



Understanding State Funding

What Ottawa Hills Residents Need to Know

April 25, 2025

What is the Fair School Funding Plan (FSFP)?

Ohio started the **FSFP** in 2021 to better support public schools. Before this, the way schools got money from the state wasn't always fair or based on actual costs.

The FSFP tries to answer two big questions:

1. **How much does it really cost to educate a student?**
This includes things like teacher salaries, classroom supplies, student support, and all other costs to educate and support a child.
2. **How much money can a local community provide?**
The state looks at household income levels and property values in each district. If a district (like Ottawa Hills) is considered to have higher-wealth, the state gives less money because it believes the local community can provide.

For **Fiscal Year 2025**, Ottawa Hills is receiving **\$2,239 per student from the state**. That's only **about 27% of the average cost** to educate a student in Ohio.

The FSFP plan is currently in year four of the planned six-year phase in, and should be fully in place by the 2026–2027 school year, **as long as it has sufficient legislative support**.

What was Governor DeWine's Proposal in February, 2025?

Governor Mike DeWine wanted to **continue using the FSFP**, which is good in theory. But there was a catch.

In his plan:

- He updated the part that looks at how wealthy communities are (like property values).
- But he **did not update** the part that calculates how much it actually costs to run a school (outdated cost inputs from 2022 were used).



That imbalance would hurt public schools across Ohio, including ours.

For Ottawa Hills, this would have meant a **\$500,000 decrease in state funding over the next two years.**

When this was first proposed, our Treasurer's Office responded by [sending a letter to all Ohio legislators](#) asking them to fix this issue and fully fund the FSFP using current cost inputs.

What did the Ohio House of Representatives Propose in April, 2025?

The Ohio House has a different plan, and it's **not great for our schools.**

- They **do not use the FSFP** at all.
- Instead, they offer **just \$20 more per student for the 2025-26 school year and \$30 more per student for the 2026-27.**
- For Ottawa Hills, this would mean only **\$50,000 more over two years.**

But there's another problem:

- They want to **limit how much money school districts can keep in the bank.** If a district saves too much (more than 30% of yearly spending), we could be forced to spend it rather than save it for future needs. This would put Ottawa Hills in a bind as we get back on track financially and cause issues in the future when we have to continually go out for new levies to support rising costs.

Once this plan was announced, the Treasurer's Office [emailed all Ohio Senators](#) asking for changes that better support districts like ours.

We now await the Senate's biennium budget proposal expected in April - June, 2025. Please know that we continue to advocate for additional funding for Ottawa Hills and stay updated on the changing landscape in state funding.

If you have any questions or concerns, please feel free to reach out to Treasurer/CFO Tom Siloy, at tsiloy@ohschools.org or 419-536-2755.