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Statewide education groups put casino proceeds for schools in perspective

COLUMBUS — Ohio public school leaders say the casino tax revenue districts are set to receive is a drop in the bucket compared to major school-funding reductions in recent years. A survey released today by three statewide education groups representing Ohio public schools puts the casino proceeds for schools in perspective.

The Ohio School Boards Association (OSBA), the Buckeye Association of School Administrators (BASA) and the Ohio Association of School Business Officials (OASBO) said today they want to make sure the public understands exactly what the casino revenue will mean for schools.

"We have seen reports from across the state about this supposed revenue windfall from the casinos that will be going to school districts at the end of the month," said OSBA Executive Director Richard Lewis. "While we are appreciative of the \$38 million that will be distributed to school districts statewide, we caution that it be kept in perspective. We fear the public will see these funds as the Ohio Lottery all over again — a solution to our school-funding problems."

"The level of casino revenue funding for this first fiscal year is considerably less than the losses school districts have experienced in the current education budget," said Kirk Hamilton, BASA executive director. "Ohio school districts have lost significant funding with the elimination of federal stimulus funds and the reduction in replacement funds for local tangible personal property taxes no longer collected. Total education funding for Ohio schools was reduced by \$1.6 billion over the past two years in spite of slight increases in allocations from Ohio's General Revenue Fund."

Casino proceeds for schools 2/2/2/2/2

OASBO Executive Director David Varda pointed to a survey the groups recently conducted to find out how school districts are affected by the casino revenues, especially in light of recent funding losses. More than 345 school district treasurers/CFOs responded to the survey.

"When asked what percentage of their district operating budgets the casino revenues would represent, no one reported more than 2%," Varda said. "More than 76% of respondents reported the casino revenues make up less than 1% of their school district's operating budget."

The survey also showed that approximately half of the districts responding lost more than \$500,000 in each of the past two years. Many districts reported losses as much as \$1 million to \$2.5 million.

"When you divide \$38 million among all school districts statewide, the casino revenues should not be assumed to make up for the losses they've just experienced," Varda said. "This new revenue stream for schools is not a solution to school funding."

In addition, Gov. John Kasich is preparing to release his new proposal for school funding in the coming weeks. In light of the voter-approved casino amendment language that set up the distribution payments for schools, which states, "... distributions to school districts and local governments, under this amendment, are intended to supplement, not supplant, any funding obligations of the state," the groups want to make sure the casino revenues are put in the proper perspective going into the upcoming budget discussions.

The Ohio School Boards Association leads the way to educational excellence by serving Ohio's public school board members and the diverse districts they represent through superior service, unwavering advocacy and creative solutions.

The Buckeye Association of School Administrators is a nonprofit professional organization of school system leaders, specifically, superintendents, central office administrators, building-level administrators, higher education administrators and faculty, graduate students and other educational personnel.

The Ohio Association of School Business Officials is a not-for-profit, professional association serving the continuing education and legislative needs of public school district treasurers/CFOs, business managers, transportation directors, food and nutrition directors, and district support staff.