

OLENTANGY | LOCAL SCHOOL DISTRICT

Our mission is to facilitate maximum learning for every student

Olentangy Local Schools

*2011 Bond/Levy Discussion and
Recommendation*

*Superintendent Wade Lucas, Ed.D. and
Treasurer Rebecca Jenkins*

Setting the Stage – March 4, 2008

- Olentangy voters approved a combined 7.9 mill operating levy and a 0.82 bond issue.
- That issue was designed to meet the district's fiscal and facility needs for three years.
- **That promise has been kept!**

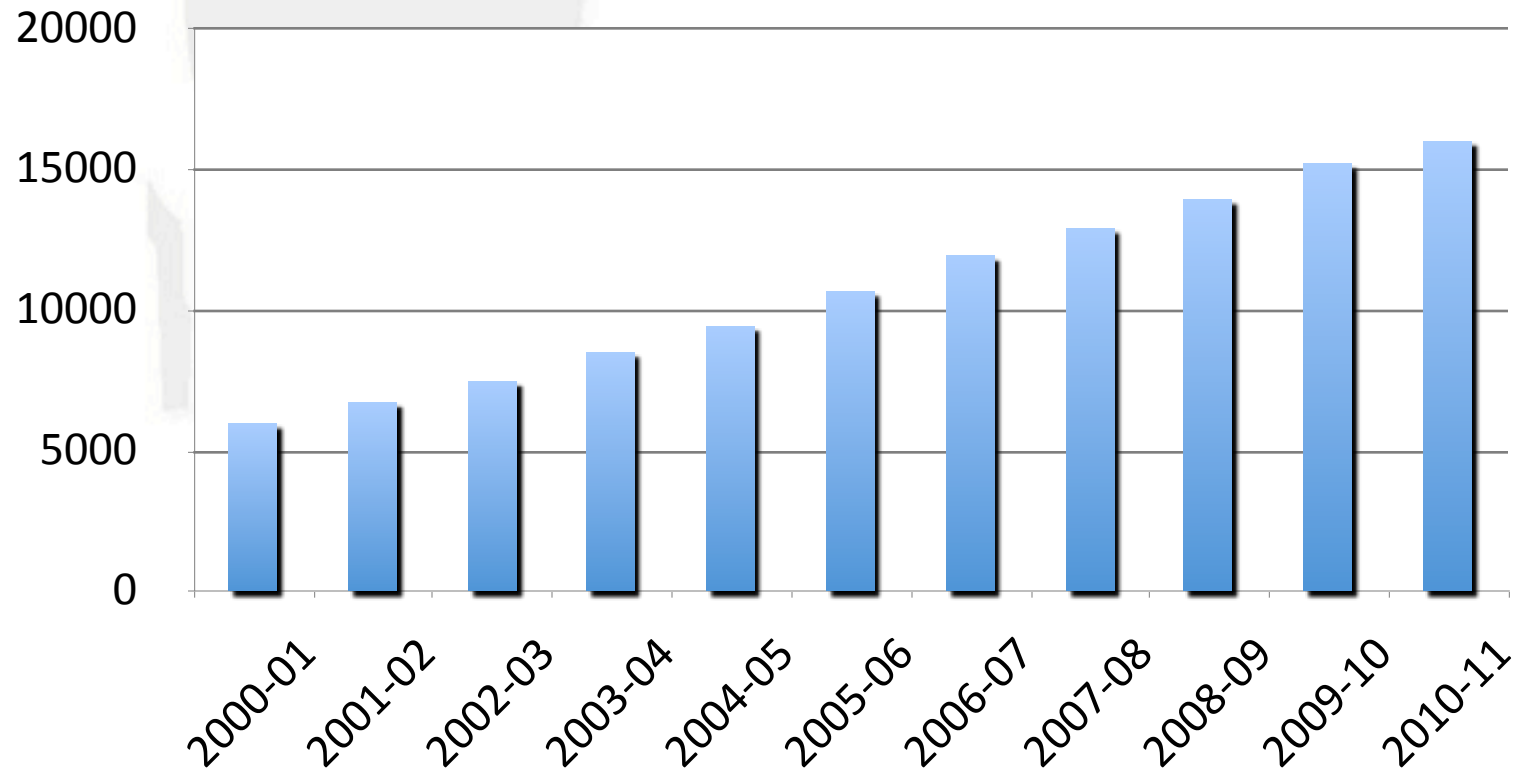


Changes Since 2008

- State Funding shifted from a per pupil calculation to the Evidence Based Model.
- This shift meant that Olentangy lost \$12.7 million in anticipated revenue.
- Olentangy's state funds have remained virtually the same since 2005. However student enrollment has dramatically increased.

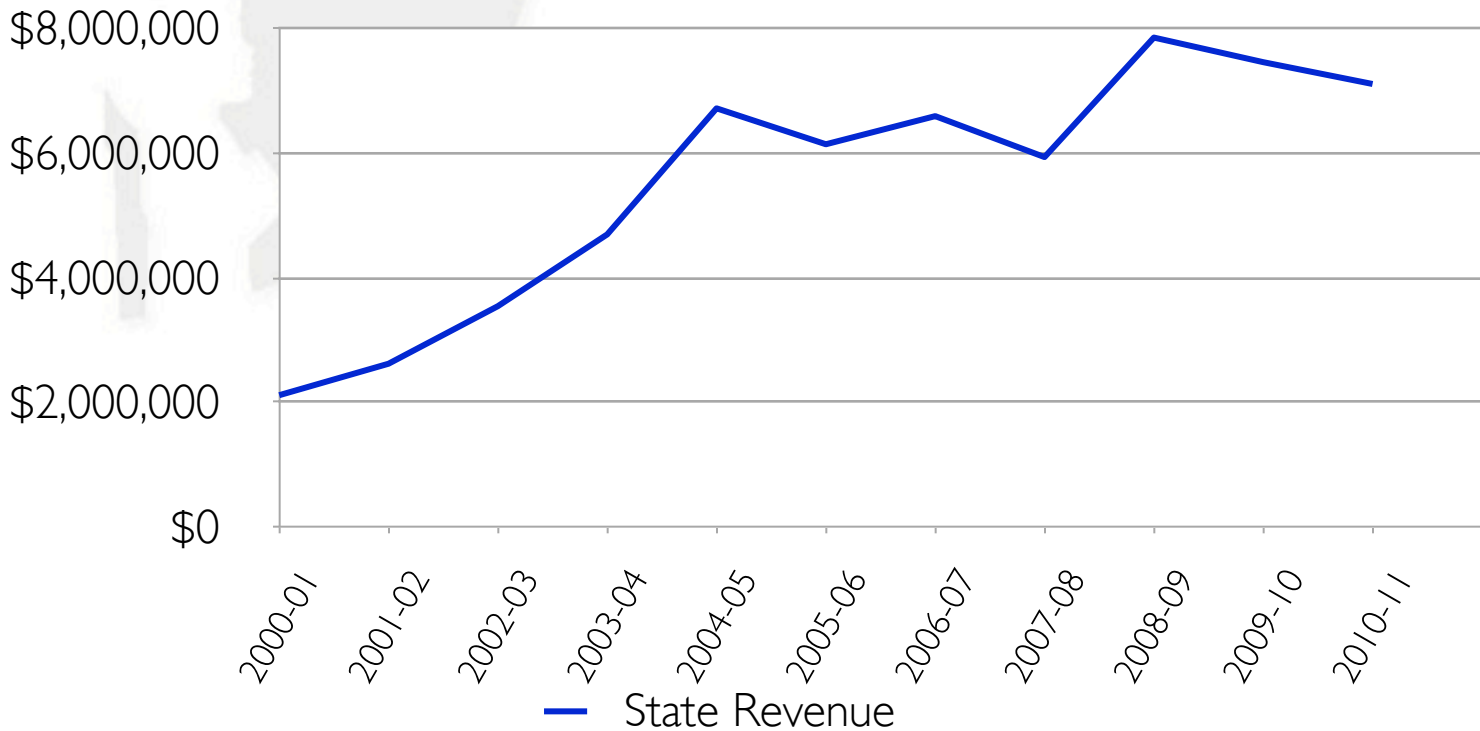
Olentangy Enrollment History

Student Enrollment



Olentangy State Funding History

State Revenue Since FY 01



External Factors that Impacted OLSD since 2008

- Changes to the school funding system
- Reductions in not only anticipated revenue but actual state revenue
- Unfunded mandates – ADK
- Drop in the housing market (No “new” construction)
- More student growth than expected
- Economic Recession



Cost Savings Efforts

- Since 2008, Olentangy has cut more than **\$15.7 million** in expenditures from the budget.
- Many of these reductions are part of the district's ongoing efforts to maintain a high-quality education at a more cost-effective price to the taxpayer.

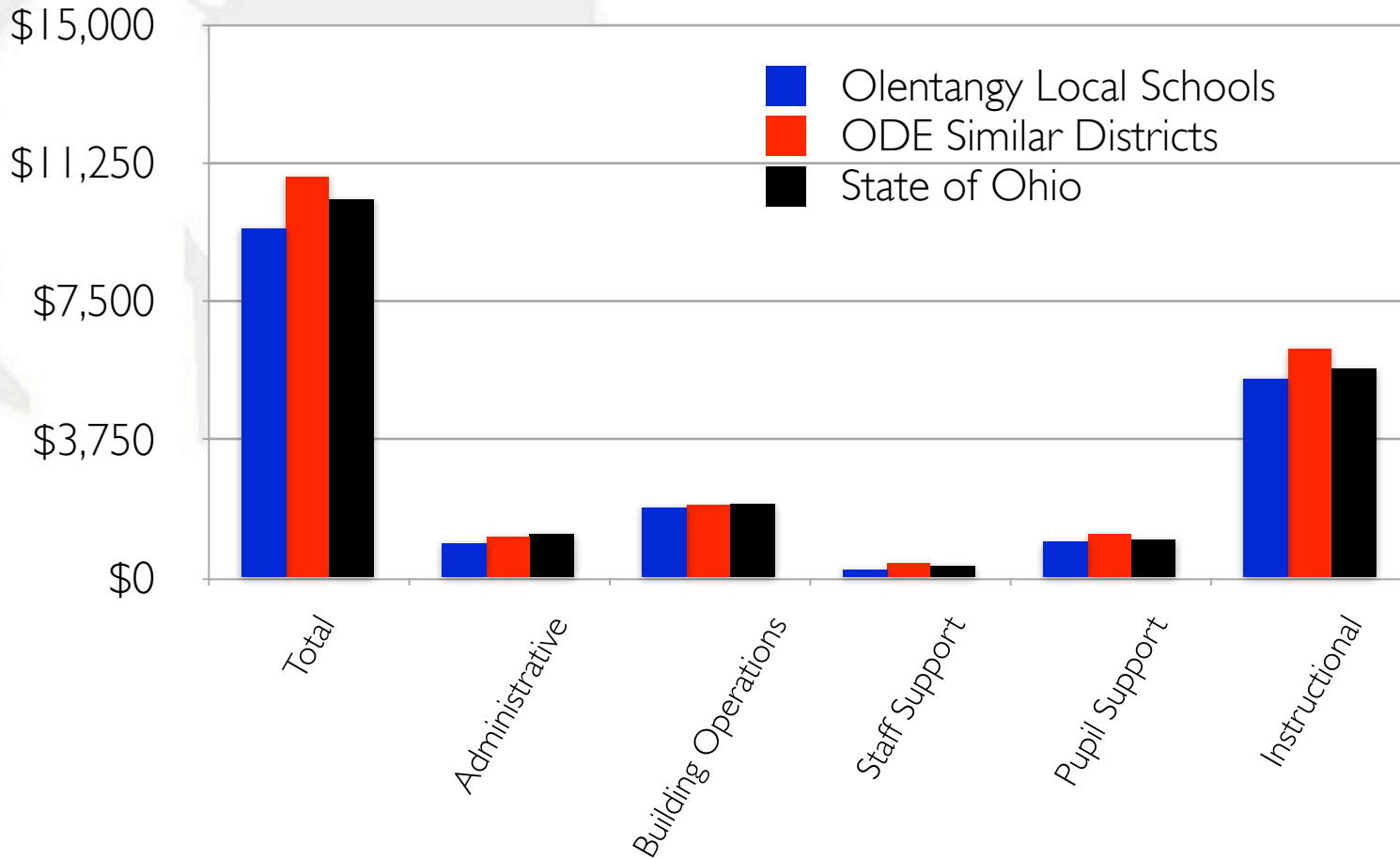
Where Does the Money Go?

- Olentangy's total expenditure per pupil is \$9,460, which is \$793 less than the state average of \$10,253 per pupil and \$1,402 less than the similar-district average of \$10,862 per pupil.
- Administrative expenditures in Olentangy total \$946 per student and are less than the state average of \$1,196 per pupil and the similar-district average of \$1,108 per pupil.

Where Does the Money Go?

- More than 57 percent of Olentangy's costs per pupil are spent on instruction. These expenses include the salaries and benefits of teaching personnel.
- Olentangy spends \$5,401 per pupil on instructional expenses while the similar-district average is \$6,203 per pupil and the state average is \$5,676 per pupil.

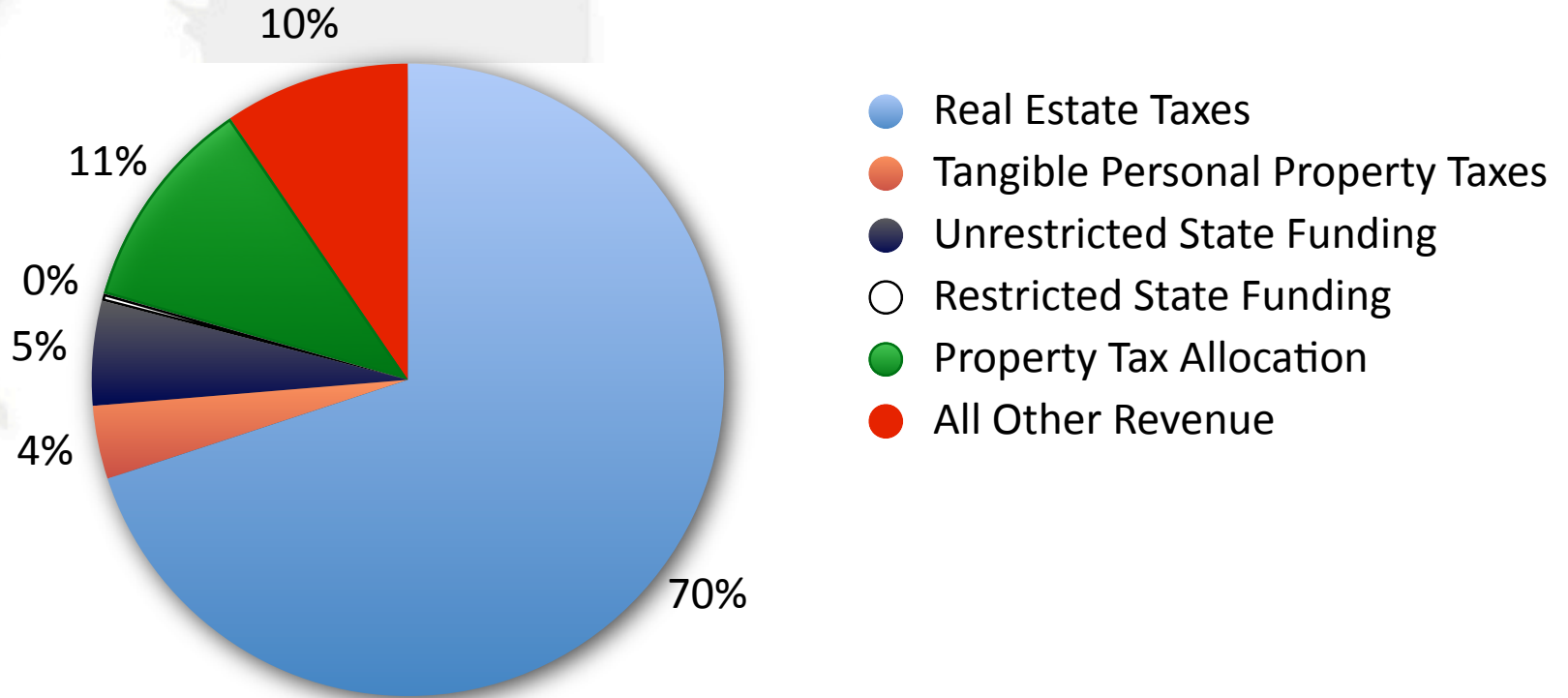
Expenditures Per Pupil



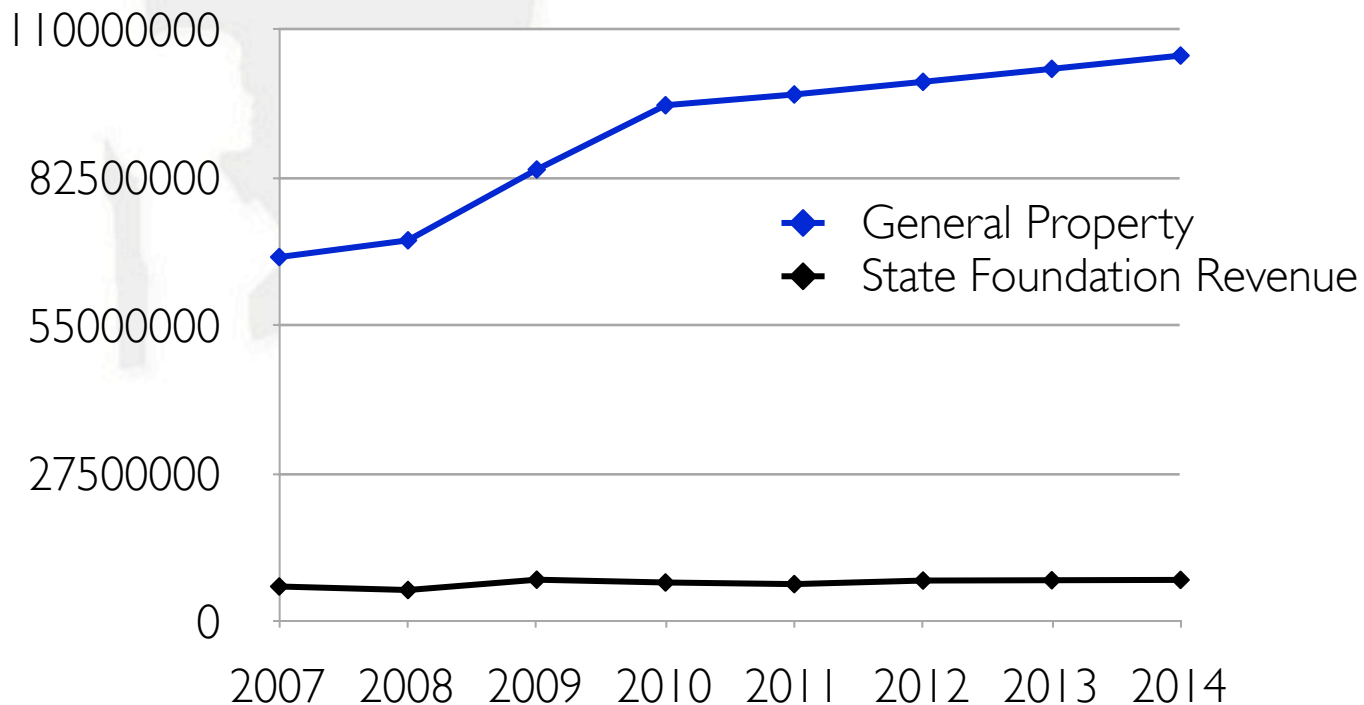
What About Revenue?

- Olentangy's total operating revenue per pupil is \$9,145. The similar-district average is \$10,369 and the state average is \$10,432.
- Across the state, school districts receive an average of 32.55 percent of their funding from the state of Ohio.
- Olentangy receives only five percent of its funding from the state.

OLSD Operating Revenue



Olentangy's Historical and Projected State vs. Local Funding





2010-11 School Year

- Despite strong fiscal management, budget reductions and keeping the community promise, Olentangy Local Schools needs additional operating dollars. This is the nature of school funding in Ohio.
- This year, the district enters deficit spending.
- Maintain current level of excellence.

Future Possible Risk Assessment

- Looming State Budget – anticipating up to a 30 percent reduction, but we don't know for sure what will happen.
- A \$3.5 million ending cash balance in FY14 is less than one “pay period” (pay period will be \$5 million).
- Possible future mandates – ADK still looming
- Reappraisal concerns (lower market values)

Creating and Maintaining Excellence

- As recently as 1999-2000, OLSD was rated “Continuous Improvement” by the state of Ohio.
- Rating of “Excellent” or higher for the past seven years – top seven percent public school districts in Ohio.
- The community has invested in that “expectation of excellence.”



The Process

- The administration and Board of Education have been discussing this issue for more than four months.
- Discussed options ranging from 5.9 to 9.9 mills and their impact to the school district and the community.
- Conducted a community survey in October.
- Numerous community coffee chats and events to collect feedback.



Recommendation

- Based upon the community input, it is clear that the Olentangy residents want a high-quality education, strong fiscal management, efficient use of taxpayer resources and to maintain the current level of service they are receiving.
- We recommend a May 2011 combined 7.9 operating mills and a no-new-millage bond issue in order to meet these goals for three fiscal years.



Recommendation

- No new millage bond issue would include funds for elementary #16, buses, textbooks and technology.
- Would **NOT** include middle school six or high school four.
- Allows future residents to pay more of their fare share.



Recommendation

- This should provide the district with limited flexibility given the uncertainty surrounding the state budget and other external factors.
- Allows the district to maintain current programs and provides the voters the opportunity to decide what kind of a school district they want for their community.