

# 2025-2026 Proposed Budget

Presentation to the  
Board of Education  
May 6, 2025

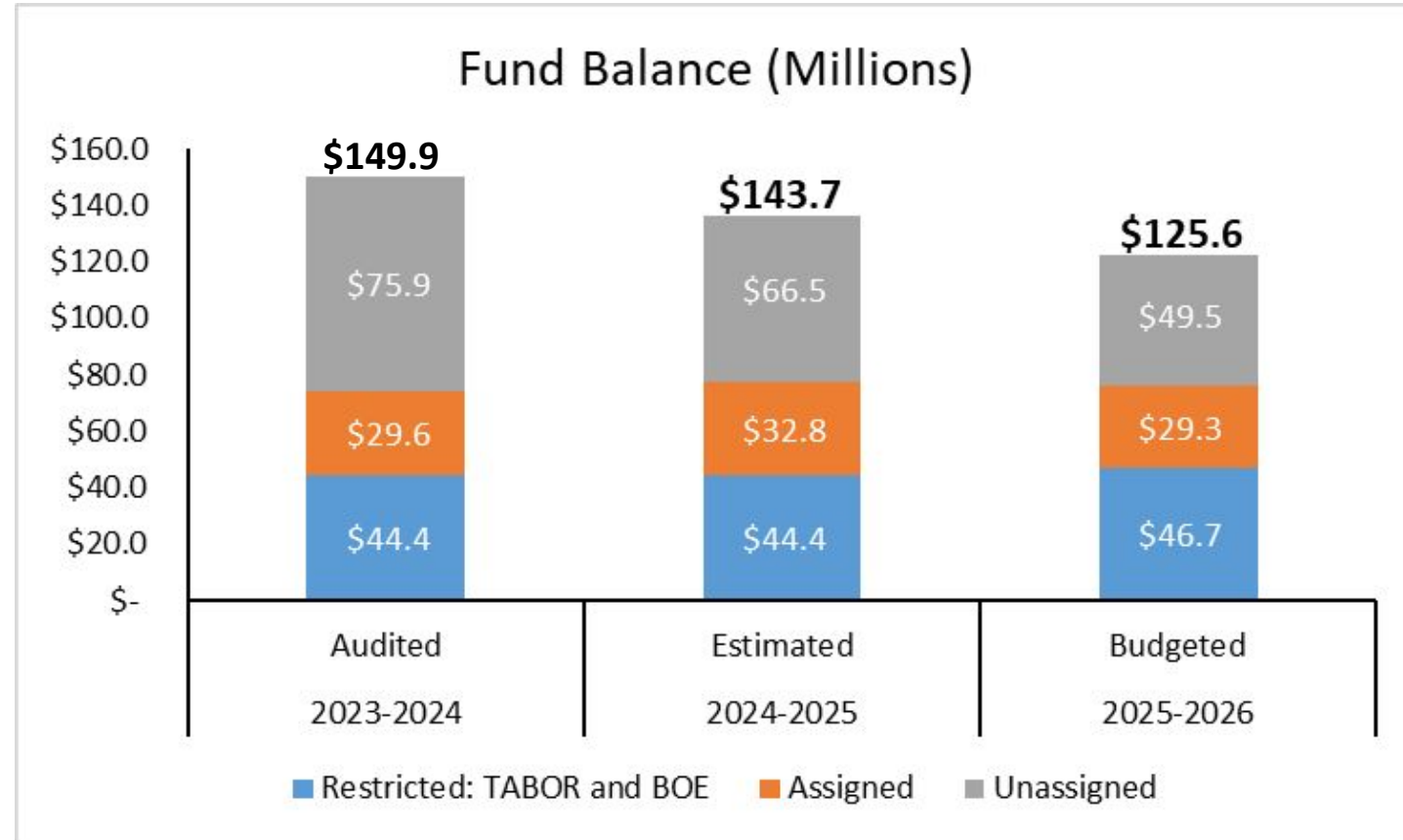


# Agenda

- 2025-2026 Budget Overview
- Overview of Available Resources and Budget Assumptions
- Budget Expense Priorities
- One Time vs. Ongoing Sources and Uses
- Fund Balance History
- Summary of Other Funds
- Unknowns in the Proposed Budget
- Supplementary Materials and Next Steps

# 2025-2026 Budget Overview

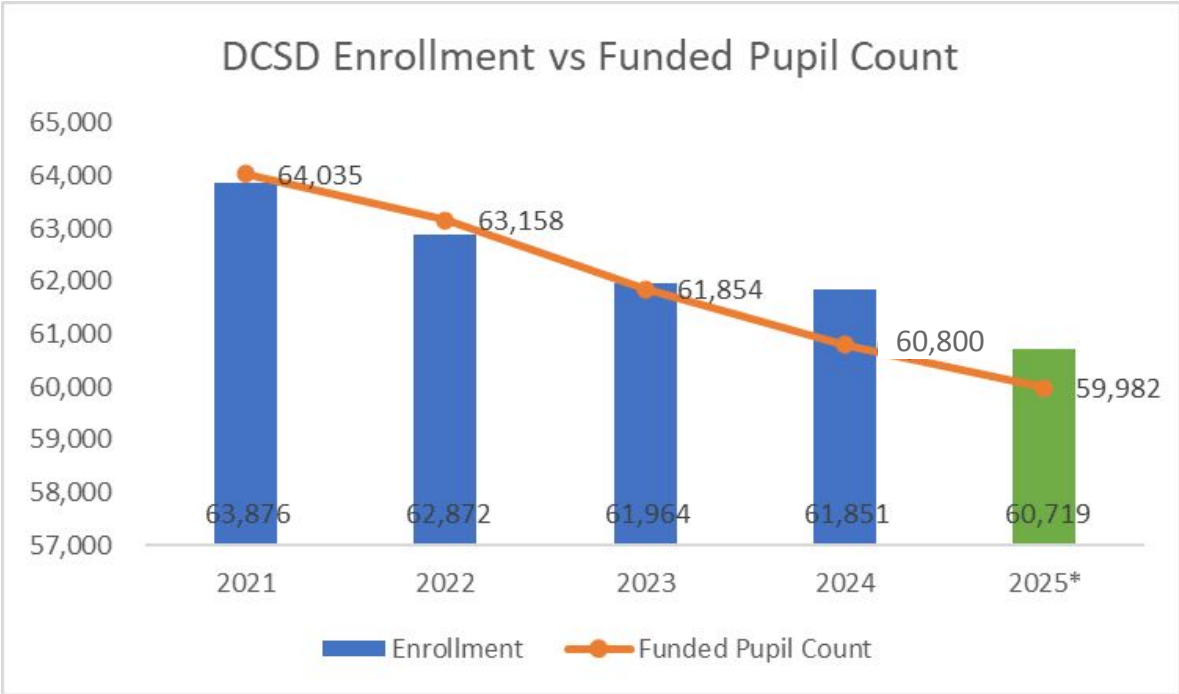
- Per Pupil Revenue is increasing by 2%; as all districts receive the increase, ***DCSD's comparative position with other districts remains unchanged.***
- Overall expenses and transfers increase of 2%.
- We will be strategically drawing down unassigned fund balance.



# Enrollment and Funded Pupil Count

	Actual 2024-2025	Projected 2025-2026	Actual to Projected Increase/(Decrease)
Neighborhood K-12 Enrollment	43,306	42,555	(751)
Alternative Enrollment	627	671	44
Charter Enrollment (Non-HOPE)	15,142	14,713	(429)
Charter Enrollment (HOPE Online)	1,303	1,307	4
<b>Funded Pupil Count*</b>	<b>60,800</b>	<b>59,982</b>	<b>(818)</b>

# DCSD Enrollment Over Time



Year	District-run % of Total Enrollment (excluding HOPE Online)	Charter % of Total Enrollment (excluding HOPE Online)
2021	77%	23%
2022	77%	23%
2023	77%	23%
2024	73%	27%
2025*	73%	27%

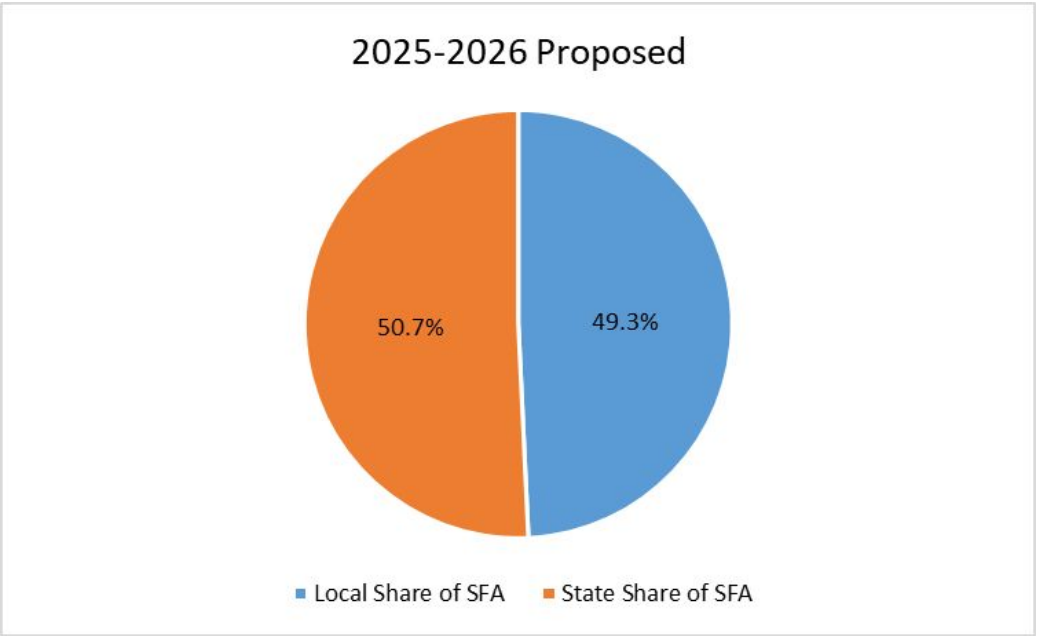
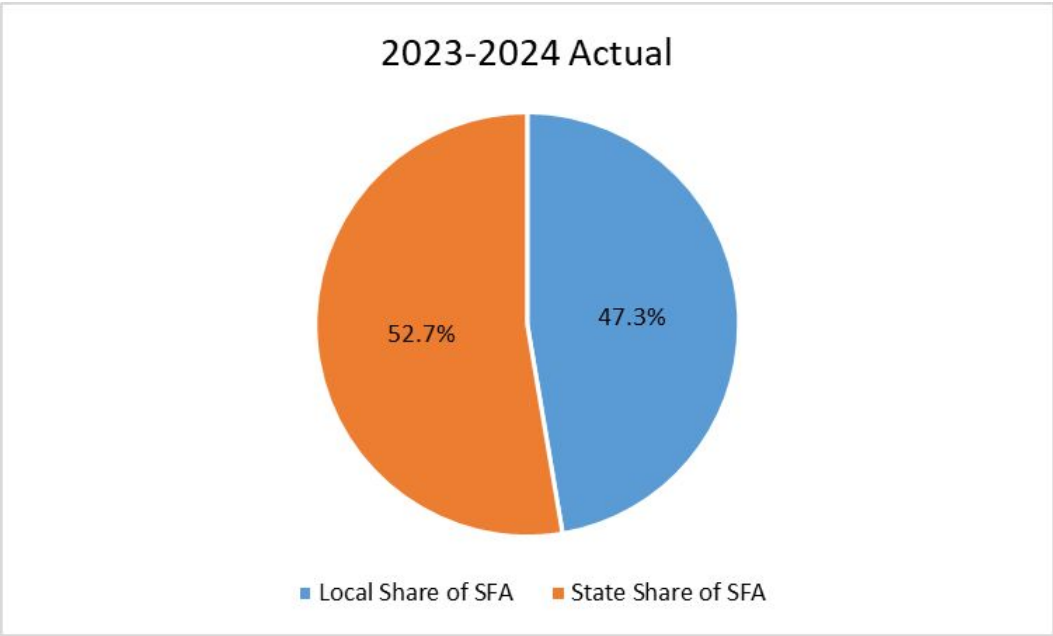
*\*projected enrollment for 2025-2026*

# School Finance Act Revenue Assumptions for DCSD

	2024-2025 Final Revised Budget	2025-2026 Proposed Budget	Increase/(Decrease)
Per Pupil Revenue	\$10,923	\$11,265	\$342
Funded Pupil Count	60,800	59,982	(817)
Total Program Formula	\$664.7M	\$675.7M	\$11.0M
<b>District-share Total Program</b>	<b>\$493.3M</b>	<b>\$504.2M</b>	<b>\$10.9M</b>
Charter-share Total Program	\$171.4M	\$171.5M	\$0.1M

# Distribution between State and Local Share for School Finance Act

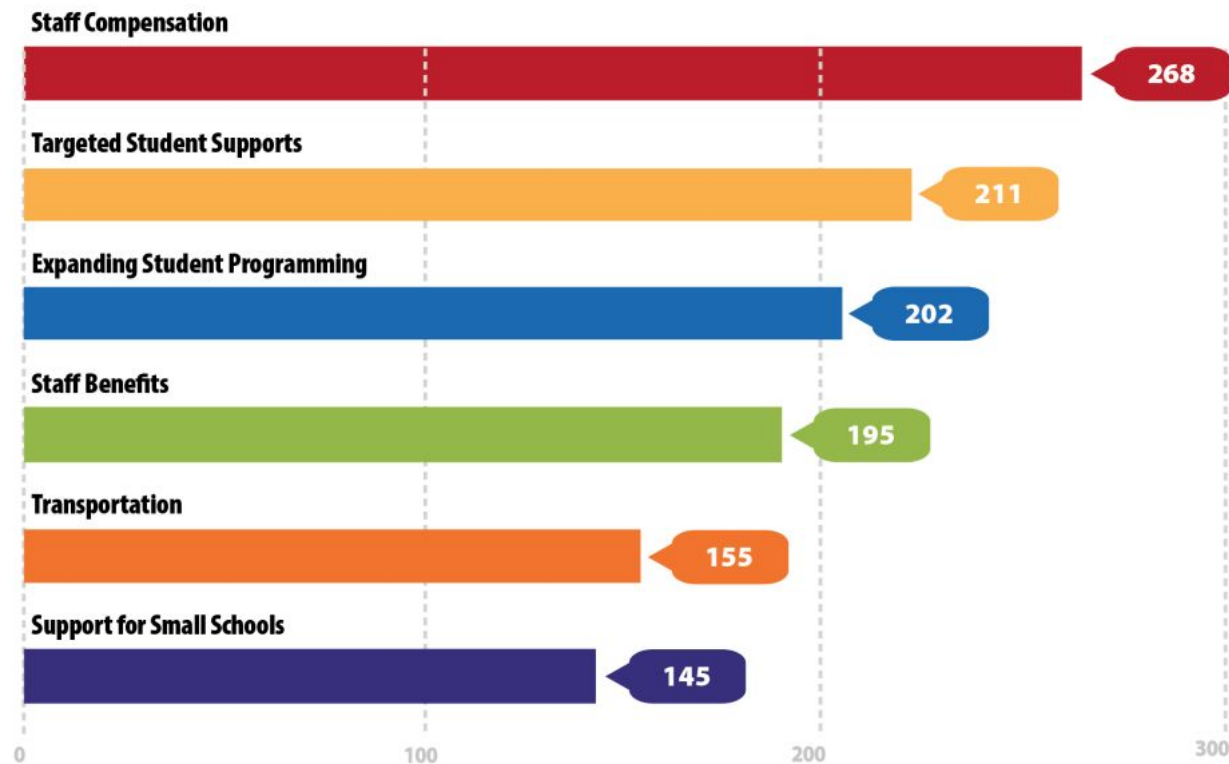
Distribution between state funding and local funding for the School Finance Act only (not including Mill Levy Overrides) continues to shift toward local based on increases in local share due to increases in property assessed values





# District Accountability Committee Budget Survey Results

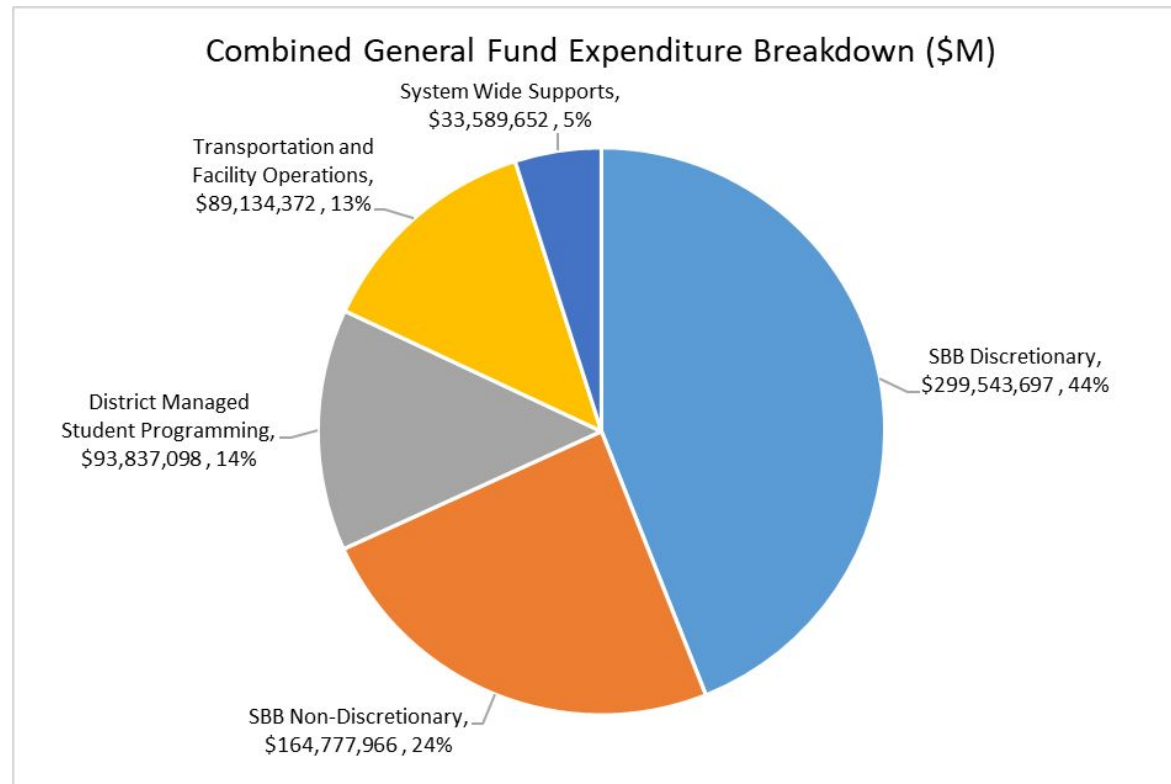
**The District Wide Total Scaled Results:** TOTAL NUMBER OF SACs - 65





# Summary of Combined General Fund Expenditures

Distribution of expenditure breakdown within the Combined General Fund remains consistent year over year to demonstrate consistent financial support of priorities



# Summary of Priority Investments

**We are investing over \$14M or 2% increase in expenditures and transfers in the 2025-2026 General Fund Budget**

- Compensation investments plus enhancements to benefits = \$14M
- Investing in schools through District-Managed Student Programming = \$6M
- Investing in transportation and facility operations = \$3M
- Investing in support systems (i.e. insurance, system wide supports, etc.) = \$3M
- Savings from declining enrollment and restructuring select SBB allocations = (\$3M)
- Planned use of assigned reserves/savings from Combined General Fund = (\$9M)

*Top two largest investments reflect two of three highest priorities from DAC survey results*

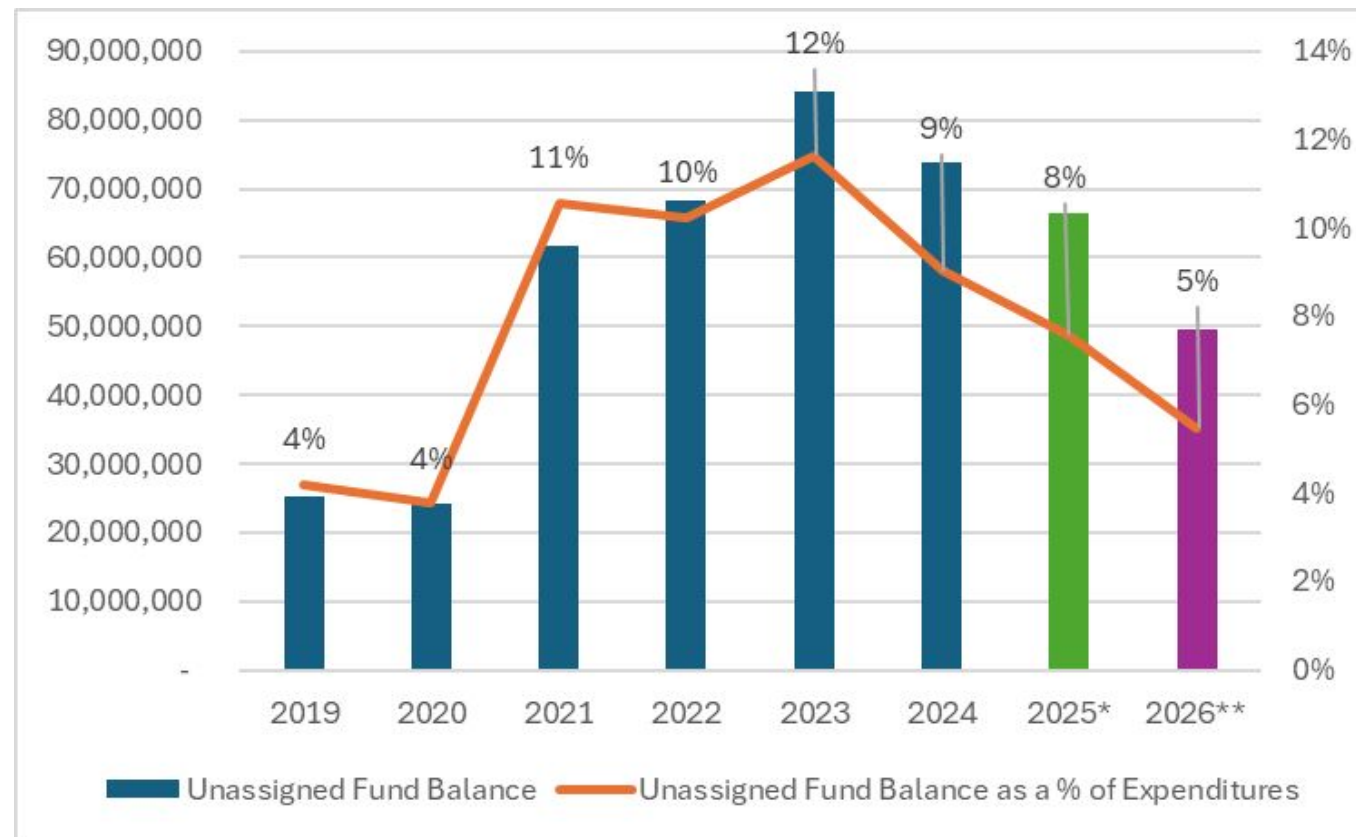
# One-Time vs Ongoing Total Sources and Uses

Revenue Increase/(Decrease)	One Time (\$M)	Ongoing (\$M)
<b>Total</b>	<b>\$9.4</b>	<b>\$10.4</b>
Expense Increase/(Decrease)	One Time (\$M)	Ongoing (\$M)
<b>Total</b>	<b>\$15.0</b>	<b>\$22.9</b>
<b>Available Balance</b>	<b>(\$5.6)</b>	<b>(\$12.5)</b>

**USE OF \$18.1M FUND BALANCE IN GENERAL FUND FINANCIALS**

# DCSD Fund Balance History: General Fund Only

With an \$18M use of fund balance budgeted in 2025-2026, unassigned fund balance will be at 5% of budgeted expenditures which is still higher than in 2020 and prior



# Summary of Other Funds

- With the passage of 5A in November 2024, the Bond Project Fund (44) will experience a large increase in spending in 2025-2026
  - Increase expenditures from estimate of \$28M in 2024-2025 to budget of \$112M in 2025-2026
  - Ending balance for June 30, 2026 budgeted of \$191M for projects to continue in 2026-2027 and beyond
  - Anticipate interest earnings of \$11M on proceeds invested for future spending
- All other funds are not experiencing major changes next year and their proposed budgets maintain the status quo

# Unknowns in the Proposed Budget

- Enrollment variability compared to budget based on large differences between initial projected enrollment and principal requested revisions to projected enrollment
- Position fill rates, potential staffing shortages and associated need for more expensive contracted positions to provide services
- As of April 30th, School Finance Act is still pending and subject to change which may impact district revenue based on the finalization of the implementation of the new school finance act (HB24-1448)

# Supplementary Materials with Proposed Budget Agenda Item

- Proposed Executive Summary of the DCSD Financial Plan and Budget includes:
  - All fund financial schedules
  - Summary of District-run schools
  - Summary of District departments
  - Charter school financial schedules
  - Staffing Summary
  - School vs. School Support vs. System-wide per pupil



# Next Steps

- May 31st - legal deadline for public notice on 2025-2026 Proposed Budget
- June 10th - present 2025-2026 Adopted Budget to Board of Education as consent agenda item with vote on Use of Beginning Fund Balance and Appropriations resolutions through consent
- June 30th - legal deadline for budget adoption
- July 1st - 2025-2026 fiscal year begins



Questions?

