



The Village of **YELLOW SPRINGS**

June 18, 2025

To: Chair Brian Stewart, Vice Chair Michael Dovilla, Ranking Member Bride Rose Sweeney, Chair Jerry Cirino, Vice Chair Brian Chavez, Ranking Member Paula Hicks-Hudson, Senator Kyle Koehler, Representative Levi Dean

Subject: Joint Statement Opposing HB 335 and Provisions in HB 96 Affecting Inside Millage, Emergency Levies and Local Fiscal Control

Dear Members of the Conference Committee,

On behalf of the Village of Yellow Springs and the Yellow Springs Exempted Village School District, we write to **strongly oppose House Bill 335 and specific provisions within House Bill 96** that would significantly undermine local financial stability and planning as well as have a detrimental effect on our ability to serve our residents and students. These legislative changes, taken individually, are deeply concerning. Taken together, they are devastating.

As public officials, we are committed to responsible stewardship of taxpayer dollars. We support transparency, sound budgeting, and efficient use of public resources, recognizing that a balanced approach to addressing property tax concerns that maintains the ability of local entities to manage their own budgets and levy taxes is most appropriate for Ohioans. Our opposition is rooted in the concern that HB 335 will compromise these shared goals by disrupting carefully developed local fiscal strategies and reducing the flexibility that allows local governments to respond to community needs.

For Our Schools: An Immediate Loss and a Long-Term Crisis

Yellow Springs Schools estimate a loss of approximately **\$942,000 per year, the equivalent of 20% of our teachers' wages and benefits**, in inside millage beginning in 2026. While this does not create an immediate fiscal crisis, it destabilizes our financial plan and accelerates the timeline for returning to voters for additional support. Over the life of our current forecast, we anticipate a **\$3.5 million shortfall**—despite having aligned our levy strategy with current law and voter expectations.

This situation risks eroding community trust. Our commitment to voters is based on maintaining funding stability for the next decade. HB 335 would force future school leaders to return to the ballot early, appearing to break that promise, even though the rules changed after the fact.

In addition, our district uses 15 to 20 percent of its general fund for debt service. Any disruption to revenue puts those obligations at risk and may force short-term borrowing to cover basic operations. That added cost will ultimately fall on taxpayers.

For Our Village: A Blow to Public Services and Resilience

The Village of Yellow Springs anticipates a revenue loss of **\$455,244 annually** due to the repeal of inside millage. For a small municipality with a limited tax base, this is a significant reduction to our General Fund. These dollars support essential operations, including Police, Public Works and Parks, that maintain public safety, infrastructure maintenance and utility services.

A loss of this magnitude would likely put village services and public safety at risk. Fewer personnel could mean slower emergency response times, reduced maintenance of public spaces and increased strain on already limited resources. Additionally, deferred maintenance on aging infrastructure, already in poor condition, could lead to more serious and costly failures.

This drastic measure compounds years of rising operational costs and previous reductions to the Local Government Fund. Restricting access to local, unvoted millage further erodes our ability to meet community needs, protect public assets and plan for a resilient future. It also increases the likelihood of needing additional voter-approved tax measures to maintain core services as state funding and income & sales tax will not adequately replace lost revenue.

Additional Concerns

HB 335 includes other provisions that create significant financial risk:

- Reclassifying emergency and substitute levies into the 20-mill floor calculation, undermining voter-approved funding tools;
- Capping property tax growth at inflation levels for districts at the floor, regardless of actual cost increases;
- Authorizing budget commissions to reduce collections if cash balances exceed 30 percent of expenditures, potentially penalizing long-term financial planning; county budget commissions would gain the power to limit local tax rates, revise municipal budgets and reduce tax levies, putting vital public services in jeopardy.

These changes work together to limit local control, discourage prudent budgeting, and shift responsibility for state-level policy decisions onto local officials who are closest and most directly accountable to constituents. Please consider the long-term consequences this legislation would have on school districts and villages like ours and protect the local resources that keep our communities safe, functional and prepared for the future.

We strongly urge you to remove or reject these provisions. Predictably, locally determined funding mechanisms are not just a matter of policy preference—they are essential to fulfilling our obligations to the people we serve.

Thank you for your service and thoughtful consideration,

Dr. Rebecca Potter
Board President, YSEVD

Kevin Stokes
President, Yellow Springs Village Council

Dr. Dorothée Bouquet
Board Member, YSEVD

Johnnie Burns
Village Manager, Village of Yellow Springs

Dr. Terri L. Holden
Superintendent, YSEVD

Brian Housh
Member, Yellow Springs Village Council

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Michelle Robinson
Finance Director, Village of Yellow Springs