

# FY20 Budget Reductions



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Budget and School Funding; May 2020

# State Budget Reductions

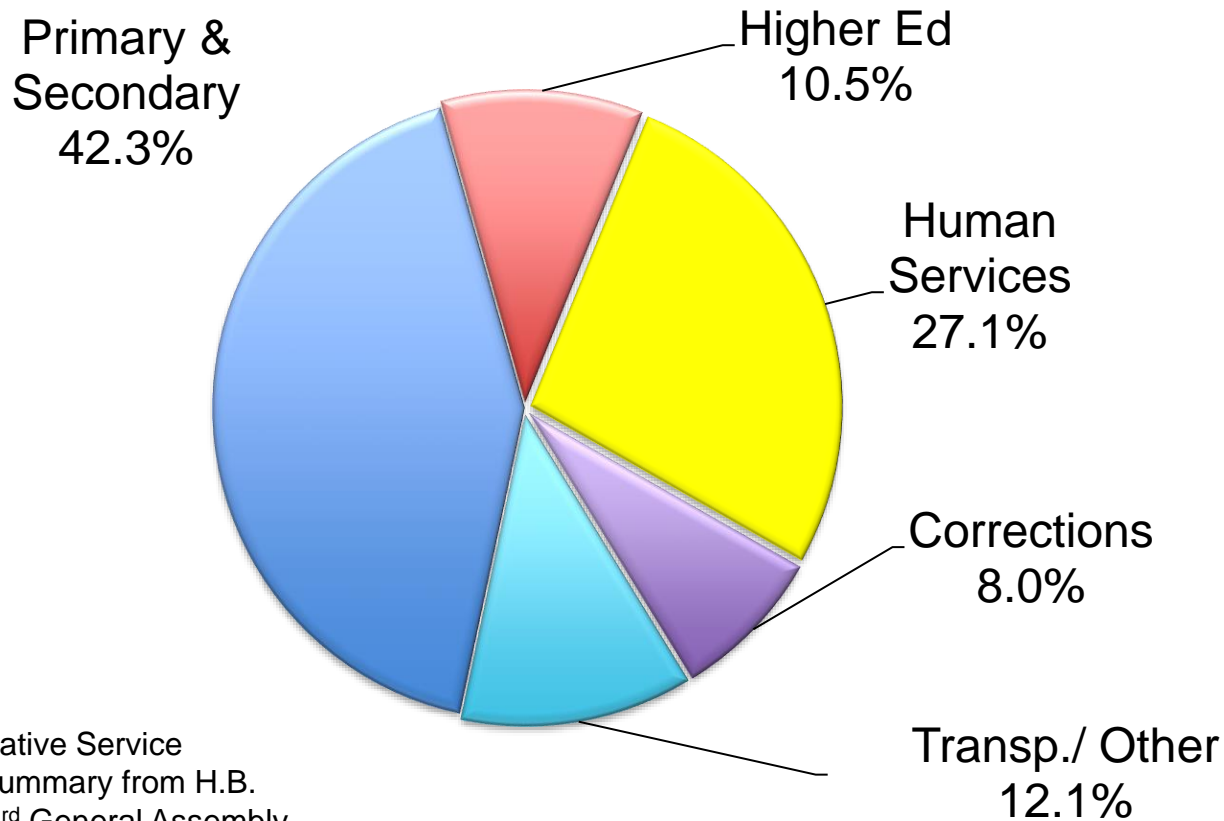
- ❑ March – First signs that GRF revenues eroding
- ❑ April – Tax receipts below estimate by \$866.5 million (35.3%); Year to date below by \$777.0 million.
- ❑ Projecting FY20 shortfall of \$2.0 billion by year end
- ❑ May - FY20 budget reductions; GRF reductions totaling \$775 million.

# State Budget Reductions

- ❑ Medicaid -- \$210 million
- ❑ K-12 Education (Foundation) -- \$300 million
- ❑ Other Education Budget Line Items -- \$55 million
- ❑ Higher Education -- \$110 million
- ❑ Other State Agencies -- \$100 million

# Education and the State Budget

## FY 2020 Est. General Revenue, Lottery, Library and Local Government Funds



Source: Legislative Service  
Commission summary from H.B.  
166 of the 133<sup>rd</sup> General Assembly

# Foundation Funding

- ❑ Foundation Funding to Traditional Districts totals \$8.07 billion in FY20.
- ❑ Funding reduced by \$300.5 million (3.72%).
- ❑ Payments will be reduced starting with the May 22<sup>nd</sup> payment.

# Foundation Funding

- ❑ Funding is reduced by an equalized per pupil amount.
- ❑ Per pupil reductions range from \$88.76-\$304.32.
- ❑ Districts with limited capacity to access resources locally will see lower per pupil reduction amounts, and higher capacity schools will see higher per pupil reductions.

# Reduction Spreadsheet

DISTRICT	COUNTY	FY20 Foundation Funding	FY20 Per Pupil Funding	Adjusted Per Pupil Reduction	Total Reduction	FY19 Operating Expenditures (All Funds)	Reduction as % of Operating Expenditures	Est. FY20 Cash Balance
Lisbon Ex Vill SD	Columbiana	\$5,988,441	\$7,563	\$157	\$124,388	\$10,191,218	1.22%	\$2,838,146
Leetonia Ex Vill SD	Columbiana	\$5,892,926	\$8,514	\$151	\$104,685	\$8,009,484	1.31%	\$6,475,164
United Local SD	Columbiana	\$6,625,593	\$6,467	\$195	\$200,111	\$13,021,190	1.54%	\$4,316,412
East Palestine City SD	Columbiana	\$8,141,425	\$6,835	\$154	\$183,479	\$11,264,694	1.63%	\$605,489
Beaver Local SD	Columbiana	\$9,430,133	\$5,599	\$194	\$327,519	\$18,021,946	1.82%	\$1,567,141
Salem City SD	Columbiana	\$9,377,319	\$4,142	\$181	\$409,674	\$20,264,227	2.02%	\$2,347,142
Columbiana Ex Vill SD	Columbiana	\$3,175,221	\$3,293	\$222	\$213,947	\$10,294,963	2.08%	\$3,347,534
Coshocton City SD	Coshocton	\$12,385,987	\$7,157	\$133	\$230,249	\$18,389,100	1.25%	\$3,967,343
Ridgewood Local SD	Coshocton	\$8,206,322	\$6,601	\$177	\$219,729	\$13,188,637	1.67%	\$6,396,640
River View Local SD	Coshocton	\$8,326,371	\$4,345	\$223	\$427,470	\$21,606,691	1.98%	\$5,360,379
Bucyrus City SD	Crawford	\$11,933,448	\$8,274	\$123	\$177,280	\$16,153,192	1.10%	\$10,846,559
Crestline Ex Vill SD	Crawford	\$6,579,036	\$9,773	\$133	\$89,639	\$7,900,106	1.13%	\$5,212,348
Gallion City SD	Crawford	\$14,129,207	\$7,603	\$124	\$231,355	\$20,096,670	1.15%	\$4,772,508
Colonel Crawford Local SD	Crawford	\$3,871,115	\$5,502	\$214	\$150,467	\$10,091,166	1.49%	\$6,465,932
Buckeye Central Local SD	Crawford	\$4,914,277	\$6,705	\$205	\$150,222	\$9,319,024	1.61%	\$11,916,757
Wynford Local SD	Crawford	\$5,806,149	\$6,113	\$207	\$196,872	\$10,502,055	1.87%	\$4,436,707
East Cleveland City SD	Cuyahoga	\$31,522,728	\$13,428	\$105	\$247,109	\$41,467,636	0.60%	\$13,189,620
Cleveland Municipal SD	Cuyahoga	\$445,674,459	\$8,615	\$109	\$5,630,967	\$721,789,176	0.78%	\$20,279,801
Garfield Heights City SD	Cuyahoga	\$24,029,451	\$5,736	\$89	\$371,854	\$43,801,199	0.85%	\$3,442,632
Maple Heights City SD	Cuyahoga	\$26,255,740	\$6,075	\$89	\$383,623	\$43,737,952	0.88%	\$4,676,266
Euclid City SD	Cuyahoga	\$44,251,240	\$5,880	\$89	\$668,012	\$74,247,840	0.90%	\$9,324,289
Shaker Heights City SD	Cuyahoga	\$17,238,934	\$3,475	\$213	\$1,055,251	\$96,798,175	1.09%	\$56,965,593
Orange City SD	Cuyahoga	\$1,575,535	\$784	\$304	\$611,190	\$48,897,554	1.25%	\$23,939,011
Cleveland Hts-Univ Hts City	Cuyahoga	\$21,307,455	\$3,238	\$215	\$1,415,470	\$109,260,741	1.30%	\$10,250,593
Warrensville Heights City SD	Cuyahoga	\$10,967,363	\$5,169	\$189	\$400,055	\$30,648,864	1.31%	\$33,658,461
Bedford City SD	Cuyahoga	\$8,281,942	\$2,453	\$191	\$643,830	\$48,743,861	1.32%	\$17,296,280
Brooklyn City SD	Cuyahoga	\$1,139,037	\$972	\$184	\$216,174	\$15,675,509	1.38%	\$5,264,239
Beachwood City SD	Cuyahoga	\$1,029,871	\$688	\$304	\$455,391	\$30,799,681	1.48%	\$21,429,324
North Olmsted City SD	Cuyahoga	\$8,754,508	\$2,331	\$239	\$896,087	\$58,325,971	1.54%	\$13,605,897
South Euclid-Lyndhurst City	Cuyahoga	\$8,545,337	\$2,345	\$250	\$912,531	\$58,415,355	1.56%	\$9,546,430
Olmsted Falls City SD	Cuyahoga	\$13,704,445	\$3,854	\$200	\$709,630	\$45,407,732	1.56%	\$1,505,225
Lakewood City SD	Cuyahoga	\$17,477,848	\$3,541	\$224	\$1,104,454	\$70,576,588	1.56%	\$30,597,036
Berea City SD	Cuyahoga	\$10,480,550	\$1,799	\$218	\$1,268,614	\$79,360,471	1.60%	\$19,318,489
Cuyahoga Heights Local SD	Cuyahoga	\$542,339	\$713	\$304	\$231,630	\$14,281,953	1.62%	\$13,066,428
Fairview Park City SD	Cuyahoga	\$2,704,228	\$1,616	\$224	\$275,718	\$22,289,400	1.69%	\$13,982,872

# Reduction Methodology

- ❑ FY19 State Share Index
- ❑ Adjusted for districts previously subject to the cap.
- ❑ Range of State Share is compressed to 80% of the range (4%-72% rather than 5%-90%).
- ❑ Inverse of the adjusted compressed state share is applied to a per pupil amount to yield \$300.5 million in savings.



# Other Budget Reductions

- Expected Underspending
- Unawarded Grant/Subsidy
- Pending Subsidy Reductions
- Legislative Earmarks
- Operating Reductions

# FY20 State Funding Not Impacted by Budget Reductions

- Property Tax Reimbursement Payments
- TPP Reimbursement
- Foundation Funding for JVSDs
- State Special Education Funding (including Catastrophic Cost Reim.)
- State CTE Grants

# Let's Stay Connected



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