

Report from the School Funding Task Force

A project of the Canton Regional Chamber of Commerce

Nov. 14, 2008

Introduction:

Strong, effective schools are essential to economic development. That is the reason the Canton Regional Chamber of Commerce maintains a high level of involvement in local, regional and state education issues. After a string of school tax levy losses, which resulted in significant cuts in some school operating budgets, leaders of the Canton Regional Chamber of Commerce sought a deeper understanding of the funding and spending cycles in public education.

The Chamber, through the Current Issues Subcommittee of its Education Committee, formed the School Funding Task Force. It was comprised of educators, business people and community leaders. Its mission, simply put, was to answer two questions: Is there a better way to raise money for schools? Is there a better way to spend money on schools?

The School Funding Task Force began its work in September 2007. It met nearly every month in full session through July 2008, and it broke into Funding and Expense work groups that met several times in the early months of 2008. Some members came and went during the process. Overall, about 30 business and education leaders were engaged in the effort.

Conclusions:

The mechanism for keeping pace with inflation has broken down in Stark County's schools

The votes from the November 2008 general election have been counted, and for the second year in a row, not one Stark County public school district has won approval of a property tax increase for operations. The record over three years, 2006-2008, is two tax increases approved by voters in 31 requests. Some districts asked their voters more than once.

In addition, two Stark County school districts in 2008 tried the less common alternative of seeking a school district income tax. Both of those efforts failed as well. Voters generally approved renewal of existing taxes during this three-year period. Some school districts also succeeded in winning new tax money for building projects and building maintenance.

House Bill 920, enacted in 1976 and later incorporated into the Ohio Constitution, prevents school districts from realizing any meaningful growth in tax revenue when the properties increase in value. This compels school districts to periodically seek a tax increase to keep up with the rising costs of doing business.

It goes without saying that this system also hampers a district's ability to raise new money to sustain new academic programs.

The School Funding Task Force urges the administration of Gov. Ted Strickland to look at the recent history of votes on school tax increases. The Stark County pattern of failure may suggest a broader problem across the state. A new tool for coping with the effects of inflation on public education may be required.

**Business urges education
to build on a record of economy
and collaboration.**

The Task Force concludes that the public schools in Stark County have a clear record of finding economies in spending. Schools also work at offering new educational opportunities in ways that share costs and bring new choices to students and parents across district boundaries. The Task Force urges schools to make further efforts. It also urges schools to pursue strategies for further economies.

One such strategy is to negotiate, over time, for school employees to contribute a greater share toward the growing expense of health care. Even as the Task Force worked, it saw school districts and their unionized employees begin more vigorous pursuit of this goal. The Task Force recommended a 10 percent contribution by all school district employees, a goal some business members thought was modest. This contribution level is low by some private-sector standards but high by some public-sector standards.

It is the strongly held view of some members of the Task Force that the schools also ought to explore new ways to share school facilities, whether that would be classroom space or public facilities such as theaters and auditoriums.

**Education has a good
story to tell but needs
help in doing so**

It is unfortunate that the schools cannot afford the time it takes to continually inform the public about the efforts to cut costs and still achieve high performance. Task Force believes something should be done to remedy this situation. Stark County schools have a good story to tell, from academic achievement to creativity in programming to financial economies. A community's voters must be given the opportunity to understand the value of investing in education for economic prosperity.

A new communications effort to inform the public about the educational and other assets of this community could be the most important outcome of the Task Force's work. The Canton Regional Chamber of Commerce is prepared to contribute to this effort, in partnership with key business and education leaders.

Task Force became a forum for business-education relationship to grow

The School Funding Task Force was not designed as a forum for improving relations between the business and education community. However, it became such a forum. Business and education leaders learned more about the world in which each group must operate. Chamber of Commerce leadership believes that respect for each other's challenges was a byproduct of the Task Force's work. Because of this, there is new potential for greater collaboration between the business leadership and the education leadership in Stark County.

Summary of individual issues:

Through research and discussion, the School Funding Task Force organized its work around six major topics:

- State issues
- Taxation
- Communications
- Spending
- Collaboration and consolidation
- Health care

State Issues:

Even though the Task Force had the least ability to influence state issues, there is a good reason to take this topic first.

It can be said that events in the state of Ohio overtook the Task Force, but in positive ways. The launch of Governor Ted Strickland's education reform initiatives, in his State of the State address of February 2008, created potential for change in the public school environment that the Task Force studied.

Among the state issues the Task Force considered were the inability of schools to realize inflationary growth from taxes previously approved, restrictive policies that inhibit local creativity by school administrators, and concern for the long-term health of public employee retirement funds. The Task Force would expect these issues to arise in any broad examination of educational reform in Ohio.

The work of the Task Force also could inform the Ohio Commission on Local Government Reform and Collaboration, a study group created by the Ohio Legislature in June 2008 that will issue a report by July 1, 2010.

In recent months, a member of the Task Force, attorney Robert Roland of Day Ketterer Ltd. and immediate past chairman of the Canton Regional Chamber of Commerce, won an appointment from Senate President Bill Harris to the 15-person Ohio Commission on Local Government Reform and Collaboration.

On several occasions, the School Funding Task Force restrained itself from pursuing state issues in greater depth because its original mission was to remain focused on Stark County problems and opportunities.

Taxation:

Property tax — State funding for local public school districts is based on the principle that the state helps local residents to fund their schools, and the primary way for local residents to fund their schools is through property tax. Ohio does not attempt to fund public education in sufficient amounts to de-emphasize the need for continuous local taxpayer participation. In fact, the amount of state aid to every district is modified by the amount of local property-tax support. This makes the property tax a key element in the calculation of state aid.

State funding was \$5,565 per pupil during the 2007-08 school year and increased to \$5,732 for the 2008-09 school year. This amount is discounted by the value of the first 23 mills of property tax a district collects. This is called the 23-mill charge-off, and it varies per district by its property values. This means that high-property-value districts will have more financial aid discounted from the state than low-property-value districts.

For instance, in Fairless Local School District for fiscal year 2008, the assessed valuation of property was just under \$213 million and the 23-mill charge-off was \$4.5 million. In Jackson Local for the same fiscal year, the assessed valuation was \$1.3 billion and the charge-off was \$29 million. Conversely, 1 mill in property tax will raise vastly greater sums of money in Jackson Local than in Fairless Local — \$1.3 million to \$213,000.

To compensate partially for the great differences in property values among districts, the state funding formula adds parity aid and additional aid for the number of poor students and disabled students in a district and other factors.

This narrative does not begin to explain the complexities of the school funding formula. It merely attempts to make the point that property tax is at the heart of the school funding formula in Ohio at the present time.

The voted property tax in each school district makes up the difference between what the state pays and what the district persuades voters that it needs.

There is no district in Stark County that operates on as little as \$5,732. The per-pupil expenditures for Stark County's public school districts, as reported by the Ohio Department of Education in February 2008, ranged from \$10,560 per pupil in the Canton City School District to \$7,108 per pupil in the Tuslaw Local School District.

The biggest problems with the current system of funding schools through local property taxes are: the growing resistance to the tax among voters, and the inability of schools to maintain current operation, and cope with inflation, without going back to voters every few years for more money.

The Task Force considered whether either an income tax or a sales tax provided an attractive alternative for raising money at a time when voters have been saying no to increases in their property taxes. Neither tax could replace the vast sums of money that schools raise through property tax. One of the alternative taxes might, however, be more politically or economically appealing to a district's voters in the near term.

Income tax — An income tax presents two advantages to school districts: It is a tax on earned income by residents of a school district and does not affect the tax on their homes. Also, as wages rise over time, so does the yield from this tax. This latter advantage contrasts with the property tax, which generally does not grow with the rise in property values.

During the term of the Task Force's work, two local school districts decided to pursue an income tax in lieu of a property tax increase. In March 2008, Northwest Local School District offered voters a 0.75 percent tax. Its yield was estimated at \$1.8 million per year. It failed, 42 percent to 58 percent. In November 2008, Fairless Local School District also failed to win approval of a five-year, 1 percent income tax, which it estimated would raise \$1.5 million per year. The margin was 34 percent in favor, 66 percent opposed.

As an alternative to the property tax, educators on the School Funding Task Force showed no enthusiasm for the income tax, and business and community leadership on the Task Force did not pursue the issue either.

Sales tax — Midway through the Task Force's deliberations, there appeared to be growing enthusiasm for a capital-improvements sales tax. There is no provision under state law for a sales tax for school operating expenses.

Despite its limitations, a sales tax applied to necessary expenditures, such as computers or bus purchases, could in theory free up general operating money for other pressing needs. However, it is likely that purchases of computers and buses get written out of annual budgets anyway when money is scarce.

A sales tax is sought through the auspices of a county's Board of Commissioners, since it is a permissive application of the sales tax under the Board's authority. A countywide

sales tax for school capital improvements requires the coordinated effort of all public school districts in the county.

The Task Force's interest in the sales tax led it to invite Medina County Commissioner Steven Hambley to make a presentation on March 17, 2008. Hambley and elected representatives from the public school boards in Medina County organized a sales-tax vote in May 2007, and voters in Medina County approved a 0.5 percent tax.

Due to the limits imposed by state law, Stark County could not seek more than a 0.25 percent sales tax for school capital improvements. However, Stark County voters have never tolerated a permissive sales tax greater than 0.25 percent. The tax for Stark County government operations is an example. So is the 0.25 percent sales tax for operation of the Stark Area Regional Transit Authority.

After some initial enthusiasm for this option, members of the School Funding Task Force determined that a sales tax, if it could be won from voters, would provide too little gain for the work and risk involved. Risk included the negative impact on the next property tax requests from Stark County school districts for operating expenses.

Rejection of both the income tax and the sales tax options left the task force with no significant new tax revenue strategy to recommend to the Stark County community. However, the governor's education reform initiative may produce new ideas about raising money locally.

Communications:

Throughout the Task Force's work, members talked about the need to tell the story of the challenges and the accomplishments of the community's public school districts. As the Task Force learned over several months, there are many good stories to tell about public education in Stark County.

Good communications about education involves more than explaining the work of schools. It also involves promoting the value of an educated workforce. The standard of living of everyone in Stark County could rise over time if the average educational attainment in Stark County rises. This is one of the issues being addressed by the Stark Education Partnership, which was deeply involved in the work of the Task Force.

Spending:

The School Funding Task Force decided after a few months of debate that it would try to understand school spending on the basis of per-pupil expenditures.

The Task Force found that Stark County compares favorably to similarly sized counties in average per-pupil spending. For instance, it ranked fourth in overall public school enrollment among 10 medium-size counties in Ohio but it ranked seventh in average per-

pupil expenditures. The 10 medium-size counties were chosen by looking for counties with overall public school enrollment that ranged from half of Stark County's enrollment of 62,946 to one and one-half times Stark's enrollment. The plus-or-minus 50 percent mark was chosen arbitrarily, and only nine of Ohio's 88 counties joined Stark County in such a range.

The Ohio Department of Education reports a variety of data on individual districts and comparisons to what it deems to be similar districts elsewhere in Ohio. Task Force found that 10 of 17 Stark County school districts ranked lower in per-pupil costs than districts deemed similar to them by the Ohio Department of Education. Stark County school districts have a good story to tell about per-pupil spending.

In addition to per-pupil spending, the Task Force looked at pupil-teacher and pupil-administrator ratios, average teacher and administrator salaries and student and family demographics to see which factors might have a bearing on per-pupil expenditures.

It found that demographic factors correlated more strongly with high per-pupil costs than did salaries. Among those demographic factors were percentage of children with disabilities and percentage of children living in poverty.

Data from this review is presented elsewhere in this report. The consensus view of the School Funding Task Force was that Stark County schools compared favorably with similar counties and similar districts throughout Ohio.

The Task Force at times speculated on the effects of across-the-board cuts in school spending. Without participating in the spending decisions at the school administration and school board level, however, task force members could not have seen the effects of a theoretical budget-cutting exercise.

In the end, individual school administrations and elected school boards decide how to spend the money that is available in any given school year. And the supply of money is controlled at the ballot box by the constituents who vote on school tax issues.

On more than one occasion, members considered the economic impact that schools have on the community, even though that economic impact is funded by the requirement to pay taxes. Stark County schools create a sizable economic impact on their communities. In fiscal year 2007, 17 Stark County public school districts spent \$513,403,786, including \$302,724,164 in salaries paid to area residents that in turn are spent on goods and services throughout the community.

Collaboration and consolidation:

Throughout its work, the School Funding Task Force learned that Stark County school districts are involved in numerous efforts to collaborate in offering services and in reducing the cost of purchased services. Here are some examples of program collaboration.

R.G. Drage Career Technical Center began operation in 1977. It is a consolidation of vocational education efforts. Six area school districts participate. They are Fairless Local, Brown Local (mostly in Carroll County), Minerva Local, Louisville City, Tuslaw Local and Northwest Local school districts.

Students go to Drage from their home districts for a two-year program in the following areas: Agricultural and Environmental Systems, Arts and Communication, Business and Administrative Services, Construction Technologies, Education and Training, Health Services, Hospitality, Human Services, Information Technology, Manufacturing Technologies and Transportation Systems.

The participating districts are saved the expense of establishing and maintaining their own career technology programs. And R.G. Drage operates on a 2-mill mandated property tax that — amazingly — has been exempted from the effects of HB 920. This means that the yield from those two mills can grow with inflation. And as a result, it does not have to seek regular property tax increases.

Incidentally, Larry Morgan, the superintendent of the Stark County Educational Service Center, also serves as superintendent of R.G. Drage, a consolidation of administrative positions.

Sometimes it makes more sense for school districts to collaborate in meeting the special needs of some students. In the 2007-08 school year, the Stark County Educational Service Center offered 24 preschool classes, 15 classes for children with multiple disabilities and 11 classes for children with emotional disabilities. The ESC hires the teachers to teach these classes, and the ESC leases space from school districts to house these classes. The teachers are supervised by ESC staffers and also by the principals of the buildings where they work.

The advantage of this collaboration is that the ESC can fill these classes with special-needs students when the participating districts may not be able to fill a class on their own. The ESC determines a daily rate for service to the children in these special classes, and participating school districts have the option of purchasing this service from the ESC or establishing its own classes for such students. With 24 preschool classes, 15 MH classes and 11 ED classes last school year, this collaborative effort is clearly an attractive option.

Since 1995, area school districts have been able to enjoy the services of a program called SAMM, which stands for Science and Math on the Move. The program makes high-tech equipment available to middle school and high school science and math teachers. It does

so by bringing shared equipment to the schools in a truck, which currently operates out of the R.G. Drage Career Technical Center. The SAMM program was begun in Stark County at the urging of Ward J. Timken. Its startup funding came from the Timken Foundation and the Education Enhancement Partnership (now known as the Stark Education Partnership). It continues with funding from school districts and charitable foundations.

Portage Collaborative Montessori School is an alternative school for preschool-through-eighth grade. It is operated by Canton City School District in a building within the North Canton City School District. In addition to Canton City and North Canton, Lake, Jackson, Plain and Canton local school districts participate in the collaborative. It was devised as a cost-effective way to offer education in the Montessori philosophy to a broad cross-section of students in Stark County.

Other examples of collaborative programs and services are cited elsewhere in this report.

The School Funding Task Force encouraged such initiatives and urged school districts to work together in offering richer academic offerings for students throughout Stark County. In one creative discussion, the Task Force talked about combined programs for high-ability students, and magnet schools for subjects such as engineering, mathematics, science and technology, and the arts.

The Task Force also encouraged school districts to advance their existing efforts to cooperatively bus students to and from school. The Task Force concluded that a common school calendar for Stark County would be an important tool in saving money through collaborative busing. The school districts in Stark County are studying the issue.

Schools can build on this record of collaboration and cost containment. The Task Force encourages the districts to continually look for new ways to economize through collaborative purchasing and programming. On several occasions, some members of the Task Force expressed the strongly held belief that schools should study opportunities to consolidate and share job functions across districts. Those members cited the example of Orrville and Rittman school districts in rural Wayne County, which in late 2007 decided to share a school superintendent.

Grants — The school districts in Stark County also collaborate in the pursuit of state, federal and private philanthropic funding to create or enhance educational programs. A prime example of this work was the coordination of grant requests in the state of Ohio’s Seniors to Sophomores program.

Seniors to Sophomores is the name for an initiative by Gov. Ted Strickland to encourage high school students to earn as much as a year of college credit while still in high school, thereby making them college sophomores by the time they graduate from high school.

Working together, 11 of 17 Stark County school districts developed plans to be “early adopters” of the governor’s Seniors to Sophomores program. Each won the maximum

\$100,000 grant to offer a Seniors to Sophomores program in the 2008-09 school year. There were only 42 school districts in all of Ohio that were awarded funds in the first round of Seniors to Sophomores funding. That means Stark County, working together, secured 26 percent of the funding available statewide.

In the most recently completed school year, the Stark County Educational Service Center reported that Stark County schools received in excess of \$12.4 million in federal, state and private funding for various collaborative programs.

Combined purchasing — The Stark County Schools Council of Governments, formed at the Stark County Educational Service Center, combines the purchasing power of Stark County's school districts, districts in adjacent counties and other public institutions such as libraries and colleges. It is one of 10 Educational Purchasing Cooperatives in Ohio.

The Council of Governments seeks bulk buying contracts in several areas:

Classroom supplies, computer printers and software, copiers and copier supplies, custodial supplies, drug and alcohol testing, electrical supplies, food supplies, fuel for vehicles, insurance, medical examinations for bus and van drivers, natural gas, paper, refuse removal, roofing, school buses and Workers Compensation coverage.

It was not possible for the Task Force to determine how much was purchased or saved through these programs because each district purchases goods and services according to its needs within its individual budgets. No district in the purchasing cooperative is compelled to participate. Nevertheless, the point was made that the schools and other members of the Council of Governments buying cooperative find clear advantage in buying through the bulk purchasing contracts negotiated by the Council of Governments.

School District Consolidation — School district consolidation was a difficult topic for the Task Force. Some business representatives were frustrated by the sensitivity of the topic among school officials. It became clear that the Task Force would not find consensus to recommend changes in the status quo. In Stark County, that means 17 full-service public school districts.

At some point, however, Stark County may find itself in a discussion about local government consolidation, including consolidation of school districts. The Ohio Legislature in the summer of 2008 created the Ohio Commission on Local Government Reform and Collaboration, a 15-member panel that will issue a report by July 1, 2010. Its charge includes the study of consolidation and streamlining of local government throughout the state, including school districts.

The task force did look at the school consolidation plan that is being promoted by the Youngstown-Warren Area Chamber of Commerce. That Chamber is proposing a reduction in school district central offices from 45 to 3, one each in Mahoning, Trumbull and Columbiana counties, without consolidating schools. It would like to see school administrative expenses cut by 25 percent, with the savings devoted to college scholarships for students in the Mahoning Valley who would agree to attend colleges or universities in the valley. The plan has many legislative hurdles to clear.

The Task Force's aim was to understand what was happening in the counties to the east of Stark County, not to emulate the Youngstown-Warren Chamber strategy.

Health care:

Significant differences exist between the health care plans offered by most school districts through the Stark County Schools Council of Governments and the health care plans offered by most private employers. Those differences involve level of insurance protection, the share that employees pay toward their insurance, and the reserves maintained to cover catastrophic claims.

As a public self-insurance fund, the Stark County Schools COG insurance program must insure to the maximum level of liability. It therefore maintains a significant cash reserve. At this time, it is between \$45 million and \$50 million.

The COG negotiates a strong health insurance package for members. It is the key element of the COG's collaborative purchasing program. The insurance program covers about 14,000 individuals. The size of the program guards against severe impact on members when a massive claim is made. One illustration: A \$500,000 shock-loss claim for one individual would have an impact of \$2,000 per individual in a group of 250 insured people. In a group of 14,000, that impact is less than \$36.

The COG plan offers coverage in both the AultCare and Medical Mutual insurance networks. It is aligned with the Employers Health Coalition prescription drug program, which bargains for prescription drug coverage on behalf of 600,000 people.

The cost for the insurance runs about \$1,000 per month per employee covered. However, the COG has been able to offer member school districts a one-month premium holiday every year since 1986, according to Stark County School Superintendent Larry Morgan.

In an attempt to find savings in the growing cost of health care, the Task Force came to believe that public school districts should move toward 10 percent contribution by employees. This change must occur over time because employee contributions are subject to collective bargaining. During the course of Task Force deliberations, some school districts and their employees' unions began moving toward more substantial contributions by employees.

In the course of discussions, some business members of the Task Force expressed concern that the level of protection afforded by the COG plan cannot be sustained forever. However, employee contribution to the cost of health insurance will mitigate future cost increases.

Appendix

Levels of achievement in local schools

Though academic performance was not a study topic for the School Funding Task Force, it should be noted that the high school graduation rate at 13 of 17 school districts in Stark County exceeded the state standard of 90 percent in the most recent state report card on school performance.

In that same report card, seven of 17 districts were rated excellent overall, with three of the seven excellent with distinction due to greater than expected student progress over the previous two years. Seven other districts were rated as effective, and the final three were rated as experiencing continuous improvement. For a full report, go to The Repository's reporting on this subject from Aug. 26, 2008:

<http://www.cantonrep.com/archive/index.php?ID=427729&Category=9>

On this subject, Plain Local School District deserves a note. Loser of seven consecutive tax-increase votes, and therefore subject to millions of dollars in budget cuts in recent years, Plain Local nevertheless achieved excellent status. Its ability to cut expenses and perform at a high level deserves deeper study.

State Issues

The discussions on state issues were wide-ranging and general in nature. Topics included the accountability of charter schools compared with public school districts, the desirability of having some controlled inflationary growth in property tax levies, the pursuit of waivers from funding regulations to give districts greater ability to be creative in using funds, and the concern among business members of the School Funding Task Force about the long-term soundness of public employee pension funds.

Gov. Strickland's six principles

As stated earlier, the beginning of Ohio Gov. Ted Strickland's education reform initiative in the early months of 2008 left the Task Force with hope for positive change but uncertainty about what the results of reform would be. Here is how the governor described his intentions.

Gov. Ted Strickland's six principles for public education, excerpted from his 2008 State of the State Address (source: Associated Press)

Since I was sworn in as governor, I have met with dozens of groups to discuss education. I have listened to educators, business leaders, researchers, parents, and many others. I have considered their experiences and the evidence they have marshaled, and have taken heed of a lifetime of observations the First Lady and I have made.

All these discussions have led me to embrace the following vision for our schools: We must create learning environments that foster and nurture creativity, innovation, and global competency.

And I have developed six core principles that will guide our efforts to achieve that vision.

First, we cannot address our education challenges without strengthening our commitment to public education. As a practical matter, the vast majority of Ohio students are and always will be educated in the public school system.

Second, a modern education must be directly linked to economic prosperity. Ohio cannot thrive without understanding that world-class schools will produce a talented workforce, and a talented workforce will attract and create jobs.

Third, we need to identify the great strengths of our schools. There are features in our educational system that the rest of the world seeks to emulate and we must build on these triumphs.

We excel internationally in our ability to foster creativity and innovation. These skills can fuel a lifetime of success, especially in an evolving global economy.

Ohio schools produced the minds that created Superman, with his fictional X-Ray vision, and the mind that invented the MRI, giving doctors the very real ability to painlessly view inside the human body. Ohioans are visionaries, but we're practical as well. It wasn't long after a pair of Ohioans invented the airplane that another Ohioan invented the parachute.

Our schools must teach students to think past the limits of what has been done, and imagine what could be done.

Fourth, our best teachers can show us what works best in the classroom. And we need to consult them and follow their lead.

Great teachers can be a resource not only for their students but for their fellow educators as well. We should support these teachers by giving them the freedom to stay in the classroom and still be rewarded for sharing their expertise with their peers. We lose a lot of new teachers. A lot of new teachers. They tell us as many as half of all new teachers leave the profession within 5 years but we can help keep these talented people by giving them better access to their senior colleagues.

Fifth, we must strive to develop a specific, personalized education program that identifies how each individual student learns and use the teaching methods appropriate to that student's needs and abilities.

The great educator and philosopher John Dewey described this idea many years ago. He wrote that we must shift "the center of gravity" in schools. He said it's a "revolution, not unlike that introduced by Copernicus when the astronomical center shifted from the Earth to the sun. In this case, the child becomes the sun around which the appliances of education revolve."

And sixth, testing and assessment will continue to answer accountability questions. But their most important role will be to guide personalized, individualized education. This will be done through a comprehensive and ongoing understanding of a student's capabilities and weaknesses and growth in the educational process.

I will be guided by these principles as I draft my plan not only for funding, but also for reforming our schools.

I will follow these principles in pursuit of a clear standard: schools that rank among the best in the world and meet the needs of every Ohio child.

Concern about public-sector pensions

Some business members of the Task Force expressed a strongly held opinion that the state needs to consider whether it can continue to afford to let teachers retire with full benefits after 30 years of service.

This article from the archives of the April 1, 2007, Plain Dealer described some of that concern.

Public pensions: Guess who pays?
The chasm between haves
and have-nots continues to grow

The Plain Dealer - Cleveland, Ohio

Author: John Caniglia and Joan Mazzolini; Plain Dealer Reporters

Date: Apr 1, 2007

WHO PAYS? PUBLIC PENSIONS

That bus driver bringing you to work, the garbage collector picking up your weekly trash and the clerk taking your money for a dog license have something you likely lack: a guaranteed retirement.

And you are paying for it.

State and local governments will use your taxes to pump \$3.5 billion into public pension funds in Ohio this year, an increase of about 30 percent since 2001. That works out to Ohio's 11 million residents each shelling out \$318.

These residents are paying for something they do not receive in their jobs. The chasm separating Ohio's retirees those with guaranteed government pensions and those without is growing faster than ever.

Ask one of the 14,000 salaried Goodyear Tire & Rubber Co. employees who recently learned their company is phasing out defined benefits, which guaranteed them pension checks for as long as they lived. Instead, they will get 401(k) funds that rise and fall on the whims of the stock market and can run dry long before the workers die.

Or ask Mark Granakis, 57, who spent 32 years working as a pipefitter at LTV Corp. Despite the company's promises over the years that it was putting away money for workers' pensions, bankruptcy freed LTV of the burden.

Granakis' \$1,400 a month is 70 percent less than the \$4,700 a month he had long expected.

"I had to go back to work because I wanted to eat," Granakis said.

Taxpayers question why government workers make out so much better in their retirement years, even retiring as young as 48. And because most government pensions are based on a worker's best three earning years, workers can inflate their pension checks for decades by stepping up for overtime in those three years.

Then, like Social Security, most public pensions are guaranteed against inflation, with cost-of-living increases for life.

Unlike private sector workers, government employees need not fear that their pension plans will go broke: The funds are guaranteed by the Ohio Constitution, and you, the taxpayers, are the guarantors.

For comparison, private pensions vary, with some companies offering generous plans and others nothing. What's clear, though, is that many companies have abandoned the pension business to be more competitive in the global economy.

The number of private companies providing guaranteed retirement plans -- those with specific check amounts for the life of the retiree -- tumbled 74 percent from 1985 to 2005, from more than 112,000 to fewer than 29,000.

And taxpayers counting on Social Security regularly read news stories questioning whether that fund will be sound.

Laura Ecklar, a spokeswoman for the State Teachers Retirement System, said the answer is not to criticize the public pension as generous but to elevate the benefits for private sector workers.

"Instead of people worrying about the pensions in the government system, we should look at ways of making all of the pension systems fair," Ecklar said.

But taxpayers do worry about the government pensions. As more baby-boomers retire from the public sector in the next 10 to 20 years, the amounts cities and states pour into public pension plans are expected to soar, to make up for shortfalls in the accounts.

Public versus private: The pay-outs differ

Last year, Ohio's state and local government retirees earned a median pension of \$21,804, according to a Plain Dealer analysis of the U.S. Census Bureau's Current Population Survey. The median for workers in the private sector, with Social Security added in, was \$18,390.

Nationally, retired government employees earned a median pension of \$24,668; their private counterparts earned about \$20,483.

"States like Ohio offer far better plans than anything that is available in the private sector," said E.J. McMahon, a pension expert at the Manhattan Institute in New York, a think-tank that analyzes government policy.

Examples abound, from schools to garages to offices.

A Cleveland elementary school principal earns about \$80,000 a year. After 30 years, the principal could retire with about \$52,800 a year.

A Cleveland Catholic school principal makes less, about \$60,000 a year, and would receive a much smaller retirement check. The package includes a savings account built mainly by the principal, with the school contributing about 2.5 percent of the principal's salary. That's less than the 14 percent that public school districts contribute. The Catholic school principal would also receive Social Security.

A mechanic who works for the Lorain County engineer earns \$37,400 a year and builds a pension that would pay him two-thirds of that each year for life. A private mechanic at a garage in Elyria makes about the same, without the guaranteed retirement.

A secretary for Cuyahoga County earns \$32,000 a year. Her counterpart at a Beachwood firm earns \$40,000 but lacks a guaranteed pension.

Not all government workers come out ahead in retirement. County Prosecutor Bill Mason earns \$118,000 this year, overseeing 411 employees. A partner at Jones Day, the international law firm based in Cleveland, earns about \$600,000 a year, as well as generous retirement contributions from the firm.

The perks and other benefits attract candidates for public sector jobs. For years, Elyria police Capt. Dennis Will interviewed applicants who said they wanted the public sector jobs, partly because of the pension.

"Some were very frank with us and told us that they were interested in the pension," said Will, now the Lorain County prosecutor. "We heard it often."

The increasing desire for a public pension appears to match the growing angst of taxpayers who pay for it.

The city of Cleveland paid about \$106 million last year to the state's Public Employees Retirement System and the police and firefighters pension fund. Cleveland city schools paid more than \$64 million to pension funds, records show. Those are tax dollars.

Willoughby-Eastlake schools pay about \$7 million a year to pension funds, about 10 percent of the district's \$72.8 million budget. To cut costs, officials began offering teachers eligible for retirement \$70,000 in incentives to retire, including \$40,000 in cash. A teacher retiring in June would receive \$8,000 from the district in January, the first of five yearly payments, said Cliff Reinhardt, the district's treasurer.

Since the program began about three years ago, the district has saved about \$1 million a year, replacing the highly paid veteran teachers with cheaper but less experienced teachers.

Like most public schools, Willoughby-Eastlake pays 14 percent of teachers' salaries to the pension fund every year. "Fourteen percent of \$70,000 -- what a teacher with 30 years could make -- is a lot more than 14 percent of \$35,000, what a teacher with less experience would make," Reinhardt said. "This works out well for the teachers, and it works out well for us."

Rewarding public employees with better benefits, including pensions, health care, vacation and sick time, became institutionalized decades ago to entice people to jobs that often were lower paying.

Critics, such as McMahon from the Manhattan Institute, claim that union influences created the perks. But all public employees, whether union or not, enjoy the same benefits.

Steve Frates, the president of the Center for Government Analysis in Newport Beach, Calif., said only elected officials can rein in the plans. But elected officials have difficulty being objective about pensions if they receive the benefits, he said.

Proponents of government pensions downplay the contributions from taxpayers.

Keith Brainard, the research director of the National Association of State Retirement Administrators, said employees' contributions and investments -- not taxpayers -- foot the largest part of the pension fund. Contributions by a government employer make up about 25 percent of the plan's assets. The rest is covered by employee contributions and investment earnings, he said.

Taxpayers on the hook for the shortfalls

If public pension plans fail, taxpayers would be forced to bail them out.

Ohio's retirement systems are in better financial shape than those in other states. The five pension plans have about \$31 billion in unfunded liabilities, the difference between the plan's assets on hand and liabilities to date.

More than half of that is from the State Teachers Retirement System, which is working to reduce its liabilities while maintaining health care for its retirees.

The plan said it has 76 percent of the assets needed to pay all benefits accrued by its members, even though the liabilities are not payable all at once.

States such as Oklahoma, Illinois and Pennsylvania are scrambling to fill holes in some of their public pension funds.

California's Public Employees Retirement System has assets of more than \$183 billion and liabilities of more than \$210 billion, causing taxpayers to fear that they will have to bail the plan out. In Illinois, the state's teachers' retirement plan has assets of \$34 billion and liabilities of \$56 billion.

Experts doubt Ohio's plans will struggle that much. But Ohio's cash-strapped school districts, cities and others are increasingly looking for ways to reduce the amount poured into public pension funds.

Pew Charitable Trust study

The School Funding Task Force's subgroup on expenses reviewed a December 2007 study of public pensions in the 50 states, conducted by the Pew Charitable Trusts. Here is a summary of its conclusions:

OHIO HAS DONE A VERY GOOD JOB keeping up with required contributions for its public employee pension system. Employer contributions to the teachers' pension fund have generally kept up, but have fallen short of the total required in the last several years. Ohio has a significant long-term bill coming due for its retiree health care and other non-pension benefits—about \$32 billion. But the state is a national leader in setting aside money to cover these costs. It started saving back in the 1970s, and today it is one of only six states on track to fully fund its non-pension obligations. One of just 13 states with any

assets set aside as of the end of 2006, Ohio had \$11.1 billion—an amount far higher than any other state. (Alaska had the next highest amount set aside with \$2.2 billion.) Ohio also has made efforts over the past 20 years to contain these costs, such as introducing wellness programs, capping lifetime benefits and increasing deductibles and co-payments.

For information on this study, go to:

http://www.pewtrusts.org/news_room_detail.aspx?id=32368

Notes on Taxation

A book by Robert G. Stabile, Ph.D, titled, “Ohio School Finance Blue Book” explains the history of Ohio support for public schools, reviews the law that governs funding and taxation, and illustrates the complex method of state funding to school districts in Ohio. It proved valuable to the work of the School Funding Task Force. For information on obtaining a copy, use any Internet search engine to find the book’s title, or go to this Web address:

<http://www.basa-ohio.org/documents/Ohio%20SF%20Blue%20Handbook%202006-2007.pdf>

The Stabile book can be used in combination with the SF-3 school funding formula information on individual districts, which is available at the Ohio Department of Education Web site: www.ode.state.oh.us

From there, you can search for SF-3 and choose the SF-3 reports for Stark County school districts.

As previously noted, the School Funding Task Force came into being after Stark County school districts began experiencing a number of failures in trying to win increases in property taxes for operations.

The following pages constitute a review of levy outcomes, which were prepared for the Task Force in the course of its work.

Twenty years of levies in Stark County

The School Funding Task Force was offered this review of the levy passage rates.

Schools vs. others, past five years

Figures exclude bond issues and non-Stark levies with marginal Stark votes.

Source: Stark County Board of Elections records, Repository archives.

2007

Schools	6 of 19	31 percent
Others	19 of 27	70 percent

2006

Schools	7 of 19	37 percent
Others	8 of 12	66 percent

2005

Schools	3 of 8	37 percent
Others	21 of 29	72 percent

2004

Schools	7 of 7	100 percent
Others	14 of 20	70 percent

2003

Schools	5 of 7	71 percent
Others	23 of 29	79 percent

Fifteen years of school levies.

Number of school levies that were approved.

Source: Repository research

2002	3 of 4	75 percent
2001	6 of 7	86 percent
2000	5 of 5	100 percent
1999	5 of 6	83 percent
1998	2 of 5	40 percent
1997	6 of 6	100 percent
1996	9 of 14	64 percent
1995	7 of 21	33 percent
1994	5 of 13	38 percent
1993	5 of 12	42 percent
1992	6 of 14	43 percent
1991	7 of 16	30 percent
1990	8 of 26	31 percent
1989	4 of 17	24 percent
1988	3 of 10	30 percent

Gray shading signifies presidential election year.

Notes on Per-pupil expenditures

There are many ways to compare per-pupil costs. To start, here is a look at Stark County and nine other Ohio counties in fiscal year 2006. Data comes from the Ohio Department of Education, Feb. 4, 2008. Numbers are rounded to the nearest whole number or whole dollar.

Of Ohio's 87 other counties, there are nine that have a student population that falls 50 percent either side of Stark County's 62,946 students.

Here are the 10 counties ranked by enrollment:

County	Enrollment	Avg. Per pupil
Montgomery	81,640	10,095
Summit	78,138	9,339
Lucas	66,065	10,385
Stark	62,946	8,688
Butler	58,192	8,658
Lorain	47,665	8,715
Mahoning	38,284	8,750
Warren	34,578	8,628
Trumbull	33,997	8,657
Lake	33,765	10,168

Only three counties in this group have more students in their public school districts.

Here are the 10 counties ranked by average per-pupil expenditure:

County	Enrollment	Avg. Per pupil
Lucas	66,065	10,385
Lake	33,765	10,168
Montgomery	81,640	10,095
Summit	78,138	9,339
Mahoning	38,284	8,750
Lorain	47,665	8,715
Stark	62,946	8,688
Butler	58,192	8,658
Trumbull	33,997	8,657
Warren	34,578	8,628

Six counties have a higher per-pupil cost than Stark, including three counties with significantly fewer students. In the 2007 school year, eight counties spent more on average per pupil than Stark in the same comparison.

This merely illustrates the relative cost performance of Stark County districts against other districts with student populations ranging from 50 percent fewer than Stark and 50 percent greater than Stark.

The Ohio Department of Education compares school districts against what it judges to be similar districts. Here is a look at Stark County's school districts, their enrollments, and their per-pupil costs overall and for administration, compared with what ODE considers similar districts:

District	Enroll.	Similar	Total/pupil	Similar	Adm./pupil	Similar
Alliance	3,101	3,312	\$9,965	\$10,125	\$910	\$1,158
Canton City	11,224	9,774	\$10,560	\$11,049	\$1,363	\$1,339
Massillon	4,258	3,981	\$10,435	\$9,445	\$1,371	\$1,111
N. Canton	4,937	4,685	\$8,507	\$8,863	\$879	\$954
Canton Loc.	2,510	2,665	\$9,745	\$8,762	\$1,022	\$1,032
Fairless	1,939	1,905	\$8,758	\$8,079	\$1,079	\$960
Jackson	5,885	5,079	\$8,281	\$9,522	\$889	\$1,029
Lake	3,608	2,747	\$7,993	\$8,226	\$906	\$979
Louisville	3,381	2,621	\$7,504	\$8,053	\$754	\$985
Marlington	2,680	2,447	\$8,933	\$8,276	\$906	\$967
Minerva	2,088	2,032	\$7,855	\$7,992	\$887	\$914
Northwest	2,419	2,077	\$8,147	\$7,907	\$1,054	\$930
Osnaburg	878	1,138	\$8,706	\$8,410	\$1,084	\$1,068
Perry	4,728	3,881	\$8,271	\$8,859	\$868	\$1,007
Plain	6,324	5,251	\$7,910	\$8,933	\$761	\$940
Sandy Val.	1,470	1,491	\$9,026	\$8,364	\$1,139	\$1,046
Tuslaw	1,515	1,555	\$7,108	\$7,915	\$859	\$949

What is the difference between Stark districts' total per-pupil expenditures vs. a similar district? Here is the difference in descending order.

District	Total/pupil	Similar	Difference
Massillon	\$10,435	\$9,445	\$990
Canton Loc.	\$9,745	\$8,762	\$983
Fairless	\$8,758	\$8,079	\$679
Sandy Val.	\$9,026	\$8,364	\$662
Marlington	\$8,933	\$8,276	\$656
Osnaburg	\$8,706	\$8,410	\$296
Northwest	\$8,147	\$7,907	\$240
Minerva	\$7,855	\$7,992	\$(136)
Alliance	\$9,965	\$10,125	\$(160)
Lake	\$7,993	\$8,226	\$(234)
N. Canton	\$8,507	\$8,863	\$(357)
Canton City	\$10,560	\$11,049	\$(490)
Louisville	\$7,504	\$8,053	\$(549)
Perry	\$8,271	\$8,859	\$(588)
Tuslaw	\$7,108	\$7,915	\$(806)
Plain	\$7,910	\$8,933	\$(1,023)
Jackson	\$8,281	\$9,522	\$(1,241)

Ten of 17 districts spend less than a similar district.

What is the difference between Stark districts' administrative expenditures per pupil vs. a similar district? Here is the difference in descending order.

District	Adm./pupil	Similar	Difference
Massillon	\$1,371	\$1,111	\$260
Northwest	\$1,054	\$930	\$124
Fairless	\$1,079	\$960	\$119
Sandy Val.	\$1,139	\$1,046	\$93
Canton City	\$1,363	\$1,339	\$24
Osnaburg	\$1,084	\$1,068	\$16
Canton Loc.	\$1,022	\$1,032	\$(10)
Minerva	\$887	\$914	\$(27)
Marlington	\$906	\$967	\$(61)
Lake	\$906	\$979	\$(73)
N. Canton	\$879	\$954	\$(75)
Tuslaw	\$859	\$949	\$(90)
Perry	\$868	\$1,007	\$(139)
Jackson	\$889	\$1,029	\$(140)
Plain	\$761	\$940	\$(179)
Louisville	\$754	\$985	\$(231)
Alliance	\$910	\$1,158	\$(248)

Eleven of 17 districts spend less per-pupil on administration than a similar district.

What factors could contribute to the differences in per-pupil spending among Stark County districts?

Here are Stark County's 17 districts ranked by per-pupil costs. The five most expensive are in boldface, the next six are in italic, and the six least expensive are in lightface. This typographical scheme will repeat through the following tables.

District	Total/pupil
Canton City	\$10,560
Massillon	\$10,435
Alliance	\$9,965
Canton Loc.	\$9,745
Sandy Val.	\$9,026
<i>Marlington</i>	\$8,933
<i>Fairless</i>	\$8,758
<i>Osnaburg</i>	\$8,706
<i>N. Canton</i>	\$8,507
<i>Jackson</i>	\$8,281
<i>Perry</i>	\$8,271
Northwest	\$8,147
Lake	\$7,993
Plain	\$7,910
Minerva	\$7,855
Louisville	\$7,504
Tuslaw	\$7,108

Now we will rank by percentage of students in poverty:

District	Total/pupil	Pct. Poverty
Canton City	\$10,560	13.38
Alliance	\$9,965	12.31
Massillon	\$10,435	6.71
Canton Loc.	\$9,745	4.38
Sandy Val.	\$9,026	4.29
Plain	\$7,910	4.24
<i>Osnaburg</i>	\$8,706	3.79
<i>Perry</i>	\$8,271	2.46
Minerva	\$7,855	2.46
<i>Marlington</i>	\$8,933	2.34
<i>Fairless</i>	\$8,758	2.31
Louisville	\$7,504	2.26
Northwest	\$8,147	2.06
Tuslaw	\$7,108	1.67
Lake	\$7,993	1.23
<i>N. Canton</i>	\$8,507	0.77
<i>Jackson</i>	\$8,281	0.76

The top five districts for students in poverty are also the top five in overall cost per pupil.

Now we will rank by percentage of students with disabilities:

District	Total/pupil	Pct. Disabled
Massillon	\$10,435	17.46
Alliance	\$9,965	16.52
Canton Loc.	\$9,745	16.01
Minerva	\$7,855	15.27
Canton City	\$10,560	14.99
<i>Fairless</i>	\$8,758	14.95
Sandy Val.	\$9,026	14.75
<i>Marlington</i>	\$8,933	14.66
<i>Perry</i>	\$8,271	13.53
Tuslaw	\$7,108	13.41
Plain	\$7,910	13.30
Northwest	\$8,147	12.55
<i>Osnaburg</i>	\$8,706	12.52
Lake	\$7,993	10.23
<i>N. Canton</i>	\$8,507	9.44
Louisville	\$7,504	8.89
<i>Jackson</i>	\$8,281	7.62

The seven districts with the greatest percentage of disabled students include the top five in overall expense.

Now we will rank by average teacher salary:

District	Total/pupil	Avg. Teacher \$
<i>Perry</i>	8,270.96	\$55,762
<i>Jackson</i>	8,281.36	\$54,437
Plain	7,909.94	\$53,890
Northwest	8,146.92	\$53,858
Canton City	10,559.60	\$53,541
<i>N. Canton</i>	8,506.66	\$53,014
Louisville	7,504.24	\$51,517
Massillon	10,434.95	\$49,946
<i>Marlington</i>	8,932.62	\$49,270
Tuslaw	7,108.37	\$49,058
Alliance	9,964.62	\$48,922
Canton Loc.	9,744.76	\$47,647
Minerva	7,855.38	\$47,638
Lake	7,992.58	\$47,076
<i>Fairless</i>	8,758.06	\$46,979
Sandy Val.	9,025.54	\$46,060
<i>Osnaburg</i>	8,706.27	\$44,981

Average teacher salary is not a strong indicator of overall per-pupil costs. In fact, Plain Local, among the six lowest in per-pupil costs, ranks third in average teacher salary.

As we sort by average administrator salary, we find it also is not a strong indicator of overall per-pupil costs.

District	Total/pupil	Avg. Adm \$
Northwest	\$8,147	\$84,264
<i>Jackson</i>	\$8,281	\$84,206
Canton City	\$10,560	\$80,469
<i>Perry</i>	\$8,271	\$77,660
Plain	\$7,910	\$77,655
Massillon	\$10,435	\$76,198
<i>N. Canton</i>	\$8,507	\$75,942
<i>Marlington</i>	\$8,933	\$75,316
<i>Fairless</i>	\$8,758	\$73,859
Tuslaw	\$7,108	\$73,430
Louisville	\$7,504	\$68,658
Lake	\$7,993	\$63,094
Sandy Val.	\$9,026	\$62,917
<i>Osnaburg</i>	\$8,706	\$62,288
Alliance	\$9,965	\$61,714
Minerva	\$7,855	\$57,406
Canton Loc.	\$9,745	\$56,645

A low pupil-teacher ratio has a strong bearing on overall per-pupil costs:

District	Total/pupil	Pupil/Teacher
Canton City	\$10,560	17.45
Canton Loc.	\$9,745	17.51
Massillon	\$10,435	17.63
<i>Fairless</i>	\$8,758	17.88
Sandy Val.	\$9,026	18.14
<i>N. Canton</i>	\$8,507	18.69
Minerva	\$7,855	18.82
Northwest	\$8,147	19.35
Alliance	\$9,965	19.68
Lake	\$7,993	19.84
<i>Marlington</i>	\$8,933	20.18
Louisville	\$7,504	20.19
<i>Perry</i>	\$8,271	20.24
Plain	\$7,910	20.97
<i>Osnaburg</i>	\$8,706	21.14
<i>Jackson</i>	\$8,281	21.60
Tuslaw	\$7,108	23.37

Pupil-teacher ratios can be driven lower by the number of disabled or other special-needs pupils in the district.

The final sort for this examination is by median income:

District	Total/pupil	Median inc.
Canton City	\$10,560	\$20,738
Alliance	\$9,965	\$22,680
Massillon	\$10,435	\$24,675
Canton Loc.	\$9,745	\$27,083
Sandy Val.	\$9,026	\$27,657
<i>Osnaburg</i>	\$8,706	\$27,796
<i>Fairless</i>	\$8,758	\$27,862
Minerva	\$7,855	\$28,397
<i>Marlington</i>	\$8,933	\$29,616
Plain	\$7,910	\$30,310
<i>Perry</i>	\$8,271	\$30,361
Louisville	\$7,504	\$30,986
Tuslaw	\$7,108	\$31,102
Northwest	\$8,147	\$34,706
<i>N. Canton</i>	\$8,507	\$35,531
Lake	\$7,993	\$35,876
<i>Jackson</i>	\$8,281	\$37,646

Low median income is a strong indicator of per-pupil expense.

Notes on Collaboration

Here are examples of other collaborative services and programs offered to Stark County schools:

- Programs for gifted students, including Model United Nations
- Career Tech and Tech Prep programs within Comprehensive Collaborative school districts: North Canton, Jackson, Canton City, Lake and Plain.
- Career Tech and Tech Prep programs through South Stark Career Academy school districts: Canton Local, Osnaburg, Perry and Sandy Valley.
- On-line instruction offered collaboratively to Stark County students through digital academies.
- Speech/Language pathology services
- Audiologist services
- Curriculum Director services for small districts
- Information Technology connections to statewide data network
- Distance learning and virtual learning courses
- Electronic Grade Book for teachers in various districts
- Payroll and accounting services
- Home school coordination and review

- Graphic design and printing
- Legal services and labor contract negotiations

Notes on School Consolidation

In criticism of the Youngstown-Warren Chamber of Commerce plan to reduce the public school districts in Mahoning, Trumbull and Columbiana counties from 45 to three, The Ohio School Boards Association cited a report card on education issued by the U.S. Chamber of Commerce. The Chamber determined that Ohio students were doing better academically than three Atlantic Coast states that predominately have countywide school systems like the Youngstown chamber advocates.

This issue is not simple, however. Ohio received a high B grade for academic achievement in the report card published by the U.S. Chamber. Virginia received a lower B, and North Carolina and Maryland received grades of C.

However, all three Atlantic Coast states received grades of A, and Ohio received a C, in postsecondary and workforce readiness. Ohio received a D, and the Atlantic Coast states received grades of B or C when it came to the rigor of their educational standards.

For a look at the U.S. Chamber survey, which was cited by the OSBA and cited here, go to:

<http://www.uschamber.com/icw/reportcard/default>

Does one superintendent per county make it possible for North Carolina to score better in postsecondary and workforce readiness? Do more than 600 school superintendents in Ohio make students perform better academically than students in North Carolina?

The question is no doubt too complex to be answered by one statistic or one series of statistics.

School consolidation is a discussion of economies. It also is a discussion of management structure. One question arises: If school districts consolidate, will the superintendent of the larger district need more assistant superintendents or other subordinate managers to oversee school operations. The Ohio School Boards Association, in its rebuttal to the Youngstown plan, cites the pupil-to-administrator ratios for three selected counties, one each in Virginia, Maryland and North Carolina. It reports 67-to-1 in Loudon County, Va., 92-to-1 in Howard County, Md., and 91-to-1 in Wake County, N.C. A county-by-county look at the three states would be needed to determine if these ratios were typical.

By comparison, the pupil-to-administrator ratios in Stark County are lowest at Canton Local, 91-to-1, and highest at Jackson Local, 235-to-1. The median number for all 17 Stark County districts is 167-to-1. All figures are rounded to the nearest whole number, and the figures come from the Ohio Department of Education's District Profile Information, dated 2/4/08.

The leadership of the Canton Regional Chamber of Commerce's School Funding Task Force offers this assumption: To consider school district consolidation, or even school leadership consolidation, such as the merging of superintendence under one person in Wayne County, Ohio's, Orrville and Rittman school districts, researchers would have to understand the basic structure of school supervision and the way that structure expands with a district's size. Who reports to whom? How many layers of supervision are needed? This would be a discussion of function and creativity that can't be revealed by studying numbers.

Notes on Health Care

Health-Care Costs for Stark Schools

As reported by The Repository.

Figures are for fiscal year 2007 and rounded.

DISTRICT (in millions)	EMPLOYEE SHARE	TOTAL PREMIUM
Canton City	0 percent	\$11.2
Canton Local	9 percent	\$2.3
Fairless	4 percent	\$1.9
Jackson	9 percent	\$5.8
Lake	5 percent	\$2.6
Louisville	0 percent	\$2.6
Massillon	6 percent	\$4.8
Minerva	0 percent	\$2.3
North Canton	3 percent	\$4.6
Northwest	6 percent	\$1.8
Osnaburg	2 percent	\$0.9
Perry	12 percent	\$3.6
Plain	9 percent	\$5.5
Sandy Valley	10 percent	\$1.3
Tuslaw	6 percent	\$1

Figures for Marlinton Local and Alliance City schools were not available to The Repository, but officials from both districts said employees pay a share of the premiums.

Canton City administrative staff pays 5 percent of premiums. Canton City teachers agreed to begin paying 5 percent of their health insurance premium in the 2009-10 school year and 8.5 percent the following year. A new contract with this provision was negotiated in 2008. Estimated savings over the next five years is \$5 million.

Louisville employees began paying a 5 percent share last July and will pay 10 percent beginning July 2008.

Minerva employees will pay \$25 per month in August, \$50 per month in August 2009 and \$75 per month in August 2010.

Jackson Local's employee contribution was listed as 2 percent when The Repository presented this information earlier this year. However, the paper reported on Nov. 29, 2007, that an agreement had been reached to have teachers pay 9 percent. Canton Local administrators pay 10 percent.

Health Care Contributions of Other Public Employees

Stark County government estimated 3 percent

Canton City government \$22.50 per week, or \$1,170 per year, regardless of salary.

Business participants in the School Funding Task Force were surveyed about their employee health-care contributions. In one case, the single-person contribution was as low as 10 percent. At that same company, the family-plan contribution was 20 percent. Elsewhere, the employee contributions ranged from 15 percent to 35 percent.

Members of the School Funding Task Force

Emil	Alecusan	Brewster Dairy, Inc.
Keith E.	Barsuhn	United Way of Greater Stark County
Ronald	Becker	Hilscher-Clarke Electric company
Thomas	Chiappini	Stark State College of Technology
Linda	Dahl	Stark County District Library
Sam	Dorto	Retired
Lynne	Dragomier	Mercy Medical Center
Michele	Evans-Gardell	Canton City Schools
Marsha	Friedman	Diebold Education Center
Mike	Gallina	North Canton City School District
Nancy	Gessner	Massillon Cable TV
Marva	Jones	Massillon City Schools
Richard	Jusseume	Walsh University
Dave	Kaminski	Canton Regional Chamber of Commerce
Bob	Keeler	The Timken Company - GNW-19
Mel	Lioi	Stark County Educational Service Center
Mark	Locke	Alliance Area Chamber of Commerce
Tim	Maloney	Canton Chair Rental
Nadine	Mcllwain-Massey	Coming Together - Stark County
Adrienne	O'Neill	Stark Education Partnership
Steve	Paquette	Stark Development Board
Jim	Pennetti	Canton Regional Chamber of Commerce
Tim	Pickana	Canton City Schools
Teresa	Purses	Canton Local Schools
Rodney	Reasonover	Stark County Community Action Agency
Jim	Reinhard	Retired school treasurer
Joe	Rochford	Stark Education Partnership
Robert	Roland	Day-Ketterer Ltd.
Dennis	Saunier	Canton Regional Chamber of Commerce
James	Smith	Stark County Educational Service Center
Randolph	Snow	Black McCuskey Souers & Arbaugh LPA
Thomas	Strouble	e-Solutions.biz, LLC
Tim	Teynor	Aultman Health Foundation
Tom	Winkhart	Winkhart & Rambacher