

USD 115 Board Hears About School Funding Plan

(KMZA)--The Nemaha Central Board of Education this week received a preliminary report on the effect of the state's plan to scrap the current formula for distributing aid to public schools and instead give district's "block grants."

Under the proposal, Superintendent Darrel Kohlman says the amount of general fund budget authority a district has in the current fiscal year will remain the same for the next two fiscal years. State aid for the supplemental general and capital outlay funds will be decreased and several of the weightings will be eliminated. Restrictions on the use of capital outlay funds will be removed so that the funds can be used however a school board decides.

Kohlman says first estimates reveal that the plan will have a negative effect on high state aid districts, which are the least wealthy districts in the state. He says districts will be forced to use cash reserves and/or assess higher local taxes.

As for USD 115, Kohlman says the frozen budget not considered, the district would see just over \$17,000 less next school year and nearly \$31,000 less in the 2016-17 school year.

The board also reviewed the forecasted general fund budget change after the district comes out of the four-year frozen budget due to consolidation. Kohlman says the district will see a more than \$981,000 loss in spending authority in the general fund. Cuts during the past four years will help offset about \$700,000 of that loss.

Kohlman presented a list of cuts to consider in the future to make up for the shortfall. Also included in the solution were some ideas to increase revenue.

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