

MINUTES OF THE SELECT COMMITTEE ON SCHOOL FINANCE

The meeting was called to order by Chairman Kathe Decker at 9:00 on February 4, 2005 in Room 313-S of the Capitol.

All members were present except:

Mike O'Neal - excused

Committee staff present:

Kathie Sparks, Kansas Legislative Research

Carolyn Rampey, Kansas Legislative Research

Ann Deitcher, Committee Secretary

In answer to the Committee's request, Kathie Sparks provided them with information regarding using student weights by grade level. (Attachment 1).

Members asked questions of Dale Dennis.

Ms Sparks then responded to a request by Representative O'Neal as to how the average per pupil cost of regular education of \$5,992 was calculated. (Attachment 2).

A question and answer session followed.

Additional information on ancillary facility weighting was distributed from USD 232 and 233, DeSota and Olathe. (Attachments 3 and 4).

Copies of the Blue Valley school district enrollment history, 1970/71 to 2004/05. (Attachment 5).

The meeting was adjourned at 10:05 a.m. The next meeting of the select committee will be Monday, February 7, 2005 at 12:30 p.m..

KANSAS LEGISLATIVE RESEARCH DEPARTMENT

Rm. 545N-Statehouse, 300 SW 10th Ave.
Topeka, Kansas 66612-1504
(785) 296-3181 ♦ FAX (785) 296-3824

kslegres@klrd.state.ks.us

<http://www.kslegislature.org/klrd>

February 3, 2005

To: House Select Committee on School Finance
From: Kathie Sparks, Principal Analyst *KLS*
Re: States That Use Student Weights by Grade Level

Per the Committee's request, the following is a chart of other states that provide weighting based on grade level.

State	Grade	Weight
Arizona	K	0.579
	1-7	1.158
	8-12	1.268
Colorado, Delaware, Indiana, Kansas, Kentucky, Montana, Oregon, and Ohio	K	0.5
	1-12	1.0
District of Columbia	K-5	1.05
	6-8	1.00
	9-12	1.20
Florida	K-3	1.007
	4-8	1.000
	9-12	1.113
Georgia	K	1.6226
	1-3	1.0258
	6-8	1.0102
Nebraska	K-6	1.00
	7-8	1.20
	9-12	1.40
Nevada	K	0.60
	1-12	1.00
New Hampshire	K	0.50
	1-8	1.00
	9-12	1.20

Select Comm. on School Finance
Date 2-4-05
Attachment # 1-1

State	Grade	Weight
New Jersey	K	0.50
	1-5	1.00
	6-8	1.12
	9-12	1.20
New Mexico	K	1.000
	1	1.200
	2-3	1.180
	4-6	1.045
	7-12	1.20
New York	K-6	1.00
	7-12	1.25
North Dakota	K	0.5832
	1-6	0.949 to 1.3121
	7-8	0.9807
	9-12	1.0362 to 1.4712

1-2

7. School Facilities

This weight is assigned for costs associated with beginning operation of new school facilities. The enrollment in the new school facility is multiplied by a factor of .25 to produce the weight adjustment.

In order to qualify for this weight, the district must have utilized the full amount of the local option budget (LOB) authority authorized for the school year (25.0 percent). This weight is available for two school years only—the year in which the facility operation is commenced and the following year.

EXAMPLE

<u>Enrollment of Pupils in New School Facility (Sept. 20)</u>		<u>Factor</u>		<u>School Facilities Weight Adjustment</u>
260	<u>times</u>	0.25	<u>equals</u>	65.0

Kansas State Department of Education

2005 Legal Maximum File

Updated 11/10/2004		2b	11	12
USD No.	USD Name	FTE Enroll Exc4yr at risk 9/20/2004	New Fac. FTE	New Fac. Weighted FTE
259	Wichita	44,672.5	9779.4	2,444.9
233	Olathe	22,465.2	2885.0	721.3
305	Salina	7,148.7	586.1	546.6
266	Maize	5,740.0	1058.0	264.5
253	Emporia	4,525.7	1000.6	250.2
445	Coffeyville	1,858.8	982.0	245.5
232	DeSoto	4,540.7	966.8	241.7
250	Pittsburg	2,469.9	861.8	215.5
500	Kansas City	19,012.0	759.0	189.8
353	Wellington	1,657.7	699.5	174.9
491	Eudora	1,235.8	374.1	93.5
214	Ulysses	1,681.3	303.0	75.8
229	Blue Valley	18,389.0	264.5	66.1
360	Caldwell	297.0	170.0	42.5
512	Shawnee Mission	27,898.9	100.7	25.2
231	Gardner-Edgerton	3,401.3	96.0	24.0
217	Rolla	205.5	91.0	22.8
321	Kaw Valley	1,061.5	81.0	20.3
496	Pawnee Heights	177.5	53.0	13.3
316	Golden Plains	187.7	50.0	12.5
435	Abilene	1,410.7	38.5	9.6
413	Chanute	1,787.7	26.0	6.5
437	Auburn Washburn	4,996.5	24.0	6.0
268	Cheney	739.7	23.7	5.9
422	Greensburg	301.5	20.3	5.1
101	Erie-St. Paul	1,068.9	0.0	0.0
102	Cimarron-Ensign	642.0	0.0	0.0
103	Cheylin	158.5	0.0	0.0
104	White Rock	122.5	0.0	0.0
105	Rawlins County	347.0	0.0	0.0
106	Western Plains	192.0	0.0	0.0
200	Greeley County	264.7	0.0	0.0
202	Turner	3,581.8	0.0	0.0
203	Piper	1,346.0	0.0	0.0
204	Bonner Springs	2,174.0	0.0	0.0
205	Leon	715.9	0.0	0.0
206	Remington-Whitewater	524.2	0.0	0.0
207	Ft. Leavenworth	1,643.0	0.0	0.0
208	WaKeeney	381.0	0.0	0.0
209	Moscow	222.2	0.0	0.0
210	Hugoton	1,014.3	0.0	0.0
211	Norton	648.9	0.0	0.0
212	Northern Valley	188.5	0.0	0.0
213	West Solomon	62.0	0.0	0.0
215	Lakin	644.0	0.0	0.0
216	Deerfield	332.0	0.0	0.0
218	Elkhart	679.0	0.0	0.0

1-4

8. Ancillary School Facilities

The law permits a school district to appeal to the State Board of Tax Appeals for permission to levy a property tax for up to two years to defray costs associated with commencing operation of a new facility beyond the costs otherwise financed under the law. To qualify for this tax levying authority, the district must have begun operation of one or more new facilities in the preceding or current school year (or both), have adopted the maximum LOB, and have had extraordinary enrollment growth, as determined by the State Board of Education. This tax levying authority may extend for an additional three years, in accord with the following requirements. The school district's board of education must determine that the costs attributable to commencing operation of the new school facility (or facilities) are significantly greater than the costs of operating other school facilities in the district. The tax that then may be levied is computed by the State Board of Education by first determining the amount produced by the tax levied for operation of the facility (or facilities) by the district in the second year of the initial tax levying authority and by adding the amount of general state aid attributable to the school facilities weight in that year. Of the amount so computed, 75 percent, 50 percent, and 25 percent, respectively, are the amounts that may be levied during the three-year period.

An amount equal to the levy approved by the State Board of Tax Appeals is converted to the ancillary school facilities weight. The weight is calculated each year by dividing the amount of the levy authority approved by the State Board of Tax Appeals by BSAPP.

EXAMPLE

<u>Amount of Authorized Tax Levy</u>		<u>BSAPP</u>		<u>Ancillary School Facilities Adjustment</u>
\$250,000	<u>divided by</u>	\$3,863	<u>equals</u>	64.7

NOTE: The school district levies the amount approved by the State Board of Tax Appeals. The proceeds are then credited to the State School District Finance Fund.

1-5

Kansas State Department of Education

2005 Legal Maximum File

Updated 11/10/2004

2b

14

USD No.	USD Name	FTE Enroll Exc4yr at risk 9/20/2004	Ancillary Weighting FTE
233	Olathe	22,465.2	3248.8
229	Blue Valley	18,389.0	2364.6
232	DeSoto	4,540.7	265.5
101	Erie-St. Paul	1,068.9	0.0
102	Cimarron-Ensign	642.0	0.0
103	Cheylin	158.5	0.0
104	White Rock	122.5	0.0
105	Rawlins County	347.0	0.0
106	Western Plains	192.0	0.0
200	Greeley County	264.7	0.0
202	Turner	3,581.8	0.0
203	Piper	1,346.0	0.0
204	Bonner Springs	2,174.0	0.0
205	Leon	715.9	0.0
206	Remington-Whitewater	524.2	0.0
207	Ft. Leavenworth	1,643.0	0.0
208	WaKeeney	381.0	0.0
209	Moscow	222.2	0.0
210	Hugoton	1,014.3	0.0
211	Norton	648.9	0.0
212	Northern Valley	188.5	0.0
213	West Solomon	62.0	0.0
214	Ulysses	1,681.3	0.0
215	Lakin	644.0	0.0
216	Deerfield	332.0	0.0
217	Rolla	205.5	0.0
218	Elkhart	679.0	0.0
219	Minneola	268.5	0.0
220	Ashland	216.2	0.0
221	North Central	113.5	0.0
222	Washington	353.5	0.0
223	Barnes	384.2	0.0
224	Clifton-Clyde	307.0	0.0
225	Fowler	161.8	0.0
226	Meade	479.0	0.0
227	Jetmore	297.0	0.0
228	Hanston	91.0	0.0
230	Spring Hill	1,603.0	0.0
231	Gardner-Edgerton	3,401.3	0.0
234	Ft. Scott	1,953.1	0.0

KANSAS LEGISLATIVE RESEARCH DEPARTMENT

Rm. 545N-Statehouse, 300 SW 10th Ave.
Topeka, Kansas 66612-1504
(785) 296-3181 ♦ FAX (785) 296-3824

kslegres@klrd.state.ks.us

http://www.kslegislature.org/klrd

February 3, 2005

To: House Select Committee on School Finance

From: Kathie Sparks, Principal Analyst

Re: Special Education

Per Representative O'Neal's request as to how the Average Per Pupil cost of Regular Education of \$5,992 was calculated, the following will attempt to explain the methodology employed.

Adopted Budget (less LOB)	\$ 2,512,765,505
Adopted LOB	<u>575,247,688</u>
Legal Authority	\$ 3,088,013,193
Less:	

<u>Program</u>	<u>Weighting</u>	<u>Amount</u>
Special Education		\$ 262,876,526
(Prior Year)Transportation	20,419.2	
Vocational Education	7,711.2	
Bilingual Education	2,590.5	
At-Risk Education	13,506.4	
Total Weightings	<u>44,227.3</u>	\$ 170,597,033

Total Deduction	\$ <u>433,473,559</u>
-----------------	-----------------------

Legal Authority	\$ 3,088,013,193
Less deductions	<u>(433,473,559)</u>
Cost of Regular Education	\$ 2,654,539,634

Divided by unweighted pupils (443,027.6)	\$ 5,992
--	----------

40948--(2/3/5{1:27PM})

Select Comm. on School Finance
Date 2-4-05
Attachment # 2



DESOTO

35200 West 91st Street
De Soto, Kansas 66018-8420
Phone: (913) 583-8300
Fax: (913) 583-8303
E-mail: klarsen@usd232.org

UNIFIED SCHOOL DISTRICT 232

Ken Larsen
Director, Budget & Finance

February 3, 2005

To: House Select Committee on School Finance

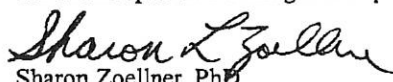
Re: Ancillary Facility Weighting


To accommodate the rapid growth of students in De Soto USD 232 the following schools have been built since 1995:

- De Soto High School and Monticello Trails Middle School opened in August 1995
- De Soto High School addition opened in August 1998
- Starside and Clear Creek Elementary Schools opened in August 1998
- Mize Elementary School opened in August 2000
- Mill Valley High School opened in August 2000
- Monticello Trails Middle School addition opened in December 2001
- Riverview Elementary School opened in August 2002
- Lexington Trails Middle School addition opened in August 2003
- Prairie Ridge Elementary School opened in August 2004
- Mill Valley High School addition opened in August 2004
- Present plans call for opening a third middle school in August 2006 and a sixth elementary school in August 2007.

The New Facility Weighting currently funded with state funds is for all districts currently at 25% Local Option Budget and opening new, expanded or remodeled facilities and is funded at .25 FTE for the number of students in the new, expanded or remodeled facility. While this funding is greatly appreciated and very helpful for those type facilities it does not come close to funding the costs of new buildings due to student population growth. Ancillary Facility Weighting was created to recognize the extra costs incurred by rapidly growing school districts having to build schools for increased enrollment. The funding for extraordinary enrollment growth is critical to our District. De Soto USD 232 last appeared before the Board of Tax Appeals on April 15, 2004 seeking authority to levy an ad-valorem tax due to its rapid growth. In a letter dated January 29, 2004 the Kansas State Department of Education certified that De Soto USD 232's enrollment had increased 37.0 percent over the prior three years. The ancillary facility funds permit our district to open new additional buildings as needed and grow into them, giving us the ability to continue to provide the quality education our community expects without overcrowding our buildings. With no increase in state aid for several years we are compelled to use all funding sources available to meet the challenge of educating our children. De Soto USD 232 has received a total of \$4.7 million for the five-year period of 2000/01 through 2004/05. Fixed expenses are in place immediately upon opening a new building (cost of utilities, building administration, librarian, counselor, nurse, custodial, etc.). The funds received from ancillary facility weighting are necessary to help pay these expenses for the first three to five years until the student count supports the costs of operating the building.

Ancillary Facility Weighting funds is generated from our district taxpayers through a local tax levy. The Board of Tax Appeals provides oversight. Our district patrons have an opportunity to voice their protest to the BOTA if they feel the burden is unnecessary. De Soto USD 232's mill levy is the 2nd highest in the State and we did not have one patron protest at the BOTA hearing alluded to above. This speaks highly of our district patron's willingness to pay for quality education.


Sharon Zoellner, PhD
Superintendent


Ken Larsen
Director of Budget & Finance

The mission of De Soto Unified School District 232 is to inspire the creative genius in each person by: Building visionary, world-class educational opportunities; Fulfilling the evolving needs of citizens as life-long learners; Integrating the fabric and heritage of our diverse rapidly growing community; Respecting the importance of the individual while promoting the common good.

Select Comm. on School Finance

Date 2-4-05

Attachment # 3



February 3, 2005

Representative Ray Merrick
State Capitol, Room 330-N
Topeka, KS 66612

Re: Facility and Ancillary Weighting

Dear Representative Merrick:

This letter will share information with you regarding new facility weighting and ancillary weighting for extraordinary growth.

The new facility weighting is a .25 weighting for new facilities, renovating, and replacing existing facilities. A district can access the full weighting for two years only if the full 25 percent of the LOB is used. After the initial two years, districts have to integrate the additional operating costs of new facilities into their ongoing operations.

The ancillary weighting is for extraordinary growth. It is designed to assist rapidly growing district with new facilities if existing facilities are in full use. The regulations surrounding this law, as noted below, prevent abuse.

1. A district must be using 25 percent of the LOB.
2. A district must meet the extraordinary growth criteria of the Kansas State Board of Education.
 - Enrollment growth of six percent a year for three consecutive years
 - 1500 new students over a three-year period
3. The local board must approve of the application to apply for this aid.
4. If the district meets the above criteria, it can apply for additional budget/tax authority to the Kansas State Board of Tax Appeals (BOTA).
5. If BOTA grants the authority, the local board can decide to exercise the full authority when it prepares its budget.

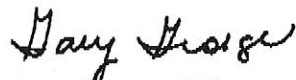
Olathe School District
February 3, 2005
Page 2

Additional local property taxes fund this authority. Districts can access the full amount of the authority for two years. In years three, four and five, the amount reduces to 75, 50, and 25 percents respectively. The Olathe School District's funds are local – we receive no state aid. After five years, districts must integrate the operating costs of the new facility into their operating budgets.

It is extremely important that we not lose this weighting provision. It would be impossible to open the new schools needed to meet the rapid growth of 500 – 700 students a year without this provision. In 2004-05, this provision provides approximately \$15,000,000 to us.

It is imperative that the facility and ancillary weighting provisions are not changed. Please call me if we can provide additional information for you regarding this critical issue.

Sincerely,



Gary George, Ed.D.
Assistant Superintendent of Schools
Management Services

GG:pr



2004/05 Enrollment Report to the Board of Education

TABLE 2
Blue Valley School District Enrollment History 1970/71 to 2004/05*

Year	Grades K-5	Grades 6-8	Grades 9-12	K-12	Absolute Increase	Relative Increase
1970-71	411	209	232	852		
1971-72	428	271	280	979	127	14.91%
1972-73	472	298	312	1,082	103	10.52%
1973-74	575	354	378	1,307	225	20.79%
1974-75	636	381	463	1,480	173	13.24%
1975-76	656	387	522	1,565	85	5.74%
1976-77	758	457	541	1,756	191	12.20%
1977-78	899	526	652	2,077	321	18.28%
1978-79	1,021	615	729	2,365	288	13.87%
1979-80	1,116	682	829	2,627	262	11.08%
1980-81	1,232	746	895	2,873	246	9.36%
1981-82	1,322	828	961	3,111	238	8.28%
1982-83	1,417	908	1,060	3,385	274	8.81%
1983-84	1,601	991	1,195	3,787	402	11.88%
1984-85	1,918	1,030	1,340	4,288	501	13.23%
1985-86	2,211	1,121	1,478	4,810	522	12.17%
1986-87	2,776	1,270	1,645	5,691	881	18.32%
1987-88	3,410	1,524	1,857	6,791	1,100	19.33%
1988-89	3,916	1,724	1,944	7,584	793	11.68%
1989-90	4,436	1,955	2,067	8,458	874	11.52%
1990-91	4,865	2,200	2,255	9,320	862	10.19%
1991-92	5,222	2,393	2,417	10,032	712	7.64%
1992-93	5,590	2,700	2,617	10,907	875	8.72%
1993-94	6,051	2,946	2,978	11,975	1,068	9.79%
1994-95	6,258	3,133	3,227	12,618	643	5.37%
1995-96	6,581	3,325	3,520	13,426	808	6.40%
1996-97	6,938	3,495	3,876	14,309	883	6.57%
1997-98	7,160	3,697	4,191	15,048	739	5.16%
1998-99	7,428	3,879	4,574	15,881	833	5.54%
1999-00	7,688	4,029	4,795	16,512	631	3.97%
2000-01	7,912	4,014	5,060	16,986	474	2.87%
2001-02	8,225	4,209	5,251	17,685	699	4.12%
2002-03	8,524	4,304	5,415	18,243	558	3.16%
2003-04	8,696	4,456	5,551	18,703	460	2.52%
2004-05	8,848	4,519	5,737	19,104	401	2.14%

Source: Registration counts filed by Blue Valley Schools on September 20th of each school year.

* Note: The above numbers refer to regularly enrolled and itinerant students.