



Hutchinson Public Schools

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*District Mission: Students graduate with the knowledge, skills
and behaviors to be college and career ready.*

LORI BLAKESLEY
DIRECTOR OF FISCAL MANAGEMENT

House Appropriations Committee

Ron Ryckman, Chairman

H.B. 2403

March 9, 2015

Lori Blakesley

**Executive Director Fiscal Management and Business Operations
Hutchinson U.S.D. 308**

Hello Chairman Ryckman and members of the committee. My name is Lori Blakesley, Executive Director of Fiscal Management and Business Operations for Hutchinson Public Schools. Thank you for allowing me to speak with you today and to participate in the dialogue of H.B. 2403.

Because the financial responsibility for School Districts in Kansas lies with the Kansas Legislature there should be in place a tax policy that will sustain and provide financial support to school districts in Kansas. The school finance formula and aid for school districts should be established through a funding formula that is equitable, adequate, comprehensive and consistent. My concerns with H.B. 2403 are that it doesn't provide equitable, adequate, comprehensive and consistent funding for the School Districts in Kansas. The current funding formula, if funded appropriately, does cover all four of those areas. It has been found to be constitutional by the court systems; however underfunded.

The Kansas Legislature during last year's session funded the equity portion of the current formula for FY 14.15. Because of this equalization Hutchinson taxpayers received a 9 mill decrease in the local option budget and equalizing state aid was restored in the capital outlay fund. Equalization in the current formula provides equal spending power for school districts. H.B. 2403 reduces equity and equal spending power for school districts and taxpayers.

Like any family budget discussion, we cannot speak about increased funding without addressing the cost side of school district budgets. School Districts across the state have been fiscally responsible in almost every possible way by reducing personnel and administration and being extremely creative through the sharing of services, reduction of transportation routes, increased class sizes, reduction of support staff and many other creative methods. However, the expense side of the budget in many cases is set by fixed or mandated costs that require

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school districts to do more without proportional revenue increases or adequate funding. School Districts have built in costs that cannot be adjusted due to state and federal requirements, such as costs related to personnel, required staff training, facility maintenance and utilities to name a few. Some of the mandated increases for Hutchinson Public Schools include health care cost increases. Hutchinson School District, because of affordable care act requirements, was required to offer to 328 classified staff members' coverage on the District's health care plan. This is at a cost to the budget of \$1.7 million. The District's property/liability insurance increased \$25,000 in FY 14.15 with water/sewer utility increasing an estimate of \$40,000 for FY 15.16. H.B. 2403 doesn't provide adequate funding and will require school districts to continue to reduce opportunities for students because of fixed and mandated costs. H.B. 2403 does have increased state funding because of past funding reductions to KPERS and a start on meeting financial equity. However, none of this additional funding will help Districts with their rising fixed or mandated costs which will take dollars away from the classroom.

A school finance formula should meet the comprehensive needs of all Districts. Some types of students are more expensive to educate than others. Not all school districts have the same demographics of students; have the same enrollments, or same square miles. The weighting percentages in the current finance formula address these comprehensive needs from year to year. H.B. 2403 does not meet the comprehensive increases each year for enrollments, poverty, students learning to speak English, vocational programs and transportation. These areas all have increased costs from year to year that will not be financially supported in H.B. 2403.

In conclusion, Kansas School Districts are achieving at high levels; however without consistent state funding high achievement will not be sustainable. H.B. 2403 doesn't provide consistent increased state funding. Certainly there is much more work to be done, and an increased state commitment to public schools will lead to increased achievement. School Districts need to be funded equitably, adequately, comprehensively and consistently so all Districts can:

- pay for quality curriculum and the books and materials to support it;
- have high quality teachers and reasonable class sizes;
- guidance counselors to help students prepare for their futures by understanding their options and selecting the right courses;
- supports to meet the needs of certain groups of students, including those with disabilities, those who are learning a vocational skill, those who are learning English, those who are gifted and those impacted by poverty;
- professional development to improve the skills of current teachers and administrators; and have
- modern education technology to help students learn and prepare for college and the 21st century workplace.

Thank you Mr. Chairman