

Block Grant

The headlines recently have been saturated with information about school funding. Both the House and the Senate passed a bill outlining a new school funding formula called a “block grant”. It is on the Governor’s desk. There also is a Supreme Court ruling that could play a significant role in school funding as well.

If the “block grant” succeeds, the impact on Abilene Public Schools will occur in three main funding streams:

1. General Fund – The general fund is used for the majority of the school expenses and will hold steady this year and the next two. Whatever dollars the district receives this year will be matched for the next two years. The legislative plan is to have a new formula drafted at the end of these two years.

2. Supplemental General (Local Option Budget) – This fund is smaller but is used for general expenses as well. Schools are limited on the amount they can receive. Abilene Schools receives the maximum amount with no option to receive more with an election and has for several years.

These dollars come from two areas, local property tax, and state aid. If the district receives more state aid then they will receive less local property tax. If there is less state aid then local property tax will increase. Either way it doesn’t change the line item for the schools.

The LOB state aid has not been funded fully since 2009. This year it was funded at 100%, because of a lawsuit. This equated to an increase of \$480,000 toward education but in the form of a decrease in local property tax. The affects of the proposed “block grant” will reduce this amount by about \$80,000.

When politicians say they are putting more money into education they are absolutely correct and when schools say they aren’t receiving any more dollars for general expenses they are correct. Property owners received relief from property taxes. Being a district that just passed a bond issue, this is welcomed tax relief but this doesn’t equate to more dollars for classroom expenses.

3. Capital Outlay - Capital Outlay is used for maintenance and large equipment needs. CO state aid was reinstated this current year, as a result of a lawsuit, after not being funded since 2009. For Abilene Schools, the state aid is \$190,000 and the “block grant” will reduce this amount by about \$70,000.

While the “block grant” will reduce dollars coming into our community and schools by about \$150,000, it will provide some much needed flexibility. This will help districts get through these difficult times.

The news of the reductions is unfortunate, however, as it stands, Abilene Public Schools will be OK. We will continue to provide an excellent education for the children in this community. Our board has been, and is, very fiscally responsible.

My hope is that our state will embrace a formula (new or old) that meets the needs of all children, one that can be fully funded and is dependable and reliable. Stability in funding will allow schools to keep the focus on the most important task at hand - educating our children.