

Port Clinton City 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 Port Clinton City School District Board of Education with hopes of engaging in a discussion.

Notice to the Port Clinton City 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 \$5,100,000. 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 Port Clinton City School District.

Before starting it needs to be noted that the Port Clinton City School District in part engineered this unvoted windfall through past decisions made by the Board (pursuing an Emergency Levy as opposed to an Operating Levy and reserving one inside mill for Permanent Improvements as opposed to leaving a voted levy for that purpose in place and periodically replacing it). These past decisions served to increase the size of the 20 Mill Floor adjustment the district is set to receive for Tax Year 2024.

On the financials, the district ended Fiscal Year 2024 with just under \$10,000,000 in its' General Fund and has maintained an ending cash balance (Line 7.02 – of their Five Year Forecast) of between \$9,500,000 and \$10,000,000 each fiscal year since FY15 (see Page 10). The district has a further \$3,500,000 in its' Capital Projects fund which almost certainly came entirely from General Fund transfers (and therefore is available to the General Fund if needed or desired in the future). Given this information, it appears that the district's finances are stable.

Pages 4 – 9 is the Cash Summary Report as of June 30, 2024 (which is the end of district's Fiscal Year).

Page 10 is a review of expenses and enrollment for district using information that was reported to the Ohio Department of Education by the district. Note the district's enrollment has decreased from 1,794 students for Fiscal Year 2015 to 1,350 students for Fiscal Year 2024.

PORT CLINTON CITY Cash Summary Report

Full Account Code	Description	Initial Cash	MTD Received	FYTD Received	MTD Expended	FYTD Expended	Fund Balance	Encumbrance	Unencumbered Balance
Fund: 001-0000	001 GENERAL FUND	\$ 9,998,838.93	\$ 369,798.57	\$ 25,204,643.58	\$ 4,194,308.49	\$ 25,205,992.26	\$ 9,997,490.25	\$ 937,719.58	\$ 9,059,770.67
		\$ 9,998,838.93	\$ 369,798.57	\$ 4,194,308.49	\$ 25,204,643.58	\$ 25,205,992.26	\$ 9,997,490.25	\$ 937,719.58	\$ 9,059,770.67
Fund: 002-9009	002 NEW SCHOOL BUILDING DEBT FUND	2,874,107.71	0.00	2,598,040.19	0.00	2,397,502.23	3,074,645.67	1,000.00	3,073,645.67
Fund: 003-0000	003 PERMANENT IMPROVEMENT STADIUM TURF REPLACEMENT TENNIS COURT REPLACEMENT	1,244,826.45	228.00	859,145.92	0.00	1,199,961.71	904,010.66	492,830.78	411,179.88
		200,000.00	0.00	0.00	0.00	0.00	200,000.00	0.00	200,000.00
		60,000.00	0.00	0.00	0.00	0.00	60,000.00	0.00	60,000.00
Fund: 006-0000	006 FOOD SERVICE	258,717.21	61,524.79	813,979.44	54,502.08	883,281.40	189,415.25	24,451.01	164,964.24
Fund: 007-9023	007 Stensen Grant - Music FY 2023	0.01	0.00	5,603.00	0.00	0.00	5,603.01	18.60	5,584.41
	SUE PARKER SCHOLARSHIP FUND	5,982.02	0.00	0.00	0.00	1,000.00	4,982.02	0.00	4,982.02
	PNG SALLY TIPPETT WALKER SCHOLARSHIP	23,000.00	0.00	0.00	0.00	1,000.00	22,000.00	0.00	22,000.00
	ALUMNI ASSOCIATION	2,485.60	0.00	0.00	0.00	0.00	2,485.60	0.00	2,485.60
Fund: 008-9001	008 TOM BODAGER SCHOLARSHIP FUND	4,802.67	0.00	0.00	0.00	500.00	4,302.67	0.00	4,302.67
Fund: 009-0000	009 CLASS FEES	48,823.93	5,065.09	60,250.54	5,501.12	41,192.13	67,882.34	14,277.32	53,605.02
Fund: 011-0000	011 PERFORMING ARTS CENTER FUND	8,216.13	0.00	1,123.50	0.00	0.00	9,339.63	0.00	9,339.63
Fund: 018-9001	018 PUBLIC SCHOOL SUPPORT FUND-BATAAN ELEMENTARY	8,113.40	0.00	500.00	441.72	1,872.84	6,740.56	185.13	6,555.43
	PUBLIC SCHOOL SUPPORT FUND - BATAAN INTERM.	9,125.08	0.00	4,415.40	827.78	1,089.83	12,450.65	59.10	12,391.55
	PUBLIC SCHOOL SUPPORT FUND-MIDDLE SCHOOL	11,128.14	150.00	2,326.84	187.16	4,900.44	8,554.54	283.94	8,270.60
	PUB. SCHOOL SUPP. - HIGH	0.00	212.00	2,841.85	635.39	735.39	2,106.46	0.00	2,106.46
Fund: 018-9006	018 PUBLIC SCHOOL SUPPORT FUND-BATAAN ELEMENTARY	8,113.40	0.00	500.00	441.72	1,872.84	6,740.56	185.13	6,555.43
	PUBLIC SCHOOL SUPPORT FUND - BATAAN INTERM.	9,125.08	0.00	4,415.40	827.78	1,089.83	12,450.65	59.10	12,391.55
	PUBLIC SCHOOL SUPPORT FUND-MIDDLE SCHOOL	11,128.14	150.00	2,326.84	187.16	4,900.44	8,554.54	283.94	8,270.60
	PUB. SCHOOL SUPP. - HIGH	0.00	212.00	2,841.85	635.39	735.39	2,106.46	0.00	2,106.46

PORT CLINTON CITY Cash Summary Report

Full Account Code	Description	Initial Cash	MTD Received	FYTD Received	MTD Expended	FYTD Expended	Fund Balance	Encumbrance	Unencumbered Balance
018-9007	SCHOOL FUND								
	ELEMENTARY PARENTS CLUB - BATAAN	\$ 44,942.63	\$ 0.00	\$ 61,646.24	\$ 7,905.89	\$ 74,267.68	\$ 32,321.19	\$ 23,571.27	\$ 8,749.92
018-9502	MIDDLE SCHOOL LIBRARY	0.00	0.00	0.00	(93.89)	0.00	0.00	0.00	0.00
018-9503	PUBLIC SCHOOL SUPPORT FUND-MIDDLE SCHOOL ART	61.50	0.00	0.00	0.00	0.00	61.50	0.00	61.50
018-9507	ELEMENTARY ART FUND	2,063.36	0.00	983.52	0.00	0.00	3,046.88	0.00	3,046.88
018-9510	STEM LAB MS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
018-9606	H.S. LAB FEE FUND	365.93	0.00	0.00	0.00	0.00	365.93	0.00	365.93
018-9610	HIGH SCHOOL STEM - ROBOTICS	2,374.75	0.00	2,850.00	0.00	676.25	4,548.50	68.00	4,480.50
Fund:									
019		\$ 78,174.79	\$ 362.00	\$ 75,563.85	\$ 9,904.05	\$ 83,542.43	\$ 70,196.21	\$ 24,167.44	\$ 46,028.77
	OTHER GRANT	0.00	0.00	1,000.00	0.00	1,000.00	0.00	0.00	0.00
019-9012	POPE JEFFERSON ART FUND	50.00	0.00	0.00	0.00	0.00	50.00	0.00	50.00
019-9405	WELLNESS GRANT	9,057.58	0.00	0.00	288.19	288.19	8,769.39	1,542.99	7,226.40
019-9603	HEFFLINGER SCHOLARSHIP	906.69	0.00	0.00	0.00	0.00	906.69	0.00	906.69
019-9702	COMMUNITY FOUNDATION - IN/OUT	16,793.33	105,641.67	103,397.54	105,641.67	106,642.66	13,548.21	500.00	13,048.21
019-9706	KAUFMAN FUND	152.87	0.00	0.00	0.00	0.00	152.87	0.00	152.87
019-9707	MARY'S COATS FOR KIDS	2,309.82	0.00	1,175.42	0.00	400.00	3,085.24	401.66	2,683.58
019-9708	MENTAL HEALTH GRANT	0.00	0.00	0.00	0.00	5,730.00	(5,730.00)	0.00	(5,730.00)
019-9709	BEN RICHMOND SCHOLARSHIP FUND	5,000.00	0.00	0.00	0.00	0.00	5,000.00	0.00	5,000.00
019-9710	SCHOOL SAFETY GRANT	881.92	0.00	0.00	0.00	0.00	881.92	0.00	881.92
019-9711	BOB UNDERWOOD SCHOLARSHIP FUND	9,275.63	0.00	0.00	0.00	0.00	9,275.63	0.00	9,275.63
019-9713	JOHN & BETSY PAPCUN SCHOLARSHIP FUND	0.00	0.00	11,310.00	0.00	2,000.00	9,310.00	0.00	9,310.00
019-9714	CAROLE'S CUPBOARD	0.00	0.00	2,000.00	0.00	0.00	2,000.00	0.00	2,000.00
019-9902	GRANDMA THEO SCHOLARSHIP	500.00	0.00	0.00	0.00	0.00	500.00	0.00	500.00
Fund:									
020		\$ 44,927.84	\$ 105,641.67	\$ 118,882.96	\$ 105,929.86	\$ 116,060.85	\$ 47,749.95	\$ 2,444.65	\$ 45,305.30
020-0000	CHAMPIONS FOR CHILDREN	50,991.12	102.37	71,714.22	8,774.92	42,220.60	80,484.74	1,858.45	78,626.29
020-9002	CHAMPIONS FOR CHILDREN - SUMMER PROGRAM	65,204.90	8,670.25	21,272.31	2,821.02	17,725.51	68,751.70	0.00	68,751.70
Fund:									
022		\$ 116,196.02	\$ 8,772.62	\$ 92,986.53	\$ 11,595.94	\$ 59,946.11	\$ 149,236.44	\$ 1,858.45	\$ 147,377.99
022-9002	TRACK REGIONALS	0.00	294.00	294.00	178.99	294.00	0.00	14.28	(14.28)
022-9006	SBC MIDDLE SCHOOL TOURNAMENTS	0.00	0.00	7,455.00	187.85	4,952.85	2,502.15	0.00	2,502.15
Fund:									
022		\$ 0.00	\$ 294.00	\$ 7,749.00	\$ 366.84	\$ 5,246.85	\$ 2,502.15	\$ 14.28	\$ 2,487.87

PORT CLINTON CITY Cash Summary Report

Full Account Code	Description	Initial Cash	MTTD Received	FYTD Received	MTTD Expended	FYTD Expended	Fund Balance	Encumbrance	Unencumbered Balance
Fund:	024								
024-0000	HEALTH INSURANCE SELF FUNDING ACCOUNT - OSBC	\$ 1,535,360.80	\$ 180,761.95	\$ 2,174,606.22	\$ 189,359.11	\$ 2,149,940.03	\$ 1,560,026.99	\$ 3,472.13	\$ 1,556,554.86
		\$ 1,535,360.80	\$ 180,761.95	\$ 2,174,606.22	\$ 189,359.11	\$ 2,149,940.03	\$ 1,560,026.99	\$ 3,472.13	\$ 1,556,554.86
Fund:	035								
035-0000	SEVERANCE/RETIREMENT PAYMENTS	835,069.02	0.00	200,000.00	0.00	148,138.13	886,930.89	84.80	886,846.09
		\$ 835,069.02	\$ 0.00	\$ 200,000.00	\$ 0.00	\$ 148,138.13	\$ 886,930.89	\$ 84.80	\$ 886,846.09
Fund:	070								
070-9000	CAPITAL PROJECTS - TURF REPLACEMENT	50,000.00	50,000.00	50,000.00	0.00	0.00	100,000.00	0.00	100,000.00
070-9016	CAPITAL PROJECTS FUND	2,857,000.00	1,155,633.23	1,155,633.23	0.00	492,758.75	3,519,874.48	7,241.25	3,512,633.23
070-9022	CAPITAL PROJECTS - TENNIS COURT REPLACEMENT	40,000.00	40,000.00	40,000.00	0.00	0.00	80,000.00	0.00	80,000.00
		\$ 2,947,000.00	\$ 1,245,633.23	\$ 1,245,633.23	\$ 0.00	\$ 492,758.75	\$ 3,699,874.48	\$ 7,241.25	\$ 3,692,633.23
Fund:	200								
200-9501	MIDDLE SCHOOL WORK PROGRAM	355.32	0.00	0.00	0.00	0.00	355.32	0.00	355.32
200-9502	MIDDLE SCHOOL STUDENT COUNCIL	622.48	0.00	733.00	0.00	544.40	811.08	55.60	755.48
200-9503	BUILDERS CLUB-MIDDLE SCHOOL	3,919.61	0.00	717.00	0.00	456.20	4,180.41	75.71	4,104.70
200-9504	M.S. FLEET 6	1,106.87	0.00	1,449.00	0.00	1,982.09	573.78	249.82	323.96
200-9505	M.S. FLEET 7	1,001.49	0.00	1,415.00	0.00	1,979.23	437.26	371.46	65.80
200-9506	M.S. FLEET 8 & 8A	0.00	(20.00)	2,317.00	1,584.00	2,103.35	213.65	226.34	(12.69)
200-9507	M.S. MIDSHPHS	2,486.27	0.00	500.00	0.00	164.00	2,822.27	42.74	2,779.53
200-9508	CLASS OF 2026	294.89	0.00	0.00	0.00	0.00	294.89	0.00	294.89
200-9512	CLASS OF 2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(49.48)
200-9515	FCCLA - MIDDLE SCHOOL	291.64	0.00	0.00	0.00	0.00	291.64	0.00	291.64
200-9517	CLASS OF 2025	112.17	0.00	8,396.88	0.00	3,248.15	5,260.90	406.02	4,854.88
200-9518	CLASS OF 2024	1,247.20	0.00	978.88	223.79	2,010.60	215.48	0.00	215.48
200-9609	DRAMA CLUB - HIGH SCHOOL	8,394.24	364.00	11,554.00	(71.87)	8,703.58	11,244.66	974.80	10,269.86
200-9610	LEADERSHIP COUNCIL - HIGH SCHOOL	11,562.59	0.00	28,527.30	1,593.90	32,392.13	7,697.76	14,783.58	(7,085.82)
200-9611	INTERNATIONAL CLUB	991.25	6.00	40.00	0.00	129.92	901.33	220.08	681.25
200-9614	DECA-HIGH SCHOOL	16,975.83	421.00	26,613.74	(271.00)	19,715.13	23,874.44	15,142.78	8,731.66
200-9620	FPM-HIGH SCHOOL	919.83	0.00	875.00	0.00	854.94	939.89	305.06	634.83
200-9621	PCHS TOUCH OF CLASS	2,447.99	0.00	720.00	(38.00)	540.72	2,627.27	38.08	2,589.19
200-9622	SKI CLUB-HIGH SCHOOL	5,566.34	0.00	5,200.00	0.00	4,426.00	6,340.34	633.97	5,706.37
200-9624	ACADEMIC CHALLENGE	0.00	0.00	0.00	(250.00)	0.00	0.00	0.00	0.00
200-9632	NATIONAL HONOR SOCIETY-HIGH SCHOOL	7,124.27	71.00	2,359.00	0.00	3,086.00	6,397.27	1,945.00	4,452.27
200-9635	H.S. - KEY CLUB	3,481.15	250.00	250.00	0.00	120.00	3,611.15	0.00	3,611.15

PORT CLINTON CITY
Cash Summary Report

Full Account Code	Description	Initial Cash	MTD Received	FYTD Received	MTD Expended	FYTD Expended	Fund Balance	Encumbrance	Unencumbered Balance
451-9000	DATA COMMUNICATIONS	\$ 16,308.45	\$ 0.00	\$ 4,205.72	\$ 0.00	\$ 1,151.50	\$ 19,362.67	\$ 0.00	\$ 19,362.67
Fund:		\$ 16,308.45	\$ 0.00	\$ 4,205.72	\$ 0.00	\$ 1,151.50	\$ 19,362.67	\$ 0.00	\$ 19,362.67
467-0000	STUDENT SUCCESS AND WELLNESS FUND	439,405.01	0.00	0.00	74,223.74	163,624.72	275,780.29	14,015.23	261,765.06
Fund:		\$ 439,405.01	\$ 0.00	\$ 0.00	\$ 74,223.74	\$ 163,624.72	\$ 275,780.29	\$ 14,015.23	\$ 261,765.06
499-9022	MISCELLANEOUS STATE GRANT FUND	0.00	0.00	45,000.00	0.00	45,000.00	0.00	0.00	0.00
499-9023	MISCELLANEOUS STATE GRANT FUND	8,362.79	0.00	0.00	0.00	8,362.79	0.00	0.00	0.00
499-9123	MISCELLANEOUS STATE GRANT FUND	202,650.00	0.00	0.00	0.00	89,605.09	113,044.91	112,770.00	274.91
Fund:		\$ 211,012.79	\$ 0.00	\$ 45,000.00	\$ 0.00	\$ 142,967.88	\$ 113,044.91	\$ 112,770.00	\$ 274.91
507-9022	ESSER #2 FUNDING	(14,246.90)	0.00	489,546.06	0.00	475,299.16	0.00	0.00	0.00
507-9023	ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF FUND	(137,057.00)	0.00	532,480.35	82,435.64	430,122.93	(34,699.58)	510,661.15	(545,360.73)
507-9123	ARP HOMELESS - Do Not Use	0.00	0.00	0.00	0.00	0.00	0.00	15.00	(15.00)
507-9124	ARP HOMELESS #2	0.00	602.42	2,846.24	0.00	2,846.24	0.00	8,709.29	(8,709.29)
Fund:		\$ (151,303.90)	\$ 602.42	\$ 1,024,872.65	\$ 82,435.64	\$ 908,268.33	\$ (34,699.58)	\$ 519,385.44	\$ (554,085.02)
516-9023	IDEA FY 2023	(135,268.33)	0.00	185,332.24	0.00	50,063.91	0.00	604.00	(604.00)
516-9024	IDEA FY 2024	0.00	60,803.24	404,624.20	57,393.29	432,431.57	(27,807.37)	33,609.67	(61,417.04)
516-9025	IDEA FY 2025	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
516-9323	ARP - IDEA ESSER	0.00	0.00	54,303.65	0.00	54,303.65	0.00	39.00	(39.00)
Fund:		\$ (135,268.33)	\$ 60,803.24	\$ 644,260.09	\$ 57,393.29	\$ 536,799.13	\$ (27,807.37)	\$ 34,252.67	\$ (62,060.04)
572-9023	TITLE 1 FY 2023	(28,057.38)	0.00	57,269.97	0.00	29,212.59	0.00	0.00	0.00
572-9024	TITLE 1 FY 2024	0.00	31,882.15	307,000.34	46,954.84	353,955.18	(46,954.84)	3,888.77	(50,843.61)
572-9223	TITLE 1 DISADVANTAGED CHILDREN	(7,033.90)	0.00	7,033.90	0.00	0.00	0.00	0.00	0.00
Fund:		\$ (35,091.28)	\$ 31,882.15	\$ 371,304.21	\$ 46,954.84	\$ 383,167.77	\$ (46,954.84)	\$ 3,888.77	\$ (50,843.61)
584-9023	Title IV-A	(1,222.58)	0.00	1,222.58	0.00	0.00	0.00	0.00	0.00
584-9024	Title IV-A	0.00	32,177.66	32,177.66	32,347.95	32,347.95	(170.29)	0.00	(170.29)
Fund:		\$ (1,222.58)	\$ 32,177.66	\$ 33,400.24	\$ 32,347.95	\$ 32,347.95	\$ (170.29)	\$ 0.00	\$ (170.29)
587-9022	EARLY CHILDHOOD SPEC EDUCATION IDEA	(13,326.90)	0.00	13,326.90	13,519.20	13,519.20	(13,519.20)	0.00	(13,519.20)
587-9023	ARP EARLY CHILDHOOD	0.00	0.00	5,966.48	0.00	5,966.48	0.00	0.00	0.00
Fund:		\$ (13,326.90)	\$ 0.00	\$ 19,293.38	\$ 13,519.20	\$ 19,485.68	\$ (13,519.20)	\$ 0.00	\$ (13,519.20)

PORT CLINTON CITY
Cash Summary Report

Full Account Code	Description	Initial Cash	MTD Received	FYTD Received	MTD Expended	FYTD Expended	Fund Balance	Encumbrance	Unencumbered Balance
200-9637	PCTV	\$ 383.33	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 383.33	\$ 0.00	\$ 383.33
200-9638	MARINE BIOLOGY FIELD TRIP	49.77	0.00	0.00	0.00	0.00	49.77	0.00	49.77
200-9639	CLASS OF 2023	3,344.43	0.00	0.00	0.00	3,344.43	0.00	0.00	0.00
200-9686	REVISTA YEARBOOK	6,035.34	0.00	5.00	0.00	1,176.09	4,864.25	0.00	4,864.25
Fund:	300	\$ 78,714.30	\$ 1,092.00	\$ 92,650.80	\$ 2,770.82	\$ 86,976.96	\$ 84,368.14	\$ 35,520.52	\$ 48,867.62
300-9501	MIDDLE SCHOOL ATHLETICS	30,660.62	10,000.00	39,573.10	1,696.92	55,030.70	15,203.02	9,366.65	5,836.37
300-9505	YEARBOOK-MIDDLE SCHOOL	0.00	0.00	815.05	0.00	440.00	375.05	0.00	375.05
300-9601	HIGH SCHOOL ATHLETIC FUND	7,875.81	44,693.20	198,769.60	19,893.17	194,484.84	12,160.57	15,349.17	(3,188.60)
300-9602	FOOTBALL SUPPORT FUND	3,914.58	2,485.00	14,814.27	1,629.20	13,531.00	5,197.85	1,571.66	3,626.19
300-9603	GIRLS BASKETBALL SUPPORT FUND	7,687.50	3,846.00	5,074.58	2,775.00	6,850.00	5,912.08	1,879.12	4,032.96
300-9604	BASKETBALL SUPPORT FUND	2,158.61	2,425.00	12,007.56	1,200.00	4,481.51	9,684.66	6.00	9,678.66
300-9605	MS CHEERLEADING	9,423.84	1,750.00	5,500.00	0.00	0.00	14,923.84	0.00	14,923.84
300-9606	INSTRUMENTAL MUSIC-HIGH SCHOOL	1,304.09	0.00	0.00	0.00	0.00	1,304.09	0.00	1,304.09
300-9607	ORCHESTRA FUND-HIGH SCHOOL	1,752.08	0.00	(1,562.50)	189.58	189.58	0.00	435.00	(435.00)
300-9608	BASEBALL - SUPPORT FUND	27,936.20	6,951.50	9,837.50	216.00	7,963.70	29,810.00	0.00	29,810.00
300-9609	VOLLEYBALL-SUPPORT FUND	0.00	0.00	625.00	(76.10)	625.00	0.00	720.00	(720.00)
300-9610	SOFTBALL SUPPORT	1,904.61	0.00	662.94	0.00	343.67	2,223.88	0.00	2,223.88
300-9613	WRESTLING SUPPORT FUND	440.00	0.00	(440.00)	0.00	0.00	0.00	0.00	0.00
300-9615	GOLF SUPPORT	4,780.42	0.00	6,730.00	0.00	6,954.85	4,555.57	831.93	3,723.64
300-9616	GIRLS GOLF - SUPPORT	10.50	0.00	1,200.00	0.00	0.00	1,210.50	500.00	710.50
300-9617	CROSS COUNTRY SUPPORT	563.76	0.00	0.00	0.00	0.00	563.76	0.00	563.76
300-9618	TENNIS SUPPORT FUND	3,418.21	1,765.00	3,394.00	0.00	1,299.00	5,513.21	0.00	5,513.21
300-9633	CHEERLEADING ACTIVITIES	1,201.42	0.00	7,314.25	0.00	7,122.95	1,392.72	445.00	947.72
300-9637	SOCCER SUPPORT	4,339.98	245.00	3,720.00	0.00	2,815.21	5,244.77	559.50	4,685.27
300-9640	PORT CLINTON SOCCER BOOSTER CLUB PCSBC	1,099.57	0.00	248.00	0.00	0.00	1,347.57	0.00	1,347.57
300-9650	WRESTLING SUPPORT FUND	0.00	0.00	5,508.40	0.00	5,072.40	436.00	0.00	436.00
300-9660	TRACK SUPPORT FUND	0.00	582.83	582.83	0.00	0.00	582.83	0.00	582.83
Fund:	401	\$ 110,471.80	\$ 74,743.53	\$ 314,374.58	\$ 27,523.77	\$ 307,204.41	\$ 117,641.97	\$ 31,664.03	\$ 85,977.94
401-9023	AUXILIARY FUNDING	66,537.46	0.00	0.00	(63.70)	66,537.46	0.00	2,419.19	(2,419.19)
401-9025	AUXILIARY FUNDING	0.00	0.00	57,766.64	2,207.21	25,128.91	32,637.73	7,345.50	25,292.23
Fund:	439	\$ 66,537.46	\$ 0.00	\$ 57,766.64	\$ 2,143.51	\$ 91,666.37	\$ 32,637.73	\$ 9,764.69	\$ 22,873.04
439-9023	PUBLIC PRESCHOOL FY 2023	0.00	0.00	86,572.90	0.00	86,572.90	0.00	5,427.10	(5,427.10)
Fund:	451	\$ 0.00	\$ 0.00	\$ 86,572.90	\$ 0.00	\$ 86,572.90	\$ 0.00	\$ 5,427.10	\$ (5,427.10)

PORT CLINTON CITY
Cash Summary Report

Full Account Code	Description	Initial Cash	MTD Received	FYTD Received	MTD Expended	FYTD Expended	Fund Balance	Encumbrance	Unencumbered Balance
Fund: 590									
590-9023	TITLE II-A FY 2023	\$ 1,222.16	\$ 0.00	\$ 772.78	\$ 0.00	\$ 1,994.94	\$ 0.00	\$ 2,326.79	\$ (2,326.79)
590-9024	TITLE II-A FY 2023	0.00	4,011.98	52,793.49	3,769.60	56,563.09	(3,769.60)	7,452.90	(11,222.50)
590-9025	TITLE II-A FY 2025	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
590-9212	TITLE II-A - IMP. TEACHER QUALITY	0.00	0.00	0.00	0.00	0.00	0.00	1,500.00	(1,500.00)
Fund: 599									
599-9023	SAFETY GRANT	\$ 1,222.16	\$ 4,011.98	\$ 53,566.27	\$ 3,769.60	\$ 58,558.03	\$ (3,769.60)	\$ 11,279.69	\$ (15,049.29)
		10,372.05	0.00	0.00	0.00	10,372.05	0.00	0.00	0.00
		\$ 10,372.05	\$ 0.00	\$ 0.00	\$ 0.00	\$ 10,372.05	\$ 0.00	\$ 0.00	\$ 0.00
Grand Total		20,884,360.16	\$ 2,183,394.90	36,205,475.44	\$ 4,914,549.85	35,615,226.56	\$ 21,474,609.04	\$ 2,287,548.43	\$ 19,187,060.61

6

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
4.50 - Total Expenditures	18,898,518	18,916,375	18,228,694	18,154,402	18,547,671	18,350,760	18,930,647	19,536,431	20,369,137	20,689,949	20,891,667	20,930,244	21,418,934	21,868,047	23,838,534
Enrollment K-12	1,781	1,794	1,825	1,804	1,794	1,715	1,724	1,705	1,650	1,597	1,554	1,513	1,483	1,401	1,350
Per Pupil Expenditures	10,611	10,544	9,988	10,063	10,339	10,700	10,981	11,458	12,345	12,956	13,444	13,834	14,443	15,609	17,658
% change from previous year		-0.63%	-5.27%	0.75%	2.74%	3.50%	2.62%	4.35%	7.74%	4.95%	3.77%	2.90%	4.41%	8.07%	13.13%
7.02 - Unreserved (General) Fund Balance June 30	8,425,970	9,923,392	11,212,005	11,933,145	13,008,971	9,558,014	9,991,727	9,997,834	9,998,023	9,684,000	9,486,601	9,922,874	9,986,511	9,998,839	9,999,476

Notes:

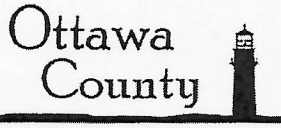
In FY15, the district transferred \$5.3M out of its' General Fund
 In FY16, the district transferred \$800K out of its' General Fund
 In FY17, the district transferred \$1M out of its' General Fund
 In FY22, the district transferred \$1.1M out of its' General Fund
 In FY23, the district transferred \$2.1M out of its' General Fund
 For FY24, the district projected a transfer of \$1.2M out of its' General Fund

Sources/Background:

- Information with a line number (such as 4.50, 7.02, 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).
- Enrollment figures are K-12 Enrollment counts taken from the ODE October Headcount report for each fiscal year.

On Monday, October 28th, the Budget Commission received the response on Page 12 from Board President, Beth Benko regarding the request to meet dated October 21, 2024 (Page 2).

Given that the request to meet dated October 21, 2024, clearly indicated that this discussion was “time sensitive”, the Board’s suggestion to have this discussion on December 2, 2024, was viewed as lacking a serious intent to discuss the situation within the window where something could actually be done to lessen the burden on taxpayers. In other words, the Board’s response appeared to be a polite blow-off.



Anthony Hatmaker <ahatmaker@co.ottawa.oh.us>

Re: Request from the Ottawa County Budget Commission

1 message

Beth Benko <bbenko@pccsd-k12.net>

Mon, Oct 28, 2024 at 9:05 AM

To: Jennifer Widmer <jwidmer@co.ottawa.oh.us>

Cc: Pat Adkins <padkins@pccsd-k12.net>, Jeff Dornbusch <jdornbusch@pccsd-k12.net>, dbelden@pccsd-k12.net, gcoon@pccsd-k12.net, mmueller@pccsd-k12.net, pshaw@pccsd-k12.net, Anthony Hatmaker <ahatmaker@co.ottawa.oh.us>, Ottawa County Prosecutor <

Hi Jennifer.

On behalf of the PCCSD Board of Education, I would like to thank you and the other members of the OC Budget Commission for your recent letter.

As I am sure you are aware, Jeff Dornbusch has been working over the last several months to provide the Board of Education with any new and updated information related to the recent real property value reappraisal that impacted the residents of Ottawa County and the residents of the PC City School District in particular. Given that real property tax collections are a major component of the overall funding of the school district, the impact of the reappraisal, especially in a period of significant inflation, is an important topic for us. We believe it is fair to say that there are many unknown variables surrounding this issue at this time, and we would welcome and appreciate any additional information you are able to provide.

Because of varying schedules, as well as the timing of the annual Ohio school board conference in Columbus, our next regularly scheduled Board meeting at which all five Board members are expected to be in attendance and available for public discussions is Monday, December 2 at 6:00 PM. We would welcome your attendance at that meeting (in addition to that of the other Budget Commission members) to discuss this important issue.

At your convenience, please let me know if that date and time fits within your schedule and/or that of the other Budget Commission members and we will add your discussion to the meeting agenda. In the meantime, Jeff is available to assist you with any information you may need regarding the adjustment of rates associated with our existing Emergency and Bond levies that becomes required as a result of the reappraisal process.

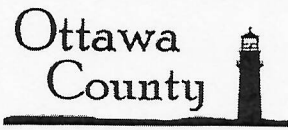
If you have any questions, please do not hesitate to contact me at this email or at

Thank you,

Beth

Beth Benko
PCCSD Board of Education President

On Wednesday, October 30th, I chose to follow-up on the Board response dated October 28th with the email on Page 14. In the email I laid out my understanding of the district's current financial position, urged the Board to take action to lessen the impact on taxpayers and tried to make them aware of the potential consequences of not doing something on behalf of their taxpayers.



Anthony Hatmaker <ahatmaker@co.ottawa.oh.us>

Re: Request from the Ottawa County Budget Commission

1 message

Anthony Hatmaker <ahatmaker@co.ottawa.oh.us>

Wed, Oct 30, 2024 at 11:58 AM

To: Beth Benko <bbenko@pccsd-k12.net>

Cc: Jennifer Widmer <jwidmer@co.ottawa.oh.us>, Pat Adkins <padkins@pccsd-k12.net>, Jeff Dornbusch <jdornbusch@pccsd-k12.net>, dbelden@pccsd-k12.net, gcoon@pccsd-k12.net, mmueller@pccsd-k12.net, pshaw@pccsd-k12.net, Ottawa County Prosecutor <

Dear Board Members,

I am writing to you in my capacity as Ottawa County Treasurer and as a member of the Ottawa County Budget Commission. As you are aware, due to the county-wide reappraisal and current state law, the Port Clinton City School District stands to receive an unvoted windfall of at least \$4,900,000 (see attachment #1) at the expense of property owners in the district. This windfall has in part been engineered through past decisions made by the Board (pursuing an Emergency Levy as opposed to an Operating Levy and reserving one inside mill for Permanent Improvements as opposed to leaving a voted levy for that purpose in place and periodically replacing it).

The district ended Fiscal Year 2024 with just under \$10,000,000 in its' General Fund and has maintained an ending cash balance (Line 7.02 – Five Year Forecast) of between \$9,500,000 and \$10,000,000 each fiscal year since FY15 (see attachment #2). The district has a further \$3,500,000 in its' Capital Projects fund which almost certainly came entirely from General Fund transfers (and therefore is available to the General Fund if needed or desired in the future). Given this information, it appears that the district's finances are stable. Therefore, in my opinion, this unvoted windfall at the expense of taxpayers is not necessary at this time.

As County Treasurer, it is my responsibility to send and attempt to collect property tax bills. It is not the responsibility of my office to explain or defend the actions (or non-actions) of various taxing entities. You, the elected Board, have the ability to reduce the amount of millage that will be imposed upon taxpayers for Tax Year 2024 (to be collected in 2025). To be clear, if the Board of Education doesn't act to reduce the amount of millage that will be imposed you will own that decision/non-decision. Taxpayer complaints will be referred to you, the responsible elected representatives, to address.

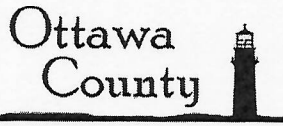
I urge you to take action on behalf of those you serve before the County Auditor has to submit final information to the State before the end of November.

Sincerely,

Tony Hatmaker

Anthony L. HatmakerOttawa County Treasurer
315 Madison Street, Room 201
Port Clinton, Ohio 43452
Phone: (419) 734-6750

On Thursday, October 31st, Board President Benko responded to my email of October 30th (see Page 16). The response again amounts to a polite blow-off from the Board of Education.



Anthony Hatmaker <ahatmaker@co.ottawa.oh.us>

Re: Request from the Ottawa County Budget Commission

1 message

Beth Benko <bbenko@pccsd-k12.net>

Thu, Oct 31, 2024 at 8:53 AM

To: Anthony Hatmaker <ahatmaker@co.ottawa.oh.us>

Cc: Jennifer Widmer <jwidmer@co.ottawa.oh.us>, Pat Adkins <padkins@pccsd-k12.net>, Jeff Dornbusch <jdornbusch@pccsd-k12.net>, dbelden@pccsd-k12.net, gcoon@pccsd-k12.net, mmueller@pccsd-k12.net, pshaw@pccsd-k12.net, Ottawa County Prosecutor <

Tony -

Thank you for your email. Please know that the Board respects the opinion of every constituent and, additionally, encourages you to always forward any communications you believe are directed to you in error to the Board office so that they may be considered and addressed.

Kindest regards,

Beth

From the back-and-forth with the Board of Education, it had become clear that the Board had no intention of taking any action that would lessen the impact of the unvoted property tax increases without additional pressure being brought upon them.

Therefore, I decided to reach-out to other public officials in the school district to inform them about the situation and request that if they had concerns, on behalf of the residents they serve, to contact members of the Board of Education.

The correspondence on Page 18 (or something very similar to it) was sent to officials with the City of Port Clinton, Bay Township, Erie Township, Catawba Island Township and Portage Township on November 5, 2024.

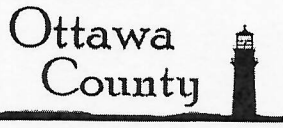
Several township officials contacted did express interest in and concern about the situation.

Port Clinton Mayor Mike Snider and I met to discuss the situation. It was requested that I attend a meeting of the Port Clinton City Council Finance Committee and a City Council meeting on November 26, 2024, to discuss the situation in more detail.

Video from the City Council meeting can be viewed at:

<https://www.youtube.com/watch?v=fGCPq7d6FBs>

The property tax discussion runs from approximately the 1:30 mark through about 21:00 mark.



Anthony Hatmaker <ahatmaker@co.ottawa.oh.us>

Property Tax Increase

1 message

Anthony Hatmaker <ahatmaker@co.ottawa.oh.us>

Tue, Nov 5, 2024 at 10:30 AM

To:

Cc: Jennifer Widmer <jwidmer@co.ottawa.on.us>

Dear Port Clinton City Officials,

Both County Auditor Widmer and I want to make you aware of something that will affect all property owners in your jurisdiction. Due to the recent reappraisal and current state law (regarding inside millage and the 20 Mill Floor for school districts), the Port Clinton City School District stands to gain an unvoted windfall of at least \$4,900,000 at the expense of property owners. Taxing entities have the ability to accept less millage than is allowed by law as long as they inform the County Auditor of that desire through a formal action before the end of November. The County Budget Commission has reached out to the five school districts under its jurisdiction and has either met with or scheduled a meeting with four of the districts prior to the time that the millage to be collected for Tax Year 2024 has to be finalized.

Based upon the correspondence, we are not hopeful that the Port Clinton Board is planning to take action that will significantly reduce the financial impact upon taxpayers of the district within the necessary timeline.

We want to make you aware of the significant unvoted tax increase your voters are facing unless something is done by the school district so that you will be at least somewhat prepared when questioned by taxpayers. If you are concerned about the negative impact this unvoted windfall will have upon those you serve, we ask that you share those concerns with the members of the Port Clinton City School District Board of Education at your earliest convenience. They can be contacted via email as follows:

Board President, Beth Benko – bbenko@pccsd-k12.net
Board Vice President, Michele Mueller – mmueller@pccsd-k12.net
Board Member, David Belden – dbelden@pccsd-k12.net
Board Member, Gary Coon – gcoon@pccsd-k12.net
Board Member, Paul Shaw – pshaw@pccsd-k12.net

The next Port Clinton Board of Education meeting is Wednesday, November 6, 2024, at 6:00PM.

Both Auditor Widmer and myself would be happy to try and answer any questions you may have on this matter. Thank you for your time and attention.

Sincerely,

Tony Hatmaker

P.S. Attached is a brief presentation on property taxes and the 20 Mill Floor and information on the estimated 20 Mill Floor gain for Port Clinton City School District.

Anthony L. Hatmaker

Ottawa County Treasurer
315 Madison Street, Room 201
Port Clinton, Ohio 43452
Phone: (419) 734-6750

On Wednesday, November 6th, I decided to attend a regularly scheduled meeting on the Port Clinton Board of Education in the hopes that an in-person discussion might persuade them to accept less millage than they are in-line to get. The discussion was cordial but one of the Board members indicated during the back-and-forth that he believed it would be “irresponsible” on the Board’s part to not accept all of the funds available from the unvoted windfall due to the reappraisal.

On November 11, 2024, the Board of Education put their position on this situation in writing (see Pages 20 – 23). This was mainly in response to my having reached-out to other public officials within the school district and in part to follow-up on the discussion I had with them at their meeting on November 6, 2024.

November 11, 2024

Board of Education
811 S. Jefferson Street
Port Clinton, OH 43452
419.732.2102
419.734.4527 fax

Anthony L. Hatmaker
Ottawa County Treasurer
315 Madison Street, Room 201
Port Clinton OH 43452

Jennifer J. Widmer
Ottawa County Auditor
315 Madison Street, Room 202
Port Clinton OH 43452

Dear Tony and Jennifer,

Thank you again for your recent emails expressing concern about the impact the recent reappraisal of real property values in Ottawa County will have on both Port Clinton City School District residents and the Port Clinton City School District ("the District"). The purpose of this letter is to provide a more robust response to those emails as well as to the request you made during the PCCSD Board of Education ("BOE") meeting held on November 6, 2024.

Near the end of October and at the meeting on November 6, you requested the BOE consider eliminating a portion of the tax revenue it will receive from real estate property taxes because of the recent reappraisal undertaken by the Auditor's Office (the "auditor"). Specifically, you suggested that the District "stands to gain an unvoted windfall...at the expense of property owners" and the BOE needed to act before the end of November to reduce the financial impact created by the recent reappraisal. As explained more fully below, the BOE does not believe enough information is currently available to warrant eliminating revenue received in the normal course to fund its operations.

Unlike Ottawa County and its municipalities and townships, the District's predominant source of funding is from real property taxes. As such, several factors, including the ones detailed below, are points of focus for the BOE as we undertake our duties as fiscal stewards of the District, tasked with ensuring the education of the District's students.

1. While the impact of the auditor's reappraisal, perhaps, induced "sticker shock" for many, it is also true that the reappraisal process is not complete. Taxpayers have until several months into 2025 to formally challenge the value established by the auditor, and H.B. 126 effectively eliminates a school district's ability to participate in that appeals process. Accordingly, any final property value and resulting revenue is unknown with certainty at this time.

2. While the BOE is not unsympathetic to the burden the auditor's recent reappraisal places on real property owners, it is also true that the BOE in no way participated in the reappraisal process that yielded property value increases of close to 30% after many years of single-digit increases.

In addition, no practical means exists to return collections to those District residents most in need of assistance. The process of relieving residents of a lawfully imposed burden is, quite simply, the function of the state legislature, which has acted in the past by implementing tax rollbacks like the homestead exemption or anti-inflationary measures such as H.B. 920 (described more fully below). Currently, the state legislature is considering bills that might provide relief to homeowners if their property taxes exceed certain thresholds.

Because the BOE cannot know at this time whether the state legislature again will act to reduce a resident's tax burden, thereby taking revenue from the District, it would not be prudent, and is not the role of the District, to suspend the assessment and collection of lawfully imposed real estate taxes.

3. While it may be convenient to throw out shocking terms such as "unvoted windfall" for impact, it is also true that the District has suffered from situations that yielded revenue losses and stagnation for years. Some examples include the loss of tangible property tax revenue and disadvantageous school funding formula factors. In addition, over the years when property values increased, the District was (and remains) subject to H.B. 920, which works to eliminate inflationary growth in assessed real estate taxes, and serves as a tax credit to residents as property values increase. Unlike the County and its municipalities, the District has never benefited from sources of growing revenue such as sales taxes or income taxes. Instead, should the District need more funding to keep pace with inflation and rising costs, it must return to the ballot. However, for decades, the BOE routinely worked to find creative ways to manage its budget to avoid asking taxpayers for new money. In fact, the last non-emergency/bond levy for new current operating funds appeared on the ballot in the last century, in 1994.

The District does not enjoy the benefit of buying goods and services at 1994 prices. Education is highly labor intensive, and wages have increased along with general inflation. Moreover, in the decades since school district revenue growth was harnessed by H.B. 920, state and federal laws have mandated significant spending requirements on schools for things such as special needs students, primary grade literacy efforts, social and emotional support services, and summer learning loss measures to name a few. Given that H.B. 920 as well as fixed rate rules related to emergency and bond levies serve to help eliminate the impact of inflation and spread the tax burden across all properties in the District, the BOE cannot in good conscience put monies needed to educate the

District's students at risk without certainty about how the District's revenue will be affected by future legislative actions.

4. The District has around six months of cash on hand. As currently estimated, any revenues received by the District from the reappraisal will yield, at best, three months of additional cash 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.

5. The revenues estimated to be received by the District appear significant in amount because Ohio school districts are initially funded by real property taxes, generally in excess of 60% of a resident's real property tax bill. Real property tax revenue received by the District is then supplemented, usually in the form of state aid. That aid is based on factors, some associated with the District's real property values. It is not clear what the impact on state aid will be because of the reappraisal. Until that information is known with certainty, the BOE does not find it fiscally responsible to eliminate a lawful source of income.

As a final note, while the District does have a capital projects fund in addition to its general fund, those funds are allocated to specific projects, many of which have commenced.

Based on these and other factors, the BOE believes that a hasty reaction to any estimated reassessment outcomes at this time is short-sighted. It would be more appropriate, perhaps, to make decisions when all outcomes are known with certainty.

Respectfully,

Port Clinton City School District Board of Education
Beth Benko, President
Michele Mueller, Vice President
David Belden, Member
Paul Shaw, Member
Gary Coon, Member

811 S Jefferson Street
Port Clinton OH 43452

cc: Patrick Adkins, PCCSD Superintendent
Jeff Dornbusch, PCCSD Treasurer
James VanEerten, Ottawa County Prosecutor
Diane C. Belden, Catawba Island Township Trustee
William J. Rofkar, Catawba Island Township Trustee
Matthew Montowski, Catawba Island Township Trustee
Art Castillo, Bay Township Trustee
Denton Glovinsky, Bay Township Trustee
David R. Millinger, Bay Township Trustee
Alfred Wozniak, Jr., Erie Township Trustee
Frederick J. Bice, Erie Township Trustee
Anthony P. Wells, Erie Township Trustee
John Gluth, Jr., Portage Township Trustee
Karl Kopchak, Portage Township Trustee
Keith Heileman, Portage Township Trustee
Pat Horvis, Port Clinton City Council
Cathy M. King, Port Clinton City Council
Jerry Tarolli, Port Clinton City Council
Beth Gillman, Port Clinton City Council
Richard J. Morgan, Port Clinton City Council
Margaret Phillips, Port Clinton City Council
Avery Robinson, Port Clinton City Council

In my view, in their written response (pages 20 -23), the Board put forward a number of excuses for not doing something to lessen the impact of the property tax increases (driven by the reappraisal) upon taxpayers in the district.

The contention put forward (by the Board) that the district hasn't seen any new local property tax dollars for operations since 1994 is plainly false. The district passed an Emergency Levy in August 2003 which provided additional operating funds from local property taxes. Also, the district has received several 20 Mill Floor adjustments (which are essentially unvoted levies) since 1994 that provide additional operating funds with the most recent being from the Tax Year 2021 triennial update.

It was good to see the Board acknowledge (in their response) that they have enough cash on hand to cover six months' worth of operating expenses.

Also in concerning the Board's response, recall from Page 10 that the district's enrollment has decreased from 1,794 students for Fiscal Year 2015 to 1,350 students for Fiscal Year 2024.

Based upon the Board's written position (pages 20-23) it was 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 25 – 28).

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.

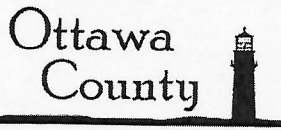
“When compared to Ottawa County, which has a year’s worth of cash on hand, and Catawba Island, which has more than two years’ worth of cash on hand, it becomes apparent that lessening the tax burden of residents impacted by the auditor’s reappraisal does not fall to the district,” the board wrote.

- 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.”

Apparently, the Sandusky Register article greatly offended Port Clinton Board of Education member Mr. David Belden. Mr. Belden addressed an email dated December 2, 2024, to myself and the other members of the County Budget Commission. That email is on pages 30 and 31.



Anthony Hatmaker <ahatmaker@co.ottawa.oh.us>

Belden Record

1 message

David Belden

Mon, Dec 2, 2024 at 8:00 AM

To: "jwidmer@co.ottawa.oh.us" <jwidmer@co.ottawa.oh.us>,
 "ahatmaker@co.ottawa.oh.us" <ahatmaker@co.ottawa.oh.us>
 Cc: , Douglas Swearingen

December 2, 2024

Mrs. Jennifer J. Widmer
 Ottawa County Auditor
 315 Madison Street, Room 202
 Port Clinton, OH 43452

Mr. James VanEerten
 Ottawa County Prosecuting Attorney
 315 Madison Street, Room 205
 Port Clinton, OH 43452

Mr. Tony Hatmaker
 Ottawa County Treasurer
 315 Madison Street, Room 201
 Port Clinton, OH 43452

Budget Commission Members,

Please know I am not writing on behalf of the PC school board nor the PC administration, simply as one who has given 30 years of public service with a consistent mission to do what is best for students. I write to you, as members of the Budget Commission, to set the record straight regarding recent comments attributed to me.

On November 6, 2024 Tony Hatmaker attended a PCCS BOE meeting. He asked that our board consider not collecting certain taxes in lieu of the incremental monies expected to be disbursed to our school system in 2025 given the recent reappraisal of property valuations. In response I noted that over 400 school systems in Ohio had reached the 20 mill floor and this was a statewide issue, not confined to Ottawa County. I stated my belief that the Ohio legislative body would take action on this issue. Mr. Hatmaker agreed. I asked if he knew what the legislature would do. He stated he did not. I stated that neither did I. I then shared that during my tenure on the BOE I had seen significant volatility in school funding, most of which PC schools suffered from in spite of lobbying efforts over time, both locally and in Columbus, which causes us to pause with apprehensions over legislative actions that may soon be taken. I also asked Mr. Hatmaker if we agreed to his request to not collect certain taxes, and if the legislature took action that compromised our funding, could he return those taxes to us. He replied negatively. I then stated that given these answers, and given the uncertainties of actions that may soon be taken in Columbus, it would be irresponsible to potentially jeopardize the funding of 1,500 students at this time. Rather, I stated the more

appropriate time to consider such a request would be next fall. I am certain those in attendance that evening would corroborate the record.

In the November 25, 2024 edition of the *Sandusky Register* Mr. Hatmaker said one of the PC BOE members at the November 6th meeting 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."**


Mr. Hatmaker took my words completely out of context and inserted inflammatory remarks that were blatantly intended to disparage the PC BOE and harm the trust it has earned with its community for decades. I am also aware that Mr. Hatmaker has gone to other local boards of education taking similar shots at whoever denied his request. His actions show great disrespect to many fervent, well intended public servants who have brought their communities together while serving their most important client, **students**, with foresight, passion and integrity.

The situation we are in is not the fault of anyone or any office, rather the confluence of significant factors we have not seen simultaneously in years, if ever. Issues have changed and the law needs to be assessed to see if amendment is in order. That work should be left in the hands of Representative Swearingen, Senator Gavarone and their teams. They should be given ample time to address an extremely complex issue and enact a comprehensive, equitable solution. PCCS does not need excess funds, but we certainly crave enough to maintain a stable school system that produces students who excel in their endeavors and positively affect society. In the meantime, however, patience and mutual respect should replace unprofessional, disrespectful and libelous public discourse. In my opinion several apologies and a retraction are in order from Mr. Hatmaker, but no one should hold their breath that they will be delivered given the deplorable behavior witnessed over the last month.

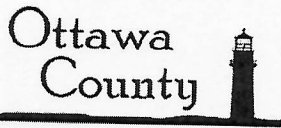
It's time to work in collaboration, not in conflict, without harming our youth or our community.

In service to students and my community,

David Belden

 MyNews.OnTheGo __ E-Paper Reader.pdf
59K

I responded to Mr. Belden's email later in the morning on December 2, 2024 (see Page 33).



Anthony Hatmaker <ahatmaker@co.ottawa.oh.us>

Re: Belden Record

1 message

Anthony Hatmaker <ahatmaker@co.ottawa.oh.us>

Mon, Dec 2, 2024 at 11:07 AM

To: David Belden

Cc: "jwidmer@co.ottawa.oh.us" <jwidmer@co.ottawa.oh.us>, Douglas Swearingen

Dear Mr. Belden,

As part of my responsibilities as County Treasurer, I am also a member of the County Budget Commission which is responsible for exercising at least some oversight of other political subdivisions in the County. That entails asking questions and raising concerns when I believe they are warranted whether or not a political subdivision likes it. Further, any citizen has a right to question public officials about the operations of public bodies any time they so desire. If public officials are uncomfortable with or resentful of such questioning, they probably should step aside.

To recap the Port Clinton City School District situation, in a notice from the Ottawa County Budget Commission dated October 21, 2024, the Board was informed that the district was projected to receive an unvoted increase in property taxes of approximately \$5,100,000 for Tax Year 2024. This increase is due to increased property values and the district being at the 20 Mill Floor. This "windfall" has in part been engineered through past decisions made by the Board (pursuing an Emergency Levy as opposed to an Operating Levy and reserving one inside mill for Permanent Improvements as opposed to leaving a voted levy for that purpose in place and periodically replacing it).

The district ended Fiscal Year 2024 with just under \$10,000,000 in its General Fund and has maintained an ending cash balance of between \$9,500,000 and \$10,000,000 each fiscal year since FY15. As of 6/30/24, the district had a further \$3,500,000 in its Capital Projects fund which almost certainly came entirely from General Fund transfers (and therefore is available to the General Fund if needed or desired in the future). Given this information, it appears that the district's finances are stable. Therefore, in my opinion, this unvoted "windfall" at the expense of taxpayers is not necessary at this time.

Maybe district residents who live in gated communities can take this unvoted tax increase in stride but for many other district residents an unvoted increase of \$300, \$500, \$750 or more is going to present an additional hardship that the district could mitigate at least to some degree.

I believe all public officials share a responsibility to protect the interests of our taxpayers. I believe it is deplorable when public officials lose sight of that responsibility. My actions over the past many weeks have been an effort to mitigate the impact of this situation on our taxpayers. Therefore, no apology will be contemplated or forthcoming.

Sincerely,

Tony Hatmaker

Anthony L. HatmakerOttawa County Treasurer
315 Madison Street, Room 201
Port Clinton, Ohio 43452
Phone: (419) 734-6750

Page 35 details the options available to Port Clinton School District Board of Education that could have mitigated at least some of the unvoted property tax increase now facing property owners in the district.

They chose to do nothing...

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

Ottawa County
Review of 20 mill floor mitigation options - Port Clinton
11/26/2024

20 Mill Floor Mitigation Options - Port Clinton

Port Clinton City School District

Estimated annual gain from 20 Mill Floor adjustment due reappraisal for Tax Year 2024 (collected in 2025)	5,100,000
Suspend Collection of existing Emergency Levy	(1,734,000)
Suspend Collection of 1 Mill of Inside Millage previously designated by the Board for Permanent Improvements	<u>(957,294) *</u>
Remaining estimated annual gain before any operating millage adjustment	2,408,706
Count the 1.6 operating mills collected by Vanguard JVS toward Port Clinton's 20 operating mills meaning that Port Clinton could collect only 18.4 operating mills	<u>(1,531,670) *</u>
Remaining gain if Board did all that was possible to mitigate the effect of the 20 Mill Floor adjustment on taxpayers	877,036

It should be noted that the \$877,036 remaining estimated gain would still net the district about \$200,000 more than it would get solely through the increase they would get from their inside millage. Meaning they would still be receiving about \$200,000 from the 20 Mill Floor adjustment.

Further Note:

* - Figure used is the estimated value of 1 Mill using the Tax Year 2024 value of \$957,294 for Res/Ag properties.

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 Port Clinton City 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, Beth Benko – bbenko@pccsd-k12.net

Board Vice President, Michele Mueller – mmueller@pccsd-k12.net

Board Member, David Belden – dbelden@pccsd-k12.net

Board Member, Gary Coon – gcoon@pccsd-k12.net

Board Member, Paul Shaw – pshaw@pccsd-k12.net

Messages can also be left for Board members by calling the Board of Education Offices at (419) 732-2102.

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