

School Funding Realities

- The State gives us less than the average to fund our schools. The State pays 21% of an Avon Lake City Schools student's education. Elsewhere across the State, the State pays an average of 45.7% of a student's education.
- Salaries and employee benefits are our two largest costs. To attract and retain qualified teachers, administrators, and operations personnel, we must raise salaries and benefits to keep pace with inflation and the rising cost of living. If we fail to keep pace, we cannot hire and retain qualified teachers and staff members.
- Inflation continually pushes costs above revenues; a school district must go to its voters for a new tax levy. State law (known as H.B. 920) prevents school district revenue from rising with inflation.
- School district real estate tax revenues do not rise with inflation. As the value of a home rises with inflation, the amount of real estate tax on the home paid to a school district remains constant. A school district's revenue does not grow as home values rise with inflation.
- The number of additional homes does not bring in additional revenue, it only decreases your tax bill.
Example 1: \$2,000,000 divided by 2,000 homes equals \$1,000
Example 2: \$2,000,000 divided by 2,200 homes equals \$ 909
- When home values are updated every three years in Lorain County, homeowners pay increased taxes to the county and other real estate tax supported government entities (City of Avon Lake, Lorain MRDD, Lorain County Community College, etc), but not to a school district. Virtually no additional revenue goes to a school district from the periodic, regular countywide updates of home values.
- The Ohio Lottery was approved to fund schools. The Ohio Lottery has not produced additional funds for schools. The State reduced school funding from other sources and replaced the reductions with Lottery funds.
- Recently a federal law, No Child Left Behind Act, has imposed additional federal mandates on schools. The Federal government gives us no Federal funds to cover the cost of complying with these new Federal mandates.

- When Federal funds are received, they are restricted for new or special programs and must be used for a specific purpose. For example, we will receive over \$500,000 in Federal funds, but we cannot use these Federal funds to pay existing employees or for existing programs.