

# Impact of December 2013 Legislative Council Staff Forecast on School Finance Funding

## FY 2013-14

- *Preliminary* funded pupil count is about 2,800 students (0.3%) more than forecast and funded last year; at-risk student count is 588 fewer than forecast (-0.2%).
- Student count changes increase the cost of school finance by **\$17 million** before the application of the negative factor.
- *Preliminary* local property tax and specific ownership tax contribution to school finance is **\$37 million** (1.9%) lower than projected last year.
- Combined impacts would require a supplemental appropriation of about **\$55.0 million** to pay for the additional students at a constant per pupil funding level of \$6,652 as set by the legislature during the 2013 session.

## FY 2014-15

- Funded pupil count is projected to increase by **11,800 students**, or 1.4%, compared with *preliminary* estimates for FY 2013-14.
- Local property tax and specific ownership tax contribution to school finance will increase by about **\$41 million** (2.2%), compared with *preliminary* estimates for FY 2013-14.
- Under current law (Senate Bill 13-108), the cost of school finance will increase by **\$260 million** to raise the statewide average per pupil funding by inflation from **\$6,652 to \$6,845**. State aid will need to increase by **\$255 million** compared with the appropriation set during the 2013 session.

## Policy Considerations on Negative Factor and Per Pupil Funding for FY 2014-15

- If the negative factor is set at the *level* initially estimated for FY 2013-14 (\$1,005,854,378), per pupil funding will increase to **\$6,895**, requiring an increase in state aid of **\$297 million** compared with the appropriation set during the 2013 session.
- Reducing the negative factor below \$1,005,854,378 will require corresponding increase in state aid.

