



Gallia County Local Schools

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Jude Meyers, Superintendent

Lily Blevins, Treasurer

Senate Finance Committee – Proponent Testimony on Senate Bill 313

Chairman Dolan, Vice Chairman Burke, Ranking Member Sykes, and members of the Ohio Senate Finance Committee, thank you for the opportunity to speak to you in support of Senate Bill 313 on behalf of Gallia County Local Schools.

I am speaking to you with deep concern for our school district. The Gallia County Local Schools are currently experiencing a financial shortfall. The devaluation of the *General James M. Gavin Power Plant*, after its recent sale, has caused our budget to decrease by approximately 1.5 million dollars annually. Therefore, we are asking for your help to rectify this problem.

Gallia County Local Schools, even though situated in a depressed area of the state, has been financially responsible, as well as innovative in programming. We believe that our students are just as important as any students in the State of Ohio. Therefore, I, on behalf of our school district and its constituents, have asked the committee to endorse Senate Bill 313 with minor modifications to provide school districts that are on the transitional aid guarantee with the same compensation that those who are not on the transitional aid guarantee already receive when a plant closes or devalues.

The notification of the loss of revenue came to our district in November, via a budget meeting with our county auditor, which we initiated for another purpose. This situation was a complete surprise at that time. The actual amount of loss was not provided to us until January of 2019. The loss of revenue actually began decreasing in April of 2019, so we had very little time to prepare for the loss (1.5 million dollars annually). As a committee, we also implore to you to consider ways to rectify this situation for us and the other districts that could be potentially impacted (*Delphos City, Manchester, Perry, New Richmond, River View, Beachwood City, Southern Local, Celina City, and Copley-Fairlawn*). Gallia County Local Schools cannot sustain this type of loss without making significant cuts in programming that could create job loss for our community, and we believe that the other district would experience the same. Therefore, it is terribly important that you act immediately.

It is imperative that districts on the transitional aid guarantee be held harmless, in these instances, just as the districts who are not on the transitional aid guarantee are when a plant closes or devalues. The districts not on the transitional aid guarantee were afforded a fix through the state budget bill in the 2017. Unfortunately, around half of the districts that have been, or potentially will be, impacted by closings or devaluations are not eligible to receive the total state share increase because of the transitional aid guarantee. Gallia County Local Schools is one of those districts.

Because of the guarantee, SB 313 can only help our district so much. Under SB 313, we stand to receive only \$3,954, despite suffering million dollar losses. Please consider implementing an adjustment to the bill so that districts on the transitional aid guarantee who have suffered significant devaluations can see the same immediate relief that those who are not on the guarantee already receive, making it possible for ALL school districts to move forward with appropriate opportunities for their students.

Please note that on the same date that Governor DeWine announced school budgets due to the Covid19 pandemic, we received notice that we were going to be devaluated again at a requested amount of \$69,983,014. Simply stated this would be devastating. This past week we've began to compile a list of additional cuts of well over \$1,000,000 if this devaluation were to go through.

Our students, first and foremost, are our priority. It is essential that they continue to be afforded the same opportunities that other students across our state have been given. Our schools should be able to continue providing school resource officers for student protection, social workers for their emotional well-being, and art and music teachers that provide important curricular benefits for each of them, as well as an assortment of other services that are essential for all kids. With your help, our district, as well as several others just like us, will be able to continue to provide a fair and adequate education for children. Thank you, in advance, for your consideration of this important matter. If you have additional questions, feel free to contact me at (740) 379-9085 or gl_jmeyers@gallialocal.org.

Respectfully,

Jude E. Meyers
Superintendent,
Gallia County Local Schools

Primary Concern:

- The devaluation of the *General James M. Gavin Power Plant*, after its recent sale, has caused the budget of the Gallia County Local School District to decrease significantly.
- Gallia County Local Schools cannot sustain this loss without making significant cuts in programming that could create job loss for our community.

History of Legislation in Regard to Plant Devaluation:

- In 2017, districts not on the transitional aid guarantee were afforded a fix through the state budget bill, due to an amendment added by the House.
- Around half of the districts that have been, or potentially will be, impacted by closings or devaluations are not eligible to receive the total state share increase because of the transitional aid guarantee.
- It is assumed that the good intentions of the House, by creating this solution, did not foresee this loophole and did not realize that the solution was not a solution for all.

Timeline for Gallia County Local Schools:

- Notification of the loss of revenue came to the district in November, via a budget meeting, with the county auditor, that the initiated for another purpose. District was not otherwise notified.
- The actual amount of loss of loss, approximately \$1.5 million annually, was not provided to the district until January of 2019.
- The superintendent traveled to Columbus and spoke in front of the Energy and Natural Resources Subcommittee on Energy Generation on April 24, 2019 to ask for help.
- First loss of local revenue occurred in April 2019 (approx. \$600,000)

Possible Long-term Impacts:

- Gallia County Local could experience an additional devaluation (*Kyger Creek Plant*) and lose more revenue in the near future.
- Other districts could potentially be impacted at some point (*Delphos City, Beachwood City, Southern Local, Celina City, and Copley-Fairlawn*).

How to Correct the Situation:

Pass Senate Bill 313 with modifications OR write other stand-alone legislation that will do the following:

- Provide school districts that are on the transitional aid guarantee with the same compensation that those who are not on the transitional aid guarantee already receive when a plant closes or devalues.
- Freeze the transitional aid guarantee funds, and make an immediate adjustment to the school funding formula by increasing the state share index to reflect the decrease in the local tax share for school districts situated in areas where plants close or are devalued.

Note: This would allow districts on the transitional aid guarantee to see the same immediate relief that those who are not on the transitional aid guarantee already receive, making it possible for ALL school districts to move forward with appropriate opportunities for their students.

In Conclusion  The students are, first and foremost, the priority.

- It is essential that they be afforded the same opportunities that other students across our state have been given.
- The district cannot lose the ability to offer programming or essential services could be cut (music and art to all students, school resource officers for student protection, and social workers for their emotional well-being)
- With legislative intervention, the Gallia County Local Schools, as well as several others just like Gallia County Local, will be able to continue to provide a fair and adequate education for children.