



**Public Testimony of Todd R. Meyer, Superintendent, & Timothy Ryan Jenkins,  
Treasurer/CFO  
Olentangy Local School District, Delaware County, OH  
Amended Substitute HB 96, FY26-27 State Biennium Budget  
Senate Finance Committee, May 14, 2025**

Chair Cirino, Vice Chair Chavez, Ranking Member Hicks-Hudson and Members of the Senate Finance Committee:

Thank you for allowing us to provide this written testimony as interested parties in Amended Substitute HB96, the biennium budget bill that will establish appropriations for fiscal years 2026 and 2027.

I'm Todd Meyer, and I'm the Superintendent of the Olentangy Local School District. Co-submitting this testimony with me is Mr. Ryan Jenkins, our Treasurer/CFO for Olentangy Schools.

Olentangy Schools, Ohio's 4<sup>th</sup> largest public district, educates over 24,000 students daily. We're a successful, rapidly growing public school district. Our residents have faithfully passed 6 operational levies, 10 bond issues and 2 permanent improvement levies since March 1999. Our community has been very supportive.

We're testifying to provide this committee with the impact the bill will have on Olentangy Schools.

**School Formula Funding**

The Olentangy Schools supports the Fair School Funding Plan (FSFP). We don't think that creating a 'transitional' formula is best for public schools.

We do appreciate the following items:

- The 'transitional' formula pays 50% of the difference between the funding calculated for FY2025 and the funding calculated for FY2026 and FY2027 using the FSFP.
- The bill provides Olentangy Schools with a growth supplement of \$100 per student in the 2025-26 school year, and potentially \$200 per student for the following school year.
- The formula adds \$20 per student for the 2025-26 school year and \$30 per student for the 2026-27 school year.

**Exhibit 1**, attached to this testimony, shows that the Substitute House Bill, compared to the Executive Budget, will provide Olentangy with about \$18.7 million in additional funding in the next biennium. We urge this committee and the Senate to give growing school districts the appropriate state funding needed—*this is the most beneficial tax relief for our residents.*

**The 'Clawback' Enacted by ORC §5705.316 and Section 757.110**

While we express our appreciation for the noted funding, we must also express grave concerns about the 'Clawback.'

**Exhibit 2** of this testimony shows how negatively this will impact a rapidly growing school district that is above the 20-mill floor.

The following items outline our concerns about the 'Clawback':

- The 'Clawback' will usher in fiscal emergency for Olentangy Schools.
- Creating a static 30% reserve threshold for Olentangy Schools is unreasonable and fails to recognize the critical factors noted in **Exhibit 2**, which are accounted for when establishing our reserves
- This provision would send our district back to its voters far more rapidly than before, perhaps every year.
- *It will not create any long-term tax relief for our residents.*

We have been praised for our fiscally responsible practices, and our expenditure per pupil is lower than the state average<sup>1</sup>. We transparently share financial data with our community, and we expect to be held accountable.

We support tax relief but think that the amendment gives seemingly little thought to the impact for growing districts *above the 20-mill floor*.

Lastly, our District created a cash-reserve policy, and it is submitted as **Exhibit 3**.

We urge the Ohio Senate to remove the 'Clawback' provision entirely; we also welcome collaboration to enact reasonable cash-reserve policies for all Ohio Schools that recognize the unique circumstances for each district.

We thank you for your time, and we are happy to answer any questions.

Respectfully, Todd R. Meyer, Superintendent & Timothy R. Jenkins, Treasurer/CFO, Olentangy Schools

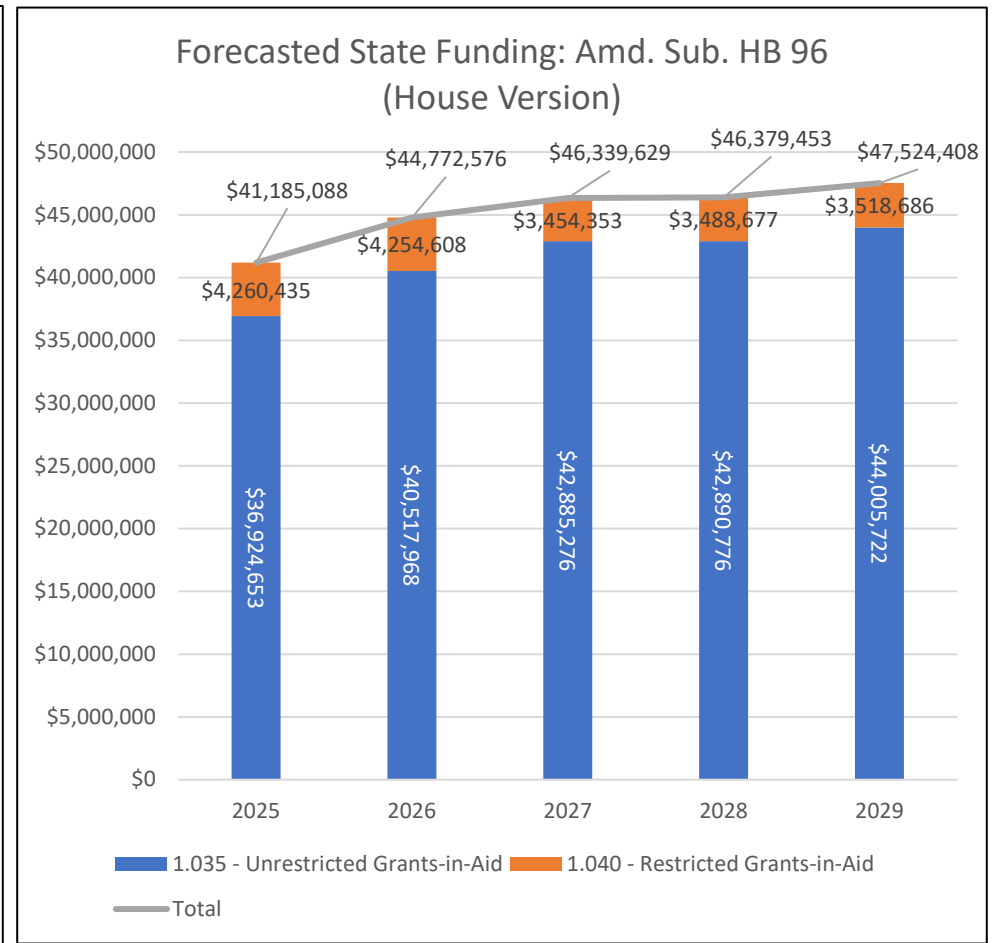
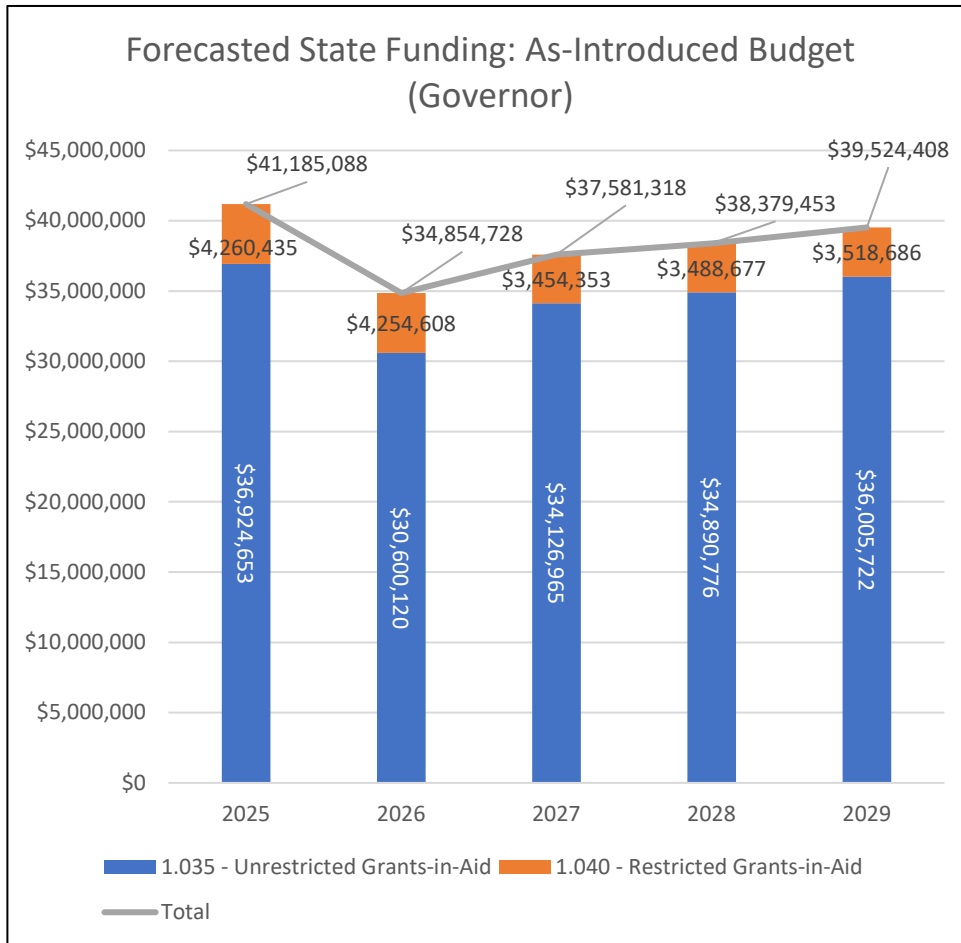


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<sup>1</sup> Source: ODEW 2023-24 District Profile Report (aka the Cupp Report)



**Exhibit 1—Olentangy State Funding Comparisons, As-Introduced versus Am. Sub. HB 96**



**Total forecasted funding over the 2026-27 biennium is about \$72.4 million. With the House approved Am. Sub. HB 96, that funding is forecasted to increase to \$91.1 million, about an \$18.7 million increase.**



**Exhibit 2—The Negative Impact of the ‘Clawback’**

Five-Year Projection: As-Introduced/Governor's Budget					
Financial Forecast	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
	2025	2026	2027	2028	2029
Beginning Balance (Line 7.010) Plus	\$204,845,983	\$200,864,153	\$165,152,360	\$114,382,270	\$43,016,481
+ Revenue	\$370,289,374	\$365,562,229	\$372,708,537	\$381,513,945	\$389,296,136
- Expenditures	(\$374,271,205)	(\$401,274,022)	(\$423,478,628)	(\$452,879,733)	(\$485,892,223)
= Revenue Surplus or Deficit	(\$3,981,831)	(\$35,711,792)	(\$50,770,091)	(\$71,365,789)	(\$96,596,086)
Line 7.020 Ending Balance	\$200,864,153	\$165,152,360	\$114,382,270	\$43,016,481	(\$53,579,605)
Days' Cash, As-Introduced Budget	195.89	150.22	98.59	34.67	(40.25)

Five-Year Projection: Am. Sub. HB96, <i>with Clawback</i> <sup>2</sup>					
Financial Forecast	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
	2025	2026	2027	2028	2029
Beginning Balance (Line 7.010) Plus	\$204,845,983	\$200,864,153	\$128,006,172	\$44,475,659	(\$18,890,130)
+ Revenue	\$370,289,374	\$328,416,041	\$339,948,114	\$389,513,945	\$397,296,136
- Expenditures	(\$374,271,205)	(\$401,274,022)	(\$423,478,628)	(\$452,879,733)	(\$485,892,223)
= Revenue Surplus or Deficit	(\$3,981,831)	(\$72,857,980)	(\$83,530,514)	(\$63,365,789)	(\$88,596,086)
Line 7.020 Ending Balance	\$200,864,153	\$128,006,172	\$44,475,659	(\$18,890,130)	(\$107,486,216)
Days' Cash, Am Sub HB96 no-Clawback	195.89	116.43	38.33	(15.22)	(80.74)

<sup>2</sup> The Clawback will also trigger the conditions needed for fiscal caution, and ultimately fiscal emergency, which is defined as having an operating deficit greater than 15% of the revenue from the most recently completed fiscal year.

**Exhibit 2 Cont'd—The Negative Impact of the 'Clawback,' and Why it is Not Reasonable for Olentangy**

- Our operating levies *have already been approved by our community* to fund the educational programs and services that our community has charged the district with achieving.
- Schools cannot easily, or merely *at our discretion*, implement additional local revenue—we must seek approval from our electors at the ballot.
- Local levies may only be voted on in March or May (i.e., the Primary Election, depending on if it is a Presidential primary), or in November (General Election).
- If a levy is approved, it can take from 9 to 15 months for the full collection cycle to occur and happens over *two* school years. Example: A levy passed in May of 2025 will not see its first *half collection* until the middle of the 2025-26 school year; the *second half collection* will not be collected until the beginning of the 2026-27 school year.
- The cyclical nature of levy approvals necessitates the buildup of reserves to maintain operations between levies. When a new levy is approved, the first few years of the collection cycle will cause the District to build cash reserves based on the influx of new cash. This buildup is then eroded over time as the District continues to grow—this levy cycle for a growing District generally repeats every 5-7 years if we are fortunate, but it can be faster than that, with our last 2-3 levies have only been about 4 years apart.
- The five-year forecast has already incorporated the details of labor contracts through the 2028-29 school year.
- Our five-year forecast has incorporated an increase of nearly 2,000 students, and the addition of about 300 staff members.
- *Olentangy Schools estimates that it will be adding about \$61 million in salary expenses for new teachers between the 2024-25 and the 2028-29 school year.*
- Our five-year forecast has already incorporated insurance details (e.g., premiums, claims, etc.).
- Our five-year forecast has already incorporated projected increases in property valuation due to inflation/reappraisal. We also include forecasts for new construction valuation added to the District. It should be noted that HB 920 factors do not allow Olentangy to get more in aggregate voted levy revenue on existing properties.
- Our five-year forecast has already incorporated projected state budget changes.
- Ratings agencies require schools to have at least 25% cash reserves, and generally higher ratings are associated with a stronger cash position. Further, the ratings agencies respond negatively to laws or other policies that constrain the flexibility and fiscal position of the entities it rates.

**Exhibit 3—Olentangy Schools’ Cash Balance Policy (6210.01)**

**6210.01 - GENERAL FUND CASH BALANCE**

The Board believes that maintaining a cash balance is necessary in the interest of sound fiscal management. The Board shall use the following criteria in determining the level of cash balance:

- A. the predictability of its revenues and the volatility of its expenditures;
- B. the Board's perceived exposure to significant one-time outlays;
- C. the availability of resources in other funds;
- D. the liquidity of the general funds; and
- E. the Board's assigned and committed fund balances.

The Board designates a cash balance that specifies the number of days of cash recommended to be on hand at the end of each fiscal year. The following chart provides the designated number of days’ cash recommended for each fiscal year in the five-year forecast cycle (days’ cash defined as the quotient of the forecasted cash balance at the end of each fiscal year divided by the forecasted expenses for that fiscal year multiplied by 365):

Fiscal or School Year	Current Fiscal Year	Current Fiscal Year + 1	Current Fiscal Year + 2	Current Fiscal Year + 3	Current Fiscal Year + 4
<b>Cash Requirements in Days</b>	180 days	150 days	120 days	90 days	60 days

For the purposes of this calculation, and in accordance with GASB 54, the cash balance shall refer to the total of the committed, assigned, and unassigned fund balances of the general operating fund in any given fiscal year.

If any version of a forecast published in May of a school/fiscal year shows a cash balance in a given school/fiscal year that fails to meet the recommendations above, the following actions will occur:

- A. The treasurer will convene the members of the Finance and Audit Committee to review the forecast, and to discuss options that may increase forecasted cash reserves that meet or exceed recommendations in any school/fiscal year. The Finance and Audit Committee will forward any findings or recommendations to the superintendent.
- B. The superintendent and the treasurer will jointly review any findings or recommendations provided by the Finance and Audit Committee.



**OLENTANGY SCHOOLS**<sup>SM</sup>  
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The Board, in consultation with superintendent and treasurer, may discuss options to address any school/fiscal year in which the forecasted cash reserves are less than the recommended level. These options may include additional operating levies, expenditure reductions or both; or may include delaying any action to gather the most timely, emerging or best-available information for further analysis and review.

**Olentangy Schools 2023**