

LOCAL GOVERNMENT
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: March 27, 2015

Agency Submitting: White Pine County School District

Items of Revenue or Expense, or Both	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Effect on Future Biennia
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

There is no way to determine the impact of these formula changes without including the new factors into the existing formula and applying them to each district. The only certainty is that changes of this magnitude will cause significant shifts in funds from school district to school district and may significantly and adversely affect several school districts while benefitting a few. Although the factors are somewhat different than the recent American Institutes for Research (AIR) funding study, the implications and impacts may be similar (refer to attached). According to one scenario in this study, 15 of 17 counties realized a decrease in funding while 2 counties (Washoe and Clark) realized an increase. Approximately \$39.6 million would be shifted from rural counties to Washoe and Clark. In a hold harmless scenario, the State would not only increase the funding to school districts based on the new factors but would also have to hold school districts harmless. Further, the Executive Budget has already included categorical funding that would be duplicated within the formula. This sets the stage for inequitable funding levels. It would be best to design the formula and determine the impact before legislatively mandating the change. There is a risk and probability that adverse changes based on the existing funding levels will force Nevada's Funding Formula to litigation.

Name Paul Johnson

Title CFO

White Pine County School District
BDR 34-909
Summary of AIR Study Impact
Hypothetical Impact

P. Johnson
3/25/2015

School District					2012-13		Hold Harmless
	Old	New	\$ Inc/(Dec)	% Inc/-Dec	Est. Full Enrollment	\$ Inc/(Dec)	
Clark	\$ 5,068	\$ 5,174	\$ 106	2.09%	311,029	\$ 32,969,074	
Washoe	5,279	5,390	111	2.10%	64,424	\$ 7,151,064	
Elko	6,298	5,364	(934)	-14.83%	9,841	\$ (9,191,494)	\$ 9,191,494
Lyon	6,218	5,638	(580)	-9.33%	8,059	\$ (4,674,220)	\$ 4,674,220
Carson	6,023	5,462	(561)	-9.31%	7,545	\$ (4,232,745)	\$ 4,232,745
Douglas	6,120	5,549	(571)	-9.33%	6,121	\$ (3,495,091)	\$ 3,495,091
Nye	6,472	5,509	(963)	-14.88%	5,361	\$ (5,162,643)	\$ 5,162,643
Churchill	6,101	5,533	(568)	-9.31%	3,740	\$ (2,124,320)	\$ 2,124,320
Humboldt	6,298	5,364	(934)	-14.83%	3,501	\$ (3,269,934)	\$ 3,269,934
White Pine	6,796	5,780	(1,016)	-14.95%	1,407	\$ (1,429,512)	\$ 1,429,512
Lander	6,909	5,875	(1,034)	-14.97%	1,093	\$ (1,130,162)	\$ 1,130,162
Lincoln	9,538	8,093	(1,445)	-15.15%	977	\$ (1,411,765)	\$ 1,411,765
Pershing	8,771	7,459	(1,312)	-14.96%	708	\$ (928,896)	\$ 928,896
Mineral	9,084	7,717	(1,367)	-15.05%	501	\$ (684,867)	\$ 684,867
Storey	9,308	7,902	(1,406)	-15.11%	416	\$ (584,896)	\$ 584,896
Eureka	13,148	9,551	(3,597)	-27.36%	271	\$ (974,787)	\$ 974,787
Esmerelda	17,508	12,534	(4,974)	-28.41%	67	\$ (333,258)	\$ 333,258

39,628,590