

History of the Basic Formula Allowance

School Year	Actual Formula Allowance	General Increase	"Perceived" Percent Change	Actual Roll-ins		Actual "New" Dollar Amount	"Real" Percent Change
1991-1992	\$3,050						
1992-1993	\$3,050	\$0	0.00%			\$0	0.00%
1993-1994	\$3,050	\$0	0.00%			\$0	0.00%
1994-1995	\$3,150	\$100	3.17%	\$100	a	\$0	0.00%
1995-1996	\$3,205	\$55	1.72%			\$55	1.72%
1996-1997	\$3,505	\$300	8.56%	\$300	b	\$0	0.00%
1997-1998	\$3,581	\$76	2.12%			\$76	2.12%
1998-1999	\$3,530	\$79	2.24%	\$130	c	-\$51	-1.44%
1999-2000	\$3,740	\$210	5.61%	\$43	d	\$167	4.47%
2000-2001	\$3,964	\$224	5.65%	\$67	e	\$118	2.98%
2001-2002	\$4,068	\$104	2.56%			\$104	2.56%
2002-2003	\$4,601	\$533	11.58%	\$429	f	\$118	2.56%
2003-2004	\$4,601	\$0	0.00%			\$0	0.00%
2004-2005	\$4,601	\$0	0.00%			\$0	0.00%
2005-2006	\$4,785	\$184	4.00%			\$184	4.00%
2006-2007	\$4,976	\$191	4.00%			\$191	4.00%
2007-2008	\$5,075	\$99	2.00%			\$99	2.00%
2008-2009	\$5,124	\$49	1.00%			\$49	1.00%
				Average		3.19%	1.53%
				CPI Average		~3%	

Roll-ins: money that was already going to schools but taken out of other categories and rolled-in to the formula allowance - not new money.

- (a) \$100 for referendum conversion from 1994-95 through present. For districts that already had \$100 in referendum revenue this was a roll-in. For districts that did not, this was new revenue.
- (b) The formula and tax rate for 1996-97 reflect the roll-in of a major portion of transportation funding and training experience funding into the general education formula. The formula increase reflects that roll-in.
- (c) The formula for 1998-99 reflects the roll-out of training and experience funding from the general education formula. The decrease of \$51 is the net result of the \$130 reduction for the roll-out of training and experience and a \$79 increase in the formula.
- (d) The formula allowance increase of \$210 is the net result of the roll-in of \$43 in graduation standards revenue into the formula and a \$167 increase in the formula.
- (e) The formula allowance increase of \$224 is the net result of the roll-in of \$67 in district cooperation revenue, an increase of \$39 to the formula for staff development and a \$118 increase in the formula.
- (f) The formula allowance increase in 2002-03 is the net result of the roll-in of \$14 in assurance of mastery revenue, the conversion of \$415 of referendum revenue onto the basic formula and an \$104 increase in the formula. For districts that already had \$415 in referendum revenue, this was a roll-in. For districts that did not, this was new revenue.

⁽¹⁾ Midwest Urban . . . Provided by the Bureau of Labor Statistics. FY8 and FY9 are estimates.

⁽²⁾ Source: Bureau of Economic Analysis. IPD is the acronym for implicit price deflator which can be a more accurate measure of inflation than CPI for state and local government expenditures. Figures for FY8 and FY9 are projections produced by Global Insight and used by the Minnesota Department of Finance for planning.