

SCHOOL FINANCE AND LEVIES

WELCOME! WE'LL BEGIN SHORTLY.



COLUMBUS
EDUCATION
JUSTICE
COALITION





SYLLABUS

1

MEET THE TEACHERS

2

HISTORY

3

SIDE QUEST

4

FINANCE

5

REVIEW/REACT

ABOUT US



Susie Kaser
*League of
Women Voters*



John Espy
*Treasurer, Loveland
City Schools*



Natalie Hastings
*Honesty for Ohio
Education*



Bridget Rueter
Red Wine & Blue



OBJECTIVE

- Understand the why and how of school finance so we know **WHAT** we can do about it
 - Learn the role school board members play in funding schools
 - Gain insights to determine what school board candidates have the skills to oversee a district's budget and funding mechanisms
 - Learn what legislation could affect school funding and budgets
- 

TIMELINE



1787

Northwest Ordinance sets aside land to fund public education



1825

Ohio legislature established framework for public common school system



1851

Ohio Constitution mandates that the General Assembly create, maintain and fund a “thorough and efficient system of common schools throughout the state; but no religious or other sect.. shall control of, any part of the school funds of this state.”

A PUBLIC SYSTEM SERVES THE PUBLIC

- **FREE**
- Open to every school aged child
- Available in every corner of the state
- Nonsectarian
- Nonpartisan
- Benefits the whole community – not just the individual
- Serves the Common Good





PUBLIC SYSTEM PROTECTS TAXPAYERS

- Governed by locally elected boards of education who are accountable to the public
 - Provide oversight and reflect community values
 - Fiduciary responsibility
 - Authorized to put tax levies on the ballot
- Sunshine laws support transparency in all policy decisions including budget decisions
- Funds subject to audits



SCHOOL FUNDING: A STATE & LOCAL PARTNERSHIP

- State responsibility defined in Constitution - Part of state budget
- Ohio's school districts make up the state education system. Share responsibility for school funding.
- Core principle of state funding: State contribution compensates for differences in a school district's ability to fund its schools so that all students have access to basic resources needed for a quality education.
- The state contribution is driven by how much the local district can contribute to the base cost.
- State track record is dismal and getting worse.

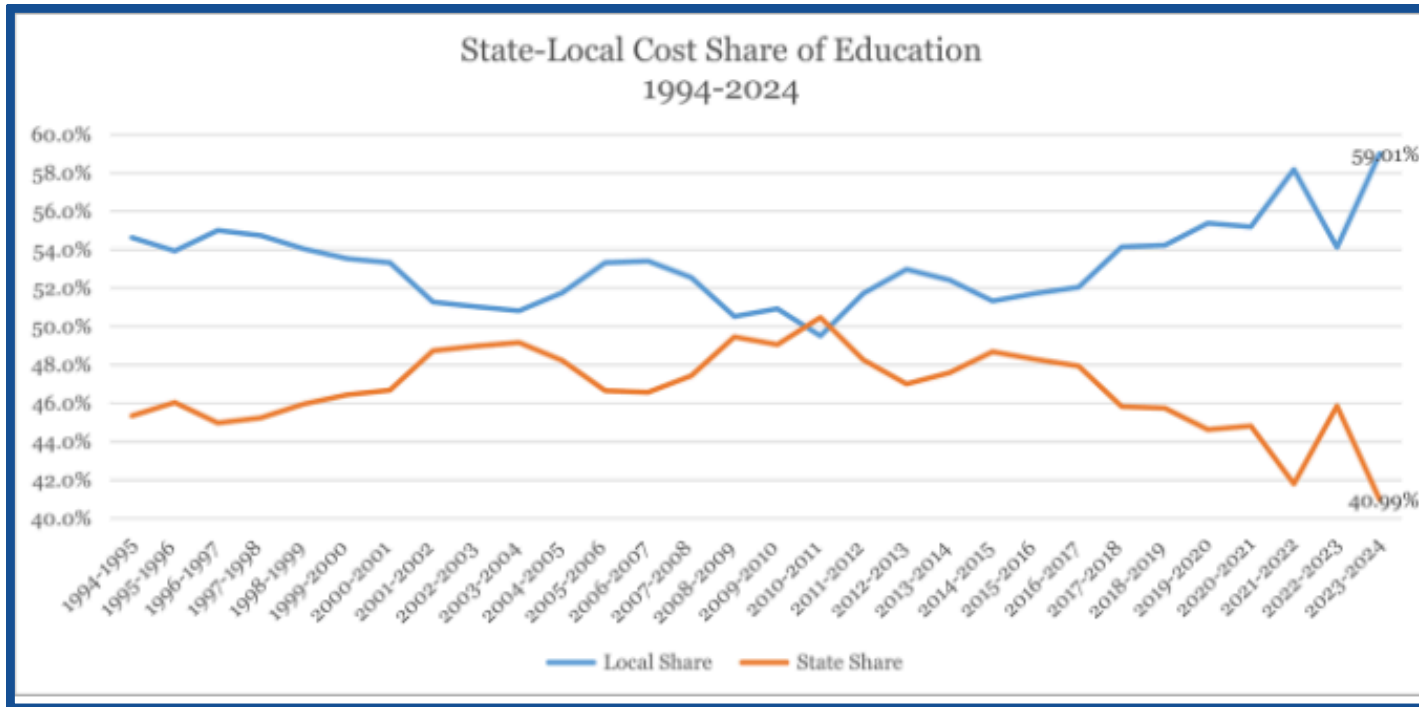




DeRolph lawsuit established state funding is **inadequate and inequitable**

- 550 Districts filed suit in 1992 and won in 1997 decision by the Ohio Supreme Court
 - State contribution was inadequate – not based on real costs.
 - Insufficient state funds results in over-reliance on property taxes.
 - Property taxes create vast differences in funding because of difference in the capacity of communities to fund their schools.
 - The on-going challenge: how provide equal opportunity to students and fair burden on local communities.
- 

State-Local Share by Stephen Dyer





Fair School Funding Plan: **Almost but Not Yet**

**Bipartisan proposal first introduced in 2018 as a free-standing bill.
Overwhelming support in House – killed by senate finance.**

Key Features:

- Based on actual cost – not residual – satisfies adequacy requirement
 - Improves accuracy of evaluating local capacity by including property wealth and income.
 - Categoricals - increase per person spending on gifted, disadvantaged, students with disabilities, and English learners
 - Assigned voucher costs to state budget not local school districts
- 



FAIR SCHOOL FUNDING: LEGISLATIVE HISTORY

- Introduced as part of state budget approved in 2021
 - Proposal approved as part of budget – two years only
 - Funding amounts to be increased by one-third over three budget cycles.
 - No guarantee that future steps would be approved.
 - Increase in public school spending traded for voucher expansion
 - Second step approved in 2023 budget with updated cost numbers.
 - Increase traded for universal vouchers
 - Third step approved in 2025 – in name only.
 - Used updated property wealth numbers but 2022 cost data.
 - Almost all districts lost funds.
- 



THE UNFINISHED CHALLENGE:

Equal opportunity for students and a fair burden on local communities

- State funding remains inadequate and inequitable.
 - **LOCAL share has hit all time HIGH.**
 - Supermajority unwilling to represent the interests of their constituents and 1.5 million public school students. They are enchanted with choice.
 - Instead of increasing investment in public education and lifting the local burden they: increased spending on vouchers; ignored Fair School Funding basics; cut income taxes and started fiddling with property taxes in fake remedy.
- 

SIDE QUEST: VOUCHERS

Billions of dollars for 10% of students

90% of Ohio students attend public schools.

Ohio has 5 voucher programs:

- EdChoice
- Cleveland
- Autism
- Jon Peterson
- EdChoice Expansion

The two most expensive - **EdChoice** and **EdChoice Expansion** - cost the state a combined total of \$353 million in the 2022-23 school year. And close to \$1 Billion in 2023-24

Families can receive up to \$8,408 for the EdChoice voucher from the state per student, with no cap for income.

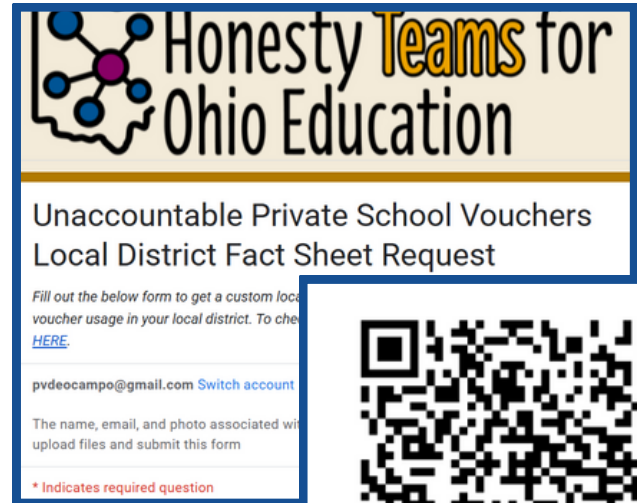
VOUCHER TOOLKIT

Telling the story of how vouchers hurt Ohio

MORE THAN 100 LOCAL DISTRICT FACT SHEETS

Summary Data of the 131 Completed voucher Fact Sheets

- **94%** of the 131 fact sheets are indicating a higher number of **non-low income** families utilizing the EDchoice voucher program
- **92%** of the completed voucher fact sheets of the 53 districts that have upcoming levies on the November ballot are also showing a higher number of **non-low income** families utilizing the EDChoice voucher program.



Honesty Teams for Ohio Education

Unaccountable Private School Vouchers
Local District Fact Sheet Request

Fill out the below form to get a custom local voucher usage in your local district. To check out more, click [HERE](#).

pvdeocampo@gmail.com [Switch account](#)

The name, email, and photo associated with this account will be used to upload files and submit this form.

* Indicates required question



Local Voucher Request Form

VOUCHER TOOLKIT

Telling the story of how vouchers hurt Ohio

Public Funds Belong in Public Schools

A Guide for Ohioans Against Universal Vouchers

[DOWNLOAD THE TOOLKIT](#)

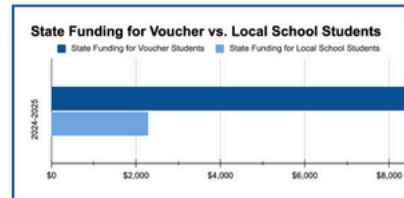
Facts on Private School Vouchers Oak Hills Local Schools

2024-2025 Numbers for EdChoice Expansion Vouchers*

- ★ **7,116** students enrolled in Oak Hills public schools and the district receives **\$2,287** from the state share of base cost per student
- ★ **2,546** students who live in the district are using private school vouchers
 - They can receive up to **\$8,408** from the state per student, and there's no income cap—even billionaires are now eligible for at least some public money for private school

*Official enrollment numbers for 2025-2026 school year will not be available until the fall of 2026.

State Funding for Oak Hills Residents in Private School vs Public Schools



Source: Ohio Department of Education and Workforce Nonpublic Data Report Portal



Policy Matters Ohio
Voucher fact sheets



ODEW Voucher stats



Policy Matters Ohio
Federal funds info



Fair School Funding Plan
by school district

AN INSIDE VIEW

SCHOOL FUNDING: LEVIES AND BONDS



JOHN ESPY
TREASURER/CFO
Loveland City School District

UNDERSTANDING SCHOOL FINANCE TERMS

- **Mill** - Unit value used for assessing property taxes in Ohio. It is .001 of a dollar, a milli-dollar.
- **Reduction Factor** - this is the process of lowering millage when valuations increase due to HB920, passed in 1976.
- **Outside Mills** - Voted mills that are approved by voters. These mills are called outside because they are outside of the Ohio state constitution. This millage is subject to reduction factors.
- **Inside Mills** - millage 'guaranteed' by the Ohio State Constitution. This millage is NOT subject to reduction factors.
- **20 Mill Floor** - current minimum level of millage a district can have effective millage reduced to.



REDUCTION FACTOR: AN EXAMPLE

CURRENT

Home Value	Assessed Value (35%)	Effective Mills	Mill Factor	Property Tax Revenue
\$100,000	\$35,000	41.45	0.001	\$1,450.75

**AMOUNT
COLLECTED DOES
NOT CHANGE**

WITH INCREASE

Home Value	Assessed Value (35%)	Effective Mills	Mill Factor	Property Tax Revenue
\$139,000	\$48,650	29.82	0.001	\$1,450.75

Effective millage decreases as assessed values increase

MILLAGE CALCULATOR

1 Mill (\$35)



**Number of
Mills being
levied**



**\$100,000
multiplier
of home
value**

1 Mill (\$35) x 3 mills x 3 (\$300,000) = \$315 annually

BONDS VS. LEVIES

BOND

for new buildings, building improvement, or other capital improvement.

- Can be up to 40 years depending on type of project.
- Think of this as a mortgage that you take out to purchase a home.

LEVIES

for operating expenses, permanent improvements, and other various purposes.

- Can be limited in duration and brought back to voters for approval
- Can be 'permanent' or in perpetuity



PRIMARY LEVY TYPES

MILLAGE-BASED

District uses total valuation to determine how much revenue will be generated by a mill. Then the number of mills is tied to the amount of funds needed to operate for a period of time.

EMERGENCY

These are 'fixed sum' or are tied to a specific dollar amount needed.

SUBSTITUTE

This is a levy that converts from an Emergency Levy. Substitute levies can be renewed



A decorative border at the top of the slide featuring various white line-art icons on a dark blue background. The icons include sketchbooks, pencils, pens, and erasers. Some sketchbooks are open, showing floral patterns or the words 'SKETCH BOOK'.

FACTORS THAT IMPACT PLANNING

- 20 mill floor status
 - Property tax appraisal and triennial update timelines
 - District demographics
 - Changes in law
- 
- A decorative border at the bottom of the slide featuring various white line-art icons on a dark blue background. The icons include rulers, pencils, pens, and erasers.

LEGISLATION IMPACTING SCHOOL FUNDING

HB96

- **Line Item Veto Overrides:**

- Legislature has overridden Gov. DeWine's line item veto regarding:
 - Substitute, Replacement, and Emergency levies are no longer allowed after 90 days.
 - Substitute and Emergency levies now count towards the 20 mill floor.
 - Potentially bringing back a 40% cash balance cap

- **Current Legislation being considered:**

- **HB186** would limit the amount of inside millage growth to inflation.

SCENARIO DISCUSSION



- 20 mill floor vs. Non-20 mill floor
- What happens when these types of districts are neighbors?
- Cash Balance as it relates to levy planning
- Districts with current emergency and substitute termed levies that are not on the November ballot
- What if all of these are true?

RESOURCES



Ohio School Boards Association
8050 H. High St.
Suite 100
Columbus, Ohio
43235-6481
(614) 540-4000
www.ohioschoolboards.org

Understanding school levies

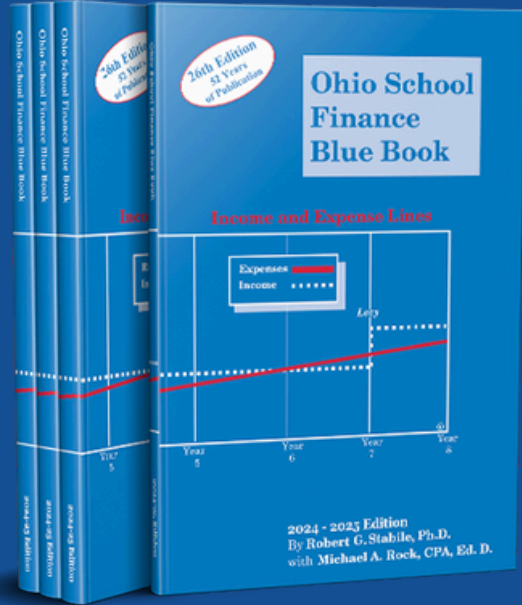
Funds generated from school tax levies compose a significant part of financing for Ohio schools. This fact sheet is designed to address the most frequently asked questions about school tax issues in Ohio. The information is of a general nature. Readers should seek the advice of legal counsel with specific legal problems or questions.

How are school districts financed?
School districts in Ohio are financed with a combination of federal, state and local funds. At the state level, school districts receive funding from the Ohio Department of Education's (ODE) general revenue funds and Ohio Lottery profits. At the local level, school districts receive funding from locally levied property taxes. School districts also can receive funding from income taxes approved by voters.

What is a property tax levy?
A property tax levy is the collection of taxes charged on the value of property. Each district must follow a process described in Ohio law in order for taxes to be levied on property within the district. Boards of education propose additional local tax revenues by board resolution. Generally, school districts can place a levy on the ballot up to two times per year on specified election dates, aligning with the primary election in March or May and the general election in November. A third election date in August is available only if a district is under a fiscal emergency. If a majority of voters in an election approve the tax, county officials charge and collect the tax under the terms specified in the tax levy proposal. The collected funds are then disbursed to the district. When a levy is placed on the ballot, it must identify as its objective a legally defined school district purpose.

What types of property can be taxed?
Real property subject to taxation includes the buildings and land held by individuals or businesses. Real property is divided into two classes: Class I (residential and agricultural) and Class II (commercial, industrial and all other real property). Public utility personal property is also taxed.

UNDERSTANDING SCHOOL LEVIES BY THE OHIO SCHOOL BOARD ASSOCIATION



Ohio School Finance Blue Book

26th Edition
61 Years of Publication

Income and Expense Lines

Expenses ———
Income

Year 5 Year 6 Year 7 Year 8

2024 - 2025 Edition
By Robert G. Stabile, Ph.D.
with Michael A. Rock, CPA, Ed. D.

**OHIO
SCHOOL
FINANCE
BLUE BOOK**



RESEARCH TOOLKIT RESOURCES

HOW TO RESEARCH SCHOOL BOARD CANDIDATES

GETTING STARTED

The most comprehensive information about the candidates who will appear on your ballot can be found on your county Board of Elections website. This information should be on a url ending in .gov to prove the information is official.

Start your research by finding out the following information about the race:

- How many seats are open?
- How many candidates are running?
- Are there any incumbents running?

CHECK THESE SOURCES

While you will be able to see the full list of candidates running on the Board of Elections website, it's up to you, the voter, to find specific information about each of the candidates. There are a number of nonpartisan organizations that are dedicated to informing voters in an unbiased manner to help you make the best decision. As a general rule, organizations that hold a 501(c)(3) tax exempt status are required to remain neutral regarding any candidate running for office.

- League of Women Voters
- Ballotpedia
- Honesty for Ohio Education's Candidate Research Guide can be found [here](#).
- School Board School (select districts in the Greater Cincinnati area)
- Red Wine & Blue's Ohio Voting Guide

OTHER RESOURCES

Local newspapers will sometimes publish candidate interviews or information. Some school groups (e.g., PTO or PTA) or community councils may host candidate forums, so be sure to check their meeting notices and agendas. They often provide opportunities to submit questions prior to or during the forums.

Of course, the candidate's website and social media accounts are also wonderful sources to find information about their priorities and relevant experience.



TIPS FOR RESEARCHING SCHOOL BOARD CANDIDATES

GETTING STARTED

Understanding the role of the school board and the administrative team is a good place to start determining what qualities you should look for as you figure out what exactly you're looking for in a candidate. (Check the *Let's Talk About School Boards* document in this toolkit for more detailed information about the responsibilities of school boards.)

THINGS TO CONSIDER

As you look at all available information for candidates and listen to them speak at events, you should start to get a feel for what their priorities will be if they're elected. The list below highlights a few things to look for as you learn more about each candidate. While it's certainly not exhaustive, we hope you'll use it as a starting point.

Eight Characteristics of an Effective School Board

1. Vision of high expectations with clear goals defined
2. Strong, shared beliefs and values about what is possible for students
3. Accountability driven – less time on operations, more time on policy
4. Collaborative relationship with staff and community
5. Embrace data and use it to drive improvement
6. Align and sustain resources to meet district goals
7. Lead as a united team with the superintendent
8. Participate in team development and training

Adapted from: Eight Characteristics of an Effective School Board, Copyright © 2019 Center for Public Education.

NEXT STEP

Fill out the graphic organizer included in this toolkit for each candidate so you can compare all of your options.



RESEARCH TOOLKIT RESOURCES

COMPARING CANDIDATES
Summarize the findings from your research below to help finalize your choices.

CANDIDATE	VALUES WE SHARE	VALUES NOT ALIGNED
1.		
2.		
3.		
4.		
5.		
6.		



RESEARCH

WHAT ARE CANDIDATES SAYING?

1. If your district has a levy/bond on the ballot, what is their opinion on the levy/bond?
 2. Do they have any experience managing large budgets?
 3. Have they attended board meetings in the past to help them understand things like the 5-Year forecast?
 4. Are they knowledgeable about legislation in Columbus related to school funding?
- 

REACT GET INVOLVED

**HOW TO
HELP CANDIDATES YOU SUPPORT**



I'M A NEWBIE	I HAVE SOME EXPERIENCE	I'M A PRO
<u>I HAVE 5 MINUTES</u> Comment on the candidate's social media to boost engagement and/or share content on your platforms.	<u>I HAVE 5 MINUTES</u> Ask a new neighbor if they updated their voter registration. Text candidate info to three friends using Rally Together from Red Wine & Blue. Plan to vote early and then invite a friend to join you!	<u>I HAVE 5 MINUTES</u> Comment on the candidate's social media to boost engagement and/or share content on your platforms.
<u>I HAVE 30 MINUTES</u> Write postcards. Pick up a yard sign for yourself and a friend.	<u>I HAVE 30 MINUTES</u> Reach out to the candidate to learn about volunteer opportunities. Be sure to mention if you have a skill set that may be helpful.	<u>I HAVE 30 MINUTES</u> Write a letter to the editor about why this candidate will be the best choice for your district (resource). Help your candidate of choice raise critical funds by asking your network to make a donation.
<u>I HAVE 1 HOUR+</u> Use Red Wine & Blue's Rally Together tool to share candidate info with friends. Volunteer to drop off candidate literature on doorsteps. Sign up to phone bank (make phone calls).	<u>I HAVE 1 HOUR+</u> Sign up to canvass or knock on doors to speak with voters. Time and again, research shows that talking with voters is the most effective method to earn votes!	<u>I HAVE 1 HOUR+</u> Share candidate info with your network by using Red Wine & Blue's Rally Together tool. Host a meet-and-greet so your friends and neighbors can meet the candidate!



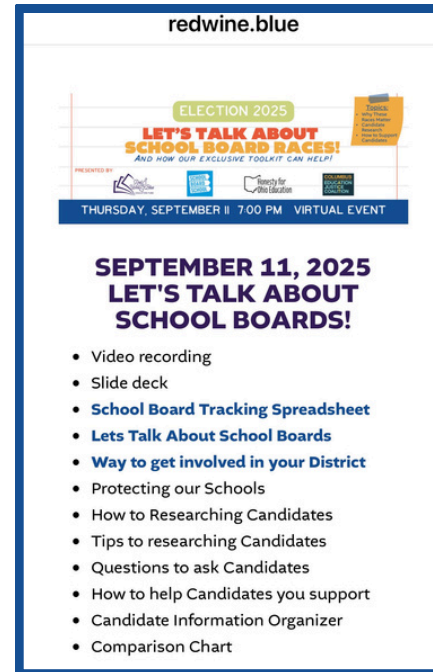
DETERMINE HOW
MUCH TIME YOU
HAVE & FIND A
GOOD FIT.

WHAT SKILLS DO
YOU WANT TO
SHARE?

REACT GET THE TOOLKIT!



**VISIT OUR WEBSITE TO
ACCESS THE SCHOOL
BOARD TOOLKIT & MANY
OTHER RESOURCES**



- Video recording
- Slide deck
- **School Board Tracking Spreadsheet**
- **Lets Talk About School Boards**
- **Way to get involved in your District**
- Protecting our Schools
- How to Researching Candidates
- Tips to researching Candidates
- Questions to ask Candidates
- How to help Candidates you support
- Candidate Information Organizer
- Comparison Chart

**SHARE THE SCHOOL
BOARD TOOLKIT
WITH OTHERS**

**WHAT ELSE CAN
YOU DO TO SPREAD
AWARENESS ABOUT
CANDIDATES?**

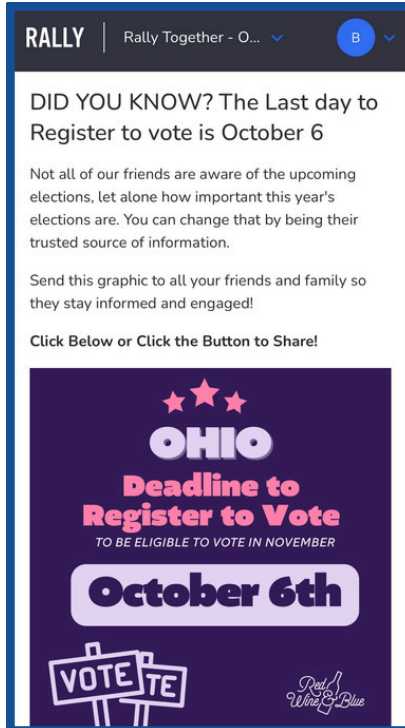


FRIEND TO FRIEND ★ ORGANIZING

IS YOUR SUPERPOWER



REACT SHARE INFORMATION



**Learn More About the Red
Wine & Blue App and Rally!**

RALLY MAKES IT
EASY TO SHARE
WITH PEOPLE IN
YOUR CIRCLE

ACTIONS WILL BE
ADDED OFTEN

Every Vote Matters!



- Local elections have low voter turnout rates
- The National School Boards Association estimates that voter turnout for local school board elections is generally only **5 to 10 percent.**

RELATIONAL ORGANIZING FRIEND TO FRIEND ORGANIZING

It is the simple, proven concept that people talking to their friends and family is more effective than strangers talking to strangers.



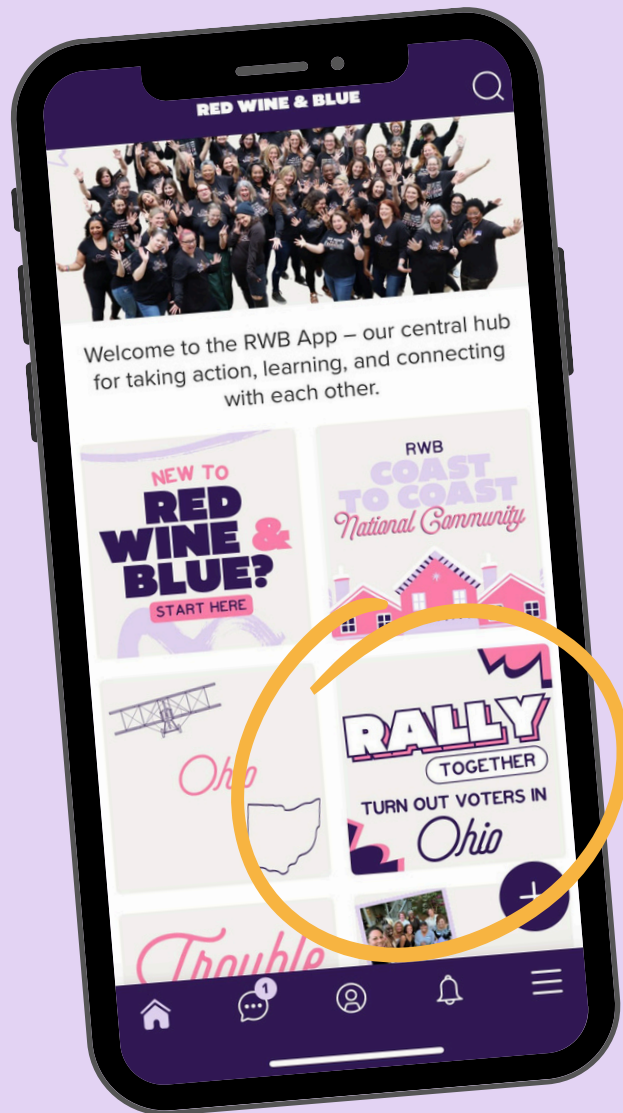
WANT TO MAKE THIS WORK REALLY EASY?



FIND OUT ✓ who is a regular voter
✓ who doesn't vote at all
✓ if they're affiliated with a political party

GET ✓ way to track your outreach and keep notes
about your conversations
✓ what to say to start the conversations
✓ personalized vote plans to send as the election
nears





MI

OH

NC

PA

VA

TAP YOUR STATE
RALLY TOGETHER
TILE ON THE HOME
SCREEN

MATCH YOURSELF TO THE VOTER FILE

RALLY | 



Welcome

Legal First Name

Legal Last Name

☐ I go by a different name

Street Address

City

State

Zip

RALLY | Rally Together - N...   

 Back

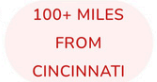
Confirm Voter Status

Match Hudson to the voter file

We've searched for **Hudson Smith** from **Cincinnati, OH** in the official file of registered voters. Select the best match.

☐ HUDSON SMITH 

Age  22

City 
PERRYSBURG, OH 43551

Party UNK

Street LOUISIANA

☐ HUDSON SMITH 

Age  NEAR AGE

City 
100+ MILES

It's okay if
you can't find
a match!
Select "none
of these" at
the bottom
and you can
find the
match later

ADD YOUR CONTACTS!

Add the names of the people you will contact about voting and elections.

Make sure you match everyone to the voter file! If no match, click “None of these.”

RALLY | Rally Together - N... J

← Back

Add a Contact

Legal First Name

Enter first name

Last Name

Enter last name

☐ They go by a different name

City

Enter city

State

Age range

13-17

18-29

30-39

40-49

50-59

60-69

70-79

80 or older

RALLY | Rally Together - N... J

← Back

Confirm Voter Status

Match Hudson to the voter file

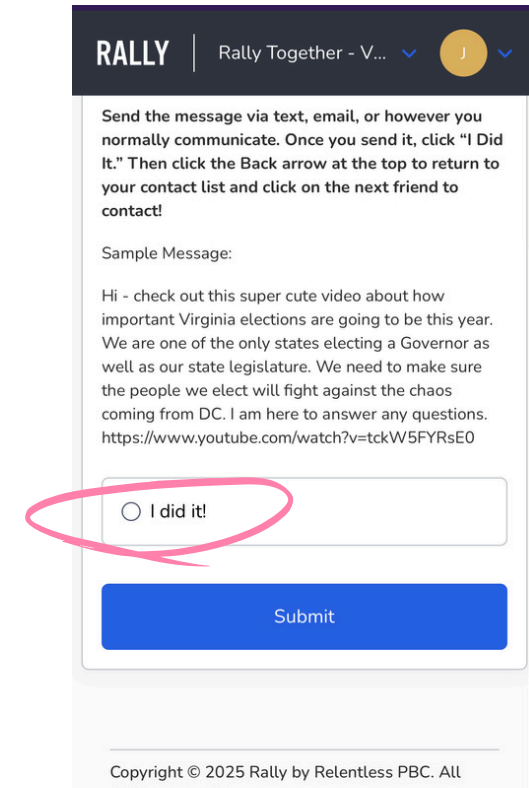
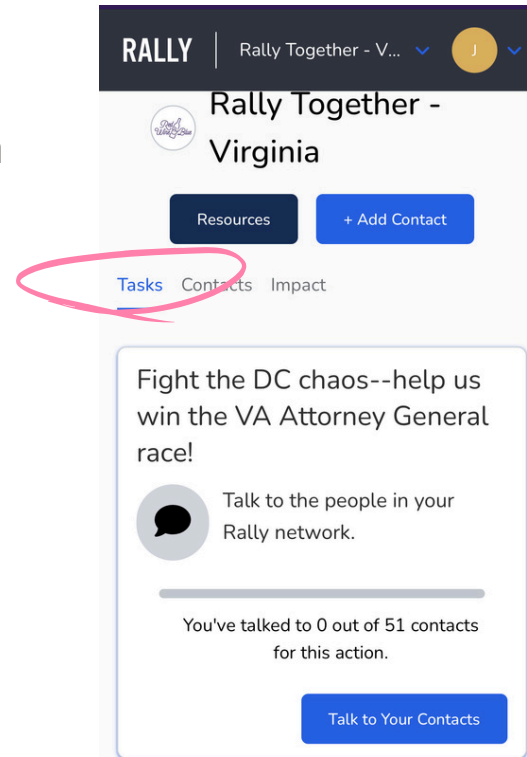
We've searched for **Hudson Smith** from **Cincinnati, OH** in the official file of registered voters. Select the best match.

☐ HUDSON SMITH ✓
Age 22 ✓ City 100+ MILES FROM CINCINNATI
PERRYSBURG, OH 43551
Party UNK Street LOUISIANA

☐ HUDSON SMITH ✓
Age NEAR AGE RANGE City 100+ MILES FROM

REACH OUT TO YOUR FRIENDS

- Find all the actions and information you can share with your friends on the **Tasks tab**
- Message your friends the way you like to communicate! (Text, email, etc.)
- Report back with the **“I did it”** button and hit Submit.



REACT

SHARE INFORMATION

KEEP
RED WINE & BLUE
IN YOUR POCKET

**DOWNLOAD THE RWB APP AND
CREATE YOUR ACCOUNT TODAY!**



 Download on the
App Store

 GET IT ON
Google Play

 The RWB App is free. It's our own private space built just for you — without tech bros, oligarchs, ads, or algorithms. We will never share your personal data without your consent.

NO SMARTPHONE? CREATE YOUR ACCOUNT AT
WWW.REDWINE.BLUE



YOU ARE A
TRUSTED SOURCE
FOR MANY FRIENDS
& RELATIVES.

LET US HELP YOU
SHARE CONTENT &
IMPORTANT INFO.



REACT ATTEND FUTURE EVENTS

**SAVE
THE DATE**

Oct. 16: Short Recap + How Do We Protect All Students?

Oct. 30: GOTV Text-a-Thon with Honesty for Ohio Education

Mid-November: Post-Election/How Do We Stay Involved?

REACT

LET'S TALK IT THROUGH

DROP-IN OFFICE HOURS WITH NATALIE

- **STRATEGIZE**
- **RESEARCH**
- **BRAINSTORM**
- **BE ENCOURAGED**



FRIDAY OFFICE HOURS

**1:30-3:30 P.M. ET
ON ZOOM**

EVERY WEEK



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THANK
YOU
😊