



TREASURER'S OFFICE

110 Tippet Court
Sunbury, Ohio 43074
740.965.3010
www.bwls.net

Testimony on House Bill 96
Before the Ohio Senate Education Committee
Submitted by: J. Scott Gooding II, Interim Treasurer/CFO
On Behalf of Big Walnut Local School District
Date: May 22, 2025

Chair Brenner, Vice Chair Blessing, Ranking Member Ingram, and members of the Senate Education Committee:

Thank you for the opportunity to provide testimony on House Bill 96. I am J. Scott Gooding II, Interim Treasurer/CFO of Big Walnut Local School District in Delaware County. I appreciate your continued commitment to strengthening Ohio's public education system, and I am submitting testimony to echo and reinforce the concerns raised by the Ohio Association of School Business Officials (OASBO) regarding HB 96.

Big Walnut Local Schools has long prided itself on responsible fiscal stewardship, community trust, and a commitment to educational excellence. However, several provisions in HB 96 would jeopardize that stability, placing unnecessary strain on our district and others like it throughout Ohio.

1. Preserve and Fully Implement the Fair School Funding Plan

The shift to "bridge funding" in HB 96 represents a retreat from the Fair School Funding Plan's intent: to fund schools transparently and equitably based on the actual costs of educating students. For districts like Big Walnut—growing rapidly and facing complex educational demands—stable, predictable funding is not optional, it's essential.

We are deeply concerned about updating valuation and income data without simultaneously updating the formula's base cost components. This imbalance risks increasing our local share obligations and shifting more cost burdens to our residents.

We respectfully request the Senate to:

- Remove the temporary "bridge funding" language;
- Reinstate the Governor's original phase-in schedule;

- Use updated base cost inputs to ensure the formula reflects today’s educational costs;
- Maintain guarantees until the full formula is implemented, including updated categorical funding based on cost studies.

2. Remove the 30% Cash Balance Cap Provision

Like many districts across Ohio, Big Walnut builds cash reserves intentionally to manage levy cycles, support major capital projects, and buffer against state and economic uncertainty. The proposed 30% cap fails to account for how school finance actually works in Ohio—particularly the lag in property tax collection and the seasonal volatility of revenues.

Imposing an arbitrary limit on these funds would punish districts that plan prudently and force unnecessary levy requests, undermining public trust and threatening financial stability.

We urge the Senate to:

- Remove the 30% cash balance cap from HB 96;
- Recognize cash reserves as a reflection of fiscal responsibility—not excess;
- Avoid unintended consequences that destabilize school operations and local budgets.

3. Reinstate the Five-Year Forecast Requirement

The five-year forecast has been a cornerstone of long-term financial planning in Ohio’s schools since 1998. At Big Walnut, it is a critical tool used by our board and administration to make informed, proactive decisions—aligning our financial capacity with district goals and voter expectations.

Eliminating this in favor of a three-year model would limit our ability to anticipate and manage future challenges, increase financial risk, and reduce transparency with our taxpayers.

We respectfully request:

- Reinstating the five-year forecast requirement to support forward-thinking planning and public accountability.

4. Update Special Education and ESC Funding

We appreciate the state’s investment in cost studies for special education and other categorical areas. However, Big Walnut and many of our partner districts continue to serve a growing population of students with diverse and complex needs. Aligning special education funding with actual costs, as identified in those studies, is essential to supporting all learners effectively.

Similarly, Educational Service Centers provide vital shared services—from professional development to specialized student supports—and need a funding model that reflects current service demand and operational realities.

We recommend:

- Updating special education funding categories per the state-commissioned cost studies;
- Adopting an updated, tiered ESC funding formula based on FY 2024 operational costs.

5. Support the Transportation Workgroup

We support the creation of a Student Transportation Workgroup as outlined in HB 96. Big Walnut faces unique geographic and logistical challenges, and a comprehensive review of Ohio's transportation system is an important step toward long-term, sustainable solutions.

We request:

- Preserving the workgroup provision to support systemic review and reform of school transportation statewide.

Conclusion

House Bill 96 presents an important opportunity to reinforce Ohio's commitment to high-quality, student-centered education. However, certain provisions—if left unaddressed—will undermine the financial health of districts like Big Walnut and shift burdens onto local taxpayers.

We urge the committee to revise HB 96 to preserve the Fair School Funding Plan, protect financial planning tools, and avoid destabilizing reforms like the cash balance cap. With these adjustments, we can build a stronger, more equitable education system for all Ohio students.

Thank you for your attention and your continued service to Ohio's communities. I would be happy to answer any questions.

Respectfully submitted,



J. Scott Gooding II
Interim Treasurer/CFO
Big Walnut Local School District
scottgooding@bwls.net
(740) 965-3010