



## River View Local School District

*"Building Educational Excellence for Tomorrow... Today"*

Office of the Superintendent

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Good morning Chairman Cupp, Ranking Member Miller, and members of the Primary and Secondary Education Sub Committee of the House Finance and Appropriations Committee. I am Dalton Summers, Superintendent of the River View Local School District in Coshocton County, and I testify today on HB 49, as introduced.

The River View Local School District is the 8th largest geographical school district in our state, covering 376 square miles. We cover the majority of Coshocton county and smaller portions of Licking and Muskingum counties. Our current enrollment is approximately 2090 students. We operate four rural elementary schools in facilities from 75 to 102 years old, one jr. high school and one high school. We have a 52% free and reduced lunch population with a median household income of around \$31,000. Our county unemployment rates unfortunately remain among the highest in the state. We are a very rural district with specific rural challenges.

Despite these obstacles, we have been consistently a higher achieving school district, although this has been becoming more difficult with our increased poverty based challenges. Our graduation rate over the last ten years averages around 94%. We offer over 40 college credits within our high school and have 7 credentialed college credit plus teachers on our relatively small staff. We have always found ways to adapt to the continual changes in state funding, our changes in local valuations, and our struggling local economy. Like many rural, Appalachian school districts, we have succeeded while doing more with less.

There are many components in this current proposed funding formula that will have negative and potentially devastating impacts on the River View Local School District. I could speak to the proposed transportation funding changes and how we would stand to lose funding in year two, even though we currently travel 2,910 miles a day and spend over 1.6 million dollars annually, almost 7.6% of our operating budget, to transport our students. I could talk about the \$172,000 projected loss in year one based on a questionable decline in around 7% of student enrollment. However; believe it or not, these are not our greatest concerns right now.

I am here to speak to a much greater worry that directly involves districts, like River View, who have coal burning power plants located in them. Our request is for a mechanism to be put into place to recalculate property valuation for the purpose of the school funding formula for any year that a power generating facility is closed, decommissioned, sold at a value below current appraised value, or loses value due to an impairment.

River View houses a power plant that accounts for \$73,023,160 of our total valuation in just Coshocton County. (This is tax collection year 2016 data from our County Auditor) Our total public utility valuation from all three counties is \$120,115,650. This largely explains our 34% state share index. Due to the volatility and uncertainty of this type of local revenue source, sudden changes to valuation can, will, and already has been devastating to our small district and its immediate future.

In November of 2016, this current school year, we were made aware that a portion of our power plant was sold to another company at a value considerably lower than the current appraised value. We suddenly were informed that this did, in fact, decrease our total local property valuation. In January, we were given the exact impact. Our property valuation in Coshocton County dropped \$21,000,000 which according to our county auditor's report, translated to an immediate \$677,895 loss to district property tax revenue.

Also in November of this school year, we were notified that the remaining portion of this same power plant had filed for an impairment of zero value with the Ohio Department of Taxation. Should they receive this, and we should know by next November, we could stand to lose an additional \$1,824,184 in property tax revenue that would take effect in tax collection year 2018. After the loss of the \$678,000 we have already suffered, any more devalue would be devastating.

Finally, there is the greatest fear of all, which would be the actual closure of our coal burning power plant. The projected loss to the district's local revenue could be over 2.2 million dollars, over 10% of our general operating budget, which quite frankly would be more than we could sustain while waiting for an adjustment based on three years of completely different property valuations to average into the State Share Index.

In conclusion, The River View Local School District has always and will always work to provide our students with the best opportunities and quality education that is within our local means. While we have concerns about many components of the administration's current proposals, we have faith that these concerns, with regards to transportation and basic formula funding criteria, will be worked out by this Committee and other members of our legislative branches to best serve the children of this state. We ask that you please consider these very current, as well as future, volatile situations that can and are occurring in the communities, like ours, where there are coal burning power plants that have such great impacts on local funding and total property valuations. We ask that you consider strongly a provision that allows districts, like River View, who suffer from large decreases in valuation in a single year to have our SSI based on the most current tax year valuation as opposed to a three year average valuation which would fail to most accurately represent actual need.

Mr. Chairman, I thank you for this opportunity to offer testimony on HB 49, and I will be happy to address the committees questions at the pleasure of the Chair.

Thank You,



Dalton Summers  
Superintendent, RVLSD