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School funding trial focuses on property assessments

A trial on how the state funds public schools focused Thursday on suburban districts' concerns that some areas are undervaluing property, a key factor in the state method of doling out education dollars.

Early witnesses and evidence narrowed in on property assessment practices around the state, a particular concern to 26 largely suburban plaintiff school districts in the Coalition to Fund Excellent Schools.

The lawsuit argues the state doesn't put enough money in public education and doesn't fairly distribute the money. Missouri's budget includes about \$2.7 billion in basic state aid for the 524 public school districts this year.

Lawmakers overhauled the school funding formula in 2005, setting a target of what it takes to provide a sound education to each student, derived from spending levels by districts that score highest on a state report. The formula determines what each district should receive and provides state money for what is not raised locally through property taxes.

The suburban group believes property is being undervalued in parts of the state, meaning local districts aren't receiving as much money as they should with a given tax rate, forcing the state to spend more than it should to help some schools.

Thursday's testimony focused on a report on property assessments that the coalition commissioned from the University of Missouri-St. Louis Public Policy Research Center. The report by Steven Gardner, released in November, concluded that just four of 27 counties studied met the state requirement to capture 95 percent of property value in 2003-04. It found an average assessment level of 79 percent of value. Assessment levels in the sample of counties ranged from 98 percent of value in Audrain County to 57 percent in Washington County.