

House Finance Primary and Secondary Education Subcommittee
House Bill 49 Testimony
March 22, 2017

J. Chris Pfister, Superintendent, Waynesfield-Goshen Local School District

Good morning Chairman Cupp, Ranking Member Miller, and members of the subcommittee.

I appreciate the opportunity to speak to you today regarding House Bill (HB) 49. My name is Chris Pfister, and I am the superintendent of the Waynesfield-Goshen (W-G) Local School District in Auglaize County.

W-G is a center of the community, small rural district, consisting of 63 square miles in eastern Auglaize County (12 miles southeast of Lima, Ohio) serving 535 students Pre-K-12. W-G is in the bottom 20% of districts statewide in real property wealth. 36% of our students are free and reduced lunch; property values in our two small villages (850 and 300 residents) are very low; there is no growth. There is no industry. Agricultural CAUV factors have been the only positive in recent years.

W-G was under financial pressure (four consecutive years of deficit spending FY08-FY11) when I was hired in 2011. To establish and maintain fiscal stability a buy-out and two reduction-in-force plans were implemented resulting in fewer opportunities for students and extreme pressure on personnel to meet the new state mandates in a quality manner; all districts must meet the same state mandates regardless of local capacity or state support.

The funding model put in place for the current biennium effective July 1, 2015 was the first increase in state funding in eight years at W-G. Small rural districts were treated fairly in the current biennium and we have been able to put in place new opportunities for students.

For example, in addition to providing tutoring support for students and professional development for teachers for the significantly increasing standards and much more difficult state tests, in the past two years we have also put in place two Project Lead the Way classes in engineering, a manufacturing class tied to Rhodes State and internships, a seventh grade Career Connections class, 1:1 technology (all grade 6-12 students have a Chromebook), additional classes in technology, a second MS/HS English teacher, a Growth Mindset and Character Education initiative via additional counseling support, a third Preschool class (increasing opportunities for 15 more preschoolers), eliminated all athletic fees (honoring Sen. Hite's goal), assistance with school fees for economically distressed families and put in place other opportunities and support systems for students based on the current funding formula.

Our entire community is very grateful for the support shown two years ago.

Executive Budget Proposal for FY18 and FY19

The governor's proposal is negative for small rural districts and if I understand this correctly, would result in a double hit for Waynesfield-Goshen.

Our treasurer just reported to our Board of Education that year to date funding is down \$149,000 from last year. The reason is lower enrollment and is reflected in the "opportunity grant", the element tied to per pupil funding. We graduated 53 students in 2016 and brought in 29 kindergarten children last fall, thus down 24 students. Agricultural valuation is also flattening out and will decline if new CAUV factors are put in place. Our federal funding will be lower.

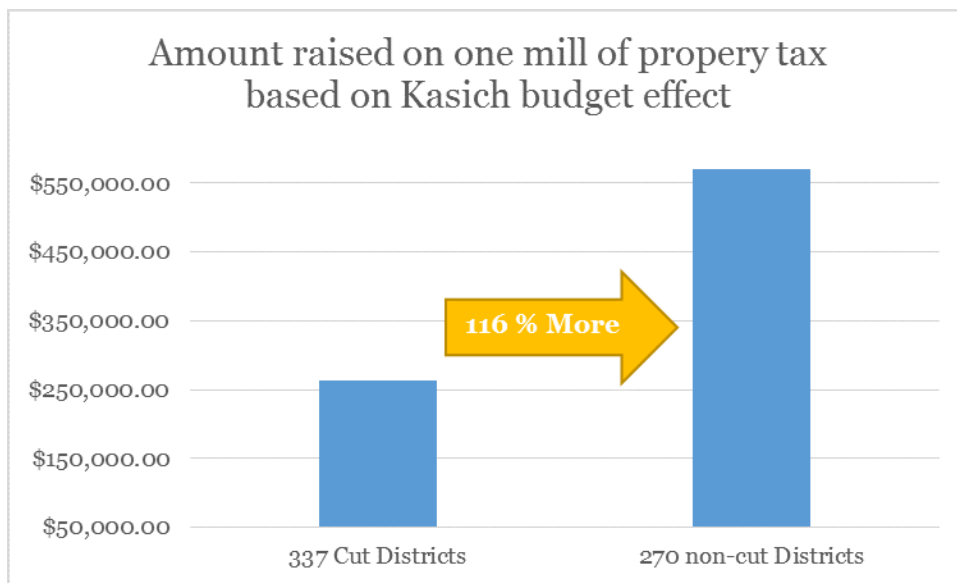
The Opportunity grant line in the formula is the current mechanism to lower state funding if there are less students; it is already in place, so I don't understand why the FY11 to FY17 mechanism is necessary. State funding is already declining for our district.

Our funding per the governor's formula (FY11 to FY17 comparison) results in a \$198,285 reduction (re the spreadsheet issued showing the allocation for each district).

Thus being down \$149,000 from what we expected to have this year (lower enrollment), and with an additional cut of \$198,285, we would be down almost \$350,000 in FY18 and in FY19. We are the lowest wealth district in the county, have the least ability to generate local money, and would be cut the most.

From a state report:

"...under Gov. John Kasich's budget are the districts least able to cope with cuts -- small, rural districts, 83 percent of which will be cut. That's because they raise local revenue at a 116 percent lower rate than the districts that received flat or increased funding." i.e. those least able to raise local revenue are cut and those with the greatest local wealth get state increases



W-G generates \$75,398 per mill, so we are on the low end of the 337 districts cut

Almost all districts in our region would be cut under the governor's proposal.

Spreadsheet Estimate Other Districts

All six (6) Auglaize County Districts are cut; the lowest wealth district (W-G) is cut the most

All six (6) Mercer County Districts are cut

All five (5) Hardin County districts are cut

Three (3) of four (4) Logan County districts are cut (Bellefontaine +\$505,000)

Four (4) of seven (7) Allen County districts are cut, the four smallest (Lima City +\$2.2 million; Shawnee & Bath, the two highest wealth districts, get increases)

Putnam County 9 of 9 cut; Van Wert 3 of 3 cut; Paulding 3 of 3 cut; Shelby 7 of 8 cut (Sidney small increase)

Summary

We would greatly appreciate your advocacy again this biennium.

We would hope that the FY11-FY17 enrollment factor could be eliminated and the current formula could continue into the future. Thank you.