

Students Need Adequate and Equitable Funding



Where We Stand

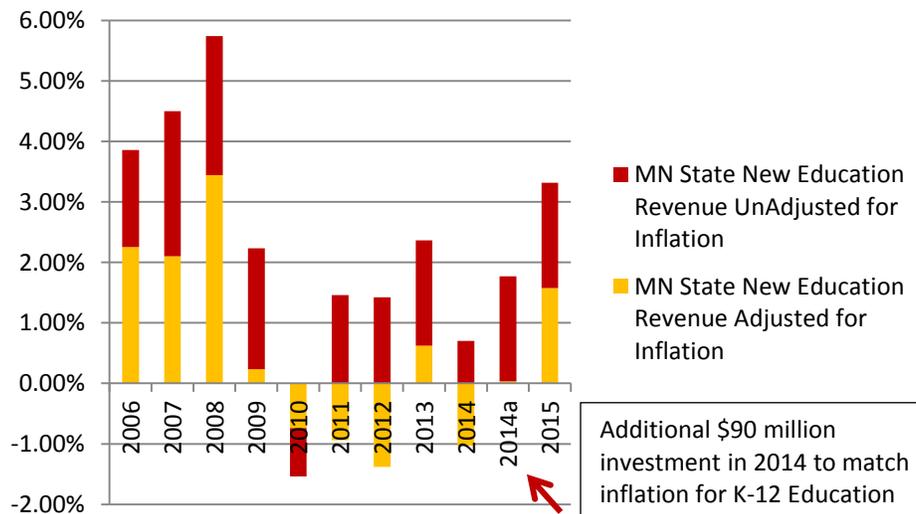
The Governor’s current budget would send \$302 million to K-12 public and charter schools serving 839,925 children. The \$302 million is distributed across kindergarten, special education, ELL and the basic formula with 1% in the 2014 and 3% in 2015. While we appreciate greatly the Governor’s down payment,

- **The current Budget Target for 2014 does not keep up with inflation**, making it the fourth year in the past five that the state funding has not matched inflation. (See Chart)
- **Districts are depending on operating referendums** to help fill the gap. The average voter approved referendum has increased 68% (from \$615/ADM in 2005 to \$1,032/ADM in 2013).
- **Districts are expecting increased cost pressures** on health insurance with the ACA, PERA and TRA contribution increases, special education cost increases, salary negotiations and general inflationary pressures.

School Funding Falls Short for Years including 2014

MN State New Education Revenue Adjusted for Inflation

| | |
|-------|--------------|
| 2006 | 2.25 |
| 2007 | 2.10 |
| 2008 | 3.44 |
| 2009 | 0.23 |
| 2010 | <u>-1.54</u> |
| 2011 | <u>-0.94</u> |
| 2012 | <u>-1.38</u> |
| 2013 | 0.62 |
| 2014 | <u>-1.03</u> |
| 2014a | 0.03 |
| 2015 | 1.57 |



Where We’re Going

- **Cuts at Schools:** Districts will make cuts, many of which affect class sizes and curricular offerings.
- **Operating Referendums:** With the current Budget Target, many districts will seek voter approved referendum increases and thereby increasing schools’ reliance on local property taxes, and raise average state property taxes
- **Increasing Disparities:** Increasing disparity between the 5th and 95th percentile based on voter approval of referendums or not

The Solution

- Invest in Minnesota’s Children by:*
- ✓ *Raising the K-12 Education Target to at least \$500 million: \$483 m to get net aid to zero in 2014, and \$17.1 m to roll in \$300 of referendum levy into a new uniform general education levy*
 - ✓ *Using the K-12 Education Finance Working Group Report as blueprint*

What’s your story? Each district has its own history of lost education opportunity over past years and potential impacts of the target. Share yours.