



**Senate Finance Committee
HB 33 Testimony**

Perrysburg Exempted Village School District, Wood County
Randy Drewyor, Treasurer/CFO

31 May 2023

Chair Dolan, Vice Chair Cirino, Ranking Member Sykes, and members of the Senate Finance Committee, thank you for the opportunity to present this written testimony on House Bill (HB) 33.

My name is Randy Drewyor and I serve as the Treasurer/CFO for the Perrysburg Exempted Village School District in Wood County. We are a suburban district covering approximately 28 square miles with eight school buildings educating about 5,800 students. We are a growing district having added over 900 students over the last ten years. As result of our student enrollment growth, we are adding 5-10 staff members per year and will be asking the voters to approve a bond issue in November to build a new elementary, expand the high school and three of our existing elementary schools. As a district, Perrysburg relies very heavily on local taxpayers for our funding.

Our Superintendent, Mr. Tom Hosler, who has been a very active participant in the creation of the Fair School Funding Plan, will be testifying in person and will provide some high-level detail of how the plan will impact Perrysburg taxpayers and families. With my written testimony I will provide some additional details and specifics around our conclusions.

Full implementation of the Fair School Funding plan ensures that Perrysburg Schools will finally be funded for each and every student it educates. This shows up most clearly in that school district will be able to offer tuition-free all-day kindergarten for the first time in fiscal year 2025. A huge benefit to our students and families.

The second, and more important piece is the updating of the base cost inputs. Using the same modeling (and assumptions unless otherwise noted) I use for my 5-Year Forecast, the impact of the base cost inputs is very clear.

Continue phase-in of formula with no change in base costs					
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Per Pupil Base Cost	\$7,291	\$7,260	\$7,270	\$7,284	\$7,283
State Per Pupil Share	\$1,462	\$1,318	\$1,023	\$990	\$731
State's Share of Total Base Cost	\$7,459,126	\$6,815,194	\$5,559,818	\$5,443,616	\$4,065,744
Transitional Aid	\$255,762	\$739,670	\$1,726,123	\$2,404,218	\$4,615,660

With the case cost calculation using 2018 values the state’s base cost share per pupil drops by 50%. Because the base cost calculation is held constant while the district’s relative wealth continues to rise the formula pushes the district further onto the guarantee. While every student is funded, they are funded and an ever-decreasing level, yet the cost of educating those students will be rising.

Continue phase-in of formula with base costs updated to 2020					
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Per Pupil Base Cost	\$7,291	\$7,610	\$7,603	\$7,600	\$7,602
State Per Pupil Share	\$1,462	\$1,637	\$1,341	\$1,308	\$1,049
State's Share of Total Base Cost	\$7,459,126	\$8,460,569	\$7,288,822	\$7,192,779	\$5,835,493
Transitional Aid	\$255,762	\$0	\$386,105	\$709,631	\$2,557,794

By updating the base costs inputs to 2020 values the district would receive some benefit, but the benefits will be short lived. Not updating the base cost inputs will continue to drive the state share down and keep the district firmly on the guarantee.

Continue phase-in of formula with base costs updated to 2022					
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Per Pupil Base Cost	\$7,291	\$8,200	\$8,192	\$8,190	\$8,192
State Per Pupil Share	\$1,462	\$2,227	\$1,930	\$1,898	\$1,639
State's Share of Total Base Cost	\$7,459,126	\$11,509,774	\$10,493,244	\$10,434,640	\$9,115,444
Transitional Aid	\$255,762	\$0	\$0	\$0	\$0

Updating the base cost inputs to 2022 levels allows the Fair School Funding Plan to work as intended. Perrysburg would be funded for the students it educates and at a level that considers growth in enrollment and increases in wealth capacity. With this change the district would no longer be on the guarantee.

The district currently has a general fund cash reserve of 112 days. This is close to our peak for our fiscal cycle. This cash reserve has been built because of a levy passed by taxpayers in 2019. This levy will need to be renewed or replaced next year. If the base cost calculation is not updated, the required millage will have to be approximately 4.8 mils higher. For the average homeowner in Perrysburg that is an annual cost of \$546.

Fundamentally, the Fair School Funding Plan can and will work as designed if the base cost calculation is adjusted with the changes in operating costs and a recognition that the relative wealth of districts change. A working formula allows for greater predictability which will allow districts to better manage levy cycles and as a result cash balances.

Chair Dolan, Vice Chair Cirino, Ranking Member Sykes, and members of the Senate Finance Committee, thank you for your consideration. I urge you to continue the phase-in of the Fair School Funding Plan, including updating the base cost inputs to 2022 levels and to fund the plan. The plan, while not perfect, allows for predictability in funding, ensures districts are funded for the students they educate and improves our ability to manage our cash flow cycles.

Randy Drewyor
Treasurer/CFO
Perrysburg Exempted Village School District