

**Schedule 13
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11 Base Reduction Item FY 2010-11 Supplemental FY 2009-10 Budget Amendment FY 2010-11

Request Title: Total Program Annual Funding Adjustments and Hold-Harmless Full-day Kindergarten Funding
 Department: Education Dept. Approval by: *[Signature]* Date: 11/5/09
 Priority Number: BRI-01 S-01 OSPB Approval: *[Signature]* Date: 11-5-09

	Fund	1	2	3	4	5	*** 6 ***	7	8	9	10
		Prior-Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
Total of All Line Items	Total	3,400,301,615	3,703,994,283	(71,168,652)	3,632,825,631	3,703,994,283	(297,625,080)	3,406,369,203	0	3,406,369,203	(297,625,080)
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	2,561,074,211	3,076,577,922	0	3,076,577,922	3,076,577,922	(223,342,898)	2,853,235,024	0	2,853,235,024	(223,342,898)
	GFE	369,000,000	0	0	0	0	0	0	0	0	0
	CF	470,227,404	627,416,361	(71,168,652)	556,247,709	627,416,361	(74,282,182)	553,134,179	0	553,134,179	(74,282,182)
	RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(1) Assistance to Public Schools (A) Public School Finance, State Share of Districts' Total Program Funding	Total	3,392,945,206	3,696,288,785	(71,168,652)	3,625,120,133	3,696,288,785	(297,196,828)	3,399,091,957	0	3,399,091,957	(297,196,828)
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	2,561,074,211	3,076,577,922	0	3,076,577,922	3,076,577,922	(223,342,898)	2,853,235,024	0	2,853,235,024	(223,342,898)
	GFE	369,000,000	0	0	0	0	0	0	0	0	0
	CF	462,870,995	619,710,863	(71,168,652)	548,542,211	619,710,863	(73,853,930)	545,856,933	0	545,856,933	(73,853,930)
	RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(2) Hold-harmless Full-day Kindergarten Funding	Total	7,356,409	7,705,498	0	7,705,498	7,705,498	(428,252)	7,277,246	0	7,277,246	(428,252)
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	7,356,409	7,705,498	0	7,705,498	7,705,498	(428,252)	7,277,246	0	7,277,246	(428,252)
	RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

*** The Base Reduction amount identified in Column 6 for "Public School Finance, State Share of Districts' Total Program Funding" is a reduction of <\$297,196,828> from state share. The state share change <\$297,196,828> plus the change in local share, an increase of \$37,196,828, results in a net => <\$260,000,000> Total Program reduction from the original FY 2009-10 Total Program Appropriation. For additional information on the financing please refer to the narrative accompanying this change request. Additionally, the Base Reduction amount identified in Column 6, includes the assumption that the General Assembly will rescind \$110,000,000 by 01/29/10 from Total Program in FY 2009-10. This amount is not requested in the Supplemental Column 3, but the assumption is included in the Column 6 reduction figure to adjust the current FY 2009-10 Base Request to the November Request in Column 7. ***

**Schedule 13
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11 Base Reduction Item FY 2010-11 Supplemental FY 2009-10 Budget Amendment FY 2010-11

Request Title: Total Program Annual Funding Adjustments and Hold-Harmless Full-day Kindergarten Funding
 Department: Education Dept. Approval by: _____ Date: _____
 Priority Number: BRI-01 S-01 OSPB Approval: _____ Date: _____

Fund	1	2	3	4	5	6	7	8	9	10
	Prior Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12

Lettermote Revised Text
FY 2009-10:
 a. Of this amount, \$542,248,987 \$471,080,335 shall be from the State Education Fund created in Section 17 (4) (a) of Article IX of the State Constitution, and \$77,461,876 shall be from the State Public School Fund created in Section 22-54-114(1), C.R.S. Pursuant to Section 17 (3) of Article IX of the Colorado Constitution, appropriations from the State Education Fund are not subject to the limitation on fiscal year spending set forth in Section 20 of Article X of the Colorado Constitution. ~~Of the amount from the State Education Fund, \$162,061,465 will be received from the Education Stabilization Fund of the American Recovery and Reinvestment Act (ARRA) of 2009 pursuant to Title XIV, Sec. 14002 "State Uses of Funds" which will be utilized to support necessary formulaic funding increases.~~ Of the amount appropriated from the State Public School Fund, \$53,970,000 is estimated to be from federal mineral leasing revenue transferred to the State Public School Fund pursuant to Section 22-54-114 (1), C.R.S. \$15,000,000 is estimated to be from reserves in the State Public School Fund, and \$8,491,876 shall be from rental income earned on public school lands that is credited to the Public School Income Fund pursuant to Section 36-1-116 (1)(a), C.R.S. and transferred to the State Public School Fund pursuant to Section 22-54-114 (1), C.R.S.

Lettermote Revised Text
FY 2010-11:
 a. Of this amount, \$483,608,470 shall be from the State Education Fund created in Section 17 (4) (a) of Article IX of the State Constitution and \$62,248,463 shall be from the State Public School Fund created in Section 22-54-114(1), C.R.S. Pursuant to Section 17 (3) of Article IX of the Colorado Constitution, appropriations from the State Education Fund are not subject to the limitation on fiscal year spending set forth in Section 20 of Article X of the Colorado Constitution. Of the amount appropriated from the State Public School Fund, \$51,256,587 is estimated to be from federal mineral leasing revenue transferred to the State Public School Fund pursuant to Section 22-54-114 (1), C.R.S. \$8,491,876 shall be from rental income earned on public school lands that is credited to the Public School Income Fund pursuant to Section 36-1-116 (1)(a) C.R.S. and transferred to the State Public School Fund pursuant to Section 22-54-114 (1), C.R.S. and \$2,500,000 is estimated to be from audit recoveries in the State Public School Fund.

b. These amounts shall be from the State Education Fund created in Section 17 (4) (a) of Article IX of the State constitution

Cash or Federal Fund Name and COFRS Fund Number: State Education Fund - 440, State Public School Funds - 113

Reappropriated Funds Source, by Department and Line Item Name:
 Approval by OIT? Yes No N/A
 Schedule 13s from Affected Departments: None

CHANGE REQUEST for FY 2010-11 BUDGET REQUEST CYCLE

Department:	Education
Priority Number:	BRI-01, S-01
Change Request Title:	Total Program Annual Funding Adjustments and Hold-harmless Full-day Kindergarten Funding

SELECT ONE (click on box):

- Decision Item FY 2010-11
- Base Reduction Item FY 2010-11
- Supplemental Request FY 2009-10
- Budget Request Amendment FY 2010-11

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- Not a Supplemental or Budget Request Amendment
- An emergency
- A technical error which has a substantial effect on the operation of the program
- New data resulting in substantial changes in funding needs
- Unforeseen contingency such as a significant workload change

Short Summary of Request:

This request reflects the annual funding changes for the “state share of districts’ total program” appropriation which funds Colorado’s distributions of per pupil funding to school districts and incorporates proposed modifications to the Public School Finance Act formula that would result in a reduction to the “Total Program” funding for FY 2010-11. This request affects both FY 2009-10 and FY 2010-11.

FY 2010-11 Request

The reductions for FY 2010-11 are predicated on the assumption the General Assembly will take action in January 2010 to rescind \$110,000,000 in FY 2009-10. This request begins with the FY 2009-10 appropriations, minus the \$110,000,000 rescission. The amount of Total Program funding further reduced by this request is \$150,000,000, for a total of \$260,000,000. Please see the table below.

In terms of Total Program funding levels this request seeks the following:

Total Program Reduction FY 2010-11		
Component	Amounts	Percent Reduction from FY 2009-10
FY 2009-10 Total Program	\$ 5,698,295,823	
Assume General Assembly Rescission by January 29, 2010	\$ (110,000,000)	-1.93%
Base Reduction Impact on Total Program	\$ (150,000,000)	-2.63%
Total Program Reduction	\$ (260,000,000)	-4.56%
FY 2010-11 Request for Total Program	\$ 5,438,295,823	

In terms of state share for Total Program and Hold-harmless Full-day Kindergarten Funding, this request seeks a reduction of state funding in the amount of (\$297,625,080) total funds for FY 2010-11 comprised of (\$223,342,898) General Fund and (\$74,282,182) cash funds. The sub-components of this reduction are a (\$297,196,828) cut for state's share of total program funding and a reduction of (\$428,252) in Hold-harmless Full-day Kindergarten Funding due to the reduced per pupil funding as a result of formula modifications. Please see the table on the following page for explanation.

State Share Change Due to Total Program Reduction of <u>\$260,000,000</u> from original FY 2009-10			
Component	Public School Finance, State Share of Districts' Total Program Funding	Hold-harmless Full-day Kindergarten Funding	Totals
FY 2010-11 Base Request			
General Fund	\$ 3,076,577,922	\$ -	\$ 3,076,577,922
cash funds	\$ 619,710,863	\$ 7,705,498	\$ 627,416,361
Total Funds	\$ 3,696,288,785	\$ 7,705,498	\$ 3,703,994,283
FY 2010-11 Base Reduction Item Request			
General Fund	\$ (223,342,898)	\$ -	\$ (223,342,898)
cash funds	\$ (73,853,930)	\$ (428,252)	\$ (74,282,182)
Total Funds	\$ (297,196,828)	\$ (428,252)	\$ (297,625,080)
FY 2010-11 November Request FY 2010-11			
General Fund	\$ 2,853,235,024	\$ -	\$ 2,853,235,024
cash funds	\$ 545,856,933	\$ 7,277,246	\$ 553,134,179
Total Funds	\$ 3,399,091,957	\$ 7,277,246	\$ 3,406,369,203

FY 2009-10 Request

Additionally, the department requests a negative supplemental in the amount of \$71,168,652 cash funds in FY 2009-10. This supplemental is based on new data that has a substantial funding impact on FY 2009-10 and has three parts:

- 1) A change in the Steamboat Springs School District’s calculation used to determine property taxes and the resulting state share increase of \$2,373,516 in FY 2009-10;
- 2) The use of preliminary assessed valuation reports provided by the counties to school districts and the department in determining a projected increase in property taxes, thus, reducing the burden on the state’s share in the amount of \$73,735,465 in FY 2009-10; and
- 3) The elimination of State Fiscal Stabilization Funding for K-12 education of \$152,061,455 which was intended to be deposited in the State Education Fund, refinancing the amount of funding from the balance of the State Education Fund. No net funding change only changes the financing from balance of the State Education Fund.

Please see the table below for the description of the FY 2009-10 request.

State Share Change - Negative Supplemental			
<i>FY 2009-10 Negative Supplemental Request</i>	Total *	Steamboat Springs State Share Adjustment	Preliminary Assessed Valuation Adjustment
General Fund	\$ -	\$ -	\$ -
cash funds	\$ (71,168,652)	\$ 2,373,516	\$ (73,542,168)
Total Funds	\$ (71,168,652)	\$ 2,373,516	\$ (73,542,168)
* Includes elimination of State Fiscal Stabilization Funds from the American Recovery and Reinvestment Act of 2009 in FY 2009-10. This adjustment does not change any appropriated funding level for Total Program in FY 2009-10.			

Background and Appropriation History:

The primary source of funding for public schools in Colorado is provided pursuant to the Public School Finance Act of 1994, which establishes a per pupil-based formula for determining the "total program" funding level for each school district. The formula provides the same *base* amount of funding per pupil for every district. Pursuant to Section 17 of Article IX of the Colorado Constitution, the General Assembly is required to provide annual inflationary increases in base per pupil funding. Specifically, for FY 2001-02 through FY 2010-11, the base per pupil funding amount must increase annually by at least the rate of inflation plus one percent; for FY 2011-12 and each fiscal year thereafter, the base per pupil funding amount must increase annually by at least the rate of inflation. For FY 2010-11, base per pupil funding will need to increase from \$5,507.68 to \$5,540.73 (0.6 percent), based on a projected deflation rate of 0.4 percent in calendar year 2009.

Section 17 of Article IX of the Colorado Constitution contains a "maintenance of effort" clause as follows: "Monies appropriated from the state education fund shall not be used to supplant the level of general fund appropriations existing on the effective date of this section for total program education funding under the Public School Finance Act of 1994, article 54 of title 22, Colorado Revised Statutes, and for categorical programs defined in subsection (2) of this section. In state fiscal year 2001-2002 through state fiscal year 2010-11, the General Assembly shall, at a minimum, annually increase the general fund appropriation for Total Program under the "Public School Finance Act of 1994", or any successor act, by an amount not below five percent of the prior year general fund appropriation for Total Program under the "Public School Finance Act of 1994", or any successor act. *This general fund growth requirement shall not apply in any fiscal year in which Colorado personal income grows less than four and one half percent between the two previous calendar years.*"

Personal income in Colorado grew less than four and one half percent between calendar years 2008 and 2009. Per the Legislative Counsel September forecast, personal income for 2008 for use in FY 2009-10 was expected to grow by 4.7% and personal income in

2009 for use in FY 2010-11 declined by 1.1%. *Therefore, the General Assembly is not required to meet the maintenance of effort requirement of increasing the general fund appropriations by at least five percent for FY 2010-11.*

The formula increases base per pupil funding for each district based on factors that affect districts' costs of providing educational services. The formula also provides additional funding for districts with students who may be at risk of failing or dropping out of school, using the proxy of free lunch eligibility and students with English language limitations. Thus, actual per pupil funding varies for each district.

For FY 2010-11, the economic conditions of the state have necessitated the need for significant budget reductions across all state agencies. Therefore, funding reductions for K-12 education is also a necessity. These reductions are proposed through formula modifications under the "General Description of Request" section of this narrative.

General Description of Request:

The total request in FY 2010-11 is for a total funds reduction of \$297,625,080. This is comprised of a \$297,196,828 total funds reduction to the State share of Districts Total Program Funding line item and a \$428,252 total funds reduction to the Hold-harmless Full-day Kindergarten Funding line item. Both of these sections are described in more detail including by funds splits in the following paragraphs.

State Share of Districts' Total Program Funding

The department requests a reduction of \$297,196,828 total funds comprised of a \$223,342,898 General Fund reduction and \$73,853,930 cash funds reduction resulting in \$3,399,091,957 state funding for school finance for FY 2010-11. Table #1 in the "Calculations for Request" section summarizes the key components of Base Reduction Item #1 for FY 2010-11. The department's request is based on the prior year funding methodology with modifications to the "cost-of-living" factor and the addition of a new "equity adjustment" factor, and the most recent projections provided by Legislative Council Staff and the department. The department's request is based on an anticipated

deflation rate of 0.4 percent.

School Finance: Total Program	FY 08-09 Appropriation	FY 09-10 Appropriation	FY 10-11 Request
Total Program	\$5,348,813,888	\$5,698,295,823	\$5,438,295,823
<i>Percent Change</i>	4.7%	6.5%	-4.6%
Local Share of Districts' Total Program Funding	\$1,955,868,682	\$2,002,007,038	\$2,039,203,866
<i>Percent Change</i>	6.3%	2.4%	1.9%
State Share of Districts' Total Program Funding	\$3,392,945,206	\$3,696,288,785	\$3,399,091,957
General Fund	2,561,074,211	3,076,577,922	2,853,235,024
General Fund Exempt	369,000,000	0	0
Cash Funds - State Public School Fund	0	0	0
Cash Funds Exempt/RF - State Education Fund	386,823,212	542,248,987	483,608,470
Cash Funds Exempt/RF - State Public School Fund	76,047,783	77,461,876	62,248,470
<i>Percent Change</i>	3.9%	8.9%	-8.0%

Based on the prior year funding methodology, department staff projects that, on average, districts would receive per pupil funding of \$7,290.30 in FY 2010-11, up from \$7,225.38 in FY 2009-10 (an increase of 0.9 percent). Each individual district's per pupil funding is multiplied by its funded pupil count to determine its "Total Program" funding.

However, formula modifications are proposed that would reduce the average per pupil funding to \$6,816.78, or a 6.5% reduction below the amount calculated pursuant to the prior year funding methodology amount in FY 2010-11. The proposed formula modification consists of four parts:

- 1) The amount of reduction to be shared by all school districts in the state is determined and a percentage of reduction is calculated by dividing the amount of reduction to the previously anticipated Total Program as determined by the prior year funding methodology.

- 2) Next, the cost-of-living factor for each district is reduced ranging from 6.12% to 7.05%, or the percentage required to achieve the necessary percentage of reduction 6.12% for the district with the lowest cost of living factor from the previously anticipated Total Program amount.
- 3) The online funding amount is reduced in an equitable manner at 6.12%, or the percentage necessary to achieve the required reduction percentage.
- 4) A new factor is created, called an “equity adjustment”, that would add back the amount necessary to each school district to limit the amount of reduction to 6.12%, or the percentage necessary to achieve the required reduction percentage.

The state’s share of Total Program for FY 2010-11 will be reduced by \$297,196,828 or 8.04% from state’s share of Total Program for FY 2009-10. Local property and specific ownership taxes provide the first source of revenue for districts' total program funding, and the remainder is covered by state funds. Property taxes are based on each district's mill levy and the assessed (taxable) value of property in each district. Specific ownership taxes are paid on motor vehicles and are distributed by counties based on each entity’s proportional share of total mill levies within the county. State funds are then appropriated to fund the balance of districts' total program funding. For FY 2010-11 department staff project that local property taxes will increase by \$33,476,518 or 1.81 percent and specific ownership taxes are projected to increase by \$3,720,310 or 2.5 percent over FY 2009-10 appropriation.

The net effect of the changes in funding from state and local sources is a reduction to Total Program funding of \$260,000,000 or 4.56%.

Beginning in FY 2007-08, legislation was passed to stabilize school district mill levies. The legislation caps mill levies at 27 mills and freezes mill levies for districts with mill levies of 27 mills or less. This legislation applies to the Total Program mill levy only. It does not affect override, bond, special building and technology, full-day kindergarten excess cost, or transportation mill levies. Additionally, this mill levy cap/freeze does not apply to districts that have not held a successful TABOR election.

The three school districts which have not held a successful TABOR election and the district that did not hold a TABOR election related to property tax revenue must levy the least/smallest mill resulting from the following three options: (1) the mill that it levied in the prior year; (2) the mill necessary to entirely pay for its Total Program and categorical programs, less any specific ownership tax revenues and minimum State Share funding received or (3) the maximum mill allowed by the TABOR constitutional amendment.

Included in the Decision Item is an amount totaling \$193,300, due to amortization of costs for House Bill 08-1225 concerning an increase in the property tax exemption for business personal property projected to be \$178,000 and House Bill 08-1171 concerning the exclusion of federal excise tax paid on the first sale of a heavy vehicle from the purchase price of such vehicle, which subsequently reduces the specific ownership related to Total Program funding by approximately \$15,300.

Hold-harmless Full-day Kindergarten Funding

The Department requests a \$428,252 cash funds reduction in FY 2010-11. Pursuant to 22-54-130, C.R.S., a district's annual hold-harmless full-day kindergarten funding shall be an amount equal to the number of children that the district served through a full-day kindergarten portion of the district's preschool program in the 2007-08 budget year or the number of children enrolled in kindergarten in the district in the applicable budget year, whichever is less, multiplied by the district's per pupil revenue for the applicable budget year, and then multiplied by the difference between one and the supplemental full-day kindergarten factor. The appropriation for hold-harmless full-day kindergarten funding for FY 2009-10 is \$7,705,498 for 2,454 students times their district's per pupil funding times 42% (offset to the .58 factor for supplemental full-day kindergarten). The proposed decrease is based on 2,454 students times their district's per pupil funding times 42%, totaling \$7,277,246, with an expected decrease of \$428,252. The reduction is due to lower per pupil funding for districts as a result of proposed formula modifications for Total Program funding.

	FY2007-08 Full-day K	FY2009-10 Appropriation	FY2010-11 Request
Percentage		42%	42%
Number of Pupils Funded	2,454	1,031	1,031
Hold-harmless Full-day Kindergarten Funding (State Education Fund)	\$0	\$7,705,498	\$7,277,246

Supplemental Request for FY2009-10:

The supplemental request for FY 2009-10 is for a reduction of \$71,168,652 cash funds as a result of the three changes identified in the table below and following narrative:

State Share Change - Negative Supplemental			
<i>FY 2009-10 Negative Supplemental Request</i>	Total *	Steamboat Springs State Share Adjustment	Preliminary Assessed Valuation Adjustment
General Fund	\$ -	\$ -	\$ -
cash funds	\$ (71,168,652)	\$ 2,373,516	\$ (73,542,168)
Total Funds	\$ (71,168,652)	\$ 2,373,516	\$ (73,542,168)
* Includes elimination of State Fiscal Stabilization Funds from the American Recovery and Reinvestment Act of 2009 in FY 2009-10. This adjustment does not change any appropriated funding level for Total Program in FY 2009-10.			

- 1) Steamboat Springs Funding Calculation Corrected
Beginning in FY 2007-08, legislation was passed to stabilize school district mill levies.

The legislation caps mill levies at 27 mills and freezes mill levies for districts with mill levies of 27 mills or less. This legislation applies to the “total program” mill levy only. It does not affect override, bond, special building and technology, full-day kindergarten excess cost, or transportation mill levies. Additionally, this mill levy cap/freeze does not apply to districts that have not held a successful TABOR election.

The three school districts which have not held a successful TABOR election must levy the least/smallest mill resulting from the following three options: (1) the mill that it levied in the prior year; (2) the mill necessary to entirely pay for its Total Program and categorical programs, less any specific ownership tax revenues and minimum State Share funding received or (3) the maximum mill allowed by the TABOR constitutional amendment.

Additionally, Steamboat Springs held a successful TABOR election to exempt all revenue except property taxes. Therefore, Steamboat Springs must levy the least/smallest mill resulting from the same three options as the three districts that have not held a successful TABOR election. Steamboat Springs believed their election covered all revenue and were not aware that property taxes were excluded. This was not determined until the department was conducting research during the mill levy lawsuit.

As a result, Steamboat Springs levied an incorrect mill in both FY 2007-08 and FY 2008-09. The higher mill levy generated more property tax revenues than the district was entitled to receive and conversely, caused the district to receive less in State Share Funding than they would have otherwise been entitled to receive for these two fiscal years.

This issue is not relevant to state and local shares of total program funding prior to FY 2007-08 since all districts property tax calculations were made pursuant to the statutory reference to TABOR included in the following: “must levy the least/smallest mill resulting from the following three options: (1) the mill that it levied in the prior year; (2) the mill necessary to entirely pay for its Total Program and categorical programs, less any

specific ownership tax revenues and minimum State Share funding received or (3) the maximum mill allowed by the TABOR constitutional amendment”.

The department requested funding in the amount of \$3,684,366 for Steamboat Springs School District through an emergency supplemental in August 2009 to pay back the local district in FY 2007-08 and FY 2008-09. This amount addressed the previous two fiscal years, while the \$2,373,516 will adjust this issue in FY 2009-10. This funding will allow the district to repay their taxpayers. Both the school district and the department believed that the district had successfully passed a TABOR election which included property taxes. The district should not be placed in a position of harm due to a mutual misunderstanding.

This request incorporates the corrected method of calculating Steamboat Springs’ property taxes and state share in FY 2009-10. The methodology will be carried forward for all subsequent funding calculations.

2) Use of Preliminary Assessed Valuation Provided by Counties

Counties within the state are required to provide preliminary assessed valuation to school districts and the department by August 25th. The preliminary certifications showed significant increases in assessed valuation for FY 2009-10. The department generally does not rely on preliminary assessed valuations, but has decided to incorporate the changes in the budget request document for purposes of this supplemental request and the need to use all available information to assist with necessary budget reductions.

The projected assessed valuation at the time of appropriation was \$90,117,339,952. The preliminary assessed valuation amount is now projected to be \$96,432,148,435, resulting in an increase of \$6,314,808,483 or 7%. By using the preliminary assessed valuations, the property taxes calculated for FY 2009-10 are \$73,735,465 higher than the amount used to determine the state’s share of total program appropriation. Therefore, the state’s share of total program need is reduced by \$73,735,465 cash funds.

3) Elimination of State Fiscal Stabilization Funding for K-12 Education

On October 28, 2009, the Governor announced an additional \$145,000,000 General Fund reduction to Higher Education to be backfilled with State Fiscal Stabilization Funds in FY 2009-10. This amount was in addition to the FY 2009-10 request from August 25th which cut \$80,832,188 General Fund from Higher Education and restored it with State Fiscal Stabilization Funds in FY 2009-10. Due to these reductions, the department will no longer be receiving the State Fiscal Stabilization Funds in FY 2009-10 to assist with growth in primary and secondary education since the funds are needed to restore a cut to Higher Education. This change in financing doesn't impact the total funding from the State Education Fund in FY 2009-10, rather it spends State Education Fund balance in lieu of the State Fiscal Stabilization Funds. These State Fiscal Stabilization Funds would have otherwise been deposited and spent out of the State Education Fund. This action is pursuant to the Guidance on the State Fiscal Stabilization Fund Program from the Federal Department of Education dated April 2009, and is consistent with parameters defined in the American Recovery and Reinvestment of 2009 (ARRA).

Consequences if Not Funded:

The state would not meet the requirements of section 17 of Article IX of the Colorado Constitution.

The state would not meet the intent of the General Assembly to provide funding for full-day kindergarten.

Calculations for Request:

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	(\$71,168,652)	\$0	(\$71,168,652)	\$0	\$0	0.0
Assistance to Public Schools (A) Public School Finance, State Share of Districts' Total Program Funding	(\$71,168,652)	\$0	(\$71,168,652)	\$0	\$0	0.0

Summary of Request FY 2010-11 and FY 2011-12	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	(\$297,625,080)	(\$223,342,898)	(\$74,282,182)	\$0	\$0	0.0
(1) Assistance to Public Schools (A) Public School Finance, State Share of Districts' Total Program Funding	(\$297,196,828)	(\$223,342,898)	(\$73,853,930)	\$0	\$0	0.0
(2) Hold-harmless Full-day Kindergarten Funding	(\$428,252)	\$0	(\$428,252)	\$0	\$0	0.0

Table #1

School Finance: Total Program	FY 07-08 Actual	FY08-09 Appropriation	FY09-10 Appropriation	FY10-11 Request
Funded Pupil Count	760,884.0	778,136.1	788,648.3	797,780.4
<i>Annual Percent Change</i>	<i>1.90%</i>	<i>2.27%</i>	<i>1.35%</i>	<i>1.16%</i>
Statewide Base Per Pupil Funding	\$5,087.61	\$5,250.41	5,507.68	5,540.73
<i>Annual Percent Change</i>	<i>4.60%</i>	<i>3.20%</i>	<i>4.90%</i>	<i>0.60%</i>
Statewide Average Per Pupil Funding	\$6,661.05	\$6,873.88	\$7,225.38	\$6,816.78
<i>Annual Percent Change</i>	<i>4.70%</i>	<i>3.20%</i>	<i>5.11%</i>	<i>-5.66%</i>
Total Program Funding	\$5,068,284,706	\$5,348,813,888	\$5,698,295,823	\$5,438,295,823
Rescinded Amount		\$6,193,184		
<i>Annual Percent Change</i>	<i>6.40%</i>	<i>5.53%</i>	<i>6.53%</i>	<i>-4.56%</i>
Local Share of Districts' Total Program Funding	\$1,915,971,895	\$1,955,868,682	\$2,002,007,038	\$2,039,203,866
<i>Annual Percent Change</i>	<i>10.80%</i>	<i>2.08%</i>	<i>2.36%</i>	<i>1.86%</i>
Total State Share of Districts' Total Program Funding	\$3,152,312,811	\$3,392,945,206	\$3,696,288,785	\$3,399,091,957
<i>Annual Percent Change</i>	<i>3.00%</i>	<i>7.63%</i>	<i>8.94%</i>	<i>-8.04%</i>
<i>State Share as % of Districts' Total Program</i>	<i>62.20%</i>	<i>63.43%</i>	<i>64.87%</i>	<i>62.50%</i>

The department's request for school finance for FY 2010-11 is based on a 1.16 percent projected increase in the funded pupil count, a .6 percent increase in the statewide base per pupil funding, and a 1.86 percent increase in available local revenues. Proposed modifications to the Total Program funding formula are also included in this request. Please note that the annual appropriation for school finance is based on estimates of pupil counts and local property tax revenues. Thus, the annual appropriation typically requires a mid-year adjustment once the actual data is available.

This request methodology is achieved through a reduction to the “cost-of-living factor” and the creation of a new factor called the “equity adjustment” factor.

STATE OF COLORADO FY 2010-11 BUDGET REQUEST CYCLE: Education

COLORADO DEPARTMENT OF EDUCATION
PUBLIC SCHOOL FINANCE ACT OF 1994
PROJECTED FISCAL YEAR 2010-11 FUNDING SUMMARY
NOVEMBER 6 2009 BUDGET REQUEST

	COLUMN 2 & 5	A	B	COLUMN 3	COLUMN 4	C		D	COLUMN 6	COLUMN 7		
	Appropriation in FY 2009-10 and Base Request FY 2010-11	Annualization - Supplemental Appropriation Request Modify Steamboat Springs Calculation FY2009-10	Annualization - Supplemental Appropriation Request Preliminary Assessed Valuation Modification FY2009-10	Total Supplemental Request	Total Revised Request FY2009-10	Assumes General Assembly Action to Approve Rescission by January 29, 2010	Percentage of Assumed Rescission Action	After Rescission	Additional Adjustment Requested for FY 2010-11	Base Reduction Request	October 2009 Request FY2010-11	Percentage Change from Assumed Starting Point for FY 2009-10
At-risk Funded Count	250,722.0	-	-	-	250,722.0			250,722.0	(2,187.0)	(2,187.0)	248,535.0	-0.87%
Funded Pupil Count	788,648.3	-	-	-	788,648.3			788,648.3	9,132.1	9,132.1	797,780.4	1.16%
Average Per-Pupil Funding	7,225.40	-	-	-	7,225.40			7,085.92	(408.61)	(408.61)	6,816.78	-5.66%
Total Program	5,698,295,823	-	-	-	5,698,295,823	(110,000,000)	-1.93%	5,588,295,823	(150,000,000)	(260,000,000)	5,438,295,823	-4.56%
Property Taxes	1,853,194,611	(2,373,516)	73,542,168	71,168,652	1,924,363,263			1,924,363,263	(37,692,134)	33,476,518	1,886,671,129	1.81%
Specific Ownership Taxes	148,812,427	-	-	-	148,812,427			148,812,427	3,720,310	3,720,310	152,532,737	2.50%
State Share	3,696,288,785	2,373,516	(73,542,168)	(71,168,652)	3,625,120,133	(110,000,000)	-3.03%	3,515,120,133	(116,028,176)	(297,196,828)	3,399,091,957	-8.04%
Total State Need:												
Cash Funds:												
State Education Fund	542,248,987	2,373,516	(73,542,168)	(71,168,652)	471,080,335	(110,000,000)	-23.35%	361,080,335	122,528,135	(58,640,517)	483,608,470	-10.81%
State Public School Fund												
Mineral Lease	53,970,000	-	-	-	53,970,000	-		53,970,000	(2,713,413)	(2,713,413)	51,256,587	-5.03%
School Lands Earnings	8,491,876	-	-	-	8,491,876	-		8,491,876	0	0	8,491,876	0.00%
Reserves	15,000,000	-	-	-	15,000,000	-		15,000,000	(15,000,000)	(15,000,000)	-	-100.00%
Audit Recoveries	-	-	-	-	-	-		-	2,500,000	2,500,000	2,500,000	
General Fund Exempt (Ref C)	-	-	-	-	-	-		-	-	-	-	
General Fund	3,076,577,922	-	-	-	3,076,577,922	-		3,076,577,922	(223,342,898)	(223,342,898)	2,853,235,024	-7.26%
State's Share of Total Program	3,696,288,785	2,373,516	(73,542,168)	(71,168,652)	3,625,120,133	(110,000,000)	-3.03%	3,515,120,133	(116,028,176)	(297,196,828)	3,399,091,957	-8.04%
Maintenance of Effort	146,503,711.000											MOE Not Required
Maintenance of Effort Percentage	0.050											
Total Local Share	2,002,007,038	(2,373,516)	73,542,168		2,073,175,690	-		2,073,175,690	(33,971,824)	37,196,829	2,039,203,866	
Total General Fund Portion	3,076,577,922	-	-		3,076,577,922	-		3,076,577,922	(223,342,898)	(223,342,898)	2,853,235,024	
Total Non-SEF Cash Funds	77,461,876	-	-		77,461,876	-		77,461,876	(15,213,413)	(15,213,413)	62,248,463	
Total SEF Cash Funds	542,248,987	2,373,516	(73,542,168)		471,080,335	(110,000,000)		361,080,335	122,528,135	(58,640,517)	483,608,470	
Total State Share	3,696,288,785	2,373,516	(73,542,168)		3,625,120,133	(110,000,000)		3,515,120,133	(116,028,176)	(297,196,828)	3,399,091,957	
Total Program Funding	5,698,295,823	-	-		5,698,295,823	(110,000,000)		5,588,295,823	(150,000,000)	(260,000,000)	5,438,295,823	
Hold-harmless Full-day Kindergarten	7,705,498	-	-		7,705,498.00	-		7,705,498	(428,252)	(428,252)	7,277,246	

Note: The amount shown on this table in FY2008-09 for Total Program of \$5,348,813,888 does not match the amount of \$5,355,007,072 shown in the Appropriation Report on Page 67. The difference is \$6,193,184, the amount of the rescission withheld from districts' state share of total program.

Assumptions:

- Pupil growth from FY2009-10 of 788,648.3 (projected) to FY2010-11 797,780.4 (projected) equals 9,132.1 or 1.16% increase
- At-risk count is projected to decrease from 250,722.0 to 248,535.0 for a decrease of (2,187.0) or (.87%)
- Total Program is projected to decrease by (2.68%) from the assumed ending point for FY2009-10 (Action assumed taken by General Assembly)
- Property taxes are projected to decrease by 1.96% due an expected drop in assessed valuations and reduced property taxes in highly local funded districts due to the school finance formula modifications.
- Assessed valuation is projected to decrease by 1.8%, from \$96,435,148,435 in FY2009-10 to \$94,696,369,760 in FY2010-11, a reduction of \$1,735,778,675
- Specific Ownership Taxes are Projected to increase by 2.5%.
- State Share is projected to decrease by (3.3%) from the assumed ending point for FY2009-10 (Action assumed taken by General Assembly)
- Inflation is projected at negative .4%
- Total Program includes the additional 1% State Education Fund increase on the statewide base per pupil funding
- The statewide base per pupil funding was increased by inflation -.4% Plus 1% Amendment 23 from \$5,507.68 to \$5,540.73 or \$33.05
- The minimum funding remains at 95% of the statewide average per-pupil funding, but decreases due to the school finance formula modifications from \$6,890.20 to \$6,411.92, a reduction of \$478.28
- The at-risk factor remains at 12%
- The on-line funding was increased by inflation -.4% Plus 1% Amendment 23 from \$6,641 to \$6,681 or \$40 and then decreased by 6.12% to \$6,272 keeping in line with the school finance formula modifications
- Funding for full-day kindergarten remains at .08 for a total of \$35,837,618
- Funding for Hold-harmless Full-day Kindergarten is \$7,277,246, decreased by (\$474,696), or (6.12%), due to modifications of the school finance formula

STATE OF COLORADO FY 2010-11 BUDGET REQUEST CYCLE: Education

The table on the previous page details the changes in the supplemental and base reduction request. Below are additional tables which describe the parts of these changes. The table on this page provides the calculations to the supplemental changes in FY 2009-10 being requested.

Supplemental Request Changes - Ties to the Schedule 13					
	COLUMN 2	A	B	COLUMN 3	COLUMN 4
	Appropriation FY2009-10	Supplemental Appropriation Request Modify Steamboat Springs Calculation FY2009-10	Supplemental Appropriation Request Preliminary Assessed Valuation Modification FY2009-10	Total Supplemental Request	Total Revised Request FY2009-10
At-risk Funded Count	250,722.0	-	-		250,722.0
Funded Pupil Count	788,648.3	-	-		788,648.3
Average Per-Pupil Funding	7,225.40	-	-		7,225.40
Total Program	5,698,295,823	-	-	-	5,698,295,823
Property Taxes	1,853,194,611	(2,373,516)	73,542,168	71,168,652	1,924,363,263
Specific Ownership Taxes	148,812,427	-	-		148,812,427
State Share	3,696,288,785	2,373,516	(73,542,168)	(71,168,652)	3,625,120,133
Total State Need:					
Cash Funds:					
State Education Fund	542,248,987	2,373,516	(73,542,168)	(71,168,652)	471,080,335
State Public School Fund					
Mineral Lease	53,970,000	-	-	-	53,970,000
School Lands Earnings	8,491,876	-	-	-	8,491,876
Reserves	15,000,000	-	-	-	15,000,000
Audit Recoveries					
Federal - SFSF (ARRA)	-	-	-	-	-
General Fund Exempt (Ref C)	-	-	-	-	-
General Fund	3,076,577,922	-	-	-	3,076,577,922
State's Share of Total Program	3,696,288,785	2,373,516	(73,542,168)	(71,168,652)	3,625,120,133
Maintenance of Effort	146,503,711.000				
Maintenance of Effort Percentage	0.050				
Total Local Share	2,002,007,038	(2,373,516)	73,542,168		2,073,175,690
Total General Fund Portion	3,076,577,922	-	-		3,076,577,922
Total Non-SEF Cash Funds	77,461,876	-	-		77,461,876
Total SEF Cash Funds	542,248,987	2,373,516	(73,542,168)		471,080,335
Total State Share	3,696,288,785	2,373,516	(73,542,168)		3,625,120,133
Total Program Funding	5,698,295,823	-	-		5,698,295,823
Hold-harmless Full-day Kindergarten	7,705,498				7,705,498

On the previous page the supplemental request makes two adjustments to funding amounts.

Part A – describes the changes in state share due to Steamboat Springs as has been previously discussed.

Part B – describes the changes in state share based on preliminary assessed valuations in FY 2009-10.

STATE OF COLORADO FY 2010-11 BUDGET REQUEST CYCLE: Education

The table on this page provides the calculations for the Base Reduction Item in FY 2010-11 being requested.

Base Reduction Item - Ties to the Schedule 13								
	COLUMN 5	C			D	COLUMN 6	COLUMN 7	
	Base Request FY 2010-11	Assumes General Assembly Action to Approve Rescission by January 29, 2010	Percentage of Assumed Rescission Action	After Rescission	Additional Adjustment Requested for FY 2010-11	Base Reduction Request	October 2009 Request FY2010-11	Percentage Change from Assumed Starting Point for FY 2009-10
At-risk Funded Count	250,722.0			250,722.0	(2,187.0)	(2,187.0)	248,535.0	-0.87%
Funded Pupil Count	788,648.3			788,648.3	9,132.1	9,132.1	797,780.4	1.16%
Average Per-Pupil Funding	7,225.40			7,085.92	(408.61)	(408.61)	6,816.78	-5.66%
Total Program	5,698,295,823	(110,000,000)	-1.93%	5,588,295,823	(150,000,000)	(260,000,000)	5,438,295,823	-4.56%
Property Taxes	1,853,194,611			1,924,363,263	(37,692,134)	33,476,518	1,886,671,129	1.81%
Specific Ownership Taxes	148,812,427			148,812,427	3,720,310	3,720,310	152,532,737	2.50%
State Share	3,696,288,785	(110,000,000)	-3.03%	3,515,120,133	(116,028,176)	(297,196,828)	3,399,091,957	-8.04%
Total State Need:								
Cash Funds:								
State Education Fund	542,248,987	(110,000,000)	-23.35%	361,080,335	122,528,135	(58,640,517)	483,608,470	-10.81%
State Public School Fund								
Mineral Lease	53,970,000	-		53,970,000	(2,713,413)	(2,713,413)	51,256,587	-5.03%
School Lands Earnings	8,491,876	-		8,491,876	-	0	8,491,876	0.00%
Reserves	15,000,000	-		15,000,000	(15,000,000)	(15,000,000)	-	-100.00%
Audit Recoveries	-	-		-	2,500,000	2,500,000	2,500,000	
General Fund Exempt (Ref C)	-	-		-	-	-	-	
General Fund	3,076,577,922	-		3,076,577,922	(223,342,898)	(223,342,898)	2,853,235,024	-7.26%
State's Share of Total Program	3,696,288,785	(110,000,000)	-3.03%	3,515,120,133	(116,028,176)	(297,196,828)	3,399,091,957	-8.04%
Maintenance of Effort	146,503,711.000							MOE Not Required
Maintenance of Effort Percentage	0.050							
Total Local Share	2,002,007,038	-		2,073,175,690	(33,971,824)	37,196,829	2,039,203,866	
Total General Fund Portion	3,076,577,922	-		3,076,577,922	(223,342,898)	(223,342,898)	2,853,235,024	
Total Non-SEF Cash Funds	77,461,876	-		77,461,876	(15,213,413)	(15,213,413)	62,248,463	
Total SEF Cash Funds	542,248,987	(110,000,000)		361,080,335	122,528,135	(58,640,517)	483,608,470	
Total State Share	3,696,288,785	(110,000,000)		3,515,120,133	(116,028,176)	(297,196,828)	3,399,091,957	
Total Program Funding	5,698,295,823	(110,000,000)		5,588,295,823	(150,000,000)	(260,000,000)	5,438,295,823	
Hold-harmless Full-day Kindergarten	7,705,498	-		7,705,498	(428,252)	(428,252)	7,277,246	

On the previous page the base reduction item makes two adjustments to funding amounts.

Part C – describes the anticipated rescission by the General Assembly in FY 2009-10 which reduces funding levels to the “After rescission” column.

Part D – describes the additional change requested after the rescission.

Column 5 + Part C + Part D => Column 6 Base reduction item request for FY 2010-11.

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2008-09 <1> Expenditures	FY 2008-09 End of Year Cash Balance	***FY 2009-10 End of Year Cash Balance Estimate	***FY 2010-11 End of Year Cash Balance Estimate	***FY 2011-12 End of Year Cash Balance Estimate
State Public School Fund	113	\$3,030,711,173	\$17,286,956	\$269,489	\$269,489	\$0
State Education Fund	440	\$494,002,579	\$450,904,418	\$317,200,000	\$73,900,000	\$11,400,000

*** These projected fund balances assume the General Assembly rescinds \$110,000,000 in FY 2009-10 and these savings are incurred by the State Education Fund.

<1> The State Public School Fund amount here captures the expenditures from payments of state fund including General Fund which increases the expenditure figure relative to the fund balance figures identified in the subsequent columns.

The table of the following page identifies the methodology of the factor reduction for Cost-of-Living and the creation of a new “Equity Adjustment” factor in FY 2010-11. The result of the methodology described on the following pages is a \$260,000,000 total program cut from the original FY 2009-10 Total Program appropriation.

STATE OF COLORADO FY 2010-11 BUDGET REQUEST CYCLE: Education

FY 2010-11 Total Program Funding with \$260 Million Reduction Via Reduced Cost of Living Factors, Online Funding and Subsequent Equity Adjustment	
PART	Description of Part
A	Prior year funding methodology for Cost-of-Living Factor in FY 2010-11.
B	Prior year funding methodology for Total Program cost in FY 2010-11.
C	ADJUSTED Cost-of-Living factor, as requested to be included in the School Finance Act during the 2010 legislative session.
D	ADJUSTED Total Program cost, as requested to be included in the School Finance Act during the 2010 legislative session.
E	Change in the Cost-of-Living Factor amount between "B" and "D".
F	Percentage Reduction in the Cost-of-Living Factor between "B" and "D".
G	NEW factor amount from the "Equity Adjustment" to cause a net change when including the Cost-of-Living Factor reduction to <6.12%> from the prior year funding methodology for total program cost and <4.56%> from the original FY 2009-10 total program amount.
H	NEW percentage change included in the "Equity Adjustment" .
I	REQUESTED Total Program amount after changes to factors to be included in the School Finance Act during the 2010 legislative session.
J	Net Total Program cost reduction that was previously anticipated and the change in the factors that is proposed in this request, requiring action and statutory change to the School Finance Act in the 2010 legislative session.
K	Total Program Percentage reduction assuming net of the prior year funding methodology for total program cost.

PART =>		A	B	C	D	E	F	G	H	I	J	K
Methodology =>						E = D - B	F = E / B		H = G / B	I = G + D	J = I - B	K = J / B
County	District	Prior year funding methodology for Cost of Living Factor	Prior year funding methodology for Total Program	Proposed Cost of Living Factor	Total Program With Cost of Living Adjustment	Cost of Living Change	Percentage Change to Cost of Living Factor	Equity Adjustment	Percentage Change for Equity Adjustment	Proposed Total Program with Cost of Living and Equity Adjustment	Total Change from prior year funding methodology for Total Program	Percentage Change from prior year methodology for Total Program
LAS ANIMAS	KIM	1.010	795,687	0.933	746,963	-48,724	-6.12%	0	0.00%	746,963	(48,724)	-6.12%
LAS ANIMAS	BRANSON	1.013	3,641,782	0.936	3,417,747	-224,035	-6.15%	1,028	0.03%	3,418,775	(223,007)	-6.12%
KIOWA	PLAINVIEW	1.040	869,297	0.961	815,745	-53,552	-6.16%	320	0.04%	816,065	(53,232)	-6.12%
LINCOLN	KARVAL	1.081	1,899,790	0.998	1,782,517	-117,274	-6.17%	939	0.05%	1,783,455	(116,335)	-6.12%
BACA	VILAS	1.071	3,391,392	0.989	3,181,990	-209,402	-6.17%	1,727	0.05%	3,183,718	(207,674)	-6.12%
KIT CARSON	HI PLAINS	1.033	1,425,340	0.954	1,337,296	-88,043	-6.18%	762	0.05%	1,338,058	(87,282)	-6.12%
BACA	CAMPO	1.068	730,623	0.986	685,421	-45,201	-6.19%	461	0.06%	685,883	(44,740)	-6.12%
BACA	PRITCHETT	1.070	863,061	0.988	809,603	-53,458	-6.19%	608	0.07%	810,211	(52,850)	-6.12%
CHEYENNE	KIT CARSON	1.062	1,291,485	0.981	1,211,385	-80,100	-6.20%	1,015	0.08%	1,212,400	(79,085)	-6.12%
KIT CARSON	BETHUNE	1.071	1,550,354	0.989	1,453,899	-96,455	-6.22%	1,518	0.10%	1,455,417	(94,937)	-6.12%
LAS ANIMAS	AGUILAR	1.070	1,722,793	0.988	1,615,514	-107,279	-6.23%	1,782	0.10%	1,617,296	(105,496)	-6.12%
SAGUACHE	MTN VALLEY	1.077	1,677,860	0.995	1,573,302	-104,558	-6.23%	1,813	0.11%	1,575,115	(102,745)	-6.12%
KIOWA	EADS	1.060	2,053,314	0.979	1,925,222	-128,091	-6.24%	2,355	0.11%	1,927,577	(125,736)	-6.12%
BACA	WALSH	1.079	1,727,118	0.997	1,619,353	-107,765	-6.24%	2,004	0.12%	1,621,356	(105,761)	-6.12%
WASHINGTON	WOODLIN	1.102	1,214,137	1.018	1,138,377	-75,760	-6.24%	1,412	0.12%	1,139,789	(74,349)	-6.12%
KIT CARSON	ARRIBA-FLAGLER	1.072	1,916,722	0.990	1,797,102	-119,621	-6.24%	2,249	0.12%	1,799,351	(117,372)	-6.12%
SEDGWICK	PLATTE VLY	1.100	1,524,970	1.016	1,429,671	-95,300	-6.25%	1,917	0.13%	1,431,588	(93,383)	-6.12%
SEDGWICK	JULESBURG	1.111	5,540,939	1.026	5,194,328	-346,611	-6.26%	7,308	0.13%	5,201,635	(339,303)	-6.12%
BENT	MCCLAVE	1.050	2,433,276	0.970	2,281,007	-152,269	-6.26%	3,266	0.13%	2,284,272	(149,003)	-6.12%
WASHINGTON	ARRICKAREE	1.109	1,476,509	1.024	1,384,112	-92,397	-6.26%	1,982	0.13%	1,386,094	(90,415)	-6.12%
KIT CARSON	STRATTON	1.072	2,212,829	0.990	2,074,291	-138,537	-6.26%	3,033	0.14%	2,077,325	(135,504)	-6.12%
PROWERS	HOLLY	1.038	2,623,096	0.959	2,458,782	-164,313	-6.26%	3,686	0.14%	2,462,469	(160,627)	-6.12%
HUERFANO	LA VETA	1.064	2,535,423	0.983	2,376,215	-159,208	-6.28%	3,949	0.16%	2,380,165	(155,258)	-6.12%
PROWERS	WILEY	1.069	2,497,725	0.987	2,340,863	-156,862	-6.28%	3,912	0.16%	2,344,775	(152,950)	-6.12%
PROWERS	GRANADA	1.069	2,552,208	0.987	2,391,906	-160,302	-6.28%	4,016	0.16%	2,395,922	(156,286)	-6.12%

STATE OF COLORADO FY 2010-11 BUDGET REQUEST CYCLE: Education

FY 2010-11 Total Program Funding with \$260 Million Reduction Via Reduced Cost of Living Factors, Online Funding and Subsequent Equity Adjustment	
PART	Description of Part
A	Prior year funding methodology for Cost-of-Living Factor in FY 2010-11.
B	Prior year funding methodology for Total Program cost in FY 2010-11.
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WASHINGTON	LONE STAR	1.139	1,335,522	1.052	1,251,622	-83,900	-6.28%	2,118	0.16%	1,253,740	(81,782)	-6.12%
COSTILLA	CENTENNIAL	1.088	2,406,387	1.005	2,255,139	-151,249	-6.29%	3,892	0.16%	2,259,030	(147,357)	-6.12%
LINCOLN	GENOA-HUGO	1.110	2,071,529	1.025	1,941,312	-130,217	-6.29%	3,366	0.16%	1,944,678	(126,852)	-6.12%
MESA	DEBEQUE	1.123	1,872,339	1.037	1,754,587	-117,752	-6.29%	3,098	0.17%	1,757,685	(114,654)	-6.12%
SAGUACHE	MOFFAT	1.099	2,494,949	1.015	2,338,035	-156,915	-6.29%	4,135	0.17%	2,342,169	(152,780)	-6.12%
WELD	GROVER	1.141	1,506,720	1.054	1,411,941	-94,780	-6.29%	2,515	0.17%	1,414,455	(92,265)	-6.12%
PHILLIPS	HAXTUN	1.072	2,539,852	0.990	2,379,987	-159,866	-6.29%	4,336	0.17%	2,384,323	(155,530)	-6.12%
ELBERT	AGATE	1.170	928,871	1.081	870,395	-58,475	-6.30%	1,595	0.17%	871,991	(56,880)	-6.12%
LOGAN	PLATEAU	1.129	1,939,587	1.043	1,817,449	-122,137	-6.30%	3,365	0.17%	1,820,815	(118,772)	-6.12%
BACA	SPRINGFIELD	1.078	2,595,836	0.996	2,432,343	-163,493	-6.30%	4,535	0.17%	2,436,879	(158,958)	-6.12%
MINERAL	CREEDE	1.150	1,531,070	1.062	1,434,625	-96,445	-6.30%	2,689	0.18%	1,437,313	(93,756)	-6.12%
CHEYENNE	CHEYENNE R-5	1.117	2,175,089	1.032	2,038,055	-137,034	-6.30%	3,841	0.18%	2,041,896	(133,193)	-6.12%
LAS ANIMAS	PRIMERO	1.110	2,305,127	1.025	2,159,879	-145,247	-6.30%	4,091	0.18%	2,163,970	(141,156)	-6.12%
YUMA	IDALIA	1.141	1,806,654	1.054	1,692,804	-113,850	-6.30%	3,219	0.18%	1,696,023	(110,632)	-6.12%
LOGAN	FRENCHMAN	1.119	2,185,877	1.033	2,048,089	-137,788	-6.30%	3,934	0.18%	2,052,024	(133,854)	-6.12%
SAN JUAN	SILVERTON	1.173	1,106,126	1.083	1,036,399	-69,727	-6.30%	1,992	0.18%	1,038,391	(67,734)	-6.12%
OTERO	CHERAW	1.118	2,316,393	1.033	2,170,318	-146,075	-6.31%	4,229	0.18%	2,174,547	(141,846)	-6.12%
WASHINGTON	OTIS	1.128	2,167,865	1.042	2,031,082	-136,783	-6.31%	4,032	0.19%	2,035,114	(132,751)	-6.12%
WELD	BRIGGS DALE	1.142	1,976,340	1.055	1,851,625	-124,715	-6.31%	3,693	0.19%	1,855,318	(121,023)	-6.12%
COSTILLA	SIERRA GRANDE	1.098	2,618,161	1.014	2,452,920	-165,241	-6.31%	4,916	0.19%	2,457,836	(160,325)	-6.12%
OTERO	MANZANOLA	1.128	2,307,799	1.042	2,162,122	-145,677	-6.31%	4,357	0.19%	2,166,479	(141,320)	-6.12%
WELD	PRAIRIE	1.141	2,032,963	1.054	1,904,608	-128,355	-6.31%	3,865	0.19%	1,908,473	(124,490)	-6.12%
FREMONT	COTOPAXI	1.122	2,459,821	1.036	2,304,342	-155,479	-6.32%	4,850	0.20%	2,309,192	(150,629)	-6.12%
YUMA	LIBERTY	1.188	1,243,026	1.097	1,164,436	-78,590	-6.32%	2,472	0.20%	1,166,908	(76,118)	-6.12%
EL PASO	EDISON	1.161	2,239,705	1.072	2,097,971	-141,734	-6.33%	4,584	0.20%	2,102,555	(137,150)	-6.12%

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CONEJOS	SOUTH CONEJOS	1.109	2,703,118	1.024	2,532,046	-171,072	-6.33%	5,544	0.21%	2,537,590	(165,527)	-6.12%
JACKSON	NORTH PARK	1.159	2,302,047	1.070	2,156,021	-146,026	-6.34%	5,058	0.22%	2,161,079	(140,967)	-6.12%
CONEJOS	SANFORD	1.098	3,041,218	1.014	2,848,182	-193,035	-6.35%	6,804	0.22%	2,854,986	(186,231)	-6.12%
HINSDALE	HINSDALE	1.212	1,358,866	1.119	1,272,602	-86,264	-6.35%	3,053	0.22%	1,275,655	(83,211)	-6.12%
ALAMOSA	SANGRE DECRISTO	1.109	2,938,914	1.024	2,752,311	-186,604	-6.35%	6,637	0.23%	2,758,948	(179,966)	-6.12%
MORGAN	WELDON	1.172	2,401,716	1.082	2,248,947	-152,768	-6.36%	5,697	0.24%	2,254,645	(147,071)	-6.12%
LAS ANIMAS	HOEHNE	1.119	2,961,895	1.033	2,773,337	-188,558	-6.37%	7,185	0.24%	2,780,522	(181,374)	-6.12%
ARAPAHOE	DEER TRAIL	1.211	2,093,636	1.118	1,960,151	-133,485	-6.38%	5,279	0.25%	1,965,431	(128,205)	-6.12%
DOLORES	DOLORES	1.164	2,737,907	1.075	2,563,196	-174,711	-6.38%	7,053	0.26%	2,570,249	(167,658)	-6.12%
LOGAN	BUFFALO	1.149	2,879,508	1.061	2,695,694	-183,815	-6.38%	7,486	0.26%	2,703,180	(176,329)	-6.12%
EL PASO	HANOVER	1.174	2,784,355	1.084	2,606,506	-177,848	-6.39%	7,347	0.26%	2,613,853	(170,502)	-6.12%
BENT	LAS ANIMAS	1.067	4,143,515	0.985	3,878,675	-264,840	-6.39%	11,108	0.27%	3,889,784	(253,731)	-6.12%
OTERO	SWINK	1.129	3,272,230	1.043	3,062,868	-209,362	-6.40%	8,985	0.27%	3,071,853	(200,377)	-6.12%
OTERO	FOWLER	1.119	3,398,500	1.033	3,180,965	-217,535	-6.40%	9,426	0.28%	3,190,391	(208,110)	-6.12%
MONTEZUMA	MANCOS	1.143	3,327,943	1.056	3,114,730	-213,212	-6.41%	9,424	0.28%	3,124,154	(203,789)	-6.12%
ELBERT	ELBERT	1.202	2,698,561	1.110	2,525,622	-172,939	-6.41%	7,690	0.28%	2,533,313	(165,248)	-6.12%
RIO BLANCO	RANGELY	1.101	3,500,030	1.017	3,275,685	-224,345	-6.41%	10,018	0.29%	3,285,703	(214,327)	-6.12%
WASHINGTON	AKRON	1.140	3,382,597	1.053	3,165,596	-217,001	-6.42%	9,866	0.29%	3,175,461	(207,136)	-6.12%
RIO GRANDE	SARGENT	1.110	3,593,375	1.025	3,362,745	-230,629	-6.42%	10,586	0.29%	3,373,332	(220,043)	-6.12%
CROWLEY	CROWLEY	1.108	4,017,292	1.023	3,759,441	-257,851	-6.42%	11,849	0.29%	3,771,291	(246,002)	-6.12%
SAGUACHE	CENTER	1.088	4,650,931	1.005	4,352,314	-298,617	-6.42%	13,814	0.30%	4,366,128	(284,803)	-6.12%
EL PASO	MIAMI-YODER	1.162	3,359,574	1.073	3,143,811	-215,763	-6.42%	10,037	0.30%	3,153,848	(205,726)	-6.12%
ELBERT	BIG SANDY	1.199	2,968,242	1.107	2,777,594	-190,648	-6.42%	8,886	0.30%	2,786,480	(181,762)	-6.12%
TELLER	CRIPPLE CREEK	1.142	3,593,992	1.055	3,362,661	-231,332	-6.44%	11,251	0.31%	3,373,912	(220,081)	-6.12%
HUERFANO	HUERFANO	1.081	5,182,006	0.998	4,848,432	-333,574	-6.44%	16,250	0.31%	4,864,682	(317,324)	-6.12%

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MONTROSE	WEST END	1.200	3,256,915	1.108	3,047,146	-209,769	-6.44%	10,330	0.32%	3,057,476	(199,439)	-6.12%
KIT CARSON	BURLINGTON	1.072	5,286,426	0.990	4,945,926	-340,501	-6.44%	16,783	0.32%	4,962,708	(323,718)	-6.12%
PHILLIPS	HOLYOKE	1.112	4,402,801	1.027	4,119,075	-283,727	-6.44%	14,118	0.32%	4,133,193	(269,609)	-6.12%
LINCOLN	LIMON	1.141	3,720,588	1.054	3,480,724	-239,864	-6.45%	12,031	0.32%	3,492,755	(227,833)	-6.12%
SAN MIGUEL	NORWOOD	1.228	2,973,219	1.134	2,781,529	-191,690	-6.45%	9,623	0.32%	2,791,152	(182,067)	-6.12%
CUSTER	WESTCLIFFE	1.142	3,811,594	1.055	3,565,697	-245,898	-6.45%	12,492	0.33%	3,578,189	(233,406)	-6.12%
RIO GRANDE	DEL NORTE	1.120	4,667,505	1.034	4,366,217	-301,287	-6.45%	15,469	0.33%	4,381,687	(285,818)	-6.12%
ELBERT	KIOWA	1.213	3,285,297	1.120	3,073,122	-212,175	-6.46%	10,998	0.33%	3,084,119	(201,177)	-6.12%
MESA	PLATEAU	1.143	3,994,642	1.056	3,736,594	-258,049	-6.46%	13,434	0.34%	3,750,028	(244,615)	-6.12%
GILPIN	GILPIN	1.233	3,198,839	1.139	2,991,961	-206,878	-6.47%	10,995	0.34%	3,002,956	(195,883)	-6.12%
MORGAN	WIGGINS	1.168	4,118,172	1.079	3,851,344	-266,828	-6.48%	14,648	0.36%	3,865,993	(252,179)	-6.12%
RIO BLANCO	MEEKER	1.121	5,207,460	1.035	4,869,946	-337,514	-6.48%	18,631	0.36%	4,888,577	(318,882)	-6.12%
YUMA	EAST YUMA	1.142	4,889,817	1.055	4,572,788	-317,029	-6.48%	17,598	0.36%	4,590,386	(299,431)	-6.12%
OURAY	OURAY	1.304	2,860,273	1.204	2,674,755	-185,518	-6.49%	10,367	0.36%	2,685,122	(175,151)	-6.12%
ROUTT	SOUTH ROUTT	1.243	3,618,409	1.148	3,383,102	-235,307	-6.50%	13,731	0.38%	3,396,833	(221,576)	-6.12%
MONTEZUMA	DOLORES	1.154	5,258,470	1.066	4,916,455	-342,015	-6.50%	20,009	0.38%	4,936,464	(322,006)	-6.12%
ARAPAHOE	BYERS	1.211	3,958,511	1.118	3,700,901	-257,610	-6.51%	15,208	0.38%	3,716,109	(242,402)	-6.12%
OTERO	ROCKY FORD	1.129	6,371,347	1.043	5,956,697	-414,649	-6.51%	24,495	0.38%	5,981,193	(390,154)	-6.12%
OURAY	RIDGWAY	1.281	3,396,022	1.183	3,174,943	-221,079	-6.51%	13,121	0.39%	3,188,064	(207,958)	-6.12%
ROUTT	HAYDEN	1.243	3,757,040	1.148	3,512,197	-244,843	-6.52%	14,778	0.39%	3,526,975	(230,065)	-6.12%
PARK	PARK	1.212	4,343,441	1.119	4,060,280	-283,161	-6.52%	17,188	0.40%	4,077,468	(265,974)	-6.12%
GRAND	WEST GRAND	1.232	3,824,551	1.138	3,575,205	-249,346	-6.52%	15,147	0.40%	3,590,352	(234,199)	-6.12%
EL PASO	CALHAN	1.201	4,858,556	1.109	4,541,452	-317,104	-6.53%	19,587	0.40%	4,561,039	(297,517)	-6.12%
EL PASO	PEYTON	1.203	5,043,680	1.111	4,714,142	-329,538	-6.53%	20,685	0.41%	4,734,827	(308,853)	-6.12%
RIO GRANDE	MONTE VISTA	1.120	8,306,749	1.034	7,763,241	-543,508	-6.54%	34,838	0.42%	7,798,079	(508,670)	-6.12%

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WELD	AULT-HIGHLND	1.162	6,603,202	1.073	6,170,736	-432,467	-6.55%	28,115	0.43%	6,198,851	(404,352)	-6.12%
YUMA	WEST YUMA	1.188	6,204,274	1.097	5,797,668	-406,606	-6.55%	26,683	0.43%	5,824,351	(379,923)	-6.12%
CONEJOS	NORTH CONEJOS	1.107	8,056,648	1.022	7,528,639	-528,009	-6.55%	34,654	0.43%	7,563,293	(493,354)	-6.12%
CHAFFEE	BUENA VISTA	1.173	6,887,183	1.083	6,434,570	-452,613	-6.57%	30,871	0.45%	6,465,441	(421,741)	-6.12%
EL PASO	ELLCOTT	1.192	6,838,034	1.101	6,388,616	-449,418	-6.57%	30,686	0.45%	6,419,302	(418,732)	-6.12%
LA PLATA	IGNACIO	1.221	6,279,012	1.128	5,866,002	-413,010	-6.58%	28,511	0.45%	5,894,512	(384,500)	-6.12%
CHAFFEE	SALIDA	1.153	7,623,001	1.065	7,121,136	-501,864	-6.58%	35,064	0.46%	7,156,201	(466,800)	-6.12%
ADAMS	STRASBURG	1.203	6,912,472	1.111	6,456,651	-455,821	-6.59%	32,531	0.47%	6,489,182	(423,290)	-6.12%
CLEAR CREEK	CLEAR CREEK	1.213	7,010,559	1.120	6,547,747	-462,812	-6.60%	33,515	0.48%	6,581,263	(429,297)	-6.12%
LAKE	LAKE	1.182	8,464,302	1.092	7,904,461	-559,841	-6.61%	41,524	0.49%	7,945,984	(518,317)	-6.12%
ADAMS	BENNETT	1.212	7,918,016	1.119	7,393,085	-524,931	-6.63%	40,066	0.51%	7,433,151	(484,865)	-6.12%
WELD	PLATTE VLY	1.171	8,858,121	1.082	8,270,733	-587,388	-6.63%	44,955	0.51%	8,315,688	(542,433)	-6.12%
LARIMER	ESTES PRK	1.223	8,821,711	1.130	8,234,303	-587,408	-6.66%	47,204	0.54%	8,281,508	(540,204)	-6.12%
OTERO	EAST OTERO	1.140	10,954,191	1.053	10,224,474	-729,717	-6.66%	58,929	0.54%	10,283,404	(670,788)	-6.12%
PARK	PLATTE CANYON	1.234	8,917,405	1.140	8,322,651	-594,755	-6.67%	48,691	0.55%	8,371,342	(546,064)	-6.12%
PROWERS	LAMAR	1.129	11,512,939	1.043	10,744,382	-768,557	-6.68%	63,554	0.55%	10,807,936	(705,003)	-6.12%
FREMONT	FLORENCE	1.132	11,566,668	1.045	10,794,023	-772,645	-6.68%	64,352	0.56%	10,858,375	(708,293)	-6.12%
EL PASO	MANITOU SPRINGS	1.205	9,779,444	1.113	9,126,182	-653,262	-6.68%	54,411	0.56%	9,180,593	(598,851)	-6.12%
MORGAN	BRUSH	1.182	10,806,997	1.092	10,083,861	-723,136	-6.69%	61,362	0.57%	10,145,223	(661,774)	-6.12%
GRAND	EAST GRAND	1.187	10,428,473	1.096	9,730,440	-698,033	-6.69%	59,438	0.57%	9,789,878	(638,595)	-6.12%
LAS ANIMAS	TRINIDAD	1.159	11,341,979	1.070	10,582,774	-759,206	-6.69%	64,671	0.57%	10,647,445	(694,534)	-6.12%
ALAMOSA	ALAMOSA	1.129	15,246,154	1.043	14,225,399	-1,020,755	-6.70%	87,146	0.57%	14,312,545	(933,609)	-6.12%
LA PLATA	BAYFIELD	1.232	9,919,189	1.138	9,254,693	-664,496	-6.70%	57,087	0.58%	9,311,780	(607,408)	-6.12%
GARFIELD	PARACHUTE	1.209	10,507,281	1.117	9,803,290	-703,992	-6.70%	60,571	0.58%	9,863,861	(643,421)	-6.12%
WELD	EATON	1.163	12,729,647	1.074	11,875,670	-853,978	-6.71%	74,469	0.59%	11,950,138	(779,509)	-6.12%

STATE OF COLORADO FY 2010-11 BUDGET REQUEST CYCLE: Education

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PART =>		A	B	C	D	E	F	G	H	I	J	K
Methodology =>						E = D - B	F = E / B		H = G / B	I = G + D	J = I - B	K = J / B
County	District	Prior year funding methodology for Cost of Living Factor	Prior year funding methodology for Total Program	Proposed Cost of Living Factor	Total Program With Cost of Living Adjustment	Cost of Living Change	Percentage Change to Cost of Living Factor	Equity Adjustment	Percentage Change for Equity Adjustment	Proposed Total Program with Cost of Living and Equity Adjustment	Total Change from prior year funding methodology for Total Program	Percentage Change from prior year methodology for Total Program
ARCHULETA	ARCHULETA	1.180	11,355,710	1.090	10,593,789	-761,921	-6.71%	66,546	0.59%	10,660,335	(695,375)	-6.12%
WELD	GILCREST	1.171	13,066,977	1.082	12,189,726	-877,251	-6.71%	77,086	0.59%	12,266,812	(800,166)	-6.12%
ARAPAHOE	SHERIDAN	1.240	12,115,956	1.145	11,301,594	-814,362	-6.72%	72,433	0.60%	11,374,027	(741,929)	-6.12%
LOGAN	VALLEY	1.158	16,253,115	1.070	15,160,441	-1,092,674	-6.72%	97,403	0.60%	15,257,844	(995,271)	-6.12%
WELD	KEENESBURG	1.181	15,482,138	1.091	14,439,584	-1,042,555	-6.73%	94,495	0.61%	14,534,079	(948,060)	-6.12%
MONTEZUMA	MONTEZUMA	1.143	20,963,257	1.056	19,551,073	-1,412,185	-6.74%	128,485	0.61%	19,679,558	(1,283,700)	-6.12%
GUNNISON	GUNNISON	1.213	13,179,148	1.120	12,290,540	-888,607	-6.74%	81,573	0.62%	12,372,113	(807,034)	-6.12%
WELD	FORT LUPTON	1.202	16,715,840	1.110	15,587,532	-1,128,307	-6.75%	104,701	0.63%	15,692,234	(1,023,606)	-6.12%
TELLER	WOODLAND PARK	1.193	18,909,109	1.102	17,630,842	-1,278,268	-6.76%	120,355	0.64%	17,751,197	(1,157,913)	-6.12%
MORGAN	FT MORGAN	1.190	22,227,876	1.099	20,723,608	-1,504,268	-6.77%	143,128	0.64%	20,866,737	(1,361,140)	-6.12%
SAN MIGUEL	TELLURIDE	1.588	7,036,416	1.467	6,558,998	-477,418	-6.78%	46,538	0.66%	6,605,536	(430,880)	-6.12%
ROUTT	STEAMBOAT SPRINGS	1.265	16,003,791	1.168	14,917,536	-1,086,255	-6.79%	106,251	0.66%	15,023,788	(980,003)	-6.12%
ELBERT	ELIZABETH	1.243	18,979,697	1.148	17,691,042	-1,288,655	-6.79%	126,420	0.67%	17,817,462	(1,162,235)	-6.12%
ARAPAHOE	ENGLEWOOD	1.241	22,566,326	1.146	21,031,790	-1,534,536	-6.80%	152,671	0.68%	21,184,461	(1,381,865)	-6.12%
GARFIELD	RIFLE	1.201	36,656,197	1.109	34,153,832	-2,502,365	-6.83%	257,697	0.70%	34,411,529	(2,244,668)	-6.12%
DELTA	DELTA	1.190	36,483,493	1.099	33,987,134	-2,496,360	-6.84%	262,267	0.72%	34,249,401	(2,234,092)	-6.12%
SUMMIT	SUMMIT	1.314	24,110,245	1.214	22,459,427	-1,650,819	-6.85%	174,411	0.72%	22,633,837	(1,476,408)	-6.12%
LA PLATA	DURANGO	1.253	32,653,846	1.157	30,415,042	-2,238,804	-6.86%	239,223	0.73%	30,654,265	(1,999,581)	-6.12%
ADAMS	MAPLETON	1.222	39,801,786	1.129	37,069,590	-2,732,197	-6.86%	294,906	0.74%	37,364,496	(2,437,290)	-6.12%
ADAMS	WESTMINSTER	1.213	73,265,944	1.120	68,214,162	-5,051,782	-6.90%	565,291	0.77%	68,779,452	(4,486,491)	-6.12%
ADAMS	COMMERCE CITY	1.211	50,608,483	1.118	47,118,021	-3,490,462	-6.90%	391,416	0.77%	47,509,437	(3,099,046)	-6.12%
MONTROSE	MONTROSE	1.220	46,471,688	1.127	43,265,752	-3,205,936	-6.90%	360,210	0.78%	43,625,962	(2,845,726)	-6.12%
EL PASO	HARRISON	1.205	74,712,619	1.113	69,548,399	-5,164,220	-6.91%	589,140	0.79%	70,137,539	(4,575,080)	-6.12%
GARFIELD	ROARING FORK	1.304	43,518,094	1.204	40,505,073	-3,013,021	-6.92%	348,160	0.80%	40,853,233	(2,664,861)	-6.12%
ADAMS	BRIGHTON	1.211	106,854,690	1.118	99,456,038	-7,398,652	-6.92%	855,331	0.80%	100,311,368	(6,543,322)	-6.12%

STATE OF COLORADO FY 2010-11 BUDGET REQUEST CYCLE: Education

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PART =>		A	B	C	D	E	F	G	H	I	J	K
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County	District	Prior year funding methodology for Cost of Living Factor	Prior year funding methodology for Total Program	Proposed Cost of Living Factor	Total Program With Cost of Living Adjustment	Cost of Living Change	Percentage Change to Cost of Living Factor	Equity Adjustment	Percentage Change for Equity Adjustment	Proposed Total Program with Cost of Living and Equity Adjustment	Total Change from prior year funding methodology for Total Program	Percentage Change from prior year methodology for Total Program
PUEBLO	PUEBLO CITY	1.172	123,006,417	1.082	114,476,861	-8,529,556	-6.93%	997,172	0.81%	115,474,033	(7,532,384)	-6.12%
WELD	JOHNSTOWN	1.172	22,283,596	1.082	20,736,790	-1,546,805	-6.94%	182,254	0.82%	20,919,044	(1,364,552)	-6.12%
LARIMER	POUDRE	1.183	175,164,042	1.093	163,005,113	-12,158,930	-6.94%	1,432,637	0.82%	164,437,750	(10,726,293)	-6.12%
MESA	MESA VALLEY	1.143	157,132,389	1.056	146,225,118	-10,907,271	-6.94%	1,285,159	0.82%	147,510,277	(9,622,112)	-6.12%
MOFFAT	MOFFAT	1.132	15,833,680	1.045	14,734,592	-1,099,087	-6.94%	129,501	0.82%	14,864,093	(969,586)	-6.12%
LARIMER	THOMPSON	1.183	103,143,538	1.093	95,983,878	-7,159,660	-6.94%	843,593	0.82%	96,827,471	(6,316,067)	-6.12%
EL PASO	CHEYENNE MOUNTAIN	1.206	31,277,374	1.114	29,106,270	-2,171,104	-6.94%	255,812	0.82%	29,362,082	(1,915,292)	-6.12%
EL PASO	WIDEFIELD	1.175	54,873,553	1.085	51,064,531	-3,809,022	-6.94%	448,801	0.82%	51,513,332	(3,360,220)	-6.12%
EL PASO	ACADEMY	1.214	148,273,659	1.121	137,981,312	-10,292,346	-6.94%	1,212,705	0.82%	139,194,017	(9,079,641)	-6.12%
FREMONT	CANON CITY	1.150	26,957,218	1.062	25,085,996	-1,871,223	-6.94%	220,479	0.82%	25,306,474	(1,650,744)	-6.12%
WELD	WINDSOR	1.171	28,482,020	1.082	26,504,954	-1,977,066	-6.94%	232,950	0.82%	26,737,903	(1,744,116)	-6.12%
EL PASO	FOUNTAIN	1.185	48,743,342	1.094	45,359,846	-3,383,496	-6.94%	398,663	0.82%	45,758,509	(2,984,833)	-6.12%
EL PASO	FALCON	1.205	99,180,984	1.113	92,296,382	-6,884,601	-6.94%	811,184	0.82%	93,107,567	(6,073,417)	-6.12%
EL PASO	LEWIS-PALMER	1.225	38,570,651	1.131	35,893,287	-2,677,364	-6.94%	315,463	0.82%	36,208,750	(2,361,901)	-6.12%
PUEBLO	PUEBLO RURAL	1.162	58,985,624	1.073	54,891,165	-4,094,459	-6.94%	482,433	0.82%	55,373,598	(3,612,026)	-6.12%
ADAMS	NORTHGLENN	1.221	296,926,449	1.128	276,315,315	-20,611,134	-6.94%	2,428,635	0.82%	278,743,950	(18,182,499)	-6.12%
EAGLE	EAGLE	1.315	48,778,113	1.215	45,389,246	-3,388,867	-6.95%	401,905	0.82%	45,791,151	(2,986,962)	-6.12%
WELD	GREELEY	1.181	134,562,370	1.091	125,207,246	-9,355,124	-6.95%	1,115,103	0.83%	126,322,349	(8,240,021)	-6.12%
ARAPAHOE	LITTLETON	1.232	104,726,565	1.138	97,442,748	-7,283,817	-6.96%	870,813	0.83%	98,313,561	(6,413,005)	-6.12%
PITKIN	ASPEN	1.647	16,116,538	1.521	14,995,592	-1,120,947	-6.96%	134,039	0.83%	15,129,631	(986,908)	-6.12%
DOUGLAS	DOUGLAS	1.242	411,802,993	1.147	382,995,641	-28,807,352	-7.00%	3,590,307	0.87%	386,585,948	(25,217,045)	-6.12%
BOULDER	ST VRAIN	1.232	179,477,828	1.138	166,888,447	-12,589,381	-7.01%	1,598,931	0.89%	168,487,377	(10,990,451)	-6.12%
EL PASO	COLORADO SPRINGS	1.203	211,672,115	1.111	196,798,225	-14,873,890	-7.03%	1,912,000	0.90%	198,710,224	(12,961,890)	-6.12%
DENVER	DENVER	1.242	551,914,437	1.147	513,072,984	-38,841,452	-7.04%	5,044,585	0.91%	518,117,569	(33,796,867)	-6.12%
BOULDER	BOULDER	1.262	198,427,889	1.166	184,455,740	-13,972,149	-7.04%	1,821,278	0.92%	186,277,018	(12,150,871)	-6.12%

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JEFFERSON	JEFFERSON	1.231	572,374,852	1.137	532,070,066	-40,304,786	-7.04%	5,255,011	0.92%	537,325,077	(35,049,775)	-6.12%
ARAPAHOE	AURORA	1.240	259,664,542	1.145	241,369,371	-18,295,171	-7.05%	2,394,431	0.92%	243,763,802	(15,900,740)	-6.12%
ARAPAHOE	CHERRY CREEK	1.260	366,470,725	1.164	340,618,289	-25,852,436	-7.05%	3,411,344	0.93%	344,029,633	(22,441,092)	-6.12%
Previously Anticipated												
TOTAL	ALL DISTRICTS		5,793,036,473		5,391,348,020	(401,688,453)		46,947,803		5,438,295,823	(354,740,650)	-6.12%
FY 2009-10 APPROPRIATION												
TOTAL	ALL DISTRICTS		5,698,295,823		5,391,348,020	(306,947,803)		46,947,803		5,438,295,823	(260,000,000)	-4.56%

Online funding was reduced from \$6,681 to \$6,272 a reduction of 6.12% to be consistent with other reductions.

As noted in the bottom right section of this chart. The total program reduction is **\$260,000,000** from the original FY 2009-10 appropriation which is a **4.56%** reduction in FY 2010-11.

Lastly, there are eight school districts which have 2% or less of their total program funding in FY 2009-10 comprised of state share. Since this request seeks an equitable methodology for reduction of total program funding these districts will require an adjustment to their mill levy in FY 2010-11.

These adjustments are detailed on the table in the spreadsheet (on the following page). The goal of this adjustment to these mill levies is for an equitable reduction and is intended to be temporary and expires upon total program amounts returning to a level where the mill levy should ratchet back its FY 2009-10 level such that the local share resumes financing. This requires a statutory change in the 2010 legislative session to Section 24-54-106, C.R.S. (2009).

There are three sections on the following table. The first section identifies what the previously anticipated total program amounts were calculated to be. The second section describes the total program ending point subsequent to this request and its impact on each local district. The third section describes the change in mill levy required to ensure that this requested reduction is equitable in nature and results in a 4.56% reduction over the FY 2009-10 originally appropriated amounts.

STATE OF COLORADO FY 2010-11 BUDGET REQUEST CYCLE: Education

County	District	Previously Anticipated Total Program FY 2010-11	Property Taxes	Specific Ownership Taxes	State Share	Total Program Mill Levy	Categorical Buyout Mill Levy	Total Mill Levy
CLEAR CREEK	CLEAR CREEK	7,010,559.11	6,597,790.53	323,881.00	88,887.58	0.012789	0.000438	0.013227
GRAND	WEST GRAND	3,824,550.93	3,649,344.13	131,474.00	43,732.80	0.013023	0.000345	0.013368
MESA	DEBEQUE	1,872,338.92	1,768,933.45	89,353.00	14,052.47	0.004694	0.000049	0.004743
PARK	PARK	4,343,441.48	3,782,180.12	510,155.00	51,106.36	0.011488	0.000685	0.012173
PITKIN	ASPEN	16,116,538.21	15,440,521.72	510,458.00	165,558.49	0.004632	0.000047	0.004679
RIO BLANCO	MEEKER	5,207,459.91	4,945,406.02	170,721.00	91,332.89	0.008071	0.000000	0.008071
ROUTT	SOUTH ROUTT	3,618,408.50	3,402,211.37	178,231.00	37,966.13	0.020774	0.000667	0.021441
WELD	PAWNEE	1,506,720.45	1,462,333.15	33,781.00	10,606.30	0.015978	0.000732	0.016710

County	District	Total Program Modified FY 2010-11	Property Taxes	Specific Ownership Taxes	State Share	Total Program Mill Levy	Categorical Buyout Mill Levy	Total Mill Levy
CLEAR CREEK	CLEAR CREEK	6,581,262.61	6,135,032.06	323,881.00	122,349.55	0.011892	0.000438	0.011454
GRAND	WEST GRAND	3,590,351.87	3,399,945.66	131,474.00	58,932.21	0.012133	0.000345	0.011788
MESA	DEBEQUE	1,757,684.93	1,650,979.43	89,353.00	17,352.50	0.004381	0.000049	0.004332
PARK	PARK	4,077,467.80	3,499,043.38	510,155.00	68,269.42	0.010628	0.000711	0.009917
PITKIN	ASPEN	15,129,630.69	14,320,483.87	510,458.00	298,688.82	0.004296	0.000047	0.004249
RIO BLANCO	MEEKER	4,888,577.45	4,631,071.57	170,721.00	86,784.88	0.007558	0.000192	0.007366
ROUTT	SOUTH ROUTT	3,396,832.72	3,166,870.19	178,231.00	51,731.53	0.019337	0.000667	0.018670
WELD	PAWNEE	1,414,455.37	1,367,516.70	33,781.00	13,157.67	0.014942	0.000732	0.014210

County	District	Amount of Reduction Due to Formula Modifications Total Program FY 2010-11	Property Taxes	Specific Ownership Taxes	State Share	Total Program Mill Levy Reduction	Categorical Buyout Mill Levy Reduction	Total Program and Categorical Buyout Mill Levy Reduction
CLEAR CREEK	CLEAR CREEK	(429,296.50)	(462,758.47)	0.00	33,461.97	(0.000897)	0.000000	(0.001773)
GRAND	WEST GRAND	(234,199.06)	(249,398.47)	0.00	15,199.41	(0.000890)	0.000000	(0.001580)
MESA	DEBEQUE	(114,653.99)	(117,954.02)	0.00	3,300.03	(0.000313)	0.000000	(0.000411)
PARK	PARK	(265,973.68)	(283,136.74)	0.00	17,163.06	(0.000860)	0.000026	(0.002256)
PITKIN	ASPEN	(986,907.52)	(1,120,037.85)	0.00	133,130.33	(0.000336)	0.000000	(0.000430)
RIO BLANCO	MEEKER	(318,882.46)	(314,334.45)	0.00	(4,548.01)	(0.000513)	0.000192	(0.000705)
ROUTT	SOUTH ROUTT	(221,575.78)	(235,341.18)	0.00	13,765.40	(0.001437)	0.000000	(0.002771)
WELD	PAWNEE	(92,265.08)	(94,816.45)	0.00	2,551.37	(0.001036)	0.000000	(0.002500)

Assumptions for Calculations:

Cash Funds Projections – State Public School Fund

There was \$17,286,956 of cash funds in the State Public School Fund at the end of FY 2008-09. Of that amount, \$15,000,000 is being used to fund the state's share of total program funding for FY 2009-10. Additionally, \$2,286,956 was used to cover an emergency request approved in September 2009. A portion of the audit recoveries collected in FY2009-10 in the amount of \$1,405,780 was used to cover the emergency request approved in September 2009.

Audit recoveries expected in FY 2009-10 total \$4,175,269. Of that amount, \$1,405,780 was committed to the emergency request in September 2009, leaving \$2,769,489 for use in FY 2010-11. Taking a somewhat conservative approach, the department recommends use of \$2,500,000 to support Total Program funding for FY 2010-11. The projected year-end cash balance would be \$269,489 for FY2009-10. The ending balance could easily be higher than expected for FY 2009-10. Districts have as many years to repay overpayments as the number of years being audited. It is strictly a district decision as to timing of payments within those limitations.

Statutory Changes Required:

This request requires conforming statutory changes in the 2010 Legislative session to adjust funding factors and local share for an equitable reduction by school district in FY 2010-11. These changes include the following:

- Adjustments to district's on-line funding (Section 22-54-104, C.R.S.);
- Adjustments to the cost-of-living factor (Section 22-54-104, C.R.S.);
- Creation of a new factor called equity adjustment; and
- Adjustment for local mill levies (Section 22-54-106, C.R.S.)

Impact on Other Government Agencies:

This request impacts local school districts total program funding levels in FY 2010-11. This request decreases funding the preceding fiscal year.

Implementation Schedule:

The total program appropriation is an existing funding stream. No implementation schedule is needed to administer the additional funding for FY 2010-11.

Statutory and Federal Authority:

Section 17 of Article IX of the Colorado Constitution;

(1) Purpose. In state fiscal year 2001-2002 through state fiscal year 2010-2011, the statewide base per pupil funding, as defined by the Public School Finance Act of 1994, article 54 of title 22, Colorado Revised Statutes on the effective date of this section, for public education from preschool through the twelfth grade and total state funding for all categorical programs shall grow annually at least by the rate of inflation plus an additional one percentage point. In state fiscal year 2011-2012, and each fiscal year

thereafter, the statewide base per pupil funding for public education from preschool through the twelfth grade and total state funding for all categorical programs shall grow annually at a rate set by the general assembly that is at least equal to the rate of inflation.

(2) Definitions. For purposes of this section: (a) "Categorical programs" include transportation programs, English language proficiency programs, expelled and at-risk student programs, special education programs (including gifted and talented programs), suspended student programs, vocational education programs, small attendance centers, comprehensive health education programs, and other current and future accountable programs specifically identified in statute as a categorical program.

(b) "Inflation" has the same meaning as defined in article X, section 20, subsection (2), paragraph (f) of the Colorado constitution.

(3) Implementation. In state fiscal year 2001-2002 and each fiscal year thereafter, the general assembly may annually appropriate, and school districts may annually expend, monies from the state education fund created in subsection (4) of this section. Such appropriations and expenditures shall not be subject to the statutory limitation on general fund appropriations growth, the limitation on fiscal year spending set forth in article X, section 20 of the Colorado constitution, or any other spending limitation existing in law.

(4) State Education Fund Created. (a) There is hereby created in the department of the treasury the state education fund. Beginning on the effective date of this measure, all state revenues collected from a tax of one third of one percent on federal taxable income, as modified by law, of every individual, estate, trust and corporation, as defined in law, shall be deposited in the state education fund. Revenues generated from a tax of one third of one percent on federal taxable income, as modified by law, of every individual, estate, trust and corporation, as defined in law, shall not be subject to the limitation on fiscal year spending set forth in article X, section 20 of the Colorado constitution. All interest earned on monies in the state education fund shall be deposited in the state education fund and shall be used before any principal is depleted. Monies remaining in the state

education fund at the end of any fiscal year shall remain in the fund and not revert to the general fund.

(b) In state fiscal year 2001-2002, and each fiscal year thereafter, the general assembly may annually appropriate monies from the state education fund. Monies in the state education fund may only be used to comply with subsection (1) of this section and for accountable education reform, for accountable programs to meet state academic standards, for class size reduction, for expanding technology education, for improving student safety, for expanding the availability of preschool and kindergarten programs, for performance incentives for teachers, for accountability reporting, or for public school building capital construction.

(5) Maintenance of Effort. Monies appropriated from the state education fund shall not be used to supplant the level of general fund appropriations existing on the effective date of this section for total program education funding under the Public School Finance Act of 1994, article 54 of title 22, Colorado Revised Statutes, and for categorical programs as defined in subsection (2) of this section. In state fiscal year 2001-2002 through state fiscal year 2010-2011, the general assembly shall, at a minimum, annually increase the general fund appropriation for total program under the "Public School Finance Act of 1994," or any successor act, by an amount not below five percent of the prior year general fund appropriation for total program under the "Public School Finance Act of 1994," or any successor act. This general fund growth requirement shall not apply in any fiscal year in which Colorado personal income grows less than four and one half percent between the two previous calendar years.

22-54-104. District total program.

(1) (a) For every budget year, the provisions of this section shall be used to calculate for each district an amount that represents the financial base of support for public education in that district. Such amount shall be known as the district's total program. The district's total program shall be available to the district to fund the costs of

providing public education, and, except as otherwise provided in section [22-54-105](#), the amounts and purposes for which such moneys are budgeted and expended shall be in the discretion of the district.

(b) Notwithstanding the provisions of paragraph (a) of this subsection (1), if a district is the accounting district of an institute charter school, then the calculation of total program pursuant to the provisions of this section shall also represent the financial base of support for the institute charter school, even though the institute charter school is not a school of the district. The amount of the district's state share of total program that is withheld from the district and paid to the state charter school institute pursuant to the provisions of section [22-54-115](#) (1.3), shall not be available to nor under the control of the district, but shall be under the control of the governing board of the institute charter school to fund the costs of providing public education to pupils enrolled in the institute charter school, and the amounts and purposes for which such moneys are budgeted and expended shall be in the discretion of the institute charter school.

2 (a) (IX) Except as otherwise provided in this subsection (2), subsection (6) of this section, or section [22-54-104.3](#), a district's total program for the 2009-10 budget year and budget years thereafter shall be the greater of the following:

(A) (District per pupil funding x (District funded pupil count - District on-line pupil enrollment - District ASCENT program pupil enrollment)) + District at-risk funding + District on-line funding + District ASCENT program funding; or

(B) (Minimum per pupil funding x (District funded pupil count - District on-line pupil enrollment - District ASCENT program pupil enrollment)) + District on-line funding + District ASCENT program funding.

(b) If the district percentage of at-risk pupils is greater than the statewide average percentage of at-risk pupils and the district's funded pupil count is greater than four hundred fifty-nine, the district's total program shall be the lesser of:

(I) The district's total program as calculated pursuant to paragraph (a) of this subsection (2); or

(II) (A) The district's total program as calculated by: Adding the amount determined by multiplying the district's per pupil funding by four hundred fifty-nine to the

amount determined by multiplying 12% of the district's per pupil funding by the district's at-risk pupils; then dividing the sum of those two amounts by four hundred fifty-nine; then multiplying the resulting amount by the district's funded pupil count minus the district's on-line pupil enrollment; and then adding the district's on-line funding.

(C) For purposes of sub-subparagraph (A) of this subparagraph (II) only, a district's per pupil funding shall be calculated by establishing the district's per pupil funding in accordance with subsection (3) of this section except using the size factor for a district with a funded pupil count of four hundred fifty-nine and not the district's actual size factor.

(3) A district's per pupil funding shall be determined in accordance with the following formula:

$$((\text{Statewide base per pupil funding} \times \text{District personnel costs factor} \times \text{District cost of living factor}) + (\text{Statewide base per pupil funding} \times \text{District nonpersonnel costs factor})) \times \text{District size factor}$$

(3.5) Minimum per pupil funding shall be:

(d) (III) (A) As used in this subsection (3.5), for the 2009-10 budget year and budget years thereafter, "minimum per pupil funding base" means the total of the calculation specified in sub-subparagraph (B) of this subparagraph (III) for all districts for the budget year divided by the statewide funded pupil count minus the statewide on-line pupil enrollment and minus the statewide ASCENT program pupil enrollment, for said budget year. (B) The following calculation shall be used for the purpose of determining the minimum per pupil funding base pursuant to this subparagraph (III):
$$(\text{District per pupil funding} \times (\text{District funded pupil count} - \text{District on-line pupil enrollment} - \text{District ASCENT program pupil enrollment})) + \text{District at-risk funding}.$$

(4) A district's at-risk funding shall be determined in accordance with one of the following formulas:

(a) (I) If the district percentage of at-risk pupils is equal to or less than the statewide average percentage of at-risk pupils or the district's funded pupil count is equal to or less than four hundred fifty-nine, the formula shall be:

(District per pupil funding x 12%) x District at-risk pupils

(b) (I) If the district percentage of at-risk pupils is greater than the statewide average percentage of at-risk pupils and the district's funded pupil count is greater than four hundred fifty-nine, the formula shall be:

((District per pupil funding x 12%) x (Statewide average percentage of at-risk pupils x District pupil enrollment)) + ((District per pupil funding x District at-risk factor) x (District at-risk pupils - (Statewide average percentage of at-risk pupils x District pupil enrollment)))

(4.5) A district's on-line funding shall be determined in accordance with the following formulas:

(c) (I) For the 2007-08 budget year and budget years thereafter, a district's on-line funding shall be:

(District on-line pupil enrollment x \$6,135)

(II) For the 2008-09 budget year and budget years thereafter, the dollar amount set forth in subparagraph (I) of this paragraph (c) shall be increased by the percentage by which the statewide base per pupil funding for that budget year, as specified in paragraph (a) of subsection (5) of this section, is increased over the statewide base per pupil funding for the 2007-08 budget year, as specified in subparagraph (XIV) of paragraph (a) of subsection (5) of this section. Such amount shall be rounded to the nearest dollar.

(4.7) (a) For the 2009-10 budget year and budget years thereafter, a district's ASCENT program funding shall be determined in (District ASCENT program pupil enrollment x \$6,135, or an amount determined pursuant to paragraph (b) of this subsection (4.7))

(b) For the 2010-11 budget year and budget years thereafter, the dollar amount set forth in paragraph (a) of this subsection (4.7) shall be increased by the percentage by which the statewide base per pupil funding for that budget year, as specified in paragraph (a) of subsection (5) of this section, is increased over the statewide base per pupil funding for the 2007-08 budget year, as specified in subparagraph (XIV) of

paragraph (a) of subsection (5) of this section. The amount shall be rounded to the nearest dollar.

(5) For purposes of the formulas used in this section:

(a) (XVI) For the 2009-10 budget year, the statewide base per pupil funding shall be \$5,507.68, which is an amount equal to \$5,250.41 supplemented by \$257.27 to account for inflation plus an additional one percentage point.

(b) (I.5) A district's size factor for the 2003-04 budget year and budget years thereafter shall be determined in accordance with the following formula:

If the district's funded pupil count is:	The district's size factor shall be:
Less than 276	$1.5457 + (0.00376159 \times \text{the difference between the funded pupil count and } 276)$
276 or more but less than 459 x the difference	$1.2385 + (0.00167869 \times \text{the difference between the funded pupil count and } 459)$
459 or more but less than 1,027 (0.00020599 x the difference	$1.1215 + (0.00020599 \times \text{the difference between the funded pupil count and } 1,027)$
1,027 or more but less than 2,293 (0.00005387 x the difference	$1.0533 + (0.00005387 \times \text{the difference between the funded pupil count and } 2,293)$
2,293 or more but less than 4,023 (0.00001364 x the difference	$1.0297 + (0.00001364 \times \text{the difference between the funded pupil count and } 4,023)$
4,023 or more	1.0297

(IV) For the 1998-99 budget year and budget years thereafter, the funded pupil count used to calculate a district's size factor pursuant to this paragraph (b) shall be the funded pupil count, as calculated pursuant to section [22-54-103](#) (7), reduced by sixty-five percent of the number of pupils included in the funded pupil count that are enrolled in charter schools in the district; except that the provisions of this

subparagraph (IV) shall only apply to those districts with a funded pupil count, as calculated pursuant to section [22-54-103](#) (7), of five hundred or less.

(c) (I) The cost of living factor allowed for each district pursuant to this paragraph (c) reflects the differences in the costs of housing, goods, and services among regions in which districts are located. Such factor does not reflect any annual increase in the costs of housing, goods, and services caused by inflation.

(II) (A) and (B) repealed.

(B.1) Except as provided in subparagraph (IV) of this paragraph (c), for the 2000-01 budget year and budget years thereafter, a district's cost of living factor shall be the district's cost of living factor for the prior budget year, but, if the percentage change in the district's cost of living amount from the previous cost of living study to the current cost of living study is greater than the percent increase in the income level used in the cost of living study, a district's cost of living factor shall be determined by dividing the percentage change in the district's cost of living amount from the previous cost of living study to the current cost of living study by the percent increase in the income level used in the cost of living study, dividing said amount by one thousand and rounding to the nearest one-thousandth of one percent, and adding the result obtained to the district's cost of living factor for the prior budget year.

(C) For purposes of this subparagraph (II), a district's cost of living amount refers to the values as adjusted for district labor pool areas.

(III) (A) Based upon the cost of living analysis conducted pursuant to the SB 93-87 setting category study, the staff of the legislative council shall certify the cost of living factor for each district to the department of education no later than ten days following April 27, 1994. Such cost of living factors shall be effective for the 1994-95 budget year and the budget year thereafter. The cost of living factor for each district shall be certified to the department by the staff of the legislative council for each two-year period thereafter based upon a new cost of living analysis. The certification shall be made no later than April 15 of the applicable year and shall be effective for the budget year beginning on July 1 of such year and the budget year thereafter.

(d) A district's personnel costs factor for the 1994-95 budget year and budget years thereafter shall be determined in accordance with the following formula:

If the district's funded pupil count is:	The district's personnel costs factor shall be:
Less than 453.5	0.8250 - (0.0000639 x the difference between the funded pupil count and 453.5)
453.5 or more but less than 1,567.5 (0.0000310 x the difference	0.8595 - between the funded pupil count and 1,567.5)
1,567.5 or more but less than 6,682 (0.0000050 x the difference	0.8850 - between the funded pupil count and 6,682)
6,682 or more but less than 30,000 (0.0000009 x the difference	0.9050 - between the funded pupil count and 30,000)
30,000 or more	0.9050

(e) A district's nonpersonnel costs factor for the 1994-95 budget year and budget years thereafter shall be the difference between 1.00 and the district's personnel costs factor.

(f) (I) If the district percentage of at-risk pupils is greater than the statewide average percentage of at-risk pupils and the district's funded pupil count is greater than four hundred fifty-nine but not in excess of fifty thousand, the district's at-risk factor shall be 12% plus a 0.30 percentage point for each percentage point that the district percentage of at-risk pupils exceeds the statewide average percentage of at-risk pupils; except that no district's at-risk factor shall exceed 30%.

(II) If the district percentage of at-risk pupils is greater than the statewide average percentage of at-risk pupils and the district's funded pupil count is greater than fifty

thousand, the district's at-risk factor shall be 12% plus a 0.36 percentage point for each percentage point that the district percentage of at-risk pupils exceeds the statewide average percentage of at-risk pupils; except that no district's at-risk factor shall exceed 30%.

(6) (b) Notwithstanding the provisions of subsection (2) of this section, for the 1995-96 budget year and budget years thereafter, if a district's total formula per pupil funding for the applicable budget year is more than twenty-five percent greater than the district's prior year total per pupil funding, the total program for such district shall be calculated in accordance with the following formula:

District funded pupil count x District prior year total per pupil funding x 1.25

(c) The definitions contained in section [22-54-104.3](#) shall be applicable to this subsection (6).