



Learn Today, Lead Tomorrow

2022-2023

Planned Expenditures

Presentation to the Board of Education
April 26, 2022

Learn Today, Lead Tomorrow

Agenda

- Overview of Available Resources and Budget Assumptions
- Discretionary vs non-discretionary budget increases
- Budget increases to schools
- Department budgets by Strategic Plan Theme
- Budget increases to departments
- One Time vs. Ongoing Sources and Uses

Overview of Available Resources and Budget Assumptions

Budget Driver	Assumptions for 2022-2023	Assumptions for 2021-2022
Per Pupil Revenue	\$9,192	\$8,607
Enrollment	District: 64,034 Charter: 17,106 Non-Charter: 46,928	District: 63,876 Charter: 16,111 Non-Charter: 47,765
Funded Pupil Count	District: 63,659 Charter: 16,412 Non-Charter: 47,247	District: 64,035 Charter: 15,845 Non-Charter: 48,190
Compensation Pool	new licensed compensation schedules (total of \$24.5M) plus compensation pool for non-licensed (total of \$10.0M)	4% equivalent minimum (total \$15.7M)
Benefit Premiums	\$0 increase to employee portion; expanded options with new Colorado Doctors Plan addition	\$0 increase to employee portion; no plan design changes
PERA	0.5% increase to employer rate; 0.5% increase to employee rate	0% increase to employer rate; 0.5% increase to employee rate
Total Available Unassigned General Fund Reserves	\$75.0M + \$10.0M staff compensation reserve	\$23.1M + \$10.0M staff compensation reserve

Discretionary vs Non-Discretionary Budget Increases

Non-Discretionary may refer to pre-negotiated, finalized contract renewals and other items the district is obligated/committed to pay, or prescribed staffing allocations or per pupil dollars to align with federal, state or local regulations

Area of Budget	Discretionary (\$M)	Non-Discretionary (\$M)	Explanation
Site-Based Budget	3.41	1.35	neighborhood and alternative school SBB increases excluding 21-22 pay increases
PERA Rate Employer Share Increase	-	1.61	rate increasing from 20.9% to 21.4% on 7/1/2022
Medical Benefit Increase	-	5.91	increase to Kaiser, implementation of UHC and Colorado Doctors Plan and HSA paid by General Fund
Licensed Compensation Schedules Implementation	-	24.47	as approved by Board of Education in March 2022 subject to Superintendent review and recommendation to Board of Education
Non-Licensed Compensation Increase	10.00	-	examples of non-discretionary include SPED out of district tuition, School Resource Officer contracts, custodial services contracts and insurance premiums
Department requested budget increases	7.65	1.95	examples of non-discretionary include utilities and district-wide software
District-wide requested budget increases	0.01	1.18	add district-funded stipends to elementary schools and restore reduced stipends at middle and high schools
Schedule A coach and activity sponsor compensation	1.02	-	
Total	22.10	36.47	

Budget Increases to Schools

- 2022-2023 will be the second year of the new weighted student funding formula for Site-Based Budgets
- Small school factor redesigned to benefit more schools (\$375K)
- Certified substitutes returned to non-discretionary allocation (\$3.1M)
- Neighborhood schools purchasing power held flat for compensation increases (\$9.8M)
- Increased mental health allocation for all schools to receive minimum of 1.0 FTE mental health which will be funded through ESSER (\$855K)
- Alternative school budgets increased \$1.4M for combination of position (FTE), pay and operational increases

Total Site-Based Budget proposed to be \$373.3M in 2022-2023 which is a 2% increase from 2021-2022 despite 837 student enrollment decrease

Department Budget Request Changes

February

Departments build initial budget request with assistance of budget analyst
Total Requested Increases = \$17.0M+

March

Budget Director reviews initial budget request and recommends department requests to Cabinet for initial review and approval
Total Requested Increases = \$15.0M

April

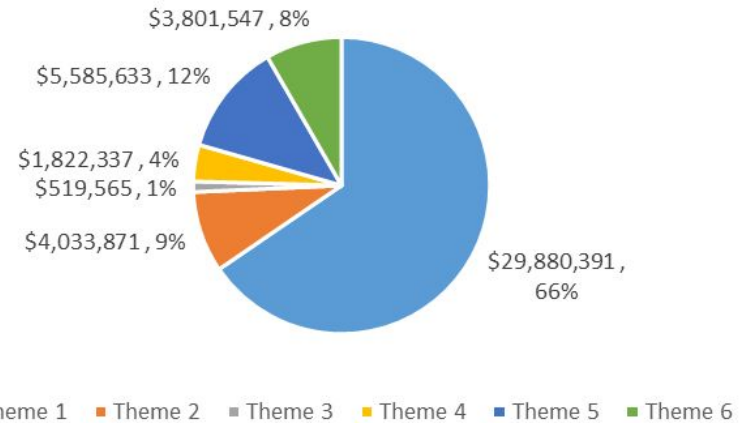
Cabinet reviews recommended department requests and denies select items for additional review and approval
Total Requested Increases = \$11.1M

Summary of Department Non-Personnel Budget by Strategic Plan Theme

66%* of non-personnel budget requests are for the health, safety, and social-emotional supports as self-reported by department directors

**total non-personnel budget is \$45.6M for 2022-2023 Proposed Budget*

Department Non-Personnel Budget by Strategic Theme



Summary of Department Budget Increases

Department	Dollar Increase Year-over-Year*	FTE Increase Year-over-Year	Budget Percent Increase Year-over-Year
BOE/Superintendent	\$ (215,810)	0.00	-12.98%
School Leadership	\$ 3,380,826	16.30	21.49%
Learning Services	\$ 539,758	0.47	7.72%
Student Support Services	\$ 2,662,680	8.03	6.95%
Information Technology	\$ 355,689	3.00	6.22%
Operations	\$ 5,380,531	5.50	12.36%
Business Services	\$ 457,985	1.00	5.00%
Human Resources	\$ 569,207	6.40	16.96%
Communications	\$ 51,396	0.00	6.28%
Legal Counsel	\$ 185,238	-1.00	4.69%
District-wide	\$ 1,197,405	0.00	4.67%
Total	\$ 14,564,905	39.70	9.41%

**Total department dollar increase year-over-year includes 21-22 pay increases which were excluded on slides 4 and 9 for consistency with reporting school year-over-year increase*

One Time vs. Ongoing Sources and Uses

Revenue Increases/(Decreases)	One Time (\$M)	Ongoing (\$M)
2021-2022 State Supplemental	6.7	-
2021-2022 Unassigned Fund Balance Increase (preliminary Q3)	37.5	-
2021-2022 Compensation Reserve	10.0	-
2022-2023 Per Pupil Revenue Increase	-	25.3
2022-2023 District-run Funded Pupil Count Decrease	-	(8.2)
2022-2023 Pass through to Charters of MLO per pupil Increase	-	(0.8)
2022-2023 Special Education State Categorical Revenue Increase (SB22-127)	-	4.7
2022-2023 Medicaid Federal Reimbursement Revenue decrease	-	(0.4)
2022-2023 Transportation Fund Balance Decrease	(2.9)	-
2018 MLO reserve in 2022-2023	(0.8)	-

Expense Increases/(Decreases)	One Time (\$M)	Ongoing (\$M)
PERA Rate Employer Share Increase	-	1.6
Medical Benefit Increase (with UHC and CDP)	-	3.6
HSA paid by General Fund	2.3	-
Neighborhood School Discretionary SBB Increase	-	2.1
Neighborhood School Non-Discretionary SBB Increase	-	1.4
Alternative School SBB Increase	-	1.4
Licensed Compensation Schedules Implementation	-	24.5
Non-Licensed Compensation Increase	-	10.0
DBB Non-Personnel	6.0	-
DBB New FTE	-	3.6
Schedule A athletics and activities stipends	-	1.0
Districtwide Budget Increases	-	1.2

Source/(Use) of Fund Balance	\$	42.1	\$	(29.6)
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Additional Considerations

While sources (revenue and reserves) exceed uses (expenses), there is an imbalance between one time vs ongoing funding sources with one time vs ongoing uses of funds;

Additionally, year 2 of the new licensed compensation schedules for 2023-2024 will cost \$27.8M before any schedule enhancements or COLA

Timeline Through June 30th

- May 10th - present 2022-2023 Proposed Budget to Board of Education
- May 31st - legal deadline for public notice on 2022-2023 Proposed Budget
- June 21st - present 2022-2023 Adopted Budget to Board of Education
- June 30th - legal deadline for budget adoption
- July 1st - 2022-2023 fiscal year begins