

*Springboro Community Schools  
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# **School Board Adopts New Funding Plan What Does That Mean?**

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SPRINGBORO, Ohio – Upon the recommendation of the School Administration, the Board of Education adopted a new “Funding Plan” at their April 22 Board meeting. Sounds great! But what is a funding plan and why do we need one?

The Ohio Department of Education requires that each school district submit a 5 year forecast of their General Fund revenues, expenditures and ending balances. This forecast is full of assumptions such as projected enrollment growth, district property valuation growth, state funding levels and operational costs. In order to complete the forecast the Board must agree with these assumptions. Adoption of the “Funding Plan” is the Board's formal method of agreeing with the revenue assumptions presented by the Administration.

The Funding Plan outlines the district’s intended means of funding our operations over the next 5 years. The plan is made up of 3 key components.

First, what **level of service** are we trying to fund? Will we provide services at the same level we are at now or will we reduce or increase services? This relates to our primary service, providing highly qualified teachers to an appropriate number of students.

Second, what is the **term** of the plan? Do we plan for 2 years, 3 years or 5 years?

Finally, what new **revenue sources** will we seek to fund our planned operations? Property taxes or Income taxes?

The Board of Education and Administration felt compelled to modify the old plan as its revenue component, the 5.99 continuous operating levy, was defeated 61%-39% in March.

The following chart details the components of the old Funding Plan versus the recently adopted new Funding Plan.

	<b>Old Plan</b>	<b>New Plan</b>	<b>Impact</b>
Level of Service	Same level	Reduced Level	Teacher to Student Ratio will rise.  This reduction allows for a lower initial revenue requirement.
Term of Plan	5 Years	5 Years	Long term outlook
New Revenue Source	<i>5.99 Mill Operating Levy</i> Homeowner Cost (\$100K Home) 2009 = \$127	<i>Phase-In Levy</i> Homeowner Cost (\$100K Home) 2009 3.99 mills = \$66 2010 1.0 mills = \$31 2011 1.0 mills = \$31	Phase-In Levy spreads the increased cost of the new levy over 3 years.

This plan allows for the district to move forward with the implementation of the strategic plan. The plan also considers the current economic hard times being felt by our community by lowering the impact on the homeowner while still meeting the goal of funding our operations over the next 5 years.

The plan however is not a permanent fix to our school funding dilemma as the Board is still faced with the challenges of a rapidly growing student body and flat lined state funding. Dealing with these challenges will require input from the community, the Administration and the Board.

For a more in-depth review of the district forecast please go to the following link: <http://www.springboro.org/files/district/cfo/genForecast.htm>