



115 S. Ludlow Street · Dayton OH 45402-1812
Tel. (937) 542-3018· Fax (937) 542-3179
E-Mail: CAJones@dps.k12.oh.us

Craig A. Jones
Treasurer / Chief Financial Officer

April 16, 2015

Substitute HB 64 Testimony

Before the Ohio House Finance and Appropriations Committee

Craig A. Jones
Treasurer/CFO
Dayton City School District

Good afternoon, Chairman Smith, Vice Chairman Schuring, Ranking Minority Member Driehaus, and members of the House Finance and Appropriations Committee, my name is Craig A. Jones, Treasurer/CFO, Dayton City School District, and I am here to testify on behalf of our school district as well as the Coalition for Fiscal Fairness in Ohio.

Thank you for the opportunity to submit testimony. I would like to express my grave concern to ending the tangible personal property tax reimbursements to school districts.

Prior to the State of Ohio's 2005 tax reform, tangible personal property represented \$22 million or 10% of our district's general fund revenue. Due to that tax reform involving the tangible personal property tax, we currently only receive \$5,023,786 million in TPP reimbursement for its fixed rate millage levies. The proposed further reduction and eventual elimination of the TPP reimbursement would force our local tax payers to assume 3.6 mills of additional property tax revenue to make up the current funding we would lose.

As it has been demonstrated here today in testimony from many districts there has already been a negative impact from the previous reduction of the TTP reimbursement on those highly reliant school districts. Because of those changes and subsequent TPP decreases we have also already

Mission Statement

Dayton Public Schools provides a high-quality education in a safe environment that prepares our students for success in school, work and life by providing a highly effective trained staff working each day with community resources.

seen the tax burden increased at the local level. In addition we have experienced reductions in services, frozen wages and most importantly struggle with reductions in educational opportunities for our children. All this without any forthright discussion on how to address this lost capacity our districts have experienced and will certainly experience if the substitute version is accepted.

As currently drafted the state is taking local tax revenue and voted mileage at the local level and using it for other purposes without providing any solutions to those most reliant. Please know when HB 66 was passed we collectively supported the TPP elimination based on the commitment the issue of lost local revenue and capacity, for those most reliant would be addressed, and unfortunately to this point those issues have not been addressed. Unfortunately we are left to explain to our local taxpayers, both our homeowners and businesses that locally voted and raised tax dollars are going for state use and that is not what it was intended for.

While the funding formula introduced by the House substitute version calculates our school district should receive more in State funding than we currently receive, due to the funding cap our district will not receive the state revenue it is entitled to in both 2016 and 2017, all the while reducing the TPP reimbursement that is a vital part of our budget. Unfortunately, those positive changes in the House version fall far short of compensating the district for the losses suffered from the ongoing reductions in TPP reimbursement.

We respectfully ask that the Committee leave all forms of TPP reimbursement at the current levels until a plan can be fully vetted and one that takes all TPP districts into consideration and the negative impact of eliminating these vital local resources has on the community.

Mr. Chairman and members of the committee, thank you for your time today. I am happy to address any questions you may have about our district and how we are affected by this important issue. Thank you.

Mission Statement

Dayton Public Schools provides a high-quality education in a safe environment that prepares our students for success in school, work and life by providing a highly effective trained staff working each day with community resources.