

# HB261 Modeling



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# Methodology



10-year enrollment trend analysis



Use of 5-yr average enrollment applied to school size adjusted ADM

Adjusted for COVID year outliers (FY21 & FY22) when steep enrollment declines rebounded the following year



Per school adjustment

Consistent with current procedure for running the formula

Rolls up to equal the new school size adjusted ADM for each District

# Declining Enrollment Adjustment

- Applied to each school per foundation formula current practice, made clear in HFIN Amendment 1
- District's adjusted school size ADM projected in out years using overall enrollment trend rate
- Current grandfather transition Hold Harmless expected to retire by FY28, per DEED

# Small Alternative School Size Adjustment

- Applied to non-correspondence alternative schools under 175
  - Using FY26 ADM for comparison
  - 9 schools ranging from 112 to 35 ADM
  - Current per-student funding for these students ranges between \$1,400 to \$6,600 **under** average funding for non-correspondence students
- Assumes somewhat flat/stable enrollment

# Intensive Needs Adjustment

- Assumes same rate of growth by District as prior 10-year period
- Takes average increase year-to-year, and assumes 50% may be requested in February (projects on the high side)
- Assumes mostly existing students who require time in system to become certified, rather than students transitioning between Districts

# Estimated Costs

<b>HB261 Provisions</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
Avg. or Current ADM	96,741,341.77	95,899,439.44	95,079,993.09	94,281,918.39	93,504,501.74
Alternative Schools SS	4,257,799.83	4,257,799.83	4,257,799.83	4,257,799.83	4,257,799.83
Intensive Needs Addtl.	4,008,654.00	4,128,913.62	4,252,781.03	4,380,364.46	4,511,775.39
Hold Harmless Transition	7,609,623.13	-	-	0	0
	112,617,418.74	104,286,152.90	103,590,573.95	102,920,082.68	102,274,076.97