

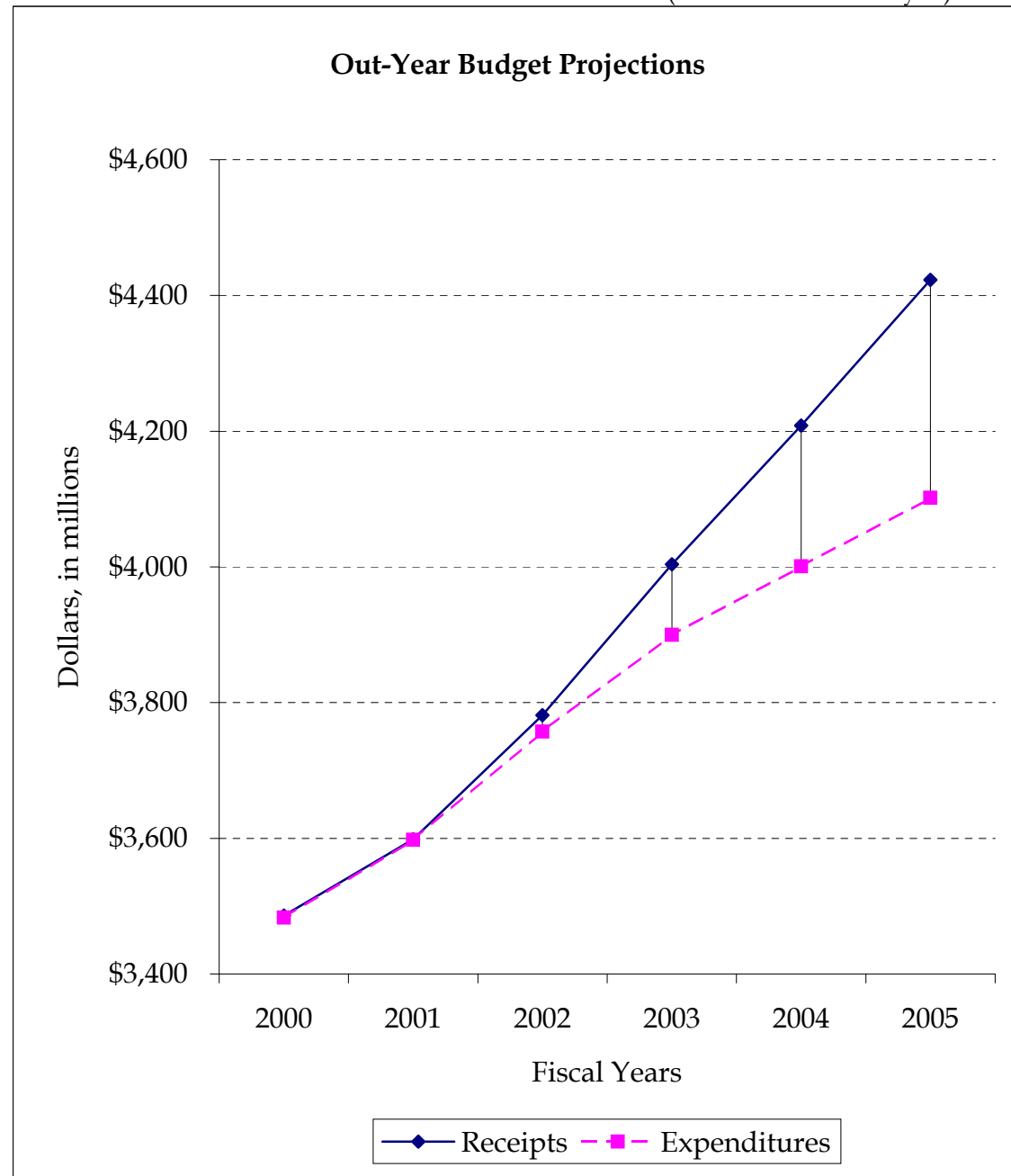
Out-Year Budget Plan, in millions

	Fiscal Years					
	2000	2001	2002	2003	2004	2005*
Receipts	\$ 3,486.20	\$3,598.50	\$3,781.30	\$4,003.90	\$4,208.30	\$4,422.92
Expenditures	(3,483.30)	(3,597.90)	(3,757.10)	(3,899.70)	(4,000.80)	(4,101.90)
Projected Discretionary \$	2.90	\$ 0.60	\$ 24.20	\$ 104.20	\$ 207.50	\$ 321.02

Source: Legislative Budget Book, p. 11.

*5.1% Growth consistent with LBO recommendation for 2004 (Governor's Staff Analysis).

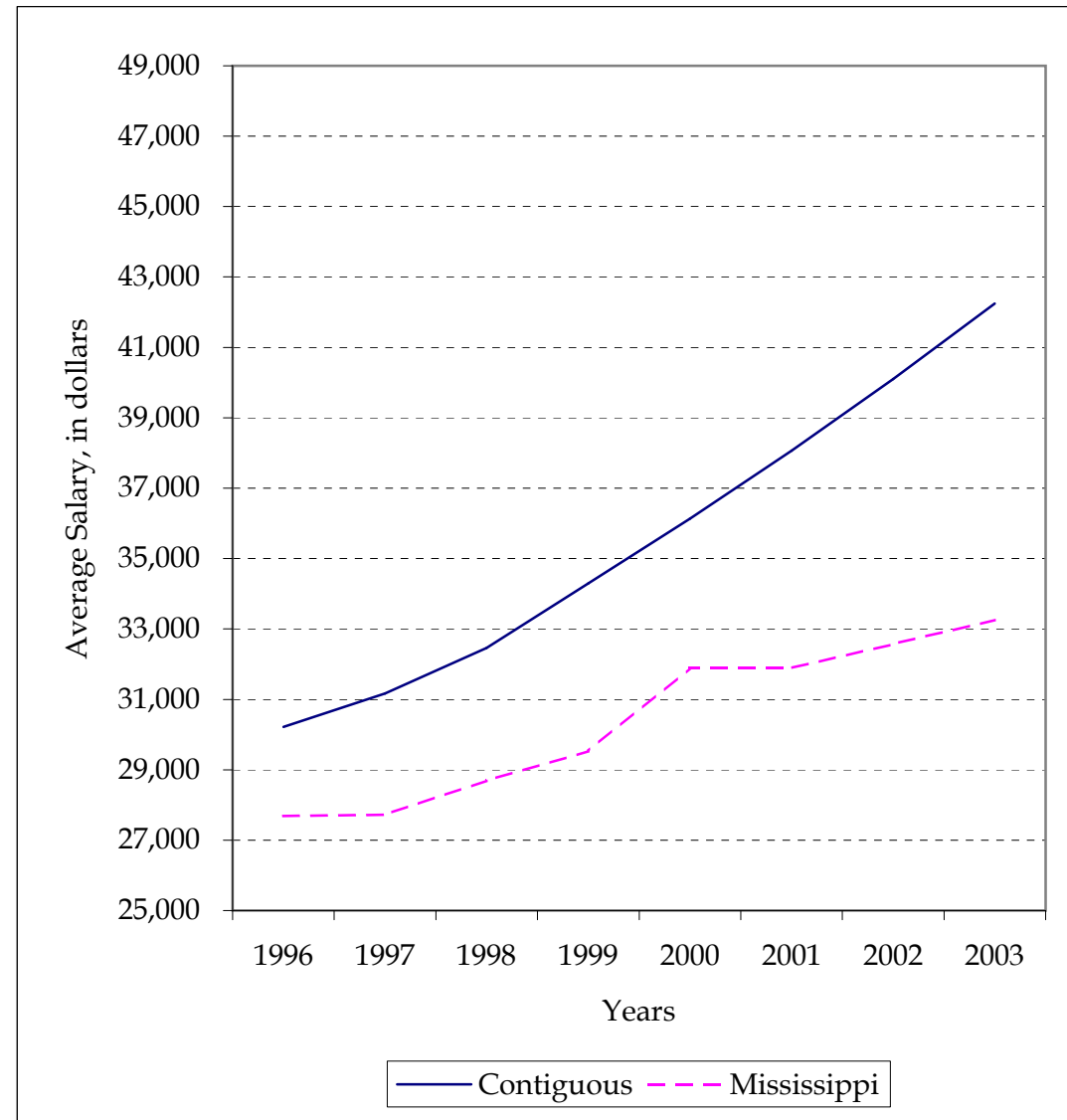
	2000	2001	2002	2003	2004	2005
Receipts	\$3,486.20	\$3,598.50	\$3,781.30	\$4,003.90	\$4,208.30	\$4,422.92
Expenditures	3,483.30	3,597.90	3,757.10	3,899.70	4,000.80	4,101.90



Average Teacher Salaries, Mississippi and Contiguous States, 1996-2003

School Year Ending	Actual						Projected	
	1996	1997	1998	1999	2000	2001	2002	2003
Contiguous	30,220	31,165	32,460	34,295	36,130	38,063	40,100	42,245
Mississippi	27,689	27,720	28,692	29,530	31,892	31,892	32,566	33,254
DIFFERENCE	2,531	3,445	3,768	4,765	4,238	6,171	7,534	8,991

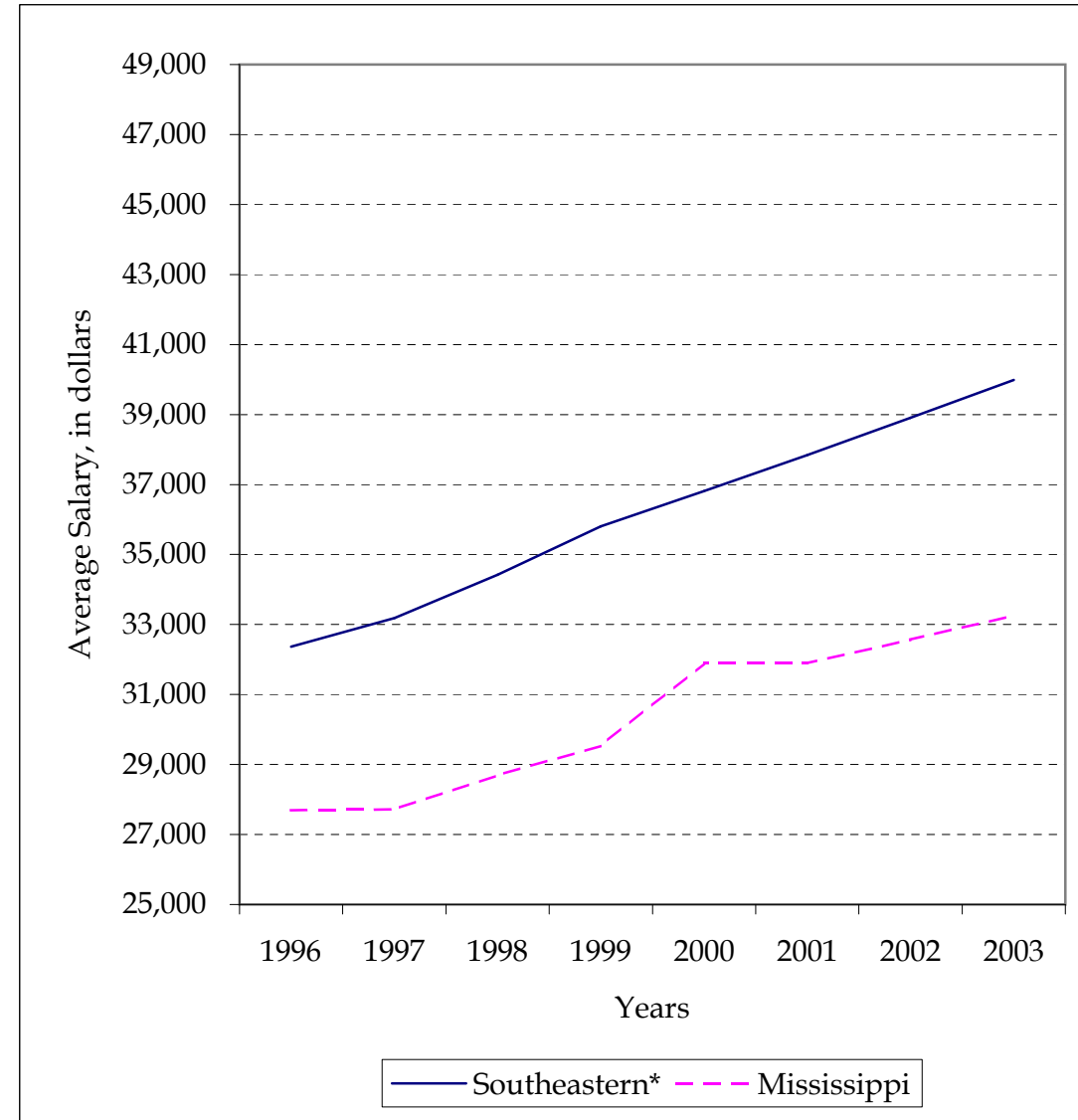
Sources: Southern Regional Education Board, 1996-1999.
Governor's Staff Analysis Projections, 2000-2003.



Average Teacher Salaries, Mississippi and Southeastern States, 1996-2003

School Year Ending	Actual						Projected	
	1996	1997	1998	1999	2000	2001	2002	2003
Southeastern*	32,366	33,182	34,425	35,808	36,811	37,841	38,901	39,990
Mississippi	27,689	27,720	28,692	29,530	31,892	31,892	32,566	33,254
DIFFERENCE	4,677	5,462	5,733	6,278	4,918	5,949	6,335	6,736

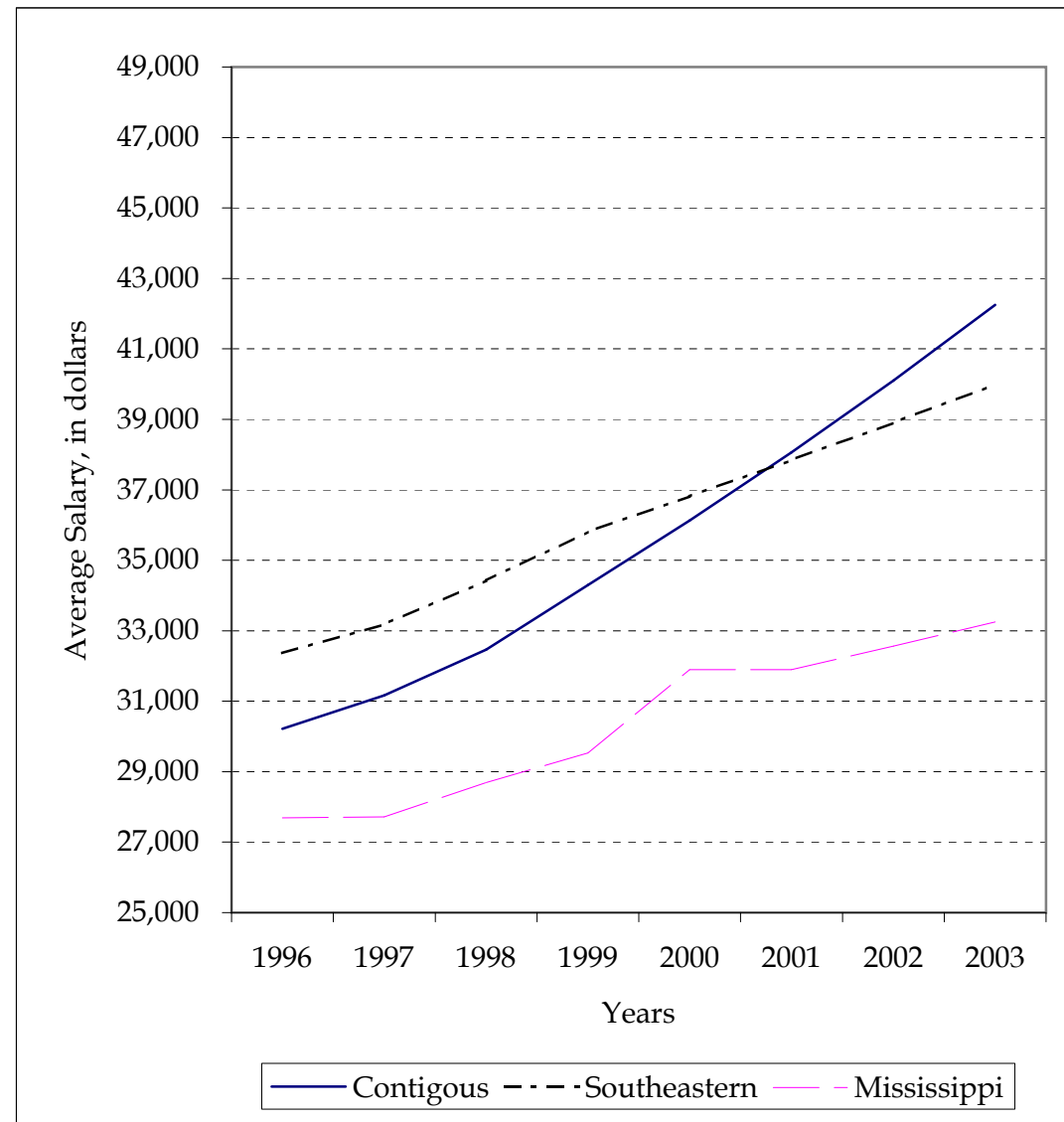
*AL, AR, DL, FL, GA, KY, LA, MD, MS, NC, OK, SC, TN, TX, VA, WV
Sources: Southern Regional Education Board, 1996-1999.
Governor's Staff Analysis Projections, 2000-2003.



Average Teacher Salaries, Mississippi and United States, 1996-2003

	Actual							Projected	
	1996	1997	1998	1999	2000	2001	2002	2003	
Contiguous	30,220	31,165	32,460	34,295	36,130	38,063	40,100	42,245	
Southeastern	32,366	33,182	34,425	35,808	36,811	37,841	38,901	39,990	
Mississippi	27,689	27,720	28,692	29,530	31,892	31,892	32,566	33,254	
DIFFERENCE	2,531	3,445	3,768	4,765	4,238	6,171	7,534	8,991	

Sources: U.S. Department of Education, National Center for Education Statistics for US Projections.
Southern Regional Education Board, 1996-1999.
Governor's Staff Analysis Projections, 2000-2003.

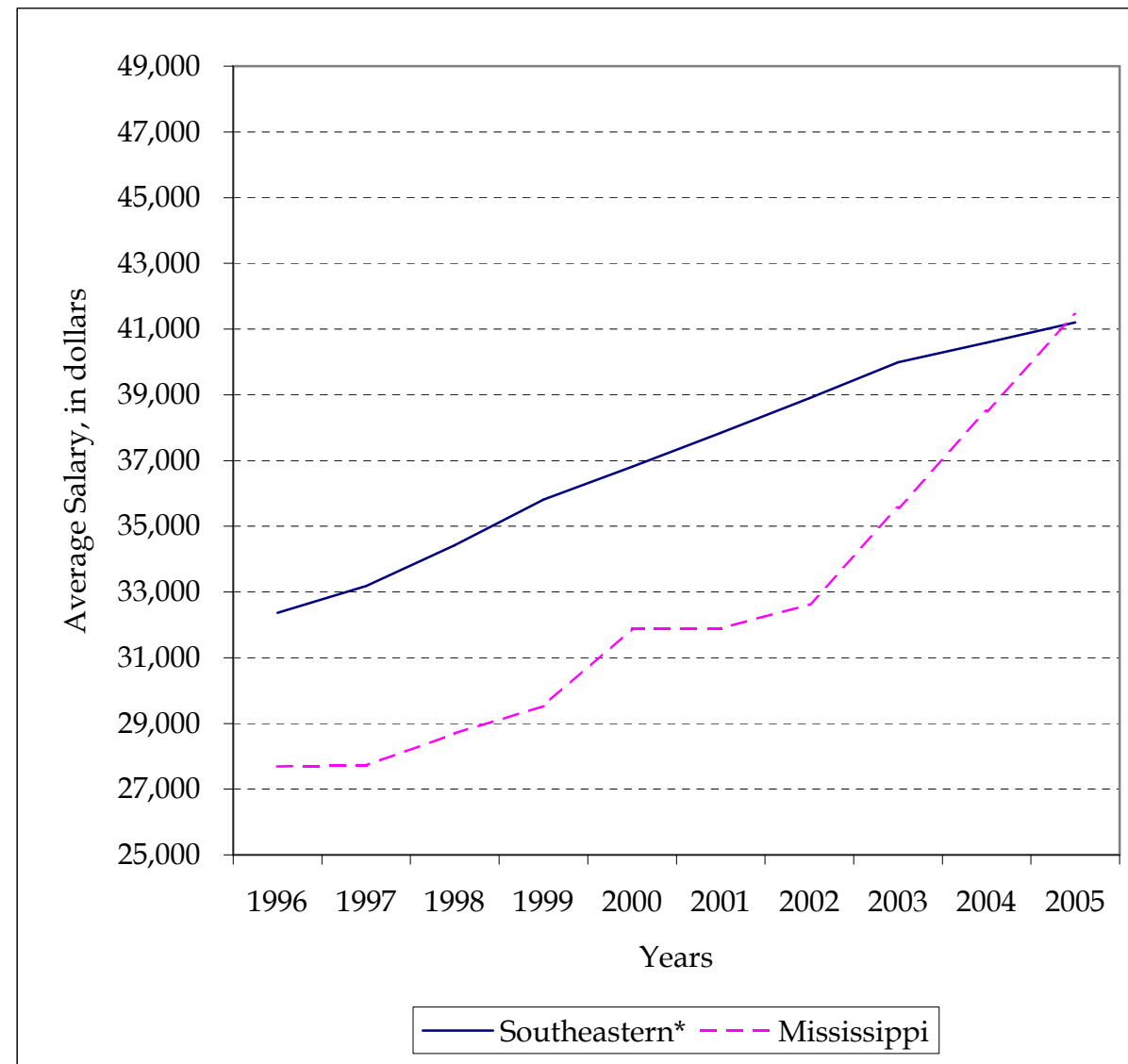


Musgrove Teacher Pay Raise Priority Plan

	Actual								Projected	
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Southeastern*	32,366	33,182	34,425	35,808	36,811	37,841	38,901	39,990	40,590	41,199
Mississippi	27,689	27,720	28,692	29,530	31,892	31,892	32,627	35,567	38,506	41,445
DIFFERENCE	4,677	5,462	5,733	6,278	4,918	5,949	6,274	4,424	2,084	(246)

*AL, AR, DL, FL, GA, KY, LA, MD, MS, NC, OK, SC, TN, TX, VA, WV

Sources: Southern Regional Education Board, 1996-1999.
Governor's Staff Analysis Projections, 2000-2003.



United States	37,794	38,509	39,454	40,582	41,617	42,788	44,159	45,499
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Musgrove Teacher Pay Plan, as proposed 3/15/00

Musgrove Teacher Pay Raise Priority Plan											
	Actual				No Action				Projected		
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	
Southeastern*	32,366	33,182	34,425	35,808	36,811	37,841	38,901	39,990	40,590	41,199	
Mississippi	27,689	27,720	28,692	29,530	31,892	31,892	32,627	35,567	38,506	41,445	
DIFFERENCE	4,677	5,462	5,733	6,278	4,918	5,949	6,274	4,424	2,084	(246)	

*AL, AR, DL, FL, GA, KY, LA, MD, MS, NC, OK, SC, TN, TX, VA, WV
 Sources: Southern Regional Education Board, 1996-1999.
 Governor's Staff Analysis Projections, 2000-2003.

Unproposed Alternatives to the Proposed Plan

Musgrove Teacher Pay Plan, Alternative #1 (Five-Year Plan)											
	Actual				No Action				Projected		
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Southeastern*	32,366	33,182	34,425	35,808	36,811	37,841	38,901	39,990	40,590	41,199	42,352
Mississippi	27,689	27,720	28,692	29,530	31,892	31,892	32,627	34,899	37,504	40,109	42,714
DIFFERENCE	4,677	5,462	5,733	6,278	4,918	5,949	6,274	5,092	3,086	1,090	(362)

*AL, AR, DL, FL, GA, KY, LA, MD, MS, NC, OK, SC, TN, TX, VA, WV
 Sources: Southern Regional Education Board, 1996-1999.
 Governor's Staff Analysis Projections, 2000-2003.

Musgrove Teacher Pay Plan, Alternative #2 (Four-Year Plan)											
	Actual				No Action				Projected		
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2005
Southeastern*	32,366	33,182	34,425	35,808	36,811	37,841	38,901	39,990	40,590	41,199	
Mississippi	27,689	27,720	28,692	29,530	31,892	31,892	32,627	34,899	37,838	41,245	
DIFFERENCE	4,677	5,462	5,733	6,278	4,918	5,949	6,274	5,092	2,752	(46)	

*AL, AR, DL, FL, GA, KY, LA, MD, MS, NC, OK, SC, TN, TX, VA, WV
 Sources: Southern Regional Education Board, 1996-1999.
 Governor's Staff Analysis Projections, 2000-2003.

Worksheet for Musgrove Teacher Pay Raise Priority Plan, as Proposed 3/15/00						
Legislative Sessions	Projected Increases					2005
	2000	2001	2002	2003	2004	
Proposed Increase	-	22,000,000	88,000,000	88,000,000	88,000,000	
Average Pay Increase	-	734.83	2,939.31	2,939.31	2,939.31	1,371.83
Total Avg. Pay	31,892.40	31,892.40	32,627.23	35,566.54	38,505.85	41,445.16

Note: Increases appropriated during the 2001 Session will not take effect until 2001-2002 school year.

Teachers, Total Num	2000	Southeastern Average Increase	3.31%
Total Teacher Pay	29939	Growth Assumption (MS vs. SE)	2.80%
Average Teacher Pay	954,826,563.60		
	31,892.40		

Total Funds Needed
 \$ 286,000,000

Legislative Budget Committee Revenue Estimates (in millions)					
	2001	2002	2003	2004	2005
FY02 Proj. Funds Available Over Built-Ins	24.0	24.0	24.0	24.0	24.0
Musgrove Teacher Pay Plan, as proposed 3/15/00	2.0	2.0	2.0	2.0	2.0
FY03 Proj. Funds Available Over Built-Ins	80.0	80.0	80.0	80.0	80.0
Musgrove Teacher Pay Plan, as proposed 3/15/00	(8.0)	(8.0)	(8.0)	(8.0)	(8.0)
FY04 Proj. Funds Available Over Built-Ins			100.0	100.0	100.0
Musgrove Teacher Pay Plan, as proposed 3/15/00			12.0	12.0	12.0
FY05 Proj. Funds Available Over Built-Ins*			117.0	117.0	117.0
Musgrove Teacher Pay Plan, as proposed 3/15/00			29.0	29.0	29.0

*Governor's Office Staff Analysis

Worksheet for Musgrove Teacher Pay Plan, Alternative #1 (Five-Year Plan)							
Legislative Sessions	Projected Increases					2006	
	2000	2001	2002	2003	2004		2005
Proposed Increase	\$ -	\$ 22,000,000	\$ 68,000,000	\$ 78,000,000	\$ 78,000,000	\$ 78,000,000	\$ 324,000,000
Average Pay Increase	\$ -	\$ 734.83	\$ 2,271.28	\$ 2,605.30	\$ 2,605.30	\$ 2,605.30	
Total Avg. Pay	\$ 31,892.40	\$ 31,892.40	\$ 32,627.23	\$ 34,898.51	\$ 37,503.81	\$ 40,109.11	\$ 42,714.40

Note: Increases appropriated during the 2001 Session will not take effect until 2001-2002 school year.

Teachers, Total Num	2000	Southeastern Average Increase	3.31%
Total Teacher Pay	29939	Growth Assumption (MS vs. SE)	2.80%
Average Teacher Pay	954,826,563.60		
	31,892.40		

\$ 324,000,000

Legislative Budget Committee Revenue Estimates (in millions)					
	2001	2002	2003	2004	2005
FY02 Proj. Funds Available Over Built-Ins	24.0	24.0	24.0	24.0	24.0
Musgrove Teacher Pay Plan, Alternative #1 (Five-Year Plan)	2.0	2.0	2.0	2.0	2.0
FY03 Proj. Funds Available Over Built-Ins	80.0	80.0	80.0	80.0	80.0
Musgrove Teacher Pay Plan, Alternative #1 (Five-Year Plan)	12.0	12.0	12.0	12.0	12.0
FY04 Proj. Funds Available Over Built-Ins			100.0	100.0	100.0
Musgrove Teacher Pay Plan, Alternative #1 (Five-Year Plan)			22.0	22.0	22.0
FY05 Proj. Funds Available Over Built-Ins*			117.0	117.0	117.0
Musgrove Teacher Pay Plan, Alternative #1 (Five-Year Plan)			39.0	39.0	39.0

*Governor's Office Staff Analysis

Worksheet for Musgrove Teacher Pay Plan, Alternative #2 (Four-Year Plan)						
Legislative Sessions	Projected Increases					
	2000	2001	2002	2003	2004	2005
Proposed Increase	\$ -	\$ 22,000,000	\$ 68,000,000	\$ 88,000,000	\$ 102,000,000	
Average Pay Increase	\$ -	\$ 734.83	\$ 2,271.28	\$ 2,939.31	\$ 3,406.93	\$ -
Total Avg. Pay	\$ 31,892.40	\$ 31,892.40	\$ 32,627.23	\$ 34,898.51	\$ 37,837.82	\$ 41,244.75

Note: Increases appropriated during the 2001 Session will not take effect until 2001-2002 school year.

Teachers, Total Num	2000	Southeastern Average Increase	3.31%
Total Teacher Pay	29939	Growth Assumption (MS vs. SE)	2.80%
Average Teacher Pay	954,826,563.60		
	31,892.40		

\$ 280,000,000

Legislative Budget Committee Revenue Estimates (in millions)					
	2001	2002	2003	2004	2005
FY02 Proj. Funds Available Over Built-Ins	24.0	24.0	24.0	24.0	24.0
Musgrove Teacher Pay Plan, Alternative #2 (Four-Year Plan)	2.0	2.0	2.0	2.0	2.0
FY03 Proj. Funds Available Over Built-Ins	80.0	80.0	80.0	80.0	80.0
Musgrove Teacher Pay Plan, Alternative #2 (Four-Year Plan)	12.0	12.0	12.0	12.0	12.0
FY04 Proj. Funds Available Over Built-Ins			100.0	100.0	100.0
Musgrove Teacher Pay Plan, Alternative #2 (Four-Year Plan)			22.0	22.0	22.0
FY05 Proj. Funds Available Over Built-Ins*			117.0	117.0	117.0
Musgrove Teacher Pay Plan, Alternative #2 (Four-Year Plan)			39.0	39.0	39.0

*Governor's Office Staff Analysis

All Things Constant

		All Things Being Equal											
Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	School Year Ending		
# of teachers	29202	29245	29574	29939	29939	29939	29939	29939	29939	29939	Number of Teachers		
		0.15%	1.11%	1.22%									
				Avg. Teacher Growth	0.83%	Proposed Increase	22000000	88000000	88000000	88000000	Annual Increases		
Total Pay	808,574,178.00	810,671,400.00	848,537,208.00	884,098,670.00	954,826,563.60	954,826,563.60	976,826,563.60	1,064,826,563.60	1,152,826,563.60	1,240,826,563.60	Total Teacher Pay		
		0.1470%	1.1125%	1.2191%	31,892.40	31,892.40	32,627.23	35,566.54	38,505.85	41,445.16	Average Teacher Pay		
			Avg. Pay Growth	0.8262%			6278	29,939,000.00					
					187,957,042.000	194,159,624.39	200,566,891.99	207,185,599.43	214,022,724.21	221,085,474.11			
							178,566,891.99	184,459,599.43	190,546,766.21	196,834,809.49			
								96,459,599.43	99,642,766.21	102,930,977.49			
									11,642,766.21	12,026,977.49			
										(75,973,022.51)			

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Southeastern	32,366	33,182	34,425	35,808	36,811	37,841	38,901	39,990	41,110	42,261
Mississippi	27,689	27,720	28,692	29,530	31,892.40	31,892.40	32,627.23	35,566.54	38,505.85	41,445.16

Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005				
# of teachers	29202	29245	29574	29939	30186	30436	30687	30941	31196	31454				
		0.15%	1.11%	1.22%										
Proposed Increase					0.83%		22000000	88000000	88000000	88000000				
Total Pay	808,574,178.00	810,671,400.00	848,537,208.00	884,098,670.00	954,826,563.60	954,826,563.60	976,826,563.60	1,064,826,563.60	1,152,826,563.60	1,240,826,563.60				
		0.1470%	1.1125%	1.2191%	0.8262%	31371.86	31831.70	34415.00	36953.82	39448.73				
					194,246,161.889	200,656,285.23	207,277,942.64	214,118,114.75	221,184,012.54	228,483,084.95				
							185,277,942.64	191,392,114.75	197,708,054.54	204,232,420.34				
								103,392,114.75	106,804,054.54	110,328,588.34				
									18,804,054.54	19,424,588.34				
										(68,575,411.66)				
										2001	2002	2003	2004	2005
Southeastern	32,366	33,182	34,425	35,808	36,245	36,686	37,134	37,586	38,045	38,508				
Mississippi	27,689	27,720	28,692	29,530	31,631	31,372	31,832	34,415	36,954	39,449				

