



Wyoming City School District
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**Senate Finance Committee
House Bill 96
June 5, 2025**

Chair Cirino, Vice Chair Chavez, Ranking Member Hicks-Hudson, and members of the Senate Finance Committee, thank you for the opportunity to offer testimony on House Bill 96. This testimony is presented jointly by Superintendent, Tim Weber and Treasurer, Ronda Johnson from the Wyoming City School District in Hamilton County.

Wyoming City Schools is located in Hamilton County in southwest Ohio. We are a small suburban school district encompassing approximately 3 square miles and home to 8,000 residents. Our nearly 1,900 students are served in 5 school buildings, including one high school, one middle school and three neighborhood primary schools. Wyoming earned 5 Stars on the 23-24 ODE report card, placing us in the top 11% of school districts in Ohio. Our performance index places us in the top 3% of school districts in Ohio. Our students are consistently among the highest performing in Ohio while our spending is slightly lower than the state average!

Wyoming City Schools has offered testimony at multiple points throughout the HB96 process. In each instance, we have emphasized key data points about our District and these details feel particularly important to reiterate now in light of recent legislative proposals.

- Our general fund is 72% locally funded: 40% from property tax and 32% from income tax
- Wyoming's tax base is 96% residential. Our families – not businesses – shoulder the burden
- Our general fund effective millage is 28.20 – so we are NOT at the 20 mill floor
- State funding to Wyoming has been flat-lined since FY19
- Wyoming voters have approved every single operating, bond and income tax levy in the last 50 years
- Our two voted traditional income tax levies total 1.25%
- In November of 2024, our voters approved a 7.98 mill, \$72.5 million bond issue at 69%
- This community loves and supports our public schools and has high expectations for our District
- The Board of Education adopted a cash balance policy in 2019 to pair with our five year forecast and guide our financial planning

State Funding Formula: Strong local support does not negate the need for state funding.

Wyoming City Schools currently receives approximately \$5.9 million in State Funding and this amount has been approximately the same since FY19. We have not seen an increase in State Funding for 6 years. That being said, we remain committed to the promise of the Fair School Funding Plan (FSFP). It is a student-centered, transparent, and predictable model that was built using actual costs of educating public students in Ohio communities.

We are grateful that the Senate's budget proposal included the final two years of the phase-in and deeply appreciate the Senate's decision to maintain the guarantees. These protections are critical while the formula continues to be implemented, including updates to categorial components based on the state-commissioned cost studies. We are also grateful for the Performance Supplement that provides additional funding for 5 Star

Performance on the State Report Card. As a District with long-standing academic success, we appreciate the recognition of the outstanding work of our students and staff.

In order for the formula to remain in balance, the local share components (such as property valuations and income tax data) cannot be updated without also updating the base cost inputs (such as staffing, class sizes and services). As a mathematical function, only updating the local share components results in decreased state share (currently 24% for Wyoming City Schools and 38% Statewide). With inevitable rising costs, this creates structural imbalance and shifts more of the funding burden onto local taxpayers.

If fiscal constraints at the state level limit your ability to update the base cost inputs, we respectfully request that the local share components of valuation and income tax data also be delayed. This will preserve balance in the formula.

Remove the Cash Balance Cap Provision

We appreciate the Senate's response to the strong advocacy that the 30% cash balance cap provision was problematic. However, increasing the cap to 50% (along with the allowance for capital project set-asides), remains concerning for Ohio's public schools. Here in Wyoming, our cash balance policy would comply with the 50% threshold, but through our collective 60+ years of experience in public school leadership across Southwest Ohio, we know that cash balances are essential to strong financial stewardship for the following reasons:

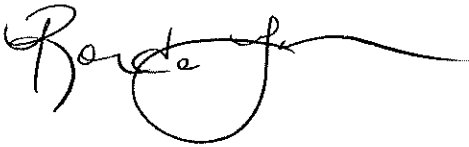
- Carryover cash balance is important to our cash flow. Due to the collection calendar for both property taxes and school district income taxes, maintaining appropriate cash balance is critical to our ability to meet the bi-weekly payroll and benefit obligations to our teachers while we wait for property tax settlements from the County and quarterly income tax payments from the Ohio Department of Taxation.
- This negates financial stewardship of public school districts who proactively plan for varying expense levels of items such as textbook adoption or technology infrastructure planning. Public schools also plan for capital outlay and staffing needs for enrollment changes and instructional programming changes. Having cash in year 1 does not mean it's not reserved for a planned future expense in year 2 or 3.
- For school districts like Wyoming who also have voter-approved school district income tax levies and have seen volatility in our collections over recent years, especially during COVID, this completely ignores our need for cash balance as a buffer for years when our collections are not as healthy.
- Wyoming City Schools adopted a cash balance policy in 2019 that recognizes our current cash reserves as part of our financial planning strategy. Under the financial stewardship pillar of our strategic plan, we are mindful of our obligation to our taxpayers to stretch their property tax dollars as long as possible, but this proposal creates a complex new rule that will confuse our constituents and further complicate property tax levy planning.
- In our recent bond rating process, we were advised by our rating agency that improved cash balance could have influenced an upgraded rating – leading to a potentially lower interest rate and therefore lower bond millage over the life of the debt.

We urge the Senate to remove the 50% cash balance provision from HB96! In lieu of a numeric limit, we urge the Senate to require all public schools to adopt a cash balance policy that meets the unique financial stability needs of each district. Our cash balance policy here in Wyoming has been an excellent financial planning tool used in conjunction with our five year forecast by our Board of Education and Finance Committee.

Expanded Authority of the County Budget Commission: Undermining Voter Intent

The Senate's budget bill expands the authority of the County Budget Commission (CBC) to review and reduce voter-approved school district property tax levies based on ambiguous and subjective criteria. Specifically, voter-approved property tax levies can be reduced if the CBC finds it "reasonable and prudent to avoid unnecessary, excessive, or unneeded collections." We are very concerned about the ability of three individuals (County Auditor, County Treasurer and County Prosecutor) to override the will of our Wyoming voters who actually pay the taxes! Our voters have consistently supported our levies over the past 50 years with the expectation that the revenue will be used to meet the high demands of our community for public education – not subject to retroactive reduction by an independent body with no working knowledge of the needs of our students. These provisions weaken local fiscal autonomy and could inject uncertainty into our multiyear planning.

Chair Cirino and members of the committee, thank you for the opportunity to share information regarding the impact of the Senate's budget proposal on Wyoming City Schools.



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Wyoming City Schools



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