BCS building is a big deal for the community and for OCIC from an economic development standpoint.

"It's an attraction piece. It's fresh and new. It's attractive to families who may want to relocate. More families mean more workers, and having more workers are beneficial to our business community and our local workforce," Grzechowiak said.

Students in grades 4-6 will be moved from the current middle school to the new addition at R.C. Waters over the summer of 2023, according to the district's website.

Students in grade 7 will move to Oak Harbor High School for the 2022-23 school year.

Oak Harbor High School will be operated as a comprehensive grades 7-12 building with an administrative team and one main office.

According to the district, there are also renovations planned at the existing R.C. Waters building, including the installation of a new heating/cooling system at an estimated cost of \$1.1 million.

The district has also budgeted approximately \$150,000 for other renovations to the existing R.C. Waters building. The spending of these funds will be largely contingent upon the design of the new construction.

Anticipated completion of the project is Nov. 1, 2023.

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11

In response to the notice from the Budget Commission (Page 2), district officials extended an invitation to attend their Board meeting on November 19, 2024.

County Auditor Widmer and myself attended that Board meeting. During the discussion, Board members and district officials offered a number of reasons why the district wasn't willing to forgo any of the pending unvoted property tax windfall.

First, district officials cited the future loss of state reimbursement related to Davis-Beese. However, the loss number cited would appear to be able to be covered by the district's current operating surplus plus the permanent 20 Mill Floor adjustment without having to dip into the approximately \$21,200,000 the district has on hand between its current General Fund and Capital Projects Fund balances. Therefore, this isn't a compelling reason why the district couldn't accept less than the full 20 Mill Floor adjustment until the loss of state reimbursement is realized.

A district official also cited \$1,400,000 worth of pending permanent improvement projects. This concern doesn't appear to be valid in light of the district having over well over \$2,000,000 available in its Permanent Improvement Fund as of the end of Fiscal Year 2024 and, as mentioned earlier, having a cash balance on hand of over \$11,200,000 in its Capital Projects Fund as of the end of Fiscal Year 2024.

The reason the district is getting an unvoted 20 Mill Floor adjustment is because they chose to pursue Emergency Levies (which don't count against the 20 Mill Floor) instead of Operating Levies (which do count against the 20 Mill Floor) for the two most recent levies that were passed. When this point was raised district officials indicated that they wanted to be assured of raising a certain dollar amount from the levies and did not make the choice as part a deliberate strategy to get down to the 20 Mill Floor. Their contention was essentially that getting down to the 20 Mill Floor was an unintended consequence of wanting to assure that certain dollar amounts were generated by the two levies. If getting down to the 20 Mill Floor via the Emergency Levies was really an unintended consequence, why then wouldn't district officials be willing to forgo some if not all of the unvoted windfall from the 20 Mill Floor adjustment in the near term? It was about here that the Board President (Mrs. Dewitz) lost her composure and ended the discussion.

Based upon the discussion with the Board, it was also clear that it was time to try and involve the public in this discussion. Therefore, I reached out to the Sandusky Register. That contact resulted in an article on the situation which ran in the Register on November 25, 2024 (see pages 14 – 17).

Schools balk at tax freeze



By JOLENA GIOIELLO
jgioiello@tandemnetwork.com
Nov 25, 2024 8:00 PM

PORT CLINTON – Ottawa County treasurer Anthony Hatmaker said school districts in his county and across the state are gaining from re-evaluated property and increased taxes.

Hatmaker said all school districts within the county will gain “unvoted windfalls at the expense of property owners in their district” due to property reappraisals and a current state law that states school districts will have a set 20-mill floor.

The 20-mill floor means school districts will receive a minimum support of 20 mills from taxpayers even if voted-on tax levies do not reach that millage level.

If districts receive no support from their community, in the form of certain local tax levies, then they are guaranteed the cash equivalent of 20 mills.

Taxing entities, such as school districts, can accept a lower millage.

To do this, they must formally inform the county auditor, Jennifer Widmer, with an action before the end of November this week.

Don't forget to write

The Ottawa County budget commission — made up of the county's treasurer, auditor and prosecutor — contacted local school districts in October by letter. The commission asked for them to consider the option of requesting a lower millage than the set 20 mills.

According to the commission's letters to school districts, here are the dollar amounts each district is set to receive from the revised 20-mill floor:

- Port Clinton — projected to get an increase of approximately \$5.1 million
- Danbury — projected to get an increase of approximately \$3.9 million
- Benton-Carroll-Salem — projected to get an increase of approximately \$1.6 million
- Put-in-Bay — projected to get an increase of approximately \$788,000

Don't write me again

Hatmaker said he and Widmer have had conversations with the school districts. He said the districts' responses were "underwhelming."

"They view the school district to be divorced from the community they are supposed to be serving," Hatmaker said.

In his conversation with Port Clinton Schools' board of education, Hatmaker said one of the members said it would be "irresponsible" not to accept the full amount of the revised 20-mill floor.

"In other words, it would be 'irresponsible' not to stick it to our taxpayers when we have the chance," Hatmaker said. "This mindset indicates to me that at least some school

board members have forgotten whose interests they are supposed to be serving as elected officials.”

Port Clinton Schools sent Hatmaker and Widmer a letter in response to their emails and the request they made during the district’s November meeting. The request was for the board to consider eliminating part of the tax revenue the district will receive from real estate property tax because of the auditor’s reappraisals.

“The board of education does not believe enough information is currently available to warrant eliminating revenue received in the normal course to fund its operations,” the school board said in its letter back to Hatmaker and Widmer.

The letter also states the district’s predominant source of funding comes from property taxes. The board outlined five factors it considers when making financial decisions.

- The board said the reappraisal may have induced “sticker shock” but the reappraisal is not over and final values and revenue are unknown. Taxpayers have time to challenge the appraisals.
- The board said it is not unsympathetic to the burden property owners face caused by the reappraisals, but it was not responsible for the increases. In the same bullet point, the board said it is the state legislature's job to support burdened residents by considering bills that might provide relief.
- The district has also suffered from situations leading to the loss of revenue and stagnation. Districts are forced to turn to the ballot to keep up with inflation or find creative ways to manage taxpayer funds. In past decades, laws were created and outline spending requirements for things such as special needs students, literacy efforts and social and emotional support services.

- The district currently has six months of cash on hand. The revenue from the reappraisals is estimated to add three more months to what is on hand.

“When compared to Ottawa County, which has a year's worth of cash on hand, and Catawba Island, which has more than two years' worth of cash on hand, it becomes apparent that lessening the tax burden of residents impacted by the auditor's reappraisal does not fall to the district,” the board wrote.

- The board said the revenue to the district looks significant because Ohio districts are first funded by real property taxes. This money is then supplemented usually by state aid. This aid is based on factors. Some factors are associated with district real property value.

In its letter, the board also said the district does have a fund for capital projects and a general fund. The funds for capital projects are directed to specific projects which, according to the board, have already started.

“Based on these and other factors, the (board of education) believes that a hasty reaction to any estimated reassessment outcomes at this time is short-sighted,” the board said in its letter. “It would be more appropriate, perhaps, to make decisions when all outcomes are known with certainty.”

The Benton-Carroll-Salem Local School District Board of Education could have mitigated some if not all of the unvoted property tax increase now facing property owners in the district if they had been interested in doing so.

Unfortunately, they were not...

The bottom line is that the Board of Education chose to pursue as much money from taxpayers as they could get without having to ask for it.

This package of information is meant to give taxpayers as full an understanding as possible of the efforts undertaken on their behalf regarding their 2025 property tax bill.

Ultimately, to prevent this situation from occurring again in the future the State Legislature must act. In my opinion, the quickest, cleanest action that would have a significant immediate impact would be for the legislature to repeal the 20 Mill Floor for school districts. I urge you to contact Representatives DJ Swearingen, Josh Williams and Senator Theresa Gavarone and request that they work toward mitigating or eliminating these types of unvoted property tax increases in the future.

If after reviewing this information, you are unhappy with the position taken by the Benton-Carroll-Salem Local School District Board of Education, I urge you to contact your elected Board of Education members and express your opinion. They can be contacted via email as follows:

Board President, Heather Dewitz – hdewitz@bcssd.com
Board Vice President, Jeff Dornbusch – jdornbusch@bcssd.com
Board Member, Jamie Tooman – jtooman@bcssd.com
Board Member, Kim Dusseau – kdusseau@bcssd.com
Board Member, Aaron Avery – aavery@bcssd.com

Messages can also be left for Board members by calling the Board of Education Offices at (419) 898-6210.

I thank you for taking the time to review this information.

Sincerely,

Tony Hatmaker
Ottawa County Treasurer

P.S. There are three Board of Education seats up for election in November 2025. More information on being a candidate can be obtained at:
https://www.ohiosos.gov/globalassets/publications/election/2025_crg.pdf