

A June 29 Columbus Dispatch article highlights the current school funding dilemma for rural school districts. Not a new problem but one that needs to be solved.

The rural school district funding problem caused by state legislators is not new. The first Superintendent of Common Schools highlighted the problem during his 1837-1840 tenure. State Commissioners of Common Schools, during the second half of the last half of the 19th century and early 20th century, emphasized the problem continually.

From 1913, state school officials have drawn attention to the funding plight of rural school districts. The response of many legislators, currently and in the past, has been the same as the one expressed by the Honorable State Senator, Andrew Brenner as quoted in the Dispatch article as saying that rural communities need to start considering the idea of consolidating services like busing and other programs. (The Honorable Andrew Brenner seems oblivious to the real world of rural public education.)

Consider what has been done regarding “consolidation” of services and programs in public education since the Great Depression:

1. 2674 school districts in 1935 reduced to 611 by 1976
2. 88 county offices of education reduced to 51 Education Service Centers
3. The number of Vocational Planning Districts is 91; 49 of which are Joint Vocational School Districts
4. Via Council of Governments organizations, school districts have developed a multitude of shared services such as: Educational Purchasing Consortiums, Ohio Education Computer Network, Insurance consortiums, etc., etc., etc.

There are numerous other ways that school districts have established to be more efficient, such as treasurers serving more than one district.

Education Service Centers provide a legion of services to constituent K-12 districts and other education entities.

It is customary for some state officials to direct attention away from the state’s dismal failure to secure a thorough and efficient system of common schools by blaming school districts for the state's failure to meet the State’s constitutional responsibility.

Funding fight puts rural schools in a pinch

Districts face tight budgets, job cuts

Cole Behrens

William Hampton, superintendent of Alexander Local Schools in Athens County, has had to cut 15% of the district’s 220 jobs in the four years he’s been the head of the small district of 1,300 students.

“And we will have to continue to reduce positions,” Hampton said. “It’s been a struggle, and it seems to me the state has decided how much they’re going to give us, we’re just going to have to be happy with it.”

It’s not just Alexander Local Schools – rural districts across the state say they are feeling the pinch amid rising costs, property tax reform and a lack of state aid they say challenges their ability to offer an education that is often the backbone of their communities.

While state aid to the district has been consistently around \$10 million for the past decade, expenditures have increased from \$17.3 million in 2016 to over \$20 million in 2026 with costs projected to increase in coming years, according to data submitted to the state. To offset flat revenue with rising expenses, Hampton said the district is placing a 0.75% earned income tax on the ballot in November for voters in the village of Albany and surrounding areas in the Athens County district.

“If the community wants to keep us operating at a high level and with high achievement, it’s going to be up to the community – the state isn’t going to offset any of our expenses,” Hampton said.

The Dispatch reported in May that over 120 Ohio public school districts are projecting negative cash balances by 2029, the worst rate since the Great Recession. Statewide, districts from the largest urban schools to the smallest rural ones are facing budgetary constraints leading to job cuts and service reductions.

Hampton said the challenge is magnified for rural districts.

“Rural public education is not the favorite child of the state,” Hampton said. “They have a favorite child and they are supporting him. They are throwing money at vouchers and private schools and all of that at an incredible level, but we get what we get and we’re supposed to be happy with it.”

In 2023, GOP state lawmakers approved a near-universal school voucher system, which allows students from high-performing public schools and high-earning families to take advantage of the option to receive a payment for private schools. Now, in 2026, Ohio is paying about \$1 billion for private education.

Rural schools face financial challenges, budget contractions

Tom Hosler, executive director of the Ohio School Boards Association, said for rural districts especially, they reflect their communities.

“The students who attend many of the rural schools across Ohio, they make a decision to want to stay because they want their children to have the same experience,” Hosler said. “So it’s certainly challenging to see the struggles they’re having.”

Joshua Wasson, treasurer for Bellefontaine City Schools in Logan County, said the district is projecting a negative cash balance by 2029. The Ohio Department of Education and Workforce had previously placed them on fiscal precautionary status, meaning the district was required to submit a plan to the state of how it planned to raise revenue or lower costs.

However, they were only able to push the projected negative cash balance to 2029.

"We'll be in the same position again and be required to go through the same process again of developing a plan," Wasson said.

Wasson said the state share of funding has fallen over the years and is projected to only be around 39% by 2030. That means the burden for revenue generation is coming more heavily on the local side.

"Our tax base is not such that we are a very wealthy district, so we did rely a lot on the state share," Wasson said. "And unfortunately the expectation is that we're expected to go out and raise those funds locally now, which is difficult to do in this economy."

A challenge is that property tax generation is more challenging for rural districts. Hosler presented data showing a single mill levy in a wealthy community like Sylvania in northwest Ohio may generate over \$1.7 million, but in a place like Noble County in eastern Ohio it may only generate around \$140,000.

Another part of the challenge is that there is little appetite for new property taxes in areas heavily populated by farmers and elderly retirees.

"Our community wouldn't stomach a property tax," Hampton said, Jared Bunting, treasurer for Athens City Schools, said that the district is weighing a renewal on an existing income tax.

For several years, the district has avoided "right-sizing" its teaching staff based on enrollment trends, but said that couldn't be put off any longer.

"At this point it's more about being as good of stewards as we could and doing everything we can not to ask our community for additional dollars as long as we can," Bunting said.

An income tax, he said, is a doubleedged sword that places the burden on residents rather than businesses but is also more palatable because it doesn't impact retirees and isn't a lump-sum in the form of a property tax bill.

Bunting said that while the state continues to focus on its private school voucher program, residents of southeast Ohio see none of the benefit from it as there are little to no school choice options in the region.

“So in a way, a lot of our tax dollars that are going to the state from our local communities, are getting sent to benefit urban areas, as opposed to staying local,” Bunting said.

For Hampton, rural public schools are the backbones of the community in regions like southeast Ohio where there isn’t another option for students.

“For many of these small communities, the school is the largest employer, it’s the place where everyone gathers – it is the health and well-being of the community,” Hampton said. “And it’s rooted here, so that for us is really important, the school is the center of it all.”

Senate education chair says regionalization may be solution for rural schools

State Sen. Andrew Brenner, R-Delaware, chair of the Senate Education Committee, said that rural communities need to start considering the idea of consolidating services like busing and other programs.

“I think what all schools should be looking at is more shared services and they need to be doing things where if they don’t have the program or another thing that a nearby school does, they allow (sharing),” said Brenner, who lost his primary election in May. “If that means remote classrooms in some of the actual school buildings, I mean those are the things that need to happen.”

Brenner also said large urban districts like Columbus, East Cleveland or Youngstown, which have extremely high cost-per-pupil drag down the amount of funding that rural schools can receive.

“I think you can blame the urban school systems for spending too much money inefficiently, and that makes less money available for rural schools,” Brenner said. “Nobody wants to have that conversation, except for me.”

Cole Behrens covers K-12 education and school districts in central Ohio. Have a tip? Contact Cole at cbehrens@dispatch.com or connect with him on X at [@Colebehr_report](https://twitter.com/Colebehr_report)