



Westerville City Schools

Department of Treasurer/Fiscal Services
Nicole Marshall, Treasurer/CFO

936 Eastwind Dr., Westerville, OH 43081
Main Office (614) 797-5700 Fax (614) 797-5775

Vision

Our vision is
to be the benchmark
of educational
excellence.

Mission

Our mission is
to prepare students
to contribute
to the competitive
and changing world
in which we live.

Values

Respect
Inclusiveness
Community
Communication
Collaboration
Innovation
Nurturing
Trust
Accountability

June 8, 2023

Testimony on House Bill 33
Senate Finance Committee
135th General Assembly

Hello Chairman Dolan, Vice Chair Cirino, Ranking Member Sykes and members of the Senate Finance Committee, thank you for the opportunity to submit written testimony. My name is Nicole Marshall and in addition to being a parent and voting taxpayer in Ohio, I am also the Treasurer and CFO of the Westerville City School District, which is a large suburban traditional public school district just a 20 minute drive northeast of the state capital. We serve approximately 14,600 students that speak 65 different languages and represent 64 different countries. Over 30% of our students are economically disadvantaged. Our annual operating budget is just over \$200 million and we employ nearly 2,000 people that provide approximately \$2.7 million in state income taxes and \$2 million in local income taxes.

I have had only a short period of time to review the Senate's proposed version of the budget and would like to share some thoughts. I am listing my points below regarding school funding and my commentary to follow:

- We support the Fair School Funding Plan
- We support keeping the FY2022 cost inputs
- We **do not** support the change proposed to local capacity
- We support the House's proposal to include the cost study for our economically disadvantaged students
- We support an increase to the minimum state share
- We **do not** support any legislation that will shift more of the burden for the cost of education to our local community
- We **do not** support any expansion for vouchers while private schools are not held to the same financial, transparency and academic standards as public schools
- We **do not** support any expansion for vouchers to private schools while public schools continue to be underfunded
- We, along with many other districts in Ohio, are facing property value increases estimated to be between 30-40%, which will greatly reduce

our state share. Unless the Legislative Services Commission took that into consideration in their simulations, we anticipate that the state share in the simulations are significantly exaggerated. The state will never see the large increases reflected in the LSC estimates if that is the case. This means our local share would be significantly undervalued, shifting more costs to our local communities. This, along with removing the 20% consideration for median federally adjusted gross income, will mean a much lower state share for districts.

We appreciate seeing that the Senate version keeps the Fair School Funding Plan in place and keeps the updates of the FY2022 data for the cost input. We are concerned to see the change in the local capacity calculation. As I am sure you know, the Federal Adjusted Gross Median Income has been included in the local capacity formula to help keep the school funding formula predictable and smooths outliers with all parts of the formula remaining relative. Changing just part of it will affect the outcome in other ways that I hope were not intended. We saw this with the FY2022 and FY2023 budget. The current formula has been using old cost data, but updated income and property value data. Because of this, many districts have seen drastic changes to their state and local shares. In Westerville, we had a state share of over 31% in FY2022 which dropped to just under 27% in FY2023. Using updated property values and keeping the FY2018 costs directly resulted in a smaller cost per pupil for the state share and an increase to our local taxpayers. Fortunately because of the guarantees in place, some of that was mitigated.

Updating the cost inputs helps to balance out the formula as other components remain relative. We support the Fair School Funding Plan because we support a funding plan that is equitable and predictable. Changes to the funding components continue to cause uncertainty for school districts in trying to plan for the future.

It is no secret that a student raised in poverty is more likely to face challenges that affect their success in life than that of a student not raised in poverty. Our schools work hard to ensure that all students have the same access to educational opportunities and to provide support where needed. We support the request to conduct a cost study to determine the true costs to ensure access and support for economically disadvantaged students.

As public school districts, we have open meetings and public records laws, annual financial audits, EMIS reporting, Board of Educations that are elected by our community, state report cards, and many other academic and other regulatory standards. Virtually all of our data is open, transparent and easily accessible to anyone who wishes to see it. A great deal of information is readily available to the public on school district websites, while other information is available upon request. Our private school counterparts are not subject to the same standards. [You can find](#)

[a comparison list of public and private school requirements by clicking here.](#)

We do not support any expansion of private school vouchers while public schools are underfunded and private schools are not held to the same standards.

We also ask the legislature to refrain from making any changes relative to property taxes and values or the way school funding works with property values when the proposed changes have not been thoroughly researched to include public schools participating in the research process. We receive the majority of our funding from local property taxes and worry about the burden being placed on our local community when changes are made by the state legislature. We would support the creation of a committee made up of school finance and property tax experts to research property values and the interaction with school funding.

I recently provided testimony to our Senate Education Committee. [You can find a copy of that testimony here.](#)

Thank you for taking the time to consider this testimony as you review the state budget proposal.

Sincerely,



Nicole Marshall
Treasurer/CFO