



City of
Centerville

Brooks A. Compton, Mayor | Wayne S. Davis, City Manager

Ohio House of Representatives
Pensions Committee

November 24, 2023

Chair Mathews, Vice Chair King, Ranking Member Lightbody and members of the Ohio House Pensions Committee, on behalf of the City of Centerville, I submit this testimony in opposition to the “As Introduced” version of House Bill 296.

Protecting the safety of our community is the most critical responsibility of the City of Centerville. Our community firmly supports its police and fire personnel and their families, and the City duly prioritizes this commitment through the annual investment made in our first responders. A significant portion of Centerville’s general fund budget goes toward police operations and substantial portion of our community’s property tax dollars support fire operations annually. Of this, a majority of costs within expenditures for each public safety department is personnel costs.

HB296 would increase the contribution amounts that employers of full-time municipal police officers must make to the Ohio Police and Fire Pension Fund, from the current 19.50% for police and 24% for firefighters to 24% for both beginning on January 1, 2027. Even if introduced incrementally over the 4-year period prescribed in the “As Introduced” version of the legislation, this contribution increase would represent a substantial new mandate for the City’s fiscal management.

Based on the pensionable wages for police and fire the City expects to pay out through the end of 2023, the current version of HB296 would raise Centerville’s employer contribution payments by \$63,621.70 during the first year of the phase-in and ultimately result in a year-over-year increase of \$190,865.10 by 2027. This calculation does not take into account any potential wage increases the City may authorize for our police and fire departments in that time. Indeed, we anticipate HB296 would manifest unintended consequences hindering the City’s ability to commit additional fiscal resources to needed recruitment, training or other incentives supporting our police and fire personnel when our required pension obligation increases to this unsustainable level.

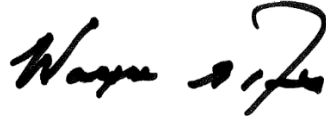
The City of Centerville works diligently to manage our use of taxpayer dollars in applications that balance the well-being of our residents and businesses with investments that drive continued growth for the community into the future. Our success executing on this responsibility to the public depends on our ability to make fiscal decisions responsive to an ever-shifting field of needs and opportunities that local governments face. It is my belief the General Assembly can best support our City by upholding our home rule authority to direct investments in our public safety departments independently as the community deems appropriate.

For these reasons, I respectfully ask this Committee to oppose HB296 in its current form and to continue to seek workable alternatives with the Ohio Municipal League as development proceeds on this legislation. Thank you for your consideration.

Sincerely,



Brooks A. Compton, Mayor
City of Centerville



Wayne S. Davis, City Manager
City of Centerville