



May 23, 2025

The Honorable Members of the Senate Finance Committee
136th Ohio General Assembly
Columbus, Ohio

RE: Opposition to Cash Carryover Balance Provisions in House Bill 96

Dear Senators,

We write to you as the Superintendent and Treasurer of Cuyahoga Heights Schools to express our strong opposition to the cash carryover balance provisions contained in House Bill 96. While we appreciate the Legislature's ongoing commitment to fiscal accountability in public education, we respectfully submit that this particular provision would significantly harm our high-performing district that has demonstrated exceptional fiscal responsibility to our community.

Our Record of Excellence and Fiscal Stewardship

Cuyahoga Heights Schools has demonstrated exceptional performance and responsible financial management:

- **Academic Excellence:** 5-star ratings across all levels (district, high school, middle school, elementary school, and preschool)
- **Statewide Recognition:** Ranked 24th out of 607 districts statewide on all metrics
- **National Honors:** "Best Communities for Music Education" for 20 consecutive years
- **Student Achievement:** 98.8% four-year graduation rate with 33 AP Scholars, including seven with distinction
- **Fiscal Responsibility:** 13 consecutive years of balanced budgets with no negative cash balances
- **Strategic Planning:** Five-year forecast shows deliberate decline in carryover balances from 97.6% (FY24) to 18.6% (FY29) as we invest in students and facilities

Unique Financial Challenges

Our district faces extraordinary circumstances that make the proposed 30% carryover cap particularly problematic:

- **Minimal State Support:** We receive the third lowest total amount of state funding in Ohio
- **High Local Burden:** Our community funds 66.7% of our budget compared to the state average of just 40.44%
- **Community Commitment:** Two-thirds of our voters have no children in our schools yet consistently support education funding
- **Economic Reality:** Despite a median income of \$44,223 and 35% economically disadvantaged students, our community prioritizes education
- **Revenue Losses:** \$16.6 million lost to Tangible Personal Property Tax phase-out, with losses projected to reach \$36.2 million by 2031
- **Facility Needs:** Our buildings rank 600 out of 609 on the OFCC list, requiring significant local investment to maintain 90-year-old facilities



Concerns with Current Legislation

The proposed carryover cap creates several significant problems for our district:

- **Breach of Community Trust:** Voters recently approved funding with the understanding that we would manage resources responsibly for long-term needs
- **Inadequate Planning Time:** The cap prevents proper long-term financial planning for aging facilities and continuing revenue losses
- **Increased Tax Burden:** Would force more frequent levy requests, unfairly burdening our already generous taxpayers
- **Financial Crisis:** Without reasonable amendments, our district would face negative fund balances by 2028

Recommended Solutions

We respectfully propose the following amendments to address these concerns while maintaining fiscal accountability:

- **Five-Year Forecast Focus:** Base carryover requirements on the fifth year of a district's forecast rather than the current year to allow for proper long-term planning
- **Local Board Control:** Require transparent carryover policies adopted by local boards that reflect specific district circumstances
- **Adjust for Local Share:** Provide higher carryover allowances for districts with significantly higher local funding shares
- **Facility Needs Consideration:** Exempt districts with poor OFCC rankings that require reserves for facility maintenance
- **Performance-Based Flexibility:** Allow high-performing districts with demonstrated fiscal responsibility greater latitude in fund management

Conclusion

Cuyahoga Heights Schools represents what Ohio public education can achieve when communities invest in excellence and districts manage resources responsibly. We have proven our commitment to both educational achievement and fiscal accountability. We respectfully urge you to consider amendments that would allow districts like ours to maintain the responsible financial stewardship and educational excellence our communities expect and deserve.

We would welcome the opportunity to discuss these concerns further and provide additional information as needed. Thank you for your consideration and your continued support of Ohio's students.

Respectfully,



Matt Young
Superintendent
Cuyahoga Heights Schools



Matt Muccio
Treasurer
Cuyahoga Heights Schools