

Lordstown Local Schools (Terry Armstrong, Superintendent)

Testimony as introduced October 30, 2019

Before the Ohio House Finance Committee

Chairman Oelslager, Vice Chairman Scherer, Ranking member Cera, members of the House Finance Committee: Good morning. My name is Terry Armstrong, Superintendent of Lordstown Local Schools. I appreciate the opportunity today to speak in support of House Bill 305, the Fair School Funding Plan. I appreciate the professionalism, thoroughness and the time Representative Cupp, Representative Patterson and the teams of educational professionals that did the research and work to put the Fair School Funding Plan together.

Unlike the current formula that results in 82% of districts being funded outside the formula through funding guarantees and funding caps, the ideas of the Fair School Funding Plan gets it right! The proposed formula is based in research, best practices and addresses what it actually costs in 2019 to provide an education and necessary support services to students in our districts. It is rational, understandable and transparent.

Quite frankly, Mr. Chairman, most of my colleagues have lost confidence in the current formula because none of it seems to be based upon any specific educational activities.

Base cost, in its current iteration, specifically does not appear to be based upon anything concrete, but instead seems to be something that has been passed down without any real educational input into its development. There has been no substantial increase in years, and educators have lost confidence in its credibility.

On the other hand, HB 305's base cost is composed of readily identifiable educational components with which every Superintendent and Treasurer is familiar; it has meaning because it shows that educators spent significant amounts of time trying to capture the real elements necessary to provide a quality education. Please allow me to share some of those with you.

Pupil/teacher ratios, for example, reflect research and national norms. Then, too, the other instructional components and support concepts realistically reflect what a district needs to function effectively. What's more, the entire concept is transparent, allows district officials to exercise their professional judgment regarding the expenditure of allocated monies and attempts to create funding levels that match our professional experiences.

Not only does the Fair School Funding Plan include funding for components such as classroom instruction, but it also includes the means to provide for school safety and security, technology and STEM skills, Social/Emotional/Learning supports, School Counseling funding, and Building Leadership needs. The plan also respects local control and permits districts to determine how best to meet the needs of their communities.

Taxpayers also should be pleased because the overwhelming majority of the resources identified are designed to be spent in the classroom. Clearly, the method by which the base cost has been put together reveals that the WorkGroup understood the needs of Ohio's youth and tried to provide for them.

However, while I am with you this morning I feel compelled to make a plea for my district relative to the other side of the school funding coin—distribution. To be sure, you will hear much more about distribution in later testimonies, but let me briefly explain the challenges that Lordstown faces.

Make no mistake, the Fair School Funding Plan also addresses local share capacity using more of an emphasis on the income levels of the people who live in the district and not the existing over-reliance on property wealth. The current formula and multiple school finance decisions in Ohio have resulted in many challenges for Lordstown Schools. Lordstown Schools is dealing with the phase out of the formerly locally generated Tangible Personal Property taxes that had made up about a quarter of our district's budget. Once the phase out of the reimbursement dollars for the TPP taxes is completed the losses at our district will be over \$20 million dollars since TPP taxes were eliminated until the completion of the phase out.

Lordstown Schools also finds itself in the situation about 120 districts across Ohio find themselves: we are subject to the gain cap. This results in Lordstown Schools losing about \$800,000 this year and projected nearly \$1 million dollars next school year. This represents about half of the income we would get from the State of Ohio using the current formula and results in the district receiving about \$2,500.00 per student from the State of Ohio. These are resources meant to be put in the classroom and serving students in Lordstown and other districts throughout Ohio and not lost due to capping a broken formula.

Lordstown Schools, and frankly the entire Mahoning Valley, is still reeling from the closing of the General Motors Lordstown plant. The timing of fairness in school funding could not be more important to Lordstown Schools. We have families hurting. Many families love their local schools and find themselves having one parent staying in the Mahoning Valley with their children while the GM-employed spouse travels out of state for work. The loss of these and affiliated jobs in our region is hurting our families and will impact the capacity of schools to meet the growing needs of our students.

Chairman Oelslager, Vice Chairman Scherer, Ranking member Cera, members of the committee...our school and our community need your help. Lordstown Schools alone stands the chance of losing nearly \$800,000.00 in property taxes from General Motors. This is on top of the TPP losses and the impact of the funding cap short-changing our district. Lordstown Schools has consistently worked with the local business community and local governments to provide tax incentives that have benefited businesses in the Village and workers from throughout Northeast Ohio that work in these businesses.

We have great students, a passionate and hard-working staff and a wonderful community. It is a great place and I welcome any of you to visit. The implementation of the ideas in the Fair School Funding Plan, House Bill 305, introduced in the House by Representative Cupp and Representative Patterson, will result in Lordstown and other districts having a much more predictable and stable future. The components of the plan, including the elimination of the funding cap, will make a difference in our community and throughout the State of Ohio.

Chairman Oelslager, Vice Chairman Scherer, Ranking member Cera, members of the Committee...I am happy to take any questions you may have. Thank you for the opportunity today.