

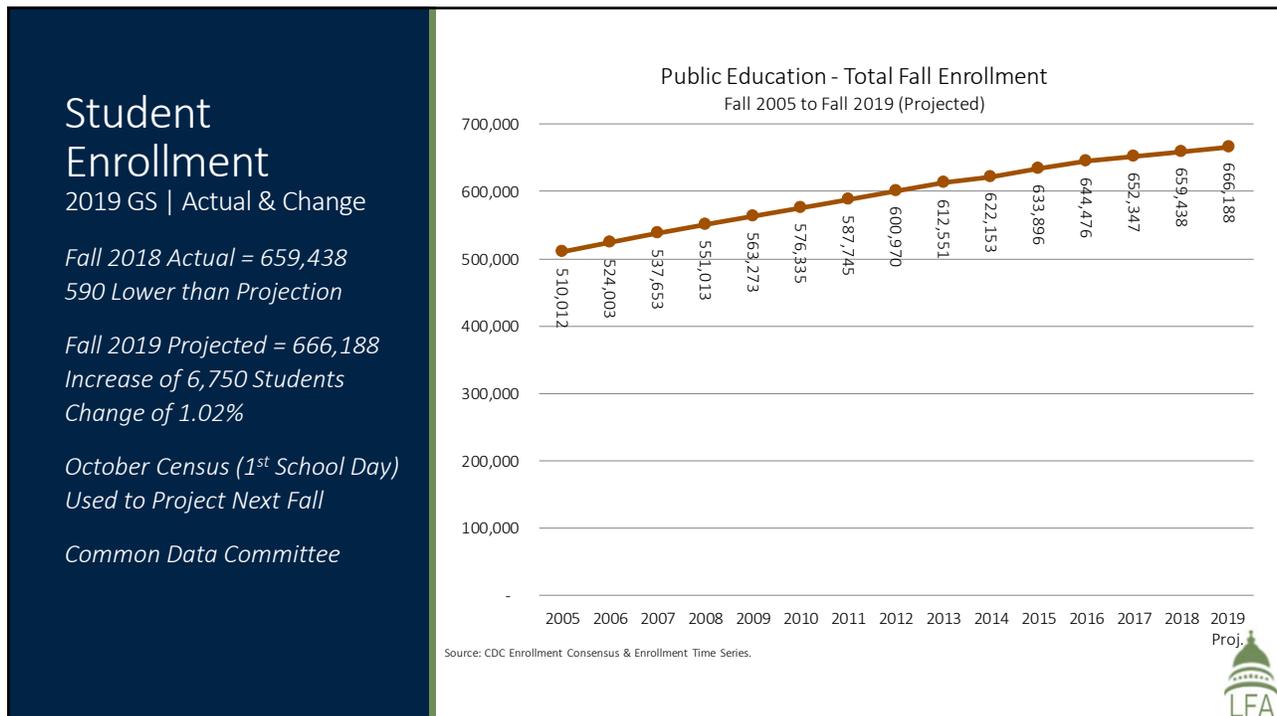


MINIMUM SCHOOL PROGRAM ANNUAL ADJUSTMENTS

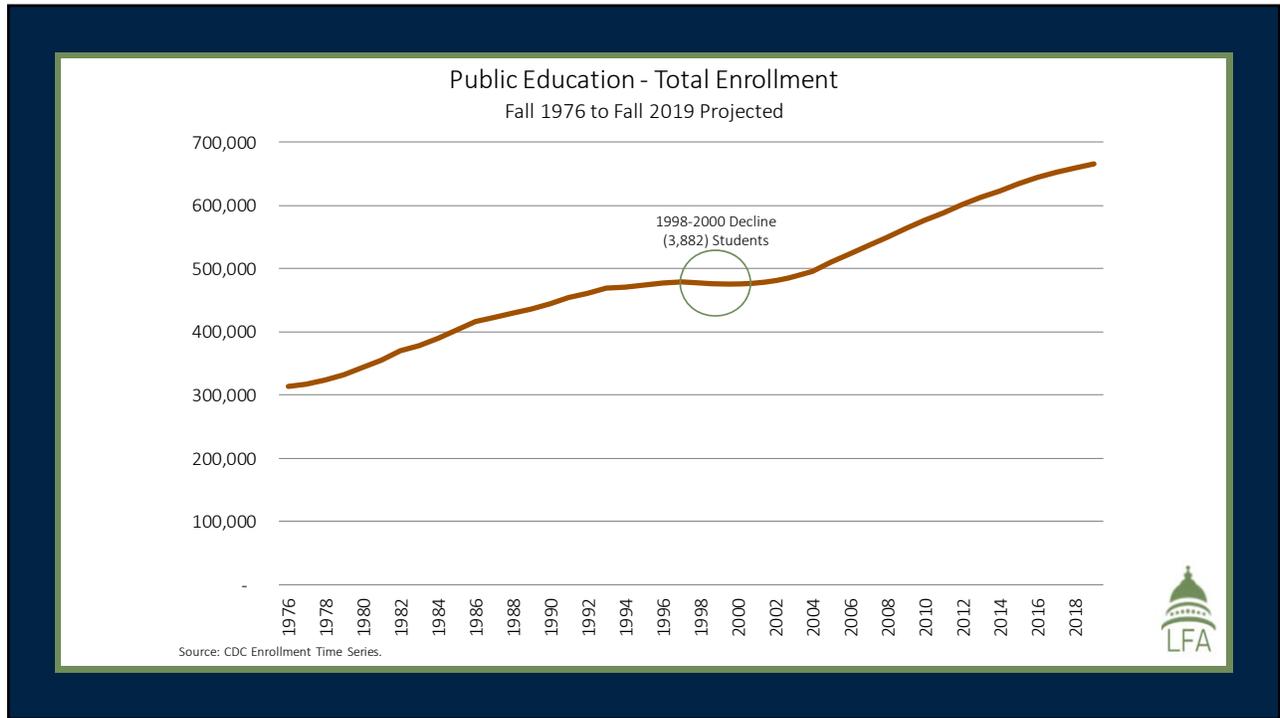
Enrollment Growth | WPU Value

R. Benjamin Leishman, Product Manager January 2019

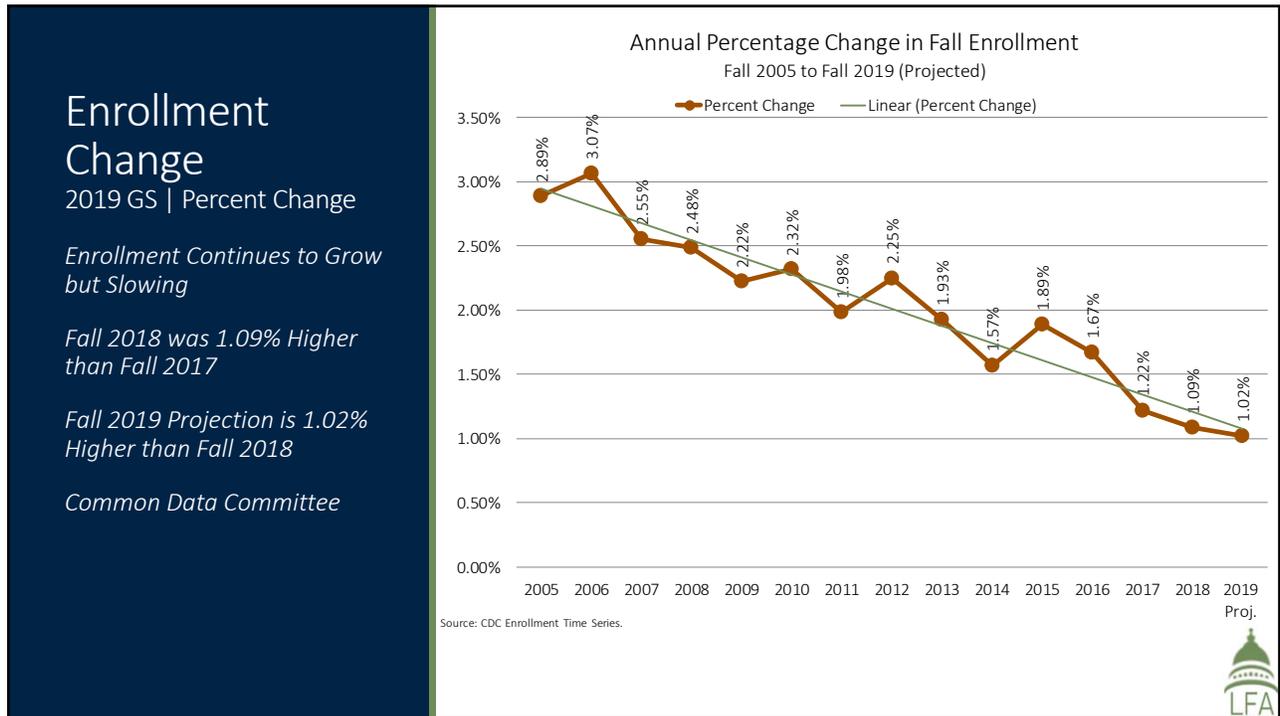
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Comparisons

2019 GS | Projected to Actual

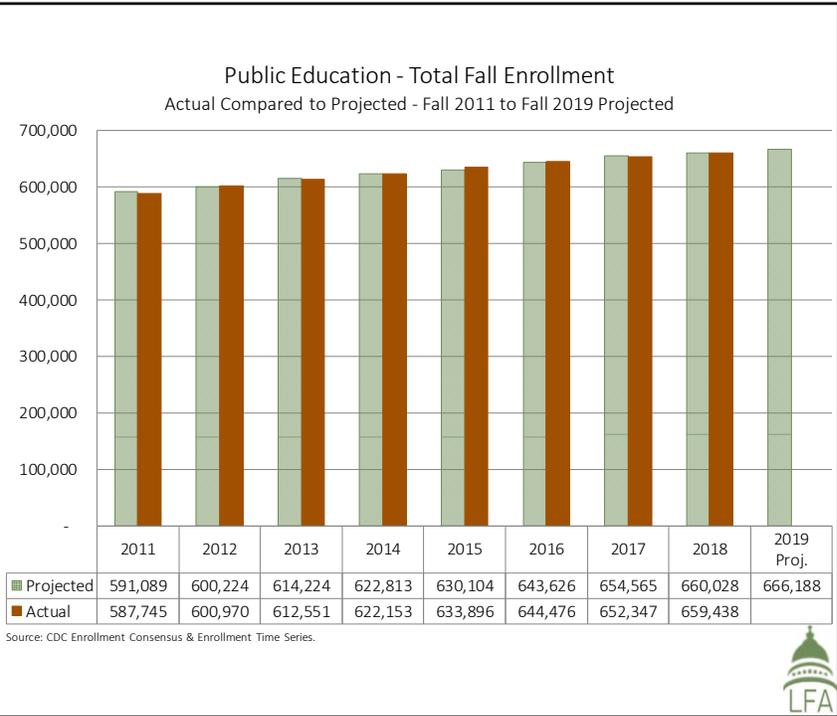
Common Data Committee Student Projection (Green) to Actual Fall Enrollment (Orange)

Projected Very Close to Actuals Reversed Price is Right Rule

- Close without Going Under

2015 & 2016 Actual Higher than Projected

- Under Projection Results in Unanticipated Costs
- Over Projection Results in Unused Balance
- Migration
- Gardner Policy Institute



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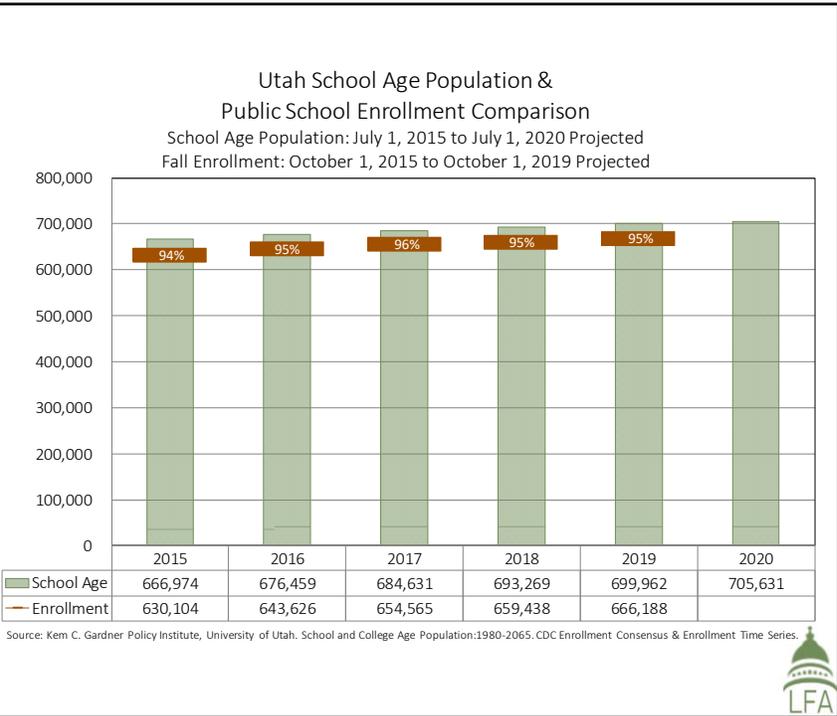
Comparisons

2019 GS | School Age Population

School Age Population Used to "Check" Enrollment Projection

Gardner Policy Institute Created New Baseline Population Estimates

Public School Enrollment is 95% of School Age Population



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Enrollment Growth Cost Estimate

2019 GS | MSP Annual Adjustments



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What Does Cost Estimate Include?

2019 GS | Student Enrollment Growth & Statutory Guarantee

Enrollment Growth

- Prior Year + Growth (53F-2-302)
 - K-12 WPUs Based on Prior Year ADM
 - + Growth – October to October
 - 1yr Hold Harmless for Declining Enrollment
- Average Daily Membership
 - Enrollment Status, Not Attendance
 - 1 Full-Time Enrolled Student
 - 1 ADM = 1 WPU
 - 10 Day Rule
- Statutory Guarantee
 - Student Enrolls & Generates WPUs
 - Enrollment Growth Estimate Pre-Funds Cost
 - Funding Adjusted After October 1 Count

Statutory Formulas & Rate Changes

- Formulas Adjust for Additional WPU
 - Most WPU Programs
 - Kindergarten, Grades 1-12, Special Education, etc.
 - Charter School Local Replacement & Administration
 - Voted & Board Local Guarantee Programs
- Statutory Rate Changes
 - V&B State Guarantee
 - CS Local Replacement Rate
- Historical/Discretionary Adjustments
 - Educator Salary Adjustments
 - “Below-the-Line” Programs
 - Pupil Transportation, At-Risk/Accelerated Students, Adult Education, Concurrent Enrollment, Youth-in-Custody, Carson Smith, Statewide Online Program



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Cost Estimate

2019 GS | Enrollment Growth

\$35.7 m Ongoing

\$4.3 m One-time (FY 2019)

Adjusts Categorical Program Funding Levels Based on Statutory Formulas & Rate Changes

Local Revenue in Voted & Board Programs

2019 General Session Enrollment Growth Cost Estimate		
FY 2019 Supplemental & FY 2020		
Program	FY 2019	FY 2020
Basic School Program		
Additional WPUs - Total of 10,287		\$34,497,100
Local Revenue Increase - Basic Rate		(14,962,900)
Subtotal - Basic School Program		\$19,534,200
Related to Basic School Program & Other Programs		
Statutory		
Pupil Transportation		\$934,900
Concurrent Enrollment		114,500
Charter School Local Replacement		12,516,300
Local Revenue Increase - Charter School Levy		(3,091,400)
Charter School Administrative Costs		131,600
Educator Salary Adjustment	\$4,300,000	4,300,000
Centennial Scholarships		8,900
Discretionary		
Enhancement for At-Risk Students		\$391,400
Youth-in-Custody		253,000
Adult Education		138,100
Enhancement for Accelerated Students		53,400
Initiative Programs in USBE Budgets		
Carson Smith Scholarships		363,000
Statewide Online Education Program		8,100
Subtotal - Related to Basic & Other	\$4,300,000	\$16,121,800
Voted & Board Local Levy Programs		
Voted Local Levy		\$13,422,900
Board Local Levy		\$103,378,300
Local Revenue Increase - Voted Local Levy		(\$25,777,200)
Local Revenue Increase - Board Local Levy		(\$99,049,900)
Education Fund Restricted - Equity Pupil Rate		(\$12,880,600)
Retain Ongoing State Funding in Program		\$20,906,500
Subtotal - Voted & Board Local Levy Programs		\$0
Total Enrollment Growth Cost Estimate	\$4,300,000	\$35,656,000

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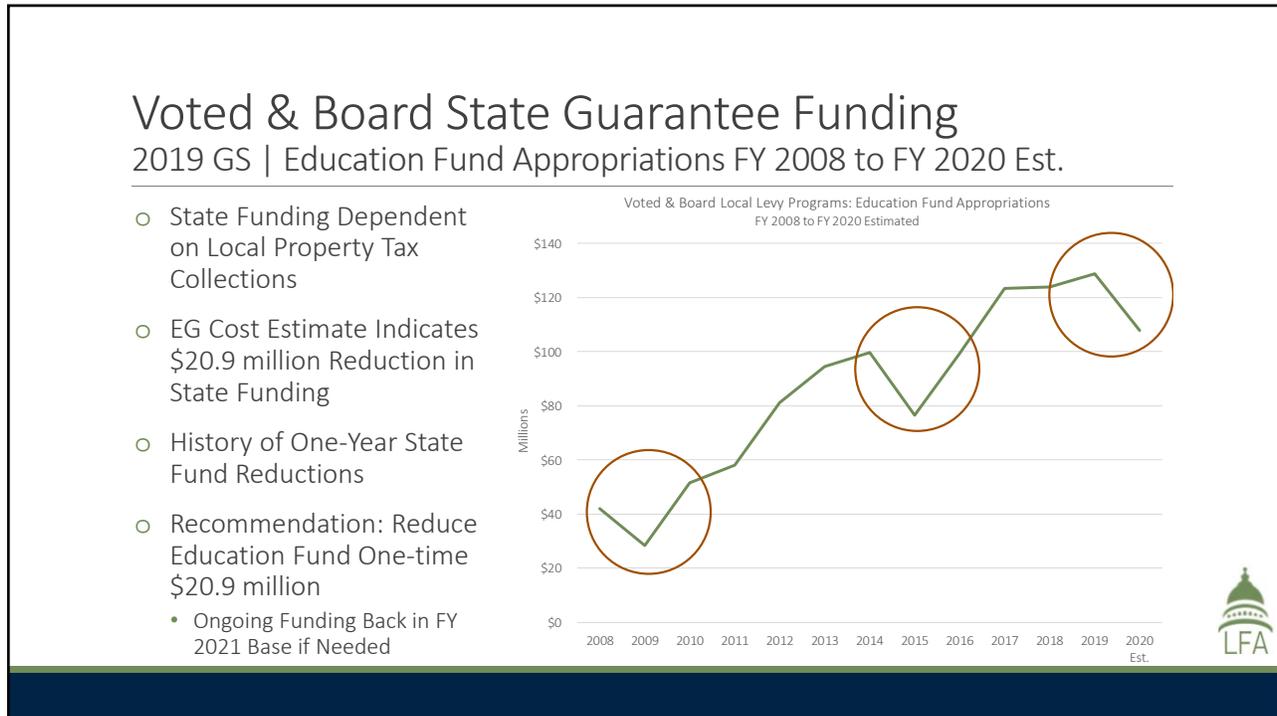
2019 General Session Estimated WPU Changes

FY 2020 - Statutory WPU Calculation

All Local Education Agencies on Prior-Year + Growth

Basic School Program	FY 2019 WPUs	Growth WPUs	FY 2020 Total WPUs
Kindergarten	26,383	894	27,277
Grades 1-12	593,523	6,429	599,952
Foreign Exchange Students	328	0	328
Necessarily Existent Small Schools	9,588	0	9,588
Professional Staff	55,545	374	55,919
Administrative Costs	1,505	(15)	1,490
Special Education - Add-on	82,342	1,875	84,217
Special Education - Self-Contained	13,970	(183)	13,787
Special Education - Pre-School	11,052	127	11,179
Special Education - Extended Year Program	447	5	452
Special Education - Impact Aid	2,015	21	2,036
Special Education - Intensive Services	778	8	786
Special Education - Extended Year for Special Educators	909	0	909
Career & Technical Education - Add-on	28,821	295	29,116
Class Size Reduction	41,416	457	41,873
Total	868,622	10,287	878,909

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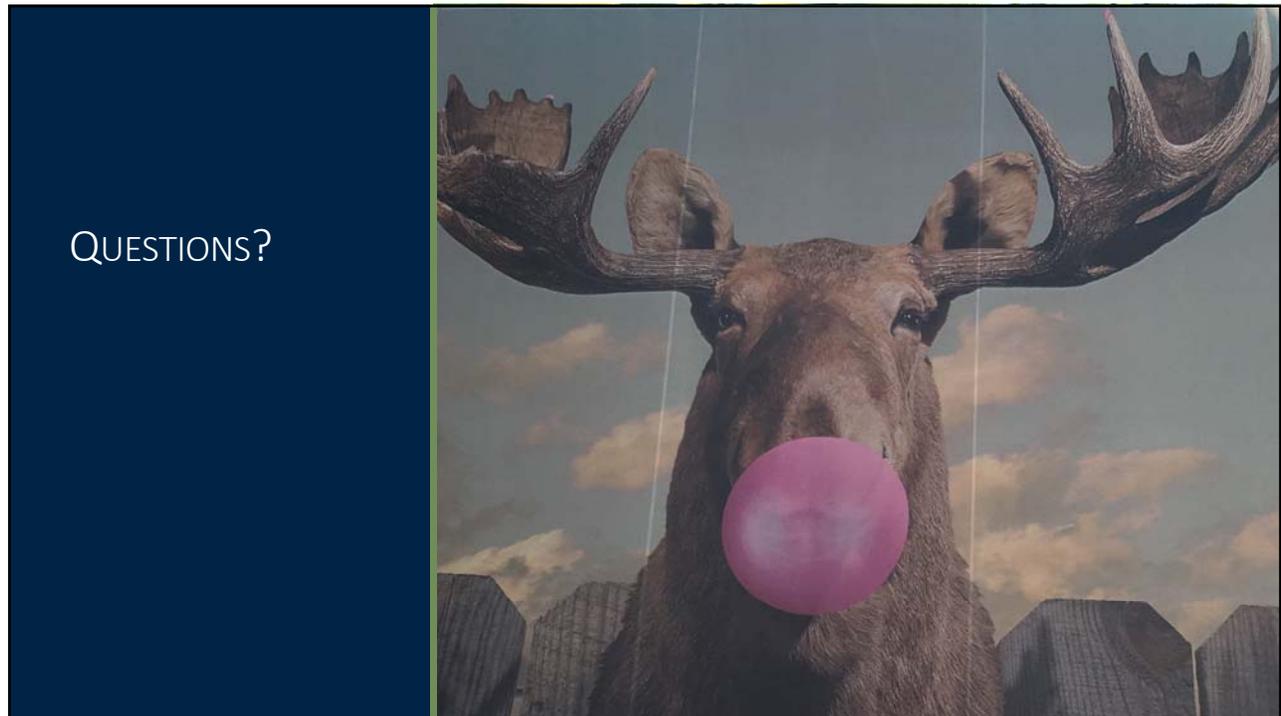
How Much Does it Cost to Increase 1%? 2019 GS | Weighted Pupil Unit Value

- 1% Cost Estimate by Major Program
 - Total Cost - \$32.0 Million Ongoing
 - WPU Programs & Certain “Below-the-Line” Programs
 - All Programs Receive Same Percentage Increase
- FY 2020 Changes
 - Base Budget Amounts + Enrollment Growth
 - WPU Changes May Increase/Decrease Cost
- Property Tax Impact
 - WPU Value Rate = \$5.0 Million for Each 1%
 - Based on Prior-Year (FY 2019) State/Local Funding Mix for Basic School Program (85/15)
 - Funding Transferred to the Teacher & Student Success Account

Minimum School Program	
One-Percent WPU Value Increase Estimate FY 2020	
Program	FY 2020
Basic School Program	
All Regular & Restricted Programs	\$29,839,000
Subtotal - Basic School Program	\$29,839,000
Related to Basic School Program	
Pupil Transportation	\$922,700
Concurrent Enrollment	113,000
Enhancement for At-Risk Students	387,700
Youth-in-Custody	249,700
Adult Education	136,300
Enhancement for Accelerated Students	52,700
Statewide Online Education Program	8,000
Centennial Scholarships	2,600
Subtotal - Related to Basic School Program	\$1,872,700
Balancing Margin	\$288,300
Total Enrollment Growth Cost Estimate	\$32,000,000
WPU Value Rate Impact (Per 1% WPU Value)	\$4,975,600



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