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.