

School district braces for state aid cuts

Written by Elizabeth Barrett
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Teahon: Budget will be tight but drastic measures not expected.

District 20 could lose up to \$600,000 in state aid next year under budget-tightening proposals in the Legislature.

Aid to Nebraska schools, which is about \$950 million this school year, is on the cutting block.

Included is \$140 million of federal stimulus money that ends this year.

\$3, 294,497 this year which was \$139,087 more than the amount in 2009-10.

School superintendent Mike Teahon said he's concerned about the decrease but not panicked.

Teahon said school officials and the board have planned for leaner years and noted that some of the loss will be offset by \$186,000 in federal educational jobs funds.

But that doesn't mean there won't be local belt tightening in the district's 2011-12 budget.

"It will be tight," he said, noting that the potential for cuts exists. "And any increase will be miniscule."

The district is also likely to dip into its cash reserve, Teahon said, which was set at \$1.2 million this budget year.

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Two legislative bills, heard last week by the education committee, are aimed at helping to fill the state's \$1 billion-plus, two-year budget gap.

Under LB 235, public schools would receive about \$845 million in 2011-12 and approximately \$903 million the next fiscal year.

From that total, the amount of money a district receives under the state aid formula is based on its needs, such as enrollment and poverty levels.

That figure is subtracted from a community's resources—including property-tax base—to provide those needs.

A more draconian measure, LB 236, would provide schools with

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