



## Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873  
Email: [fiscal.bureau@legis.wisconsin.gov](mailto:fiscal.bureau@legis.wisconsin.gov) • Website: <http://legis.wisconsin.gov/lfb>

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May 29, 2013

Joint Committee on Finance

Paper #515

### **Milwaukee and Racine Parental Choice Programs -- Per Pupil Payments (DPI -- Choice, Charter, and Open Enrollment)**

[LFB 2013-15 Budget Summary: Page 371, #2]

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#### **CURRENT LAW**

Under the Milwaukee and Racine parental choice programs, state funds are used to pay for the cost of children from eligible families in the City of Milwaukee and the Racine Unified School District (RUSD) to attend private schools participating in the program. The per pupil payment for the choice programs in 2012-13 is equal to the lesser of \$6,442 or the private school's operating and debt service cost per pupil related to educational programming, as determined by DPI. Beginning in 2013-14, the maximum amount paid per pupil in a given year will equal the maximum amount in the previous school year adjusted by the percentage change, if positive, in the general school aids appropriation from the previous school year to the current school year.

A choice school may not charge or receive any additional tuition payment for a choice pupil other than the state choice payment if the pupil is in grades K-8 or if the pupil is in grades 9-12 and the family income of the pupil does not exceed 220% (\$52,029 for a family of four) of the federal poverty level. A choice school may charge a pupil tuition in an amount determined by the school, in addition to the state choice payment, if the pupil is in grades 9-12 and the family income of the pupil is greater than 220% of the federal poverty level.

DPI pays the school in which a pupil is enrolled, on behalf of the pupil's parent or guardian, from separate sum sufficient appropriations from the general fund established for each program. The estimated cost of the payments from each choice program appropriation is partially offset by a net reduction (after consideration of aid paid to the City of Milwaukee to defray the choice levy) in the general school aids otherwise paid to the Milwaukee Public Schools (MPS) and RUSD by an amount equal to 38.4% of the total cost of each choice program. Under revenue limits, MPS and RUSD may levy property taxes to make up for the

amount of general aid lost due to this reduction (less the amount of high poverty aid paid to MPS).

Base funding for the Milwaukee parental choice program is \$150,742,800 GPR in 2012-13, and the partially offsetting aid reduction is \$57,885,200. Base funding for the Racine parental choice program is \$3,221,000 GPR in 2012-13 and the partially offsetting aid reduction is \$1,236,900.

## **GOVERNOR**

Set the maximum per pupil payment for the Milwaukee and Racine parental choice programs at \$6,442 per pupil in 2013-14, regardless of the pupil's grade. Set the maximum per pupil payment in 2014-15 and each year thereafter at \$7,050 for a pupil enrolled in a grade from kindergarten to 8 and at \$7,856 for a pupil enrolled in a grade from 9 to 12. This would result in annual increases under the bill of 0.0% in 2013-14 and 9.4% for pupils in grades K-8 and 21.9% for pupils in grades 9-12 in 2014-15.

Delete the provision under which, beginning in 2013-14, the maximum per pupil payment in a given year be set equal to the maximum payment in the previous school year adjusted by the percentage change, if positive, in the general school aids appropriation from the previous school year to the current school year.

Provide \$21,085,000 in 2014-15 in funding as a result of increasing the maximum per pupil payment under the programs. Of that funding, \$20,332,000 in 2014-15 would be provided in the appropriation for payments for the Milwaukee program and \$753,000 in 2014-15 would be provided in the appropriation for parental choice programs in eligible districts for the Racine program. These amounts assume that 82% of choice students would be enrolled in grades K-8 and 18% would be enrolled in grades 9-12.

For the Milwaukee program, the MPS choice reduction would increase by \$7,807,500 in 2014-15, while the net general fund fiscal effect would be increased expenditures of \$12,524,500 in 2014-15. For the Racine program, the RUSD choice reduction would increase by \$289,100 in 2014-15, and the net general fund fiscal effect would be increased expenditures of \$463,900 in 2014-15.

## **DISCUSSION POINTS**

1. A number of different methods have been used in setting the maximum per pupil payments for the parental choice programs. From the start of the program until the 1999-01 budget act, the maximum payment was equal to the average equalization aid per pupil received by MPS. In the 1999-01 budget act, the maximum per pupil payment was modified to equal the maximum payment in the previous school year plus the revenue limit per pupil adjustment provided to school districts in that school year. Under the 2003-05 budget act, the maximum payment was indexed by the percentage increase in the general schools aids appropriation. This mechanism was used until

the 2009-11 budget act, when the maximum payment amount was set in statute.

2. The bill would continue the policy of setting the maximum payment for the choice program in statute. It would also eliminate the general school aid indexing provision in future biennia. Any changes to the maximum choice payment per pupil in the future would thus not be automatic but would have to be made through the legislative process.

3. A number of comparisons can be made among the payments that are made to schools in the parental choice programs and the revenue provided to public school districts. Comparisons could be made, for example, between the choice payment and the total revenue per pupil statewide (\$12,591 in 2011-12) or in MPS (\$14,271 in 2011-12), the general aid per pupil statewide (\$4,899 in 2012-13) or in MPS (\$6,442 in 2012-13), or the general and categorical aid per pupil statewide (an estimated \$5,592 in 2012-13) or in MPS (an estimated \$7,544 in 2012-13).

4. These comparisons are complicated by the differing funding structures and statutory program responsibilities for the different systems of schools. Public schools receive funding from state and federal aid, the local property tax levy, and other local revenues such as fees and interest income. Public schools may not charge tuition to pupils. Choice schools receive the state payments for pupils participating in the choice program and may charge tuition to certain choice pupils in the high school grades and to pupils not participating in the choice program. Choice schools do not have direct access to the local property tax or to most federal and categorical aid payments, but may also charge fees.

5. In K-12 education finance, state policymakers have the greatest level of control over state aid and the local property tax. School district revenue limits restrict the sum of state general aid and the local property tax levy, the two largest sources of funding for public school districts on a statewide basis. The maximum per pupil choice payment represents the amount of unrestricted funding that the state provides to schools in the program. These payments are funded from the state general fund, with the state cost being partially offset by a reduction in general aid that would otherwise be paid to districts with a choice program, which can then be backfilled with local levy. Thus, it could be viewed as appropriate to compare school district revenue limit authority with choice program funding, both in total and on a per pupil basis, when considering the issue of the maximum choice payment per pupil.

6. Attachment 1 provides historical information since 1998-99 on revenue limit authority for public school districts statewide and for MPS and funding for the parental choice programs. In 1998-99, expansion of the Milwaukee parental choice program to include sectarian schools was first effective. Also, the indexing of the per pupil adjustment under revenue limits to inflation began in that year.

7. For public school districts statewide and for MPS, Attachment 1 shows the total and per pupil revenue limit authority in each year, including adjustments. The total amount of funding for parental choice programs in each year is also shown in Attachment 1, based on estimates used by DPI to calculate the required aid reductions for the programs in the annual October 15 general aid distributions. Final payment figures may have been adjusted based on final participation and financial information data. Also shown are the maximum per pupil payment amounts in each year.

8. Proponents of the increased payment under the bill have argued that:

- the maximum choice payment per pupil has been frozen for four years after being reduced from its 2008-09 amount;
- the increase under the bill will bring the choice program closer to parity in resources with public schools and independent charter schools;
- even after the increase under the bill, the choice payment will still be lower than the statewide average revenue limit authority allowed for a public school pupil; and
- providing a higher payment for pupils in grades 9-12 acknowledges the higher cost of education at the high school level and would provide a greater incentive for high schools to participate in the choice program.

9. Opponents of the increased payment under the bill have argued that:

- school districts were subject to a larger percentage reduction in 2011-12, while the maximum choice payment per pupil remained unchanged;
- under the bill, the choice payment would increase while no per pupil adjustment would be provided under public school revenue limits; and
- no other state K-12 program provides a different payment for pupils in high school grades

10. Other considerations can be taken into account in a discussion of the choice payment, including differing philosophical viewpoints of the merits of public and private education, the connection between education funding and outcomes, the achievement and attainment outcomes for children in public and choice schools, the external factors affecting the educational readiness of children, the funding structure for the choice program, the statutory responsibilities of public and choice schools, and the adequacy of other educational options in the state such as open enrollment and charter schools.

11. A number of options to the payments under the bill can be considered by the Committee. The remainder of the paper outlines five possible alternatives. The payments and net general fund effect are summarized in the text below. Additional detail on the per pupil payments, total general fund expenditures, aid reductions for MPS and RUSD, and net general fund expenditures for the Milwaukee and Racine programs, as well as in total, can be found in Attachments 2 through 6.

12. Under the bill, the choice payment would be held constant in 2013-14 while increasing by a relatively large amount in 2014-15. The Committee could choose to smooth out the relatively large increase in 2014-15 by providing an increase in 2013-14. One option would be to set the 2013-14 maximum payment at \$6,506 (Alternative 2). This would represent a 1% increase in the payment compared to the prior year, and would be the equivalent of letting the current law general aid indexing provision apply for 2013-14. This would also provide choice schools with the

same increase in percentage terms as independent charter schools in 2013-14. Net general fund expenditures, after consideration of MPS and RUSD aid reductions, would increase by \$1,034,900 in 2013-14 under this alternative compared to the bill.

13. Under the bill, there would be two separate payments amounts in 2014-15, depending on the grade level of the pupil. The Committee could instead choose to maintain one payment for all choice pupils in that year. One such alternative would be to set the maximum payment in 2014-15 at \$7,453 per pupil (Alternative 3), which is the average of the two payments proposed by the Governor in that year. Net general fund expenditures, after consideration of MPS and RUSD aid reductions, would increase by \$4,449,300 in 2014-15 under this alternative compared to the bill.

14. Concerns have been raised about the number of different payment amounts for public schools and for other educational options in the state, including the parental choice programs, the independent charter school program, and the open enrollment program. One option to address this would be to set the maximum per pupil payments under the parental choice programs equal to the payments under the independent charter school program (Alternative 4). Charter school payments under the bill would be set at \$7,852 in 2013-14 and \$7,931 in 2014-15, a 1% annual increase. Net general fund expenditures, after consideration of MPS and RUSD aid reductions, would increase by \$22,799,700 in 2013-14 and \$12,693,900 in 2014-15, for a biennial increase of \$35,493,600 under this alternative compared to the bill.

15. The Committee could also choose to index the choice payment to one of the adjustments made for public school districts, as was done under prior law. One alternative would be to specify that the maximum per pupil choice payment in a given year be set equal to the maximum payment in the previous school year plus the revenue limit per pupil adjustment provided to public school districts in the current year (Alternative 5). Under this alternative, the maximum choice payment per pupil would be \$6,442 in 2013-14 and 2014-15. Net general fund expenditures, after consideration of MPS and RUSD aid reductions, would decrease by \$12,988,400 in 2014-15.

16. If the Committee would choose to delete the Governor's recommendation and maintain current law (Alternative 6), the maximum per pupil choice payment in a given year would be indexed to the percentage change in the general school aids appropriation, which is 1.0% annually under the bill. This would also provide choice schools with the same percentage increase as independent charter schools in the 2013-15 biennium. Under this alternative, the maximum choice payment per pupil would be \$6,506 in 2013-14 and \$6,571 in 2014-15. Net general fund expenditures, after consideration of MPS and RUSD aid reductions, would increase by \$1,034,900 in 2013-14 and decrease by \$10,763,400 in 2014-15, for a biennial decrease of \$9,728,500.

17. In determining the per pupil payment, the Committee could also consider the issue of whether or not choice schools should be able to charge tuition to certain pupils in the high school grades. Prior to the 2011-13 biennial budget, choice schools could not charge tuition to any pupil participating in the choice program. That budget specified that a choice school could charge a choice pupil tuition if the pupil is in grades 9-12 and the family income of the pupil is greater than 220% of the federal poverty level.

18. Under the bill, the payment for a high school pupil in the choice program would increase by \$1,414 from 2013-14 to 2014-15. In conjunction with the bill provision or any similar alternative, the Committee could choose to delete the provision allowing choice schools to charge tuition to certain pupils in grades 9-12, beginning in the 2014-15 school year (Alternative 7). Because the state would be providing significantly more support for such a pupil under the bill, it could be argued that there is not as much of a financial need on the part of choice schools to charge those pupils tuition. This would also restore the original intent of the program under which choice pupils would not have to make tuition payments to participate in the program.

19. The alternative to delete the tuition authority would, however, reduce the financial flexibility of schools offering high school grades.

20. The per pupil payments for the Milwaukee and Racine programs would also be used for the expanded choice program under a separate bill provision. If the Committee chooses to modify the maximum choice payment per pupil, it would also affect the cost of the expanded program, which is addressed in a separate issue paper. Also, if the Committee links the maximum choice payment to other K-12 education payments, the fiscal effect of the choice alternatives could change if those K-12 payments are changed from the bill in other Committee action.

## ALTERNATIVES

1. Approve the Governor's recommendation to set the maximum per pupil payment for the Milwaukee and Racine parental choice programs at \$6,442 per pupil in 2013-14, regardless of the pupil's grade and at \$7,050 for a pupil enrolled in grades K-8 and at \$7,856 for a pupil enrolled in grades 9-12 in 2014-15 and each year thereafter.

2. Modify the Governor's recommendation to specify that the maximum per pupil payment in 2013-14 be set at \$6,506.

Under this alternative, the maximum choice payment per pupil would be \$6,506 in 2013-14 and \$7,050 or \$7,856 in 2014-15. Choice program funding for Milwaukee and Racine would increase by \$1,680,000 in 2013-14 compared to the bill. Total aid reductions would increase by \$645,100 in 2013-14. Net general fund expenditures would increase by \$1,034,900 in 2013-14. (Additional detail on the fiscal effect of this alternative can be found in Attachment 2.)

| <b>ALT 2</b>   | <b>Change to Bill<br/>Funding</b> |
|----------------|-----------------------------------|
| GPR            | \$1,680,000                       |
| Aid Reductions | <u>645,100</u>                    |
| Net GPR        | \$1,034,900                       |

3. Modify the Governor's recommendation to specify that the maximum per pupil payment in 2014-15 be set at \$7,453.

Under this alternative, the maximum choice payment per pupil would be \$6,442 in 2013-14

and \$7,453 in 2014-15. Choice program funding for Milwaukee and Racine would increase by \$7,223,000 in 2014-15 compared to the bill. Total aid reductions would increase by \$2,773,700 in 2014-15. Net general fund expenditures would increase by \$4,449,300 in 2014-15. (Additional detail on the fiscal effect of this alternative can be found in Attachment 3.)

| <b>ALT 3</b>   | <b>Change to Bill<br/>Funding</b> |
|----------------|-----------------------------------|
| GPR            | \$7,223,000                       |
| Aid Reductions | <u>2,773,700</u>                  |
| Net GPR        | \$4,449,300                       |

4. Delete the Governor's recommendation and, instead, specify that the maximum per pupil payments under the parental choice programs be set equal to the payments under the independent charter school program, beginning in 2013-14.

Under this alternative, the maximum choice payment per pupil would be \$7,852 in 2013-14 and \$7,931 in 2014-15. Choice program funding for Milwaukee and Racine would increase by \$37,012,500 in 2013-14 and \$20,607,000 in 2014-15 compared to the bill. Total aid reductions would increase by \$14,212,800 in 2013-14 and \$7,913,100 in 2014-15. Net general fund expenditures would increase by \$22,799,700 in 2013-14 and \$12,693,900 in 2014-15. (Additional detail on the fiscal effect of this alternative can be found in Attachment 4.)

| <b>ALT 4</b>   | <b>Change to Bill<br/>Funding</b> |
|----------------|-----------------------------------|
| GPR            | \$57,619,500                      |
| Aid Reductions | <u>22,125,900</u>                 |
| Net GPR        | \$35,493,600                      |

5. Delete the Governor's recommendation and, instead, specify that the maximum per pupil payments in a given year be set equal to the maximum payment in the previous school year plus the revenue limit per pupil adjustment provided to public school districts in the current year.

Under this alternative, the maximum choice payment per pupil would be \$6,442 in 2013-14 and 2014-15. Choice program funding for Milwaukee and Racine would decrease by \$21,085,000 in 2014-15 compared to the bill. Total aid reductions would decrease by \$8,096,600 in 2014-15. Net general fund expenditures would decrease by \$12,988,400 in 2014-15. (Additional detail on the fiscal effect of this alternative can be found in Attachment 5.)

| <b>ALT 5</b>   | <b>Change to Bill<br/>Funding</b> |
|----------------|-----------------------------------|
| GPR            | - \$21,085,000                    |
| Aid Reductions | <u>- 8,096,600</u>                |
| Net GPR        | - \$12,988,400                    |

6. Delete provision. This would maintain the current law provision under which the maximum per pupil payment in a given year is set equal to the maximum payment in the previous school year adjusted by the percentage change, if positive, in the general school aids appropriation from the previous school year to the current school year.

Under this alternative, the maximum choice payment per pupil would be \$6,506 in 2013-14 and \$6,571 in 2014-15. Choice program funding for Milwaukee and Racine would increase by \$1,680,000 in 2013-14 and decrease by \$17,473,000 in 2014-15 compared to the bill. Total aid reductions would increase by \$645,100 in 2013-14 and decrease by \$6,709,600 in 2014-15. Net general fund expenditures would increase by \$1,034,900 in 2013-14 and decrease by \$10,763,400 in 2014-15. (Additional detail on the fiscal effect of this alternative can be found in Attachment 6.)

| <b>ALT 6</b>   | <b>Change to Bill<br/>Funding</b> |
|----------------|-----------------------------------|
| GPR            | - \$15,793,000                    |
| Aid Reductions | <u>- 6,064,500</u>                |
| Net GPR        | - \$9,728,500                     |

7. In addition to any of the above recommendations, delete the provision allowing choice schools to charge tuition to certain pupils in grades 9-12, beginning in the 2014-15 school year.

Prepared by: Russ Kava  
Attachments



## ATTACHMENT 1

### Statewide and MPS Revenue Limit Authority and Parental Choice Program Funding

|          | <u>Statewide Public School Revenue Limit Authority</u> |                                 |                  |                                 | <u>Milwaukee Public Schools Revenue Limit Authority</u> |                                 |                  |                                 | <u>Parental Choice Programs</u>       |                                 |                                      |                                 |
|----------|--|---------------------------------|------------------|---------------------------------|---|---------------------------------|------------------|---------------------------------|---------------------------------------|---------------------------------|--------------------------------------|---------------------------------|
|          | <u>Total Amount<br/>(In Millions)</u>                  | <u>Change to<br/>Prior Year</u> | <u>Per Pupil</u> | <u>Change to<br/>Prior Year</u> | <u>Total Amount<br/>(In Millions)</u>                   | <u>Change to<br/>Prior Year</u> | <u>Per Pupil</u> | <u>Change to<br/>Prior Year</u> | <u>Total Amount<br/>(In Millions)</u> | <u>Change to<br/>Prior Year</u> | <u>Maximum Per<br/>Pupil Payment</u> | <u>Change to<br/>Prior Year</u> |
| 1998-99  | \$5,896.7  |                                 | \$6,906          |                                 | \$702.0   |                                 | \$6,852          |                                 | \$28.7                                |                                 | \$4,894                              |                                 |
| 1999-00  | 6,129.7  | 4.0%                            | 7,158            | 3.6%                            | 724.5   | 3.2%                            | 7,155            | 4.4%                            | 39.1                                  | 36.2%                           | 5,106                                | 4.3%                            |
| 2000-01  | 6,374.6  | 4.0                             | 7,416            | 3.6                             | 745.1   | 2.8                             | 7,433            | 3.9                             | 49.0                                  | 25.3                            | 5,326                                | 4.3                             |
| 2001-02  | 6,603.1  | 3.6                             | 7,667            | 3.4                             | 754.8   | 1.3                             | 7,595            | 2.2                             | 59.4                                  | 21.2                            | 5,553                                | 4.3                             |
| 2002-03  | 6,844.0  | 3.6                             | 7,931            | 3.4                             | 771.8   | 2.3                             | 7,830            | 3.1                             | 65.6                                  | 10.4                            | 5,783                                | 4.1                             |
| 2003-04  | 7,096.0  | 3.7                             | 8,216            | 3.6                             | 793.5   | 2.8                             | 8,043            | 2.7                             | 76.2                                  | 16.2                            | 5,882                                | 1.7                             |
| 2004-05  | 7,343.9  | 3.5                             | 8,510            | 3.6                             | 817.5   | 3.0                             | 8,327            | 3.5                             | 87.4                                  | 14.7                            | 5,943                                | 1.0                             |
| 2005-06  | 7,594.3  | 3.4                             | 8,815            | 3.6                             | 839.4   | 2.7                             | 8,655            | 3.9                             | 93.7                                  | 7.2                             | 6,351                                | 6.9                             |
| 2006-07  | 7,871.3  | 3.6                             | 9,150            | 3.8                             | 856.1   | 2.0                             | 9,026            | 4.3                             | 110.5                                 | 17.9                            | 6,501                                | 2.4                             |
| 2007-08  | 8,150.5  | 3.5                             | 9,499            | 3.8                             | 871.3   | 1.8                             | 9,456            | 4.8                             | 120.3                                 | 8.9                             | 6,501                                | 0.0                             |
| 2008-09  | 8,413.7  | 3.2                             | 9,836            | 3.5                             | 877.6   | 0.7                             | 9,806            | 3.7                             | 128.8                                 | 7.1                             | 6,607                                | 1.6                             |
| 2009-10  | 8,610.3  | 2.3                             | 10,107           | 2.8                             | 883.8   | 0.7                             | 10,153           | 3.5                             | 130.1                                 | 1.0                             | 6,442                                | -2.5                            |
| 2010-11  | 8,764.5  | 1.8                             | 10,316           | 2.1                             | 879.4   | -0.5                            | 10,292           | 1.4                             | 130.8                                 | 0.5                             | 6,442                                | 0.0                             |
| 2011-12  | 8,313.4  | -5.1                            | 9,809            | -4.9                            | 823.5   | -6.4                            | 9,800            | -4.8                            | 145.8                                 | 11.5                            | 6,442                                | 0.0                             |
| 2012-13  | 8,367.0  | 0.6                             | 9,884            | 0.8                             | 822.8   | -0.1                            | 9,920            | 1.2                             | 157.8                                 | 8.2                             | 6,442                                | 0.0                             |
| 2013-14* | 8,425.0  | 0.7                             | 9,959            | 0.8                             | N.A.  | N.A.                            | N.A.             | N.A.                            | 172.3                                 | 9.2                             | 6,442                                | 0.0                             |
| 2014-15* | 8,485.0  | 0.7                             | 10,033           | 0.7                             | N.A.  | N.A.                            | N.A.             | N.A.                            | 208.7                                 | 21.1                            | 7,050/7,856                          | 9.4 /21.9                       |

\*AB 40

## ATTACHMENT 2

### Fiscal Effect of Alternative 2

|                         | Bill              |                   |             | Alternative       |                   |         | Alternative Change to Bill |                |                 |
|-------------------------|-------------------|-------------------|-------------|-------------------|-------------------|---------|----------------------------|----------------|-----------------|
|                         | <u>2013-14</u>    | <u>2014-15</u>    |             | <u>2013-14</u>    | <u>2014-15</u>    |         | <u>2013-14</u>             | <u>2014-15</u> | <u>Biennial</u> |
|                         |                   | <u>K-8</u>        | <u>9-12</u> |                   |                   |         |                            |                |                 |
| <b>Milwaukee</b>        |                   |                   |             |                   |                   |         |                            |                |                 |
| Pupils                  | 25,500            | 22,140            | 4,860       | 25,500            | 22,140            | 4,860   |                            |                |                 |
| Payment                 | \$6,442           | \$7,050           | \$7,856     | \$6,506           | \$7,050           | \$7,856 |                            |                |                 |
| GPR                     | \$164,271,000     | \$194,266,000     |             | \$165,903,000     | \$194,266,000     |         | \$1,632,000                | \$0            | \$1,632,000     |
| MPS Aid Reduction       | <u>63,080,100</u> | <u>74,598,100</u> |             | <u>63,706,800</u> | <u>74,598,100</u> |         | <u>626,700</u>             | <u>0</u>       | <u>626,700</u>  |
| Net GPR                 | \$101,190,900     | \$119,667,900     |             | \$102,196,200     | \$119,667,900     |         | \$1,005,300                | \$0            | \$1,005,300     |
| <b>Racine</b>           |                   |                   |             |                   |                   |         |                            |                |                 |
| Pupils                  | 750               | 820               | 180         | 750               | 820               | 180     |                            |                |                 |
| Payment                 | \$6,442           | \$7,050           | \$7,856     | \$6,506           | \$7,050           | \$7,856 |                            |                |                 |
| GPR                     | \$4,831,500       | \$7,195,000       |             | \$4,879,500       | \$7,195,000       |         | \$48,000                   | \$0            | \$48,000        |
| RUSD Aid Reduction      | <u>1,855,300</u>  | <u>2,762,900</u>  |             | <u>1,873,700</u>  | <u>2,762,900</u>  |         | <u>18,400</u>              | <u>0</u>       | <u>18,400</u>   |
| Net GPR                 | \$2,976,200       | \$4,432,100       |             | \$3,005,800       | \$4,432,100       |         | \$29,600                   | \$0            | \$29,600        |
| <b>Total</b>            |                   |                   |             |                   |                   |         |                            |                |                 |
| GPR                     | \$169,102,500     | \$201,461,000     |             | \$170,782,500     | \$201,461,000     |         | \$1,680,000                | \$0            | \$1,680,000     |
| District Aid Reductions | <u>64,935,400</u> | <u>77,361,000</u> |             | <u>65,580,500</u> | <u>77,361,000</u> |         | <u>645,100</u>             | <u>0</u>       | <u>645,100</u>  |
| Net GPR                 | \$104,167,100     | \$124,100,000     |             | \$105,202,000     | \$124,100,000     |         | \$1,034,900                | \$0            | \$1,034,900     |

## ATTACHMENT 3

### Fiscal Effect of Alternative 3

|                         | Bill              |                   |             | Alternative       |                   | Alternative Change to Bill |                  |                  |
|-------------------------|-------------------|-------------------|-------------|-------------------|-------------------|----------------------------|------------------|------------------|
|                         | <u>2013-14</u>    | <u>2014-15</u>    |             | <u>2013-14</u>    | <u>2014-15</u>    | <u>2013-14</u>             | <u>2014-15</u>   | <u>Biennial</u>  |
|                         |                   | <u>K-8</u>        | <u>9-12</u> |                   |                   |                            |                  |                  |
| <b>Milwaukee</b>        |                   |                   |             |                   |                   |                            |                  |                  |
| Pupils                  | 25,500            | 22,140            | 4,860       | 25,500            | 27,000            |                            |                  |                  |
| Payment                 | \$6,442           | \$7,050           | \$7,856     | \$6,442           | \$7,453           |                            |                  |                  |
| GPR                     | \$164,271,000     | \$194,266,000     |             | \$164,271,000     | \$201,231,000     | \$0                        | \$6,965,000      | \$6,965,000      |
| MPS Aid Reduction       | <u>63,080,100</u> | <u>74,598,100</u> |             | <u>63,080,100</u> | <u>77,272,700</u> | <u>0</u>                   | <u>2,674,600</u> | <u>2,674,600</u> |
| Net GPR                 | \$101,190,900     | \$119,667,900     |             | \$101,190,900     | \$123,958,300     | \$0                        | \$4,290,400      | \$4,290,400      |
| <b>Racine</b>           |                   |                   |             |                   |                   |                            |                  |                  |
| Pupils                  | 750               | 820               | 180         | 750               | 1,000             |                            |                  |                  |
| Payment                 | \$6,442           | \$7,050           | \$7,856     | \$6,442           | \$7,453           |                            |                  |                  |
| GPR                     | \$4,831,500       | \$7,195,000       |             | \$4,831,500       | \$7,453,000       | \$0                        | \$258,000        | \$258,000        |
| RUSD Aid Reduction      | <u>1,855,300</u>  | <u>2,762,900</u>  |             | <u>1,855,300</u>  | <u>2,862,000</u>  | <u>0</u>                   | <u>99,100</u>    | <u>99,100</u>    |
| Net GPR                 | \$2,976,200       | \$4,432,100       |             | \$2,976,200       | \$4,591,000       | \$0                        | \$158,900        | \$158,900        |
| <b>Total</b>            |                   |                   |             |                   |                   |                            |                  |                  |
| GPR                     | \$169,102,500     | \$201,461,000     |             | \$169,102,500     | \$208,684,000     | \$0                        | \$7,223,000      | \$7,223,000      |
| District Aid Reductions | <u>64,935,400</u> | <u>77,361,000</u> |             | <u>64,935,400</u> | <u>80,134,700</u> | <u>0</u>                   | <u>2,773,700</u> | <u>2,773,700</u> |
| Net GPR                 | \$104,167,100     | \$124,100,000     |             | \$104,167,100     | \$128,549,300     | \$0                        | \$4,449,300      | \$4,449,300      |

## ATTACHMENT 4

### Fiscal Effect of Alternative 4

|                         | <u>Bill</u>       |                   |             | <u>Alternative</u> |                   | <u>Alternative Change to Bill</u> |                  |                   |
|-------------------------|-------------------|-------------------|-------------|--------------------|-------------------|-----------------------------------|------------------|-------------------|
|                         | <u>2013-14</u>    | <u>2014-15</u>    |             | <u>2013-14</u>     | <u>2014-15</u>    | <u>2013-14</u>                    | <u>2014-15</u>   | <u>Biennial</u>   |
|                         |                   | <u>K-8</u>        | <u>9-12</u> |                    |                   |                                   |                  |                   |
| <b>Milwaukee</b>        |                   |                   |             |                    |                   |                                   |                  |                   |
| Pupils                  | 25,500            | 22,140            | 4,860       | 25,500             | 27,000            |                                   |                  |                   |
| Payment                 | \$6,442           | \$7,050           | \$7,856     | \$7,852            | \$7,931           |                                   |                  |                   |
| GPR                     | \$164,271,000     | \$194,266,000     |             | \$200,226,000      | \$214,137,000     | \$35,955,000                      | \$19,871,000     | \$55,826,000      |
| MPS Aid Reduction       | <u>63,080,100</u> | <u>74,598,100</u> |             | <u>76,886,800</u>  | <u>82,228,600</u> | <u>13,806,700</u>                 | <u>7,630,500</u> | <u>21,437,200</u> |
| Net GPR                 | \$101,190,900     | \$119,667,900     |             | \$123,339,200      | \$131,908,400     | \$22,148,300                      | \$12,240,500     | \$34,388,800      |
| <b>Racine</b>           |                   |                   |             |                    |                   |                                   |                  |                   |
| Pupils                  | 750               | 820               | 180         | 750                | 1,000             |                                   |                  |                   |
| Payment                 | \$6,442           | \$7,050           | \$7,856     | \$7,852            | \$7,931           |                                   |                  |                   |
| GPR                     | \$4,831,500       | \$7,195,000       |             | \$5,889,000        | \$7,931,000       | \$1,057,500                       | \$736,000        | \$1,793,500       |
| RUSD Aid Reduction      | <u>1,855,300</u>  | <u>2,762,900</u>  |             | <u>2,261,400</u>   | <u>3,045,500</u>  | <u>406,100</u>                    | <u>282,600</u>   | <u>688,700</u>    |
| Net GPR                 | \$2,976,200       | \$4,432,100       |             | \$3,627,600        | \$4,885,500       | \$651,400                         | \$453,400        | \$1,104,800       |
| <b>Total</b>            |                   |                   |             |                    |                   |                                   |                  |                   |
| GPR                     | \$169,102,500     | \$201,461,000     |             | \$206,115,000      | \$222,068,000     | \$37,012,500                      | \$20,607,000     | \$57,619,500      |
| District Aid Reductions | <u>64,935,400</u> | <u>77,361,000</u> |             | <u>79,148,200</u>  | <u>85,274,100</u> | <u>14,212,800</u>                 | <u>7,913,100</u> | <u>22,125,900</u> |
| Net GPR                 | \$104,167,100     | \$124,100,000     |             | \$126,966,800      | \$136,793,900     | \$22,799,700                      | \$12,693,900     | \$35,493,600      |

## ATTACHMENT 5

### Fiscal Effect of Alternative 5

|                         | <u>Bill</u>       |                   |             | <u>Alternative</u> |                   | <u>Alternative Change to Bill</u> |                   |                   |
|-------------------------|-------------------|-------------------|-------------|--------------------|-------------------|-----------------------------------|-------------------|-------------------|
|                         | <u>2013-14</u>    | <u>2014-15</u>    |             | <u>2013-14</u>     | <u>2014-15</u>    | <u>2013-14</u>                    | <u>2014-15</u>    | <u>Biennial</u>   |
|                         |                   | <u>K-8</u>        | <u>9-12</u> |                    |                   |                                   |                   |                   |
| <b>Milwaukee</b>        |                   |                   |             |                    |                   |                                   |                   |                   |
| Pupils                  | 25,500            | 22,140            | 4,860       | 25,500             | 27,000            |                                   |                   |                   |
| Payment                 | \$6,442           | \$7,050           | \$7,856     | \$6,442            | \$6,442           |                                   |                   |                   |
| GPR                     | \$164,271,000     | \$194,266,000     |             | \$164,271,000      | \$173,934,000     | \$0                               | -\$20,332,000     | -\$20,332,000     |
| MPS Aid Reduction       | <u>63,080,100</u> | <u>74,598,100</u> |             | <u>63,080,100</u>  | <u>66,790,700</u> | <u>0</u>                          | <u>-7,807,400</u> | <u>-7,807,400</u> |
| Net GPR                 | \$101,190,900     | \$119,667,900     |             | \$101,190,900      | \$107,143,300     | \$0                               | -\$12,524,600     | -\$12,524,600     |
| <b>Racine</b>           |                   |                   |             |                    |                   |                                   |                   |                   |
| Pupils                  | 750               | 820               | 180         | 750                | 1,000             |                                   |                   |                   |
| Payment                 | \$6,442           | \$7,050           | \$7,856     | \$6,442            | \$6,442           |                                   |                   |                   |
| GPR                     | \$4,831,500       | \$7,195,000       |             | \$4,831,500        | \$6,442,000       | \$0                               | -\$753,000        | -\$753,000        |
| RUSD Aid Reduction      | <u>1,855,300</u>  | <u>2,762,900</u>  |             | <u>1,855,300</u>   | <u>2,473,700</u>  | <u>0</u>                          | <u>-289,200</u>   | <u>-289,200</u>   |
| Net GPR                 | \$2,976,200       | \$4,432,100       |             | \$2,976,200        | \$3,968,300       | \$0                               | -\$463,800        | -\$463,800        |
| <b>Total</b>            |                   |                   |             |                    |                   |                                   |                   |                   |
| GPR                     | \$169,102,500     | \$201,461,000     |             | \$169,102,500      | \$180,376,000     | \$0                               | -\$21,085,000     | -\$21,085,000     |
| District Aid Reductions | <u>64,935,400</u> | <u>77,361,000</u> |             | <u>64,935,400</u>  | <u>69,264,400</u> | <u>0</u>                          | <u>-8,096,600</u> | <u>-8,096,600</u> |
| Net GPR                 | \$104,167,100     | \$124,100,000     |             | \$104,167,100      | \$111,111,600     | \$0                               | -\$12,988,400     | -\$12,988,400     |

## ATTACHMENT 6

### Fiscal Effect of Alternative 6

|                         | Bill              |                   |             | Alternative       |                   | Alternative Change to Bill |                   |                   |
|-------------------------|-------------------|-------------------|-------------|-------------------|-------------------|----------------------------|-------------------|-------------------|
|                         | <u>2013-14</u>    | <u>2014-15</u>    |             | <u>2013-14</u>    | <u>2014-15</u>    | <u>2013-14</u>             | <u>2014-15</u>    | <u>Biennial</u>   |
|                         |                   | <u>K-8</u>        | <u>9-12</u> |                   |                   |                            |                   |                   |
| <b>Milwaukee</b>        |                   |                   |             |                   |                   |                            |                   |                   |
| Pupils                  | 25,500            | 22,140            | 4,860       | 25,500            | 27,000            |                            |                   |                   |
| Payment                 | \$6,442           | \$7,050           | \$7,856     | \$6,506           | \$6,571           |                            |                   |                   |
| GPR                     | \$164,271,000     | \$194,266,000     |             | \$165,903,000     | \$177,417,000     | \$1,632,000                | -\$16,849,000     | -\$15,217,000     |
| MPS Aid Reduction       | <u>63,080,100</u> | <u>74,598,100</u> |             | <u>63,706,800</u> | <u>68,128,100</u> | <u>626,700</u>             | <u>-6,470,000</u> | <u>-5,843,300</u> |
| Net GPR                 | \$101,190,900     | \$119,667,900     |             | \$102,196,200     | \$109,288,900     | \$1,005,300                | -\$10,379,000     | -\$9,373,700      |
| <b>Racine</b>           |                   |                   |             |                   |                   |                            |                   |                   |
| Pupils                  | 750               | 820               | 180         | 750               | 1,000             |                            |                   |                   |
| Payment                 | \$6,442           | \$7,050           | \$7,856     | \$6,506           | \$6,571           |                            |                   |                   |
| GPR                     | \$4,831,500       | \$7,195,000       |             | \$4,879,500       | \$6,571,000       | \$48,000                   | -\$624,000        | -\$576,000        |
| RUSD Aid Reduction      | <u>1,855,300</u>  | <u>2,762,900</u>  |             | <u>1,873,700</u>  | <u>2,523,300</u>  | <u>18,400</u>              | <u>-239,600</u>   | <u>-221,200</u>   |
| Net GPR                 | \$2,976,200       | \$4,432,100       |             | \$3,005,800       | \$4,047,700       | \$29,600                   | -\$384,400        | -\$354,800        |
| <b>Total</b>            |                   |                   |             |                   |                   |                            |                   |                   |
| GPR                     | \$169,102,500     | \$201,461,000     |             | \$170,782,500     | \$183,988,000     | \$1,680,000                | -\$17,473,000     | -\$15,793,000     |
| District Aid Reductions | <u>64,935,400</u> | <u>77,361,000</u> |             | <u>65,580,500</u> | <u>70,651,400</u> | <u>645,100</u>             | <u>-6,709,600</u> | <u>-6,064,500</u> |
| Net GPR                 | \$104,167,100     | \$124,100,000     |             | \$105,202,000     | \$113,336,600     | \$1,034,900                | -\$10,763,400     | -\$9,728,500      |