

Lost revenue in the Lester Prairie District

Tier I:

During the last 2 years 2006-'07 and 2007-'08 the district did not make cuts/reductions and the student enrollment dropped by 31 students. Starting in February of '06 the student enrollment was 463 students and in Sept. of '08 the student enrollment was 432, thus a loss of 31 students. In reviewing the data the district has been declining in enrollment since 1998-'99.

The loss of 31 students is a loss of.....	\$241,813
Projected loss of students from 2008-09 to 2009-10 is 10	\$78,004
Loss of one time money @ \$51 per student	<u>\$25,347</u>
Subtotal	\$345,165

Tier II:

Projected loss of state aid with pending legislation (loss of 4-6% of general aid, projected @ 5%)	<u>\$127,534</u>
Subtotal Tier I & II	\$472,699

If the legislature makes a reduction to the general aid, every 1% the aid is reduced is a loss for the district of \$25,506

The governor is proposing a shift of aid on an 80% and 20% basis, 80% of what the state owes the district paid when due & the other 20% shifted to other years and the district has to borrow money until the money owed is paid by the state, which results in additional costs for paying interest on a loan that the district has to pay and never reimbursed by the State. The dollar amount for this cost is not calculated at this time.

Tier III:

The possibility of a total loss of general aid as high as 10% & Tier II has the first 5% so an additional 5% could be lost.	<u>\$127,534</u>
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Total Tier I, II & III **\$600,233**

Source: Lester Prairie School District