

School District Funding Options

Option 1: Implement Sales Tax as Provided in State Law

Impact on Schools: Under the legislation, schools would get \$120 million annually beginning in FY15. Through FY19, the total sales tax funding for the School District would equal \$600 million.

Impact on Pension Fund: Under the legislation, the pension fund would receive all revenues after \$120 million is directed to schools and after \$15 million is used each year through FY18 for debt service on a \$50 million bond issue. Based on current projections in the five year plan, the pension fund would receive \$116 million through FY19. The fund would receive \$400 million over 10 years and would reach 80% funded in FY30.

Option 2: Split Sales Tax Receipts Evenly Between the School District and Pension Fund After Using \$15 Million Annually for Four Years for Debt Service

Impact on Schools: Under the proposal and using the five year plan's projections, schools would get \$64 million in FY15 and that amount would grow each year as sales tax receipts grow. Through FY19, the total sales tax funding for the School District would equal \$358 million.

Impact on Pension Fund: Under the proposal and using the five year plan's projections, the pension fund would get \$64 million in FY15 and that amount would grow each year as sales tax receipts grow. Through FY19, the fund would receive \$358 million. The fund would receive \$800 million over 10 years, would reach 80% funded in FY28 and would be 89% funded in FY30.

Sales Tax Options			
Impact on School District and Pensions			
	5-Year Funding for Schools	Yr Pension Fund is 80% Funded	Funding % in 2030
Sales Tax Split in Enacted State Legislation	\$600,000,000	2030	80%
Proposed Even Split Between Schools and Pensions	\$357,975,325	2028	89%