

**BUILDING & FINANCE
COMMITTEE MEETING
April 3, 2025 | 6:00 p.m.**

Location: CT Young: Boardroom

Attendees:

1. Athletic Boosters Fitness Center Update - Dr. Ault
 - *Reverse Raffle was a success - \$18,000 collected some of this revenue will be used to support the Fitness Center Building project.

2. Monthly Financials - Teri Riesenbergl
 - *Financials - We are now $\frac{3}{4}$ through the fiscal year and revenues and expenses are on track with the forecast. We will receive final real estate and PUPP settlement information in April as well as the TIF payments from Miami Township and Cleves.

 - *Expenses are on track and align with the forecast

3. HB 15 & 96 Update - Teri Riesenbergl
 - *HB15 has passed the House and maintains current PUPP funding status. Miami Fort will continue to operate coal plant as the conversion is started. 2027 taxing will be reduced from 25% to 7%. Since we do not have a figure on the new energy production levels, we are unable to calculate what the revenue might be, however, the levels are expected to be much greater than the energy currently being produced so we do not anticipate a revenue loss.

 - *HB15 also enabled a provision for the school district and local community to negotiate an agreement directly with Vistra to maintain funding.

 - *Thank you to Rep. Mike Odioso for his continued advocacy for maintaining our financial security in working with the Energy Committee to amend the original proposed language.

4. HB 96
 - *HB96 has passed the House inadvertently creating a funding guarantee for FY25, disrupting the Fair School Funding Plan (FSFP). This change prevents DEW from making payments under the standard public school financing system and instead requires "temporary foundation funding" that cannot fall below a district's FY25 foundation aid. The FSFP was designed to ensure equitable school funding by considering both the actual cost of education and a community's financial capacity. For Three Rivers, this amendment provides a small increase for each year in lieu of the guarantee reductions proposed in the Governor's original budget proposal. The FSFP was not working for Three Rivers

due to declining enrollment and the base cost inputs not being updated. The amended version although not a great revenue increase is better since we are not looking at the 5%/10% guaranteed funding reduction which would have reduced our funding for the same period by approximately \$750k.

*The concerning factor in the amended version are the proposed restrictions on school district cash balances imposing harmful restrictions on cash balances-penalizing responsible financial management while ignoring other government entities. Our reserves are essential for managing inflationary increases, unexpected costs, and economic uncertainty. If these restrictions pass, districts will face increased borrowing costs, frequent levy requests, and potential cuts that directly impact students. If districts are forced to drain their savings, they will struggle to sustain essential services, retain staff, and invest in necessary infrastructure-forcing taxpayers to shoulder the burden of frequent levy requests or painful budget cuts directly impacting students.

*Despite practicing sound financial management, schools are being unfairly targeted. Financial experts recommend maintaining at least a 50% general fund balance as a percent of revenues to preserve strong credit ratings and secure low borrowing costs. Yet, the House proposal arbitrarily caps reserves at 25%, which could drive up interest rates and create unnecessary financial hardship.

5. Other: The 3RiversSGO currently has 18 contributors totalling \$21,100 dollars.

This is a dollar for dollar tax credit. There is still time to redirect your State Tax dollars back to the school district.

Contact Rich Joesting if you have questions: rjoesting@aol.com

Next Meeting Date: May 1, 2025 at CTY - 6:00 PM