## WITNESS INFORMATION FORM

Please complete the Witness Information Form before testifying:

Date: 02/24/2025
Name: TJ Cusick
Are you representing: Yourself
Organization (If Applicable): Worthington City School District
Position/Title: Treasurer
Address: 200 E Wilson Bridge Road
City: Worthington State: OH Zip: 43085
Best Contact Telephone: 614-450-6171 Email: tjcusick@wscloud.org
Do you wish to be added to the committee notice email distribution list? Yes $\boxtimes$ No $\square$
Business before the committee
Legislation (Bill/Resolution Number): HB96
Specific Issue: School Funding
Are you testifying as a: Proponent 🗌 Opponent 🔀 Interested Party 🗌
Will you have a written statement, visual aids, or other material to distribute? Yes $\boxtimes$ No $\square$
(If yes, please send an electronic version of the documents, if possible, to the Chair's office prior to committee. You may also submit hard copies to the Chair's staff prior to committee.)
How much time will your testimony require? Providing written testimony only, will not be present
Please provide a brief statement on your position: Restore the state and local partnership to funding education

Please be advised that this form and any materials (written or otherwise) submitted or presented to this committee are records that may be requested by the public and may be published online.



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## House Education Committee House Bill 96 February 25, 2025

Chair Fowler Arthur, Vice Chair Odioso, Ranking Member Robinson, and members of the House Education Committee, my name is TJ Cusick and I serve as the Treasurer for Worthington Schools in Franklin County. Thank you for the opportunity to submit written testimony on House Bill (HB) 96, the biennial budget.

We appreciate the work the Governor and Ohio legislators have done over the past two budget cycles investing in education and Ohio's future. Rapid inflation has impacted all aspects of our lives and we are thankful for the increases in funding we have received to offset rising costs. However, this next proposed budget paints a very different picture.

Ohio takes a partnership approach to funding public education, driving more state resources to less affluent areas that do not possess the same capacity to raise local dollars as more affluent areas. This is accomplished by taking the cost to educate a child (the state's portion of the partnership) and multiplying that by a fraction, called the state share index, to determine the local's portion of the partnership.

HB96 upends that partnership by basically saying "We are going to take into account inflation adjusted values on the local's side, but use old, non-inflationary adjusted values on the state's side". In other words, we are going to update what the local district has to come up with, but not update the inputs and what the state has to come up with. That's greatly distorted the partnership. This is clearly evident in the projections that show **131 districts** will receive the <u>minimum</u> state share of funding. Over 20% of all school districts are **NOT** so wealthy that they should receive the <u>bare minimum</u> from the state.

For Worthington HB96 is a loss of 10% of our state funding, or \$2.2 million the first year and a further decrease the second year. I understand the desire not to fund "empty desks", but that's not what's happening in Worthington. Our enrollment is growing, yet we are losing significant funding. Our state share index in FY20 was 31% and we will be at the 10% floor under this proposal. The floor used to be where only the wealthiest of the wealthy districts were at, and now over 20% are there? Nonsense! Its wealth on paper, not in reality.

So, what can we do to improve upon the introduced version of the bill? Well for starters, let's be partners again. If updated local property values are going to be used, then use updated cost inputs. Inflation doesn't exist in a bubble. However, I don't think any formula can work as planned if one component, in this case property values, changes so much more dramatically than all the other components. I believe we need to explore further safeguards to address this historical anomaly. Perhaps using a longer-term averaging for property values than 3 years, or holding districts harmless on a per pupil basis, which would address concerns over "empty desks" but not pull the rug out from growing districts.



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In closing, as an above average wealth district, not on the 20-mill floor, we recognize we have the capacity to pay more toward education than other less fortunate districts, and we know that we need to return to voters periodically with reasonable levies at reasonable intervals since HB920 doesn't allow for meaningful growth in our revenue just because our values increase on paper. We were last on the ballot in 2022 and intend to try to not return back until 2028, two years longer than originally anticipated. We are holding the line on staffing and budgeting to make the next levy as manageable as possible, because we know property taxes are a burden. HB96 as it stands, would require us to increase our next levy by about 2/3rds of a mill to make up for the \$2.2 million loss in state funding, just to remain even. Ironically, this directly contradicts one of the other top priorities of this legislature: reducing property taxes.

I don't want the future of Ohio to be the minimum. We can't fund over 20% of our students' educations with the minimum effort and expect a great outcome. Let's be true partners again for the future of Ohio. May we have this dance?

Respectfully,

The Cirl

Thomas J Cusick, CPA Treasurer Worthington City School District tjcusick@wscloud.org