Average Growth Percentage Overview

House Committee on Ways and Means

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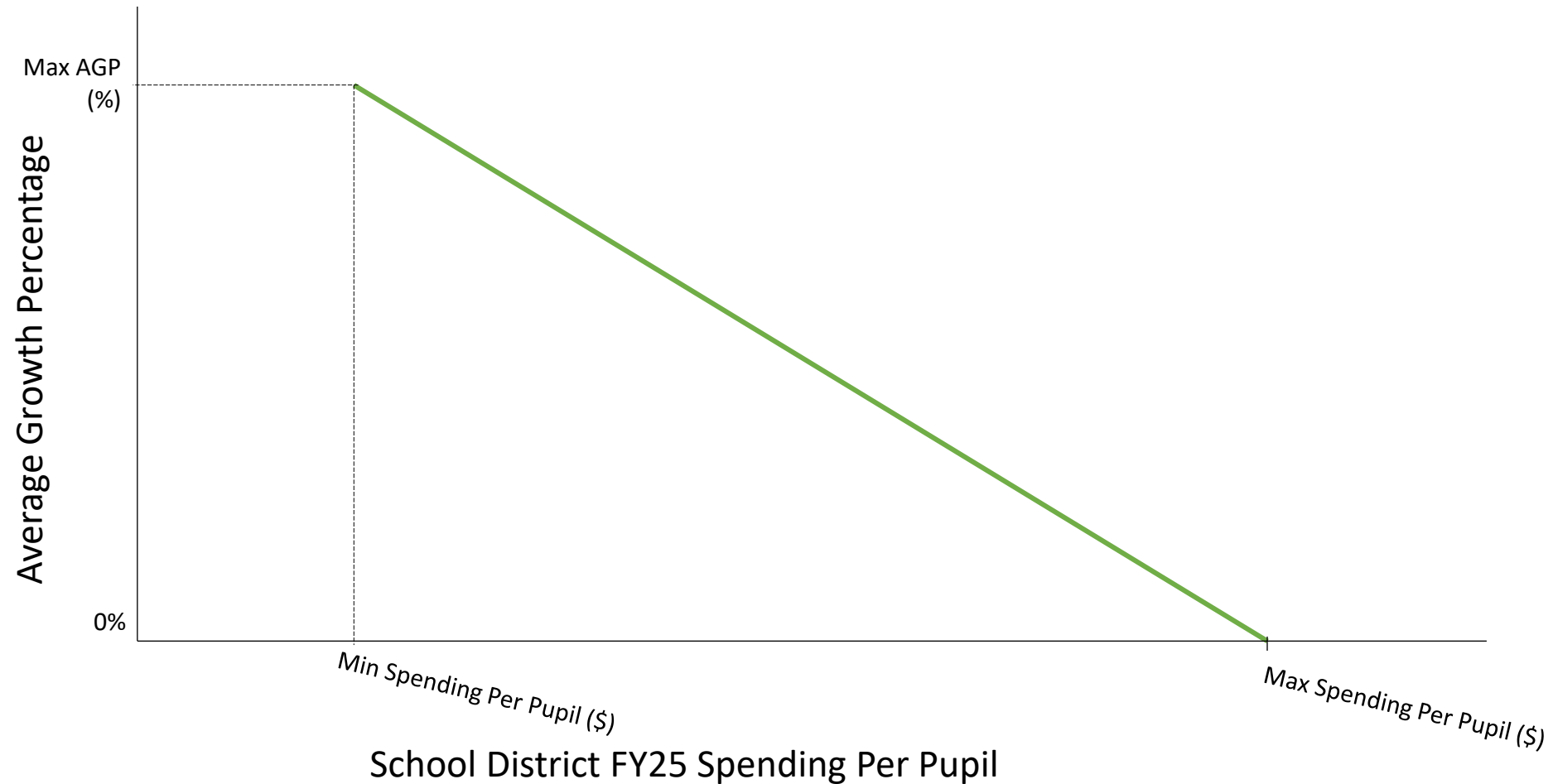# Overview of Average Growth Percentage (AGP)

- The AGP represents the percentage by which a school district can increase spending above the prior year education spending per pupil without being subject to the excess spending threshold

- The higher a district's per pupil spending in FY25, the lower its AGP in FY26

  - The district with the highest per pupil spending in FY25 will have an AGP of 0.00% in FY26

$$District\ AGP = \left(\left(\frac{FY25\ Highest\ Per\ Pupil\ Spending}{District's\ FY25\ Per\ Pupil\ Spending}\right) - 1\right) * 0.055$$

- Formula for calculating AGP:

Visual of Average Growth Percentages

Calculating a District's AGP

- Let's assume there are 3 districts with the following FY25 per pupil spending

Example District	Example FY25 Per Pupil Spending
District A	$8,000
District B	$13,000
District C	$30,000

- For this example, let's assume District C has the highest per pupil spending in the state in FY25

Calculating District A's AGP

- *Recall:*

Example District	Example FY25 Per Pupil Spending
District A	$8,000
District B	$13,000
District C	$30,000

$$District\ AGP = \left(\left(FY25\ Highest\ Per\ Pupil\ Spending\middle/District's\ FY25\ Per\ Pupil\ Spending\right) - 1\right) * 0.055$$

- Calculating District A's AGP:

$$District\ A's\ AGP = \left(\left(\$30,000\middle/\$8,000\right) - 1\right) * 0.055 = 15.13\%$$

Calculating District B's AGP

- *Recall:*

Example District	Example FY25 Per Pupil Spending
District A	$8,000
District B	$13,000
District C	$30,000

$$District\ AGP = \left(\left(FY25\ Highest\ Per\ Pupil\ Spending \middle/ District's\ FY25\ Per\ Pupil\ Spending\right) - 1\right) * 0.055$$

- Calculating District B's AGP:

$$District\ B's\ AGP = \left(\left(\$30,000 \middle/ \$13,000\right) - 1\right) * 0.055 = 7.19\%$$

Calculating District C's AGP

- *Recall:*

Example District	Example FY25 Per Pupil Spending
District A	$8,000
District B	$13,000
District C	$30,000

$$District\ AGP = \left(\left(\frac{FY25\ Highest\ Per\ Pupil\ Spending}{District's\ FY25\ Per\ Pupil\ Spending}\right) - 1\right) * 0.055$$

- Calculating District C's AGP:

$$District\ C's\ AGP = \left(\left(\frac{\$30,000}{\$30,000}\right) - 1\right) * 0.055 = 0.00\%$$

Districts A, B, and C's AGPs

- In these examples, the districts would see the following AGPs as calculated on the previous slides:

Example District	Example FY25 Per Pupil Spending	Example AGP
District A	$8,000	15.13%
District B	$13,000	7.19%
District C	$30,000	0.00%