

# Funding for **STUDENT SUCCESS**

## Understanding Local Contributions & Maintenance of Effort (MOE)

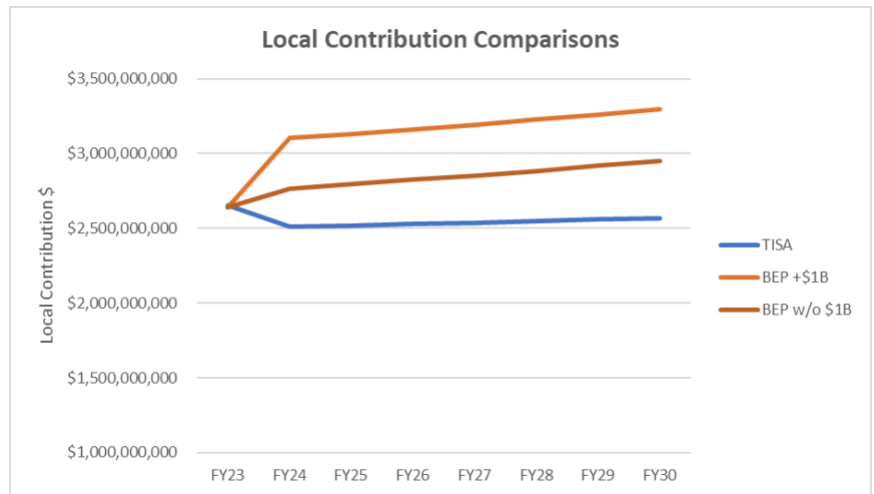
**Key Points:**

- **The TISA results in a lower local contribution statewide** than the BEP in FY24 and moving forward.
- **Zero districts are projected to exceed their MOE under the TISA**, compared to 31 districts that would exceed their MOE in FY24 if the \$1B were put into the BEP.
- 134 districts are projected to have a lower local contribution in FY24 under the TISA, compared to almost **all districts having an increased local contribution under the BEP in FY24**.
- **Fewer districts exceed their MOE in the future year projections under the TISA than under the BEP** in any given year.

### Local Contribution Statewide Totals

The chart below shows local contributions begin higher and increase faster under the BEP. This leads to more local communities potentially raising taxes sooner, compared to the TISA. The graph displays local contributions driven by:

- **TISA:** Proposed model inclusive of \$1B recurring investment and all amendments as of 3/25/22
- **BEP + \$1B:** Continuation of BEP if \$1B were added to instructional components
- **BEP without \$1B:** Continuation of BEP without \$1B investment



**Summary: The TISA results in more state funding for districts and an overall lower local contribution. Under the BEP, whether or not you add \$1B, locals end up paying more.** The TISA (blue line above) shows that the rate of increase for local funding is lower. The BEP increases the required local match faster. The TISA proposal brings more state funding and is more fiscally responsible for local governments overall.

### FY24 to FY23 Comparisons on Local Contribution & MOE

FY24 Comparisons to FY23	TISA	BEP +\$1B	BEP w/o \$1B
Statewide Local Contribution	Decreases	Increases	Increases
# of Districts with <b>Decreased</b> Local Contribution Compared to FY23	134	0	4*
# of Districts with <b>Increased</b> Local Contribution Compared to FY23	7	141	137
# of Districts Exceeding FY23 MOE	0	31	9

\*As a result of updating fiscal capacity between FY23 to FY24 projections, four districts display a local contribution reduction. Holding fiscal capacity constant, these four districts would also experience an increase.

## Future Year Models – Local Contribution & MOE Compared to FY23

### TISA Modeling

Note: Both FY23 baseline and subsequent years include FRC, Safety, CSH.

Fiscal Year	All	Local	State	Districts Exceeding FY23 Projected MOE	% of Districts Exceeding MOE	Districts w/ Local Contribution Higher than FY23
FY23 BEP + Ext	\$ 7,856,222,007	\$ 2,654,610,410	\$ 5,201,611,597			
FY24	\$ 8,780,615,390	\$ 2,509,619,459	\$ 6,270,995,931	0	0%	7
FY25	\$ 8,808,748,205	\$ 2,517,762,960	\$ 6,290,985,246	0	0%	0
FY26	\$ 8,839,038,824	\$ 2,526,522,621	\$ 6,312,516,202	0	0%	0
FY27	\$ 8,871,951,264	\$ 2,536,036,578	\$ 6,335,914,686	0	0%	4
FY28	\$ 8,907,623,784	\$ 2,546,345,079	\$ 6,361,278,705	1	1%	3
FY29	\$ 8,946,215,632	\$ 2,557,494,489	\$ 6,388,721,144	1	1%	3
FY30	\$ 8,987,910,508	\$ 2,569,538,294	\$ 6,418,372,213	0	0%	5

### BEP Modeling

#### BEP + \$1B in FY24

Note: These comparisons do not include FRC, Safety, CSH.

Fiscal Year	All	Local	State	Districts Exceeding Projected FY23 MOE	% of Districts Exceeding MOE	Districts w/ Local Contribution Higher than FY23 BEP Local
FY23	\$ 7,803,214,000	\$ 2,643,668,000	\$ 5,159,546,000			
FY24	\$ 9,269,643,000	\$ 3,102,471,000	\$ 6,167,172,000	31	22%	141
FY25	\$ 9,344,922,000	\$ 3,131,312,000	\$ 6,213,610,000	2	1%	0
FY26	\$ 9,424,043,000	\$ 3,161,388,000	\$ 6,262,655,000	2	1%	0
FY27	\$ 9,508,683,000	\$ 3,192,720,000	\$ 6,315,963,000	6	4%	0
FY28	\$ 9,599,438,000	\$ 3,225,303,000	\$ 6,374,135,000	2	1%	0
FY29	\$ 9,694,729,000	\$ 3,259,218,000	\$ 6,435,511,000	1	1%	0
FY30	\$ 9,794,663,000	\$ 3,294,612,000	\$ 6,500,051,000	4	3%	0

#### BEP w/o \$1B in FY24

Note: These comparisons do not include FRC, Safety, CSH.

Fiscal Year	All	Local	State	Districts Exceeding Projected FY23 MOE	% of Districts Exceeding MOE	Districts w/ Local Contribution Higher than FY23 BEP Local
FY23	\$ 7,803,214,000	\$ 2,643,668,000	\$ 5,159,546,000			
FY24	\$ 8,183,758,000	\$ 2,766,595,000	\$ 5,417,163,000	9	6%	137
FY25	\$ 8,255,755,000	\$ 2,794,442,000	\$ 5,461,313,000	2	1%	4*
FY26	\$ 8,331,594,000	\$ 2,823,432,000	\$ 5,508,162,000	0	0%	0
FY27	\$ 8,411,094,000	\$ 2,853,553,000	\$ 5,557,541,000	1	1%	0
FY28	\$ 8,496,087,000	\$ 2,884,885,000	\$ 5,611,202,000	2	1%	0
FY29	\$ 8,586,891,000	\$ 2,917,412,000	\$ 5,669,479,000	1	1%	0
FY30	\$ 8,682,120,000	\$ 2,951,338,000	\$ 5,730,782,000	2	1%	0

\*Due to updates to fiscal capacity between FY23 and future year modeling. If fiscal capacity is held constant, all districts would experience higher local contribution in FY24 than in FY23.