



Reading Community City Schools

Town Hall Meeting
March 21, 2022

Operating Levy Details



RCCSD is on the ballot May 3, 2022

- 9.99 mill continuing operating levy

**Funds used for everyday expenses only

- 1 mill = ~\$208,000
- 9.99 mills = ~\$2 million annually for operating expenses
- Last new operating levy request was in 2009
- ***If not successful, permanent reductions of ~\$1.3 million beginning in 2022-2023***

Timeline of Financial Events



2009	<i>Operating levy approved (last “new” operating funds)</i>
2012	Renewal operating levy approved (no “new” operating funds)
2015	<i><u>Bond issue</u> passed for construction of new PK-12 building</i>
2018	Substitute levy approved (no “new” operating funds - exception: new construction)
November 2019	<i>Five Year Forecast identifies need for additional operating funds in 2020</i>
Spring/Summer 2020	<i>RCCSD reduces expenditures by ~\$1.8 million as part of reduction plan and state funding decrease due to pandemic; BOE delays new operating levy request due to pandemic impacts</i>
2020-2021	RCCSD receives federal pandemic relief funds; Offsets planned district expenditures for personnel, technology, curriculum, programs, etc.; <i>Extends need for new operating funds</i>
November 2021	<i>Five Year Forecast identifies need for additional operating funds in 2022</i>
January 2022	<i>Board of Education approves Finance Committee recommendation to place a 9.99 mill continuing operating levy on the May 3rd ballot</i>

Anticipated Cost to Homeowners



Value of Home	\$100,000	\$200,000
Assessed value (35%)	\$35,000	\$70,000
Multiplied by 1 mill (0.001)	\$35.00	\$70.00
9.99 mills	\$349.65/year \$29.14/month	\$699.30/year \$58.28/month




**Assessed value is determined by the Hamilton County Auditor

**This amount is NOT the market value or sale price of a property

Real Life Example - 184 Waxwing



Parcel ID	Address	Index Order	Tax Year
671-0030-0116-00	184 WAXWING DR	Parcel Number	2021 Payable 2022

Property Information		
Tax District 182 - READING-READING CSD School District READING CSD	Images/Sketches 	
Appraisal Area 67106 - READING 06 Sales	Auditor Land Use 510 - SINGLE FAMILY DWLG	
Owner Name and Address 	Tax Bill Mail Address 	
Assessed Value 61,910	Effective Tax Rate 65.014036	Total Tax \$3,006.12
Property Description WAXWING 61.46 X 229.32 IRR LOT 22 CHERRYFIELD AC SEC B		

Appraisal/Sales Summary	
Year Built	1959
Total Rooms	7
# Bedrooms	4
# Full Bathrooms	2
# Half Bathrooms	0
Last Transfer Date	4/22/2021
Last Sale Amount	\$240,000
Conveyance Number	265187
Deed Type	WD - Warranty Deed (Conv)
Deed Number	
# of Parcels Sold	1
Acreage	0.310

Tax/Credit/Value Summary	
Board of Revision	No
Rental Registration	No
Homestead	Yes
Owner Occupancy Credit	Yes
Foreclosure	No
Special Assessments	No
Market Land Value	37,360
CAUV Value	0
Market Improvement Value	139,510
Market Total Value	176,870
TIF Value	0
Abated Value	0
Exempt Value	0
Taxes Paid	\$1,503.06
Tax as % of Total Value	1.981%

Notes

<https://wedge1.hcauditor.org/view/re/6710030011600/2021/summary>

Real Life Example - 184 Waxwing



Parcel ID	Address	Index Order	Tax Year
671-0030-0116-00	184 WAXWING DR	Parcel Number	2021 Payable 2022
Transfer History			
Year	Conveyance #	Selling Price	Transfer Date
2021	265187	240,000	4/22/2021
2021	255759	165,000	1/14/2021
2020	249058	0	10/29/2020
2020	249055	0	10/29/2020
1985	0	0	6/1/1985

Real Life Example - 184 Waxwing



Parcel ID	Address	Index Order	Tax Year
671-0030-0116-00	184 WAXWING DR	Parcel Number	2021 Payable 2022

Tax Distribution Information					
Market Value		Assessed Value (35%)		Tax Rate Information	
Land	37,360	Land	13,080	Full Tax Rate (mills)	108.190000
Building	139,510	Building	48,830	Reduction Factor	0.399076
Total	176,870	Total	61,910	Effective Tax Rate (mills)	65.014036
				Non Business Credit	0.081588
				Owner Occupancy Credit	0.020397

To estimate taxes based on a different market value, enter the market value here:

Calculate

Tax Calculations		Half Year Tax Distributions	
Gross Real Estate Tax	\$6,698.04	School District	\$1,011.32
- Reduction Amount	\$2,673.02	Township	\$0.00
- Non Business Credit	\$328.40	City/Village	\$82.02
- Owner Occupancy Credit	\$76.36	Joint Vocational School	\$46.60
- Homestead	\$510.86	County General Fund	\$52.65
Half Year Real Taxes	\$1,554.70	Public Library	\$43.16
- Sales Tax Credit	\$51.64	Family Service/Treatment	\$6.69
+ Current Assessment	\$0.00	HLTH/Hospital Care-Indigent	\$33.56
+ Delinquent Assessment	\$0.00	Mental Health Levy	\$32.40
+ Delinquent Real Estate	\$0.00	Developmental Disabilities	\$77.66
Semi Annual Net	\$1,503.06	Park District	\$48.48
		Crime Information Center	\$3.27
		Children Services	\$83.34
		Senior Services	\$26.60
		Zoological Park	\$6.95

Summary

- Purchase Price 2021 = \$240,000
- Market Value = \$176,870
- Assessed Value (35%) = \$61,910

New Tax Levy - 9.99 mills

Assessed Value x .001 = \$61.91 (1 mill)

$\$61.91 \times 9.99 \text{ mills} = \$618.48/\text{year}$

$\$618.48/12 \text{ months} = \$51.54/\text{month}$



Real Life Example - 184 Waxwing

Parcel ID	Address	Index Order	Tax Year
671-0030-0116-00	184 WAXWING DR	Parcel Number	2021 Payable 2022

No Proposed Levies Found					
Levies Passed - 2021 Pay 2022 Tax Bill					
Levy	Levy Type	Mills	Current Annual Tax	Estimated Annual Tax	Note
Hamilton County - Children Services	Renewal	2.77	\$85.96	\$85.96	B
Hamilton County - Children Services	Additional	1.74	\$0.00	\$107.72	B
Great Parks - Parks & Recreation	Additional	0.95	\$0.00	\$58.81	B

This is an estimated levy payment based on the current value of your property. Actual tax amounts per tax year may vary based on changes in property valuation and based on whether a parcel receives any abatement, credit, or reduction during the levy period.

Effective for the tax year 2005, Ohio's biennial budget bill, Amended Substitute House Bill 66, signed by the Governor on June 30, 2005, terminates the 10 percent real property tax rollback for the commercial and industrial classes of property, and agricultural property used for the commercial production of timber.

Effective for the tax year 2013, Ohio's biennial budget bill, House Bill 59, signed by the Governor on June 30, 2013, terminates the 10 percent real property tax rollback and the 2.5 percent homestead credit on all additional or replacement levies passed at the November 5, 2013 election or after. As a result of this legislation, those same levies will not qualify for the stadium tax credit.

Existing and renewal levies, as well as levies passed at the May 7, 2013 and August 6, 2013 elections will qualify for the credits. Residential and most agricultural properties with qualifying levies will receive what is now the Non-Business Credit Rollback Factor. Owner occupied residential dwellings with qualifying levies will receive what is now the Owner Occupancy Credit Rollback Factor, as well as the stadium tax credit.

For more information on upcoming levies please visit the [Hamilton County Board of Elections](#).

A - Voters approved at the May 4, 2021, election.

B - Voters approved at the November 2, 2021, election.

C - Two levies combined into a single ballot issue.

D - Will commence tax year 2022, for first collection in 2023.

I Want To...
Start a New Search
Email the Auditor
View the Online Help
Auditor's Home
View:
Property Summary
Appraisal Information
Levy Information
Transfer
Value History
Board of Revision
Payment Detail
Tax Distributions
Images
Special Assessment/Payoff
Tax Lien Certificates
CAGIS Online Maps
Aerial Imagery
Owner Names
Print:
Current Page
Property Report



Coming Soon -
Calculation Tool



House Bill 920 - 1976

- ***HB 920 freezes income received from voted millage***
- ***As property values increase/decrease, district revenue remains the same***
 - Voted millage is reduced/increased and becomes **effective millage**
 - The effective millage generates the same district revenue as voted millage
 - **Recent property re-evaluations do not increase tax revenue for RCCSD as a result of HB 920**
- Increased costs, inflation, state and federal requirements impact the district's bottom line without additional locally generated revenue
 - This creates deficit spending
 - Deficit spending reduces district ending cash balance each year



Funding Equivalent - 2009

Conversion: 2009 dollars today

Initial value	Equivalent value
\$1 dollar in 2009	\$1.30 dollars today
\$5 dollars in 2009	\$6.50 dollars today
\$10 dollars in 2009	\$13.00 dollars today
\$50 dollars in 2009	\$64.98 dollars today
\$100 dollars in 2009	\$129.96 dollars today
\$500 dollars in 2009	\$649.78 dollars today
\$1,000 dollars in 2009	\$1,299.55 dollars today

Household Example



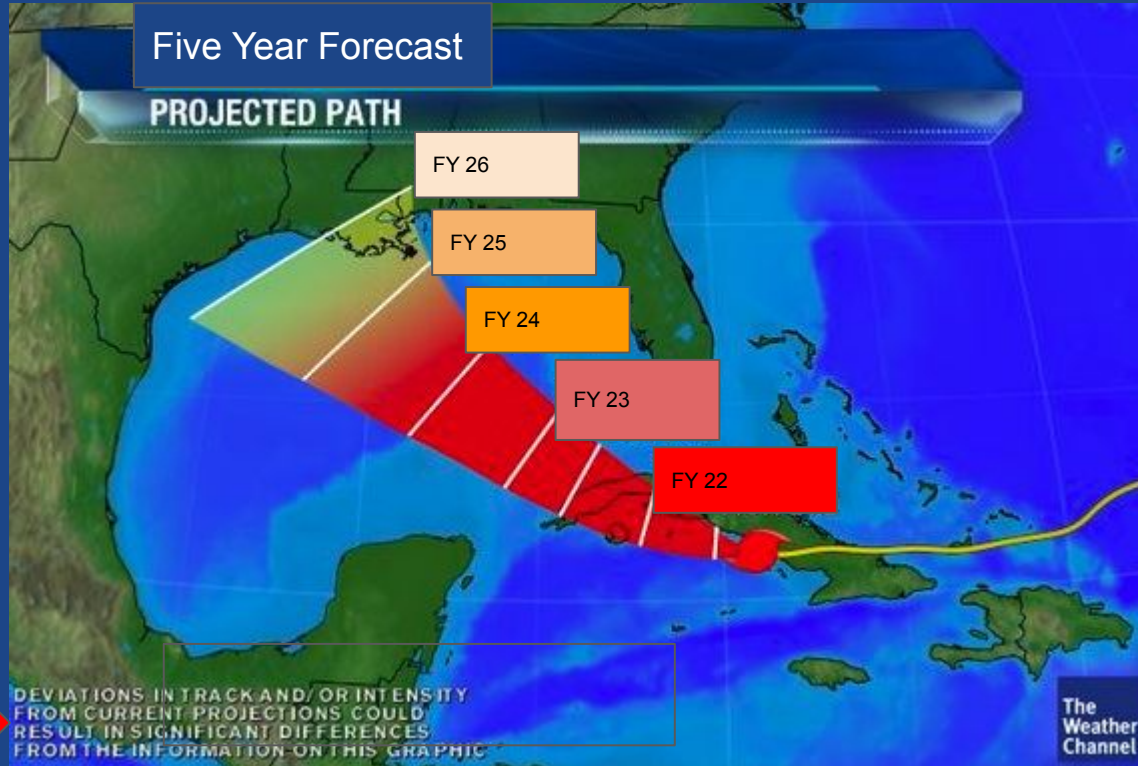
- \$60,000 annual income in 2009
 - With no additional income since 2009, purchasing power has decreased
 - Food/Groceries
 - Electricity
 - Gasoline
 - Living Expenses
 - Housing
 - Entertainment
 - What can be purchased in 2022 on the same income is less than it was 13 years ago
 - Stimulus Check - one time funds that can be used for new purchases or set aside for everyday living expenses
- This would result in reducing household expenses to stay within income

School District Analogy



- Previous example is similar to RCCSD financial situation
 - Last new local operating funds approved in 2009
 - *Has been renewed twice - 2012 and 2018*
 - Salaries, benefits, and operating expenses have increased without inflationary increases
 - ESSER funding provided three rounds of stimulus funds to be used for pandemic related expenses
 - This includes already planned expenses (supplanting)
- RCCSD has been forced to make reductions in expenses because of deficit spending - the result of no additional sustainable revenue
 - ~\$1.8 million in 2020

Five Year Forecast - Cone of Uncertainty



Factors (Not Inclusive):

- Biennium budget (state)
- Staffing requirements
- Insurance premiums
- Federal grant allocations
- Negotiated agreement with teaching staff
- Property tax collection rates
- Future revenue sources (Duke Pipeline/TIF)
- Unknown/unplanned expenditures
- Maintenance needs
- State/federal education requirements

RCCSD November 2021 Five Year Forecast



School Year 2021-2022 2022-2023 2023-2024 2024-2025 2025-2026 2026-2027 2027-2028

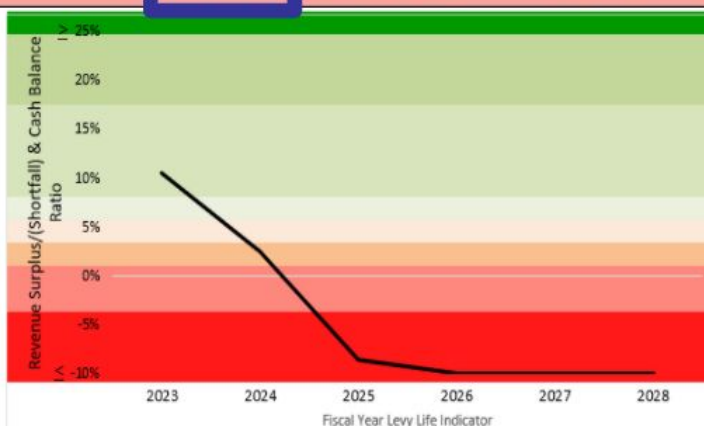
Levy Scenario #1 - 9.99 Mills	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
Beginning Balance	5,797,212	4,872,500	4,369,087	3,828,856	2,448,479	207,947	(3,042,440)
+ Revenue	16,808,298	17,268,019	17,367,543	17,376,671	17,396,304	17,427,367	17,462,128
+ Proposed Renew/Replacement Levies	-	-	-	-	-	-	-
+ Proposed New Levies	-	1,016,841	2,025,732	2,019,731	2,023,640	2,023,640	2,023,640
- Expenditures	17,733,010	18,788,273	19,933,506	20,776,779	21,660,476	22,701,394	23,800,312
= Revenue Surplus or Deficit	(924,712)	(503,413)	(540,231)	(1,380,377)	(2,240,532)	(3,250,387)	(4,314,544)
Ending Balance	4,872,500	4,369,087	3,828,856	2,448,479	207,947	(3,042,440)	(7,356,984)
Revenue Surplus or Deficit w/o Levies	(924,712)	(1,520,254)	(2,565,963)	(3,400,108)	(4,264,172)	(5,274,027)	(6,338,184)
Ending Balance w/o Levies	4,872,500	3,352,246	786,283	(2,613,825)	(6,877,997)	(12,152,024)	(18,490,208)

Levy Successful

Levy Unsuccessful

Levy Scenario #1 - 9.99 Mills

With the levy scenario proposed the district's levy life indicator is presented to the right. Post levy results trending in the caution/warning areas could indicate a next levy would likely need to be considered sooner than desired. The district's post-levy average life indicator ratio is -12.07% Which is less than favorable (trending yellow/red). With the levy scenario, the district's cash balance is projected to be - \$7,356,984 in FY 2028. Which is less than 10% of expenditures.



PERMANENT REDUCTIONS

IF the levy fails:



Summary - Personnel	Reductions	
Administration/Admin Functions	2.0	
Counselor	1.0	
Teaching Staff	15.0	
Support Staff	5.5	
Total Positions	23.5	
Total Savings	\$1,305,300.00	
(with other non-personnel reductions)		

PERMANENT REDUCTIONS *(IF the levy fails)*



- *Increased class sizes throughout all grades*
- *Decreased programming/course options*
 - *Elementary specials positions eliminated*
 - *Art*
 - *Music*
 - *PE*
 - *STEM*
 - *Wellness*
 - *Elective course offerings at RJSH*
 - *Six period day at RJSH/shorter school day*
 - *Longer gap between RJSH and RES dismissal*
- *Decreased operational support*
 - *Secretary*
 - *Custodial/Maintenance*
 - *Guidance Counselor*
 - *Dean of Students*
 - *Administration*
- *Increased pay to participate fees*
 - *From \$75 to \$200 per season - no cap/free third season*

PERMANENT REDUCTIONS *(IF the levy fails)*



	<u>Current Staffing</u>	<u>Future Staffing</u>	
Kindergarten Teachers	6	5	
2nd Grade Teachers	6	5	
3rd Grade Teachers	6	5	
6th Grade Teachers	6	5	
RES Art Teacher	1	0	
RES Music Teacher	1	0	Elementary Specialists
RES PE Teacher	1	0	Teachers Eliminated
RES STEM Teacher	1	0	
RES Wellness Teacher	1	0	
RJSH Science Teachers	6	5	
RJSH Math Teachers	6	5	
RJSH ELA Teachers	8	6	
RJSH Social Studies Teachers	6	5	
World Language Teachers	2	1	
Dean of Students	2	1	
District Administrators	9	8	
Counselors	4	3	
Secretaries	5	4	
Custodial/Maintenance	7	5.5	

Pay to Participate = \$75/season*

Pay To Participate = \$200/season*

Additional Potential Implications (IF the levy fails)



- City income tax revenue impacted - fewer district personnel
- Unknown enrollment impacts - result of previously stated reduction to staffing, programming, and services
 - Resident student enrollment
 - Open enrollment applications (financial and staffing implications)
- Unknown impact to future property value assessments
- Future levy request expected November 2022 (if approved by the Board)
 - \$1.3 million in permanent reductions implemented for 2022-2023

ODE Similar Districts



Similar District Data

Similar District Ranking	Similar District IRN	Similar District Name	Similar District County	Similar District Typology	Enrollment (FTE)
0	044693	Reading Community City	Hamilton	Urban - High Student Poverty & Average Student Population	1,598
1	045088	Wickliffe City	Lake	Urban - High Student Poverty & Average Student Population	1,331
2	043653	Brooklyn City	Cuyahoga	Urban - High Student Poverty & Average Student Population	1,172
3	044768	Sheffield-Sheffield Lake City	Lorain	Small Town - High Student Poverty & Average Student Population	1,638
4	045013	Washington Court House City	Fayette	Small Town - High Student Poverty & Average Student Population	2,116
5	049999	Coventry Local	Summit	Small Town - Low Student Poverty & Small Student Population	1,740
6	044578	Norwood City	Hamilton	Urban - High Student Poverty & Average Student Population	1,821
7	044362	Maumee City	Lucas	Suburban - Low Student Poverty & Average Student Population	2,139
8	044115	Heath City	Licking	Small Town - High Student Poverty & Average Student Population	1,669
9	044065	Girard City School District	Trumbull	Small Town - High Student Poverty & Average Student Population	1,679
10	050062	Springfield Local	Summit	Small Town - High Student Poverty & Average Student Population	2,122
11	043851	Deer Park Community City	Hamilton	Urban - High Student Poverty & Average Student Population	1,215
12	050161	Howland Local	Trumbull	Suburban - Low Student Poverty & Average Student Population	2,548
13	045054	West Carrollton City	Montgomery	Urban - High Student Poverty & Average Student Population	3,506
14	044529	North Olmsted City	Cuyahoga	Suburban - Low Student Poverty & Average Student Population	3,685
15	048298	Austintown Local Schools	Mahoning	Urban - High Student Poverty & Average Student Population	4,274
16	044859	Struthers City	Mahoning	Small Town - High Student Poverty & Average Student Population	1,710
17	048702	Mad River Local	Montgomery	Urban - High Student Poverty & Average Student Population	3,836
18	045369	Fairport Harbor Exempted Village	Lake	Small Town - High Student Poverty & Average Student Population	630
19	050716	Northwood Local Schools	Wood	Small Town - High Student Poverty & Average Student Population	870
20	044735	Salem City	Columbiana	Small Town - High Student Poverty & Average Student Population	1,962

ODE Similar Districts - FY 21 Cupp Report



	All ODE Similar	Reading	Norwood (6)	Deer Park (11)
Avg Teacher Salary	\$68,300.26	\$67,888.12	\$77,571.89	\$68,443.88
Number of Administrators	15.33	8	17	12** **Corrected due to data error in report
Assessed Property Value Per Pupil	\$184,382.31	\$151,391.42	\$248,260.83	\$235,636.18
1 mill - Per Pupil Revenue	\$176.37	\$151.39	\$248.26	\$235.64
Operating Expenditure Per Pupil	\$12,983.82	\$10,157.58	\$16,783.92	\$14,911.88
Total Revenue Per Pupil	\$15,149.43	\$12,941.68	\$19,671.21	\$15,635.05

Frequently Asked Questions



- I thought the Fair School Funding plan would improve our district financially. Is that true?
 - The Fair School Funding plan was legislatively agreed upon last year and is in year one of a six-year phase-in process. Many factors, including election results (state legislators/Governor) and the next biennium budget (coming in 2023) will have an unknown impact as to whether it will be fully implemented.
- How does open enrollment affect our district financially?
 - RCCSD receives approximately \$1.9 million dollars annually from the state as a result of open enrollment. The calculation is different now, and still being fully implemented/understood based on the new funding model, but we will not receive less funding this year than allocated in previous years.

Frequently Asked Questions



- Hamilton County just completed property valuation assessments
 - my property value increased and my tax bill went up. Didn't the school district receive extra money?
 - Due to HB 920, passed in 1976, school districts are capped with new revenue based on what was voted in at the time. With increased property values, school district revenue remains fixed while district expenses continue to increase each year due to salaries, benefits % increases, inflation, educational requirements, operating expenses, etc.
- When would I see any changes to my property tax bill if the levy is successful?
 - New tax collections would begin in 2023.

Frequently Asked Questions



- **How much revenue has the recent TIF agreement generated? What about the Duke Pipeline?**
 - At this time, no revenue has been collected from the TIF agreement and is not expected to generate revenue in the immediate future.
 - Revenue from the Duke Pipeline is not generated until the pipeline is in use. At this point no additional revenue is forecasted and more information is needed.
- **Can RCCSD have fundraisers to pay for operating expenses?**
 - No. Public schools are held to different standards that do not permit fundraising for operating expenses. Booster organizations, PTO's, etc are not part of the district financial system and can fundraise to provide monetary donations to programs of the school district.
- **I heard the district got money from the federal government. Why do we have a levy on the ballot?**
 - ESSER funds were one time, pandemic-relief funds (much like stimulus checks individuals received). The district has used the majority of those funds to offset current expenditures that are also pandemic-related; examples include counselors, cleaning, additional sub costs, technology, etc. They are not renewed every year and must be spent by the 2023-2024 school year.

Frequently Asked Questions



- **How would this levy affect the stadium?**
 - The stadium is owned and operated by the City of Reading. RCCSD has a lease agreement with the city for use of the stadium each year.
- **Has the Board made a decision about the future of Central property (Bonnell Ave)?**
 - The Board of Education has decided to maintain the property as a school district asset. No further decisions have been made regarding the future of the property. *If the district sold the property, revenue would not be able to be used for operating expenses.*
- **How much will it cost to maintain the Hilltop Athletic Complex?**
 - We will have a two-part service agreement to maintain the fields themselves (weed control, overseed, aeration, warning tracks, clay composite, etc) as well as routine mowing/trimming. We anticipate the total cost to be \$35,000-\$40,000 per year.

Community Conversations



Date	Time	Location	Topic(s)
Mon., Jan. 10	6:30 pm	Zoom	District Financial Future
Wed., Jan. 12	6:30 pm	Virtual	Parent Information Session - RJSH
Wed., Jan. 19	11:30 am	Strong's Brick Oven Pizza	RCCSD Lunch and Learn - Administrative Team
Mon., Jan. 24	6:30 pm	Zoom	District Financial Future
Tue., Feb. 1	7:00-8:30 am	RCCSD Central Office Lobby	Drop Off and Drop In - Coffee with the Superintendent/Treasurer
Thu., Feb. 3	6:30 pm	Zoom	District Financial Picture
Wed., Feb. 9	11:30 am	Strong's Brick Oven Pizza	RCCSD Lunch and Learn/Question and Answer
Thu., Feb. 17	7:30 pm**	Zoom**	District Financial Picture
Wed., Feb. 23	6:30 pm	Zoom	District Financial Picture
Fri., Feb. 25	11:30 am	Strong's Brick Oven Pizza	Open Conversation/Question and Answer
Tue., Mar. 1	7:00-8:30 am	RCCSD Central Office Lobby	Drop Off and Drop In - Coffee with the Superintendent/Treasurer
Thu., Mar. 3	6:30-7:30 pm	Zoom	District Financial Picture
Tue., Mar. 8	7:00-8:00	McDonald's	Open Conversation/Question and Answer
Mon., Mar. 14	11:30 am	RCCSD Central Office Lobby	RCCSD Lunch and Learn/Question and Answer
Mon., Mar. 21	7:00 pm	Cafetorium	Community Town Hall
Tue., Apr. 5	11:30 am	Strong's Brick Oven Pizza	RCCSD Lunch and Learn/Question and Answer
Tue., Apr. 12	6:30 pm	Zoom	District Financial Picture
Fri., Apr. 15	7:00-8:30 am	RCCSD Central Office Lobby	Drop Off and Drop In - Coffee with the Superintendent/Treasurer
Tue., Apr. 19	6:30 pm	Zoom	District Financial Picture
Mon., Apr. 25	6:30 pm	Media Center	Open Conversation/Question and Answer
Sat, Apr. 30	10:00 am	TBD	Open Conversation/Question and Answer

Questions? Send to questions@readingschools.org

