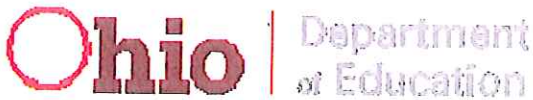


From: "Hunter, Sonja" <Sonja.Hunter@ode.state.oh.us>
Date: December 16, 2010 1:56:55 PM EST
To: "tl_jgay@mveca.org" <tl_jgay@mveca.org>
Subject: Five Year Forecast - FY12 Deficit



Ted Strickland, Governor
Deborah S. Dellsle, Superintendent of Public Instruction

December 16, 2010
Dr. James E. Gay Jr., Superintendent
Tecumseh Local SD
9760 W National Rd
New Carlisle, OH 45344
VIA EMAIL TO tl_jgay@mveca.org

RE: REQUEST FOR WRITTEN PROPOSAL – FY12 DEFICIT

Dear Dr. James E. Gay Jr.:

Your district's current five-year forecast indicates that a negative unreserved fund balance (line 12.01 on the forecast) exceeds 2% of projected revenue beginning in Fiscal Year 2012. The district is required, under Section 5705.391 of the Ohio Revised Code, to submit a written plan to avoid this deficit.

The proposal should include a general strategy for avoiding the projected deficit and list all viable options your board will consider to increase revenue and/or to reduce expenditures. Wherever possible, specific options should be listed detailing the potential impact on the district's ending fund balance. **This document should be emailed to Roger.Hardin@ode.state.oh.us by February 7, 2011.** The proposal will be reviewed and you will receive written confirmation of its acceptance.

Please be aware that under the current guidelines, failure to submit an acceptable proposal could cause your district to be placed in fiscal caution. If you are unable to meet the deadline or are in need of technical assistance, please contact me or your regional fiscal consultant.

Sincerely,

A handwritten signature in black ink that reads "Roger W. Hardin". The signature is written in a cursive style.

Roger W. Hardin, Assistant Director
Office of Finance Program Services
(614) 466-5568
RWH/smh

C: Ms. Debra G. Decker, Treasurer, VIA EMAIL

Fiscal Consultant, Area 10, VIA EMAIL
25 South Front Street (877) 644-6338
Columbus, Ohio 43215 (888) 886-0181 (TTY)
education.ohio.gov



Tecumseh Local Schools

9760 West National Road
New Carlisle, Ohio 45344
(937) 845-3576

Bradley Martin
Assistant Superintendent

Jim Gay, Ph.D.
Superintendent

Debra Decker
Treasurer

Paula Crew
Director of Special Education &
Professional Development

Mike Lucas
Director

February 3, 2011

Tecumseh High School
9830 West National Road
New Carlisle, Ohio 45344
(937) 845-4500

Tecumseh Middle School
10000 West National Road
New Carlisle, Ohio 45344
(937) 845-4465

Donnelsville Elementary School
P.O. Box 130
150 East Main Street
Donnelsville, Ohio 45319
(937) 845-4540

Medway Elementary School
116 Middle Street
Medway, Ohio 45341
(937) 845-4475

New Carlisle Elementary School
1203 Kennison Avenue
New Carlisle, Ohio 45344
(937) 845-4480

Park Layne Elementary School
12335 Dille Road
New Carlisle, Ohio 45344
(937) 845-4470

Special Education Department
10000 West National Road
New Carlisle, Ohio 45344
(937) 845-4495

www.tecumseh.k12.oh.us

Roger. W. Hardin
Assistant Director
Office of Finance Program Services
Ohio Department of Education

Mr. Hardin:

On December 16, we received a letter from you noting our projected deficit in FY 12 and requesting a written plan to avoid this identified deficit.

The members of the Tecumseh Local Schools, the administrative staff, and the treasurer are aware of the projected deficit and have a plan to address the deficit.

The Tecumseh Local Schools Board of Education had a levy on the ballot this past November. The levy, which was an earned income tax, failed. This failure was the sixth attempt by the district to get an income tax passed since 2004. As a result of the levy failures the district has enacted over \$5.3 million in cost containment measures since 2004.

The board has placed another levy on the ballot for this coming May. This levy is an emergency levy for 6.61 mils and would generate \$1.8 million in annual revenue. In addition to placing a levy on the ballot, the district will implement an additional \$800,000 in cost containment measures this spring. These cuts will be implemented regardless of the outcome of the May levy.

If the levy does not pass in May, the board will eliminate 26 positions in the district. The reduction-in-force would be put into place in May after Election Day. This reduction-in-force would result in an additional \$1.2 million in savings to the district.

If you need additional information please let me know.

Sincerely,

Jim Gay
Superintendent

"Learning for all - whatever it takes"