



District Offices

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Testimony before the House Primary & Secondary Education Subcommittee

Beth Weber, Treasurer
Sycamore Community School District
March 7, 2017

Chairman Cupp, Ranking Member Patterson, and members of the House Primary and Secondary Education Subcommittee, thank you for the opportunity to submit testimony today. My name is Beth Weber and I am here to speak on behalf of the Sycamore Community School District, located in Hamilton County. I have been the Treasurer at Sycamore and a member of its community for 18 years and am a parent of two Sycamore students. I am thoroughly vested in the success of the Sycamore Schools and its community.

Representatives from my district have addressed the Legislature in past budget cycles about the importance of Tangible Personal Property (TPP) reimbursements to our community. We thank the Legislature for its work on the last budget to preserve our district's funding, maintaining the State's partnership in the education of our students. However, as Mr. Pickana stated in his testimony the Governor's line item veto of the second year of the TPP supplement created uncertainty for all heavily TPP reliant districts. As we review the impact of HB49 as originally proposed, I feel it is important to be here today ask you to maintain the State's investment in Sycamore's students, asking you to stop the phase out of TPP reimbursement and/or preserve the use of the TPP supplement.

I am proud to be part of a community that has worked cooperatively to be an economic driver in Ohio. Our community, which includes the cities of Blue Ash and Montgomery and portions of Symmes and Sycamore Townships, is a great example of what can happen when governments work together with a vision to create a great place to live and work for our residents and our employers. Sycamore has worked diligently to make our community attractive for business and residential development. We've worked with our municipalities and townships to approve incentives and abatements to attract businesses and build supporting infrastructure. We've provided high quality education

drawing people to live in our neighborhoods and enhance residential values. We've maintained moderate property tax rates to attract business and residential development.

Our community has approved local tax issues for all of its school facilities and currently funds nearly 80% of its operations. Of the State's 20% contribution, 12% is TPP reimbursement or supplement. Once this funding source is completely phased out, the State will pay less than 10% of the cost to operate our school district, shifting the rest to our community and its taxpayers. Again, our local community, both our residents and our corporate citizens, does its part to fund education, but they should not sit back and accept single digit contributions from the State for its public schools. I ask that you maintain your current investment.

Sycamore was heavily reliant on the tangible personal property tax (TPP) as a local source to fund its schools and remains dependent on TPP reimbursement and the TPP Supplement. The district realized an annual cut of nearly \$4 million or almost 6% of our total operating budget in the 2012-13 biennium budget as we did our part to help the State close its funding gap. Currently, we receive nearly \$9 million in TPP reimbursement and TPP supplement which funds about 12% of our day to day operations.

Core aid, the primary source of funding under consideration in this budget is projected to bring Sycamore about \$650 per student from the State to support teaching and learning for our students. This is an amount that has changed little since the change in tax policy occurred and is less than what private schools receive per student from the state to fund education.

The focus on education funding in the Governor's proposal was on the core aid component not the impact of TPP phase out. I'd like to make you aware of the impact of current law regarding TPP, as well as, the Governor's proposal on my district.

- Sycamore is projected to receive a \$32,000 increase in core aid in FY2018 which will be taken away in FY2019 leaving the district with flat funding in this component. Sycamore is impacted by changes reducing the state share of funding for transportation not decreases in enrollment.
- The phase-out of the Tangible Personal Property Tax Reimbursement will reduce the State's support of Sycamore's students by around \$1,052,000 annually over the next two years. Our funding will be reduced by over \$2.1 million annually from current in year two of the budget.
- In FY2017, the district received a supplement of \$1,872,000 from the State to keep the district whole. This supplement implemented by the Legislature goes away in FY2018.

The table below summarizes the impact of the Governor's budget and current law for the School District:

	FY2018	FY2019
Change in Core Aid from Prior Year	\$32,000	(\$32,000)
Change in TPPR from Prior Year	(\$1,052,000)	(\$1,052,000)
Change in TPP Supplement from Prior Year	(\$1,872,000)	\$0
Total Change from Prior Year	(\$2,892,000)	(\$1,084,000)
Total Change from FY2017	(\$2,892,000)	(\$3,976,000)

As you see, Sycamore's State funding is not flat as published in the Governor's proposal initial printouts, but rather is cut by 34% from what we currently receive. This reduction represents over 5% of the district's total operating budget.

In FY19, the district will still receive \$4,238,200 in TPP reimbursement. Under current law, that will continue to phase-out at a rate of at least \$1,052,000 per year until it is completely eliminated.

The projected impact of the Governor's budget proposal and existing law will pose serious challenges for the district. We will continue to advocate on behalf of our students as the budget bill works its way through the Legislature, asking you to maintain your investment in their future.

Mr. Chairman and members of the committee, thank you for your attention today and for your commitment to the State of Ohio and its citizens. Please consider the impact of elimination of the TPP reimbursement and supplement on Sycamore's students and community. I ask that you maintain the current level of TPP reimbursement for all school districts.