

MINUTES

**MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION
SELECT COMMITTEE ON SCHOOL FINANCE**

Call to Order: By Chairman Mike Halligan, on April 7, 1993, at 6:30 a.m.

ROLL CALL

Members Present:

Sen. Mike Halligan, Chair (D)
Sen. Chet Blaylock, Vice Chair (D)
Sen. John Brenden (R)
Sen. Bob Brown (R)
Sen. Steve Doherty (D)
Sen. Dorothy Eck (D)
Sen. Harry Fritz (D)
Sen. Delwyn Gage (R)
Sen. Lorents Grosfield (R)
Sen. John Harp (R)
Sen. John Hertel (R)
Sen. Spook Stang (D)
Sen. Daryl Toews (R)
Sen. Tom Towe (D)
Sen. Fred Van Valkenburg (D)
Sen. Mignon Waterman (D)
Sen. Bill Wilson (D)
Sen. Bill Yellowtail (D)

Members Excused: None.

Members Absent: None.

Staff Present: Jeff Martin, Legislative Council
Eddy McClure, Legislative Council
Bonnie Stark, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: None.
Executive Action: HB 667

EXECUTIVE ACTION ON HB 667

The Subcommittee of the Select Committee on School Finance has met several times and presented its recommendations on HB 667, which is attached to these minutes as Exhibit No. 1. The Committee members serving on that Subcommittee are:

Sen. Chet Blaylock, Chair
Sen. Bob Brown
Sen. John Hertel
Sen. Spook Stang
Sen. Daryl Toews
Sen. Fred Van Valkenburg
Sen. Mignon Waterman

Senator Blaylock said the Subcommittee decided to use HB 667 as the vehicle for the school finance issue, since that bill had already passed the House, and it appeared impossible to get SB 432 passed through the Senate and to the House for passage prior to the end of this legislative session. The Subcommittee has amended some of the provisions of SB 432 into HB 667.

Senator Blaylock reviewed the Subcommittee recommendations. He said that one of the first things the Subcommittee discussed was the total of 11 caps on HB 667.

The Subcommittee wanted to get the local limits below 80% into an area between 80% and 100% in order to comply with the Supreme Court ruling to equalize. Those districts below the 80% level will have a choice of three ways to go to reach the 80% level in three years: (a) 104% of the previous year's General Fund (GF) budget; or (b) 104% of the previous year's GF budget per student (Average Number Belonging [ANB]) times the current year's ANB; or (c) Choose to go up one-third each year over the next three years. If they go above any of these limits, they would have to vote the extra budget.

In the Districts with budgets of 80% to 100%, they could choose: (a) 104% of the previous year's GF budget; or (b) 104% of the previous year's GF budget per ANB times the current year's ANB; or (c) Go for a voted levy above 104%.

For areas above 100%, the Subcommittee froze the districts for one year at their present GF budget for the fiscal year beginning July 1, 1993. In the second year and beyond, a vote is required.

The Subcommittee removed the Wanzenreid Amendment, which would have limited administrative costs to 95% of a 2-year average, they removed capital outlay expenditures from the GF, and amended the Senate version of SB 32 into HB 667.

Regarding High School Stop-Loss (as there are more students, the figure is dropped by 50 cents per child), the Subcommittee changed the figure from 1,000 to 800.

The Subcommittee voted to use the Office of Public Instruction (OPI) option #2 to revise the current Guaranteed Tax Base (GTB) value to extend the permissive range for Special Education (SPED) purposes based on 10%, 25% and 65% ratios to incorporate the current concept but redistribute the dollars in

the permissive levy GTB support. There was \$5 million remaining in the GTB fund, and this option had to be included in order for the full amount to be available.

The Subcommittee voted that Public Law 81-874 Funds be transferred from the impact aid fund to GF to off-set the levy below 80%, with the state paying the GTB. This means the schools below the 80% level can use their impact money from the Federal government, and then state aid is available. The Districts using 874 funds to help support local levies must levy the prior year's average permissive levy. The Subcommittee discussed the District where there is very few taxpayers, or only one taxpayer, and if taxes should be levied. They determined that they should be levied, with the taxpayer(s) paying the average of the state-wide permissive levy.

Senator Blaylock said the weighted GTB had been considered for the General Fund, the Retirement Fund, and Capital Outlay. After further discussions, it was decided that this would be very adverse to some school districts. Those Districts who are levying high millages for retirement now would be hurt by this, and those levying low millages for retirement now would be helped. Senator Blaylock said this Committee may want to put the weighted GTB into the General Fund.

The Subcommittee recommends that the Select Committee choose how to handle the \$30 million budget cut by HB 667. Other actions considered by the Subcommittee, but with no firm recommendations, for the Committee to consider are Non-levy revenue, Weighted GTB, COLA, Transportation and Retirement, and Per-ANB reduction factors. The Subcommittee had considered taking all the non-levy revenue received, mainly from coal, oil and gas, and motor vehicle licenses, and redistribute it. There would be no more money received, it would just be equalized through the effect of redistribution.

QUESTIONS BY COMMITTEE MEMBERS:

(1) Caps:

Senator Gage asked if a District is above 100%, if their voted levies are moot under HB 667, which would freeze their budget at its present level. Senator Blaylock said their levy would be frozen only the first year, which would be at the level approved in the latest election. Senator Waterman said that following the first year, the District would have to vote anything above 100% in the level at which they are frozen.

Senator Towe asked for further explanation of the 33 1/3% growth limits below 80%. Senator Blaylock and Senator Van Valkenburg explained that by taking 1/3 the first year, then half of what remains the second year, and all of what remains in the third year, would be taking 1/3 in each of the three years.

Senator Eck asked if there is any allowance for ANB growth in the Districts who are above 100% who are experiencing growth. Senator Waterman said there is none, but they would soon end up below the 100% if they had rapid growth. Once they reach the 100% expenditure level, the other rules would apply.

(2) Administrative Costs:

No questions from Committee members.

(3) Capital Outlay:

Senator Towe asked if the language to remove capital outlay expenditures from GF means there will be a separate accounts set up. Eddy McClure, Legislative Council Staff, responded that there are only certain costs that can be spent from the General Fund. OPI indicated they are going to use their building reserve, but there are going to be costs that may not be budgeted. Bond and interest payments, the purchase and replacement of buses, new construction, building additions, land acquisition, infra-structure, and major building renovations, would all be put into reserves.

(4) HS Stop/Loss:

Senator Van Valkenburg said the Subcommittee used the mathematical formula developed by the Auditor's office as the principle means of distributing state funding for kindergarten through grade 12 (K-12) education. Senator Van Valkenburg believes the existing schedules should be utilized, and incorporate the caps and other changes in school equalization into those schedules, because the math formula developed by the Auditor's office was still in an experimental stage. Senator Van Valkenburg had asked the Subcommittee to at least look at following the recommendation of the Superintendent of Public Instruction to stick with the existing schedules until the consequences of using the Auditor's new math formula are more clear. The HS Stop/Loss section is part of the mathematical formula. Senator Van Valkenburg has asked OPI to give this Committee some comparisons between using the Auditor's mathematical formula and using the existing schedules.

Greg Groepper, OPI, presented Exhibit No. 2 to these minutes, and explained the schedules included. Mr. Groepper said the comparisons shown are the budget changes per school district, with the mill levy changes. He pointed out some differences, that the far right-hand column has approximately 3900 more students than the inner right-hand column. OPI used FY94 enrollment numbers; the Auditor's spread sheets used FY93 ANB. OPI left the non-levy revenue recapture in the figures to get the impact. The inner right-hand column has the weighted guaranteed tax base as the Subcommittee is recommending, and OPI used current law for guaranteed tax base, and they allowed for Special Education (SPED) in their figures. Mr. Groepper said schools

will generally have more budget authority using the existing schedules rather than the models presented in the HB 667 hearing. (Please refer to Minutes of March 31, 1993, Exhibit No. 4.)

Mr. Groepper explained the schedules using Billings Elementary and High School figures to answer questions by Committee members.

Mr. Groepper will make new schedules available for the Committee to review, using the Auditor's office figures, HB 667 guidelines, and taking out the non-levied revenue, so a better comparison can be made.

Senator Gage questioned the difference in expenditures by dropping the Stop/Loss from 1,000 to 800. Curt Hahn, OPI, presented Exhibit No. 3, and Ms. McClure presented Exhibit No. 4 to these Minutes.

Senator Towe questioned how the Stop/Loss system works. Senator Stang explained by using the example of 4,000 students in a high school program. The way HB 667 was originally written, you would reduce that by 50 cents until you reach 3,000. If you put in an 800 stop/loss, you reduce it by 50 cents until you reach 3,200. The cost of doing that is approximately \$1 million per year.

(5) Special Education:

In response to questions by Senator Harp, Senator Blaylock said the portion of the special education (SPED) not considered by the House was added in to the Subcommittee recommendations.

Senator Towe asked for an explanation of the 10%, 25%, and 65% ratios in the recommendations by the Subcommittee. Dori Nielson, OPI, explained that school districts currently receive about \$13.8 million, which is the appropriation for allotted costs for special education from the Legislature that has remained constant for several years. Additionally, local school districts contribute over \$11 million. That can be levied permissively in the 35% range under the current system and was missing in HB 667. In order for the districts to provide local funding for SPED, since the state allowable cost appropriation does not cover the entire costs, districts need to access money for SPED. Under HB 667, without the addition, the districts had to access it to regular education dollars in the 80%/100% portion of the budget. The Subcommittee put back in the opportunity for school districts to access more than the \$11 million through a permissive levy guaranteed tax base (GTB) support, which they currently have. The Subcommittee did not add more money to the bill; they re-distributed money that was already there. The \$11 million represents the 25%. The 65% is the base amount that they already have. The 10% is the margin that will go into the 80% to 100% range that now is accessible. In the regular education program, if these ratios were placed side by side, the base

amount coming directly from the state is 65%; the permissive portion is 25%; and the 10% is the portion over the permissive.

(6) Enrollment:

In response to questions by Senator Harp, Senator Blaylock said the \$40 million cut by the House is taken up by not paying the schools for the additional 7,100 students enrolling in Montana schools next year.

Senator Gage asked about the current enrollment ANB count. Mr. Groepper explained that under current law, OPI looks at the fall semester coming up, starting July 1, and the spring semester of a year ago.

(7) Public Law 81-874 Funds:

Senator Towe asked for explanations on the Subcommittee recommendations. Linda Brandt, Indian Impact Schools, said this is referring to state-wide average funds. Senator Towe asked how this pertains to a district which might be below the 80%. Ms. Brandt said if a district is below the 80%, they still have to calculate out their state subsidy just as every other district does. After that calculation is done and a district calculates how many mills it will have to levy, then the 874 is applied to reduce that levy, but only down to the state average.

(8) House Cuts:

Senator Harp asked where the money to increase the spending by \$15 million is to come from. Senator Blaylock said it was to come from the Realty Transfer Tax.

Senator Eck said she would like the Committee to discuss the \$30 million that is built into this plan, and its source. Senator Waterman commented she thinks the Committee's choices will narrow down to three options: (1) Reduce the District budgets; (2) Offset reliance on local levies, or (3) Increase State support.

Actions considered but not taken by Subcommittee:

(1) Non-levy Revenue:

Senator Eck suggested an option the Committee might consider would be some equalization of non-levy revenue. Senator Blaylock responded that in order to do what had been discussed in previous meetings, it would be about \$20 million per year. That would not be adding in new money; it is only a re-distribution.

Senator Toews said when non-levied revenue is moved, a lot of schools will fall back onto a guaranteed tax base.

Senator Towe asked what the Subcommittee discussed on non-levied revenue. The automobile registration fees are fairly uniform throughout the state, but the oil and gas money, and the coal money, is different by districts. Senator Blaylock said the Subcommittee did not specifically discuss splitting those resources. They did think about using non-levy revenue. The Colstrip School Superintendent said his District was willing to ride with the freeze, and that would probably make them reduce their programs. Senator Blaylock said the other side of the argument is that a lot of those districts will take a hit, but they haven't been levying much on themselves, if anything, and, therefore, it would be fair to bring the funds to Helena to be distributed.

Senator Towe said the Districts who do not levy very much revenue, because they have an enormous taxable valuation, will have to spend more money and will have to levy more revenue. That will help equalize the districts across the state.

(4) Transportation and Retirement:

Senator Towe asked why transportation was not included in the Subcommittee's recommendations. Senator Blaylock said the feeling of the Subcommittee is that transportation is not as serious a problem across the state as the other issues are, and there is no great pressure from the school districts asking for equalization of transportation.

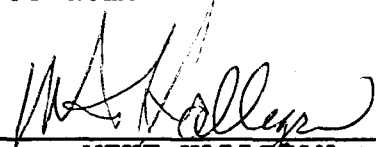
Senator Towe asked if transportation costs are just absorbed in the general budget, and what would be the impact if the Committee did not adopt anything regarding transportation. Greg Groepper said that transportation is paid for half by the state and half by a county-wide levy. Anything districts need above that amount, they have to levy on district taxpayers in a permissive mill. The portion of transportation that OPI does not equalize is whatever the district has to assess on their own taxpayers. Mr. Groepper said transportation is one of the issues that has been raised in the lawsuit, but as he understands it, there was more concern over straightening out the general fund, then coming back another session and working on the transportation and retirement. Mr. Groepper said he understands the transportation budget would stay the same and if the district needs money above what they get through the per-mile basis, they will have to levy that on their taxpayer. By not including transportation and retirement in the equalization plan now, they won't be as far along as they would be if the Committee addresses it now, but his understanding is that HB 667 is all that can possibly be accomplished in these first two years.

Discussion was ended at this time. Chairman Halligan said this Committee will meet again after the OPI has provided new spread sheets on information requested by Committee members.

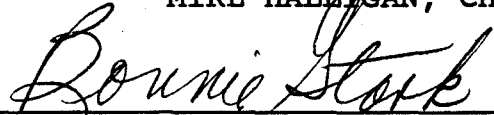
Exhibit No. 5 to these minutes is a letter from K. W. Maki,
Corvallis School District #1.

ADJOURNMENT

Adjournment: The meeting adjourned at 8:00 a.m.



MIKE HALLIGAN, Chair



BONNIE STARK, Secretary

MH/bjs

ROLL CALL

SENATE COMMITTEE SELECT COMMITTEE ON SCHOOL FINANCE

DATE 4-7-93

NAME	PRESENT	ABSENT	EXCUSED
Sen. Halligan, Chair	✓		
Sen. Eck	✓		
Sen. Brown	✓		
Sen. Doherty	✓		
Sen. Gage	✓		
Sen. Grosfield	✓		
Sen. Harp	✓		
Sen. Stang	✓		
Sen. Towe	✓		
Sen. Van Valkenburg	✓		
Sen. Yellowtail	✓		
Sen. Blaylock, Vice Chair	✓		
Sen. Fritz	✓		
Sen. Hertel	✓		
Sen. Brenden	✓		
Sen. Toews	✓		
Sen. Waterman	✓		
Sen. Wilson	✓		

HB 667 SUBCOMMITTEE RECOMMENDATIONS

SENATE TAXATION

Select Comm on School Finance

(1) Caps:

EXHIBIT NO. 1

DATE 4-7-93

BILL NO. HB 667

Growth Limits Below 80%:

Greater of:

- (a) 104% of previous year GF budget;
- (b) 104% of previous year GF budget per-ANB x current year's ANB; or
- (c) (i) 33 1/3% of range between GF ending June 30, 1993 and BASE July 1, 1993;
(ii) 50% of range between GF ending June 30, 1994 and BASE beginning July 1, 1994; or
(iii) remainder of range between GF ending June 30, 1995 and BASE beginning July 1, 1995
- (d) Voted required to exceed above budgets

80 to 100%:

Greater of:

- (a) 104% of previous year GF budget; or
- (b) 104% of previous year GF budget per ANB x current year's ANB
- (c) Voted levy above 104%
- (d) Removed Kadas Amendment on vote above 90% and optional vote provision.

Above 100%:

Districts "frozen" at:

- (a) district's GF budget for current school fiscal year; or
- (b) the maximum GF budget for district in current school fiscal year.
- (c) Except for fiscal year July 1, 1993, HB 667 still requires voted levy in second year.

(2) Administrative costs: Removed the Wanzenreid amendment to limit administrative costs to 95% of 2-year average.

(3) Capital outlay: Removed capital outlay expenditures from GF Amended Senate version of SB 32 into HB 667

- (4) HS Stop/Loss: Changed High school stop/loss from 1,000 to 800
- (5) Special Education: Voted to use OPI option #2 to revise the current GTB HB667 value to extend the permissive range for special education purposes based on 10%, 25% and 65% ratios to incorporate the current concept but redistribute the dollars in the permissive levy GTB support. (Means \$5 million in GTB.
- (6) Enrollment: voted to base the district ANB count on the enrollment count from October 1 and February 1 of the previous year
- (7) Public Law 81-874 Funds: (a) voted to allow district receiving 874 funds to transfer from impact aid fund to general fund to offset levy below 80% with state paying GTB (comply with federal law);
(b) District using 874 funds to support local levies must levy prior year average permissive levy (requiring minimum local effort)
- (8) House cuts: voted to put approx. \$30 million in HB 667
 - * approx. \$15 million for state support (see OPI chart)
 - * approx. \$15 to fund deficit in SEA

Actions considered but not taken by Subcommittee:

- (1) Non-levy revenue: voted not to include non-levy revenue in HB 667
- (2) Weighted GTB: voted not to use weighted GTB formula in capital outlay and retirement.
- (3) COLA: voted not to include an inflation factor in HB 667
- (4) Transportation and retirement: voted not to include in HB 667.
- (5) Per-ANB reduction factors: voted not to change per-ANB reduction factors from .50 and .20

IMPACT OF HB667 USING EXISTING SCHEDULES
 FUNDING SCHEDULES AT 65% AND GTB AT 185% OF STATE AVERAGE
 (\$40 MILLION)

DATE: 04/06/93
 TIME: 22:29:45

	CURRENT SCHEDULES		CURRENT SCHEDULES - FY94		HB 667 - FY93		CURRENT SCHEDULES - FY94	
	BUDGET	MILLS	BUDGET	MILLS	BUDGET	MILLS	BUDGET	MILLS
Beaverhead								
Beaverhead County H S	1,853,089	26.58	1,927,212	34.69	33,548	-4.10	74,123	8.11
Dillon Elem	3,170,993	32.97	3,297,832	70.58	51,683	8.47	126,839	37.61
Grant Elem	77,670	14.39	80,792	46.72	3,159	12.46	3,122	32.33
Jackson Elem	76,774	19.24	76,773	86.49	2,525	19.22	-1	67.25
Lima Elem	299,565	0.00	317,905	75.41	0	37.05	18,340	75.41
Lima H S	284,223	18.76	295,591	60.78	7,868	20.30	11,368	42.02
Polaris Elem	36,557	23.94	38,624	55.41	3,811	10.37	2,067	31.47
Reichle Elem	71,667	12.15	71,667	103.89	0	19.50	0	91.74
Wisdom Elem	140,000	0.00	147,048	59.25	81	24.77	7,048	59.25
Wise River Elem	77,796	12.71	80,907	63.46	3,117	21.29	3,111	50.75
Big Horn								
Community Elem	87,716	5.59	91,224	33.90	3,538	10.03	3,508	28.31
Hardin Elem	4,793,690	36.48	4,985,437	68.00	27,313	13.46	191,747	31.52
Hardin H S	2,719,397	0.00	2,719,397	60.78	0	9.36	0	60.78
Lodge Grass Elem	2,751,602	0.00	2,751,602	417.30	0	0.00	0	417.30
Lodge Grass H S	1,919,482	0.00	1,919,482	159.81	0	0.00	0	159.81
Plenty Coups H S	616,704	42.51	616,703	61.82	2,954	9.83	-1	19.31
Pryor Elem	300,865	57.35	300,865	102.72	0	24.05	0	45.37
Squirrel Creek Elem	70,006	0.75	70,005	5.64	0	1.23	-1	4.89
Wyola Elem	483,491	52.74	483,491	212.61	0	22.91	0	159.87
Blaine								
Bear Paw Elem	70,888	0.00	70,887	50.79	0	19.90	-1	50.79
Chinook Elem	1,220,000	20.04	1,268,800	117.74	0	18.16	48,800	97.70
Chinook H S	1,090,000	8.50	1,133,600	58.51	0	6.56	43,600	50.01
Cleveland Elem	52,749	0.00	52,749	34.58	0	14.24	0	34.58
Harlem Elem	2,000,000	35.56	2,000,000	65.80	34,983	10.24	0	30.24
Harlem H S	1,085,320	5.97	1,085,320	39.34	25,141	12.20	0	33.37
Hays-Lodge Pole Elem	1,054,223	58.77	1,054,222	227.52	0	-5.98	-1	2218.75
Hays-Lodge Pole Schools	755,346	35.79	755,346	45.47	18,138	-1.00	0	9.68
Lloyd Elem	34,527	0.00	35,908	14.53	0	9.72	1,381	14.53
North Harlem Colony Elem	37,024	50.77	38,504	90.22	2,386	3.86	1,480	39.45
Turner Elem	340,216	73.38	353,824	108.90	0	33.74	13,608	35.52
Turner H S	304,451	40.29	316,629	72.77	0	16.95	12,178	32.48
Zurich Elem	207,188	0.00	215,475	59.14	0	16.39	8,287	59.14
Broadwater								
Broadwater H S	804,056	11.05	863,453	25.52	38,920	8.42	59,397	14.47
Townsend Elem	1,375,000	13.80	1,471,945	46.15	93,761	21.68	96,945	32.35
Carbon								
Belfry Elem	650,000	1.81	650,000	288.40	0	43.10	0	286.59
Belfry H S	655,200	0.00	655,200	286.03	0	21.37	0	286.03
Boyd Elem	36,752	8.60	38,201	56.49	3,434	19.00	1,469	47.89

IMPACT OF HB667 USING EXISTING SCHEDULES
 FUNDING SCHEDULES AT 65% AND GTB AT 185% OF STATE AVERAGE
 (\$40 MILLION)

DATE: 04/06/93
 TIME: 22:29:53

	CURRENT SCHEDULES				REGRESSION MODEL		CURRENT SCHEDULES - FY94	
	HB 667		HB 667		93		HB 667 - FY93	
	ACTUAL 93	GF BUDGET (-874, SPED)	RESTATED 93	GF BUDGET W/874, SPED	ACTUAL RESTATED 93	93 RESTATED 94	BUDGET CHANGE	MILL CHANGE
Geraldine Elem	588,483	576,974	588,483	588,483	13.60	25.36	0	11.76
Geraldine H S	502,850	502,850	502,850	502,850	18.88	28.54	0	9.66
Highwood Elem	580,309	565,458	580,309	580,309	75.57	109.44	0	33.87
Highwood H S	410,130	405,264	410,130	426,535	21.80	21.08	0	-0.72
Knees Elem	54,080	50,296	54,080	54,080	10.43	17.09	0	6.66
Loma Elem	51,886	51,886	51,886	51,886	10.60	7.41	0	-3.19
Marrick Elem	39,335	39,335	39,335	40,908	1.66	12.44	0	10.78
Custer								
Cottonwood Elem	88,420	88,420	88,420	88,420	30.09	107.04	0	76.95
Custer County H S	2,778,753	2,643,062	2,778,753	2,889,903	41.58	27.19	0	-14.39
Hockett-Basin Spr Crk El	32,189	32,189	34,657	33,476	7.46	19.20	2,468	11.74
Kinsey Elem	140,638	137,256	140,638	147,328	20.93	44.50	0	23.57
Kircher Elem	153,922	149,629	153,922	160,936	0.00	20.29	0	20.29
Miles City Elem	4,297,114	3,993,041	4,299,424	4,468,998	56.59	43.30	2,310	-13.29
Moon Creek Elem	32,000	32,000	38,262	33,280	0.00	8.71	6,262	8.71
S H-Foster Creek Elem	32,847	32,847	34,163	34,537	0.00	18.54	1,316	18.54
S Y Elem	26,500	26,500	31,797	29,331	0.00	20.75	5,297	20.75
Trail Creek Elem	32,144	32,144	36,493	33,429	16.61	25.89	4,349	9.28
Twin Buttes Elem	32,022	32,022	32,022	33,302	0.00	32.33	0	32.33
Whitney Creek Elem	30,000	30,000	30,399	31,665	0.00	37.98	399	37.98
Daniels								
Flaxville Elem	282,836	277,350	282,836	282,836	45.22	70.81	0	25.59
Flaxville Schools	294,925	293,573	294,925	299,048	6.92	11.71	0	4.79
Peerless Elem	367,887	357,022	367,887	367,887	40.66	78.33	0	37.67
Peerless Schools	364,495	359,839	364,495	364,495	36.13	42.55	0	6.42
Scobey Elem	978,317	951,117	978,317	1,017,449	61.44	73.20	0	11.76
Scobey Schools	787,365	773,932	787,365	787,365	60.00	75.45	0	15.45
Dawson								
Bloomfield Elem	81,120	81,120	82,197	84,364	1.22	12.92	1,077	11.70
Dawson County H S	2,619,850	2,397,688	2,619,850	2,687,163	35.65	19.03	0	-16.62
Deer Creek Elem	88,868	83,277	88,868	92,422	1.67	5.57	0	3.90
Glendive Elem	3,838,614	3,495,278	3,862,500	3,992,158	37.22	37.11	23,886	-0.11
Lindsay Elem	75,712	75,712	75,712	75,712	0.00	8.62	0	8.62
Richey Elem	444,454	437,716	444,454	444,454	63.47	102.63	0	39.16
Richey H S	410,155	410,155	410,155	426,561	24.90	45.09	0	20.19
Deer Lodge								
Anaconda Elem	3,910,175	3,567,928	3,910,175	4,066,582	34.68	42.55	0	7.87
Anaconda H S	2,618,508	2,408,394	2,618,508	2,723,248	25.46	27.71	0	2.25
Fallon								
Baker Elem	1,815,031	1,760,944	1,815,031	1,815,030	36.05	54.47	0	18.42
Baker H S	1,492,474	1,471,612	1,492,474	1,492,473	10.63	8.19	0	-2.44
Fertile Prairie Elem	40,926	40,926	41,415	42,563	0.00	0.00	489	0.00

EX # 2
4-7-93
HB-667

IMPACT OF HB667 USING EXISTING SCHEDULES
FUNDING SCHEDULES AT 65% AND GTB AT 185% OF STATE AVERAGE
(\$40 MILLION)

DATE: 04/06/93
TIME: 22:30:00

	CURRENT SCHEDULES				REGRESSION MODEL				CURRENT SCHEDULES-FY94			
	HB 667		HB 667		93		93		HB 667-FY93		CURRENT SCHEDULES-FY94	
	ACTUAL 93 BUDGET	GF BUDGET (-874, SPED)	RESTATED 93 GF BUDGET	W/874, SPED	ACTUAL RESTATED 93 MILLS	93 RESTATED 94 MILLS	RESTATED 94 MILLS	93 RESTATED 94 MILLS	BUDGET CHANGE	MILL CHANGE	BUDGET CHANGE	MILL CHANGE
Vest Valley Elem	796,511	767,426	816,702	846,747	44.36	52.33	55.48	20,191	7.97	50,236	11.12	
Whitefish Elem	3,596,742	3,376,904	3,681,448	3,790,449	20.01	35.27	53.09	84,706	15.26	193,707	33.08	
Whitefish H S	2,136,036	2,055,594	2,176,773	2,221,477	21.28	19.34	27.26	40,737	-1.94	85,441	5.98	
Gallatin												
Amsterdam Elem	176,311	176,311	183,363	19.38	38.22	49.44	0	18.84	7,052	30.06		
Anderson Elem	509,125	489,948	509,505	544,170	48.91	57.16	58.37	380	8.25	35,045	9.46	
Belgrade Elem	3,730,655	3,474,842	3,896,926	3,896,387	40.84	49.56	55.41	75,271	8.72	165,732	14.57	
Belgrade H S	1,616,186	1,522,884	1,706,452	1,732,697	19.00	22.77	25.43	90,266	3.77	116,511	6.43	
Bozeman Elem	9,800,463	9,230,640	9,800,463	10,192,481	34.50	44.88	55.62	0	10.38	392,018	21.12	
Bozeman H S	5,793,711	5,622,775	5,793,711	6,025,459	33.84	34.28	40.85	0	0.44	231,748	7.01	
Cottonwood Elem	34,820	34,820	38,277	36,212	36.47	49.30	77.21	3,457	12.83	1,392	40.74	
Gallatin Gateway Elem	425,136	414,102	425,136	468,924	39.93	51.48	55.24	0	11.55	43,788	15.31	
La Motte Elem	151,696	151,696	151,696	162,169	17.38	35.21	55.93	0	17.83	10,473	38.55	
Malmborg Elem	32,482	32,482	33,920	33,781	10.79	25.42	31.61	1,438	14.63	1,299	20.82	
Manhattan Elem	1,116,178	1,063,075	1,158,426	1,160,825	41.65	49.96	58.58	42,248	8.31	44,647	16.93	
Manhattan H S	773,283	747,814	806,545	815,472	24.12	27.80	30.19	33,262	3.68	42,189	6.07	
Monforton Elem	710,535	682,495	713,911	738,956	44.39	56.09	71.80	3,376	11.70	28,421	27.41	
Ophir Elem	185,808	185,808	185,808	194,623	9.42	17.23	20.78	0	7.81	8,815	11.36	
Pass Creek Elem	44,084	44,084	50,048	44,083	0.00	30.29	49.38	5,964	30.29	-1	49.38	
Springhill Elem	52,995	52,995	53,192	54,484	51.07	68.56	111.32	197	17.49	1,489	60.25	
Three Forks Elem	831,534	796,960	849,169	864,795	22.27	43.49	59.06	17,635	21.22	33,261	36.79	
Three Forks H S	595,473	593,019	606,980	619,291	22.17	26.37	47.20	11,507	4.20	23,818	25.03	
West Yellowstone Elem	634,843	601,892	634,843	660,236	51.76	68.46	94.24	0	16.70	25,393	42.48	
West Yellowstone Schools	595,572	582,737	595,572	619,394	48.00	59.32	86.15	0	11.32	23,822	38.15	
Willow Creek Elem	156,924	150,467	161,288	170,501	20.51	37.34	55.70	4,364	16.83	13,577	35.19	
Willow Creek H S	207,180	203,810	213,467	215,467	32.94	49.67	91.00	6,287	16.73	8,287	58.06	
Garfield												
Benzlen Elem	28,646	28,646	31,362	30,762	0.00	37.66	76.17	2,716	37.66	2,116	76.17	
Big Dry Creek Elem	32,501	32,501	32,501	33,801	0.00	18.12	45.38	0	18.12	1,300	45.38	
Blackfoot Elem	26,780	26,780	29,185	29,518	0.00	19.46	42.78	2,405	19.46	2,738	42.78	
Cohagen Elem	78,959	78,959	80,757	82,117	0.00	21.49	56.58	1,798	21.49	3,158	56.58	
Garfield County H S	534,793	527,236	534,793	556,185	20.57	30.07	42.77	0	9.50	21,392	22.20	
Jordan Elem	492,433	480,463	493,072	533,856	27.25	45.73	62.38	639	18.48	41,423	35.13	
Kester Elem	39,418	39,418	39,418	40,994	0.00	43.95	134.85	0	43.95	1,576	134.85	
Pine Grove Elem	27,089	27,089	32,190	29,724	9.95	34.08	63.68	5,101	24.13	2,635	53.73	
Ross Elem	27,750	27,750	30,165	30,165	0.00	106.55	163.42	0	106.55	2,415	163.42	
Sand Springs Elem	28,646	28,646	29,496	30,762	0.00	11.77	37.34	850	11.77	2,116	37.34	
Van Norman Elem	55,953	55,953	58,894	63,237	5.87	33.28	56.81	2,941	27.41	7,284	50.94	
Glacier												
Browning Elem	10,000,000	4,131,521	10,053,164	10,000,000	22.05	31.72	417.05	53,164	9.67	0	395.00	
Browning H S	4,000,000	1,231,785	4,079,313	4,000,000	12.92	14.80	227.58	79,313	1.88	0	214.66	
Cut Bank Elem	2,764,463	2,220,174	2,777,240	2,875,021	22.91	23.05	78.23	12,797	0.14	110,578	55.32	

IMPACT OF HB667 USING EXISTING SCHEDULES
 FUNDING SCHEDULES AT 65% AND GTB AT 185% OF STATE AVERAGE
 (\$40 MILLION)

DATE: 04/06/93
 TIME: 22:30:08

	HB 667			CURRENT SCHEDULES			REGRESSION MODEL			CURRENT SCHEDULES			HB 667-FY93			CURRENT SCHEDULES-FY94					
	RESTATED 93			RESTATED 94			RESTATED 93			RESTATED 94			BUDGET			BUDGET					
	ACTUAL 93	GF BUDGET	W/874, SPED)	GF BUDGET	W/874, SPED	MILLS	ACTUAL 93	GF BUDGET	W/874, SPED	MILLS	RESTATED 94	MILLS	BUDGET	CHANGE	MILL	BUDGET	CHANGE	MILL			
Raynesford Elem	83,385	82,371	83,385	83,385	18.41	40.78	109.42	0	22.37	0	22.37	0	18,535	61.68	16,496	36.92	45,708	78.72			
Stanford Elem	463,376	459,186	469,889	481,911	14.56	39.81	76.24	6,513	25.25	0	21.54	0	19,656	9.14	148,090	25.40	67,526	12.29			
Stanford H S	412,410	412,410	412,410	428,906	18.77	40.31	55.69	0	0	0	0	0	76,678	12.17	101,384	4.40	279,801	-3.86			
Arlee Elem	1,142,702	823,396	1,162,460	1,188,410	40.90	42.70	119.62	19,758	1.80	119.62	1.80	19,758	1.80	45,708	78.72	76,001	-4.88	33,349	52.23		
Arlee H S	833,728	496,198	909,729	867,077	19.61	14.73	71.84	76,001	-4.88	71.84	-4.88	76,001	-4.88	33,349	52.23	0	36.60	28,496	64.25		
Charlo Elem	712,401	679,472	712,401	740,897	26.51	63.11	90.76	0	36.60	90.76	36.60	0	36.60	64.25	19,656	9.14	1,309	8.46	148,090	25.40	
Charlo H S	491,401	445,073	492,710	511,057	32.08	40.54	41.22	1,309	8.46	41.22	8.46	1,309	8.46	19,656	9.14	76,678	12.17	101,384	4.40		
Polson Elem	3,137,865	2,959,889	3,214,543	3,285,955	29.05	41.22	54.45	3,285,955	29.05	54.45	41.22	54.45	76,678	12.17	148,090	25.40	279,801	-3.86	159,152	39.05	
Polson H S	1,688,161	1,627,998	1,789,545	1,755,687	15.52	19.92	27.81	1,755,687	15.52	27.81	19.92	27.81	101,384	4.40	67,526	12.29	245,190	-7.17	75,528	17.21	
Ronan Elem	3,978,816	2,408,748	4,258,617	4,137,968	19.62	15.76	58.67	4,137,968	19.62	58.67	15.76	58.67	279,801	-3.86	159,152	39.05	245,190	-7.17	75,528	17.21	
Ronan H S	1,808,203	892,689	2,133,393	1,963,731	12.36	5.19	29.57	2,133,393	12.36	29.57	5.19	29.57	245,190	-7.17	75,528	17.21	245,190	-7.17	75,528	17.21	
St Ignatius Elem	1,590,357	1,401,508	1,590,357	1,653,971	11.83	39.12	109.31	1,653,971	11.83	109.31	39.12	109.31	0	27.29	63,614	97.48	96,261	-17.84	-1	81.46	
St Ignatius Schools	1,187,748	524,136	1,284,009	1,187,747	21.12	3.28	102.58	1,187,747	21.12	102.58	3.28	102.58	0	27.29	63,614	97.48	96,261	-17.84	-1	81.46	
Swan Lake-Salmon Elem	65,294	65,294	65,294	70,248	21.64	27.65	45.51	70,248	21.64	45.51	27.65	45.51	0	6.01	4,954	23.87	0	6.01	4,954	23.87	
Upper West Shore Elem	62,000	62,000	68,518	69,100	0.00	9.26	12.44	69,100	0.00	12.44	9.26	12.44	6,518	9.26	7,100	12.44	6,518	9.26	7,100	12.44	
Valley View Elem	55,264	55,264	60,298	63,082	0.00	42.27	49.75	63,082	0.00	42.27	49.75	49.75	5,034	42.27	7,818	49.75	5,034	42.27	7,818	49.75	
Lewis & Clark																					
Auchard Creek Elem	48,228	48,228	56,540	58,915	0.00	12.72	38.45	58,915	0.00	12.72	12.72	38.45	8,312	12.72	10,687	38.45	8,312	12.72	10,687	38.45	
Augusta Elem	421,448	421,448	421,448	438,305	53.61	72.28	101.97	438,305	53.61	72.28	101.97	101.97	0	18.67	16,857	48.36	0	18.67	16,857	48.36	
Augusta H S	351,492	333,949	351,492	365,551	23.44	37.22	74.93	365,551	23.44	37.22	74.93	74.93	0	13.78	14,059	51.49	0	13.78	14,059	51.49	
Craig Elem	39,707	39,707	39,707	41,295	11.89	11.68	16.56	41,295	11.89	11.68	16.56	16.56	0	-0.21	1,588	4.67	0	-0.21	1,588	4.67	
East Helena Elem	2,935,797	2,865,066	3,015,168	3,053,228	40.38	48.95	55.54	3,053,228	40.38	48.95	55.54	55.54	79,371	8.57	117,431	15.16	79,371	8.57	117,431	15.16	
Helena Elem	17,133,670	16,144,114	17,133,670	17,819,016	75.72	83.30	69.34	17,819,016	75.72	83.30	69.34	69.34	0	7.58	685,346	-6.38	0	7.58	685,346	-6.38	
Helena H S	11,354,905	10,729,262	11,354,905	11,809,101	53.98	51.80	48.87	11,809,101	53.98	51.80	48.87	48.87	0	-2.18	454,196	-5.11	0	-2.18	454,196	-5.11	
Kessler Elem	791,164	768,990	807,146	824,030	30.05	39.19	51.37	824,030	30.05	39.19	51.37	51.37	15,982	9.14	32,866	21.32	15,982	9.14	32,866	21.32	
Lincoln Elem	506,251	479,799	508,618	539,155	39.10	48.99	60.26	539,155	39.10	48.99	60.26	60.26	2,367	9.89	32,904	21.16	2,367	9.89	32,904	21.16	
Lincoln H S	330,945	330,945	333,932	350,616	32.56	45.82	51.80	350,616	32.56	45.82	51.80	51.80	2,987	13.26	19,671	19.24	2,987	13.26	19,671	19.24	
Trinity Elem	50,686	50,686	51,652	50,686	0.00	0.11	17.80	50,686	0.00	0.11	17.80	17.80	966	0.11	0	17.80	966	0.11	0	17.80	
Wolf Creek Elem	49,315	49,315	49,806	51,287	8.64	2.79	10.78	51,287	8.64	2.79	10.78	10.78	491	-5.85	1,972	2.14	491	-5.85	1,972	2.14	
Liberty																					
Chester Elem	809,318	772,388	812,938	841,690	4.74	20.07	69.16	841,690	4.74	20.07	69.16	69.16	3,620	15.33	32,372	64.42	3,620	15.33	32,372	64.42	
Chester H S	697,978	697,978	697,978	697,977	14.35	17.70	61.97	697,977	14.35	17.70	61.97	61.97	0	3.35	-1	47.62	0	3.35	-1	47.62	
J-I Elem	686,197	674,998	686,197	686,197	31.13	71.85	120.91	686,197	31.13	71.85	120.91	120.91	0	40.72	0	89.78	0	40.72	0	89.78	
J-I H S	523,848	519,188	523,848	523,848	43.33	57.42	87.67	523,848	43.33	57.42	87.67	87.67	0	14.09	0	44.34	0	14.09	0	44.34	
Liberty Elem	35,924	35,924	39,945	89,750	36.23	44.76	3.04	89,750	36.23	44.76	3.04	3.04	4,021	8.53	53,826	-33.19	4,021	8.53	53,826	-33.19	
Whitlash Elem	36,915	34,309	38,677	38,391	0.00	0.00	47.31	38,391	0.00	0.00	47.31	47.31	1,762	0.00	1,476	47.31	1,762	0.00	1,476	47.31	
Lincoln																					
Eureka Elem	1,724,305	1,491,209	1,769,047	1,793,277	29.87	40.96	64.33	1,793,277	29.87	40.96	64.33	64.33	44,742	11.09	68,972	34.46	44,742	11.09	68,972	34.46	
Fortline Elem	234,804	229,439	234,804	248,700	8.80	32.59	54.96	248,700	8.80	32.59	54.96	54.96	0	23.79	13,896	46.16	0	23.79	13,896	46.16	
Libby Elem	4,977,162	4,472,509	4,977,162	5,176,248	57.71	43.10	70.65	5,176,248	57.71	43.10	70.65	70.65	0	-14.61	199,086	12.94	0	-14.61	199,086	12.94	
Libby Schools	2,822,838	2,450,379	2,823,098	2,935,751	39.59	21.88	66.06	2,935,751	39.59	21.88	66.06	66.06	260	-17.71	112,913	26.47	260	-17.71	112,913	26.47	

IMPACT OF HB667 USING EXISTING SCHEDULES
 FUNDING SCHEDULES AT 65% AND GTB AT 185% OF STATE AVERAGE
 (\$40 MILLION)

DATE: 04/06/93
 TIME: 22:30:23

	CURRENT SCHEDULES				REGRESSION MODEL				CURRENT SCHEDULES-FY94			
	HB 667		HB 667		RESTATED 93		RESTATED 94		HB 667-FY93		CURRENT SCHEDULES-FY94	
	ACTUAL 93	GF BUDGET	GF BUDGET	GF BUDGET	ACTUAL 93	MILLS	GF BUDGET	MILLS	BUDGET	MILL	BUDGET	MILL
Victor Elem	610,039	593,900	620,157	642,012	35.78	43.58	58.45	10,118	7.80	31,973	22.67	
Victor Schools	476,836	461,822	481,636	496,051	12.89	30.53	42.28	4,800	17.64	19,215	29.39	
Richland												
Bronson Elem	75,420	75,420	75,420	75,420	0.00	0.00	57.26	0	0.00	0	57.26	
Fairview Elem	914,987	895,239	914,987	914,987	12.00	23.82	136.49	0	11.82	0	124.49	
Fairview H S	1,100,582	1,082,664	1,100,582	1,100,582	0.00	7.97	101.05	0	7.97	0	101.05	
Lambert Elem	540,205	536,637	540,205	540,205	51.87	77.42	175.68	0	25.55	0	123.81	
Lambert H S	480,152	478,962	480,152	480,152	49.49	76.01	138.61	0	26.52	0	89.12	
Rau Elem	230,576	230,576	230,576	239,799	3.58	27.56	99.98	0	23.98	9,223	96.40	
Savage Elem	436,948	431,646	442,119	458,881	10.60	36.57	62.91	5,171	25.97	21,933	52.31	
Savage H S	384,567	384,567	384,567	384,566	41.17	69.21	119.61	0	28.04	-1	78.44	
Sidney Elem	3,923,730	3,746,254	3,923,730	4,080,679	30.80	42.92	107.28	0	12.12	156,949	76.48	
Sidney H S	2,343,614	2,276,276	2,343,614	2,437,358	18.75	11.86	57.40	0	-6.89	93,744	38.65	
Roosevelt												
Bainville Elem	533,804	528,802	533,804	533,804	0.00	3.78	96.36	0	3.78	0	96.36	
Bainville Schools	487,215	484,738	487,215	487,215	0.00	3.05	91.21	0	3.05	0	91.21	
Brockton Elem	656,301	319,456	656,301	656,301	53.26	62.90	220.12	0	9.64	0	166.86	
Brockton H S	626,594	338,029	628,520	626,594	39.53	49.69	121.76	1,926	10.16	0	82.23	
Culbertson Elem	909,404	817,912	909,404	945,780	30.90	29.49	71.74	0	-1.41	36,376	40.84	
Culbertson H S	591,064	569,990	591,064	614,706	25.84	27.84	57.16	0	2.00	23,642	31.32	
Froid Elem	420,788	420,788	420,788	437,619	47.61	76.46	105.09	0	28.85	16,831	57.48	
Froid H S	373,855	366,664	373,855	388,809	23.76	43.55	87.27	0	19.79	14,954	63.51	
Frontier Elem	581,316	558,515	581,316	604,568	0.00	35.48	79.76	0	35.48	23,252	79.76	
Poplar Elem	3,952,000	3,762,881	3,952,000	3,952,000	0.00	28.86	96.48	0	28.86	0	96.48	
Poplar H S	2,400,000	2,328,122	2,400,000	2,400,000	25.96	23.11	157.76	0	-2.85	0	131.80	
Wolf Point Elem	2,741,798	1,966,831	2,793,462	2,851,469	10.86	26.86	62.47	51,664	16.00	109,671	51.61	
Wolf Point H S	1,571,999	1,523,932	1,571,999	1,611,553	0.00	6.26	34.45	0	6.26	39,554	34.45	
Rosebud												
Ashland Elem	475,500	317,780	488,939	494,520	33.91	33.85	83.28	13,439	-0.06	19,020	49.37	
Birney Elem	66,000	66,000	66,000	66,000	18.93	40.34	104.97	0	21.41	0	86.04	
Colstrip Elem	4,796,868	4,641,099	4,796,868	4,796,868	3.09	5.19	16.72	0	2.10	0	13.63	
Colstrip H S	3,164,049	3,111,912	3,164,049	3,164,049	2.50	3.11	10.01	0	0.61	0	7.51	
Forsyth Elem	1,620,434	1,503,614	1,620,434	1,685,251	40.47	41.06	84.65	0	0.59	64,817	44.18	
Forsyth H S	984,610	953,603	1,020,922	1,023,994	0.00	7.98	31.00	36,312	7.98	39,384	31.00	
Lame Deer Elem	2,132,558	1,015,793	2,132,558	2,132,557	45.44	50.89	2532.10	0	5.45	-1	2486.66	
Rock Spring Elem	32,055	32,055	32,055	33,337	0.00	10.72	23.80	0	10.72	1,282	23.80	
Rosebud Elem	364,442	353,797	364,442	379,020	43.75	71.62	95.59	0	27.87	14,578	51.84	
Rosebud H S	300,887	300,887	300,887	312,922	24.91	33.05	68.94	0	8.14	12,035	44.03	
Sanders												
Camas Prairie Elem	48,852	32,522	49,344	48,852	0.00	7.50	40.86	492	7.50	0	40.86	
Dixon Elem	347,000	160,808	347,000	347,000	72.70	47.40	116.28	0	-25.30	0	43.58	
Hot Springs Elem	527,730	503,866	528,671	548,839	48.75	52.20	92.67	941	3.45	21,109	43.97	

NET EFFECT OF SUBCOMMITTEE ACTIONS

	FY94	FY95
33%MIN	\$0.515	\$1.792
WTD GTB	(\$0.592)	(\$0.670)
800 STOP LOSS	\$1.075	\$1.222
ENROLLMENT	\$5.087	\$5.381
VOTE BELOW 80%	\$1.649	\$0.918
SPECIAL ED GTB	\$6.309	\$6.309
GTB % TO 196	\$0.390	\$0.440
NET EFFECT	\$14.433	\$15.392

SENATE ~~TAXATION~~ *Select Comm.*
 EXHIBIT NO. 3
 DATE 4-7-93
 BILL NO. HB 667

Senate Select Committee on School Funding
State Support for Public Schools

----- Fiscal 1994 ----- Fiscal 1995 -----

	HB 667		HB 667			
	Current Law	Third Reading	Difference	Current Law	Third Reading	Difference
<u>Expenditures</u>						
Direct State Aid	362,375,200	263,874,000	(98,501,200)	369,994,800	272,027,000	(97,967,800)
General Fund GTB	32,527,700	105,634,000	73,106,300	33,160,400	116,674,000	83,513,600
Retirement GTB	17,183,750	17,183,750	0	17,843,600	17,843,600	0
Transportation	3,908,166	3,908,166	0	3,914,457	3,914,457	0
Bonus Payments	75,000	75,000	0	100,000	100,000	0
Total	416,069,816	390,674,916	(25,394,900)	425,013,257	410,559,057	(14,454,200)

Revenues

School Equalization Account	391,637,000	394,553,000	2,916,000	400,698,000	404,864,000	4,166,000
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Actions by Subcommittee

Reach BASE (80%) in 3 yrs	515,000	1,792,000
Weighted GTB for General Fund	(592,000)	(670,000)
HS Stop/Loss @ 800 ANB	1,075,000	1,222,000
ANB based on Enrollment	5,087,000	5,381,000
Vote Below 80%	1,649,000	918,000
Special Education Funding		
Weighted GTB for Retirement	(790,800)	(790,800)
Revised Cost -- Subcommittee Action	6,943,200	7,852,200

Revenue Surplus (Shortfall)

	(3,065,116)	(13,547,257)
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* Other decisions affecting cost include removing the limit on administrative costs and removing capital outlay and bus purchases from the general fund.

SENATE TAXATION Select Co
EXHIBIT NO. _____
DATE 4-7-93
BILL NO. HB 667

CORVALLIS SCHOOL DISTRICT #1

1045 Main Street - P.O. Box 700
Corvallis, Montana 59828

ROOM 303
BONNIE

K.W. MAKI
Superintendent, 961-4211

FAX 961-5144



SARAH S. SCHUMACHER
9-12 Principal, 961-3201

MARION DALEY
K-4 Principal, 961-3261

ALLYSON HOILAND
5-8 Principal, 961-3007

April 6, 1993

TO: Education and Taxation Committees
Senate Select Committee

FROM: K. W. Maki

SUBJECT: School District General Fund Expenditures

SENATE TAXATION *Select Comm*
EXHIBIT NO. 5
DATE 4-7-93
BILL NO. HB 669

Corvallis School District #1 is opposed to the proposed restrictions on general fund expenditures. In most school districts there are usually several capital outlay projects each year that must be financed and completed. Corvallis is no exception. Since we live in an economically depressed district, it has been necessary for us to expend general fund money for capital projects (classrooms, accessibility, and State Code projects). School districts must maintain local control in regard to budget expenditures.

The pending legislation (school funding/budgets) before the 53rd Legislative Assembly places caps on all segments of the school's budget. Therefore, it is may not be necessary for restrictions to be placed on general fund expenditures.

Once again, we are opposed to restrictions on general fund expenditures.

Thank you.

K. W. Maki

km/ls

