

Brooklyn Board of Education

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Transcript of Testimony of Mark Gleichauf, Superintendent To the Ohio House of Representatives Finance Committee

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Good afternoon Chairman Smith, Vice Chairman Ryan and the other members of the House of Representatives Finance Committee. My name is Dr. Mark Gleichauf and I am superintendent of the Brooklyn City Schools in Cuyahoga County. On behalf of Brooklyn's 1400 students and its supportive taxpayers, I want to add support to House Bill 369, and why this legislation can help remedy funding inequities for severely capped school districts like Brooklyn.

Brooklyn is a first ring suburb of Cleveland. It is a district with homes of modest means, but these are the homes of hard-working people who have supported their schools as we currently have 54 voted mills on our taxes.

My first point this morning is to frame my district's funding situation that makes legislation like House Bill 369 a strong piece of legislation that can begin to solve the school funding conundrum that has been in effect since DeRolph. The Brooklyn City Schools suffers from two particular funding issues: the phase out of Tangible Personal Property reimbursements and our state funding capped district status, which have challenged the Brooklyn City Schools from offering educational opportunities to its students. These funding challenges could be offset by the implementation of House Bill 369.

Let me first discuss Tangible Personal Property tax. Brooklyn has an approximately \$16 million dollar budget. The TPP phase out has reduced our revenues by \$1.3 million in the last 7 years and will reduce it by another \$1 million in the next 4 years. As you can imagine, that total of \$2.3 million dollars is astronomical in a \$16 million dollar budget. These TPP reductions is just one of the reasons why Brooklyn has been forced to make numerous cuts to staff and programming that directly impact the district's efforts to provide a quality education to our students. Although the Cap Offset, which was added to the FY18 budget, has helped minimize the Tangible Personal Property tax phase out pain, we have been told that school districts should not be reliant on these funds and that the phase out of these dollars will continue.

But it doesn't end there for Brooklyn's funding challenges as it has been a capped district per the state funding formula, which is our second funding issue. A capped district is a district that falls within the funding formula so that the district only receives a percentage more increase in state funding over the previous year. The affect can be dramatic. Brooklyn City Schools funding

formula before the cap is applied indicates Brooklyn should receive \$3,433,171 in State Funding. After the cap is applied the district will only receive \$920,333. In fact, our cap is so severe that we receive LESS funding than the non-public schools in the state. We are actually one of 26 districts that are capped below the amount that is given to non-public schools. For example, the Brooklyn City Schools in FY 17 received \$729 per student from the state while St. Thomas More, a Catholic School in Brooklyn, received \$1209 per student.

Being capped in per pupil aid below non-public schools is inequitable, but when you add the preponderance of school voucher programs or proposed opportunity scholarships, it turns to unfair. I don't think any of us would avoid good healthy competition, but we would want an even playing field for that competition. Only receiving a little more than half of what non-public schools receive in per pupil aid is not an even playing field regardless.

Among the 26 school districts that receive less than the non-public schools, Brooklyn's need and situation certainly stands out. I have shared a spreadsheet in my submitted testimony today. Of the 26 capped districts that receive less per pupil funding than the non-public schools...

- Brooklyn has the LOWEST median income, which is \$31,602
- Brooklyn has the LOWEST average income, which is \$41,758
- Brooklyn has the SECOND HIGHEST economically disadvantaged student or poverty rate, which is 54%
- Brooklyn has the HIGHEST "Local Effort Index" per the FY17 Cupp Report, which is 1.11

This indicates Brooklyn residents have modest means, but they support their schools greater than most of the state. That is why I ask for support of this fresh-thinking legislation brought to you by Representative Sweeney today.

House Bill 369 recognizes the inequity of a capped district in this ultra-competitive choice education environment of today. House Bill 369, though, allows districts with challenged means to be able to receive equal funding to non-public schools. House Bill 369 allows for fluctuations in employment of a city's constituents. As we know in these economic times, that can have some volatility. House Bill 369 does not rely on student disadvantage data, or free and reduced lunch percentage, which we have heard from legislators can be "manipulated" by school districts. I appreciate Representative Sweeney's efforts on this House Bill 369 not only for Brooklyn but for other districts that could fall into this capped district and low median income vortex. House Bill 369 relies on better metrics, like median income, to determine cap status but allow flexibility while helping solve the inadequacy for higher poverty districts.

Thank you for time and service to the State of Ohio. Your efforts in these complex but important issues are not lost on people like me who are the loyal voters of Ohio. Thank you for the opportunity to share this proponent testimony for HB 369 and I would be happy to answer any questions.