Hitting the Base

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&

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Amendment 23 Language

Shall there be an amendment to the Colorado Constitution concerning increased funding for preschool through twelfth-grade public education, and, in connection therewith, requiring the statewide base per pupil funding for public education and funding for specifically defined categorical programs to grow annually by at least the rate of inflation plus one percentage point for fiscal years 2001-02 through 2010-11 and annually by at least the rate of inflation for fiscal years thereafter;
• **Total Program Calculation**
  – Per-Pupil Revenue x Pupil Count

• **Total Program Components**
  – Property Taxes
  – Specific Ownership Taxes (Yeah Hail!)
  – State Equalization

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### Basic School Finance

**Total Program Funding**

- **Base Funding**: $6,367.90
- **Cost of Living Factor**: 1.205
- **District Size Factor**: 1.0297
- **Personnel Cost Factor**: 90.50%
- **Non-personnel Costs**: 9.50%

**Subtotal**: $7,772.73

- **At Risk Factor**: 512.32
- **Negative Factor**: -953.96

**PPR**: $7,331.12
Relative State and Local Shares of School Finance, 1983 to FY 2015-16

Note: Prior to 1993, K-12 funding was done on a calendar year basis.

What the General Fund Pays For
FY 2015-16

FY 2015-16 General Fund Operating Budget
$9.6 billion
But Colorado’s Structural Budget Problems Will Worsen
Cumulative Growth Rates From FY 11-12 through FY 24-25 for General and State Education Fund Revenues and Departments of Education and Health Care Policy and Financing


Colorado State Budget
Caseload Growth & the General Fund Budget

Colorado Negative Factor History

Negative Factor

- 2016-17: $830M
- 2015-16: $830M
- 2014-15: $880M
- 2013-14: $1.004B
- 2012-13: $1.001B
- 2011-12: $774M
- 2010-11: $381M

• What does this mean for school districts?
• State leaders warn of increasing negative factor

School Finance Scenarios Going Forward

Total Program Funding Projections
LCS December 2015 Revenue Forecast

- JBC Staff Recommendation
  $40.8M one-time increase in negative factor
- Eliminate negative factor
- Current law: constant $830.7M negative factor
- Statewide Base Per Pupil Funding
- Current funding level

Billions of Dollars