

KINDERGARTEN THROUGH GRADE 12 EDUCATION

Program 029

SPI - Levy Equalization

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2013-15 Expenditure Authority		652,326		652,326
Total Maintenance Level		721,266		721,266
Difference		68,940		68,940
Percent Change from Current Biennium		10.6%		10.6%
Performance Changes				
Local Effort Assistance		28,766		28,766
Subtotal		28,766		28,766
Total Proposed Budget		750,032		750,032
Difference		97,706		97,706
Percent Change from Current Biennium		15.0%		15.0%
Total Proposed Budget by Activity				
Local Effort Assistance		750,032		750,032
Total Proposed Budget		750,032		750,032

PERFORMANCE LEVEL CHANGE DESCRIPTIONS

Local Effort Assistance

The 2015-17 budget increases state formula allocations through General Apportionment, Special Education, Learning Assistance Program, and Compensation. Commensurate with the increases for K-3 class size and full-day kindergarten in the 2016-17 school year, the Per Pupil Inflation for calendar year 2017 is adjusted to 7.9 percent. The increases in formula funding and adjustments to the per-pupil inflation expand the levy base, which results in increased school district local levy capacity, as well as state payments for Local Effort Assistance.

ACTIVITY DESCRIPTIONS

Local Effort Assistance

Statewide, most school districts receive a significant percent of their revenue from local voter-approved property tax levies. Since some school districts have lower property values than others, local school district levy rates vary. The lower the property values, the higher the levy rates tend to be. The state "equalizes" local funds by providing state funds in lieu of property tax collection for school districts with higher than average levy rates. School districts must pass a local maintenance and operations levy to be eligible for local effort assistance funds.