

Estimated Conference Projected Costs

- The state will incur costs as the amendment is phased in. Estimated cumulative costs through 2010 range from \$20 billion to \$27.5 billion, depending on how classrooms are built.
- Once fully implemented, each year's operating costs are estimated to be \$2.5 billion in today's dollars.
- It is anticipated that it will cost \$3.26 billion to implement in fiscal year 2003-2004.

Estimating Conference Input Data and Assumptions Used for Options

- District Average Teacher Salary Across All Degree Levels
- Employee Benefits = $.267 \times$ Teacher Salaries
- District Low and High Percentages for Other Operating Costs
- Middle and High School Classes = $1/6$ of School Day and Teachers Teaching 5 Classes Per Day
- CPI = 1.02076319

Estimating Conference Input Data and Assumptions – Continued

- Per Student Costs for New Construction in Statute
- District Average Land Cost Per Student
- Portable Costs = \$75,000
- 75% Portables and 25% New Construction for Low Cost Estimates
- 12% Portables and 88% New Construction for High Cost Estimates
- Building Utilization Factors (100% for K-5, 90% for 6-8, and 94% for 9-12)

Estimated Capital Outlay Costs (Non-Recurring)

Year	Additional Classrooms	Building	Land	Total Capital Outlay
Annual Additional Cost				
2003-04	7,257	\$2,228,728,274	\$153,330,343	\$2,442,058,617
2004-05	7,271	\$2,145,616,122	\$153,434,638	\$2,299,050,760
2005-06	6,944	\$1,892,546,410	\$145,913,740	\$2,038,460,150
2006-07	4,512	\$1,194,033,225	\$103,452,300	\$1,297,485,525
2007-08	2,687	\$726,136,905	\$71,019,958	\$797,156,863
2008-09	812	\$224,399,058	\$20,678,243	\$245,077,301
2009-10	364	\$111,816,975	\$7,344,584	\$119,161,559
2010-11	345	\$110,498,006	\$7,260,129	\$117,758,135
Totals	30,192	\$8,693,774,975	\$662,433,935	\$9,356,208,910

Source: Revenue Estimating Conference, June 27, 2002

Estimated Operating Costs (Recurring)

Year	Additional Teachers	Teacher Costs	Other Costs	Total Operating
Annual Additional Cost				
2003-04	7,832	\$407,129,634	\$221,046,345	\$628,175,979
2004-05	7,754	\$418,453,255	\$232,735,013	\$651,188,268
2005-06	7,230	\$402,220,817	\$230,686,864	\$632,907,681
2006-07	4,651	\$269,955,771	\$157,387,411	\$427,343,182
2007-08	2,768	\$167,347,826	\$101,681,902	\$269,029,728
2008-09	844	\$51,359,290	\$32,207,309	\$83,566,599
2009-10	377	\$22,619,838	\$14,637,869	\$37,257,707
2010-11	353	\$21,720,284	\$14,402,370	\$36,122,654
Totals	31,809	\$1,760,806,715	\$1,004,785,083	\$2,765,591,798

Cumulative Operating Costs at 2010-11: \$18,136,802,074

Source: Revenue Estimating Conference, June 27, 2002