

INFORMATIONAL MEETING

TAPES 12 A-B; 14 A

TAPE13 No recording due to malfunction

HOUSE REVENUE COMMITTEE

JANUARY 20, 2005 1:30 PM STATE CAPITOL BUILDING

Members Present: Rep. Vicki Berger, Vice-Chair

Rep. Brian Boquist

Rep. Sal Esquivel

Rep. Larry Galizio,

Rep. Mark Hass, Vice-Chair

Rep. Betty Komp, Acting Chair

Rep. Andy Olson

Rep. Chuck Riley

Members Excused: Rep. Tom Butler, Chair

Staff Present: Paul Warner, Legislative Revenue Officer

Steve Meyer, Economist

Kristi Bowman, Committee Assistant

TAPE 12, SIDE A

003 Acting Chair Komp Calls meeting to order at 1:32 p.m.

ORIENTATION MEETING

010 Steve Meyer Begins presentation of overview of school finance (Exhibit 1)

031 Rep. Olson Welcomes Albany Leadership Committee as guests.

055 Meyer Slide: K-12 Dollars Pay For

060 Meyer Slide: K-12 School Resources—Audited (bar graph)

075 Meyer Slide: State School Fund (2003-05 Biennium) (pie chart)

087 Meyer Slide: State School Fund (2003-05)

100 Rep. Galizio Asks if there any other states that have such dependence on state financing?

102 Meyer

Responds that Hawaii is # 1—they have a state system. OR ranks fairly high in state comparisons.

115 Meyer Slide: Local Formula Revenue. What are not included in the list are gifts, donations, and corporate contributions. These are becoming more important today because of reduction of local revenue sharing.

164 Meyer Slide: K-12 School & ESD Revenue (2003-05 Biennium) (pie chart)

177 Meyer Slide: School and ESD Shares

187 Meyer Slide: School and ESD Shares (starting in 2005-06)

207 Meyer Slide: What Formula Is Not About

227 Meyer Slide: What Formula Is About

258 Meyer Slide: Distribution Principles

282 Meyer Slide: Equalization Formula (Cost Factors)

293	Meyer	Slide: Equalization Formula
304	Meyer	Slide: Facility Grant. There is a cap of \$17.5 M per biennium.
320	Rep. Riley	Asks if the facility grant ever been less than \$17.5 M?
322	Meyer	Responds that it never has been less than \$17.5 M. That limit has always been reached or exceeded. This grant came about after Measure 50 in order to fund new construction costs.
348	Meyer	Slide: Facility Costs
350	Meyer	Slide: Facility Grants (biennium)
377	Meyer	Slide: High Cost Disability Grant
405	Rep. Boquist	Asks if the \$25,000 includes federal matching dollars
406	Meyer	Responds that it represents only state and local dollars.

- 432 Rep. Hass Asks if these grant applications are from any one region, or is it all over the state.
- 435 Meyer Responds that he doesn't know yet [legislation passed in 2003], but it will be concentrated to be in the urban where "high-cost" students are concentrated because of the services available.
- 444 Meyer Slide: Transportation Grant
- 463 Meyer Slide: Transportation Costs
- 476 Meyer Slide: Transportation (bar graph)

TAPE 13 (malfunction; no recording)

TAPE 14 SIDE A

- 016 Rep. Boquist Clarifies that formula is based on money budgeted for the future; its not a reimbursement. There may be a gap between what the formula allocated and what reality is.
- 023 Meyer Responds that initial distributions are based on estimates that the school districts supply. If actuals vary substantially, then that amount is either made up or reduced in that school year.

028	Meyer	Slide: General Purpose Grant
034	Meyer	Slide: Student Numbers
067	Meyer	Slide: Student Cost Weights (Special Education and At Risk)
096	Meyer	Slide: Special Education and At Risk Students (bar graph)
103	Meyer	Slide: Revenue by Student Weight (General Purpose Grant)
111	Meyer	Slide: Student Cost Weights (Grades and School)
161	Meyer	Slide: Small High School Qualification
163	Meyer	Slide: Small High School Weighted ADM (4 Grades) (graph)
171	Meyer	Slide: Remote Small Elementary School (graph)

182	Meyer	Slide: Student Counts (bar graph)
195	Chair Komp	Uses example of Woodburn School District to illustrate this graph.
207	Meyer	Slide: Teacher Experience Adjustment. This helps districts who have more experienced teachers.
230	Meyer	Slide: General Purpose Grant
277	Meyer	Slide: Equalization Formula
330	Hass	Comment about equalization among districts.
354	Chair Komp	Asks about Portland district sometimes receiving additional money from the mayor's office. How is that money accounted for?
370	Meyer	Responds that this kind of money is considered extra funds for that district; it does not go into the local revenue for the equalization formula.

380 Rep. Esquivel Comment about special taxes in some districts like Portland, Eugene, Ashland, and Springfield to enhance their school funding.

430 Rep. Boquist Comments that it is possible for one district to spend \$5000 per student, and another district to spend \$9000 per student based on “extra” funds, despite the equalization formula.

450 Meyer That is correct, depending on what those other revenues are.

TAPE 12 SIDE B

017 Rep. Riley Comments about differences in per student costs.

025 Meyer Continuation of Equalization Formula discussion

033 Meyer Slide: Formula Revenue (K-12 2003-04)

039 Meyer Slide: State School Fund Payment Schedule (bar graph)

045 Meyer Slide: K-12 Formula Revenue (bar graph)

066	Meyer	Slide: K-12 Formula Revenue Per Student (bar graph)
072	Meyer	Slide: Formula Allocation District Revenue per Student 2003-04 (pie chart)
081	Meyer	Slide: Equalization Results
096	Meyer	Slide: ESD Mergers Slide: ESD Regions (map)
108	Meyer	Slide: ESD Resolution Services
120	Meyer	Slide: ESD Equalization General Logic
130	Meyer	Slide: Distribution Method
135	Meyer	ESD Allocation (Starting in 2005-06) (2 slides)
170	Meyer	Slide: ESD “Equity”

179	Meyer	Slide: ESD Revenue (bar graph)
182	Meyer	Slide: Exclusion from Formula Local Revenue
199	Meyer	Slide: Exclusion per Student Example (bar graph)
205	Meyer	Slide: School Local Option Elections (table). Local Options can only last 5 years—the elections held in 2004 were to renew the funding, not to add new funds. Passage rate goes up dramatically in large and fairly small districts, and districts with high property value.
240	Meyer	Slide: Local Option Equalization
266	Meyer	Slide: Education Stability Fund
282	Meyer	Slide: Withdrawal of Principal (Trigger Combinations) (2 slides)
324	Meyer	Education Stability Fund

354	Meyer	Education Stability Fund (\$ millions) (table)
375	Paul Warner	Clarification: Steve Meyer's numbers are for the current law forecast. In the upcoming forecast we are not assuming current law.
388	Meyer	Slide: State School Support (2005-07 Governor's Budget)
392	Meyer	Slide: School and ESD Equalization Revenue
395	Meyer	Slide: K-12 School Equalization Revenue (2005-07 Governor's Budget)
432	Warner	Committee Administrative announcements
464	Chair Komp	Adjourned meeting at 3:00 p.m.

Tape Log Submitted by:

Reviewed by:

Kristi Bowman, Committee Assistant

Kim Taylor James, Committee
Coordinator

Exhibit Summary:

1. Slide Presentation: School Finance: Sharing State and Local Resources, Steve Meyer, 38 pp.,
01/20/05