



Community Meeting

August 13, 2009

We are facing a dilemma and need your help in deciding what to do about it.

Our Current Situation

- State funding for our schools is declining.
- Our operating expenses are increasing in spite of cuts and reductions.
- Additional budget reductions will adversely impact our students.
- Our buildings are a barrier to teaching and learning. Maintaining them is costing us a huge amount of money that should be used to educate our students.

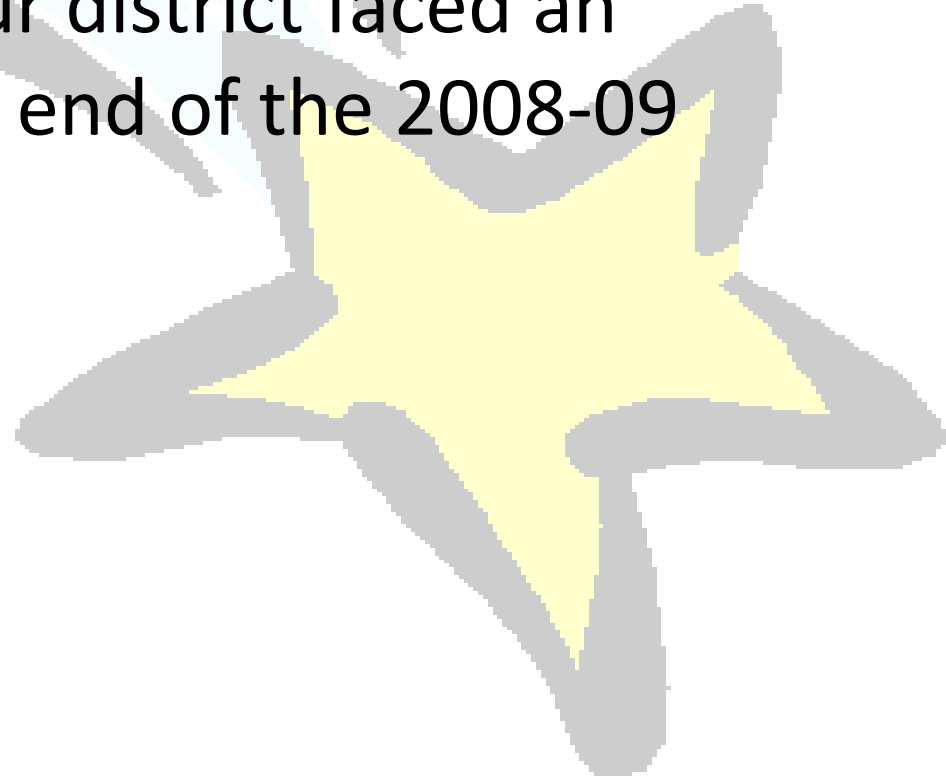
Our Dilemma

- We are in a recession and now is not a good time to be asking for a tax increase to fix these problems



5 Year Forecast

- Required by State Law
- Twice a Year – October & May
- Last year in October our district faced an \$800,000 deficit at the end of the 2008-09 school year.



Addressing the Deficit

- Slashed all Budgets for the rest of the 2008-09 school year. Reducing 09-10 by 15%.
- Reduced Employees
- Reduced Hours
- Provided an Early Severance Plan to employees
- Did not fill positions or replaced them with lower salaried employee(s)
- Pay Freeze for All District Employees
- Limited Field Trips & Staff Development

Result of Cost Cutting Measures

- Ended the 2008-09 School Year in the Black
- Reduced the Projected Deficit for 2009-10 School Year from 1.2 Million to \$600,000.



Letter from State

- July 2, 2009

- Lee Ann Weisenmiller, Treasurer
- Coventry Local School District
- 3257 Cormany Road
- Akron, OH 44319-1479

- Dear Treasurer Weisenmiller:

- **This is to inform you that the revised fiscal watch recovery proposal your district submitted to the Department of Education has been accepted.** I appreciate the time and energy it took to revise the original recovery proposal in response to addressing the potential deficit in fiscal years 2009 and 2010. If you have not already done so, please submit an updated five year forecast through EMIS by October 31, 2009 that is consistent with this proposal.

- As you know, the Department will continue to monitor the financial situation while your district is in a state of fiscal watch. The purpose of this monitoring is to help identify and address any potential financial problems before they occur.

- If you or your administration have any questions or need additional assistance, please do not hesitate to contact Roger W. Hardin at (614)466-5568 or your School Finance Area Office.

- Sincerely,

- Stephen Barr,
- Associate Superintendent

FISCAL EMERGENCY

- 1. Declaration made by the AOS.
- 2. **Triggers: (any one of the following):**
 - a. Forecasted operating deficit for current fiscal year exceeds 15 percent of school district's General Fund revenue from the previous fiscal year, and the school district has not passed a levy to eliminate the deficit in the next fiscal year.
 - b. School district in fiscal watch
 - Fails to submit an acceptable recovery plan.
 - **OR**
 - Is not complying with provisions of original or updated recovery plan and ODE has determined declaration of fiscal emergency necessary to prevent further fiscal decline.
 - **OR**
 - Has restructured debt, and further experiences an operating deficit, fails to satisfactorily comply with the terms of the recovery plan, or fails to submit an acceptable updated plan when required.
 - c. Forecasted operating deficit for the current fiscal year between 10 percent and 15 percent of school district's General Fund revenue for the preceding fiscal year, the school district has not passed a levy to eliminate the deficit in the succeeding fiscal year, and the AOS determines that declaring a fiscal emergency is necessary to correct the school district's fiscal problems and to prevent further fiscal decline.
- 3. **Financial Planning and Supervision Commission**
 - **a. Emergency declaration triggers creation of commission.**
 - **• Assumes some or all powers of the board**



What Does Fiscal Emergency Do?

1. Makes the district eligible for an advance from the state's **Solvency Assistance Fund**.
2. Establishes a **Financial Planning and Supervision Commission**.
3. Requires that a **Financial Recovery Plan** be developed and implemented.



Two Options

- Bring in New Money – School Levy
- Less than 5 Mills
- Cost for Homeowners – Between \$10 and \$18 a month

- Cut Programs
- Impact on Students



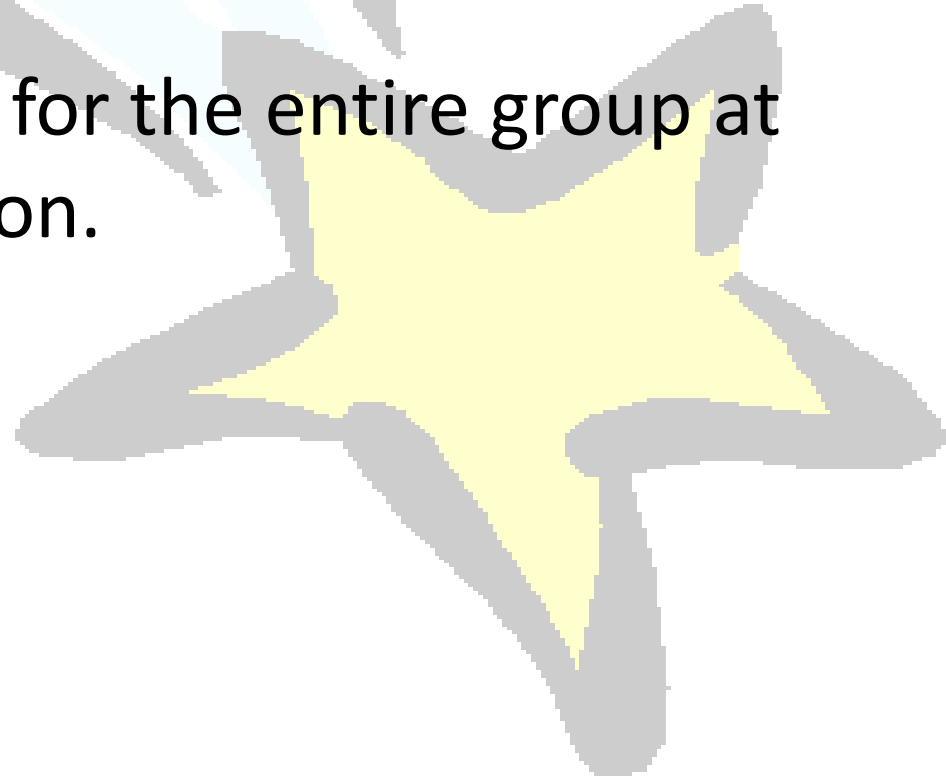
Potential Cuts

A graphic featuring a yellow five-pointed star with a thick grey outline on the right side. From the top-left corner of the star, several light blue, semi-transparent rays extend outwards towards the left, pointing towards a list of items. The list is enclosed in a grey, hand-drawn style rectangular border.

- Building Hours
- Field Trips
- Advanced Placement Courses
- Band/Choir
- Athletics
- Personnel
- Busing

DISCUSSION

- Take 15 minutes to discuss these two options at your table
- One person take notes
- One person report out for the entire group at the end of the discussion.

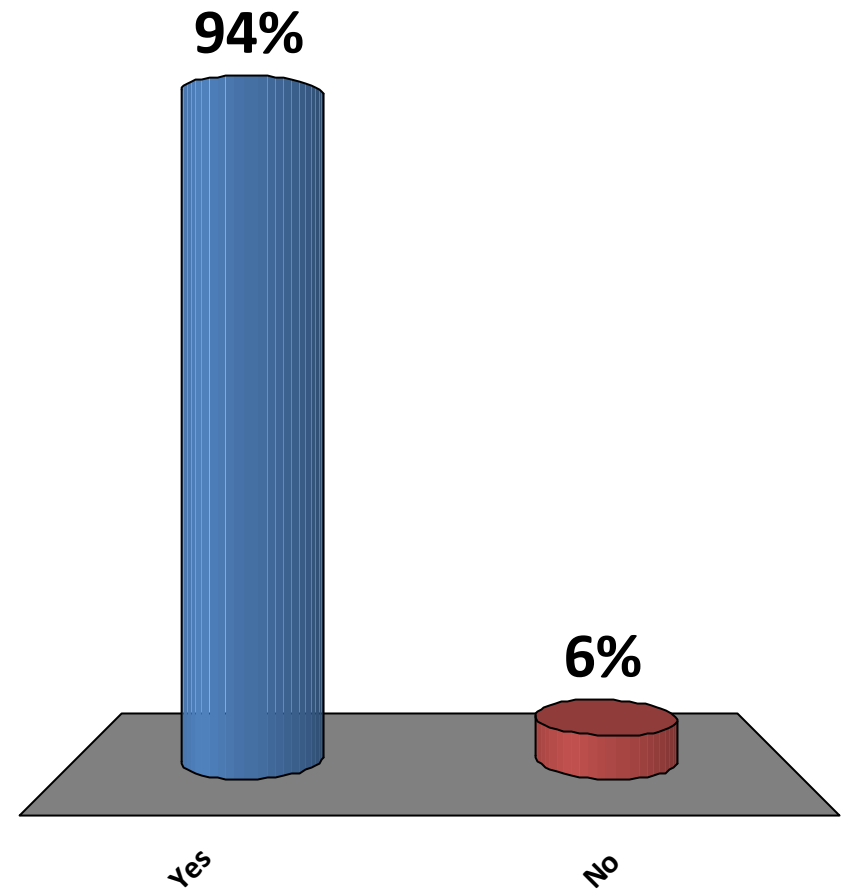


Group Vote

- After hearing the information and discussing it at your table, what advice would you give our school board members?
- Yes, as a community we need to move forward with placing a levy for new money on the November ballot.
- No, continue to make cuts in the educational program in order to balance the budget.

Do you agree?

1. Yes
2. No



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THANK YOU!

