

# Department of Legislative Services Projections of Local Appropriations

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- Local appropriation projections are subject to considerable uncertainty.
- Local appropriations are currently projected in the upcoming year for each county by taking the highest of (1) the local share of the foundation; (2) the “base MOE” (Maintenance of Effort) amount; or (3) the per pupil appropriation trend. That amount is then multiplied by projected enrollment for the county for each year. Generally, the per pupil appropriation trend is the highest of the three.
- The projected MOE amount does not account for the projected per pupil appropriation trend amounts. Thus, the current procedure is not attempting to project a likely MOE amount in the out-years; instead it assumes a “base MOE.”
- The base MOE does account for the escalator provision. A county that has an education effort below the statewide five-year moving average must increase its per pupil MOE payment amounts to the local school board in years when its local wealth base is increasing. The required increase is the lesser of (1) the increase in a county’s wealth per pupil; (2) the statewide average increase in local wealth per pupil; or (3) 2.5%.
- The per pupil appropriation trend projects local appropriations using actual local funding (from fiscal 2008 through 2019). The fiscal 2020 actual appropriation is then increased by a moving percentage using this procedure to determine the fiscal 2021 per pupil amount.
- Because the procedure for base MOE does not assume that counties fund above the base MOE, it likely underestimates future MOE amounts.
- Under the workgroup’s proposal, in any given year, the required local contribution will be the higher of the local share of wealth equalized formulas or the MOE per pupil amount.