

# Historical and Current Nebraska K-12 School Data



# Introduction

This report contains basic data, both current and historical, regarding Nebraska’s K-12 schools. The report does not provide individual district information, but concentrates on statewide data or data based on school district enrollment size. It’s intended to provide a broad overview of K-12 schools in Nebraska over the past 30 years accompanied by some observations and comments when deemed appropriate.

The report is broken down into six sections: School Districts and Enrollment, Staffing, Disbursements, Revenues, TEEOSA State Aid, and Property Valuations and Taxes. The appendix includes a more detailed description of the various disbursement categories used throughout the report as well as a listing of the fund structure used by schools for finance reporting purposes.

The raw data in this report is obtained from the State Department of Education. Information for fall membership and certificated staff was obtained from their annual publication “Statistics and Facts about Nebraska Schools”. All revenue and disbursement data as well as enrollment measured by average daily membership (ADM) and average daily attendance (ADA) was obtained from the Annual Financial Report (AFR) prepared by the Department from data submitted by individual school systems. Property valuations and property taxes levied data were obtained from the annual Certificate of Taxes Levied prepared by the Department of Revenue, Property Assessment Division from data submitted by individual counties.

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# School Districts and Enrollment

School enrollment data can be obtained from fall membership, average daily membership (ADM) and average daily attendance (ADA). In this report, Fall Membership data includes public schools, ESU's, and state operated schools. ADM and ADA data include public schools only.

**Fall membership**, the official count of Nebraska public school students, is taken on the last Friday in September of each school year. The count is taken by grade, gender and race/ethnicity. Each student is counted only once by the school district in which they receive the majority of their instruction. Each student must be counted in a grade level, there is no "ungraded" category. That means some students may be counted in grades typical of their chronological age or based on local policy.

**Average Daily Membership** is the average number of students who were in membership on any given day during the school year. It is calculated by dividing the aggregate days of membership by school days in session.

**Average Daily Attendance** is the average number of students who were in attendance on any given day during the school year. It is derived by aggregate days of attendance of a school during a reporting period divided by the total possible number of days school is in session during this period. Only days on which the students are under the guidance and direction of school staff should be considered as days in session.

**Elementary / Secondary Breakdown** The breakdown of enrollment (and teachers) by elementary and secondary can vary based on the source of data and can vary over time. The reason for the variation is the treatment of grades 7 and 8. Schools can organize differently. Some have middle schools consisting of grades 6-8 and include 7-8 enrollments under Elementary. In other cases schools have Junior High designations and in these cases 7-8 enrollment is included as Secondary. The Department's publication "Statistics and Facts about Nebraska Schools" includes definitions which show the variety of classifications: *Elementary* represents data for 6-year or less elementary, 7-year elementary, 8-year elementary, middle school, and Special Education. *Secondary* represents data for 2-year junior high, 3-year junior high, 3-year senior high, 4-year senior high, 5-year secondary and 6-year secondary.

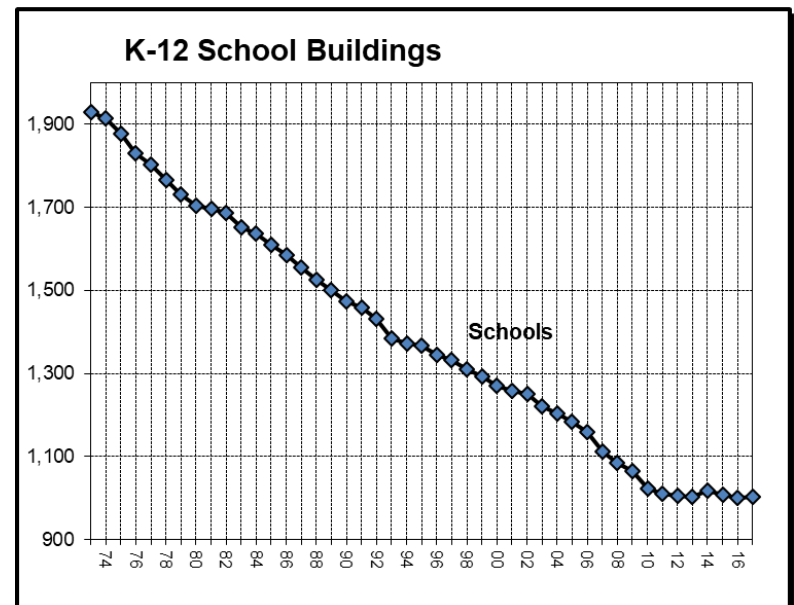
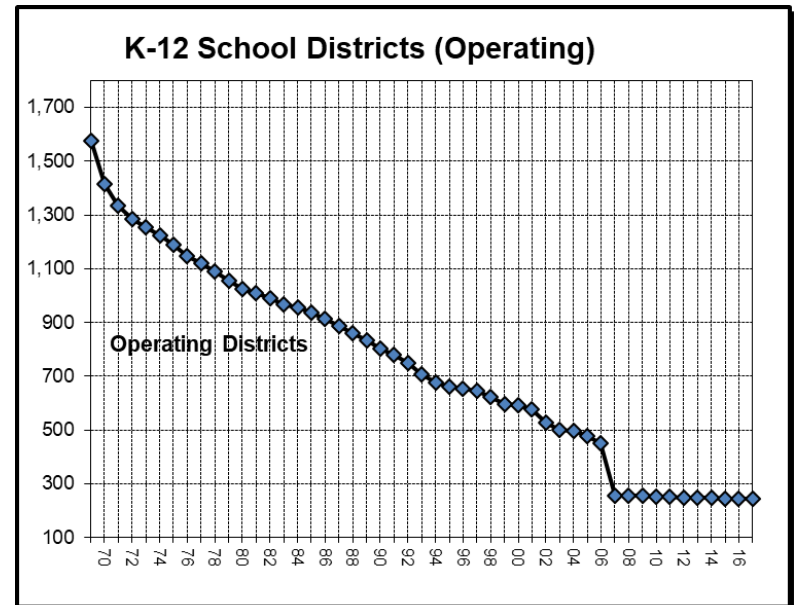
**Table 1 Districts and Schools**

|         | Number of Operating Districts |       |       |       |       |       |           |                  |        | Number of School Buildings |       |       |       |       |       |           |                  |        |
|---------|-------------------------------|-------|-------|-------|-------|-------|-----------|------------------|--------|----------------------------|-------|-------|-------|-------|-------|-----------|------------------|--------|
|         | Class                         | Class | Class | Class | Class | Class | Subtotal  | Interm,<br>ESU & | Total  | Class                      | Class | Class | Class | Class | Class | Subtotal  | Interm,<br>ESU & | Total  |
|         | 1                             | 2     | 3     | 4     | 5     | 6     | K-12 Dist | State Oper       | Public | 1                          | 2     | 3     | 4     | 5     | 6     | K-12 Dist | State Oper       | Public |
| 1968-69 | 1,241                         | 115   | 193   | 1     | 1     | 23    | 1,574     | 10               | 1,584  | --                         | --    | --    | --    | --    | --    | --        | --               | --     |
| 1976-77 | 800                           | 86    | 208   | 1     | 1     | 24    | 1,120     | 9                | 1,129  | 803                        | 171   | 658   | 48    | 99    | 24    | 1,803     | 14               | 1,817  |
| 1986-87 | 582                           | 58    | 222   | 1     | 1     | 23    | 887       | 7                | 894    | 586                        | 117   | 700   | 46    | 83    | 23    | 1,555     | 11               | 1,566  |
| 1996-97 | 356                           | 44    | 221   | 1     | 1     | 22    | 645       | 17               | 662    | 364                        | 90    | 722   | 53    | 82    | 22    | 1,333     | 52               | 1,385  |
| 2006-07 | 0                             | 20    | 232   | 1     | 1     | 0     | 254       | 40               | 294    | 0                          | 47    | 911   | 64    | 89    | 0     | 1,111     | 55               | 1,166  |
| 2007-08 | 0                             | 20    | 232   | 1     | 1     | 0     | 254       | 41               | 295    | 0                          | 46    | 878   | 64    | 98    | 0     | 1,086     | 57               | 1,143  |
| 2008-09 | 0                             | 20    | 232   | 1     | 1     | 0     | 254       | 42               | 296    | 0                          | 46    | 859   | 63    | 98    | 0     | 1,066     | 57               | 1,123  |
| 2009-10 | 0                             | 20    | 231   | 1     | 1     | 0     | 253       | 41               | 294    | 0                          | 45    | 828   | 60    | 90    | 0     | 1,023     | 6                | 1,029  |
| 2010-11 | 0                             | 19    | 230   | 1     | 1     | 0     | 251       | 39               | 290    | 0                          | 41    | 822   | 60    | 87    | 0     | 1,010     | 6                | 1,016  |
| 2011-12 | 0                             | 18    | 229   | 1     | 1     | 0     | 249       | 39               | 288    | 0                          | 39    | 818   | 60    | 88    | 0     | 1,005     | 6                | 1,011  |
| 2012-13 | 0                             | 18    | 229   | 1     | 1     | 0     | 249       | 39               | 288    | 0                          | 39    | 814   | 62    | 88    | 0     | 1,003     | 6                | 1,009  |
| 2013-14 | 0                             | 18    | 229   | 1     | 1     | 0     | 249       | 38               | 287    | 0                          | 39    | 824   | 62    | 92    | 0     | 1,017     | 6                | 1,023  |
| 2014-15 | 0                             | 18    | 225   | 1     | 1     | 0     | 245       | 39               | 284    | 0                          | 41    | 812   | 62    | 94    | 0     | 1,009     | 6                | 1,015  |
| 2015-16 | 0                             | 18    | 225   | 1     | 1     | 0     | 245       | 39               | 284    | 0                          | 40    | 807   | 62    | 91    | 0     | 1,000     | 6                | 1,006  |
| 2016-17 | 0                             | 18    | 225   | 1     | 1     | 0     | 245       | 39               | 284    | 0                          | 40    | 808   | 63    | 91    | 0     | 1,002     | 6                | 1,008  |

## Comments and Observations, Table 1

- (1) The total number of operating K-12 public school districts decreased by 72% in the last 30 years from 887 in FY87 to 245 in FY17. The large drop in FY2006-07 relates to the elimination of Class 1 districts. Excluding Class 1 districts, there has been a 20% decrease in the number of districts.
- (2) The total number of school buildings in those districts decreased by 36% in the last 30 years from 1,555 in FY87 to 1,002 in FY17. About 85% of all school buildings is in Class 2 and 3 districts.
- (3) The total number of public school districts is 291 in FY16-17, 252 are public schools (of which 7 are classified as non-operating), 17 interim, 17 ESU, and 5 state operated schools. Interim schools are those schools located in or run by county detention homes, public or private institutions not owned or operated by a school district or juvenile emergency shelters. State operated schools are those run by the state including the Youth Development Centers at Kearney and Geneva.
- (4) In FY16-17 all of the 1,002 school buildings are public schools. Interim schools are included as part of the resident district.

|                       | Public | State Operated | Total # Schools | Fall Membership |
|-----------------------|--------|----------------|-----------------|-----------------|
| <b>2016-17</b>        |        |                |                 |                 |
| Pre-K Schools         | 60     | 0              | 60              | 4,203           |
| PK-8 or Less Elem     | 553    | 0              | 553             | 159,702         |
| Middle Schools        | 126    | 0              | 126             | 54,389          |
| Subtotal - Elementary | 739    | 0              | 739             | 218,294         |
| High School (9-12)    | 101    | 0              | 101             | 76,408          |
| Secondary (7-12)      | 162    | 0              | 162             | 24,151          |
| Subtotal - Secondary  | 263    | 0              | 263             | 100,559         |
| State Operated        | 0      | 5              | 5               | 341             |
| Total # of Schools    | 1,002  | 5              | 1,007           | 319,194         |
| Total # of Systems    | 245    | 5              | 250             |                 |



**Table 2 Enrollment**

|                        | (1)                  | (2)                 | (3)            | (4)                  | (5)              | (6)          | (7)                  | (8)                |
|------------------------|----------------------|---------------------|----------------|----------------------|------------------|--------------|----------------------|--------------------|
|                        | Fall Membership*     |                     |                | Avg Daily Membership |                  |              | Avg Daily Attendance |                    |
|                        | Elementary<br>(PK-8) | Secondary<br>(9-12) | Grand<br>Total | ADM<br>Elementary    | ADM<br>Secondary | ADM<br>Total | ADA<br>Total         | Attendance<br>Rate |
| 1976-77                | 206,446              | 105,602             | 312,048        | --                   | --               | 307,808      | 292,979              | 95.2%              |
| 1986-87                | 185,282              | 81,857              | 267,139        | --                   | --               | 263,588      | 252,457              | 95.8%              |
| 1996-97                | 202,846              | 89,121              | 291,967        | 159,151              | 125,568          | 284,719      | 270,959              | 95.2%              |
| 2006-07                | 195,769              | 91,811              | 287,580        | 149,333              | 129,066          | 278,399      | 263,830              | 94.8%              |
| 2007-08                | 200,028              | 91,083              | 291,111        | 150,196              | 128,666          | 278,863      | 264,117              | 94.7%              |
| 2008-09                | 202,830              | 89,635              | 292,465        | 151,418              | 128,347          | 279,765      | 265,328              | 94.8%              |
| 2009-10                | 207,024              | 88,630              | 295,654        | 154,191              | 127,433          | 281,624      | 266,904              | 94.8%              |
| 2010-11                | 210,317              | 88,130              | 298,447        | 156,873              | 126,685          | 283,558      | 269,901              | 95.2%              |
| 2011-12                | 213,507              | 87,752              | 301,259        | 160,613              | 125,997          | 286,610      | 273,852              | 95.5%              |
| 2012-13                | 215,432              | 88,073              | 303,505        | 158,321              | 129,148          | 287,469      | 273,953              | 95.3%              |
| 2013-14                | 219,122              | 88,555              | 307,677        | 158,270              | 133,679          | 291,949      | 277,873              | 95.2%              |
| 2014-15                | 222,671              | 89,964              | 312,635        | 160,893              | 134,779          | 295,672      | 281,400              | 95.2%              |
| 2015-16                | 224,364              | 91,650              | 316,014        | 160,440              | 138,410          | 298,850      | 283,588              | 94.9%              |
| 2016-17                | 226,051              | 93,143              | 319,194        | 159,919              | 141,902          | 301,821      | 285,502              | 94.6%              |
| <b>Total % Change</b>  |                      |                     |                |                      |                  |              |                      | <b>Avg</b>         |
| FY 77 to FY87 (10 Yr.) | -10.3%               | -22.5%              | -14.4%         | --                   | --               | -14.4%       | -13.8%               | 95.4%              |
| FY 87 to FY97 (10 Yr.) | 9.5%                 | 8.9%                | 9.3%           | --                   | --               | 8.0%         | 7.3%                 | 95.3%              |
| FY 97 to FY07 (10 Yr.) | -3.5%                | 3.0%                | -1.5%          | -6.2%                | 2.8%             | -2.2%        | -2.6%                | 94.9%              |
| FY 07 to FY17 (10 Yr.) | 15.5%                | 1.5%                | 11.0%          | 7.1%                 | 9.9%             | 8.4%         | 8.2%                 | 94.9%              |
| FY 87 to FY17 (30 Yr.) | 22.0%                | 13.8%               | 19.5%          | --                   | --               | 14.5%        | 13.1%                | 95.1%              |
| <b>Total # Change</b>  |                      |                     |                |                      |                  |              |                      |                    |
| FY 77 to FY87 (10 Yr.) | (21,164)             | (23,745)            | (44,909)       | --                   | --               | (44,220)     | (40,522)             | --                 |
| FY 87 to FY97 (10 Yr.) | 17,564               | 7,264               | 24,828         | --                   | --               | 21,131       | 18,503               | --                 |
| FY 97 to FY07 (10 Yr.) | (7,077)              | 2,690               | (4,387)        | (9,818)              | 3,498            | (6,321)      | (7,129)              | --                 |
| FY 07 to FY17 (10 Yr.) | 30,282               | 1,332               | 31,614         | 10,586               | 12,836           | 23,422       | 21,672               | --                 |
| FY 87 to FY17 (30 Yr.) | 40,769               | 11,286              | 52,055         | --                   | --               | 38,233       | 33,046               | --                 |

\*Districts and Fall Membership data includes K-12 Public, ESU, Interim Program & State Operated Schools  
 Source: Statistics and Facts about Nebraska Schools

## ***Comments and Observations, Table 2***

For purposes of Fall Membership in Table 2, all grade 7-8 enrollments are categorized as elementary. The elementary/secondary breakdown of ADM data is based on how schools submitted the data as part of the Annual Financial Report (AFR).

### **Total Fall Membership (Public+ESU+State Operated)**

- (1) Total membership increased by 11% in the last 30 years from 267,139 in FY87 to 319,194 in FY17. The FY17 level is the highest level since 1974-75.
- (2) For purposes here, all grade 7-8 fall membership is counted as elementary. However from a review of the FY17 fall membership reports it appears that about 36% of the 46,782 students in grades 7-8 are treated as Secondary.

### **Average Daily Membership (Public only)**

- (3) Unlike Fall Membership, it appears that a majority of grade 7-8 enrollment is accounted for as Secondary for ADM reporting.
- (4) During the last decade there has been an 8.4% increase in ADM, relatively equal with elementary and secondary.

### **Average Daily Attendance (Public only)**

- (5) The average daily attendance rate in FY17 is 94.6%. This attendance rate (the ratio of ADM to ADA) has varied little over the 30 year period.

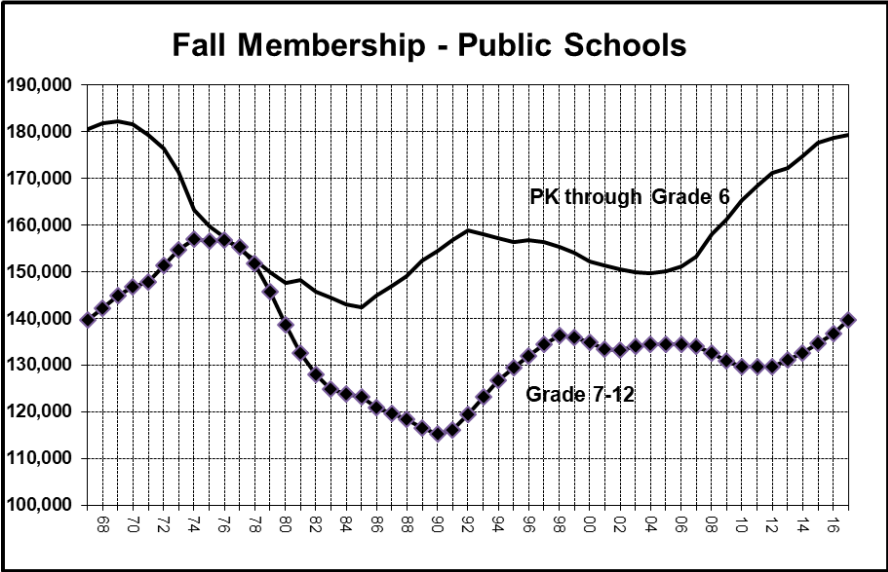
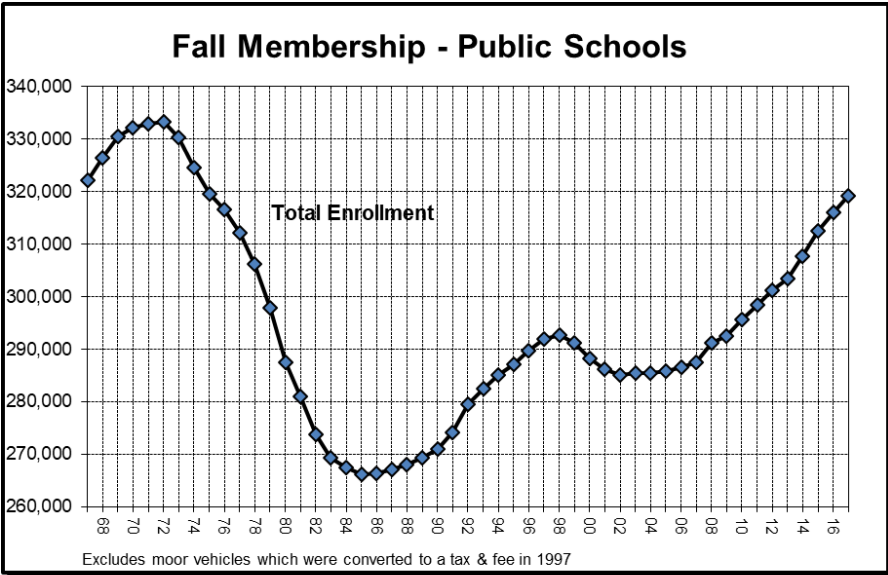
**Table 3 Fall Membership by Grade**

|   | (1)     | (2)     | (3)     | (4)      | (5)      | (6)          | (7)       | (8)      |
|---|---------|---------|---------|----------|----------|--------------|-----------|----------|
|   |         |         |         |          |          | TOTAL        | State     | TOTAL    |
|   | PK      | Kdg.    | Gr. 1-6 | Gr. 7-8  | Gr. 9-12 | Public Dist. | Operated  | PUBLIC   |
| 1976-77   | 1,139   | 23,898  | 129,741 | 50,185   | 105,059  | 312,048      | in totals | 312,048  |
| 1986-87   | 1,483   | 23,346  | 122,099 | 38,260   | 81,416   | 266,604      | 535       | 267,139  |
| 1996-97   | 3,750   | 21,847  | 130,844 | 45,842   | 88,607   | 290,890      | 527       | 291,967  |
| 2006-07   | 6,933   | 22,080  | 124,139 | 42,597   | 91,386   | 287,135      | 445       | 287,580  |
| 2007-08   | 10,082  | 22,584  | 125,435 | 41,917   | 90,761   | 290,779      | 332       | 291,111  |
| 2008-09   | 11,046  | 22,789  | 127,294 | 41,671   | 89,237   | 292,037      | 428       | 292,465  |
| 2009-10   | 12,013  | 23,604  | 129,806 | 41,583   | 88,176   | 295,182      | 472       | 295,654  |
| 2010-11   | 12,669  | 23,422  | 132,358 | 41,849   | 87,785   | 298,083      | 364       | 298,447  |
| 2011-12   | 12,914  | 23,794  | 134,441 | 42,338   | 87,420   | 300,907      | 352       | 301,259  |
| 2012-13   | 13,831  | 22,095  | 136,175 | 43,323   | 87,818   | 303,242      | 263       | 303,505  |
| 2013-14   | 14,457  | 24,025  | 136,322 | 44,312   | 88,282   | 307,398      | 279       | 307,677  |
| 2014-15   | 15,250  | 23,951  | 138,380 | 45,078   | 89,600   | 312,259      | 173       | 312,432  |
| 2015-16   | 15,665  | 23,374  | 139,666 | 45,657   | 91,180   | 315,542      | 472       | 316,014  |
| 2016-17   | 16,467  | 22,283  | 140,516 | 46,782   | 92,805   | 318,853      | 341       | 319,194  |
| <u>Total % Change</u>                               |         |         |         |          |          |              |           |          |
| FY 77 to FY87 (10 Yr.)                              | 30.2%   | -2.3%   | -5.9%   | -23.8%   | -22.5%   | -14.6%       | --        | -14.4%   |
| FY 87 to FY97 (10 Yr.)                              | 152.9%  | -6.4%   | 7.2%    | 19.8%    | 8.8%     | 9.1%         | -1.5%     | 9.3%     |
| FY 97 to FY07 (10 Yr.)                              | 84.9%   | 1.1%    | -5.1%   | -7.1%    | 3.1%     | -1.3%        | -15.6%    | -1.5%    |
| FY 07 to FY17 (10 Yr.)                              | 137.5%  | 0.9%    | 13.2%   | 9.8%     | 1.6%     | 11.0%        | -23.4%    | 11.0%    |
| FY 97 to FY17 (20 Yr.)                              | 339.1%  | 2.0%    | 7.4%    | 2.1%     | 4.7%     | 9.6%         | -35.3%    | 9.3%     |
| FY 87 to FY17 (30 Yr.)                              | 1010.4% | -4.6%   | 15.1%   | 22.3%    | 14.0%    | 19.6%        | -36.3%    | 19.5%    |
| <u>Total # Change</u>                               |         |         |         |          |          |              |           |          |
| FY 77 to FY87 (10 Yr.)                              | 344     | (552)   | (7,642) | (11,925) | (23,643) | (45,444)     | --        | (44,909) |
| FY 87 to FY97 (10 Yr.)                              | 2,267   | (1,499) | 8,745   | 7,582    | 7,191    | 24,286       | (8)       | 24,828   |
| FY 97 to FY07 (10 Yr.)                              | 3,183   | 233     | (6,705) | (3,245)  | 2,779    | (3,755)      | (82)      | (4,387)  |
| FY 07 to FY17 (10 Yr.)                              | 9,534   | 203     | 16,377  | 4,185    | 1,419    | 31,718       | (104)     | 31,614   |
| FY 97 to FY17 (20 Yr.)                              | 12,717  | 436     | 9,672   | 940      | 4,198    | 27,963       | (186)     | 27,227   |
| FY 87 to FY17 (30 Yr.)                              | 14,984  | (1,063) | 18,417  | 8,522    | 11,389   | 52,249       | (194)     | 52,055   |
| Source: Statistics and Facts about Nebraska Schools |         |         |         |          |          |              |           |          |



**Comments and Observations, Table 3**

- (1) Total membership increased by 11% in the last 30 years from 267,139 in FY87 to 319,194 in FY17. The FY17 level is the highest level since 1974-75.
- (2) From FY77 to FY87 there was a significant decline in total student membership of approximately 14%. About 52% of the total decline occurred in grades 9-12
- (3) From FY87 to FY97 enrollment increased by 9%, almost evenly between grade categories.
- (4) From FY97 to FY07 enrollment remained basically flat but a decline in Grades 1-6 and 7-8 offset by increases in PK and Grades 9-12.
- (5) During the last decade, FY07 to FY17 there has been an 11%. While there were increased enrollment in all grade categories, about 80% of that increase occurred in PK and Grades 1-6
- (6) Pre-Kindergarten (PK) membership accounts for about 30% of the total increase in enrollment over the past 10 years, from 6,933 in FY07 to 16,467 in FY17.



**Table 4 Fall Membership by Race and Gender**

|                       | (1)      | (2)        | (3)             | (4)        | (5)               | (6)        | (7)                | (8)        | (9)    | (10)       | (11)              | (12)       | (13)     | (14)    | (15)       | (16)    | (17)       |
|-----------------------|----------|------------|-----------------|------------|-------------------|------------|--------------------|------------|--------|------------|-------------------|------------|----------|---------|------------|---------|------------|
|                       | White    |            | Asian / Pacific |            | Hispanic / Latino |            | Amer Indian/Alaska |            | Black  |            | Two or More Races |            | Total *  | Male    |            | Female  |            |
|                       | Number   | % of Total | Number          | % of Total | Number            | % of Total | Number             | % of Total | Number | % of Total | Number            | % of Total | Number   | Number  | % of Total | Number  | % of Total |
| 1977-78               | 283,265  | 92.5%      | 1,448           | 0.5%       | 5,293             | 1.7%       | 2,296              | 0.7%       | 13,904 | 4.5%       | --                | --         | 306,206  | na      | na         | na      | na         |
| 1986-87               | 242,677  | 90.8%      | 2,303           | 0.9%       | 5,843             | 2.2%       | 2,790              | 1.0%       | 13,526 | 5.1%       | --                | --         | 267,139  | 137,507 | 51.5%      | 129,632 | 48.5%      |
| 1996-97               | 252,311  | 86.4%      | 3,802           | 1.3%       | 14,250            | 4.9%       | 4,183              | 1.4%       | 17,421 | 6.0%       | --                | --         | 291,967  | 150,290 | 51.5%      | 141,677 | 48.5%      |
| 2006-07               | 219,896  | 76.5%      | 5,345           | 1.9%       | 35,172            | 12.2%      | 4,940              | 1.7%       | 22,227 | 7.7%       | --                | --         | 287,580  | 148,217 | 51.5%      | 139,363 | 48.5%      |
| 2007-08               | 219,654  | 75.5%      | 5,698           | 2.0%       | 37,550            | 12.9%      | 4,964              | 1.7%       | 23,245 | 8.0%       | --                | --         | 291,111  | 150,081 | 51.6%      | 141,030 | 48.4%      |
| 2008-09               | 218,242  | 74.6%      | 6,061           | 2.1%       | 39,546            | 13.5%      | 5,010              | 1.7%       | 23,606 | 8.1%       | --                | --         | 292,465  | 150,970 | 51.6%      | 141,495 | 48.4%      |
| 2009-10               | 218,063  | 73.8%      | 6,458           | 2.2%       | 42,228            | 14.3%      | 5,166              | 1.7%       | 23,739 | 8.0%       | --                | --         | 295,654  | 152,624 | 51.6%      | 143,030 | 48.4%      |
| 2010-11               | 211,187  | 70.8%      | 6,352           | 2.1%       | 47,899            | 16.0%      | 4,403              | 1.5%       | 19,967 | 6.7%       | 8,639             | 2.9%       | 298,447  | 154,193 | 51.7%      | 144,254 | 48.3%      |
| 2011-12               | 211,366  | 70.2%      | 6,630           | 2.2%       | 49,400            | 16.4%      | 4,397              | 1.5%       | 20,256 | 6.7%       | 9,210             | 3.1%       | 301,259  | 155,718 | 51.7%      | 145,541 | 48.3%      |
| 2012-13               | 211,167  | 69.6%      | 6,984           | 2.3%       | 51,068            | 16.8%      | 4,327              | 1.4%       | 20,217 | 6.7%       | 9,742             | 3.2%       | 303,505  | 156,944 | 51.7%      | 146,561 | 48.3%      |
| 2013-14               | 211,878  | 68.9%      | 7,484           | 2.4%       | 53,309            | 17.3%      | 4,383              | 1.4%       | 20,522 | 6.7%       | 10,101            | 3.3%       | 307,677  | 159,151 | 51.7%      | 148,526 | 48.3%      |
| 2014-15               | 213,133  | 68.2%      | 8,019           | 2.6%       | 55,458            | 17.7%      | 4,449              | 1.4%       | 21,010 | 6.7%       | 10,579            | 3.4%       | 312,635  | 161,660 | 51.7%      | 150,975 | 48.3%      |
| 2015-16               | 213,942  | 67.7%      | 8,477           | 2.7%       | 57,120            | 18.1%      | 4,370              | 1.4%       | 21,136 | 6.7%       | 10,969            | 3.5%       | 316,014  | 163,419 | 51.7%      | 152,595 | 48.3%      |
| 2016-17               | 213,545  | 66.9%      | 8,995           | 2.8%       | 59,388            | 18.6%      | 4,435              | 1.4%       | 21,327 | 6.7%       | 11,459            | 3.6%       | 319,194  | 164,879 | 51.7%      | 154,315 | 48.3%      |
| <b>Total % Change</b> |          |            |                 |            |                   |            |                    |            |        |            |                   |            |          |         |            |         |            |
| FY 78 to FY87 (9 Yr)  | -14.3%   |            | 162.6%          |            | 169.2%            |            | 82.2%              |            | 25.3%  |            | --                |            | -4.7%    | --      |            | --      |            |
| FY 87 to FY97 (10 Yr) | 4.0%     |            | 65.1%           |            | 143.9%            |            | 49.9%              |            | 28.8%  |            | --                |            | 9.3%     | 9.3%    |            | 9.3%    |            |
| FY 97 to FY07 (10 Yr) | -12.8%   |            | 40.6%           |            | 146.8%            |            | 18.1%              |            | 27.6%  |            | --                |            | -1.5%    | -1.4%   |            | -1.6%   |            |
| FY 07 to FY17 (10 Yr) | -2.9%    |            | 68.3%           |            | 68.9%             |            | -10.2%             |            | -4.0%  |            | --                |            | 11.0%    | 11.2%   |            | 10.7%   |            |
| FY 97 to FY17 (20 Yr) | -15.4%   |            | 136.6%          |            | 316.8%            |            | 6.0%               |            | 22.4%  |            | --                |            | 9.3%     | 9.7%    |            | 8.9%    |            |
| FY 87 to FY17 (30 Yr) | -12.0%   |            | 290.6%          |            | 916.4%            |            | 59.0%              |            | 57.7%  |            | --                |            | 19.5%    | 19.9%   |            | 19.0%   |            |
| <b>Total # Change</b> |          |            |                 |            |                   |            |                    |            |        |            |                   |            |          |         |            |         |            |
| FY 78 to FY87 (9 Yr)  | (40,588) |            | 855             |            | 550               |            | 494                |            | (378)  |            | --                |            | (39,067) | --      |            | --      |            |
| FY 87 to FY97 (10 Yr) | 9,634    |            | 1,499           |            | 8,407             |            | 1,393              |            | 3,895  |            | --                |            | 24,828   | 12,783  |            | 12,045  |            |
| FY 97 to FY07 (10 Yr) | (32,415) |            | 1,543           |            | 20,922            |            | 757                |            | 4,806  |            | --                |            | (4,387)  | (2,073) |            | (2,314) |            |
| FY 07 to FY17 (10 Yr) | (6,351)  |            | 3,650           |            | 24,216            |            | (505)              |            | (900)  |            | 11,459            |            | 31,614   | 16,662  |            | 14,952  |            |
| FY 97 to FY17 (20 Yr) | (38,766) |            | 5,193           |            | 45,138            |            | 252                |            | 3,906  |            | 11,459            |            | 27,227   | 14,589  |            | 12,638  |            |
| FY 87 to FY17 (30 Yr) | (29,132) |            | 6,692           |            | 53,545            |            | 1,645              |            | 7,801  |            | 11,459            |            | 52,055   | 27,372  |            | 24,683  |            |

### Comments and Observations, Table 4

Race and ethnic categories are defined under directives from the U.S. Government Office of Management and Budget. Each student must be placed in one of the categories as shown below. No data on race was available prior to FY77-78.

White - A person having origins in any of the original peoples of Europe, North Africa or the Middle East.

Asian - A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.

Native Hawaiian or Other Pacific Islander - A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.

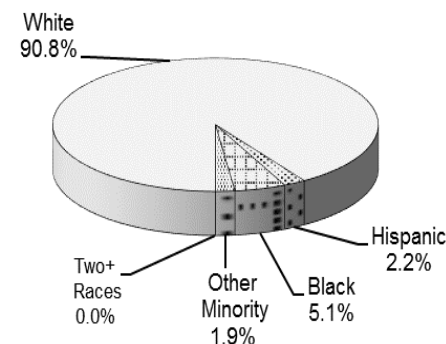
Hispanic/Latino - A person of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.

American Indian or Alaska Native - A person having origins in any of the original peoples of North and South or Central America, and who maintains a tribal affiliation or community attachment.

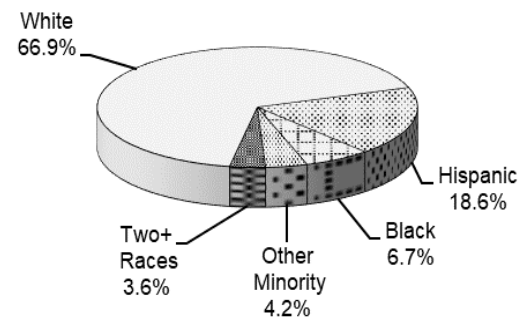
Black or African American - A person having origins in any of the black racial groups of Africa.

Two or More Races – A person having origins in two or more race categories and not Hispanic/Latino.

Fall Membership by Race  
FY1986-87



Fall Membership by Race  
FY2016-17



- (1) In the last 30 years there is has been virtually no change in the breakdown of membership between males (about 51.7%) and females (about 48.3%). In fact the percent of total hasn't varied by more than two tenths of one percent over the 30 years.
- (2) Unlike the stability in membership by gender, there have been significant shifts in membership by race. Over the past 30 years, from FY87 to FY17, minority children as a percent of total membership have increased by 24% points from 9.2% to 33.1% of total membership. Likewise during the same period, white children as a percent of total membership has declined by a like amount from 90.8% to 66.9%.
- (3) All four minority categories increased their proportion of total membership; Hispanic/Latino 16.4%; Black 1.6%; American Indian/Alaska Native .3%; Asian/Pacific Islander 2.0%, and Two or more races 3.6%.
- (4) Hispanic/Latino membership had by far the largest growth. The number of Hispanic/Latino children in membership has increased almost tenfold in the past 30 years and has grown by almost 70% in the last 10 years.

**Table 5 Enrollment Shifts, FY07 to FY17**

(1) Schools are assigned the size category based on their FY2016-17 ADM enrollment even though they may have been in a different size category in FY06-07. In fact 53 districts (systems) changed categories from FY07 to FY17. About 85% of these were schools moving to and from the two smallest categories.

|               | Number of Systems |           |       | Number Change in ADM |           |         | Pct Change in ADM |           |        |
|---------------|-------------------|-----------|-------|----------------------|-----------|---------|-------------------|-----------|--------|
|               | Growing           | Declining | Total | Growing              | Declining | Total   | Growing           | Declining | Total  |
| Under 250     | 20                | 62        | 82    | 383                  | (2,660)   | (2,277) | 12.1%             | -19.8%    | -13.7% |
| 250-500       | 25                | 55        | 80    | 1,210                | (3,640)   | (2,430) | 16.7%             | -15.5%    | -7.9%  |
| 500-1,000     | 18                | 26        | 44    | 1,180                | (2,124)   | (944)   | 10.4%             | -10.8%    | -3.0%  |
| 1,000-2,000   | 8                 | 8         | 16    | 956                  | (1,081)   | (125)   | 8.6%              | -8.5%     | -0.5%  |
| 2,000-5,000   | 11                | 2         | 13    | 5,933                | (143)     | 5,790   | 18.7%             | -2.2%     | 15.2%  |
| Greater 5,000 | 8                 | 1         | 9     | 23,541               | (132)     | 23,409  | 17.8%             | 0.0%      | 16.9%  |
| State Total   | 90                | 154       | 244   | 33,202               | (9,780)   | 23,422  | 16.9%             | -12.0%    | 8.4%   |

(2) There has been a continuing trend of shifting enrollment from smaller to larger districts. Of the 244 school districts (based on FY19 aid certification), 154 districts (63%) have declining enrollment over the past 10 years. The enrollment change in those districts was -12%

|               | FY2006-07 ADM |           |         | FY2016-17 ADM |           |         | # Change in ADM |           |         |
|---------------|---------------|-----------|---------|---------------|-----------|---------|-----------------|-----------|---------|
|               | Growing       | Declining | Total   | Growing       | Declining | Total   | Growing         | Declining | Total   |
| Under 250     | 3,173         | 13,450    | 16,623  | 3,556         | 10,789    | 14,346  | 383             | (2,660)   | (2,277) |
| 250-500       | 7,242         | 23,421    | 30,663  | 8,452         | 19,782    | 28,233  | 1,210           | (3,640)   | (2,430) |
| 500-1,000     | 11,349        | 19,697    | 31,046  | 12,529        | 17,573    | 30,102  | 1,180           | (2,124)   | (944)   |
| 1,000-2,000   | 11,105        | 12,657    | 23,762  | 12,061        | 11,576    | 23,637  | 956             | (1,081)   | (125)   |
| 2,000-5,000   | 31,659        | 6,383     | 38,042  | 37,592        | 6,240     | 43,831  | 5,933           | (143)     | 5,790   |
| Greater 5,000 | 132,225       | 6,038     | 138,263 | 155,766       | 5,906     | 161,672 | 23,541          | (132)     | 23,409  |
| State Total   | 196,753       | 81,645    | 278,399 | 229,956       | 71,865    | 301,821 | 33,202          | (9,780)   | 23,422  |

(3) In the growing districts, the increase of 33,202 would be the equivalent to the third largest school district in the state (Lincoln is 2<sup>nd</sup> at 39,134 and Millard is 3<sup>rd</sup> at 23,142)

(4) This shifting enrollment has a significant impact on the overall statewide spending. Smaller declining enrollment schools have a relatively fixed level of expenditures. Costs don't change significantly if the number of students per class decline. For example a reduction from 20 to 14 is 30% reduction in students but a 30% increase in per pupil costs as the cost to operate that classroom does not significantly change. On the other hand, the larger growing districts are adding new buildings and staff to account for their growing enrollment. If declining districts grow at inflation and growing enrollment districts grow at inflation plus enrollment growth, the overall statewide spending will always grow faster than inflation plus enrollment growth.

# Staffing

Data in this section relate only to the certificated staff. These are school employees that require certification including teachers. This would not include employees such as custodial and maintenance staff, school lunch, bus drivers, etc...

**Table 6 Certificated School Personnel**

|                        | (1)   | (2)              | (3)               | (4)              | (5)                  | (6)                               | (7)                            | (8)         | (9)                |
|------------------------|---|------------------|-------------------|------------------|----------------------|-----------------------------------|--------------------------------|-------------|--------------------|
|                        | Certificated Staff (Public, ESU, Interim, State Operated) |                  |                   |                  |                      | Teachers<br>as % of<br>Cert.Staff | Statewide Average              |             | Fall<br>Membership |
|                        | Teachers<br>Elem.   | Teachers<br>Sec. | Teachers<br>Total | Admin &<br>Other | Total<br>Cert. Staff |                                   | Pupil / Staff Ratio<br>Teacher | Admin/Other |                    |
| 1976-77                | 9,711   | 8,710            | 18,421            | 2,541            | 20,962               | 87.9%                             | 16.9                           | 122.8       | 312,048            |
| 1986-87                | 9,484   | 8,263            | 17,747            | 3,144            | 20,891               | 85.0%                             | 15.1                           | 85.0        | 267,139            |
| 1996-97                | 11,651  | 8,519            | 20,170            | 4,197            | 24,367               | 82.8%                             | 14.5                           | 69.6        | 291,967            |
| 2006-07                | 13,784  | 7,811            | 21,595            | 4,994            | 26,589               | 81.2%                             | 13.3                           | 57.6        | 287,580            |
| 2007-08                | 14,121  | 7,857            | 21,978            | 5,189            | 27,167               | 80.9%                             | 13.2                           | 56.1        | 291,111            |
| 2008-09                | 14,246  | 7,859            | 22,105            | 5,229            | 27,334               | 80.9%                             | 13.2                           | 55.9        | 292,465            |
| 2009-10                | 13,798  | 8,518            | 22,316            | 5,337            | 27,653               | 80.7%                             | 13.2                           | 55.4        | 295,654            |
| 2010-11                | 13,927  | 8,571            | 22,498            | 5,419            | 27,917               | 80.6%                             | 13.3                           | 55.1        | 298,447            |
| 2011-12                | 13,934  | 8,396            | 22,330            | 5,237            | 27,567               | 81.0%                             | 13.5                           | 57.5        | 301,259            |
| 2012-13                | 14,126  | 8,421            | 22,547            | 5,123            | 27,670               | 81.5%                             | 13.5                           | 59.2        | 303,505            |
| 2013-14                | 14,409  | 8,443            | 22,852            | 5,171            | 28,023               | 81.5%                             | 13.5                           | 59.5        | 307,677            |
| 2014-15                | 14,572  | 8,504            | 23,076            | 5,457            | 28,553               | 80.8%                             | 13.5                           | 57.3        | 312,635            |
| 2015-16                | 14,716  | 8,722            | 23,438            | 5,528            | 28,966               | 80.9%                             | 13.5                           | 57.2        | 316,014            |
| 2016-17                | 15,238  | 8,392            | 23,630            | 5,478            | 29,108               | 81.2%                             | 13.5                           | 58.3        | 319,194            |
| <u>Total % Change</u>  |   |                  |                   |                  |                      | Avg                               |                                |             |                    |
| FY 77 to FY87 (10 Yr.) | -2.3%   | -5.1%            | -3.7%             | 23.7%            | -0.3%                | 85.8%                             | 15.7                           | 94.5        | -14.4%             |
| FY 87 to FY97 (10 Yr.) | 22.8%   | 3.1%             | 13.7%             | 33.5%            | 16.6%                | 83.6%                             | 14.7                           | 75.0        | 9.3%               |
| FY 97 to FY07 (10 Yr.) | 18.3%   | -8.3%            | 7.1%              | 19.0%            | 9.1%                 | 82.2%                             | 13.8                           | 63.9        | -1.5%              |
| FY 07 to FY17 (10 Yr.) | 10.5%   | 7.4%             | 9.4%              | 9.7%             | 9.5%                 | 81.0%                             | 13.4                           | 57.2        | 11.0%              |
| FY 87 to FY17 (30 Yr.) | 60.7%   | 1.6%             | 33.1%             | 74.2%            | 39.3%                | 82.2%                             | 13.9                           | 64.4        | 19.5%              |
| <u>Total # Change</u>  |   |                  |                   |                  |                      |                                   |                                |             |                    |
| FY 77 to FY87 (10 Yr.) | (227)   | (447)            | (674)             | 603              | (71)                 |                                   |                                |             | (44,909)           |
| FY 87 to FY97 (10 Yr.) | 2,167   | 256              | 2,423             | 1,053            | 3,476                |                                   |                                |             | 24,828             |
| FY 97 to FY07 (10 Yr.) | 2,133   | (708)            | 1,425             | 797              | 2,222                |                                   |                                |             | (4,387)            |
| FY 07 to FY17 (10 Yr.) | 1,454   | 581              | 2,035             | 484              | 2,519                |                                   |                                |             | 31,614             |
| FY 87 to FY17 (30 Yr.) | 5,754   | 129              | 5,883             | 2,334            | 8,217                |                                   |                                |             | 52,055             |

## ***Comments and Observations, Table 6***

### **Teachers and Pupil Teacher Ratios**

- (1) The total number of teachers increased by 33% in the last 30 years from 17,747 in FY87 to 23,630 in FY17. Almost all of this increase was in elementary teachers.
- (2) Student membership increased by about 20% from FY87 to FY17, while the % increase in total teachers was 33% resulting in the reduced pupil teacher ratio from 15.1 to 13.5. About 98% of the increase in teachers was in the elementary grades.
- (3) The statewide average elementary pupil/teacher ratio has declined from 19.2 in FY73 to 13.8 in FY17. The secondary pupil/teacher ratio has declined from 17.3 to 13.3 pupils/ teacher during the same time period. (See Table 8 for elementary and secondary pupil/teacher ratios for each class of school district).

### **Non-Teacher Certificated Staff (Administrative and Other)**

- (4) The total non-teacher certificated staff increased 74% in the last 30 years, from 3,144 in FY87 to 5,478 in FY17.
- (5) The most significant growth in non-teacher certificated staff occurred during the 10 year period from FY87 to FY97 when the number increased by 33% with lower growth in each following two decades.

### **Total Certificated Staff**

- (6) Total certificated staff in school districts (teachers and other administrative staff) has increased by 39.3% in the last 30 years from 20,891 in FY87 to 29,108 in FY14.
- (7) Total certificated staff increased by 17% from FY87 to FY97, which was almost double the increase in student membership for the decade. Total staff continued to grow by 9% in next decade from FY97 to FY07 even as student membership declined by 1.5%.
- (8) Unlike the previous 20 years, in the last 10 years from FY07 to FY17, the increase in certificated staff was slightly lower than the increase in student membership, 9.5% versus 11%.
- (9) Teachers as a percentage of total certificated staff has declined from 88% in FY77 to 81.2% in FY17. Most of this decline occurred from FY77 to FY97. The percentage since FY97 has only declined by 1.6% points.
- (10) The average number of pupils per non-teacher certificated staff has decreased from 123 in FY77 to 58 in FY17.

**Table 7 Breakdown of Certificated Personnel by Job and Category**

|   | Category        | (1) (2) (3) (4)<br>Certificated Public School Personnel (FTE) |                 |                 |                 | (5) (6)<br>30 Yr Change 87-17 |              | (7) (8) (9) (10)<br>% of Total Staff |               |               |               |
|---|-----------------|---|-----------------|-----------------|-----------------|-------------------------------|--------------|--------------------------------------|---------------|---------------|---------------|
|   |                 | 1986-87   | 1996-97         | 2006-07         | 2016-17         | #                             | %            | 86-87                                | 96-97         | 06-07         | 16-17         |
|   |                 |   |                 |                 |                 |                               |              |                                      |               |               |               |
| Teacher (includes SPED)                                     | Teaching        | 17,652.0  | 20,014.6        | 21,267.8        | 23,443.9        | 5,791.9                       | 32.8%        | 85.0%                                | 83.5%         | 82.2%         | 81.6%         |
| Head Teacher  | Teaching        | --  | --              | 43.8            | --              | --                            | --           | --                                   | --            | 0.2%          | --            |
| Department Head   | Teaching        | 20.6  | 33.5            | 23.6            | 10.1            | (10.5)                        | -50.9%       | 0.1%                                 | 0.1%          | 0.1%          | 0.0%          |
| Secondary Counselor   | Counselors      | 514.9   | 473.6           | 475.3           | 507.0           | (8.0)                         | -1.5%        | 2.5%                                 | 2.0%          | 1.8%          | 1.8%          |
| Elementary Counselor  | Counselors      | --  | 274.9           | 301.5           | 327.2           | --                            | --           | --                                   | 1.1%          | 1.2%          | 1.1%          |
| Vocational Adjust. Counselor                                | Counselors      | --  | 22.8            | --              | --              | --                            | --           | --                                   | --            | --            | --            |
| Media Specialist  | Library / Media | 222.0   | 307.7           | 354.9           | 412.5           | 190.5                         | 85.8%        | 1.1%                                 | 1.3%          | 1.4%          | 1.4%          |
| Librarian   | Library / Media | 273.8   | 252.0           | 191.8           | 125.7           | (148.1)                       | -54.1%       | 1.3%                                 | 1.1%          | 0.7%          | 0.4%          |
| Technology Coordinator                                      | Library / Media | --  | --              | --              | 123.4           | --                            | --           | --                                   | --            | --            | 0.4%          |
| Speech Pathologist  | Health Related  | 306.7   | 433.5           | 446.3           | 633.9           | 327.2                         | 106.7%       | 1.5%                                 | 1.8%          | 1.7%          | 2.2%          |
| Psychologist  | Health Related  | 66.9  | 146.2           | 186.3           | 278.6           | 211.6                         | 316.2%       | 0.3%                                 | 0.6%          | 0.7%          | 1.0%          |
| School Nurse  | Health Related  | 109.0   | 178.7           | 186.9           | 272.1           | 163.1                         | 149.6%       | 0.5%                                 | 0.7%          | 0.7%          | 0.9%          |
| Social Worker   | Health Related  | 33.8  | 56.6            | 49.7            | 81.9            | 48.1                          | 142.1%       | 0.2%                                 | 0.2%          | 0.2%          | 0.3%          |
| Occupational Therapist                                      | Health Related  | 9.8   | 13.2            | 32.2            | 54.5            | 44.7                          | 458.6%       | 0.0%                                 | 0.1%          | 0.1%          | 0.2%          |
| Sign Language Interpreter                                   | Health Related  | --  | --              | 61.1            | 51.9            | --                            | --           | --                                   | --            | --            | 0.2%          |
| School Transition Specialist                                | Health Related  | --  | --              | 21.7            | 21.3            | --                            | --           | --                                   | --            | --            | 0.1%          |
| Physical Therapist  | Health Related  | 10.0  | 9.8             | 14.4            | 21.4            | 11.4                          | 113.8%       | 0.0%                                 | 0.0%          | 0.1%          | 0.1%          |
| Speech Language Tech.                                       | Health Related  | --  | 12.0            | 1.0             | 16.7            | --                            | --           | --                                   | --            | 0.0%          | 0.1%          |
| Audiologist   | Health Related  | 3.0   | 3.5             | 6.5             | 3.2             | 0.2                           | 7.7%         | --                                   | --            | 0.0%          | 0.0%          |
| Psychologist Assistant                                      | Health Related  | 21.8  | 3.3             | 3.1             | 0.0             | (21.8)                        | -100.0%      | 0.1%                                 | 0.0%          | 0.0%          | 0.0%          |
| Mental Health Practitioner (ESU Only)                       | Health Related  | --  | --              | --              | 16.7            | --                            | --           | --                                   | --            | --            | 0.1%          |
| Superintendent  | Administration  | 263.5   | 251.7           | 202.9           | 214.7           | (48.7)                        | -18.5%       | 1.3%                                 | 1.0%          | 0.8%          | 0.7%          |
| Principal   | Administration  | 705.1   | 751.5           | 755.3           | 788.6           | 83.5                          | 11.8%        | 3.4%                                 | 3.1%          | 2.9%          | 2.7%          |
| Assistant Principal   | Administration  | 166.5   | 211.6           | 264.0           | 292.1           | 125.6                         | 75.4%        | 0.8%                                 | 0.9%          | 1.0%          | 1.0%          |
| Supervisor/Director   | Administration  | 108.5   | 85.3            | 107.5           | 145.4           | 37.0                          | 34.1%        | 0.5%                                 | 0.4%          | 0.4%          | 0.5%          |
| Business Manager  | Administration  | --  | 17.4            | 22.3            | 68.3            | --                            | --           | --                                   | --            | 0.1%          | 0.2%          |
| Administrative Assistant                                    | Administration  | 41.9  | 27.5            | 40.8            | 49.8            | 7.9                           | 18.9%        | 0.2%                                 | 0.1%          | 0.2%          | 0.2%          |
| Assistant Superintendent                                    | Administration  | 42.0  | 33.6            | 39.0            | 21.5            | (20.5)                        | -48.8%       | 0.2%                                 | 0.1%          | 0.2%          | 0.1%          |
| Chief Administrator   | Administration  | --  | --              | --              | --              | --                            | --           | --                                   | --            | --            | --            |
| Prog. Consult./Coordinator                                  | Coordinators    | 73.6  | 154.7           | 440.4           | 316.9           | 243.3                         | 330.7%       | 0.4%                                 | 0.6%          | 1.7%          | 1.1%          |
| Curriculum Specialist                                       | Coordinators    | 41.4  | 62.8            | 129.7           | 166.7           | 125.3                         | 302.4%       | 0.2%                                 | 0.3%          | 0.5%          | 0.6%          |
| Prog. Supervisor/Director                                   | Coordinators    | 60.4  | 53.5            | 84.0            | 69.3            | 8.9                           | 14.7%        | 0.3%                                 | 0.2%          | 0.3%          | 0.2%          |
| Activities / Athletic Director                              | Coordinators    | --  | --              | --              | 67.4            | --                            | --           | --                                   | --            | --            | 0.2%          |
| SPED Admin./Director  | Coordinators    | --  | 39.8            | 50.5            | 46.3            | --                            | --           | --                                   | --            | 0.2%          | 0.2%          |
| Coordinator   | Coordinators    | 27.3  | 32.8            | 51.4            | 37.1            | 9.8                           | 35.9%        | 0.1%                                 | 0.1%          | 0.2%          | 0.1%          |
| Non-Sped Home Visitor                                       | Coordinators    | --  | --              | --              | 30.4            | --                            | --           | --                                   | --            | --            | 0.1%          |
| Staff Development Director                                  | Coordinators    | --  | 8.3             | 8.5             | 13.9            | --                            | --           | --                                   | --            | 0.0%          | 0.0%          |
| Home School Liaison   | Coordinators    | --  | 6.6             | 4.4             | 9.3             | --                            | --           | --                                   | --            | 0.0%          | 0.0%          |
| Staff Development Coordinator                               | Coordinators    | --  | --              | 2.4             | --              | --                            | --           | --                                   | --            | --            | --            |
| <b>Total Certificated FTE</b>                               |                 | <b>20,774.4</b>   | <b>23,972.6</b> | <b>25,870.8</b> | <b>28,739.4</b> | <b>7,965.0</b>                | <b>38.3%</b> | <b>100.0%</b>                        | <b>99.5%</b>  | <b>99.7%</b>  | <b>100.0%</b> |
| Teaching  |                 | 17,672.6  | 20,048.2        | 21,335.2        | 23,454.0        | 5,781.4                       | 32.7%        | 85.1%                                | 83.6%         | 82.5%         | 81.6%         |
| Counselors  |                 | 514.9   | 771.3           | 776.8           | 834.2           | 319.2                         | 62.0%        | 2.5%                                 | 3.2%          | 3.0%          | 2.9%          |
| Library / Media   |                 | 495.8   | 559.7           | 546.6           | 661.5           | 165.7                         | 33.4%        | 2.4%                                 | 2.3%          | 2.1%          | 2.3%          |
| Health Related  |                 | 561.0   | 856.6           | 1,009.2         | 1,452.1         | 891.1                         | 158.8%       | 2.7%                                 | 3.6%          | 3.9%          | 5.1%          |
| Administration  |                 | 1,327.4   | 1,378.5         | 1,431.8         | 1,580.4         | 253.0                         | 19.1%        | 6.4%                                 | 5.8%          | 5.5%          | 5.5%          |
| Coordinators  |                 | 202.7   | 358.3           | 771.3           | 757.3           | 554.6                         | 273.6%       | 1.0%                                 | 1.5%          | 3.0%          | 2.6%          |
| <b>Total Certificated Staff (excludes paraprofessional)</b> |                 | <b>20,774.4</b>   | <b>23,972.6</b> | <b>25,870.8</b> | <b>28,739.4</b> | <b>7,965.0</b>                | <b>38.3%</b> | <b>100.0%</b>                        | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> |



**Comments and Observations, - Table 7**

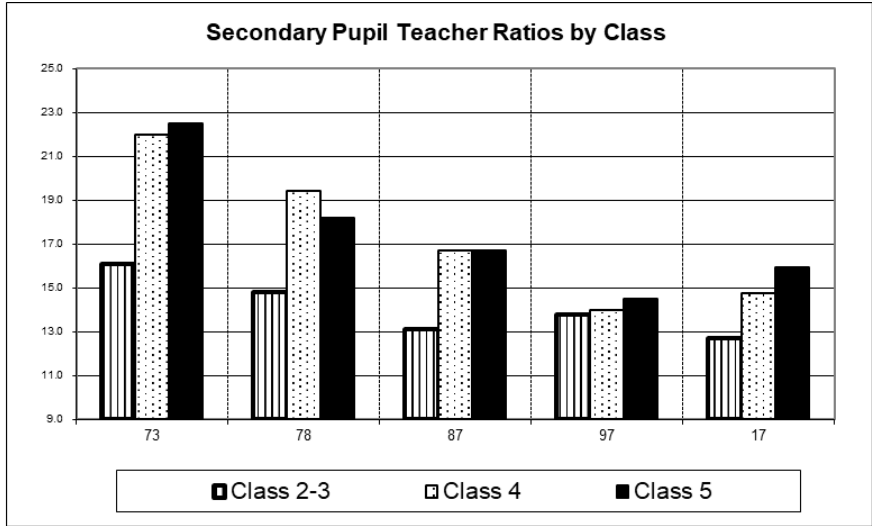
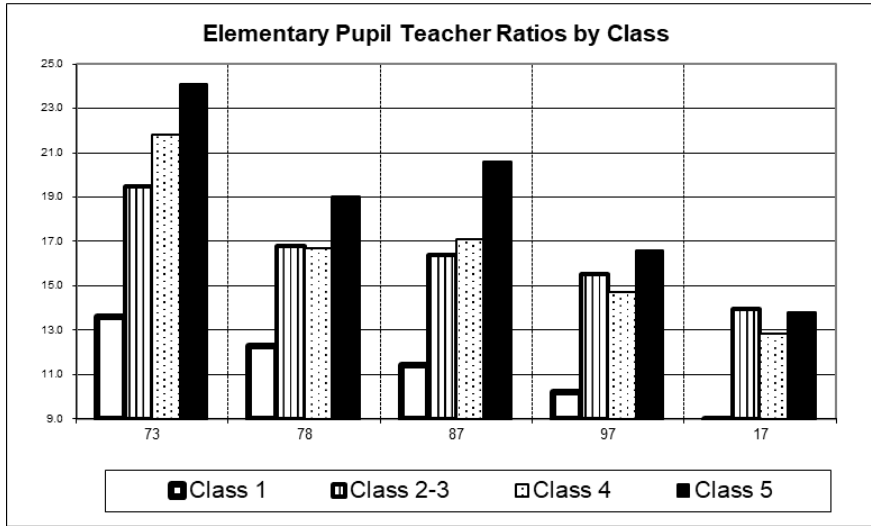
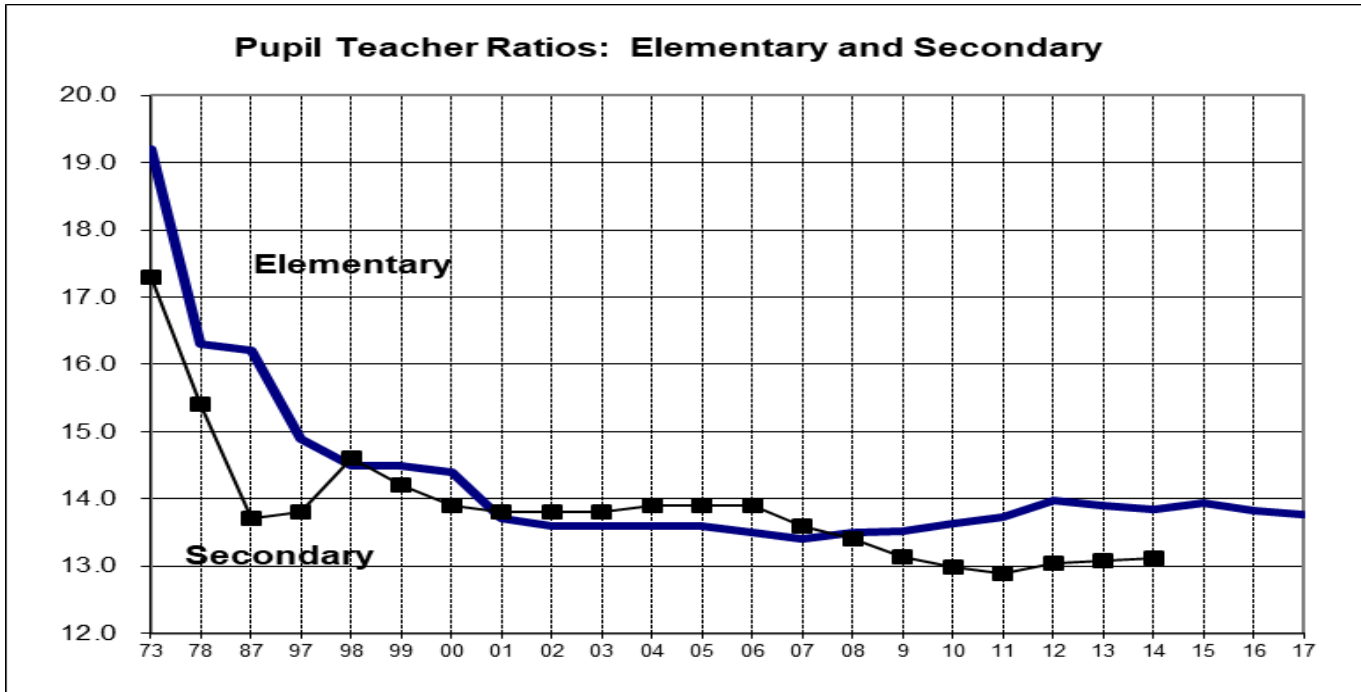
- (1) Total certificated staff in public schools has grown by 7,965 or 38% from FY87 to FY17. The growth rate has been highest during this time period for coordinators, followed by health related staff and counselors. The slowest growing categories of public school personnel have been library/media staff and administrators.
- (2) Staff in charge of program coordination, supervision or direction increased by 273% while health related occupations increased by 159%. Counseling staff increased by 62% while teaching increased by 32.7%. Slowest growth categories were library/media staff (33.4%) and administrative related positions (19.1%).
- (3) The four positions that increased in number the most from FY87 to FY17 are: Teachers (including SPED) (5,792 FTE, 32.8%), Speech Pathologist (327 FTE, 107%), Program Consultant/Coordinator (243 FTE, 331%); Psychologist (212 FTE, 316%) and Media Specialist (190.5 FTE).
- (4) The four positions that decreased in number the most from FY87 to FY17 are: Librarian (-148.1.1 FTE, -54%) and Superintendent (-48.7 FTE, -18%), and Assistant Superintendent (-20.5, -49%).
- (5) Teachers are the predominant personnel in public schools, comprising 82% of certificated staff. Teachers decreased as a percentage of total staff from 85% in FY87 to 82% in FY17. However health related staff increased from 2.7% to 5.1% of total certificated staff.
- (6) Administrative staff declined as a percentage of total staff from 6.4% to 5.5% from FY 87 to FY17.

**30 Year Growth in Public School FTE from FY87 to FY17**

| <b>Positions with Growth<br/>Rate &gt; 100%</b> | <b>Positions with Growth<br/>Rate of 50%-100%</b> | <b>Positions with Growth<br/>Rate of 0%-50%</b> | <b>Positions with<br/>Declining Growth Rate</b> |
|---|---|---|---|
| Speech Pathologist                              | Media Specialist                                  | Prog Supervisor/Director                        | Librarian                                       |
| Prog. Consult./Coordinator                      | Assistant Principal                               | Teacher (includes SPED)                         | Superintendent                                  |
| Psychologist                                    |   | Coordinator                                     | Assistant Superintendent                        |
| School Nurse                                    |   | Supervisor/Director                             | Psychologist Assistant                          |
| Curriculum Specialist                           |   | Principal                                       | Secondary Counselor                             |
| Social Worker                                   |   | Administrative Assistant                        | Dept. Head                                      |
| Occupational Therapist                          |   | Audiologist                                     |   |
| Physical Therapist                              |   |   |   |

**Table 8 Average Pupil-Teacher Ratios in Public Schools**

|   | (1)              | (2)                           | (3)               | (4)                         | (5)                        | (6)                      | (7)                     | (8)                    | (9)                   |
|---|------------------|-------------------------------|-------------------|-----------------------------|----------------------------|--------------------------|-------------------------|------------------------|-----------------------|
|   | Class I<br>Elem. | Class II & Class III<br>Elem. | Class III<br>Sec. | Class IV (Lincoln)<br>Elem. | Class IV (Lincoln)<br>Sec. | Class V (Omaha)<br>Elem. | Class V (Omaha)<br>Sec. | State Average<br>Elem. | State Average<br>Sec. |
| 1972-73   | 13.6             | 19.5                          | 16.1              | 21.8                        | 22.0                       | 24.1                     | 22.5                    | 19.2                   | 17.3                  |
| 1977-78   | 12.3             | 16.8                          | 14.8              | 16.7                        | 19.4                       | 19.0                     | 18.2                    | 16.3                   | 15.4                  |
| 1986-87   | 11.4             | 16.4                          | 13.1              | 17.1                        | 16.7                       | 20.6                     | 16.7                    | 16.2                   | 13.7                  |
| 1996-97   | 10.2             | 15.5                          | 13.8              | 14.7                        | 14.0                       | 16.6                     | 14.5                    | 14.9                   | 13.8                  |
| 1997-98   | 9.9              | 15.1                          | 14.3              | 12.9                        | 17.1                       | 16.5                     | 15.6                    | 14.5                   | 14.6                  |
| 1998-99   | 10.0             | 14.9                          | 14.0              | 14.1                        | 14.7                       | 16.0                     | 15.4                    | 14.5                   | 14.2                  |
| 1999-00   | 10.3             | 14.4                          | 13.9              | 13.5                        | 14.4                       | 15.1                     | 15.6                    | 14.4                   | 13.9                  |
| 2000-01   | 10.0             | 14.0                          | 13.6              | 13.4                        | 13.9                       | 14.9                     | 15.4                    | 13.7                   | 13.8                  |
| 2001-02   | 10.0             | 13.7                          | 13.5              | 13.5                        | 14.4                       | 13.5                     | 14.4                    | 13.6                   | 13.8                  |
| 2002-03   | 10.0             | 13.8                          | 13.5              | 13.4                        | 14.3                       | 14.7                     | 15.7                    | 13.6                   | 13.8                  |
| 2003-04   | 10.0             | 13.8                          | 13.5              | 13.5                        | 15.0                       | 14.8                     | 15.6                    | 13.6                   | 13.9                  |
| 2004-05   | 10.0             | 13.8                          | 13.5              | 13.8                        | 15.2                       | 14.2                     | 16.7                    | 13.6                   | 13.9                  |
| 2005-06   | 9.7              | 13.7                          | 13.4              | 13.7                        | 14.9                       | 14.0                     | 16.9                    | 13.5                   | 13.9                  |
| 2006-07   | --               | 13.3                          | 13.2              | 13.6                        | 14.4                       | 13.6                     | 16.4                    | 13.4                   | 13.6                  |
| 2007-08   | --               | 13.4                          | 13.0              | 13.5                        | 14.3                       | 13.8                     | 15.6                    | 13.5                   | 13.4                  |
| 2008-09   | --               | 13.5                          | 12.7              | 13.5                        | 14.2                       | 13.7                     | 15.6                    | 13.5                   | 13.1                  |
| 2009-10   | --               | 13.5                          | 12.5              | 13.4                        | 14.8                       | 14.6                     | 14.2                    | 13.6                   | 13.0                  |
| 2010-11   | --               | 13.6                          | 12.4              | 13.7                        | 14.7                       | 14.6                     | 14.2                    | 13.7                   | 12.9                  |
| 2011-12   | --               | 13.8                          | 12.5              | 13.9                        | 14.5                       | 14.8                     | 15.1                    | 14.0                   | 13.0                  |
| 2012-13   | --               | 13.9                          | 12.5              | 13.3                        | 14.2                       | 14.6                     | 15.5                    | 13.9                   | 13.1                  |
| 2013-14   | --               | 13.8                          | 12.6              | 13.1                        | 14.2                       | 14.7                     | 15.2                    | 13.9                   | 13.1                  |
| 2014-15   | --               | 13.9                          | 12.6              | 13.2                        | 14.6                       | 14.7                     | 15.1                    | 13.9                   | 13.1                  |
| 2015-16   | --               | 13.9                          | 12.6              | 13.1                        | 14.1                       | 14.2                     | 15.1                    | 13.8                   | 13.1                  |
| 2016-17   | --               | 14.0                          | 12.7              | 12.8                        | 14.8                       | 13.8                     | 15.9                    | 13.8                   | 13.3                  |
| <b>% Change</b>                                     |                  |                               |                   |                             |                            |                          |                         |                        |                       |
| FY 78 to FY87 (9 Yr.)                               | --               | -2.4%                         | -11.5%            | 2.4%                        | -13.9%                     | 8.4%                     | -8.2%                   | -0.6%                  | -11.0%                |
| FY 87 to FY97 (10 Yr.)                              | --               | -5.5%                         | 4.5%              | -12.0%                      | -14.6%                     | -19.0%                   | -11.6%                  | -8.6%                  | 0.0%                  |
| FY 97 to FY07 (10 Yr.)                              | --               | -14.2%                        | -4.3%             | -7.5%                       | 2.9%                       | -18.1%                   | 13.1%                   | -10.1%                 | -1.4%                 |
| FY 07 to FY17 (10 Yr.)                              | --               | 5.0%                          | -3.6%             | -5.7%                       | 2.6%                       | 1.5%                     | -3.0%                   | 2.7%                   | -2.2%                 |
| Source: Statistics and Facts about Nebraska Schools |                  |                               |                   |                             |                            |                          |                         |                        |                       |



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# Disbursements

*Data in this section relate only to K-12 public school disbursements*

**Table 9 Total School Disbursements – All Funds – FY87 to FY17**

|   | (1)                  | (2)                  | (3)                  | (4)                  | (5)                   | (6)                   | (7)                 | (8)         | (9)         | (10)                |
|---|----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|---------------------|-------------|-------------|---------------------|
|   | 1986-87              | 1996-97              | 2006-07              | 2016-17              | 1986-87<br>% of total | 2016-17<br>% of total | Avg Annual % Change |             |             | 87 to 17<br>(30 Yr) |
|   |                      |                      |                      |                      |                       |                       | 87 to 97            | 97 to 07    | 07 to 17    |                     |
| Disbursements-General Fund                    | 920,378,604          | 1,601,682,949        | 2,618,547,216        | 3,693,403,821        | 82.3%                 | 75.5%                 | 5.7%                | 5.0%        | 3.5%        | 4.7%                |
| Disbursements-Contingency Fund                | na                   | 1,964,250            | 4,345,341            | 3,515,855            | --                    | 0.1%                  | na                  | na          | -2.1%       | na                  |
| Disbursements-Activities Fund                 | 55,068,938           | 60,689,094           | 76,891,915           | 102,357,863          | 4.9%                  | 2.1%                  | 1.0%                | 2.4%        | 2.9%        | 2.1%                |
| Disbursements-School Nutrition Fund           | 41,173,692           | 70,491,843           | 112,632,514          | 172,508,190          | 3.7%                  | 3.5%                  | 5.5%                | 4.8%        | 4.4%        | 4.9%                |
| Disbursements-Prop Tax Reimburse Fund         | na                   | 737,466              | 0                    | 0                    | --                    | 0.0%                  | na                  | na          | na          | na                  |
| Disbursements-Student Fee Fund                | na                   | na                   | 3,471,745            | 3,746,540            | --                    | 0.1%                  | na                  | na          | na          | na                  |
| Disbursements-Cooperative Funds               | na                   | Expensed             | Expensed             | Expensed             | na                    | na                    | na                  | na          | na          | na                  |
| Disbursements-Depreciation Fund               | Expensed             | Expensed             | Expensed             | Expensed             | na                    | na                    | na                  | na          | na          | na                  |
| Disbursements-Employee Benefit Fund           | Expensed             | Expensed             | Expensed             | Expensed             | na                    | na                    | na                  | na          | na          | na                  |
| <b>Operations Related Disbursements</b>       | <b>1,016,621,234</b> | <b>1,735,565,602</b> | <b>2,815,888,730</b> | <b>3,975,532,268</b> | <b>90.9%</b>          | <b>81.3%</b>          | <b>5.5%</b>         | <b>5.0%</b> | <b>3.5%</b> | <b>4.7%</b>         |
| Disbursements-Bond Interest/Retire Fund       | 63,381,211           | 93,340,054           | 156,630,149          | 326,246,332          | 5.7%                  | 6.7%                  | 3.9%                | 5.3%        | 7.6%        | 5.6%                |
| Disbursements-Special Building Fund           | 38,899,584           | 142,602,352          | 252,969,148          | 541,326,222          | 3.5%                  | 11.1%                 | 13.9%               | 5.9%        | 7.9%        | 9.2%                |
| Disbursements-Qualified Capital Purpose       | 0                    | 5,381,633            | 32,317,315           | 46,252,275           | 0.0%                  | 0.9%                  | na                  | na          | na          | na                  |
| <b>Construction Related Disbursements</b>     | <b>102,280,795</b>   | <b>241,324,039</b>   | <b>441,916,611</b>   | <b>913,824,829</b>   | <b>9.1%</b>           | <b>18.7%</b>          | <b>9.0%</b>         | <b>6.2%</b> | <b>7.5%</b> | <b>7.6%</b>         |
| <b>Total School Disbursements - All Funds</b> | <b>1,118,902,029</b> | <b>1,976,889,640</b> | <b>3,257,805,342</b> | <b>4,889,357,097</b> | <b>100.0%</b>         | <b>100.0%</b>         | <b>5.9%</b>         | <b>5.1%</b> | <b>4.1%</b> | <b>5.0%</b>         |

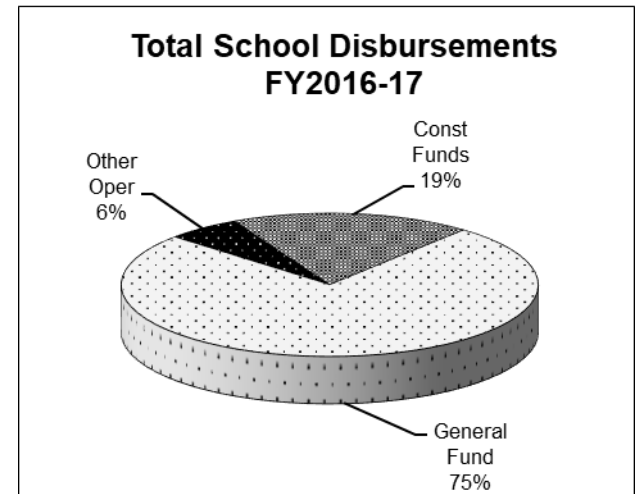
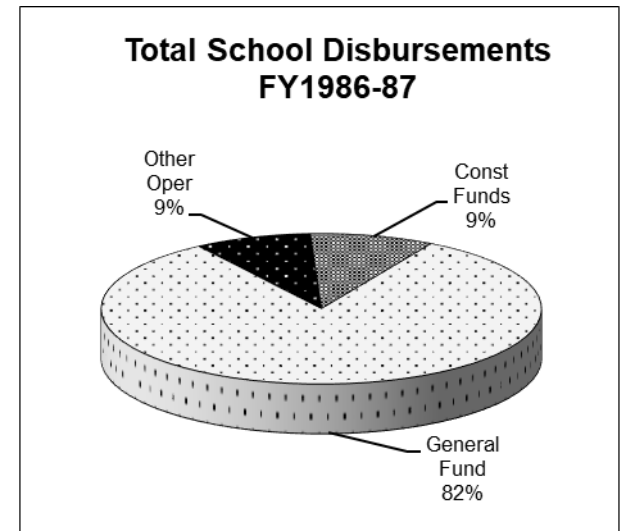
**Comments and Observations, - Table 9**

- (1) School disbursements are accounted for in 11 different funds. Nine of these relate to operating costs while three relate to capital construction. A more detailed description of each fund is found in the Appendix.
- (2) Note in the table above in several instances a fund shows the word “Expensed” rather than a dollar amount. In these cases these funds are used as an accounting mechanism and essentially “double count” for a disbursement that already is recorded as a General Fund disbursement. An example is the Depreciation Fund. This fund is used by a school district in order to facilitate the eventual purchase of costly capital outlay and spread replacement costs over a period of years in order to avoid a disproportionate tax effort in a single year. Each year a portion of the cost is shown as a General Fund disbursement. The monies are then allocated to the Depreciation Fund and when sufficient monies have been accrued, the purchase of the capital item is then shown as a disbursement from the Depreciation Fund.

- (3) The General Fund is the main fund through which schools disburse funds.

***The rest of this report on disbursements concentrates on the General Fund as it accounts for the bulk of the school operations funding (except for school lunch and the activities funds which are basically financed with federal funds or fees) and directly affects the school property tax levy and state aid calculations.***

- (4) The 3.5% average growth over the past 10 years in spending for operations related funds has slowed down compared to the FY87 to FY97 period (5.5% average) and , FY97 to FY07 period (5.0%).
- (5) Average spending growth in the construction related funds has been more than double operations related funds over the past 10 years, 7.5% versus 3.5%.



**Table 10 School General Fund Disbursements  
FY87 to FY17 - By Major Category - Millions of Dollars**

|                            | (1)<br>Reg<br>Instruction | (2)<br>SPED<br>Instruction | (3)<br>Total<br>Instruction | (4)<br>Sprt Svcs<br>(pupil+staff) | (5)<br>Admin +<br>Business | (6)<br>Buildng<br>Op & Maint | (7)<br>Pupil<br>Transport. | (8)<br>All<br>Other * | (9)<br>Total<br>Disburse. | (10)<br>ADM<br>Enrollment | (11)<br>Per Pupil<br>Cost |
|----------------------------|---------------------------|----------------------------|-----------------------------|-----------------------------------|----------------------------|------------------------------|----------------------------|-----------------------|---------------------------|---------------------------|---------------------------|
| 1986-87                    | 482.5                     | 71.3                       | 553.8                       | 58.8                              | 105.8                      | 104.2                        | 32.5                       | 65.2                  | 920.4                     | 263,588                   | \$3,374                   |
| 1996-97                    | 847.2                     | 162.7                      | 1,010.0                     | 116.9                             | 179.0                      | 158.6                        | 56.3                       | 81.0                  | 1,601.7                   | 284,719                   | \$5,473                   |
| 1997-98                    | 859.9                     | 167.6                      | 1,027.5                     | 121.4                             | 182.3                      | 172.0                        | 57.1                       | 89.0                  | 1,649.3                   | 284,753                   | \$5,593                   |
| 1998-99                    | 888.1                     | 178.5                      | 1,066.6                     | 127.4                             | 192.7                      | 184.8                        | 60.9                       | 96.5                  | 1,728.9                   | 283,441                   | \$5,838                   |
| 1999-00                    | 931.3                     | 191.2                      | 1,122.5                     | 136.0                             | 203.0                      | 195.2                        | 62.2                       | 102.5                 | 1,821.4                   | 280,181                   | \$6,202                   |
| 2000-01                    | 972.0                     | 205.2                      | 1,177.3                     | 144.9                             | 217.8                      | 213.0                        | 64.1                       | 111.3                 | 1,928.4                   | 278,210                   | \$6,651                   |
| 2001-02                    | 1,036.4                   | 224.3                      | 1,260.7                     | 158.2                             | 233.2                      | 211.4                        | 64.5                       | 125.3                 | 2,053.3                   | 277,265                   | \$7,127                   |
| 2002-03                    | 1,079.4                   | 245.1                      | 1,324.5                     | 161.0                             | 241.2                      | 215.1                        | 66.8                       | 142.3                 | 2,150.8                   | 277,286                   | \$7,476                   |
| 2003-04                    | 1,112.3                   | 255.8                      | 1,368.1                     | 162.8                             | 248.2                      | 226.0                        | 71.1                       | 162.2                 | 2,238.5                   | 276,787                   | \$7,798                   |
| 2004-05                    | 1,136.3                   | 239.7                      | 1,376.1                     | 171.5                             | 262.6                      | 238.4                        | 73.9                       | 208.0                 | 2,330.5                   | 276,732                   | \$8,013                   |
| 2005-06                    | 1,195.7                   | 260.8                      | 1,456.4                     | 178.0                             | 280.8                      | 252.9                        | 82.2                       | 219.8                 | 2,470.1                   | 277,527                   | \$8,510                   |
| 2006-07                    | 1,281.0                   | 278.7                      | 1,559.7                     | 186.6                             | 301.9                      | 267.4                        | 79.8                       | 223.1                 | 2,618.5                   | 278,399                   | \$9,023                   |
| 2007-08                    | 1,367.1                   | 299.4                      | 1,666.5                     | 184.1                             | 302.9                      | 283.3                        | 93.6                       | 230.0                 | 2,760.4                   | 278,863                   | \$9,529                   |
| 2008-09                    | 1,442.5                   | 321.0                      | 1,763.6                     | 188.1                             | 309.2                      | 309.7                        | 96.0                       | 249.3                 | 2,915.9                   | 279,765                   | \$10,025                  |
| 2009-10 **                 | 1,542.8                   | 325.4                      | 1,868.2                     | 190.4                             | 309.8                      | 309.0                        | 100.0                      | 299.3                 | 3,076.7                   | 281,624                   | \$10,426                  |
| 2010-11 **                 | 1,589.3                   | 336.2                      | 1,925.5                     | 188.4                             | 317.6                      | 314.2                        | 114.6                      | 294.1                 | 3,154.3                   | 283,558                   | \$10,660                  |
| 2011-12 **                 | 1,564.7                   | 355.6                      | 1,920.4                     | 198.0                             | 330.1                      | 312.5                        | 115.7                      | 257.4                 | 3,134.2                   | 286,610                   | \$10,720                  |
| 2012-13                    | 1,603.9                   | 373.6                      | 1,977.5                     | 205.8                             | 339.0                      | 322.6                        | 124.7                      | 250.4                 | 3,220.0                   | 287,469                   | \$11,038                  |
| 2013-14                    | 1,640.0                   | 397.2                      | 2,037.2                     | 216.5                             | 347.1                      | 337.6                        | 127.4                      | 266.3                 | 3,332.1                   | 291,949                   | \$11,365                  |
| 2014-15                    | 1,700.5                   | 412.8                      | 2,113.3                     | 226.3                             | 362.5                      | 347.6                        | 130.6                      | 278.8                 | 3,459.0                   | 295,672                   | \$11,619                  |
| 2015-16                    | 1,768.4                   | 435.4                      | 2,203.7                     | 235.2                             | 383.4                      | 361.1                        | 133.1                      | 255.9                 | 3,572.5                   | 298,850                   | \$11,897                  |
| 2016-17                    | 1,837.7                   | 454.0                      | 2,291.6                     | 241.3                             | 389.5                      | 373.7                        | 134.5                      | 262.9                 | 3,693.4                   | 301,821                   | \$12,230                  |
| <b>Avg Annual % Change</b> |                           |                            |                             |                                   |                            |                              |                            |                       |                           |                           |                           |
| FY87 to FY97 (10 yr)       | 5.8%                      | 8.6%                       | 6.2%                        | 7.1%                              | 5.4%                       | 4.3%                         | 5.6%                       | 2.2%                  | 5.7%                      | 0.8%                      | 5.0%                      |
| FY97 to FY07 (10 yr)       | 4.2%                      | 5.5%                       | 4.4%                        | 4.8%                              | 5.4%                       | 5.4%                         | 3.6%                       | 10.7%                 | 5.0%                      | -0.2%                     | 5.1%                      |
| FY07 to FY17 (10 yr)       | 3.7%                      | 5.0%                       | 3.9%                        | 2.6%                              | 2.6%                       | 3.4%                         | 5.4%                       | 1.7%                  | 3.5%                      | 0.8%                      | 3.1%                      |
| FY97 to FY07 (20 yr)       | 3.9%                      | 5.3%                       | 4.2%                        | 3.7%                              | 4.0%                       | 4.4%                         | 4.5%                       | 6.1%                  | 4.3%                      | 0.3%                      | 4.1%                      |
| FY87 to FY17 (30 yr)       | 4.6%                      | 6.4%                       | 4.8%                        | 4.8%                              | 4.4%                       | 4.3%                         | 4.8%                       | 4.8%                  | 4.7%                      | 0.5%                      | 4.4%                      |

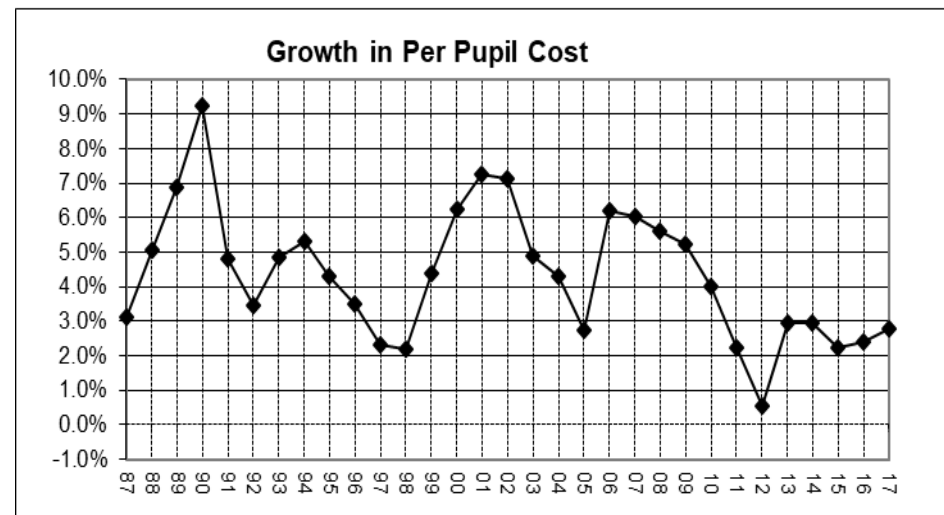
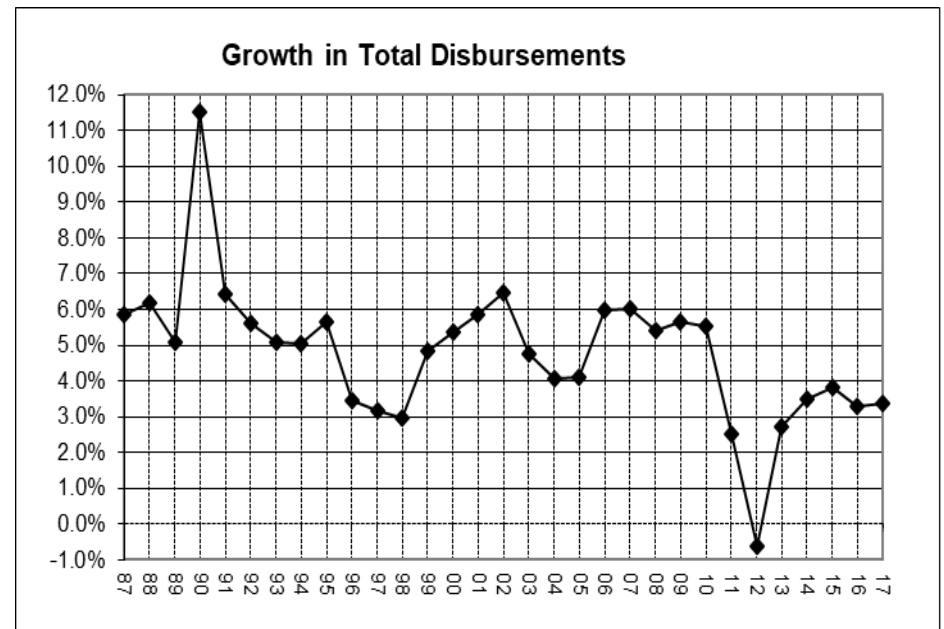
\* Approximately 75% of the "All Other" (column 8) is federal categorical grants

\*\* These years are "adjusted" by reallocating ARRA SFSF and EDJOBS from federal categorical to other categories using the ARRA AFR supplement



**Comments and Observations, - Table 10**

- (1) The highest spending growth (5.7%) over the past 30 years occurred in the 10 year period from FY87 to FY97. The highest growth year during this period was FY90 (11.5%) which was the year BEFORE enactment of LB1059 which more than doubled the level of state aid. Low spending growth years of 1996-1998 (3.2% average) related to the transition to and implementation of levy limits. The actual decline in disbursements in FY11-12 reflects the impact of the ARRA “cliff effect”.
- (2) Total spending growth over the past 20 years has been relatively consistent at 4.3% rate. With a slightly growing enrollment the growth in per pupil costs is 4.1%, slightly lower than the growth in total spending.
- (3) Spending growth by category has been relatively stable over the past 20 years with a higher rate of 6.1% in the “All Other” category and a low of 3.7% in Support Services (pupil & staff). The higher growth rate in the “All Other” category reflects a 6.3% average growth in Federal Categorical Grants and Corporate and Other Categorical Grants, and 9% growth in Summer School.
- (4) While total instruction has grown at almost the same rate as overall spending, special education has increased at a 5.3% rate versus 3.9% for regular instruction. This spending growth gap between special and regular instruction has been closing over the past 10 years.



**Table 11 Total School General Fund Disbursements  
FY87 to FY17 - By Major Category - % of Total**

|                      | (1)<br>Reg<br>Instruction | (2)<br>SPED<br>Instruction | (3)<br>Total<br>Instruction | (4)<br>Sprt Svcs<br>(pupil+staff) | (5)<br>Admin +<br>Business | (6)<br>Buildng<br>Op & Maint | (7)<br>Pupil<br>Transport. | (8)<br>All<br>Other* | (9)<br>Total<br>Disburse. |
|----------------------|---------------------------|----------------------------|-----------------------------|-----------------------------------|----------------------------|------------------------------|----------------------------|----------------------|---------------------------|
| 1986-87              | 52.4%                     | 7.7%                       | 60.2%                       | 6.4%                              | 11.5%                      | 11.3%                        | 3.5%                       | 7.1%                 | 100.0%                    |
| 1996-97              | 52.9%                     | 10.2%                      | 63.1%                       | 7.3%                              | 11.2%                      | 9.9%                         | 3.5%                       | 5.1%                 | 100.0%                    |
| 1997-98              | 52.1%                     | 10.2%                      | 62.3%                       | 7.4%                              | 11.1%                      | 10.4%                        | 3.5%                       | 5.4%                 | 100.0%                    |
| 1998-99              | 51.4%                     | 10.3%                      | 61.7%                       | 7.4%                              | 11.1%                      | 10.7%                        | 3.5%                       | 5.6%                 | 100.0%                    |
| 1999-00              | 51.1%                     | 10.5%                      | 61.6%                       | 7.5%                              | 11.1%                      | 10.7%                        | 3.4%                       | 5.6%                 | 100.0%                    |
| 2000-01              | 50.4%                     | 10.6%                      | 61.0%                       | 7.5%                              | 11.3%                      | 11.0%                        | 3.3%                       | 5.8%                 | 100.0%                    |
| 2001-02              | 50.5%                     | 10.9%                      | 61.4%                       | 7.7%                              | 11.4%                      | 10.3%                        | 3.1%                       | 6.1%                 | 100.0%                    |
| 2002-03              | 50.2%                     | 11.4%                      | 61.6%                       | 7.5%                              | 11.2%                      | 10.0%                        | 3.1%                       | 6.6%                 | 100.0%                    |
| 2003-04              | 49.7%                     | 11.4%                      | 61.1%                       | 7.3%                              | 11.1%                      | 10.1%                        | 3.2%                       | 7.2%                 | 100.0%                    |
| 2004-05              | 48.8%                     | 10.3%                      | 59.0%                       | 7.4%                              | 11.3%                      | 10.2%                        | 3.2%                       | 8.9%                 | 100.0%                    |
| 2005-06              | 48.4%                     | 10.6%                      | 59.0%                       | 7.2%                              | 11.4%                      | 10.2%                        | 3.3%                       | 8.9%                 | 100.0%                    |
| 2006-07              | 48.9%                     | 10.6%                      | 59.6%                       | 7.1%                              | 11.5%                      | 10.2%                        | 3.0%                       | 8.5%                 | 100.0%                    |
| 2007-08              | 49.5%                     | 10.8%                      | 60.4%                       | 6.7%                              | 11.0%                      | 10.3%                        | 3.4%                       | 8.3%                 | 100.0%                    |
| 2008-09              | 49.5%                     | 11.0%                      | 60.5%                       | 6.5%                              | 10.6%                      | 10.6%                        | 3.3%                       | 8.6%                 | 100.0%                    |
| 2009-10 **           | 50.1%                     | 10.6%                      | 60.7%                       | 6.2%                              | 10.1%                      | 10.0%                        | 3.2%                       | 9.7%                 | 100.0%                    |
| 2010-11 **           | 50.4%                     | 10.7%                      | 61.0%                       | 6.0%                              | 10.1%                      | 10.0%                        | 3.6%                       | 9.3%                 | 100.0%                    |
| 2011-12 **           | 49.9%                     | 11.3%                      | 61.3%                       | 6.3%                              | 10.5%                      | 10.0%                        | 3.7%                       | 8.2%                 | 100.0%                    |
| 2012-13              | 49.8%                     | 11.6%                      | 61.4%                       | 6.4%                              | 10.5%                      | 10.0%                        | 3.9%                       | 7.8%                 | 100.0%                    |
| 2013-14              | 49.2%                     | 11.9%                      | 61.1%                       | 6.5%                              | 10.4%                      | 10.1%                        | 3.8%                       | 8.0%                 | 100.0%                    |
| 2014-15              | 49.2%                     | 11.9%                      | 61.1%                       | 6.5%                              | 10.5%                      | 10.0%                        | 3.8%                       | 8.1%                 | 100.0%                    |
| 2015-16              | 49.5%                     | 12.2%                      | 61.7%                       | 6.6%                              | 10.7%                      | 10.1%                        | 3.7%                       | 7.2%                 | 100.0%                    |
| 2016-17              | 49.8%                     | 12.3%                      | 62.0%                       | 6.5%                              | 10.5%                      | 10.1%                        | 3.6%                       | 7.1%                 | 100.0%                    |
| <u>Average</u>       |                           |                            |                             |                                   |                            |                              |                            |                      |                           |
| FY87 to FY97 (10 yr) | 53.6%                     | 9.0%                       | 62.5%                       | 6.8%                              | 11.4%                      | 10.3%                        | 3.5%                       | 5.6%                 | 100.0%                    |
| FY97 to FY07 (10 yr) | 50.4%                     | 10.6%                      | 61.0%                       | 7.4%                              | 11.2%                      | 10.4%                        | 3.3%                       | 6.7%                 | 100.0%                    |
| FY07 to FY17 (10 yr) | 49.7%                     | 11.4%                      | 61.1%                       | 6.4%                              | 10.5%                      | 10.1%                        | 3.6%                       | 8.2%                 | 100.0%                    |
| FY97 to FY07 (20 yr) | 50.1%                     | 11.0%                      | 61.1%                       | 6.9%                              | 10.9%                      | 10.2%                        | 3.4%                       | 7.4%                 | 100.0%                    |
| FY87 to FY17 (30 yr) | 51.2%                     | 10.3%                      | 61.5%                       | 6.9%                              | 11.0%                      | 10.3%                        | 3.5%                       | 6.9%                 | 100.0%                    |

\* Approximately 79% of the "All Other" (column 8) is federal and corporate categorical grants

\*\* These years are "adjusted" by reallocating ARRA SFSF and EDJOBS from federal categorical to other categories using the ARRA AFR suppl

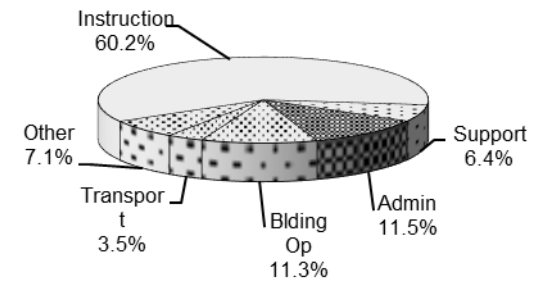
**Comments and Observations, - Table 11**

- (1) For the most part, over the last 30 years the portion of spending in the respective categories has changed relatively little.
- (2) The most significant shifts were in Special Education which increased its portion of the total by 4.5% points while Regular Education declined by 2.7% points.
- (3) Administrative costs declined slightly from 11.5% to 10.5% of total expenditures.
- (4) "Total Instruction" as a percent of total disbursements ranged from a high of 63.9% in FY1994-95 to a low of 59% ten years later in FY2004-05 and FY2005-06. This is below the 65% level that many consider as target for school instructional expenditures.

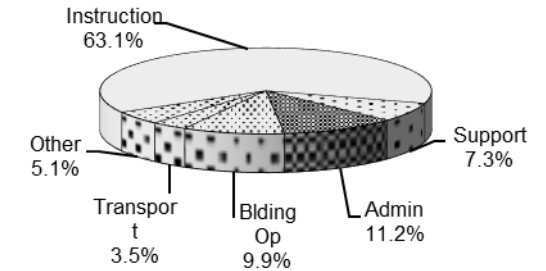
One problem is that Federal categorical expenditures are reported as a separate category on the Annual Financial Report and are not separated into instructional and non-instructional costs. It's clear that a significant portion of these federal categorical grants are expended in areas that would be considered "instruction".

Prorating federal categorical grants to the Instruction category in proportion to non-Federal Categorical expenditures yields "Total Instruction" as a percent of total disbursements ranging from a low of 62% in FY87 to a high of 66.4% in FY1994-95. The FY2017-18 level would be right at 65.4%.

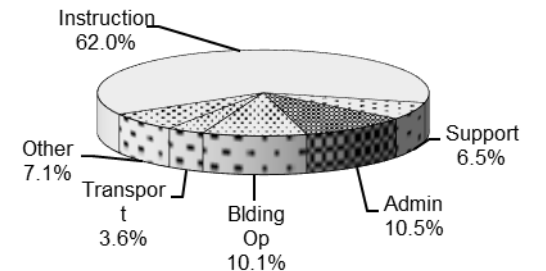
GF Disbursements FY86-87



GF Disbursements FY96-97



GF Disbursements FY16-17



**Table 12 Total School General Fund Disbursements  
FY87 to FY17 - By Major Line Item**

|  | (1)                | (2)                  | (3)                  | (4)                  | (5)                   | (6)                   | (7)                             | (8)         | (9)         | (10)                |
|--|--------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|---------------------------------|-------------|-------------|---------------------|
|  | 1986-87            | 1996-97              | 2006-07              | 2016-17              | 1986-87<br>% of total | 2016-17<br>% of total | Avg Annual % Change<br>87 to 97 | 97 to 07    | 07 to 17    | 87 to 17<br>(30 Yr) |
| Regular Teacher Salaries                     | 392,446,330        | 659,984,780          | 949,487,694          | 1,319,013,520        | 42.6%                 | 35.7%                 | 5.3%                            | 3.7%        | 3.3%        | 4.1%                |
| Substitute Teacher Salaries                  | 6,022,749          | 11,147,196           | 25,733,496           | 35,630,169           | 0.7%                  | 1.0%                  | 6.3%                            | 8.7%        | 3.3%        | 6.1%                |
| Teachers Stipends                            | na                 | na                   | na                   | 15,233,434           | --                    | 0.4%                  | --                              | --          | --          | na                  |
| Teacher Aides/Class Mgmt Salaries            | 13,863,614         | 33,237,352           | 75,062,175           | 136,162,979          | 1.5%                  | 3.7%                  | 9.1%                            | 8.5%        | 6.1%        | 7.9%                |
| Building Oper/Maint Salaries                 | 41,402,269         | 58,677,358           | 92,907,697           | 126,038,957          | 4.5%                  | 3.4%                  | 3.5%                            | 4.7%        | 3.1%        | 3.8%                |
| Pupil Transportation Salaries                | 11,378,251         | 19,309,935           | 28,034,134           | 41,334,155           | 1.2%                  | 1.1%                  | 5.4%                            | 3.8%        | 4.0%        | 4.4%                |
| Support Services - Pupils Salaries           | 22,563,942         | 46,384,663           | 72,106,592           | 87,283,364           | 2.5%                  | 2.4%                  | 7.5%                            | 4.5%        | 1.9%        | 4.6%                |
| Support Services - Staff Salaries            | 18,330,907         | 32,234,097           | 47,782,587           | 60,897,652           | 2.0%                  | 1.6%                  | 5.8%                            | 4.0%        | 2.5%        | 4.1%                |
| Support Services - Business Salaries         | 5,099,339          | 10,305,102           | 18,496,563           | 24,679,525           | 0.6%                  | 0.7%                  | 7.3%                            | 6.0%        | 2.9%        | 5.4%                |
| Superintendents / Exec Admin Salaries        | 21,385,921         | 31,257,389           | 42,360,915           | 55,876,896           | 2.3%                  | 1.5%                  | 3.9%                            | 3.1%        | 2.8%        | 3.3%                |
| Office of Principal Salaries                 | 39,403,742         | 67,410,262           | 108,894,044          | 138,980,580          | 4.3%                  | 3.8%                  | 5.5%                            | 4.9%        | 2.5%        | 4.3%                |
| Summer School, Comm Service, Other Salaries  | 2,082,528          | 5,092,907            | 7,353,464            | 25,360,451           | 0.2%                  | 0.7%                  | 9.4%                            | 3.7%        | 13.2%       | 8.7%                |
| <b>Subtotal-Salaries</b>                     | <b>573,979,592</b> | <b>975,041,041</b>   | <b>1,468,219,362</b> | <b>2,066,491,684</b> | <b>62.4%</b>          | <b>56.0%</b>          | <b>5.4%</b>                     | <b>4.2%</b> | <b>3.5%</b> | <b>4.4%</b>         |
| <b>Employee Benefits (total)</b>             | <b>113,538,730</b> | <b>257,878,657</b>   | <b>473,287,489</b>   | <b>751,371,712</b>   | <b>12.3%</b>          | <b>20.3%</b>          | <b>8.5%</b>                     | <b>6.3%</b> | <b>4.7%</b> | <b>6.5%</b>         |
| <b>Total Personal Services</b>               | <b>687,518,322</b> | <b>1,232,919,698</b> | <b>1,941,506,851</b> | <b>2,817,863,396</b> | <b>74.7%</b>          | <b>76.3%</b>          | <b>6.0%</b>                     | <b>4.6%</b> | <b>3.8%</b> | <b>4.8%</b>         |
| Building oper/maint/sites/bldngs             | 57,178,531         | 83,242,554           | 142,713,898          | 197,800,781          | 6.2%                  | 5.4%                  | 3.8%                            | 5.5%        | 3.3%        | 4.2%                |
| Pupil Transportation                         | 19,624,533         | 32,715,507           | 44,158,717           | 79,574,822           | 2.1%                  | 2.2%                  | 5.2%                            | 3.0%        | 6.1%        | 4.8%                |
| Purchased Services                           | 16,277,755         | 41,644,700           | 107,336,955          | 153,336,245          | 1.8%                  | 4.2%                  | 9.8%                            | 9.9%        | 3.6%        | 7.8%                |
| Lobbyist Fees and Expenses                   | na                 | na                   | na                   | 541,693              | --                    | 0.0%                  | na                              | na          | na          | na                  |
| Legal Expenses                               | 1,417,574          | 2,295,575            | 6,413,341            | 4,765,434            | 0.2%                  | 0.1%                  | 4.9%                            | 10.8%       | -2.9%       | 4.1%                |
| Distance Education                           | na                 | na                   | 4,723,488            | 9,541,133            | na                    | 0.3%                  | na                              | na          | na          | na                  |
| Supplies                                     | 31,273,777         | 54,831,349           | 55,285,708           | 112,529,386          | 3.4%                  | 3.0%                  | 5.8%                            | 0.1%        | 7.4%        | 4.4%                |
| Textbooks                                    | in supplies        | in supplies          | 14,191,729           | 18,273,196           | na                    | 0.5%                  | na                              | na          | na          | na                  |
| Capital Outlay (new & replacement)           | 11,441,653         | 35,725,986           | 44,781,013           | 35,552,959           | 1.2%                  | 1.0%                  | 12.1%                           | 2.3%        | -2.3%       | 3.9%                |
| Tuition paid others                          | 18,994,901         | 27,076,902           | 21,183,671           | 20,697,572           | 2.1%                  | 0.6%                  | 3.6%                            | -2.4%       | -0.2%       | 0.3%                |
| Other expenses                               | 14,218,183         | 22,599,820           | 25,893,056           | 34,718,383           | 1.5%                  | 0.9%                  | 4.7%                            | 1.4%        | 3.0%        | 3.0%                |
| Transfers (School Lunch)                     | 1,130,690          | 1,951,660            | 2,880,379            | 5,139,777            | 0.1%                  | 0.1%                  | 5.6%                            | 4.0%        | 6.0%        | 5.2%                |
| Transfers (Other)                            | 4,427,773          | 3,789,730            | 4,176,832            | 8,338,623            | 0.5%                  | 0.2%                  | -1.5%                           | 1.0%        | 7.2%        | 2.1%                |
| Debt Service                                 | 29,758,539         | 1,785,393            | 7,425,842            | 6,794,864            | 3.2%                  | 0.2%                  | -24.5%                          | 15.3%       | -0.9%       | -4.8%               |
| <b>Total Operating expenses</b>              | <b>205,743,908</b> | <b>307,659,174</b>   | <b>481,164,628</b>   | <b>687,604,867</b>   | <b>22.4%</b>          | <b>18.6%</b>          | <b>4.1%</b>                     | <b>4.6%</b> | <b>3.6%</b> | <b>4.1%</b>         |
| <b>Total General Fund operating expenses</b> | <b>893,262,231</b> | <b>1,540,578,872</b> | <b>2,422,671,479</b> | <b>3,505,468,262</b> | <b>97.1%</b>          | <b>94.9%</b>          | <b>5.6%</b>                     | <b>4.6%</b> | <b>3.8%</b> | <b>4.7%</b>         |
| Fed Categorical Grants                       | 27,116,373         | 61,104,077           | 195,875,737          | 187,935,558          | 2.9%                  | 5.1%                  | 8.5%                            | 12.4%       | -0.4%       | 6.7%                |
| <b>Total Disbursements-General Fund</b>      | <b>920,378,604</b> | <b>1,601,682,949</b> | <b>2,618,547,216</b> | <b>3,693,403,821</b> | <b>100.0%</b>         | <b>100.0%</b>         | <b>5.7%</b>                     | <b>5.0%</b> | <b>3.5%</b> | <b>4.7%</b>         |

**Comments and Observations, - Table 12**

- (1) Average annual spending growth over the past 30 years was 4.7%. This 30 year average is inflated somewhat by the 5.7% average growth in the 10 year period FY86-87 to FY96-97. Over the last 20 years the average growth is 4.3%.
- (2) Over the last 10 years the average spending growth has declined 3.5%
- (3) Over the past 30 years, the fastest growing categories are employee benefits (6.5% average), teacher aides (7.9% average), substitute teachers (6.1% average) and purchased services (7.8% average).

- (4) Regular Teacher Salaries has declined from 42.6% to 35.7% as a percent of total disbursements. While this is a simple fact, it can be misleading without taking into consideration benefits, substitute and teacher Aide salaries, and federal categorical grants. While salaries declined as a percent of total, benefits increased significantly from 12.3% to 20.3% of total spending. Salaries for substitute teachers and teacher aides grew from 2.2% to 5.1% of total spending.

| <b>Teachers Salaries as a % of Total Disbursements</b> | 1986-87     | 2016-17       | 1986-87<br>% of total | 2016-17<br>% of total |
|--|-------------|---------------|-----------------------|-----------------------|
| Regular Teacher Salaries                               | 392,446,330 | 1,319,013,520 | 42.6%                 | 35.7%                 |
| Substitute Teachers, Aides, Stipends                   | 19,886,364  | 187,026,582   | 2.2%                  | 5.1%                  |
| Early Retirement or Termination                        | 0           | 16,007,648    | 0.0%                  | 0.4%                  |
| Prorated Fed Categorical (1)                           | 11,915,386  | 70,715,101    | 1.3%                  | 1.9%                  |
| Adjusted teacher salaries                              | 424,248,080 | 1,592,762,852 | 46.1%                 | 43.1%                 |
| Prorated Benefits (2)                                  | 77,629,690  | 443,787,562   | 8.4%                  | 12.0%                 |
| Adjusted Total Salaries and Benefits                   | 501,877,770 | 2,036,550,414 | 54.5%                 | 55.1%                 |

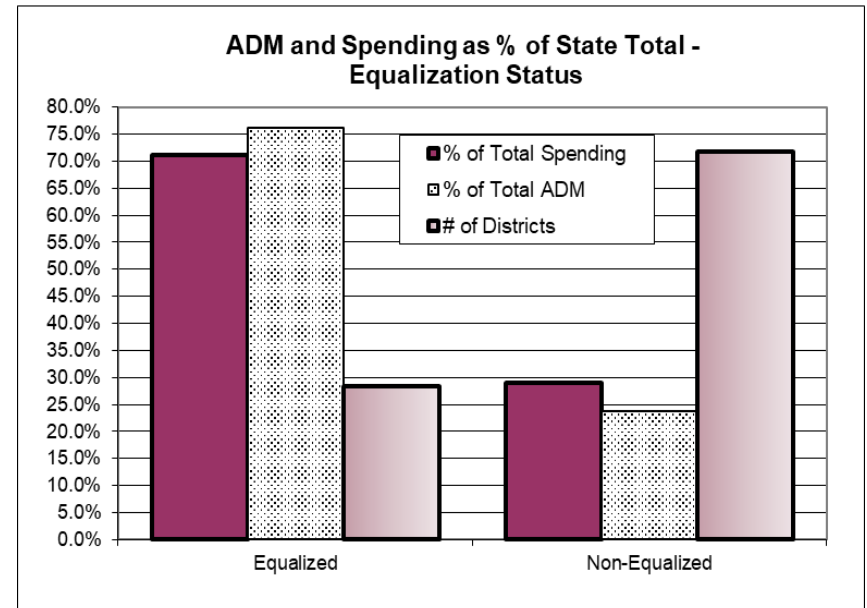
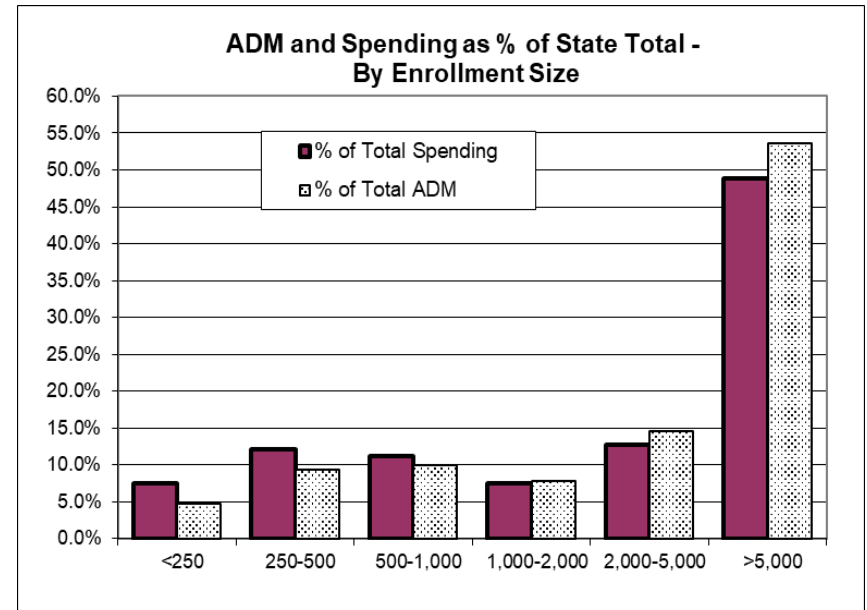
Also in the Annual Financial Report (AFR), federal categorical grants are shown as a whole amount for accounting purposes although these funds are expended for things such as salaries, benefits, purchased services, etc. This category has gone from 2.9% to 5.1% of total disbursements during the last 30 years. In other words, it's likely that some of the decline in teacher salaries as a percent of disbursements as noted above has been shifted to teacher salaries inside of the federal categorical grant line item. Because the AFR does not differentiate specific federal expenditures, the other categories and line items are understated.

The table shown here combines the Regular Teacher Salary line item with substitute teacher salaries, teacher aides, teacher stipends, and prorated amounts of benefits and federal categorical grants based on their proportions relative to non-federal categorical expenditures. These combined teacher salary and benefits has remained virtually constant as a percent of total disbursements, and have actually increased slightly from 54.5% in FY1986-87 to 55.1% in FY2016-17.

**Table 13**  
**Breakdown of FY2016-17 School Data by Category**

|                                    | (1)<br># of Districts |            | (3)<br>ADM |            | (5)<br>Disbursements |            |
|------------------------------------|-----------------------|------------|------------|------------|----------------------|------------|
|                                    | Total                 | % of Total | Total      | % of Total | (Millions \$)        | % of Total |
| <b>By Enrollment Size</b>          |                       |            |            |            |                      |            |
| <250                               | 82                    | 33.6%      | 14,345.6   | 4.8%       | 278.5                | 7.5%       |
| 250-500                            | 80                    | 32.8%      | 28,233.2   | 9.4%       | 449.4                | 12.2%      |
| 500-1,000                          | 44                    | 18.0%      | 30,102.2   | 10.0%      | 414.4                | 11.2%      |
| 1,000-2,000                        | 16                    | 6.6%       | 23,636.8   | 7.8%       | 277.8                | 7.5%       |
| 2,000-5,000                        | 13                    | 5.3%       | 43,831.3   | 14.5%      | 470.7                | 12.7%      |
| >5,000                             | 9                     | 3.7%       | 161,672.1  | 53.6%      | 1,802.8              | 48.8%      |
| State Total                        | 244                   | 100.0%     | 301,821.2  | 100.0%     | 3,693.4              | 100.0%     |
| <b>By Enrollment Trend (10 yr)</b> |                       |            |            |            |                      |            |
| Growing                            | 90                    | 36.9%      | 229,955.7  | 76.2%      | 2,639.1              | 71.5%      |
| Declining                          | 154                   | 63.1%      | 71,865.5   | 23.8%      | 1,054.4              | 28.5%      |
| State Total                        | 244                   | 100.0%     | 301,821.2  | 100.0%     | 3,693.4              | 100.0%     |
| <b>By Equalization Status</b>      |                       |            |            |            |                      |            |
| Equalized                          | 69                    | 28.3%      | 231,124.6  | 76.6%      | 2,623.8              | 71.0%      |
| Non-Equalized                      | 175                   | 71.7%      | 70,696.6   | 23.4%      | 1,069.6              | 29.0%      |
| State Total                        | 244                   | 100.0%     | 301,821.2  | 100.0%     | 3,693.4              | 100.0%     |
| <b>By Per Pupil Cost</b>           |                       |            |            |            |                      |            |
| < \$11,000                         | 16                    | 6.6%       | 80,974.0   | 26.8%      | 806.5                | 21.8%      |
| \$11,000-14,000                    | 57                    | 23.4%      | 170,191.8  | 56.4%      | 2,017.9              | 54.6%      |
| \$14,000-17,000                    | 76                    | 31.1%      | 29,108.6   | 9.6%       | 440.9                | 11.9%      |
| \$17,000-20,000                    | 54                    | 22.1%      | 14,623.6   | 4.8%       | 267.0                | 7.2%       |
| > \$20,000                         | 41                    | 16.8%      | 6,923.2    | 2.3%       | 161.2                | 4.4%       |
| State Total                        | 244                   | 100.0%     | 301,821.2  | 100.0%     | 3,693.4              | 100.0%     |
| <b>By GF Levy</b>                  |                       |            |            |            |                      |            |
| < \$.75                            | 109                   | 44.7%      | 33,162.1   | 11.0%      | 554.7                | 15.0%      |
| \$.75 to \$.95                     | 66                    | 27.0%      | 31,295.8   | 10.4%      | 436.2                | 11.8%      |
| \$.95 to \$1.00                    | 20                    | 8.2%       | 8,943.5    | 3.0%       | 120.9                | 3.3%       |
| \$1.00 to \$1.05                   | 41                    | 16.8%      | 141,314.5  | 46.8%      | 1,544.3              | 41.8%      |
| > \$1.05                           | 8                     | 3.3%       | 87,105.3   | 28.9%      | 1,037.4              | 28.1%      |
| State Total                        | 244                   | 100.0%     | 301,821.2  | 100.0%     | 3,693.4              | 100.0%     |

1. The 244 total school systems shown for FY2016-17 are based on the FY2018-19 aid certification.
2. In FY2016-17 the average size of a district was 1,237 students. The median (half above and half below) for FY16-17 is 350. The high ADM is 49,559 (Omaha) and the low is 63 (Loup County).
3. Over the past ten years (FY07 to FY17) there were 11 mergers, unifications, or dissolutions of Class 2-5 systems. In the prior 10 year period (FY97 to FY07) there were 28.
4. In FY2016-17, 63% of the school districts have declining enrollments over the past 10 years.
5. About 2/3 (66%) of the number of school districts have less than 500 students but account for only 14% of the ADM and 20% of total disbursements.
6. Only 28% of school districts receive equalization aid to some degree but these districts enroll 76% of the ADM students. About 72% of school districts are “non-equalized” and have 23% of the ADM students.
7. Approximately 80% of the school districts have a General Fund (GF) levy under \$1.00. Almost 45% of the districts have a GF levy under \$.75. However, about 76% of the ADM students are in districts with a GF levy above \$1.00.
8. About 59% of students are in the 45 districts with per pupil costs below the state average per pupil cost of \$12,230.
9. The relationship between the % of total ADM (column 4) and % of total disbursements (column 6) is relatively even.



**Table 14**  
**FY2016-17 Total Disbursements by Category (millions of \$)**

| System Size   | (1)<br>Non-SPED<br>Instruction | (2)<br>SPED<br>Instruction | (3)<br>Total<br>Instruction | (4)<br>Sprt Svcs<br>Pupil+Staff | (5)<br>Admin +<br>Business | (6)<br>Bldng Oper<br>& Maint. | (7)<br>Pupil<br>Transport. | (8)<br>All<br>Other | (9)<br>Total |
|---------------|--------------------------------|----------------------------|-----------------------------|---------------------------------|----------------------------|-------------------------------|----------------------------|---------------------|--------------|
| Under 250     | 135.9                          | 28.0                       | 163.9                       | 15.0                            | 38.0                       | 30.2                          | 14.2                       | 17.1                | 278.5        |
| 250-500       | 221.2                          | 53.6                       | 274.8                       | 23.6                            | 53.5                       | 48.2                          | 20.9                       | 28.5                | 449.4        |
| 500-1,000     | 200.6                          | 53.0                       | 253.6                       | 28.4                            | 44.0                       | 47.7                          | 15.6                       | 25.0                | 414.4        |
| 1,000-2,000   | 137.9                          | 37.2                       | 175.0                       | 20.6                            | 27.4                       | 27.5                          | 7.6                        | 19.5                | 277.7        |
| 2,000-5,000   | 233.3                          | 59.6                       | 292.8                       | 40.3                            | 46.7                       | 49.5                          | 10.8                       | 30.6                | 470.7        |
| Greater 5,000 | 908.9                          | 222.6                      | 1,131.4                     | 113.3                           | 179.9                      | 170.7                         | 65.4                       | 142.1               | 1,802.8      |
| State Total   | \$1,837.7                      | \$454.0                    | \$2,291.6                   | \$241.3                         | \$389.5                    | \$373.7                       | \$134.5                    | \$262.9             | \$3,693.4    |

**Table 15**  
**FY2016-17 Total Disbursements by Category (% of Total)**

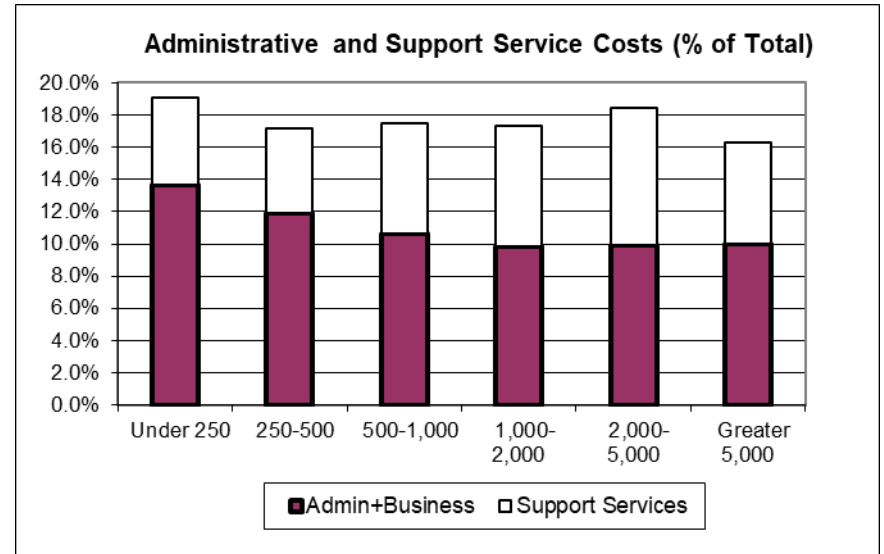
| System Size   | (1)<br>Non-SPED<br>Instruction | (2)<br>SPED<br>Instruction | (3)<br>Total<br>Instruction | (4)<br>Sprt Svcs<br>Pupil+Staff | (5)<br>Admin +<br>Business | (6)<br>Bldng Oper<br>& Maint. | (7)<br>Pupil<br>Transport. | (8)<br>All<br>Other | (9)<br>Total |
|---------------|--------------------------------|----------------------------|-----------------------------|---------------------------------|----------------------------|-------------------------------|----------------------------|---------------------|--------------|
| Under 250     | 48.8%                          | 10.1%                      | 58.9%                       | 5.4%                            | 13.7%                      | 10.8%                         | 5.1%                       | 6.2%                | 100.0%       |
| 250-500       | 49.2%                          | 11.9%                      | 61.1%                       | 5.2%                            | 11.9%                      | 10.7%                         | 4.6%                       | 6.3%                | 100.0%       |
| 500-1,000     | 48.4%                          | 12.8%                      | 61.2%                       | 6.9%                            | 10.6%                      | 11.5%                         | 3.8%                       | 6.0%                | 100.0%       |
| 1,000-2,000   | 49.6%                          | 13.4%                      | 63.0%                       | 7.4%                            | 9.9%                       | 9.9%                          | 2.7%                       | 7.0%                | 100.0%       |
| 2,000-5,000   | 49.6%                          | 12.7%                      | 62.2%                       | 8.6%                            | 9.9%                       | 10.5%                         | 2.3%                       | 6.5%                | 100.0%       |
| Greater 5,000 | 50.4%                          | 12.3%                      | 62.8%                       | 6.3%                            | 10.0%                      | 9.5%                          | 3.6%                       | 7.9%                | 100.0%       |
| State Total   | 49.8%                          | 12.3%                      | 62.0%                       | 6.5%                            | 10.5%                      | 10.1%                         | 3.6%                       | 7.1%                | 100.0%       |



(1) For the most part, the percent of budget expended in categories is not dramatically different based on the size of school system. In most cases, the difference is  $\pm 2\%$  compared to the state average.

(2) Administrative and business costs as a percent of the total budget declines from the 13.7% for systems under 250 to 9.9% for system 1,000-2,000 in size and then increases slightly in the over 5,000 category.

(3) While administrative and business costs decrease (as a percent of total) as the system size increases, the opposite occurs with support services for pupils and staff. In this category the percent of total increases as the size increases. The percent of total budget for these two categories combined is almost the same regardless of size. The combined percent of total is 19.1% for under 250 and 18.5% for 2000-5,000 size schools.



**Table 16**  
**FY2016-17 Total Disbursements Per ADM Pupil**

| System Size   | (1)<br>Non-SPED<br>Instruction | (2)<br>SPED<br>Instruction | (3)<br>Total<br>Instruction | (4)<br>Sprt Svcs<br>Pupil+Staff | (5)<br>Admin +<br>Business | (6)<br>Bldng Oper<br>& Maint. | (7)<br>Pupil<br>Transport. | (8)<br>All<br>Other | (9)<br>Total |
|---------------|--------------------------------|----------------------------|-----------------------------|---------------------------------|----------------------------|-------------------------------|----------------------------|---------------------|--------------|
| Under 250     | \$9,472                        | \$1,955                    | \$11,427                    | \$1,049                         | \$2,652                    | \$2,102                       | \$987                      | \$1,194             | \$19,411     |
| 250-500       | \$7,834                        | \$1,899                    | \$9,733                     | \$835                           | \$1,896                    | \$1,706                       | \$739                      | \$1,008             | \$15,918     |
| 500-1,000     | \$6,665                        | \$1,760                    | \$8,425                     | \$944                           | \$1,460                    | \$1,585                       | \$519                      | \$832               | \$13,765     |
| 1,000-2,000   | \$5,833                        | \$1,573                    | \$7,406                     | \$872                           | \$1,161                    | \$1,164                       | \$321                      | \$826               | \$11,749     |
| 2,000-5,000   | \$5,322                        | \$1,359                    | \$6,681                     | \$920                           | \$1,064                    | \$1,128                       | \$247                      | \$698               | \$10,738     |
| Greater 5,000 | \$5,622                        | \$1,377                    | \$6,998                     | \$701                           | \$1,113                    | \$1,056                       | \$404                      | \$879               | \$11,151     |
| State Total   | \$6,089                        | \$1,504                    | \$7,593                     | \$799                           | \$1,291                    | \$1,238                       | \$446                      | \$871               | \$12,237     |

**Table 17**  
**FY2016-17 Per Pupil Disbursements – Variance from the State Average**

| System Size   | (1)<br>Non-SPED<br>Instruction | (2)<br>SPED<br>Instruction | (3)<br>Total<br>Instruction | (4)<br>Sprt Svcs<br>Pupil+Staff | (5)<br>Admin +<br>Business | (6)<br>Bldng Oper<br>& Maint. | (7)<br>Pupil<br>Transport. | (8)<br>All<br>Other | (9)<br>Total |
|---------------|--------------------------------|----------------------------|-----------------------------|---------------------------------|----------------------------|-------------------------------|----------------------------|---------------------|--------------|
| Under 250     | 55.6%                          | 30.0%                      | 50.5%                       | 31.2%                           | 105.5%                     | 69.8%                         | 121.5%                     | 37.1%               | 58.6%        |
| 250-500       | 28.7%                          | 26.2%                      | 28.2%                       | 4.5%                            | 46.9%                      | 37.8%                         | 65.9%                      | 15.7%               | 30.1%        |
| 500-1,000     | 9.5%                           | 17.0%                      | 11.0%                       | 18.1%                           | 13.2%                      | 28.0%                         | 16.5%                      | -4.5%               | 12.5%        |
| 1,000-2,000   | -4.2%                          | 4.6%                       | -2.5%                       | 9.0%                            | -10.1%                     | -6.0%                         | -27.8%                     | -5.2%               | -4.0%        |
| 2,000-5,000   | -12.6%                         | -9.6%                      | -12.0%                      | 15.1%                           | -17.5%                     | -8.9%                         | -44.5%                     | -19.9%              | -12.2%       |
| Greater 5,000 | -7.7%                          | -8.5%                      | -7.8%                       | -12.3%                          | -13.8%                     | -14.7%                        | -9.2%                      | 0.9%                | -8.9%        |
| State Total   | 0.0%                           | 0.0%                       | 0.0%                        | 0.0%                            | 0.0%                       | 0.0%                          | 0.0%                       | 0.0%                | 0.0%         |

**NOTE:** Per Pupil Disbursements shown here are based on total disbursements. This is not the same as what is commonly referred to as per pupil cost. Per pupil costs are derived at by taking total disbursements and subtracting out federal categorical grants, community services, state categorical grants debt service, summer school, adult education, and transfers to achieve what's called Total Current Expense. From this is then subtracted tuition paid and capital outlay, and then a depreciation allowance, equal to 3% of the value of buildings and contents, is then added back.

(1) While the percent of total expended in the different categories is not dramatically different based on the size of school system, the amount per ADM pupil is. Average per pupil total disbursements range from \$19,411 in systems under 250 ADM to \$10,738 for schools with ADM between 2,000 and 5,000.

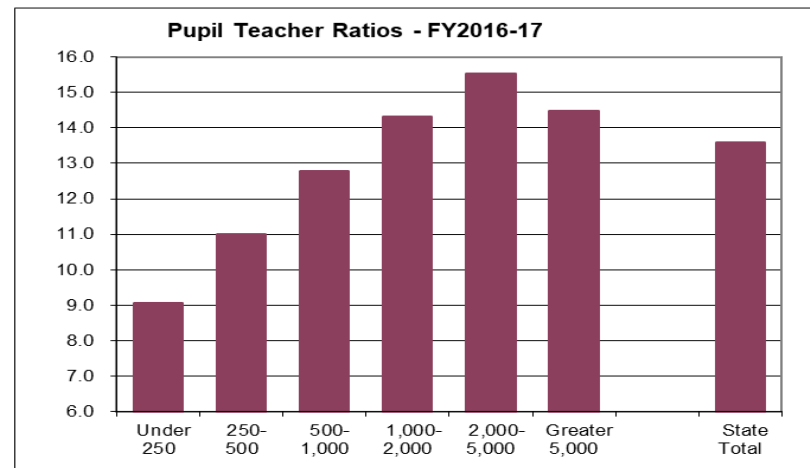
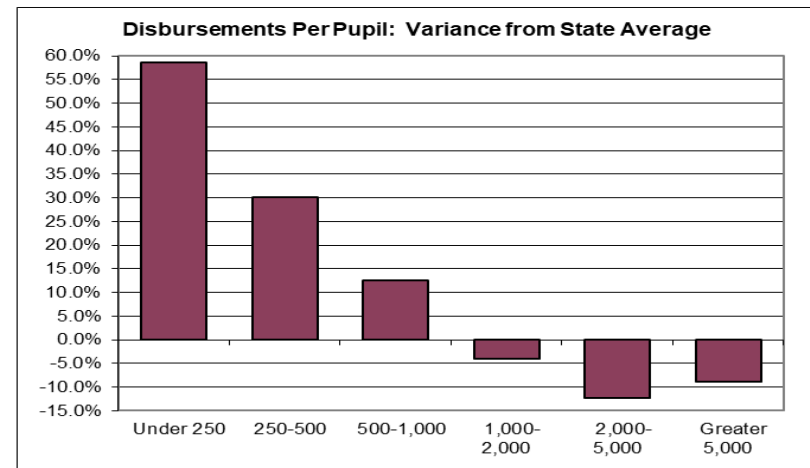
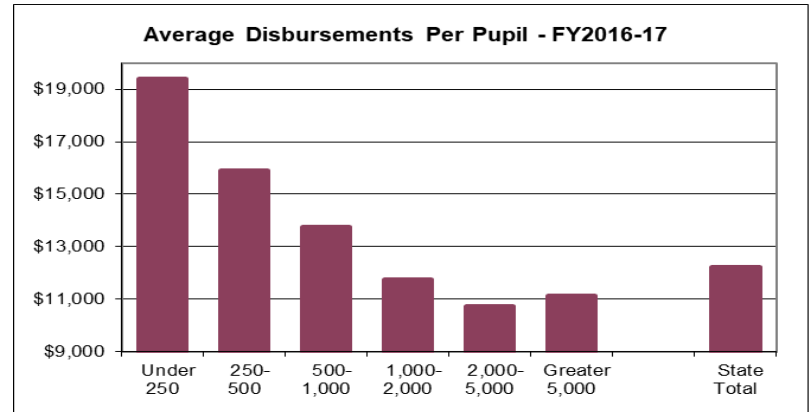
The highest disbursements per pupil was \$37,315 (Santee) and the lowest \$9,111.(Bennington)

(2) The average disbursements per pupil in systems with less than 250 ADM are 58.6% higher than the state average. This variance drops significantly to 30.1% higher for systems with 250-500 ADM and 12.5% for systems with 500-1000 ADM.

(3) Of the 206 systems under 1,000 ADM, 191 (93%) had disbursements per pupil above the state average. Of the 38 systems with more than 1,000 ADM, 8 (21%) had disbursements per pupil above the state average.

(4) Per pupil transportation costs in schools with under 250 ADM are over two times higher than the state average. However, this only accounts for 7.5% of the difference in total per pupil costs.

(5) Because teacher salary and benefits are the largest school expenditure, the pupil-teacher ratio is probably the largest determining factor of per pupil disbursements. Systems with under 250 ADM have per pupil disbursements that are 59% above the state average and a pupil teacher ratio 33% below the state average.

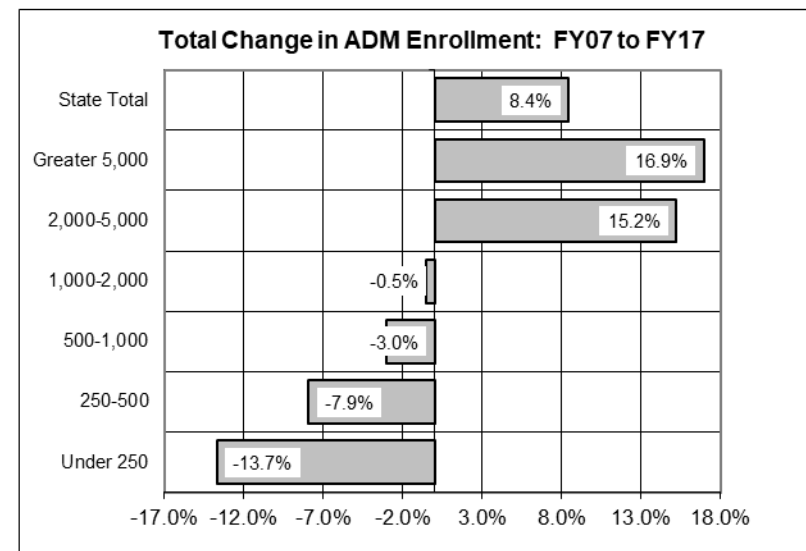
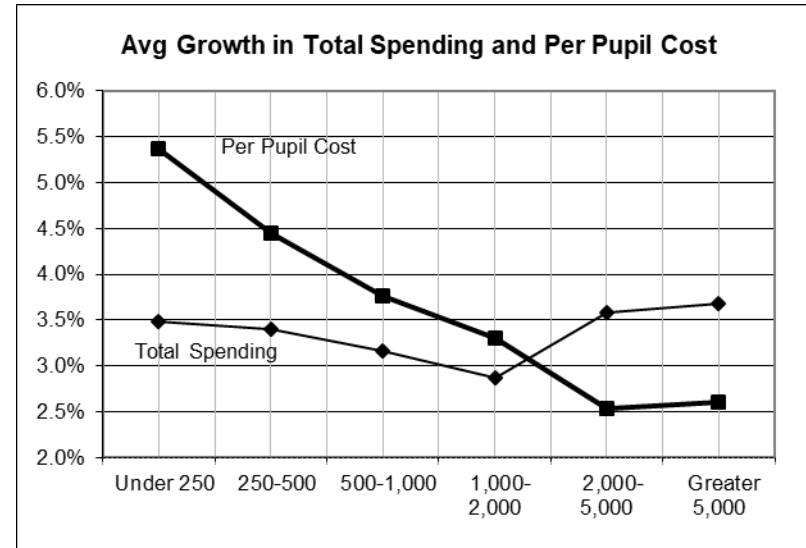


| FY2016-17 Pupil Teacher Ratios |                 |               |           |                    |                    |                    |
|--------------------------------|-----------------|---------------|-----------|--------------------|--------------------|--------------------|
| System Size                    | Fall Membership | # of Teachers | P-T Ratio | Variance State Avg | Per Pupil Disburse | Variance State Avg |
| Under 250                      | 15,851          | 1,749         | 9.1       | -33.4%             | \$19,411           | 58.6%              |
| 250-500                        | 30,706          | 2,793         | 11.0      | -19.2%             | \$15,918           | 30.1%              |
| 500-1,000                      | 32,211          | 2,521         | 12.8      | -6.0%              | \$13,765           | 12.5%              |
| 1,000-2,000                    | 25,353          | 1,771         | 14.3      | 5.3%               | \$11,749           | -4.0%              |
| 2,000-5,000                    | 46,334          | 2,982         | 15.5      | 14.3%              | \$10,738           | -12.2%             |
| Greater 5,000                  | 168,398         | 11,628        | 14.5      | 6.5%               | \$11,151           | -8.9%              |
| State Total                    | 318,853         | 23,444        | 13.6      | 0.0%               | \$12,237           | 0.0%               |

**Table 18**  
**Changes in Last 10 Years (FY2006-07 to FY2016-17)**

|  | (1)<br>ADM<br>Elementary | (2)<br>ADM<br>Secondary | (3)<br>ADM<br>Total | (4)<br>% of<br>State Total | (5)<br>Ratio<br>Elem/Scnc | (6)<br>Spending<br>(millions) | (7)<br>% of<br>State Total | (8)<br>Per Pupil<br>Cost (ADM) |
|--|--------------------------|-------------------------|---------------------|----------------------------|---------------------------|-------------------------------|----------------------------|--------------------------------|
| <b>FY2016-17</b>                             |                          |                         |                     |                            |                           |                               |                            |                                |
| Under 250                                    | 7,560.8                  | 6,784.8                 | 14,345.6            | 4.8%                       | 1.11                      | 278.5                         | 7.5%                       | \$19,781                       |
| 250-500                                      | 14,526.2                 | 13,707.0                | 28,233.2            | 9.4%                       | 1.06                      | 449.4                         | 12.2%                      | \$16,058                       |
| 500-1,000                                    | 15,677.1                 | 14,425.1                | 30,102.2            | 10.0%                      | 1.09                      | 414.4                         | 11.2%                      | \$13,849                       |
| 1,000-2,000                                  | 12,605.5                 | 11,031.3                | 23,636.8            | 7.8%                       | 1.14                      | 277.8                         | 7.5%                       | \$11,945                       |
| 2,000-5,000                                  | 24,648.5                 | 19,182.7                | 43,831.3            | 14.5%                      | 1.28                      | 470.7                         | 12.7%                      | \$10,950                       |
| Greater 5,000                                | 84,900.9                 | 76,771.3                | 161,672.1           | 53.6%                      | 1.11                      | 1,802.8                       | 48.8%                      | \$10,969                       |
| State Total                                  | 159,919.0                | 141,902.2               | 301,821.2           | 100.0%                     | 1.13                      | 3,693.4                       | 100.0%                     | \$12,225                       |
| <b>FY2006-07</b>                             |                          |                         |                     |                            |                           |                               |                            |                                |
| Under 250                                    | 7,956.1                  | 8,666.5                 | 16,622.6            | 6.0%                       | 0.92                      | 197.6                         | 7.5%                       | \$11,720                       |
| 250-500                                      | 15,609.7                 | 15,053.5                | 30,663.2            | 11.0%                      | 1.04                      | 321.6                         | 12.3%                      | \$10,394                       |
| 500-1,000                                    | 17,243.0                 | 13,803.2                | 31,046.2            | 11.2%                      | 1.25                      | 303.3                         | 11.6%                      | \$9,567                        |
| 1,000-2,000                                  | 13,169.2                 | 10,592.8                | 23,762.0            | 8.5%                       | 1.24                      | 209.4                         | 8.0%                       | \$8,631                        |
| 2,000-5,000                                  | 22,579.4                 | 15,462.4                | 38,041.8            | 13.7%                      | 1.46                      | 330.8                         | 12.6%                      | \$8,524                        |
| Greater 5,000                                | 72,775.6                 | 65,487.5                | 138,263.1           | 49.7%                      | 1.11                      | 1,255.7                       | 48.0%                      | \$8,478                        |
| State Total                                  | 149,333.0                | 129,065.8               | 278,398.8           | 100.0%                     | 1.16                      | 2,618.5                       | 100.0%                     | \$9,023                        |
| <b>Average Annual % Change: FY07 to FY17</b> |                          |                         |                     |                            |                           |                               |                            |                                |
| Under 250                                    | -0.5%                    | -2.4%                   | -1.5%               | ---                        | ---                       | 3.5%                          | ---                        | 5.4%                           |
| 250-500                                      | -0.7%                    | -0.9%                   | -0.8%               | ---                        | ---                       | 3.4%                          | ---                        | 4.4%                           |
| 500-1,000                                    | -0.9%                    | 0.4%                    | -0.3%               | ---                        | ---                       | 3.2%                          | ---                        | 3.8%                           |
| 1,000-2,000                                  | -0.4%                    | 0.4%                    | -0.1%               | ---                        | ---                       | 2.9%                          | ---                        | 3.3%                           |
| 2,000-5,000                                  | 0.9%                     | 2.2%                    | 1.4%                | ---                        | ---                       | 3.6%                          | ---                        | 2.5%                           |
| Greater 5,000                                | 1.6%                     | 1.6%                    | 1.6%                | ---                        | ---                       | 3.7%                          | ---                        | 2.6%                           |
| State Total                                  | 0.7%                     | 1.0%                    | 0.8%                | ---                        | ---                       | 3.5%                          | ---                        | 3.1%                           |

- Over the past ten years, average spending growth was not dramatically different by size of school system increases. The lowest average spending growth is in the 1,000-2,000 ADM category (2.9%) while the highest growth is in the >5,000 category (3.7%). The state average was 3.5%.
- Average spending growth per pupil does vary significantly. Size categories with the lowest growth in total spending had the highest growth in per pupil costs reflecting the impacts of declining enrollment and relatively fixed costs.
- The rising cost per pupil in smaller schools is more the result of declining enrollments than high spending growth. This can be seen even in schools that have consolidated. Despite savings achieved through reorganization, the cost per pupil still increases as the decline in enrollment more than offsets the savings. This trend is likely to continue as evidenced by the low ratio of elementary to secondary students.



# Revenues

*Data in this section relate only to K-12 public school revenues*

**Table 19 Total School General Fund Revenues  
FY87 to FY17 - By Major Category and Detail**

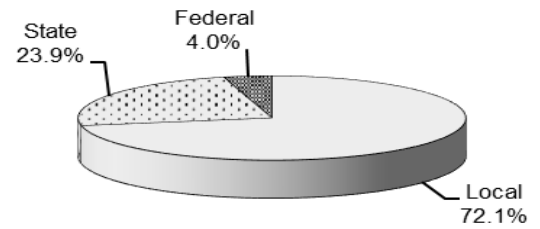
|                            | (1)<br>Property Tax<br>& MV Tax | (2)<br>Other Local<br>Sources | (3)<br>State<br>Sources | (4)<br>Federal<br>Sources | (5)<br>Total<br>Revenues |
|----------------------------|---------------------------------|-------------------------------|-------------------------|---------------------------|--------------------------|
| 1986-87                    | 611.6                           | 67.9                          | 225.8                   | 37.8                      | 943.1                    |
| 1996-97                    | 882.6                           | 66.0                          | 620.4                   | 74.1                      | 1,643.1                  |
| 1997-98                    | 842.9                           | 71.7                          | 645.9                   | 82.6                      | 1,643.2                  |
| 1998-99                    | 861.4                           | 77.4                          | 780.2                   | 98.8                      | 1,817.9                  |
| 1999-00                    | 888.3                           | 89.1                          | 788.9                   | 93.0                      | 1,859.2                  |
| 2000-01                    | 951.5                           | 87.1                          | 776.4                   | 107.9                     | 1,922.9                  |
| 2001-02                    | 1,008.5                         | 87.5                          | 854.0                   | 129.0                     | 2,079.0                  |
| 2002-03                    | 1,057.3                         | 77.1                          | 860.1                   | 155.1                     | 2,149.5                  |
| 2003-04                    | 1,169.8                         | 89.5                          | 848.6                   | 168.2                     | 2,276.2                  |
| 2004-05                    | 1,224.7                         | 78.4                          | 850.8                   | 213.8                     | 2,367.7                  |
| 2005-06                    | 1,266.8                         | 100.8                         | 921.9                   | 224.3                     | 2,513.8                  |
| 2006-07                    | 1,332.3                         | 117.7                         | 965.2                   | 216.9                     | 2,632.1                  |
| 2007-08                    | 1,390.2                         | 98.3                          | 1,059.4                 | 239.4                     | 2,787.3                  |
| 2008-09                    | 1,487.3                         | 93.8                          | 1,148.0                 | 210.1                     | 2,939.1                  |
| 2009-10                    | 1,525.0                         | 85.1                          | 1,151.7                 | 366.9                     | 3,128.7                  |
| 2010-11                    | 1,598.3                         | 86.0                          | 1,123.2                 | 472.7                     | 3,280.0                  |
| 2011-12                    | 1,667.7                         | 85.8                          | 1,134.1                 | 253.7                     | 3,141.3                  |
| 2012-13                    | 1,714.7                         | 78.8                          | 1,184.2                 | 253.2                     | 3,230.8                  |
| 2013-14                    | 1,809.4                         | 88.7                          | 1,249.3                 | 203.7                     | 3,351.1                  |
| 2014-15                    | 1,910.4                         | 93.7                          | 1,313.0                 | 223.3                     | 3,540.4                  |
| 2015-16                    | 1,955.9                         | 116.9                         | 1,393.8                 | 219.0                     | 3,685.6                  |
| 2016-17                    | 2,020.2                         | 123.5                         | 1,406.4                 | 209.3                     | 3,759.3                  |
| <b>Avg Annual % Change</b> |                                 |                               |                         |                           |                          |
| FY87 to FY97 (10 yr)       | 3.7%                            | -0.3%                         | 10.6%                   | 7.0%                      | 5.7%                     |
| FY97 to FY07 (10 yr)       | 4.2%                            | 6.0%                          | 4.5%                    | 11.3%                     | 4.8%                     |
| FY07 to FY17 (10 yr)       | 4.3%                            | 0.5%                          | 3.8%                    | -0.4%                     | 3.6%                     |
| FY97 to FY07 (20 yr)       | 4.2%                            | 3.2%                          | 4.2%                    | 5.3%                      | 4.2%                     |
| FY87 to FY17 (30 yr)       | 4.1%                            | 2.0%                          | 6.3%                    | 5.9%                      | 4.7%                     |

| <b>By Revenue Source (GF Only)</b>        | 1986-87            | 2016-17              |
|---|--------------------|----------------------|
| <b>LOCAL SOURCES (PROPERTY TAXES)</b>     |                    |                      |
| Local Dist Taxes / Non-res tuition/MV Tax | 611,573,975        | 1,865,016,903        |
| Motor Vehicle Tax                         | in Prop Tax        | 155,164,316          |
| Local Property / MV Taxes                 | 611,573,975        | 2,020,181,219        |
| <b>LOCAL SOURCES (NON-PROPERTY TAX)</b>   |                    |                      |
| Public Power district sales               | 10,380,895         | 32,760,877           |
| Categorical Grants-Corp & Other Private   |                    | 28,135,909           |
| Total Local tuition received              | 7,213,581          | 4,979,699            |
| Total Transportation received             | 299,910            | 223,928              |
| Interest                                  | 8,314,881          | 3,289,893            |
| Other local receipts                      | 6,528,906          | 13,510,283           |
| County/ESU sources                        | 8,116,636          | 19,349,516           |
| Non-revenue receipts                      | 27,064,598         | 21,218,389           |
| Total Revenue from Local Sources          | 67,919,407         | 123,468,495          |
| <b>STATE SOURCES:</b>                     |                    |                      |
| TEEOSA State Aid (GF+Ins Prem)            | 123,361,207        | 979,304,500          |
| Early Childhood Programs                  | 0                  | 3,340,096            |
| Adult Ed/Other                            | 0                  | 25,559               |
| Special Education                         | 55,408,859         | 215,094,536          |
| Textbook loan program                     | 0                  | 557,367              |
| High ability learners                     | 0                  | 2,342,962            |
| Other                                     | 385,246            | 2,272,617            |
| Wards of the Court (K-12 schools)         | 2,843,463          | 1,101,213            |
| Homestead Exemption                       | 12,714,520         | 35,795,616           |
| Relief to Property Tax Payers             | 0                  | 98,502,867           |
| Personal Property Tax Credit              | 0                  | 6,178,220            |
| Nameplate Capacity Tax                    | 0                  | 1,862,959            |
| State Apportionment                       | 14,277,476         | 47,259,478           |
| Prorata Motor Vehicle                     | 2,080,868          | 4,853,976            |
| Education Innovation Fund                 | 0                  | 1,944,047            |
| Distance Ed Incentive                     | 0                  | 156,533              |
| Early Childhood Endowment Grants          | 0                  | 5,659,752            |
| Career Education                          | 0                  | 3,855                |
| Teacher Evaluation Development Grants     | 0                  | 111,341              |
| Nebraska Innovation Grant Program         | 0                  | 18,317               |
| Extended Learning Opportunity Grants      | 0                  | 40,193               |
| Total Aid from State Sources              | 225,779,682        | 1,406,426,005        |
| <b>FEDERAL SOURCES:</b>                   |                    |                      |
| Non-categorical sources                   | 10,328,795         | 31,046,559           |
| Categorical (w/o school lunch)            | 27,450,825         | 178,223,398          |
| Total Aid from Federal Sources            | 37,779,621         | 209,269,957          |
| <b>TOTAL GENERAL FUND RECEIPTS</b>        | <b>943,052,683</b> | <b>3,759,345,675</b> |

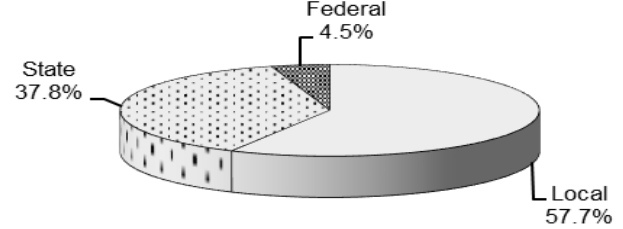
**Table 20 Total School General Fund Revenues  
FY87 to FY17 - % of Total**

|                      | (1)<br>Prop Tax<br>& MV Tax | (2)<br>Other Local<br>Sources | (3)<br>State<br>Sources | (4)<br>Federal<br>Sources | (5)<br>Total<br>Revenues |
|----------------------|-----------------------------|-------------------------------|-------------------------|---------------------------|--------------------------|
| 1986-87              | 64.9%                       | 7.2%                          | 23.9%                   | 4.0%                      | 100.0%                   |
| 1996-97              | 53.7%                       | 4.0%                          | 37.8%                   | 4.5%                      | 100.0%                   |
| 1997-98              | 51.3%                       | 4.4%                          | 39.3%                   | 5.0%                      | 100.0%                   |
| 1998-99              | 47.4%                       | 4.3%                          | 42.9%                   | 5.4%                      | 100.0%                   |
| 1999-00              | 47.8%                       | 4.8%                          | 42.4%                   | 5.0%                      | 100.0%                   |
| 2000-01              | 49.5%                       | 4.5%                          | 40.4%                   | 5.6%                      | 100.0%                   |
| 2001-02              | 48.5%                       | 4.2%                          | 41.1%                   | 6.2%                      | 100.0%                   |
| 2002-03              | 49.2%                       | 3.6%                          | 40.0%                   | 7.2%                      | 100.0%                   |
| 2003-04              | 51.4%                       | 3.9%                          | 37.3%                   | 7.4%                      | 100.0%                   |
| 2004-05              | 51.7%                       | 3.3%                          | 35.9%                   | 9.0%                      | 100.0%                   |
| 2005-06              | 50.4%                       | 4.0%                          | 36.7%                   | 8.9%                      | 100.0%                   |
| 2006-07              | 50.6%                       | 4.5%                          | 36.7%                   | 8.2%                      | 100.0%                   |
| 2007-08              | 49.9%                       | 3.5%                          | 38.0%                   | 8.6%                      | 100.0%                   |
| 2008-09              | 50.6%                       | 3.2%                          | 39.1%                   | 7.1%                      | 100.0%                   |
| 2009-10              | 48.7%                       | 2.7%                          | 36.8%                   | 11.7%                     | 100.0%                   |
| 2010-11              | 48.7%                       | 2.6%                          | 34.2%                   | 14.4%                     | 100.0%                   |
| 2011-12              | 53.1%                       | 2.7%                          | 36.1%                   | 8.1%                      | 100.0%                   |
| 2012-13              | 53.1%                       | 2.4%                          | 36.7%                   | 7.8%                      | 100.0%                   |
| 2013-14              | 54.0%                       | 2.6%                          | 37.3%                   | 6.1%                      | 100.0%                   |
| 2014-15              | 54.0%                       | 2.6%                          | 37.1%                   | 6.3%                      | 100.0%                   |
| 2015-16              | 53.1%                       | 3.2%                          | 37.8%                   | 5.9%                      | 100.0%                   |
| 2016-17              | 53.7%                       | 3.3%                          | 37.4%                   | 5.6%                      | 100.0%                   |
| <u>Average</u>       |                             |                               |                         |                           |                          |
| FY87 to FY97 (10 yr) | 55.9%                       | 5.4%                          | 34.1%                   | 4.6%                      | 100.0%                   |
| FY97 to FY07 (10 yr) | 50.1%                       | 4.1%                          | 38.9%                   | 6.8%                      | 100.0%                   |
| FY07 to FY17 (10 yr) | 51.9%                       | 3.0%                          | 37.0%                   | 8.1%                      | 100.0%                   |
| FY97 to FY07 (20 yr) | 51.2%                       | 3.4%                          | 37.8%                   | 7.6%                      | 100.0%                   |
| FY87 to FY17 (30 yr) | 52.1%                       | 3.8%                          | 37.0%                   | 7.0%                      | 100.0%                   |

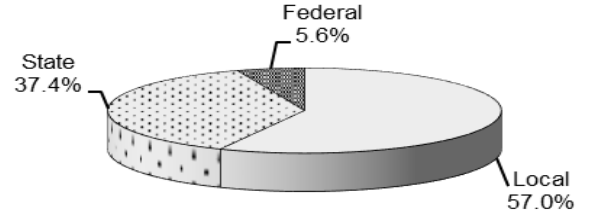
School General Fund Revenues  
FY86-87



School General Fund Revenues  
FY96-97



School General Fund Revenues  
FY16-17

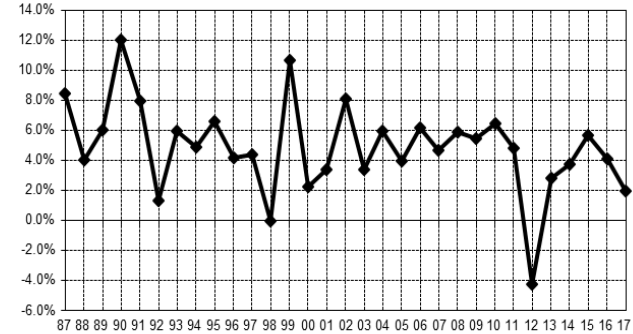




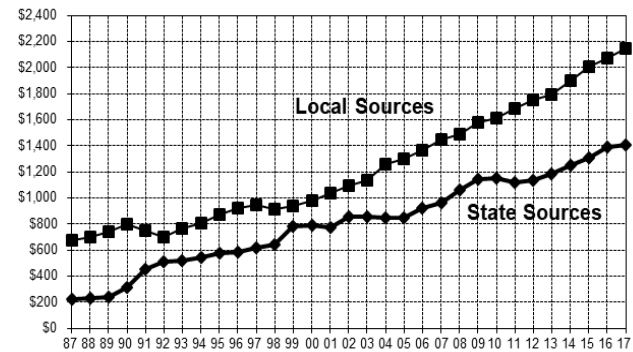
**Comments and Observations - Table 19 and Table 20**

1. The growth rate in total General Fund revenues as declined over the past three decades from 5.7% in FY87 to FY97 to 4.8% in FY97 to FY01, to 3.6% for the last 10 years FY07 to FY17.
2. In the 87 to 97 decade, growth in property tax revenues (3.7%) was about 1/3 the growth in state support (10.6%). With this differential, state support as a percent of total revenues increased from 24% to 38% while property taxes as a percent of total declined from 65% to 54%. This was mostly attributed to enactment of LB1059 in FY91 and fully implemented in FY92.
3. In the 97 to 07 decade, growth in property taxes was only slightly lower than state support, 4.2% versus 4.5% resulting in a small drop in property taxes as a percent of total to 51%.
4. In the last decade, 2007 to 2017, growth in property taxes was almost the same as the previous decade even though growth in state support was almost a full percentage point less. This coupled with an actual decline in federal sources resulted in total revenue growth being more than a full percentage point less than the prior decade. Even though growth in property taxes was virtually the same as the prior decade, the percent of total revenues from property taxes returned to the 54% level of the previous decade due to the lower growth in state support.

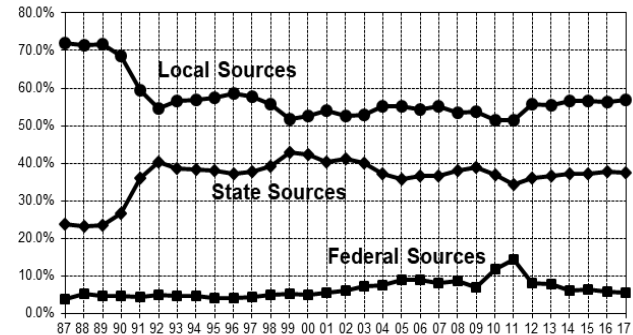
**General Fund Revenues: Annual % Change**



**General Fund Revenue Sources: Dollars**



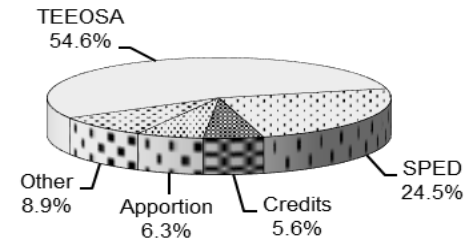
**General Fund Revenue Sources: % of Total**



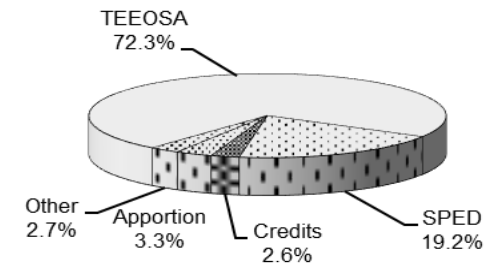
**Table 21 Breakdown of Revenue from State Sources  
FY87 to FY17 – Millions of Dollars**

|                            | (1)<br>TEEOSA<br>State Aid | (2)<br>Special<br>Ed | (3)<br>Prop Tax<br>Credits | (4)<br>Homestd<br>Exempt | (5)<br>State<br>Apportion | (6)<br>All<br>Other | (7)<br>Total<br>State |
|----------------------------|----------------------------|----------------------|----------------------------|--------------------------|---------------------------|---------------------|-----------------------|
| 1986-87                    | 123.4                      | 55.4                 | 0.0                        | 12.7                     | 14.3                      | 20.0                | 225.8                 |
| 1996-97                    | 448.2                      | 118.9                | 0.0                        | 15.9                     | 20.5                      | 16.9                | 620.4                 |
| 1997-98                    | 465.9                      | 122.9                | 0.0                        | 16.7                     | 20.4                      | 20.0                | 645.9                 |
| 1998-99                    | 593.2                      | 125.6                | 0.0                        | 15.1                     | 23.5                      | 22.7                | 780.2                 |
| 1999-00                    | 595.4                      | 129.1                | 0.0                        | 15.1                     | 24.0                      | 25.2                | 788.9                 |
| 2000-01                    | 563.1                      | 134.4                | 9.4                        | 17.4                     | 24.5                      | 27.5                | 776.4                 |
| 2001-02                    | 646.9                      | 141.7                | 0.0                        | 18.0                     | 27.9                      | 19.5                | 854.0                 |
| 2002-03                    | 661.9                      | 139.4                | 0.0                        | 19.3                     | 24.2                      | 15.2                | 860.1                 |
| 2003-04                    | 640.6                      | 149.4                | 0.0                        | 22.5                     | 23.7                      | 12.5                | 848.6                 |
| 2004-05                    | 634.0                      | 156.4                | 0.0                        | 24.2                     | 24.5                      | 11.7                | 850.8                 |
| 2005-06                    | 700.8                      | 159.7                | 0.0                        | 24.8                     | 23.4                      | 13.2                | 921.9                 |
| 2006-07                    | 718.3                      | 168.3                | 0.0                        | 26.2                     | 38.0                      | 14.3                | 965.2                 |
| 2007-08                    | 769.5                      | 173.1                | 38.2                       | 29.5                     | 32.0                      | 17.2                | 1,059.4               |
| 2008-09                    | 839.4                      | 179.6                | 43.6                       | 27.7                     | 39.1                      | 18.5                | 1,148.0               |
| 2009-10                    | 840.2                      | 181.5                | 43.4                       | 30.6                     | 36.2                      | 19.9                | 1,151.7               |
| 2010-11                    | 810.0                      | 177.1                | 44.4                       | 30.5                     | 42.4                      | 18.8                | 1,123.2               |
| 2011-12                    | 822.1                      | 179.4                | 44.4                       | 30.5                     | 39.1                      | 18.6                | 1,134.1               |
| 2012-13                    | 852.1                      | 187.2                | 46.9                       | 33.1                     | 45.8                      | 19.2                | 1,184.2               |
| 2013-14                    | 906.6                      | 196.8                | 50.4                       | 30.4                     | 44.0                      | 21.1                | 1,249.3               |
| 2014-15                    | 933.8                      | 206.5                | 68.6                       | 31.3                     | 49.3                      | 23.5                | 1,313.0               |
| 2015-16                    | 973.0                      | 209.7                | 103.5                      | 32.2                     | 48.2                      | 27.2                | 1,393.8               |
| 2016-17                    | 979.3                      | 215.1                | 98.5                       | 35.8                     | 47.3                      | 30.5                | 1,406.4               |
| <u>Avg Annual % Change</u> |                            |                      |                            |                          |                           |                     |                       |
| FY87 to FY97 (10 yr)       | 13.8%                      | 7.9%                 | --                         | 2.3%                     | 3.7%                      | -1.7%               | 10.6%                 |
| FY97 to FY07 (10 yr)       | 4.8%                       | 3.5%                 | --                         | 5.1%                     | 6.4%                      | -1.6%               | 4.5%                  |
| FY07 to FY17 (10 yr)       | 3.1%                       | 2.5%                 | --                         | 3.2%                     | 2.2%                      | 7.8%                | 3.8%                  |
| FY97 to FY07 (20 yr)       | 4.0%                       | 3.0%                 | --                         | 4.1%                     | 4.3%                      | 3.0%                | 4.2%                  |
| FY87 to FY17 (30 yr)       | 7.1%                       | 4.6%                 | --                         | 3.5%                     | 4.1%                      | 1.4%                | 6.3%                  |

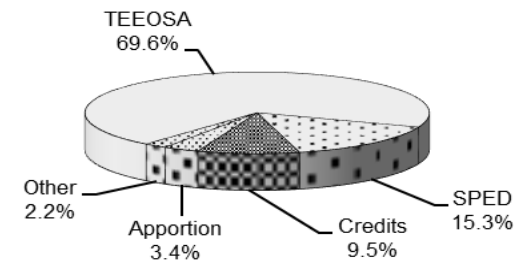
State Sources FY86-87



State Sources FY96-97



State Sources FY16-17



**Comments and Observations - Table 21**

1. Many people consider TEEOSA aid (and more specifically equalization aid) as the only source of state support. But there are actually other sources. TEEOSA is only 70% of total state sources. Equalization aid (\$877 million in FY17) is 89% of TEEOSA aid and 62% of all state sources.
2. Homestead Exemption reimbursement and Property Tax Credit receipts are two areas not often considered as state support of schools but are the fastest growing segment of state support, specifically the property tax credit program.

In both cases, the dollar amounts originally show up as property taxes levied in the certificate of taxes levied (CTL) data compiled by the Nebraska Department of Revenue, Property Assessment Division. However the individual taxpayer then gets a “credit” against their property tax bill. They pay the amount after the credit and the state then reimburses the taxing districts for the credit amount.

| <u>Credit Example</u> | <u>Taxes Levied</u> | <u>Prop Taxes Paid</u> |
|-----------------------|---------------------|------------------------|
| Paid by Taxpayers     | na                  | 3,820                  |
| Paid by State         | na                  | 180                    |
| Total Taxes Levied    | 4,000               | 4,000                  |

3. The Annual Financial Report for FY2016-17 shows schools receiving about \$112.3 million of the \$204 million total property tax credit amount, \$98.5 million in the General Fund and \$13.8 million in the bond and building funds.
4. With respect to distribution of funds, TEEOSA and the Property Tax Credit program are virtual opposites. With TEEOSA, the higher the valuation the less state aid. With the Property Tax Credit, the higher the valuation the more state support.

**Table 22 School General Fund Revenues – FY2016-17  
By Enrollment Size**

|              | System Count | Avg Daily Membership (ADM) | (1) Property Taxes   | (2) Other Local    | (3) State Sources    | (4) Federal Sources | (5) Total Receipts   |
|--------------|--------------|----------------------------|----------------------|--------------------|----------------------|---------------------|----------------------|
| <b>Total</b> |              |                            |                      |                    |                      |                     |                      |
| <250         | 82           | 14,346                     | 206,708,522          | 6,061,030          | 56,959,623           | 13,622,471          | 283,351,646          |
| 250-500      | 80           | 28,233                     | 331,960,758          | 14,192,215         | 89,140,774           | 27,015,774          | 462,309,521          |
| 500-1,000    | 44           | 30,102                     | 293,561,256          | 10,117,975         | 95,133,303           | 22,168,892          | 420,981,426          |
| 1,000-2,000  | 16           | 23,637                     | 165,963,549          | 6,562,869          | 97,659,177           | 14,271,533          | 284,457,129          |
| 2,000-5,000  | 13           | 43,831                     | 212,142,199          | 11,409,161         | 225,611,694          | 26,924,115          | 476,087,169          |
| >5,000       | 9            | 161,672                    | 809,844,934          | 75,125,245         | 841,921,434          | 105,267,172         | 1,832,158,784        |
| <b>Total</b> | <b>244</b>   | <b>301,821</b>             | <b>2,020,181,219</b> | <b>123,468,495</b> | <b>1,406,426,005</b> | <b>209,269,957</b>  | <b>3,759,345,675</b> |

**Percent of State Total**

|              |            |               |               |               |               |               |               |
|--------------|------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <250         | 82         | 4.8%          | 10.2%         | 4.9%          | 4.0%          | 6.5%          | 7.5%          |
| 250-500      | 80         | 9.4%          | 16.4%         | 11.5%         | 6.3%          | 12.9%         | 12.3%         |
| 500-1,000    | 44         | 10.0%         | 14.5%         | 8.2%          | 6.8%          | 10.6%         | 11.2%         |
| 1,000-2,000  | 16         | 7.8%          | 8.2%          | 5.3%          | 6.9%          | 6.8%          | 7.6%          |
| 2,000-5,000  | 13         | 14.5%         | 10.5%         | 9.2%          | 16.0%         | 12.9%         | 12.7%         |
| >5,000       | 9          | 53.6%         | 40.1%         | 60.8%         | 59.9%         | 50.3%         | 48.7%         |
| <b>Total</b> | <b>244</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> |

**Percent of Dist Total**

|              |            |           |              |             |              |             |               |
|--------------|------------|-----------|--------------|-------------|--------------|-------------|---------------|
| <250         | 82         | --        | 73.0%        | 2.1%        | 20.1%        | 4.8%        | 100.0%        |
| 250-500      | 80         | --        | 71.8%        | 3.1%        | 19.3%        | 5.8%        | 100.0%        |
| 500-1,000    | 44         | --        | 69.7%        | 2.4%        | 22.6%        | 5.3%        | 100.0%        |
| 1,000-2,000  | 16         | --        | 58.3%        | 2.3%        | 34.3%        | 5.0%        | 100.0%        |
| 2,000-5,000  | 13         | --        | 44.6%        | 2.4%        | 47.4%        | 5.7%        | 100.0%        |
| >5,000       | 9          | --        | 44.2%        | 4.1%        | 46.0%        | 5.7%        | 100.0%        |
| <b>Total</b> | <b>244</b> | <b>--</b> | <b>53.7%</b> | <b>3.3%</b> | <b>37.4%</b> | <b>5.6%</b> | <b>100.0%</b> |

**Per Pupil**

|              |            |           |              |            |              |            |               |
|--------------|------------|-----------|--------------|------------|--------------|------------|---------------|
| <250         | 82         | --        | \$14,409     | \$423      | \$3,971      | \$950      | \$19,752      |
| 250-500      | 80         | --        | 11,758       | 503        | 3,157        | 957        | 16,375        |
| 500-1,000    | 44         | --        | 9,752        | 336        | 3,160        | 736        | 13,985        |
| 1,000-2,000  | 16         | --        | 7,021        | 278        | 4,132        | 604        | 12,035        |
| 2,000-5,000  | 13         | --        | 4,840        | 260        | 5,147        | 614        | 10,862        |
| >5,000       | 9          | --        | 5,009        | 465        | 5,208        | 651        | 11,333        |
| <b>Total</b> | <b>244</b> | <b>--</b> | <b>6,693</b> | <b>409</b> | <b>4,660</b> | <b>693</b> | <b>12,456</b> |

**Table 23 Breakdown of Revenue from State Sources – FY2016-17  
By Enrollment Size**

|              | Avg Daily<br>System<br>Count | Membership<br>(ADM) | (1)<br>TEEOSA<br>Aid | (2)<br>Special<br>Education | (3)<br>Homestead<br>Exemption | (4)<br>Property<br>Tax Credits | (5)<br>State<br>Apportion. | (6)<br>All<br>Other | (7)<br>Total<br>State Sources |
|--------------|------------------------------|---------------------|----------------------|-----------------------------|-------------------------------|--------------------------------|----------------------------|---------------------|-------------------------------|
| <b>Total</b> |                              |                     |                      |                             |                               |                                |                            |                     |                               |
| <250         | 82                           | 14,346              | 21,691,580           | 12,382,644                  | 1,203,236                     | 16,302,965                     | 2,029,490                  | 3,349,708           | 56,959,623                    |
| 250-500      | 80                           | 28,233              | 31,350,569           | 22,684,646                  | 2,782,610                     | 22,686,611                     | 4,169,664                  | 4,622,547           | 88,296,647                    |
| 500-1,000    | 44                           | 30,102              | 39,582,351           | 22,945,509                  | 3,823,159                     | 18,336,283                     | 4,783,172                  | 5,662,829           | 95,133,303                    |
| 1,000-2,000  | 16                           | 23,637              | 63,084,404           | 16,221,676                  | 3,197,944                     | 7,916,724                      | 3,712,246                  | 3,526,183           | 97,659,177                    |
| 2,000-5,000  | 13                           | 43,831              | 173,615,261          | 26,863,340                  | 5,856,805                     | 7,861,932                      | 6,746,992                  | 4,667,364           | 225,611,694                   |
| >5,000       | 9                            | 161,672             | 649,921,149          | 110,469,878                 | 18,907,616                    | 25,041,801                     | 25,779,544                 | 11,801,446          | 841,921,434                   |
| <b>Total</b> | <b>244</b>                   | <b>301,821</b>      | <b>979,245,314</b>   | <b>211,567,693</b>          | <b>35,771,371</b>             | <b>98,146,316</b>              | <b>47,221,108</b>          | <b>33,630,076</b>   | <b>1,405,581,878</b>          |

**Percent of State Total**

|              |            |               |               |               |               |               |               |               |               |
|--------------|------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <250         | 82         | 4.8%          | 2.2%          | 5.9%          | 3.4%          | 16.6%         | 4.3%          | 10.0%         | 4.1%          |
| 250-500      | 80         | 9.4%          | 3.2%          | 10.7%         | 7.8%          | 23.1%         | 8.8%          | 13.7%         | 6.3%          |
| 500-1,000    | 44         | 10.0%         | 4.0%          | 10.8%         | 10.7%         | 18.7%         | 10.1%         | 16.8%         | 6.8%          |
| 1,000-2,000  | 16         | 7.8%          | 6.4%          | 7.7%          | 8.9%          | 8.1%          | 7.9%          | 10.5%         | 6.9%          |
| 2,000-5,000  | 13         | 14.5%         | 17.7%         | 12.7%         | 16.4%         | 8.0%          | 14.3%         | 13.9%         | 16.1%         |
| >5,000       | 9          | 53.6%         | 66.4%         | 52.2%         | 52.9%         | 25.5%         | 54.6%         | 35.1%         | 59.9%         |
| <b>Total</b> | <b>244</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> |

**Percent of Dist Total**

|              |            |           |              |              |             |             |             |             |               |
|--------------|------------|-----------|--------------|--------------|-------------|-------------|-------------|-------------|---------------|
| <250         | 82         | --        | 38.1%        | 21.7%        | 2.1%        | 28.6%       | 3.6%        | 5.9%        | 100.0%        |
| 250-500      | 80         | --        | 35.5%        | 25.7%        | 3.2%        | 25.7%       | 4.7%        | 5.2%        | 100.0%        |
| 500-1,000    | 44         | --        | 41.6%        | 24.1%        | 4.0%        | 19.3%       | 5.0%        | 6.0%        | 100.0%        |
| 1,000-2,000  | 16         | --        | 64.6%        | 16.6%        | 3.3%        | 8.1%        | 3.8%        | 3.6%        | 100.0%        |
| 2,000-5,000  | 13         | --        | 77.0%        | 11.9%        | 2.6%        | 3.5%        | 3.0%        | 2.1%        | 100.0%        |
| >5,000       | 9          | --        | 77.2%        | 13.1%        | 2.2%        | 3.0%        | 3.1%        | 1.4%        | 100.0%        |
| <b>Total</b> | <b>244</b> | <b>--</b> | <b>69.7%</b> | <b>15.1%</b> | <b>2.5%</b> | <b>7.0%</b> | <b>3.4%</b> | <b>2.4%</b> | <b>100.0%</b> |

**Per Pupil**

|              |            |           |              |            |            |            |            |            |              |
|--------------|------------|-----------|--------------|------------|------------|------------|------------|------------|--------------|
| <250         | 82         | --        | \$1,512      | \$863      | \$84       | \$1,136    | \$141      | \$234      | \$3,971      |
| 250-500      | 80         | --        | 1,110        | 803        | 99         | 804        | 148        | 164        | 3,127        |
| 500-1,000    | 44         | --        | 1,315        | 762        | 127        | 609        | 159        | 188        | 3,160        |
| 1,000-2,000  | 16         | --        | 2,669        | 686        | 135        | 335        | 157        | 149        | 4,132        |
| 2,000-5,000  | 13         | --        | 3,961        | 613        | 134        | 179        | 154        | 106        | 5,147        |
| >5,000       | 9          | --        | 4,020        | 683        | 117        | 155        | 159        | 73         | 5,208        |
| <b>Total</b> | <b>244</b> | <b>--</b> | <b>3,244</b> | <b>701</b> | <b>119</b> | <b>325</b> | <b>156</b> | <b>111</b> | <b>4,657</b> |

### ***Comments and Observations, - Table 22***

1. Table 22 breaks down FY2016-17 school revenue sources by size of school district showing not just total dollar amounts but those amounts as a percent of the state total and the percent of their own total revenues. The table also shows the dollar amounts on a per pupil basis.
2. There are significant differences in total revenues per pupil ranging from a high of \$19,752 for schools with less than 250 students to a low of \$10,862 for schools with enrollment of 2,000 to 5,000. Note that these revenue per pupil numbers are virtually identical to the disbursements per pupil as found in Table 16. The statewide average is \$12,456.
3. Per pupil revenue from Other Local and Federal Sources varies little by size of school. Even per pupil revenue from state sources is surprisingly similar relative to total revenue differences. For example schools with under 250 students receive \$689 less state support per student than the state average which is relatively small compared to the total revenue difference of \$7,296.
4. Because revenues per pupil from all non-property tax sources are relatively even, the significant differences in total revenue (and spending) per pupil are translated into similar significant differences in property taxes per pupil with a range of \$14,409 for schools with under 250 students to \$4,840 for schools with 2,000 to 5,000 students. In other words, on a per pupil basis the significant differences in property taxes relates more to spending levels than non-property tax revenue sources.

### ***Comments and Observations, - Table 23***

1. Table 23 provides an enrollment size breakdown similar to Table 22 except it looks at the individual components of state sources.
2. In terms of the source of state support, all size districts receive the largest portion of their support from TEEOSA. However, smaller size districts receive a higher portion of their state support from Special Education and Property Tax Credit reimbursement.

This is especially true for the Property Tax Credit reimbursement which constitutes 29% of state support for <250 enrollment districts versus only 3% for districts above 5,000.

# TEEOSA *State Aid*

**Table 24 TEEOSA Aid by Fund Source**

| Fiscal Yr                   | State General Funds | Insurance Premium | ARRA, EDJOBS Lottery, & RSTF | TEEOSA (All Funds) | \$ Change     | % Change | # of Systems | # of Non Equal |
|-----------------------------|---------------------|-------------------|------------------------------|--------------------|---------------|----------|--------------|----------------|
| FY1968-69                   | 25,000,000          | 0                 | 0                            | 25,000,000         | 25,000,000    | --       | --           | --             |
| FY1978-79                   | 40,000,000          | 0                 | 15,000,000                   | 55,000,000         | 0             | 0.0%     | --           | --             |
| FY1988-89                   | 133,716,100         | 0                 | 0                            | 133,716,100        | 11,035,386    | 9.0%     | --           | --             |
| FY1989-90                   | 133,720,830         | 0                 | 0                            | 133,720,830        | 4,730         | 0.0%     | --           | --             |
| FY1990-91                   | 311,462,100         | 0                 | 0                            | 311,462,100        | 177,741,270   | 132.9%   | --           | --             |
| FY1991-92                   | 357,283,727         | 0                 | 0                            | 357,283,727        | 45,821,627    | 14.7%    | --           | --             |
| FY1992-93                   | 370,668,616         | 0                 | 0                            | 370,668,616        | 13,384,889    | 3.7%     | 299          | 81             |
| FY1993-94                   | 383,069,609         | 0                 | 0                            | 383,069,609        | 12,400,993    | 3.3%     | 299          | 73             |
| FY1994-95                   | 400,230,135         | 0                 | 0                            | 400,230,135        | 17,160,526    | 4.5%     | 293          | 60             |
| FY1995-96                   | 414,933,814         | 0                 | 0                            | 414,933,814        | 14,703,679    | 3.7%     | 289          | 50             |
| FY1996-97                   | 434,834,334         | 12,409,260        | 0                            | 447,243,594        | 32,309,780    | 7.8%     | 289          | 37             |
| FY1997-98                   | 454,273,986         | 11,670,497        | 0                            | 465,944,483        | 18,700,889    | 4.2%     | 289          | 37             |
| FY1998-99                   | 579,978,752         | 11,261,483        | 0                            | 591,240,235        | 125,295,752   | 26.9%    | 284          | 33             |
| FY1999-00                   | 581,552,195         | 12,490,055        | 0                            | 594,042,250        | 2,802,015     | 0.5%     | 283          | 44             |
| FY2000-01                   | 549,272,990         | 12,053,426        | 0                            | 561,326,416        | (32,715,834)  | -5.5%    | 279          | 53             |
| FY2001-02                   | 630,212,142         | 14,868,591        | 0                            | 645,080,733        | 83,754,317    | 14.9%    | 270          | 32             |
| FY2002-03                   | 647,477,820         | 14,450,387        | 0                            | 661,928,207        | 16,847,474    | 2.6%     | 263          | 32             |
| FY2003-04                   | 625,337,469         | 15,364,409        | 0                            | 640,701,878        | (21,226,329)  | -3.2%    | 261          | 40             |
| FY2004-05                   | 618,298,707         | 16,018,569        | 0                            | 634,317,276        | (6,384,602)   | -1.0%    | 260          | 46             |
| FY2005-06                   | 683,473,181         | 17,121,101        | 0                            | 700,594,282        | 66,277,006    | 10.4%    | 257          | 46             |
| FY2006-07                   | 704,377,213         | 14,090,116        | 0                            | 718,467,329        | 17,873,047    | 2.6%     | 254          | 49             |
| FY2007-08                   | 753,555,548         | 15,058,425        | 0                            | 768,613,973        | 50,146,644    | 7.0%     | 254          | 49             |
| FY2008-09                   | 825,056,857         | 14,333,724        | 0                            | 839,390,581        | 70,776,608    | 9.2%     | 254          | 48             |
| FY2009-10                   | 824,960,159         | 15,247,109        | 93,668,750                   | 933,876,018        | 94,485,437    | 11.3%    | 254          | 55             |
| FY2010-11                   | 795,941,721         | 13,992,839        | 198,897,916                  | 1,008,832,476      | 74,956,458    | 8.0%     | 253          | 59             |
| FY2011-12                   | 804,689,087         | 17,151,812        | 212,958                      | 822,053,857        | (186,778,619) | -18.5%   | 251          | 95             |
| FY2012-13                   | 838,452,050         | 13,415,035        | 212,958                      | 852,080,043        | 30,026,186    | 3.7%     | 249          | 102            |
| FY2013-14                   | 884,888,317         | 21,693,014        | 0                            | 906,581,331        | 54,501,288    | 6.4%     | 249          | 114            |
| FY2014-15                   | 912,390,088         | 20,581,754        | 0                            | 932,971,842        | 26,390,511    | 2.9%     | 249          | 124            |
| FY2015-16                   | 946,539,661         | 26,496,964        | 0                            | 973,036,625        | 40,064,784    | 4.3%     | 245          | 159            |
| FY2016-17                   | 952,153,581         | 27,159,388        | 0                            | 979,312,969        | 6,276,344     | 0.6%     | 245          | 170            |
| FY2017-18                   | 973,666,433         | 24,601,976        | 473,345                      | 998,741,754        | 19,428,785    | 2.0%     | 245          | 178            |
| FY2018-19                   | 974,507,975         | 25,000,000        | 906,222                      | 1,000,414,197      | 1,672,443     | 0.2%     | 244          | 175            |
| <b>Avg Annual % Change:</b> |                     |                   |                              |                    |               |          |              |                |
| FY69 to FY79 (10 Yr)        | 4.8%                | --                | --                           | 8.2%               |               |          |              |                |
| FY79 to FY89 (10 Yr)        | 12.8%               | --                | --                           | 9.3%               |               |          |              |                |
| FY89 to FY99 (10 Yr)        | 15.8%               | --                | --                           | 16.0%              |               |          |              |                |
| FY99 to FY09 (10 Yr)        | 3.6%                | 2.4%              | --                           | 3.6%               |               |          |              |                |
| FY09 to FY19 (10 Yr)        | 1.7%                | 5.7%              | --                           | 1.8%               |               |          |              |                |
| FY69 to FY90 (Pre TEEOSA)   | 8.3%                | --                | --                           | 8.3%               |               |          |              |                |
| FY92 to FY19 (Post TEEOSA)  | 3.8%                | --                | --                           | 3.9%               |               |          |              |                |

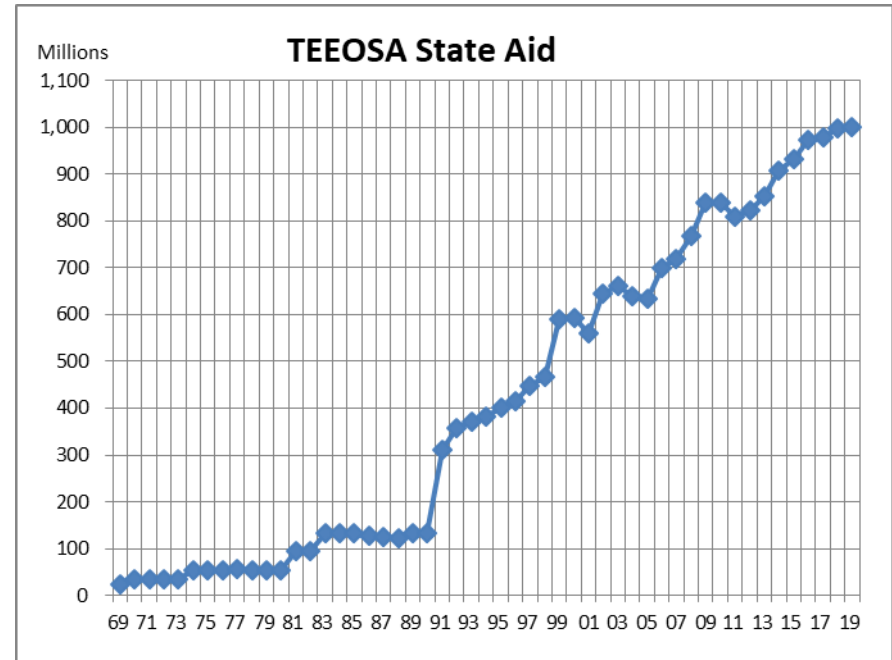


**Comments and Observations, - Table 24**

1. This table shows TEEOSA state aid over the past 51 years. The modern day state aid started in FY1968-69 at \$25 million. This coincided with the first year of state sales and income tax. A School Foundation and Equalization Act preceded TEEOSA which came into existence in FY90-91. The income tax increase that accompanied enactment of TEEOSA was phased-in to avoid fluctuating withholding rates so the first full year of TEEOSA was FY91-92.
2. Originally the dollar amount for TEEOSA was a set appropriation amount and the local effort rate (LER) fluctuated so that total calculated aid equaled the appropriation. The appropriation level was unofficially arrived at by calculating the estimated amount of revenue generated by the tax increase enacted with TEEOSA and adding that to the level of appropriation the year prior to TEEOSA, \$133.7 million.

When the Legislature enacted levy limits on local taxing districts, the LER became a fixed level (at five to ten cents less than the levy limit) starting in FY98-99 and then the total dollar amount of TEEOSA aid was derived and certified by the formula. That total certified amount is then financed with a portion of the insurance premium tax earmarked for schools and the rest with state sales and income taxes (General Fund).

3. In FY2009-10 and FY2010-11 federal ARRA and the EDJOBS funds were available and distributed through the formula. At the time there was much discussion of the “cliff effect”, a large decline in funding when these one-time monies were not available and the state would not replace these one-time monies. This “cliff effect” can be seen in FY11-12 when TEEOSA declined by 18.5%. Unofficially schools were “encouraged” to save money during the two high growth aid years to have some reserves available when the cliff hit. In the five year period from FY07 through the “cliff” in FY12 there were four high growth years and then the large decline in FY12 but an overall average annual growth of 2.7%.
4. Note that while the number of non-equalized districts has grown significantly from a low of 32 in FY03 to a high of 178 in FY16, there has always been districts not receiving equalization aid. In fact, the first full year TEEOSA was in effect there were 81 non-equalized districts.
5. There has been a continued slowdown in the average growth in TEEOSA state aid by decade with the lowest growth, 1.8% average over the past 10 years.



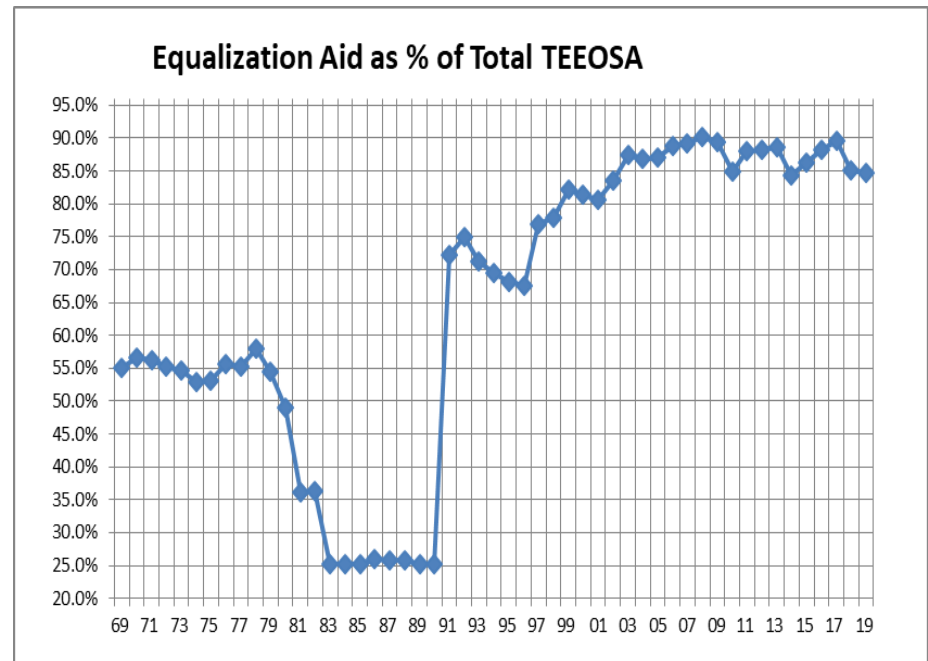
**Table 25 TEEOSA by Aid Category**

|                            | Equalization | Foundation or<br>Income Tax * | Option<br>Enrollment | All<br>Other | Total<br>TEEOSA Aid | Percent of Total |           |        |
|----------------------------|--------------|-------------------------------|----------------------|--------------|---------------------|------------------|-----------|--------|
|                            |              |                               |                      |              |                     | Equalization     | All Other | Total  |
| FY1968-69                  | 13,790,718   | 8,865,207                     | na                   | 2,344,075    | 25,000,000          | 55.2%            | 44.8%     | 100.0% |
| FY1978-79                  | 29,952,651   | 21,501,598                    | na                   | 3,545,751    | 55,000,000          | 54.5%            | 45.5%     | 100.0% |
| FY1988-89                  | 33,601,163   | 96,376,098                    | na                   | 3,738,839    | 133,716,100         | 25.1%            | 74.9%     | 100.0% |
| FY1989-90                  | 33,590,252   | 96,376,100                    | na                   | 3,754,478    | 133,720,830         | 25.1%            | 74.9%     | 100.0% |
| FY1990-91                  | 225,008,887  | 83,307,600                    | 0                    | 3,145,851    | 311,462,338         | 72.2%            | 27.8%     | 100.0% |
| FY1991-92                  | 267,681,621  | 85,944,430                    | 0                    | 3,657,676    | 357,283,727         | 74.9%            | 25.1%     | 100.0% |
| FY1992-93                  | 264,102,330  | 102,289,817                   | 325,768              | 3,950,702    | 370,668,616         | 71.3%            | 28.7%     | 100.0% |
| FY1993-94                  | 266,026,476  | 111,784,973                   | 1,871,256            | 3,386,904    | 383,069,609         | 69.4%            | 30.6%     | 100.0% |
| FY1994-95                  | 272,493,284  | 119,929,975                   | 4,877,832            | 2,929,045    | 400,230,135         | 68.1%            | 31.9%     | 100.0% |
| FY1995-96                  | 280,644,886  | 125,045,404                   | 7,084,502            | 2,159,021    | 414,933,813         | 67.6%            | 32.4%     | 100.0% |
| FY1996-97                  | 344,057,696  | 82,049,832                    | 20,239,985           | 896,081      | 447,243,594         | 76.9%            | 23.1%     | 100.0% |
| FY1997-98                  | 362,865,382  | 81,506,813                    | 20,783,004           | 789,284      | 465,944,483         | 77.9%            | 22.1%     | 100.0% |
| FY1998-99                  | 485,879,395  | 79,438,024                    | 22,851,793           | 3,071,023    | 591,240,235         | 82.2%            | 17.8%     | 100.0% |
| FY1999-00                  | 484,006,299  | 77,551,704                    | 24,738,113           | 7,746,133    | 594,042,250         | 81.5%            | 18.5%     | 100.0% |
| FY2000-01                  | 452,760,943  | 74,322,835                    | 27,966,982           | 6,275,656    | 561,326,416         | 80.7%            | 19.3%     | 100.0% |
| FY2001-02                  | 539,245,561  | 69,785,428                    | 32,504,389           | 3,545,355    | 645,080,733         | 83.6%            | 16.4%     | 100.0% |
| FY2002-03                  | 578,575,673  | 54,163,636                    | 24,541,677           | 4,647,221    | 661,928,207         | 87.4%            | 12.6%     | 100.0% |
| FY2003-04                  | 557,212,679  | 49,723,503                    | 28,077,682           | 5,688,014    | 640,701,878         | 87.0%            | 13.0%     | 100.0% |
| FY2004-05                  | 552,391,978  | 42,402,419                    | 35,060,761           | 4,462,118    | 634,317,276         | 87.1%            | 12.9%     | 100.0% |
| FY2005-06                  | 622,639,057  | 35,943,338                    | 40,021,991           | 1,989,896    | 700,594,282         | 88.9%            | 11.1%     | 100.0% |
| FY2006-07                  | 641,172,064  | 31,362,998                    | 43,661,091           | 2,271,176    | 718,467,329         | 89.2%            | 10.8%     | 100.0% |
| FY2007-08                  | 693,622,358  | 27,673,741                    | 46,111,529           | 1,206,345    | 768,613,973         | 90.2%            | 9.8%      | 100.0% |
| FY2008-09                  | 749,692,873  | 22,006,982                    | 60,282,834           | 7,407,892    | 839,390,581         | 89.3%            | 10.7%     | 100.0% |
| FY2009-10                  | 713,023,647  | 42,009,501                    | 60,280,316           | 24,893,804   | 840,207,268         | 84.9%            | 15.1%     | 100.0% |
| FY2010-11                  | 712,644,744  | 20,365,488                    | 61,924,329           | 15,000,000   | 809,934,561         | 88.0%            | 12.0%     | 100.0% |
| FY2011-12                  | 725,551,082  | 23,031,139                    | 58,258,678           | 15,212,958   | 822,053,857         | 88.3%            | 11.7%     | 100.0% |
| FY2012-13                  | 755,577,268  | 24,001,803                    | 57,288,014           | 15,212,958   | 852,080,043         | 88.7%            | 11.3%     | 100.0% |
| FY2013-14                  | 764,291,514  | 43,744,517                    | 58,545,300           | 40,000,000   | 906,581,331         | 84.3%            | 15.7%     | 100.0% |
| FY2014-15                  | 805,682,025  | 45,412,478                    | 56,877,339           | 25,000,000   | 932,971,842         | 86.4%            | 13.6%     | 100.0% |
| FY2015-16                  | 858,246,808  | 43,534,516                    | 58,755,301           | 12,500,000   | 973,036,625         | 88.2%            | 11.8%     | 100.0% |
| FY2016-17                  | 877,023,152  | 42,230,208                    | 60,059,609           | 0            | 979,312,969         | 89.6%            | 10.4%     | 100.0% |
| FY2017-18                  | 850,390,838  | 42,989,209                    | 98,904,820           | 6,456,887    | 998,741,754         | 85.1%            | 14.9%     | 100.0% |
| FY2018-19                  | 848,435,395  | 42,333,888                    | 102,541,643          | 7,103,271    | 1,000,414,197       | 84.8%            | 15.2%     | 100.0% |
| Avg Annual Percent Change  |              |                               |                      |              |                     |                  |           |        |
| FY69 to FY79 (10 Yr)       | 8.1%         | 9.3%                          | --                   | 4.2%         | 8.2%                | 55.1%            | 38.1%     | 6.7%   |
| FY79 to FY89 (10 Yr)       | 1.2%         | 16.2%                         | --                   | 0.5%         | 9.3%                | 29.6%            | 70.4%     | 100.0% |
| FY89 to FY99 (10 Yr)       | 30.6%        | -1.9%                         | --                   | -1.9%        | 16.0%               | 70.7%            | 29.3%     | 100.0% |
| FY99 to FY09 (10 Yr)       | 4.4%         | -12.0%                        | 10.2%                | 9.2%         | 3.6%                | 86.4%            | 13.6%     | 100.0% |
| FY09 to FY19 (10 Yr)       | 1.2%         | 6.8%                          | 5.5%                 | -0.4%        | 1.8%                | 87.0%            | 13.0%     | 100.0% |
| FY69 to FY90 (Pre TEEOSA)  | 4.3%         | 12.0%                         | --                   | 2.3%         | 8.3%                | 40.8%            | 59.2%     | 100.0% |
| FY92 to FY19 (Post TEEOSA) | 4.4%         | -2.6%                         | --                   | 2.5%         | 3.9%                | 84.5%            | 15.5%     | 100.0% |

\* Foundation aid until FY89-90, income tax rebate starting in FY90-91

**Comments and Observations, - Table 25**

1. At the inception of modern day state aid in FY1968-69, 55% of the amount was distributed as equalization aid and 45% as foundation and incentive/consolidation funds. As aid increased from \$25 million to \$133 million, about 80% of the increased amount was through foundation aid resulting in equalization aid dropping to only 25% of aid in FY89-90, the year prior to enactment of TEEOSA.
  
2. TEEOSA (aka LB1059) was enacted to provide more equalization aid as well as to increase total state aid and reduce property taxes. This was a proactive response to lawsuits in other states which were successful in regards to equalizing spending and tax levels. In its initial implementation, TEEOSA was 75% equalization aid and 25% in other forms mostly income tax rebate. The income tax rebate was 20% of residents' income tax liability.
  
3. In the first four years of full implementation of TEEOSA (FY92 through FY96), total aid increased by an average of 3.8% per year. Because the income tax rebate grew at almost 10% per year, equalization aid actually declined during this period. Equalization aid declined to 67% of the total with all indications that this trend would continue. The Legislature then capped the income tax rebate at the FY92-93 level, \$102, 289,817. Furthermore, net option funding was first paid out of the \$102.3 million with the remaining amount then distributed as income tax rebate prorated based on the 20% number. Starting in FY2017-18, the capped provision was eliminated and the income tax rebate amount was fixed at 2.23% of federal liability which was the effective level during the last year of the cap provision.



**Table 26 TEEOSA Formula Components**

| <b>TEEOSA AID</b>                          | Certified<br>FY2014-15 | Certified<br>FY2015-16 | Certified<br>FY2016-17 | Certified<br>FY2017-18 | Certified<br>FY2018-19 |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|
| AFR Data Year                              | Actual 12-13           | Actual 13-14           | Actual 14-15           | Actual 15-16           | Actual 16-17           |
| Property Valuation Year                    | 2013 actual            | 2014 actual            | 2015 actual            | 2016 actual            | 2017 actual            |
| Income Tax Liability tax year              | TY 2012                | TY 2013                | TY 2014                | TY 2015                | TY 2016                |
| Total Adjusted GF Operating Expenditures   | 2,508,157,337          | 2,664,994,744          | 2,782,778,976          | 2,849,512,318          | 2,892,604,804          |
| Gain/Loss per Basic Funding Calculation    | (14,433,557)           | 1,959,571              | 1,027,018              | (23,984)               | 9,327,306              |
| <b>Basic Funding</b>                       | <b>2,493,723,780</b>   | <b>2,666,954,315</b>   | <b>2,783,805,994</b>   | <b>2,849,488,334</b>   | <b>2,901,932,110</b>   |
| Transportation Allowance                   | 65,811,144             | 70,552,704             | 71,813,965             | 67,949,880             | 68,434,231             |
| Special Education Allowance                | 194,727,130            | 204,438,456            | 214,653,698            | 217,976,728            | 224,024,188            |
| Distance Ed & Telecomm Allowance           | 5,891,560              | 6,230,762              | 5,981,767              | 6,630,303              | 6,328,937              |
| Poverty Allowance                          | 119,163,056            | 125,610,315            | 140,997,812            | 153,636,365            | 174,944,716            |
| Limited English Proficiency Allowance      | 42,098,389             | 42,913,631             | 46,961,410             | 59,359,682             | 59,091,464             |
| Focus School & Program Allowance           | 342,989                | 399,178                | 476,775                | 501,820                | 507,635                |
| Elementary Site Allowance                  | 6,142,354              | 6,451,368              | 6,115,160              | 5,486,999              | 5,152,274              |
| Summer School Allowance                    | 12,905,144             | 13,679,887             | 13,562,117             | 12,628,501             | 13,253,321             |
| System Averaging Adjustment                | 21,936,257             | 18,086,766             | 22,268,890             | 20,876,140             | 24,631,380             |
| Student growth adjustment                  | 12,905,073             | 18,261,903             | 13,347,760             | 11,568,822             | 11,631,078             |
| New school adjustment                      | 4,899,324              | 3,121,920              | 8,936,796              | 14,480,458             | 9,055,420              |
| Community Achievement Plan Adjustment      | --                     | --                     | --                     | 5,983,542              | 6,197,049              |
| NEED stabilization provisions              | 7,497,282              | 4,718,611              | 8,127,470              | 19,888,566             | 26,136,216             |
| Poverty / LEP Corrections                  | 856,016                | 354,820                | 8,587                  | (5,112,886)            | 4,270,971              |
| <b>Total Formula Need</b>                  | <b>3,038,899,496</b>   | <b>3,206,774,637</b>   | <b>3,337,058,201</b>   | <b>3,441,343,254</b>   | <b>3,535,590,990</b>   |
| Effective Yield from Local Effort Rate     | 1,557,091,389          | 1,562,039,587          | 1,565,258,400          | 1,953,639,572          | 2,032,079,444          |
| Net Option Funding                         | 56,877,339             | 58,755,301             | 60,059,609             | 98,904,820             | 102,541,643            |
| Allocated Income Tax                       | 45,412,478             | 43,534,516             | 42,230,208             | 42,989,209             | 42,333,888             |
| Other Actual Receipts                      | 445,842,924            | 457,407,270            | 478,458,825            | 489,435,273            | 504,003,571            |
| Minimum Levy Adjustment                    | 95,822,232             | 204,620,397            | 302,817,529            | 0                      | 0                      |
| Teacher Education Aid                      | 15,000,000             | 7,500,000              | 0                      | 0                      | 0                      |
| Instructional Time Aid                     | 10,000,000             | 5,000,000              | 0                      | 0                      | 0                      |
| Community Achievement Plan Aid             | --                     | --                     | --                     | 5,983,542              | 6,197,049              |
| <b>Total Formula Resources</b>             | <b>2,226,046,362</b>   | <b>2,338,857,071</b>   | <b>2,448,824,571</b>   | <b>2,590,952,416</b>   | <b>2,687,155,595</b>   |
| Calculated Equalization Aid                | 812,853,134            | 867,917,566            | 888,233,630            | 850,390,838            | 848,435,395            |
| Net Option Funding                         | 56,877,339             | 58,755,301             | 60,059,609             | 98,904,820             | 102,541,643            |
| Allocated Income Tax                       | 45,412,478             | 43,534,516             | 42,230,208             | 42,989,209             | 42,333,888             |
| Community Achievement Plan Aid             | --                     | --                     | --                     | 5,983,542              | 6,197,049              |
| Transition Aid                             | --                     | --                     | --                     | 473,345                | 906,222                |
| Non Equalized Levy Adjustment              | (4,014,240)            | (5,847,510)            | (6,274,412)            | 0                      | 0                      |
| Teacher Education Aid                      | 15,000,000             | 7,500,000              | 0                      | 0                      | 0                      |
| Instructional Time Aid                     | 10,000,000             | 5,000,000              | 0                      | 0                      | 0                      |
| Learning Community, impact of non equaliz: | (3,267,191)            | (3,823,248)            | (4,936,066)            | 0                      | 0                      |
| <b>TEEOSA State Aid</b>                    | <b>932,971,842</b>     | <b>973,036,625</b>     | <b>979,312,969</b>     | <b>998,741,754</b>     | <b>1,000,414,197</b>   |

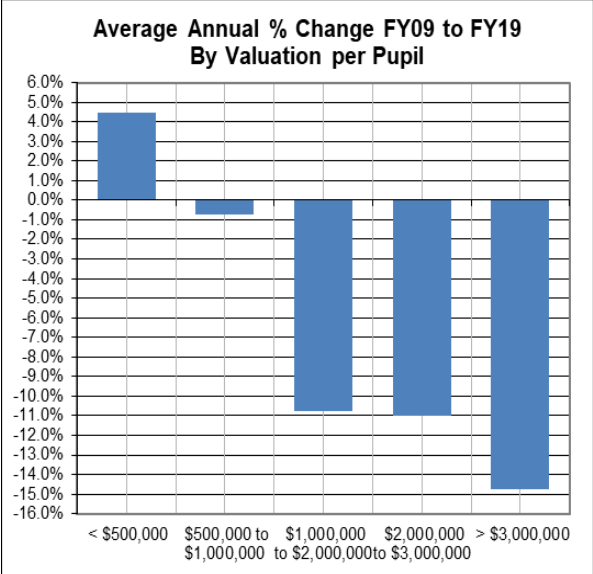
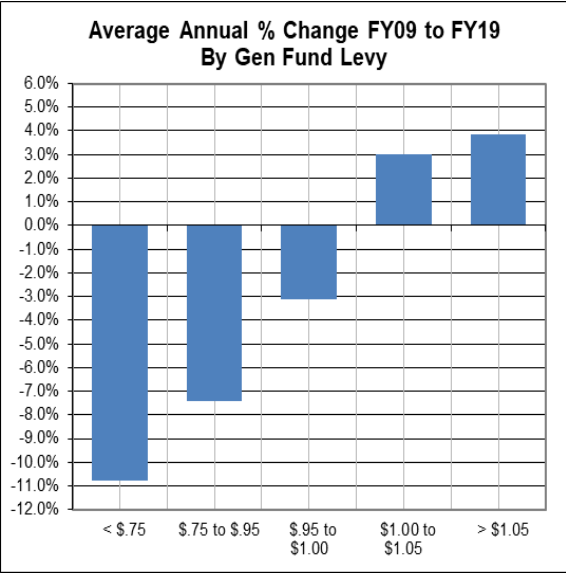
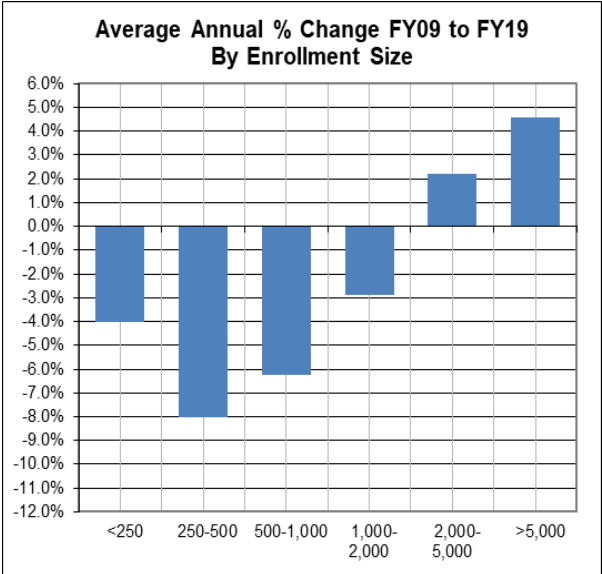
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**Table 27 TEEOSA Aid by Category of Schools: FY99 to FY19**

|                                    | # of Systems | ADM 2016-17 | FY1998-99 TEEOSA | FY2008-09 TEEOSA | FY2018-19 TEEOSA | Average Annual % Change |                |                |
|------------------------------------|--------------|-------------|------------------|------------------|------------------|-------------------------|----------------|----------------|
|                                    |              |             |                  |                  |                  | 10 Yr 99 to 09          | 10 Yr 09 to 19 | 20 Yr 99 to 19 |
| <b>By Enrollment Size</b>          |              |             |                  |                  |                  |                         |                |                |
| <250                               | 82           | 14,346      | 35,004,166       | 35,248,912       | 23,374,288       | 0.1%                    | -4.0%          | -2.0%          |
| 250-500                            | 80           | 28,233      | 76,620,480       | 88,375,021       | 38,388,450       | 1.4%                    | -8.0%          | -3.4%          |
| 500-1,000                          | 44           | 30,102      | 67,001,891       | 73,638,025       | 38,657,381       | 0.9%                    | -6.2%          | -2.7%          |
| 1,000-2,000                        | 16           | 23,637      | 55,088,951       | 75,907,581       | 56,572,081       | 3.3%                    | -2.9%          | 0.1%           |
| 2,000-5,000                        | 13           | 43,831      | 83,734,601       | 135,468,573      | 168,418,195      | 4.9%                    | 2.2%           | 3.6%           |
| >5,000                             | 9            | 161,672     | 273,302,396      | 430,752,469      | 675,003,802      | 4.7%                    | 4.6%           | 4.6%           |
| State Total                        | 244          | 301,821     | 590,752,486      | 839,390,581      | 1,000,414,197    | 3.6%                    | 1.8%           | 2.7%           |
| <b>By Enrollment Trend (10 yr)</b> |              |             |                  |                  |                  |                         |                |                |
| Growing                            | 90           | 229,956     | 402,982,112      | 616,081,478      | 894,255,970      | 4.3%                    | 3.8%           | 4.1%           |
| Declining                          | 154          | 71,865      | 187,770,373      | 223,309,103      | 106,158,227      | 1.7%                    | -7.2%          | -2.8%          |
| State Total                        | 244          | 301,821     | 590,752,486      | 839,390,581      | 1,000,414,197    | 3.6%                    | 1.8%           | 2.7%           |
| <b>By Equalization Status</b>      |              |             |                  |                  |                  |                         |                |                |
| Equalized                          | 69           | 231,125     | 439,086,181      | 675,653,014      | 938,953,201      | 4.4%                    | 3.3%           | 3.9%           |
| Non-Equalized                      | 175          | 70,697      | 151,666,305      | 163,737,567      | 61,460,996       | 0.8%                    | -9.3%          | -4.4%          |
| State Total                        | 244          | 301,821     | 590,752,486      | 839,390,581      | 1,000,414,197    | 3.6%                    | 1.8%           | 2.7%           |
| <b>By Per Pupil Cost</b>           |              |             |                  |                  |                  |                         |                |                |
| < \$11,000                         | 16           | 80,974      | 138,890,056      | 180,492,080      | 219,009,207      | 2.7%                    | 2.0%           | 2.3%           |
| \$11,000-14,000                    | 57           | 170,192     | 320,333,053      | 519,660,587      | 714,348,932      | 5.0%                    | 3.2%           | 4.1%           |
| \$14,000-17,000                    | 76           | 29,109      | 76,736,639       | 74,319,104       | 33,437,925       | -0.3%                   | -7.7%          | -4.1%          |
| \$17,000-20,000                    | 54           | 14,624      | 36,218,786       | 40,192,657       | 20,010,971       | 1.0%                    | -6.7%          | -2.9%          |
| > \$20,000                         | 41           | 6,923       | 18,573,951       | 24,726,154       | 13,607,162       | 2.9%                    | -5.8%          | -1.5%          |
| State Total                        | 244          | 301,821     | 590,752,486      | 839,390,581      | 1,000,414,197    | 3.6%                    | 1.8%           | 2.7%           |
| <b>By GF Levy</b>                  |              |             |                  |                  |                  |                         |                |                |
| < \$.75                            | 109          | 33,162      | 73,463,988       | 60,828,765       | 19,419,905       | -1.9%                   | -10.8%         | -6.4%          |
| \$.75 to \$.95                     | 66           | 31,296      | 71,647,843       | 92,552,252       | 42,842,690       | 2.6%                    | -7.4%          | -2.5%          |
| \$.95 to \$1.00                    | 20           | 8,943       | 22,817,688       | 30,659,595       | 22,360,304       | 3.0%                    | -3.1%          | -0.1%          |
| \$1.00 to \$1.05                   | 41           | 141,315     | 250,642,951      | 367,270,734      | 494,792,271      | 3.9%                    | 3.0%           | 3.5%           |
| > \$1.05                           | 8            | 87,105      | 172,180,015      | 288,079,235      | 420,999,027      | 5.3%                    | 3.9%           | 4.6%           |
| State Total                        | 244          | 301,821     | 590,752,486      | 839,390,581      | 1,000,414,197    | 3.6%                    | 1.8%           | 2.7%           |
| <b>By Per Pupil Valuation</b>      |              |             |                  |                  |                  |                         |                |                |
| < \$500,000                        | 20           | 171,719     | 317,837,328      | 515,827,193      | 796,306,676      | 5.0%                    | 4.4%           | 4.7%           |
| \$500,000 to \$1,000,000           | 36           | 65,145      | 117,578,570      | 167,742,902      | 155,531,507      | 3.6%                    | -0.8%          | 1.4%           |
| \$1,000,000 to \$2,000,000         | 92           | 40,794      | 97,684,546       | 110,969,558      | 35,563,920       | 1.3%                    | -10.8%         | -4.9%          |
| \$2,000,000 to \$3,000,000         | 68           | 18,876      | 48,345,359       | 35,923,760       | 11,207,797       | -2.9%                   | -11.0%         | -7.0%          |
| > \$3,000,000                      | 28           | 5,288       | 9,306,683        | 8,927,168        | 1,804,297        | -0.4%                   | -14.8%         | -7.9%          |
| State Total                        | 244          | 301,821     | 590,752,486      | 839,390,581      | 1,000,414,197    | 3.6%                    | 1.8%           | 2.7%           |

**Comments and Observations, - Table 27**

1. For analysis purposes, a variety of data categories were designed to reflect demographics of schools such as size, per pupil spending, property tax levy, and property valuation per pupil. Each school district is then placed into the respective categories based on the latest data which is the 2016-17 AFR, FY2018-19 TEEOSA aid certification, or 2017 property tax data.
2. shows the number of school systems and ADM student count in each of the various categories as well as TEEOSA aid for FY1998-99, FY2008-09 and FY2018-19. The average annual percent change is then calculated for the first 10 year period, the past ten years, and the entire 20 year period.
3. In general, school systems with the highest increase in TEEOSA aid tend to be those with low valuation per pupil, high General Fund levies, growing enrollments and/or low spending per pupil. These also tend to be higher in enrollment size.
4. In general, school systems with declining or low growth in TEEOSA aid tend to be those with high valuation per pupil, low General Fund levies, declining enrollments and/or high spending per pupil. These also tend to be lower in enrollment size.



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# Property Taxes and Valuations

**Table 28 Property Valuations by Sector - 1971 to 2017**

| Tax Year                | Property Valuations by Sector * |                |                |               |                 |
|-------------------------|---------------------------------|----------------|----------------|---------------|-----------------|
|                         | Agricultural                    | Residential    | Comm/Indust    | PS/RR         | Total           |
| 1971                    | 6,920,566,432                   | 4,199,756,053  | 3,036,654,727  | 668,995,997   | 14,825,973,209  |
| 1977                    | 8,524,951,439                   | 5,813,118,602  | 4,787,565,127  | 1,008,661,449 | 20,134,296,617  |
| 1987                    | 11,122,494,986                  | 18,223,439,503 | 9,148,988,457  | 2,268,656,163 | 40,763,579,109  |
| 1997                    | 19,637,313,769                  | 32,582,499,470 | 14,386,731,622 | 2,442,094,024 | 69,048,638,885  |
| 1998                    | 21,018,030,846                  | 35,531,912,756 | 15,635,317,856 | 2,418,372,067 | 74,603,633,525  |
| 1999                    | 22,390,461,705                  | 39,294,156,738 | 16,945,885,802 | 2,869,153,995 | 81,499,658,240  |
| 2000                    | 23,230,800,558                  | 42,532,972,677 | 19,503,127,293 | 3,040,652,797 | 88,307,553,325  |
| 2001                    | 24,070,056,135                  | 46,027,877,877 | 20,589,397,807 | 3,250,882,393 | 93,938,214,212  |
| 2002                    | 24,868,489,352                  | 48,423,457,282 | 21,480,955,044 | 3,389,778,240 | 98,162,679,918  |
| 2003                    | 25,930,317,003                  | 52,046,730,927 | 22,788,132,187 | 3,434,860,986 | 104,200,041,103 |
| 2004                    | 27,077,181,713                  | 55,508,061,158 | 23,209,249,338 | 3,328,751,501 | 109,123,243,710 |
| 2005                    | 28,655,685,523                  | 59,922,073,133 | 24,484,627,753 | 3,205,246,966 | 116,267,633,375 |
| 2006                    | 30,870,954,820                  | 65,015,992,089 | 25,939,021,051 | 3,238,210,666 | 125,064,178,626 |
| 2007                    | 31,841,904,530                  | 69,260,735,231 | 27,564,797,410 | 3,326,417,392 | 131,993,854,563 |
| 2008                    | 35,040,222,547                  | 71,671,371,346 | 29,568,110,612 | 3,630,358,611 | 139,910,063,116 |
| 2009                    | 39,434,563,400                  | 72,536,154,810 | 31,070,064,562 | 4,585,430,102 | 147,626,212,874 |
| 2010                    | 43,869,052,743                  | 73,391,373,265 | 31,588,967,911 | 5,155,754,302 | 154,005,148,221 |
| 2011                    | 49,060,101,552                  | 74,284,294,830 | 31,906,927,521 | 5,476,922,563 | 160,728,246,466 |
| 2012                    | 55,344,161,637                  | 75,468,895,345 | 32,931,480,471 | 6,214,187,258 | 169,958,724,711 |
| 2013                    | 67,495,778,335                  | 76,606,449,070 | 33,851,985,050 | 6,398,949,460 | 184,353,161,915 |
| 2014                    | 86,000,350,043                  | 78,900,400,307 | 34,659,967,009 | 6,609,682,136 | 206,170,399,495 |
| 2015                    | 101,386,066,506                 | 82,506,293,288 | 36,354,994,958 | 7,421,571,027 | 227,668,925,779 |
| 2016                    | 107,220,430,437                 | 86,251,445,484 | 37,335,377,324 | 7,517,111,134 | 238,324,364,379 |
| 2017                    | 106,695,160,764                 | 91,530,227,075 | 39,366,415,348 | 7,611,536,947 | 245,203,340,134 |
| Average Annual % Change |                                 |                |                |               |                 |
| 1971-1977 (6 yr)        | 3.5%                            | 5.6%           | 7.9%           | 7.1%          | 5.2%            |
| 1977-1987 (10 yr)       | 2.7%                            | 12.1%          | 6.7%           | 8.4%          | 7.3%            |
| 1987-1997 (10 yr)       | 5.8%                            | 6.0%           | 4.6%           | 0.7%          | 5.4%            |
| 1997-2007 (10 yr)       | 5.0%                            | 7.8%           | 6.7%           | 3.1%          | 6.7%            |
| 2007-2017 (10 yr)       | 12.9%                           | 2.8%           | 3.6%           | 8.6%          | 6.4%            |
| 1997-2017 (20 yr)       | 8.8%                            | 5.3%           | 5.2%           | 5.8%          | 6.5%            |

\* Excludes motor vehicle valuations which were removed to a separate tax and fee starting in 1997

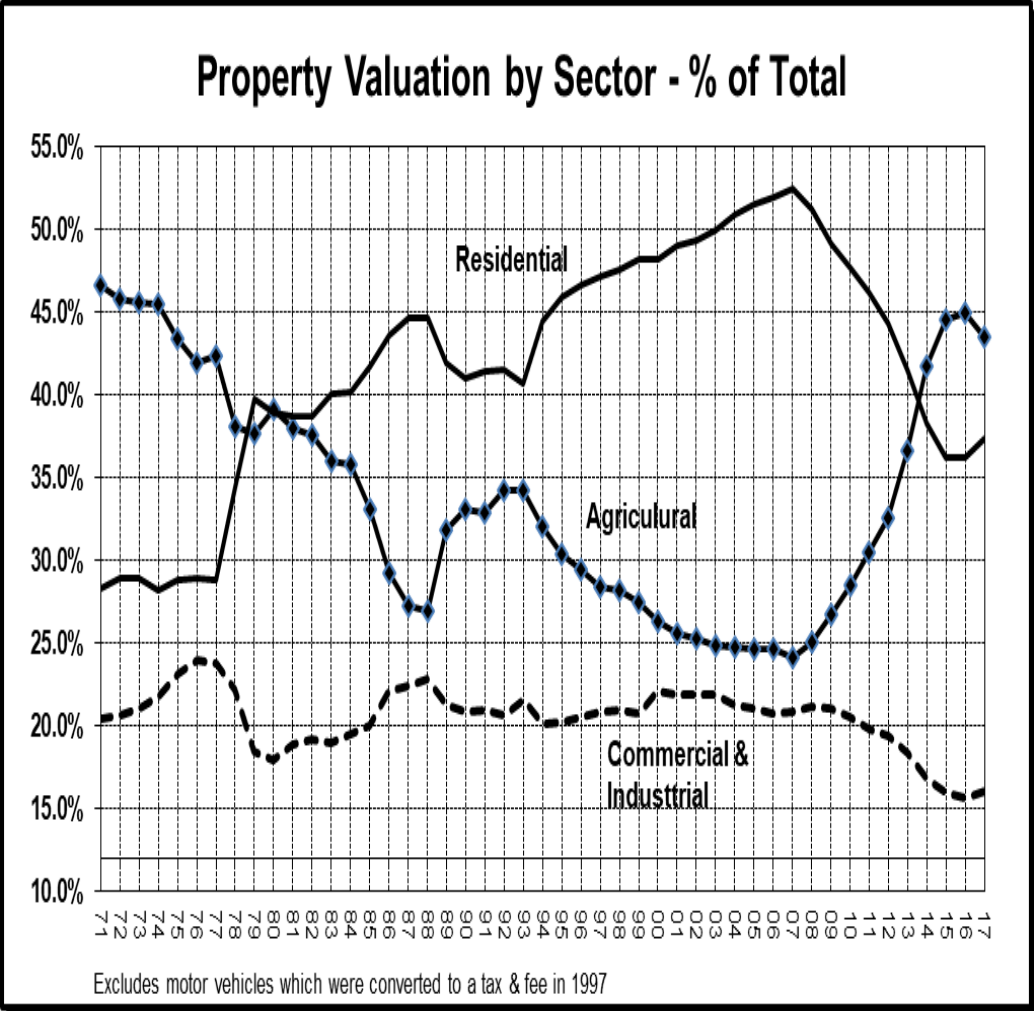
**Comments and Observations, - Table 28**

1. The last decade, 2007 to 2017, has seen unprecedented growth in agricultural land valuations. Agricultural sector valuation increased by double digits for eight consecutive years from 2008 through 2015, with an average annual growth of 12.9%, the highest of the last five decades.

At the same time, residential valuation had an average annual increase of 2.8%, the lowest average growth of the last five decades. Not only the lowest but less than half of the previous lowest decade.

With these large differential in growth, ag sector valuation as a percentage of total valuation increased from 24% in 2007 to 45% in 2016 while residential value portion of the total declined from 52% to 36%

2. However those 2007 proportions were the all-time low for the agricultural sector and the all-time high level for residential. From 1993 through 2007 agricultural valuation grew at half the rate of residential property. Part of this was due to lowering agricultural land taxable value from 100% to 80% and then to 75%.



**Table 29 Property Taxes Levied by Type of Subdivision - 1971 to 2017**

| Tax Year Levied                      | K-12 Schools  | County      | City        | All Other   | Total Gross Property Taxes |
|--------------------------------------|---------------|-------------|-------------|-------------|----------------------------|
| 1971                                 | 241,719,850   | 67,941,724  | 58,579,110  | 21,315,273  | 389,555,957                |
| 1977                                 | 392,818,660   | 104,203,795 | 88,979,987  | 52,847,014  | 638,849,456                |
| 1987                                 | 687,416,061   | 154,933,300 | 145,214,399 | 113,411,342 | 1,100,975,102              |
| 1997                                 | 957,975,232   | 229,054,745 | 175,080,143 | 184,431,350 | 1,546,541,469              |
| 1998                                 | 897,329,934   | 227,198,116 | 175,402,891 | 171,568,618 | 1,471,499,559              |
| 1999                                 | 950,994,794   | 229,116,147 | 186,516,508 | 152,845,090 | 1,519,472,538              |
| 2000                                 | 1,043,281,114 | 242,907,650 | 190,534,175 | 163,858,780 | 1,640,581,719              |
| 2001                                 | 1,078,506,900 | 270,198,652 | 203,672,425 | 209,455,613 | 1,761,833,590              |
| 2002                                 | 1,143,578,889 | 292,056,327 | 210,563,949 | 221,947,421 | 1,868,146,585              |
| 2003                                 | 1,254,770,486 | 321,016,370 | 219,615,828 | 243,224,718 | 2,038,627,402              |
| 2004                                 | 1,307,534,622 | 340,606,873 | 226,999,695 | 264,398,910 | 2,139,540,101              |
| 2005                                 | 1,378,914,526 | 368,559,351 | 241,989,667 | 292,534,722 | 2,281,998,266              |
| 2006                                 | 1,474,275,271 | 393,816,418 | 253,672,669 | 320,299,223 | 2,442,063,581              |
| 2007                                 | 1,552,763,379 | 417,047,416 | 274,204,507 | 337,597,206 | 2,581,612,508              |
| 2008                                 | 1,632,162,007 | 442,543,981 | 290,516,115 | 357,630,161 | 2,722,852,264              |
| 2009                                 | 1,716,241,504 | 464,194,036 | 311,282,052 | 384,408,583 | 2,876,126,175              |
| 2010                                 | 1,778,846,009 | 492,464,502 | 320,814,632 | 398,955,708 | 2,991,080,851              |
| 2011                                 | 1,843,237,551 | 513,300,121 | 333,718,492 | 418,491,734 | 3,108,747,898              |
| 2012                                 | 1,922,638,274 | 541,757,212 | 340,610,815 | 426,873,450 | 3,231,879,751              |
| 2013                                 | 2,024,910,737 | 564,516,999 | 344,063,476 | 467,229,028 | 3,400,720,240              |
| 2014                                 | 2,139,647,684 | 577,726,938 | 351,918,875 | 495,785,207 | 3,565,078,704              |
| 2015                                 | 2,280,164,356 | 600,786,669 | 369,262,696 | 531,219,747 | 3,781,433,468              |
| 2016                                 | 2,353,467,457 | 620,330,265 | 380,643,702 | 550,443,553 | 3,904,884,977              |
| 2017                                 | 2,436,664,176 | 644,226,173 | 398,746,875 | 575,100,305 | 4,054,737,529              |
| <b>Average Annual Percent Change</b> |               |             |             |             |                            |
| 1971 to 1977 (6 yrs)                 | 8.4%          | 7.4%        | 7.2%        | 16.3%       | 8.6%                       |
| 1977 to 1987 (10 yrs)                | 5.8%          | 4.0%        | 5.0%        | 7.9%        | 5.6%                       |
| 1987 to 1997 (10 yrs)                | 3.4%          | 4.0%        | 1.9%        | 5.0%        | 3.5%                       |
| 1997 to 2007 (10 yrs)                | 4.9%          | 6.2%        | 4.6%        | 6.2%        | 5.3%                       |
| 2007 to 2017 (10 yrs)                | 4.6%          | 4.4%        | 3.8%        | 5.5%        | 4.6%                       |
| 1997 to 2017 (20 yrs)                | 4.8%          | 5.3%        | 4.2%        | 5.9%        | 4.9%                       |

**Table 30 Property Taxes Levied by Sector - 1997 to 2017**

| Tax Year                | All Property Taxes Levied by Sector |               |             |             |               |
|-------------------------|-------------------------------------|---------------|-------------|-------------|---------------|
|                         | Agricultural                        | Residential   | Comm/Indust | PS/RR       | Total         |
| 1997                    | 377,923,225                         | 776,407,783   | 339,142,390 | 53,060,484  | 1,546,533,882 |
| 1998                    | 350,315,844                         | 748,761,787   | 326,778,686 | 45,643,242  | 1,471,499,559 |
| 1999                    | 352,477,277                         | 782,301,117   | 333,658,407 | 51,035,737  | 1,519,472,538 |
| 2000                    | 367,060,513                         | 838,659,297   | 380,874,043 | 53,987,866  | 1,640,581,719 |
| 2001                    | 379,593,310                         | 915,667,687   | 408,607,891 | 57,964,697  | 1,761,833,586 |
| 2002                    | 397,941,281                         | 976,126,404   | 432,702,361 | 61,376,537  | 1,868,146,583 |
| 2003                    | 428,405,082                         | 1,076,296,518 | 470,154,755 | 63,771,046  | 2,038,627,401 |
| 2004                    | 450,166,898                         | 1,149,395,021 | 478,515,949 | 61,462,233  | 2,139,540,101 |
| 2005                    | 477,603,002                         | 1,241,206,573 | 504,226,715 | 58,961,977  | 2,281,998,267 |
| 2006                    | 514,234,077                         | 1,337,633,527 | 530,482,087 | 59,713,890  | 2,442,063,581 |
| 2007                    | 536,405,803                         | 1,422,072,795 | 561,768,500 | 61,365,410  | 2,581,612,508 |
| 2008                    | 582,919,154                         | 1,471,445,761 | 601,889,524 | 66,597,825  | 2,722,852,264 |
| 2009                    | 644,357,856                         | 1,507,150,278 | 641,560,319 | 83,048,449  | 2,876,116,902 |
| 2010                    | 709,052,928                         | 1,535,234,524 | 654,844,258 | 91,949,141  | 2,991,080,851 |
| 2011                    | 784,486,684                         | 1,561,202,400 | 666,844,995 | 96,213,819  | 3,108,747,898 |
| 2012                    | 863,577,979                         | 1,576,336,834 | 685,204,930 | 106,760,005 | 3,231,879,748 |
| 2013                    | 994,595,968                         | 1,595,969,634 | 703,117,359 | 107,037,277 | 3,400,720,239 |
| 2014                    | 1,139,442,564                       | 1,614,121,529 | 705,761,044 | 105,753,567 | 3,565,078,704 |
| 2015                    | 1,255,809,815                       | 1,673,516,763 | 737,990,889 | 114,116,000 | 3,781,433,467 |
| 2016                    | 1,294,387,101                       | 1,741,499,879 | 754,309,337 | 114,688,660 | 3,904,884,977 |
| 2017                    | 1,291,177,998                       | 1,849,649,962 | 797,362,643 | 116,546,927 | 4,054,737,530 |
| Average Annual % Change |                                     |               |             |             |               |
| 1997-2002 (5 yr)        | 1.0%                                | 4.7%          | 5.0%        | 3.0%        | 3.9%          |
| 2002-2007 (5 yr)        | 6.2%                                | 7.8%          | 5.4%        | 0.0%        | 6.7%          |
| 2007-2012 (5 yr)        | 10.0%                               | 2.1%          | 4.1%        | 11.7%       | 4.6%          |
| 2012-2017 (5 yr)        | 8.4%                                | 3.2%          | 3.1%        | 1.8%        | 4.6%          |
| 1997-2007 (10 yr)       | 3.6%                                | 6.2%          | 5.2%        | 1.5%        | 5.3%          |
| 2007-2017 (10 yr)       | 9.2%                                | 2.7%          | 3.6%        | 6.6%        | 4.6%          |
| 1997-2017 (20 yr)       | 6.3%                                | 4.4%          | 4.4%        | 4.0%        | 4.9%          |

**Table 31 Property Taxes Levied by Sector – K-12 Schools Only**

| Tax Year                | K-12 Property Taxes Levied by Sector |               |             |            |               |
|-------------------------|--------------------------------------|---------------|-------------|------------|---------------|
|                         | Agricultural                         | Residential   | Comm/Indust | PS/RR      | Total         |
| 1997                    | 254,967,055                          | 464,067,682   | 205,546,719 | 33,393,021 | 957,974,477   |
| 1998                    | 237,275,218                          | 438,550,535   | 193,016,884 | 28,487,297 | 897,329,934   |
| 1999                    | 244,516,774                          | 470,905,458   | 203,030,864 | 32,541,698 | 950,994,794   |
| 2000                    | 257,110,756                          | 514,462,358   | 236,524,866 | 35,183,135 | 1,043,281,114 |
| 2001                    | 255,112,797                          | 542,167,042   | 244,898,593 | 36,328,464 | 1,078,506,896 |
| 2002                    | 268,067,169                          | 577,743,602   | 259,198,936 | 38,569,182 | 1,143,578,889 |
| 2003                    | 288,524,862                          | 642,390,967   | 283,561,581 | 40,293,075 | 1,254,770,486 |
| 2004                    | 301,615,041                          | 680,411,970   | 286,859,552 | 38,648,060 | 1,307,534,622 |
| 2005                    | 315,739,750                          | 727,134,406   | 299,325,748 | 36,714,623 | 1,378,914,526 |
| 2006                    | 339,055,969                          | 783,445,702   | 314,728,923 | 37,044,677 | 1,474,275,271 |
| 2007                    | 351,644,375                          | 830,939,487   | 332,248,493 | 37,931,025 | 1,552,763,379 |
| 2008                    | 381,253,686                          | 855,165,441   | 354,733,783 | 41,009,097 | 1,632,162,007 |
| 2009                    | 421,512,901                          | 868,898,061   | 374,745,519 | 51,085,023 | 1,716,241,505 |
| 2010                    | 462,600,374                          | 879,851,026   | 379,895,116 | 56,499,493 | 1,778,846,009 |
| 2011                    | 509,896,735                          | 890,339,861   | 383,897,280 | 59,103,675 | 1,843,237,551 |
| 2012                    | 561,504,269                          | 900,680,659   | 394,733,103 | 65,720,242 | 1,922,638,274 |
| 2013                    | 648,436,363                          | 907,696,482   | 402,835,816 | 65,942,077 | 2,024,910,737 |
| 2014                    | 745,817,076                          | 921,845,472   | 406,813,277 | 65,171,859 | 2,139,647,684 |
| 2015                    | 822,424,420                          | 959,634,478   | 427,237,498 | 70,867,960 | 2,280,164,356 |
| 2016                    | 845,123,918                          | 999,408,670   | 437,731,470 | 71,203,399 | 2,353,467,457 |
| 2017                    | 837,424,694                          | 1,063,622,430 | 463,256,071 | 72,360,981 | 2,436,664,177 |
| Average Annual % Change |                                      |               |             |            |               |
| 1997-2002 (5 yr)        | 1.0%                                 | 4.5%          | 4.7%        | 2.9%       | 3.6%          |
| 2002-2007 (5 yr)        | 5.6%                                 | 7.5%          | 5.1%        | -0.3%      | 6.3%          |
| 2007-2012 (5 yr)        | 9.8%                                 | 1.6%          | 3.5%        | 11.6%      | 4.4%          |
| 2012-2017 (5 yr)        | 8.3%                                 | 3.4%          | 3.3%        | 1.9%       | 4.9%          |
| 1997-2007 (10 yr)       | 3.3%                                 | 6.0%          | 4.9%        | 1.3%       | 4.9%          |
| 2007-2017 (10 yr)       | 9.1%                                 | 2.5%          | 3.4%        | 6.7%       | 4.6%          |
| 1997-2017 (20 yr)       | 6.1%                                 | 4.2%          | 4.1%        | 3.9%       | 4.8%          |

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**Table 32 Sector Valuation and K-12 Property Taxes  
By Enrollment Size - 2017**

|                                   | # of Dist. | Agricultural | Residential   | Comm/Indust | PS/RR      | Total         |
|-----------------------------------|------------|--------------|---------------|-------------|------------|---------------|
| <b>Total K-12 Property Taxes</b>  |            |              |               |             |            |               |
| <250                              | 82         | 200,064,799  | 26,458,635    | 6,567,565   | 10,667,046 | 243,758,044   |
| 250-500                           | 80         | 297,223,335  | 58,256,733    | 18,281,937  | 15,601,347 | 389,363,352   |
| 500-1,000                         | 44         | 219,803,830  | 94,125,041    | 27,767,068  | 13,585,639 | 355,281,578   |
| 1,000-2,000                       | 16         | 80,637,841   | 80,360,801    | 32,543,887  | 8,626,294  | 202,168,823   |
| 2,000-5,000                       | 13         | 31,952,485   | 159,835,727   | 71,455,623  | 9,091,041  | 272,334,877   |
| >5,000                            | 9          | 8,521,851    | 644,318,718   | 306,187,080 | 14,729,854 | 973,757,502   |
| Total                             | 244        | 838,204,142  | 1,063,355,654 | 462,803,159 | 72,301,222 | 2,436,664,177 |
| <b>Average Levy</b>               |            |              |               |             |            |               |
| <250                              |            | \$0.645      | \$0.693       | \$0.661     | \$0.666    | \$0.651       |
| 250-500                           |            | \$0.768      | \$0.826       | \$0.795     | \$0.843    | \$0.780       |
| 500-1,000                         |            | \$0.844      | \$0.947       | \$0.872     | \$0.931    | \$0.875       |
| 1,000-2,000                       |            | \$1.067      | \$1.128       | \$1.098     | \$1.105    | \$1.097       |
| 2,000-5,000                       |            | \$1.193      | \$1.265       | \$1.240     | \$1.208    | \$1.248       |
| >5,000                            |            | \$1.236      | \$1.264       | \$1.267     | \$1.262    | \$1.265       |
| Total                             |            | \$0.786      | \$1.162       | \$1.176     | \$0.950    | \$0.994       |
| <b>% of Tax Base</b>              |            |              |               |             |            |               |
| <250                              |            | 82.9%        | 10.2%         | 2.7%        | 4.3%       | 100.0%        |
| 250-500                           |            | 77.6%        | 14.1%         | 4.6%        | 3.7%       | 100.0%        |
| 500-1,000                         |            | 64.1%        | 24.5%         | 7.8%        | 3.6%       | 100.0%        |
| 1,000-2,000                       |            | 41.0%        | 38.7%         | 16.1%       | 4.2%       | 100.0%        |
| 2,000-5,000                       |            | 12.3%        | 57.9%         | 26.4%       | 3.4%       | 100.0%        |
| >5,000                            |            | 0.9%         | 66.2%         | 31.4%       | 1.5%       | 100.0%        |
| Total                             |            | 43.5%        | 37.3%         | 16.1%       | 3.1%       | 100.0%        |
| <b>Valuation Per Pupil</b>        |            |              |               |             |            |               |
| <250                              |            | 2,162,962    | 266,274       | 69,215      | 111,672    | 2,610,123     |
| 250-500                           |            | 1,371,207    | 249,692       | 81,446      | 65,528     | 1,767,872     |
| 500-1,000                         |            | 864,663      | 330,068       | 105,842     | 48,475     | 1,349,048     |
| 1,000-2,000                       |            | 319,688      | 301,391       | 125,420     | 33,030     | 779,529       |
| 2,000-5,000                       |            | 61,108       | 288,156       | 131,464     | 17,164     | 497,893       |
| >5,000                            |            | 4,265        | 315,273       | 149,445     | 7,220      | 476,203       |
| Total                             |            | 353,505      | 303,260       | 130,430     | 25,219     | 812,413       |
| <b>% of State Total Valuation</b> |            |              |               |             |            |               |
| <250                              |            | 29.1%        | 4.2%          | 2.5%        | 21.0%      | 15.3%         |
| 250-500                           |            | 36.3%        | 7.7%          | 5.8%        | 24.3%      | 20.4%         |
| 500-1,000                         |            | 24.4%        | 10.9%         | 8.1%        | 19.2%      | 16.6%         |
| 1,000-2,000                       |            | 7.1%         | 7.8%          | 7.5%        | 10.3%      | 7.5%          |
| 2,000-5,000                       |            | 2.5%         | 13.8%         | 14.6%       | 9.9%       | 8.9%          |
| >5,000                            |            | 0.6%         | 55.7%         | 61.4%       | 15.3%      | 31.4%         |
| Total                             |            | 100.0%       | 100.0%        | 100.0%      | 100.0%     | 100.0%        |



**Table 33 Sector Valuation and K-12 Property Taxes  
By Equalized and Non-Equalized Districts - 2017**

|                                   | # of Dist. | Agricultural | Residential   | Comm/Indust | PS/RR      | Total         |
|-----------------------------------|------------|--------------|---------------|-------------|------------|---------------|
| <b>Total K-12 Property Taxes</b>  |            |              |               |             |            |               |
| Equalized                         | 69         | 165,887,841  | 872,140,020   | 383,775,407 | 36,347,856 | 1,458,151,124 |
| Non-Equalized                     | 175        | 672,316,301  | 191,215,635   | 79,027,752  | 35,953,366 | 978,513,053   |
| Total                             | 244        | 838,204,142  | 1,063,355,654 | 462,803,159 | 72,301,222 | 2,436,664,177 |
| <b>Average Levy</b>               |            |              |               |             |            |               |
| Equalized                         |            | \$1.101      | \$1.244       | \$1.247     | \$1.181    | \$1.225       |
| Non-Equalized                     |            | \$0.734      | \$0.893       | \$0.919     | \$0.793    | \$0.776       |
| Total                             |            | \$0.786      | \$1.162       | \$1.176     | \$0.950    | \$0.994       |
| <b>% of Tax Base</b>              |            |              |               |             |            |               |
| Equalized                         |            | 12.7%        | 58.9%         | 25.8%       | 2.6%       | 100.0%        |
| Non-Equalized                     |            | 72.6%        | 17.0%         | 6.8%        | 3.6%       | 100.0%        |
| Total                             |            | 43.5%        | 37.3%         | 16.1%       | 3.1%       | 100.0%        |
| <b>Valuation Per Pupil</b>        |            |              |               |             |            |               |
| Equalized                         |            | 65,193       | 303,378       | 133,115     | 13,311     | 514,998       |
| Non-Equalized                     |            | 1,296,067    | 302,872       | 121,649     | 64,147     | 1,784,735     |
| Total                             |            | 353,505      | 303,260       | 130,430     | 25,219     | 812,413       |
| <b>% of State Total Valuation</b> |            |              |               |             |            |               |
| Equalized                         |            | 14.1%        | 76.6%         | 78.2%       | 40.4%      | 48.5%         |
| Non-Equalized                     |            | 85.9%        | 23.4%         | 21.8%       | 59.6%      | 51.5%         |
| Total                             |            | 100.0%       | 100.0%        | 100.0%      | 100.0%     | 100.0%        |

**Table 34 Excess Valuation in TEEOSA Formula – FY2018-19 Certification**

|                 | (1)                          | (2)  | (3)                               | (4)                              | (5)                                   | (6)             | (7)                                   | (8)                                      |
|-----------------|------------------------------|--|-----------------------------------|----------------------------------|---------------------------------------|-----------------|---------------------------------------|--|
| System<br>Count | Total<br>Calculated<br>NEEDS | Subtotal<br>Gross Yield from<br>\$1.0203 LER | Subtotal<br>All other<br>Receipts | Total<br>Calculated<br>Resources | NEEDS - Resources<br>> 0<br>Equal Aid | < 0<br>"Excess" | "Excess" as<br>% of Yield<br>from LER | "Excess" as<br>% of Ag Lanc<br>LER Yield |

**By Enrollment Size**

**Total**

|              |            |                      |                      |                    |                      |                    |                      |              |              |
|--------------|------------|----------------------|----------------------|--------------------|----------------------|--------------------|----------------------|--------------|--------------|
| <250         | 82         | 267,882,710          | 385,067,693          | 42,431,646         | 427,499,339          | 9,968,805          | (169,585,434)        | 46.0%        | 58.7%        |
| 250-500      | 80         | 430,690,437          | 512,716,326          | 71,812,015         | 584,528,341          | 18,714,430         | (172,552,334)        | 37.2%        | 47.8%        |
| 500-1,000    | 44         | 397,687,006          | 417,826,905          | 70,608,226         | 488,435,131          | 23,554,160         | (114,302,285)        | 34.8%        | 47.2%        |
| 1,000-2,000  | 16         | 260,612,989          | 188,890,301          | 49,413,984         | 238,304,285          | 45,944,354         | (23,635,650)         | 23.6%        | 33.7%        |
| 2,000-5,000  | 13         | 461,707,820          | 224,542,311          | 80,634,205         | 305,176,516          | 156,531,304        | 0                    | --           | --           |
| >5,000       | 9          | 1,717,010,028        | 788,452,499          | 340,176,075        | 1,128,628,574        | 593,688,937        | (5,307,483)          | 14.4%        | 82.9%        |
| <b>Total</b> | <b>244</b> | <b>3,535,590,990</b> | <b>2,517,496,035</b> | <b>655,076,151</b> | <b>3,172,572,186</b> | <b>848,401,990</b> | <b>(485,383,186)</b> | <b>37.4%</b> | <b>48.9%</b> |

**Per Pupil**

|              |            |               |              |              |               |              |                |  |  |
|--------------|------------|---------------|--------------|--------------|---------------|--------------|----------------|--|--|
| <250         | 82         | \$18,674      | \$26,842     | \$2,958      | \$29,800      | \$695        | (\$11,821)     |  |  |
| 250-500      | 80         | 15,255        | 18,160       | 2,544        | 20,704        | 663          | (6,112)        |  |  |
| 500-1,000    | 44         | 13,211        | 13,880       | 2,346        | 16,226        | 782          | (3,797)        |  |  |
| 1,000-2,000  | 16         | 11,026        | 7,991        | 2,091        | 10,082        | 1,944        | (1,000)        |  |  |
| 2,000-5,000  | 13         | 10,534        | 5,123        | 1,840        | 6,963         | 3,571        | 0              |  |  |
| >5,000       | 9          | 10,620        | 4,877        | 2,104        | 6,981         | 3,672        | (33)           |  |  |
| <b>Total</b> | <b>244</b> | <b>11,714</b> | <b>8,341</b> | <b>2,170</b> | <b>10,511</b> | <b>2,811</b> | <b>(1,608)</b> |  |  |

**By Equalized and Non-Equalized**

**Total**

|               |            |                      |                      |                    |                      |                    |                      |              |              |
|---------------|------------|----------------------|----------------------|--------------------|----------------------|--------------------|----------------------|--------------|--------------|
| Equalized     | 69         | 2,527,430,772        | 1,220,370,897        | 458,657,885        | 1,679,028,782        | 848,401,990        | 0                    | --           | --           |
| Non-Equalized | 175        | 1,008,160,218        | 1,297,125,138        | 196,418,266        | 1,493,543,404        | 0                  | (485,383,186)        | 37.4%        | 56.9%        |
| <b>Total</b>  | <b>244</b> | <b>3,535,590,990</b> | <b>2,517,496,035</b> | <b>655,076,151</b> | <b>3,172,572,186</b> | <b>848,401,990</b> | <b>(485,383,186)</b> | <b>37.4%</b> | <b>48.9%</b> |

**Per Pupil**

|               |            |               |              |              |               |              |                |  |  |
|---------------|------------|---------------|--------------|--------------|---------------|--------------|----------------|--|--|
| Equalized     | 69         | \$10,935      | \$5,280      | \$1,984      | \$7,265       | \$3,671      | \$0            |  |  |
| Non-Equalized | 175        | 14,260        | 18,348       | 2,778        | 21,126        | 0            | (6,866)        |  |  |
| <b>Total</b>  | <b>244</b> | <b>11,714</b> | <b>8,341</b> | <b>2,170</b> | <b>10,511</b> | <b>2,811</b> | <b>(1,608)</b> |  |  |

**Comments and Observations, - Table 34**

1. This table provides a summary of FY18-19 TEEOSA aid calculation data broken down by size of district and then equalized and non-equalized districts. Column 1 shows calculated NEEDS while total Resources are in column 4 broken down into its two main components, yield from LER (column 2) and Other Receipts (column 3).
2. On a per pupil basis, formula NEEDS for non-equalized districts are actually higher than for equalized districts (column 1 per pupil). This reflects the fact that the formula generates higher NEEDS for smaller districts. However, this higher level of NEEDS is totally offset by the much higher yield from local effort rate. (column 1)
3. Columns 5 and 6 show the results of the NEEDS - RESOURCES equation. If  $NEEDS > RESOURCES$  (column 5) the difference is equalization aid. If  $NEEDS - RESOURCES$  is zero or negative the school gets no equalization aid or is “non-equalized”
4. Column 6 shows that negative result in dollar terms while column 7 and 8 illustrate that “excess” as a percent of the yield from local effort rate relative to total valuation (column 7) or agricultural land only.(column 8). This illustrates the degree of “non-equalization” and basically shows the extent that yield from LER, and thus valuation, would have to decline before those districts would be equalized.

The highest are Elgin (78.4%), Bruning-Davenport (74.3%) and Humphrey (71.5%). Their valuations would have to decline by these percentages before they would receive any equalization aid. On the other hand Wayne is a non-equalized district but is only .01% from being equalized

# Definition of Terms

## Definition of Spending Categories

INSTRUCTION Column (1), (2) and (3) - Activities dealing directly with the teaching of pupils, or the interaction between teacher and pupils. Included here are the activities of aides or assistants of any type that directly assist in the instructional process.

SUPPORT SERVICES – PUPILS AND STAFF Column (4): Support Services-Pupils includes those activities that are designed to assess and improve the well-being of pupils and to supplement the teaching process including casework services for pupils and parents; non-attendance and enforcement of compulsory attendance laws, guidance services, health and psychological services, and safety and security. General Fund disbursements for student publications, social events, club activities, and expenditures for extra-curricular activities are included if these activities are not otherwise provided for in the Activities Fund.

Support Services-Staff includes activities associated with assisting the staff with the content and process of providing learning experiences for pupils and include expenditures for Retirement Incentive Plans and Staff Development Assistance, instructional staff training and curriculum development, school improvement efforts, implementation of standards, audio-visual and educational television and distance learning.

ADMINISTRATION + BUSINESS Column (5) Includes (1) activities performed by the superintendent and such assistants as deputy, associate, and assistant superintendents in the general direction and management of the school district; (2) activities concerned with directing and managing the operation of a particular school or school building including principals, assistant principals, and the clerical staff for these activities; (3) activities concerned with purchasing, paying, transporting, and maintaining goods and services for the school district; (4) activities concerned with the fiscal operations of the school district such as budgeting, financial accounting, payroll, inventory control, and internal auditing; and acquiring or improving school district lands or buildings; (6) activities concerned with acquiring and maintaining general purpose vehicles such as trucks, tractors, and staff vehicles.

MAINTENANCE AND OPERATION OF BUILDING(S) AND SITE(S) Column (6) Includes activities required in keeping the physical plant open, heated, lighted, and ready for use and in keeping the grounds, buildings and non-instruction equipment at their original condition of completeness and efficiency through repairs or replacement.

PUPIL TRANSPORTATION Column (7) Activities concerned with the conveyance of pupils to and from school, as provided by statute. Included are such activities as contracting, payments to parents, purchasing vehicles, leasing vehicles, servicing vehicles, and all costs associated with operating the vehicle.

ALL OTHER Column (8) This includes community services, state categorical programs, federal categorical programs, summer school, adult education, transfers (Inter-fund transfers from the General Fund to the School Lunch, Activities or Bond Fund or from other funds to the General Fund). About 90% of all amounts in this category are federal categorical programs.

## Definition of Funds

A FUND is a sum of money or is the money derived from certain sources and set aside for specific purposes and activities. An ACCOUNT within a fund records the financial transactions that are similar in terms of a given frame of reference, either as a receipt or as a disbursement. The fund accounts collectively constitute a complete record of all transactions encompassed by the fund.

GENERAL FUND The General Fund finances all facets of services rendered by the school district. General Fund receipts are classified according to source while its expenditures are classified according to specific functions. The General Fund is maintained by all operating school districts in the state. General Fund expenditures are limited by statute. The tax levy for this fund is restricted.

DEPRECIATION FUND may be established by a school district in order to facilitate the eventual purchase of costly capital outlay by reserving such monies from the General Fund. To allocate monies from the General Fund, a school district will show the movement of monies as an expense from the General Fund and the Depreciation Fund will show the revenue as a transfer from the General Fund. The school district may divide this fund into more than one account to allocate a portion of this fund for different valid purposes. The purpose of the Depreciation Fund is to spread replacement costs over a period of years in order to avoid a disproportionate tax effort in a single year to meet such an expense. This fund is restricted by statute as part of the Allowable Reserve limitation. The Depreciation Fund is not specifically provided for in law; therefore, this fund shall be considered a component of the General Fund.

EMPLOYEE BENEFIT FUND An Employee Benefit Fund may be established in order to specifically reserve General Fund money for the benefit of school district employees (unemployment compensation, early retirement, health insurance deductibles, etc.) To allocate monies from the General Fund, a school district will show the movement of monies as an expense from the General Fund, and the Employee Benefit Fund will show the revenue as a transfer from the General Fund. A school district may divide this fund into more than one account to allocate a portion of this fund for different valid purposes. The cash reserve of this fund is restricted by statute as part of the Allowable Reserve limitation. The Employee Benefit Fund is not specifically provided for in law; therefore, this fund shall be considered a component of the General Fund.

CONTINGENCY FUND A Contingency Fund is authorized by statute and may be established by a school district to fund uninsured losses and legal fees incurred by the school district for defense against public losses. Expenditures from this fund shall not exceed five percent of the total budgeted General Fund expenditures of the school district. To allocate monies from the General Fund, a school district shall show the movement of monies as an expense from the General Fund, and the Contingency Fund shall show the revenue as a transfer from the General Fund.

ACTIVITIES FUND The Activities Fund is required to account for the financial operations of quasi-independent student organizations, inter-school athletics, and other self-supporting or partially self-supporting school activities. The inclusion of such accounts in the General Fund would distort the financial position of the basic school operation and would complicate the computation of the net expense incurred in conducting school services. The Activities Fund shall not be used to record general operation revenues or expenditures, nor shall this fund be used as a clearinghouse for the General Fund. The school district may divide this fund into more than one account to allocate a portion

of this fund for different purposes. The financial operations of all school-connected activities are a legal responsibility of the board of education. If deficits in such activities are incurred, they shall be covered by funds transferred from the General Fund. Such revenue shall finance only those projects that qualify for approval under policies established by the school district board of education for such activities.

SCHOOL NUTRITION FUND The School Lunch Fund is required to accommodate the financial activities of all Nutrition Programs operated by the school district. The School Lunch Fund shall reflect a record of all revenues and expenditures incident to the operation of all Nutrition Programs. If a deficit is incurred in the operation, the deficiency shall be covered by funds transferred from the General Fund.

BOND FUND The Bond Fund shall be used to record tax receipts, investment interest, and the payment of bond principal, interest, and other related costs (i.e. trustee fees). If the fund balance is not sufficient to meet interest or bond retirement payments from the Bond Fund, the General Fund shall be used for these payments. Revenue from a levy to retire bonds in any school district is retained in a separate fund by the county treasurer, the financial institution serving as a fiscal agent, or the school district. Funds shall be disbursed upon appropriate demand. All records of the transactions in this area shall be maintained in this fund. Proceeds from a bond issue shall be deposited into the Special Building Fund to be expended on the actual building project. The tax levy for this fund is restricted for expenditures other than principal and interest on bonds.

SPECIAL BUILDING FUND A Special Building Fund shall be established when a school board decides to acquire or improve sites and/or to erect, alter or improve buildings. The sale of bonds, the sale of property, or tax receipts will be the primary sources of revenue for the Special Building Fund. Regardless of the source of money to be used for building construction and related costs, all income for the purposes of this fund shall be accountable through this fund. General Fund expenditures for the purpose of this fund are not allowable. Special Building Fund accounting provides a more effective means of identifying those expenditures associated with construction activities and provides a complete and consolidated record of all costs of the building program at the conclusion of a project(s). If more than one Special Building Fund project is active at the same time, separate accounts for each project may be established within the single Special Building Fund. The tax levy for this fund is restricted.

QUALIFIED CAPITAL PURPOSE UNDERTAKING FUND A Qualified Capital Purpose Undertaking Fund may be established for the removal of environmental hazards, the reduction or elimination of accessibility barriers in school district buildings, the repayment of a qualified zone academy bond issued for a qualified capital purpose, modifications for life safety code violations, indoor air quality projects, and mold abatement and prevention projects. General Fund expenditures for the purpose of this fund are not allowable. The tax levy and duration of this fund is restricted.

COOPERATIVE FUND The Cooperative Fund may be used by the school district acting as the fiscal agent for any cooperative activity between one or more public agencies. All school districts, including the school district acting as the fiscal agent, shall show the payment for services to the cooperative in their General Fund.

STUDENT FEE FUND The Student Fee Fund is a separate school district fund not funded by tax revenue into which all money collected from students pursuant to the Public Elementary and Secondary Student Fee Authorization Act must be deposited. Included are fees for Extracurricular Activities, Postsecondary Education and Summer or Night School. Expenditures from this fund must be for the purposes for which the fees were collected.