

DISTRICT ADMINISTRATIVE OFFICE

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Senate Education Committee

House Bill 96

May 14, 2025

Chair Brenner, Vice Chair Blessing, Ranking Member Ingram, and members of the Senate Education Committee, thank you for the opportunity to provide written testimony on House Bill 96. My name is Ryan McLane, and I serve as the Superintendent of the Big Walnut Local School District in Delaware County.

While much of the testimony you are likely to receive will be focused on the Fair School Funding Plan, I'm actually not going to touch too much on that. It seems as though no matter what adjustments are made, my district is a continual loser in any plan that is developed.

According to simulations I have seen of the House version of the budget, Big Walnut will see an increase in state funding next year, but we are one of about 30 districts in the entire state that will see a *cut* in FY 27. It has been said that it is still an increase from what we are getting this current year, but somehow the formula found a way to increase state funding in both years to nearly 580 school districts, just not for us.

I've been told "we are not growing enough." I have a hard time believing 580 other districts are growing faster than Big Walnut, located in the fastest-growing county in the state of Ohio. I have also been told, "We are not economically disadvantaged enough." That may be true on paper, but take a look at some local "well-off" districts in the area, and you'll see they receive an increase in both years. I can only conclude this new calculation is flawed.

The one thing I have heard over the past 18 months is that local taxpayers need relief. This budget does the exact opposite for Big Walnut residents. The idea that the local taxpayers of Big Walnut and districts like ours have a better ability to fund the schools is inappropriate.

I had the opportunity to attend a Property Tax Town Hall hosted by Representatives Lear and Thomas this past Monday evening. I was fully expecting the audience to be upset with their rising property taxes and that school districts were the main culprits because of our supposed excessive cash balances or being the beneficiaries of the 20 Mill Floor. It was shared that the proposed 30% cap on cash reserves would produce \$4.2 billion in property tax relief to taxpayers. Much to my surprise, when members of the audience began asking questions or directed comments towards the state representatives, very few were frustrated with the schools or how we in particular were using taxpayer money. They talked about tax abatements to corporations and frustrations with road repairs, but very few comment were directed at the schools. But it will be the schools who will be the sole contributors to this property tax relief.

Big Walnut is currently in a strong financial position, but that hasn't always been the case. When I first came to this district three years ago, I was told I needed to be prepared to put a tax levy on the ballot in the near future. That is

not something I wanted to do, nor is it something that our residents wanted to hear. Not only have we not had to do that, but it is not even a conversation we are having. We have been very responsible with our spending, and we have increased the amount of money we have in our cash reserve in order to address things our board has determined to be a priority. A decision that was made at the local level. We have a direction we want to go in addressing the needs of our district, which includes renovations and repairs for our buildings.

As we are conservative with our spending, we like to have some money saved in the event that something unexpected happens. Unfortunately, in this case, the "unexpected" is that we are one of about 30 districts in the state that will see their funding cut in a little over a year. Our reserves also allow us the ability to fund our special education program and to provide services to those students. A cost that significantly exceeds the amount of money we receive for students with special needs at the federal or state level.

Yet, the House wants to cap the amount we can have in our cash reserves at 30%. This change would be devastating to Big Walnut and the kids it serves. It would put us in a very different financial position than where we find ourselves today.

It's my hope that the Senate version of this budget removes the 30% cap and recalculates funding in a way that prevents Big Walnut from losing ground in FY27.

Thank you again for your time and for considering the perspective of our district.

Sincerely,

Ryan McLane Superintendent

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