Finneytown Local School District
Minutes of Finance Committee Meeting/ Special Meeting, February 11, 2026
Brent Board Office Meeting Room
8791 Brent Drive
Cincinnati, OH 45231
Special Meeting 4:00pm

The Finneytown Board of Education met in special session on Wednesday, February 11, 2026, in the Brent Board Meeting Room, 8791 Brent Drive, Cincinnati, OH 45231. Ms. Catanzaro, Mr. Engleman, Ms. Laird, and Mr. Plaut were present. The President called the meeting to order at 4:05 pm.

018-26 Mr. Engleman moved, seconded by Ms. Laird that the Board **Dispense with the Opening Ceremony and Approval of the Minutes from the January 20, 2026 Regular Meeting.** By consensus, the motion passed.

Discussion

Finneytown School Funding

District Funding Sources

The district's budget is funded from four main sources. Local funding, primarily from property taxes, constitutes the largest portion at 53%. State funding makes up about 25%, federal funding accounts for approximately 12%, and the remaining 10% comes from "all other sources."

1. Local Funding

Local funding is the primary source for the district, accounting for 53% of its total funding. This revenue comes from property taxes levied on residential, agricultural, commercial, industrial, and public utility properties. Of this local portion, 86% is derived from residential and agricultural properties, with the remaining 14% from commercial, industrial, and public utilities. The district's voted millage is approximately 90 mills, but due to Ohio's House Bill 920, the effective rate has been reduced to about 37 mills. HB 920 prevents tax revenue from increasing with property values for districts that are not at the state's 20-mill floor. Finneytown is not at the 20-mill floor. Consequently, the only way to generate new local revenue without a new levy is through new housing construction, which the district currently lacks.

All of the district's operating levies are continuing levies, meaning they do not expire. The last operating levy was passed in 2010 for approximately 7.95 mills; this does not include the bond millage for construction passed in 2020.

2. State Funding

State funding provides about 25% of Finneytown's budget. The state funding formula is complex, based on a combination of a district's wealth and student enrollment. Finneytown is located in Hamilton County, which is ranked in the top 20% of wealthiest counties in Ohio. This high wealth ranking negatively impacts the district by reducing the level of state support it receives, creating a paradox as the district itself serves a poorer student population and qualifies for the Community Economic Provision (CEP).

Due to declining enrollment, the district is currently "on the guarantee," meaning it receives a guaranteed amount of approximately $5.3 million, similar to its 2020 funding level. If funding were based solely on the current Fair School Funding Act formula, the district would receive about $1.3 million. The state funding also includes homestead and rollback tax credits; a decision by Hamilton County not to reduce these credits prevented a significant loss of funds for the district.

3. Federal and Other Funding

Federal funding accounts for about 12% of the budget and is considered unstable. This funding is not primarily based on enrollment but on serving specific student populations (e.g., those in poverty, with disabilities, or English language learners). The remaining 10% of revenue comes from "all other sources," including donations, student fees, grants, Medicaid reimbursements, and interest income. Interest income, which has been helpful, is expected to decrease as federal rates are cut.

Financial Forecast

The district's financial forecast, extending to 2030, projects deficit spending of $3.2 million by 2030 notwithstanding a projected positive cash balance of $2.4 million in June 30, 2030. In the short term, the district expects to end the 2026 fiscal year with a cash balance of $10.8 million. It is crucial to begin making internal changes to manage spending and extend financial stability. The financial forecast will be presented for board approval at the regular meeting on February 17, 2026.

The primary driver of the district's expenditures is labor (salaries and benefits), which constitutes approximately 78-80% of the budget. Other significant cost increases include utilities (projected up 15-20%) and insurance (projected up 10%). The district pays 85% of employee insurance premiums, a figure constrained by offerings in competing districts. Purchased services include utilities, outsourced food and cleaning, and specialized educational services from the Hamilton County Educational Service Center. Bringing transportation services in-house is not considered a viable option at this time. Conversely, the construction of new school buildings is expected to save money by reducing the need for costly large-scale repairs, such as a $3 million roof replacement.

019-26 There being no further business, Mr. Engleman moved, seconded by Ms. Catanzaro that the meeting be adjourned. By consensus, the special meeting adjourned at 5:30 PM.

Seth Plaut, President

ATTEST:

Anita E. Ruffin, Treasurer