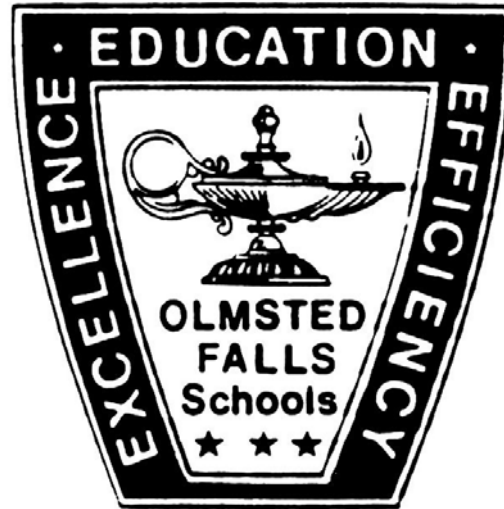


The 2.8 Mill Permanent Improvement Levy



Renewing Our Community's
Commitment to School Facilities



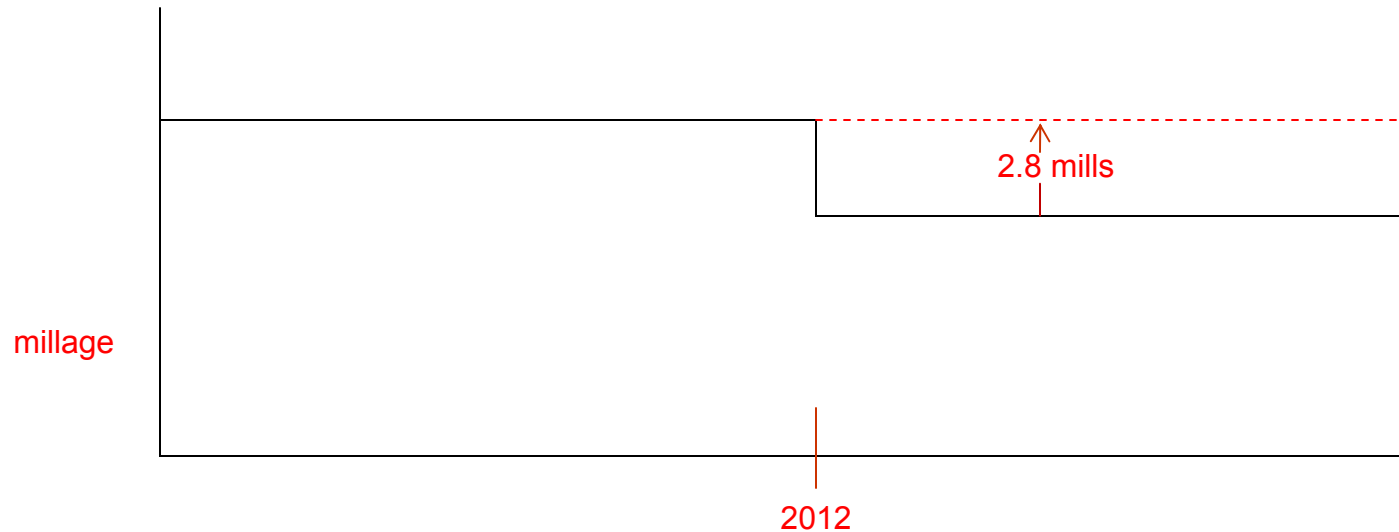
▪ What Is a Permanent Improvement Levy?

Ohio Revised Code 5705.01 outlines the allowable use of funds from a Permanent Improvement (P.I.) Levy:

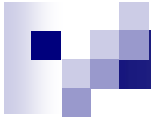
“Permanent improvement” means any property, asset, or improvement with an estimated life or usefulness of five years or more.

** By law, funds generated from a P.I. Levy **CANNOT** be used to pay District operating expenses such as employee salaries and benefits.*

▪ Why 2.8 Mills?



- 2.8 mills scheduled to expire in 2012 are part of existing bond millage that was approved decades ago by the community to expand and maintain District facilities.
- As of January 1, 2012, those 2.8 mills from the previous bond millage will be paid off in full.
- Without a vote by the community, these 2.8 mills would automatically “drop-off” the District’s tax rolls in 2012.
- This automatic “drop-off” would result in a tax reduction for property owners of approximately \$80 per \$100,000 of property value.



▪ Strategic Planning

- District administrators and School Board members have been aware of the drop-off of 2.8 mills in 2012 for the past several years. (*Another drop-off will occur in 2018.*)
- A series of strategic planning discussions among School Board members, administrators, faculty, staff and community members began last summer in an effort to fully assess current District facilities needs and finances.



▪ Current Needs Assessment

- A number of factors were reviewed in order to make a determination about how to proceed:

- February 2010 campaign pledge of **no new operating levy** for 3 years
- Feedback from Fall 2010 Parent Survey
- Current Financial Forecast (including impending state cuts)
- Independent cost estimates for OFHS and other improvements



▪ **Benefits of 2.8 Mill P.I. Levy**

- **Will NOT increase taxes.**
- Provides residents an opportunity to renew funds for the upkeep of school facilities.
- Will generate **\$1.4 million annually** for permanent improvement projects without any increase in current tax level.
- **Protects the investment** the community has already made in our school facilities by providing the funds needed for proper upkeep. (i.e. High School roof replacement vs. continued patching)



▪ P.I. Levy – Smart but NOT Sexy

- The benefits of a P.I. Levy, while practical, can be a challenge to communicate.
- A P.I. Levy does not give us the ability to show residents a picture of a brand new building (like our 2007 bond issue did).
- Most would agree that the initial purchase of a new home or new car is the exciting part; while the ongoing maintenance and upkeep of these investments is certainly not as fun.
- However, the care and attention of our homes and vehicles is critical to keeping them in good condition.

▪ High Quality Maintenance

- This ongoing care and attention of our school facilities and equipment is provided by our District's hard working and dedicated custodial, grounds and transportation maintenance staff.
- On a daily basis, the Bulldog maintenance team ensures that our District's buildings and bus fleet are among the best maintained in the state, if not the country.



**Total Square Footage:
Approx. 574,000**

**Total School Buses
in District Fleet:
36**

▪ Aging Facilities Require Improvements

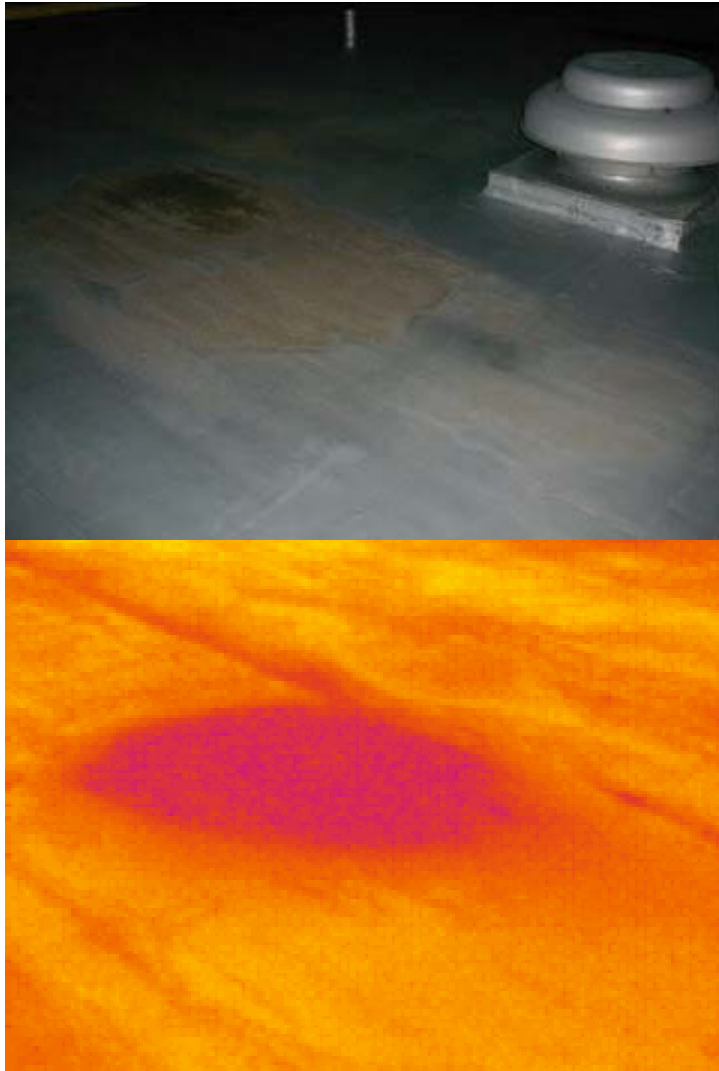
- While exceptionally well-maintained, our District's aging facilities (*HS, Falls-Lenox, ECC*) will continue to require costly repairs and improvements.



DID YOU KNOW?

- *The original Federal Pacific electrical service panel installed during construction of the High School building in 1968 still operates as the High School's main electrical service panel.*
- *Many sections of the Olmsted Falls High School roof have up to three layers of roofing.*

▪ Examples: High School P.I. Projects



- Continued monitoring of HS roof conditions and ongoing repairs/patching have been underway for several years.
- Additional replacement and repair work on the HS roof still remains, but the current state of District finances cannot accommodate this large ticket improvement all at once.
- Other significant improvement projects in the cue for the HS include continued replacement and upgrades to plumbing, electrical and HVAC systems, as well as the replacement of vintage 1968 exterior doors.

▪ Example: Future Asset Expenditures

- While the priority usage of P.I. funds would be directed toward needs at the High School, future use of P.I. funds could expand to the purchase of school buses.



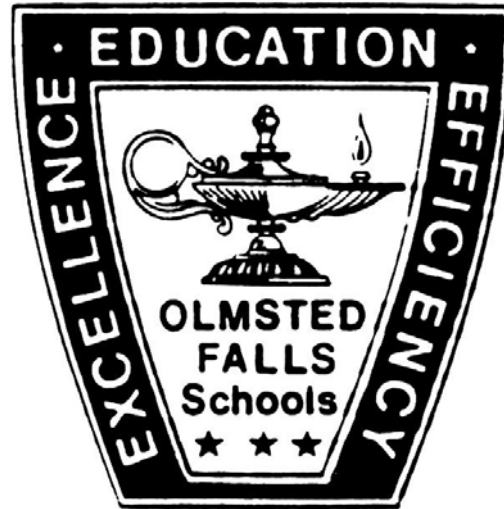
- The cost of a new school bus today is approximately \$105,000.
- With the average life of an Olmsted Falls school bus being approximately 20 years (or 300,000 miles), this would qualify as an allowable expenditure of P.I. funds.



▪ Questions / Closing

- We are here to provide residents with all the information needed to make an informed decision.
- Additional community information meetings are being scheduled and will be promoted on the District website/blog as well as in the printed *School Report*.
- In-home “coffee talks” with District administrators and Board members can also be scheduled for groups of 10-15 neighbors by calling the Board Office at 427-6000.

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