



Worthington Schools  
200 E. Wilson Bridge Road  
Worthington, Ohio 43085  
[www.worthington.k12.oh.us](http://www.worthington.k12.oh.us)

**House Finance Committee**  
**House Bill 96**  
**April 3, 2025**

Chair Stewart, Vice Chair Dovilla, Ranking Member Sweeney, and members of the House Finance Committee, my name is TJ Cusick and I serve as the Treasurer for Worthington Schools in Franklin County. Thank you for the opportunity to submit written testimony on House Bill (HB) 96, the biennial budget. I appreciate the time and effort put forth by everyone listening to our concerns and drafting changes to the initial budget proposal. Growing successful districts like Worthington should not lose funding, and we appreciate that acknowledgment. However, completely abandoning the existing formula is not the answer, nor is taking upon yourselves the decision to set an arbitrary cash balance level for each and every school district. Respectful of your time, I will be brief and simply list out my concerns:

- 25% is the MINIMUM recommended by authoritative, independent entities, not the maximum. More importantly, each and every district has a reason for their cash balance level, determined by LOCAL CONTROL and willfully approved by VOTERS of that community. Our residents, for example, have repeatedly approved smaller, incremental annual levies, which require higher cash balances to be maintained and have tasked us with maintaining stability in their school system, rather than come back to them asking for large levies or face dramatic reductions in services. As a non-floor district, we can't depend on inflationary increases to provide stability. Other districts are making sacrifices in operations to save up for capital improvements rather than issue expensive debt. Every district has a reason for their particular cash balance level. It doesn't show up in a column on a spreadsheet.
- A cash balance limit will encourage wasteful, arbitrary spending at year end, something we've worked hard to get away from by all governmental entities. I am very proud of our strategic use of federal covid relief funds.
- Cash flows would become an issue, forcing us to liquidate investments early and likely at a loss.
- Our bond ratings could be in jeopardy, since raters look not only at reserve balances, but fluctuations in revenue
- Uncertainty regarding federal revenue is an authoritative reason for INCREASING cash balance reserves, not a time to decrease them.
- Homeowners who escrow payments would face monthly payment adjustments in arrears. Payments would be reduced in the first year, but when the escrow review takes place the second year, payments will balloon, possibly forcing residents into foreclosure with unexpected increases in monthly house payments.
- Levy passage rates are low. Forcing districts to return to voters more often, with no runway for failure, will be damaging to student opportunities.

I encourage you to eliminate the provision capping carryover cash balance at 25% and allow locally elected boards of education and local voters to establish and manage their financial future and avoid the catastrophic, likely unintended outcome of this provision. I also encourage you to restore meaning to the school funding formula. Our children need a bridge to success, fully equipped with strong foundations and supports, not a bridge formula to nowhere.

Respectfully,

Thomas J Cusick, CPA, Treasurer Worthington Schools