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Gretna Public Schools District #37
Office of the Superintendent

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January 30, 2023

Dear Revenue Committee Senators,

I write today in opposition to LB 589. Gretna Public Schools is one of the fastest growing districts in the state of Nebraska. Our student population has grown from 1,492 students in 2002 to 6,274 students at the start of this school year. That is an increase of 4,792 students in twenty years. In that time we have added six elementary buildings, a middle school, and will open a second high school next school year. We are also building a seventh elementary and a third middle school which will open in the following two years. Despite this growth, Gretna and the other growing districts, like Bennington and Elkhorn, have remained in the top five of the lowest per pupil spending districts. Our per pupil cost today is under \$11,900 per student which is over \$4,000 less than the state average. We are more efficient and yet our tax levy is at \$1.05. That amount, is the maximum allowed by the state levy limit. We are at the maximum because we have more students than what our local resources can support. Many have forgotten that TEEOSA was set up to help equalize the local tax burden for people throughout the state. Before TEEOSA was first put in place, Gretna had a \$2.41 levy while other districts were considerably lower. I believe other districts were under a \$1.00. Senators at the time realized that it wasn't fair to have such a wide discrepancy in levies. State equalization aid (TEEOSA) was set up to help equalize the local tax burden throughout the state. Although it has not worked perfectly it has helped to bring down high levies while not significantly increasing other districts' levies.

When coming up with a 3% revenue limit it appears there was an oversight on the effect it would have on rapidly growing districts. When a district is increasing in student population by 5 to 13% each year, which is the range that Gretna has increased, it is impossible to stay under a 3% or even a 5% revenue increase without having significant consequences to the student's education. If we do not have the revenue to hire more staff, which makes up 80 to 85% of our budget, then our options are to increase class size, cut programs and staff, or cut staff pay so we can hire more staff. I do not think that is the intention of this bill. The final option would be to go to the voters for a levy override.

My hope today is that the revenue committee will either scrap this bill or amend it so that the students in fast growing districts can still get a quality education. I would recommend that if the bill must be passed, that you amend it to allow for low spending, rapidly growing districts to increase their revenue by the three year average of 5% of the annual state average per pupil cost multiplied by the number of students in the district. The reason for the three year average

is that during years when we are opening a new school the costs are significantly higher. I would also ask that the new school adjustment be placed outside the revenue limit. We would offset those high years by lowering costs in normal years. There should also be an allowance for the full cost of an increase in student enrollment not the 40% that is currently in the bill. To expect rapidly growing districts to stay within 3% or even a 5% revenue growth is not realistic and will hurt the students in rapidly growing districts. A 3% limit is also not equitable to growing districts when compared to districts that are not growing. Logically, any limit, when you do not take in to account increasing number of students is not fair to those students and their education.

I would also remind the committee that once again you are trying to taking away local control from the school boards.

Finally, I know it is not part of this bill, but this bill is tied to the governor's promise to give every student in Nebraska \$1,500 more in foundation aid. Our students will not see one dime of the \$1,500 per student that the governor has said every student in Nebraska will be getting. The \$1,500 only goes to students in districts that do not get equalization aid. So, approximately 80% of the students in the state will not see any more money from the state even though the governor has promised that every student will get \$1,500 more.

Respectfully Submitted,

A handwritten signature in black ink that reads "Richard J. Beran". The signature is written in a cursive style with a large, stylized initial "R".

Richard J. Beran
Superintendent
Gretna Public Schools