



COLORADO

Department of Education

School Finance Update
CASE Winter Leadership Conference

February 2, 2017

Article X, Section 3 - Gallagher Amendment

- Intended to set the ratio of property taxes raised from both residential vs. business properties
 - Split - 45% residential vs. 55% business - statewide
 - Residential assessment rate - resets every two years potentially
 - 7.96% since 2003 (Was 21% in 1985)
 - Under TABOR, this rate cannot rise without a vote of the people
- Has had the impact of lower property taxes contributing to school funding - the Total Program
- State share for K-12 education has increased to 64% from 44% while the local share has decreased from 56% to 36%

TABOR Amendment - 1992

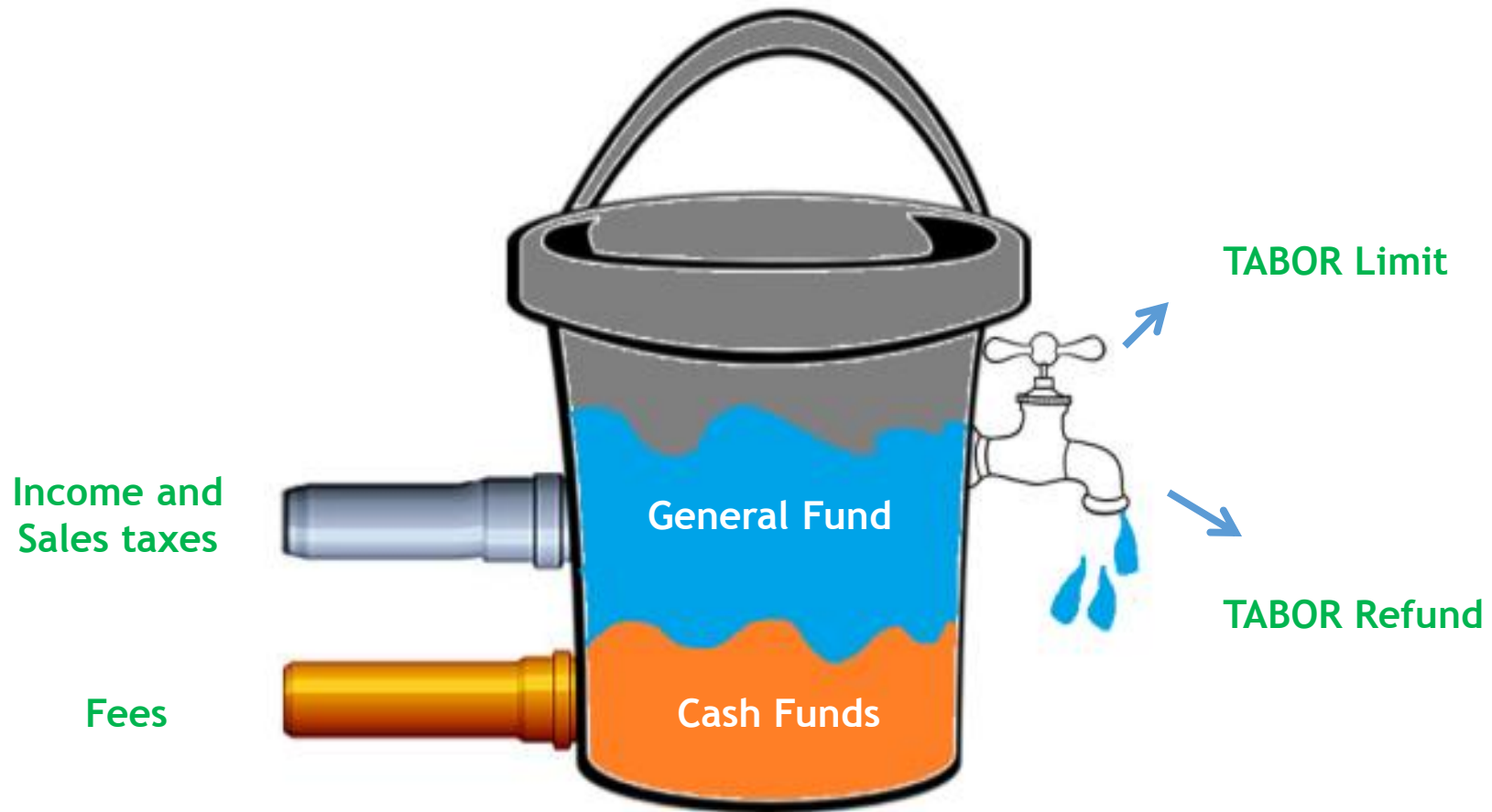
- Impact of the TABOR amendment on school finance
 - Sets limits on the amounts of revenues that can be collected and retained by state and local governments including schools districts
 - Limits local property tax revenue growth
 - Requires voter approval for an increase in mill levies, or assessment rates
- Most districts have received voter approval to retain excess revenues - the State has not
 - When revenues exceed the limit, refunds must be given

TABOR Amendment - 1992

- Between 1994 and 2006, school district mill levies were decreasing since assessed values were increasing at a rate greater than what TABOR allowed - inflation plus student growth
- This continued to cause the state portion of school funding to increase putting even greater pressure on the state budget
- Senate Bill 07-199 froze mill levies for districts at the 2006-07 levels
 - Total program mill levies cannot go higher than 27 mills - some districts may have levies lower than this

A TABOR Simile

From Office of State Planning & Budgeting



Amendment 23 - 2000

- Requires base per pupil funding to increase by inflation each year in addition to categorical funding
 - Categorical funding is provided for programs such as exceptional students, transportation and English language learners
- An additional one percent was included for 10 years to attempt to make up losses in funding in prior years
- The State Education Fund was created which transfers one-third of one percent of federal taxable income from the State's General Fund
- Creates additional pressures on the state budget with these requirements

School Funding – Total Program

The vast majority of money for schools comes through the Public School Finance Act of 1994

Total Program Funding = Local Funding + State Funding

(total amount of funding received by districts for operations)

This formula attempts to equalize funding to districts across the state.

Local Funding always applied first.

Local Funding Sources

- Local Funding
 - Property Taxes - mill levies
 - Specific Ownership Taxes - vehicle registration fees
 - This funding provides approximately 35% of total program funding statewide
 - The percentage split in specific districts varies

Total Program Funding Formula

Total Program Funding

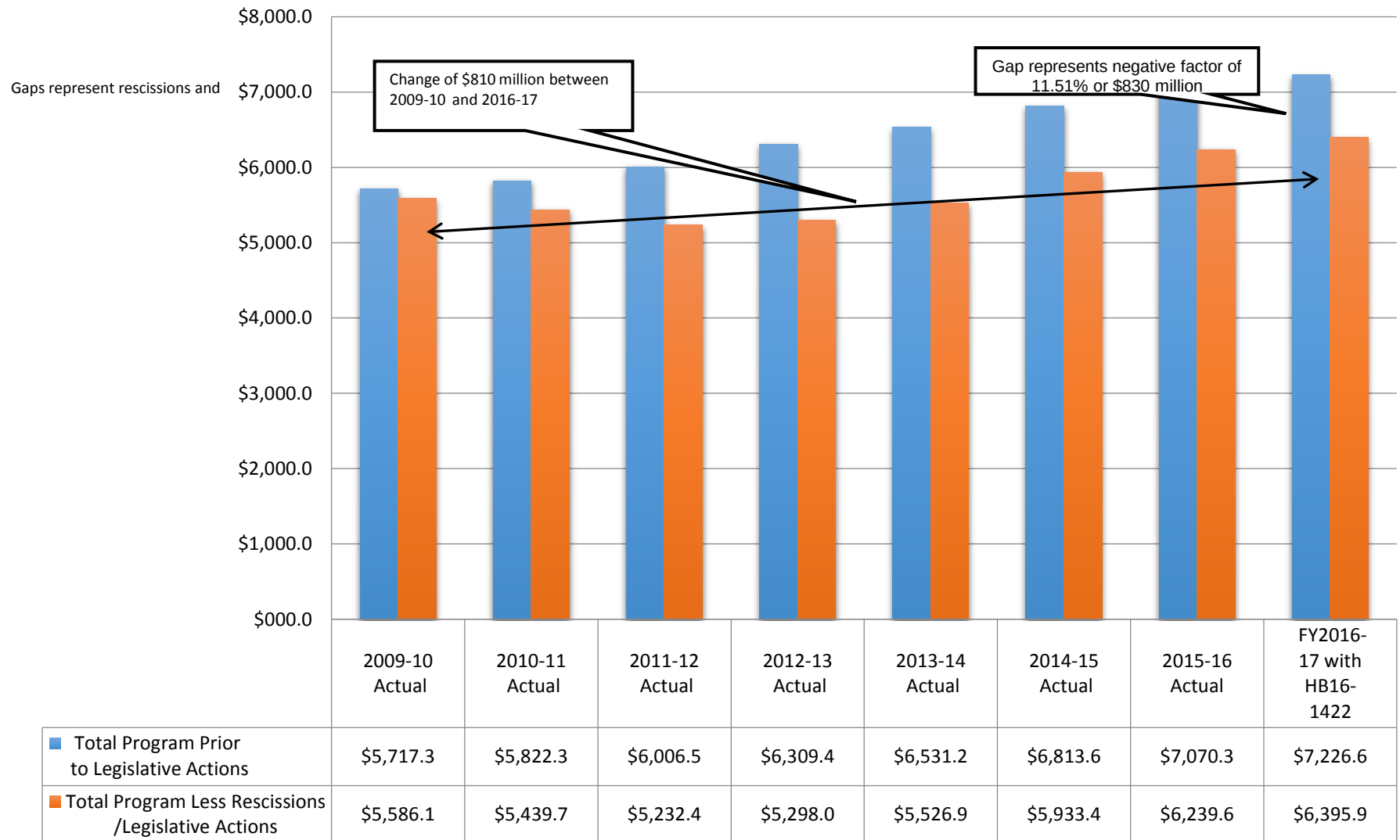
= (funded pupil count
x formula per pupil funding*)
+ at-risk funding + online & ASCENT funding

* Formula adjusts for:

- Cost of Living
- Personnel & non-personnel costs
- Size of district

Negative Factor is applied after total program is calculated

Total Program Funding



2017 Legislative Session

November 2016	Governor Submits Budget Request for 2017-18 THIS IS ONLY A PROPOSAL!
December 2016	Joint Budget Committee Hearings with Department The JBC hears about the 2017-18 Budget Request from the Department and seeks any information
January 2017	Governor Submits <i>Supplemental</i> Budget Request for 2016-17 Adjusts the Current Year Budget for actual Pupil Counts, AVs, etc. Governor Submits <i>Budget Amendment</i> for 2017-18 Revised estimates for next year's students, AVs, etc. based on actual
Spring 2017	JBC Develops State Budget – Figure Setting & Long Bill – pass by GA HB16-1422 sets starting point
Spring 2017	School Finance Bill Introduced and passed Adjusts the Long Bill numbers

Supplemental/Budget Amendment

Adjustments made for:

- Significant reduction in the forecast for local property taxes for FY2017-18
 - December 20, 2016 - Legislative Council Economic Forecast anticipated a residential assessment rate reduction from 7.96% to 6.85% (\$169.7 million reduction in local share)
 - January 13, 2017 - Division of Property Taxation Preliminary Residential Assessment Rate Study projects a residential assessment rate reduction to 6.56% - but on a larger base (\$135.1 million reduction in local share)
- Enrollment
 - FY2016-17 = Decrease of 2,646 pupils (0.31%) and 4,029 at-risk pupils (1.3%)
 - FY2017-18 = Decrease 3,665 pupils (0.42%) and 4,669 at-risk pupils (1.5%)

Supplemental/Budget Amendment

FY 2016-17 Supplemental

- Reduction in Local Share: \$23.1M
- Enrollment: \$25.5 M

FY 2017-18 Budget Amendment

- Reduction in Local Share: \$135.1 M
- Enrollment: \$34.8 M
- With no changes, the negative factor would increase from \$876.1 M in the Nov 1 Budget Request by \$106.2 M to \$982.3 M (\$122.70 per student)
- Governor's Intent:
 - Maintain negative factor at the \$876.1 M from November 1 Request
 - Maintain State Education Fund balance of \$93.1 M

Governor's Proposal to Address Shortfall

- Reduce the Senior Homestead Exemption by Half
 - Senior Homestead Exemption was passed by voters in 2000 and authorized the Legislature to modify the exemption
 - Exemption has been modified twice (to reduce and to eliminate the exemption) in order to balance the budget
 - Proposed change to allow qualifying seniors to claim an exemption on the first \$100,000 in value on their homes vs. the first \$200,000 in value in FY 2017-18
 - Proposal reduces General Fund expenditures by \$68.1 M
- Increase the Special Sales Tax on Recreational Marijuana
 - Maximum allowed retail sales tax rate is 15%
 - Current rate of 10% is scheduled to drop to 8% on July 1, 2017
 - Proposed increase to 12% in FY 2017-18
 - Proposal anticipates generating \$41.9 M
- Recommend Structural Reforms to the rules that control school finance

Supplemental Request FY 2016-17

	Original Appropriation	Actual 2015-16*	Change (with Supplemental)*
Funded Pupils	861,442	858,796	(2,646)
At-Risk Pupils	311,413	307,384	(4,029)
Total Program Prior to Negative Factor	\$7,226,612,607	\$7,201,112,934	(\$25,499,673)
Negative Factor	(\$830,702,393)	(\$828,280,474)	\$2,421,919
Total Program After Negative Factor	\$6,395,910,214	\$6,372,832,460	(\$23,077,754)
Average Per Pupil Funding	\$7,424.66	\$7,420.66	(\$4.00)

*Subject to Legislative Approval

Budget Amendment FY 2017-18

	November 1 Request	Budget Amendment	Change *
Funded Pupils	869,550	865,885	(3,665)
At-Risk Pupils	314,313	309,644	(4,669)
Total Program Prior to Negative Factor	\$7,490,454,238	\$7,455,611,128	(\$34,843,110)
Negative Factor	(\$876,068,148)	(\$876,068,148)	\$0
Total Program After Negative Factor	\$6,614,386,090	\$6,579,542,980	(\$34,843,110)
Average Per Pupil Funding	\$7,606.68	\$7,598.63	(\$8.04)

*Subject to Legislative Approval

Local vs. State Share FY 2015-16

	FY 2017-18 November 1 Request	FY 2017-18 Revised Request	Change
State Share	\$4,163,316,272	\$4,263,560,559	\$100,244,287
Local Property Tax	\$2,286,812,884	\$2,143,238,149	(\$143,574,735)
Specific Ownership Tax	\$164,256,933	\$172,744,272	\$8,487,338
TOTAL	\$6,614,386,090	\$6,579,542,980	(\$34,843,110)

Review District by District

- Spreadsheet posted on School Finance Website:
- <http://www.cde.state.co.us/cdefinance/publicschoolfinanceactof1994-fy2017-18>
- Comparison of FY2016-17 Appropriation and FY 2017-18 Governor's Budget Request
 - **SUBJECT TO CHANGE!!**

Financial Transparency Overview

- [HB14-1292](#) requires:
 - CDE to work with Financial Policies and Procedures (FPP) Advisory Committee and Governor's Office of State Planning and Budgeting to design a website view.
 - CDE to contract for the creation of a website view that translates district- and school-level expenditures into a format that is readable and comparable by a layperson.
 - Local education providers to post financial data on their websites to be used for website view.
- [HB15-1321](#) allows small rural districts to report only district level expenditures

Financial Transparency Timeline

- May 2014 - HB14-1292 Passed
- August 2014 - FPP Sub-Committee Kickoff
- January 2015 - Request for Information (RFI) Issued
- July 2015 - Request for Proposal (RFP) Issued
- October 2015 - BrightBytes Selected and Project Kickoff
- July 2016 - Website Pilot - Version 1
- December 2016 - Website Pilot - Version 2
- January 2017 - LEP Outreach and Training
- March 1, 2017 - Deadline to Post FY15-16 Data
- July 1, 2017 - Website in Production

Primary District Involvement

FPP Sub-Committee

- Adams 12 Five Star Schools
- Centennial BOCES
- Cherry Creek 5
- Denver 1
- Fountain 8
- Jefferson County R-1
- Littleton 6
- Peyton 23JT
- St. Vrain Valley Re-1J
- Widefield 3

Pilot Participants

- Adams 12 Five Star Schools
- Centennial BOCES
- Aurora Public Schools
- Cherry Creek 5
- Douglas County RE1
- Jefferson County R-1
- Kiowa C-2
- Littleton 6
- Mapleton 1
- St. Vrain Valley Re-1J

You are viewing pilot data. Data does not represent actual school data and is subject to change.

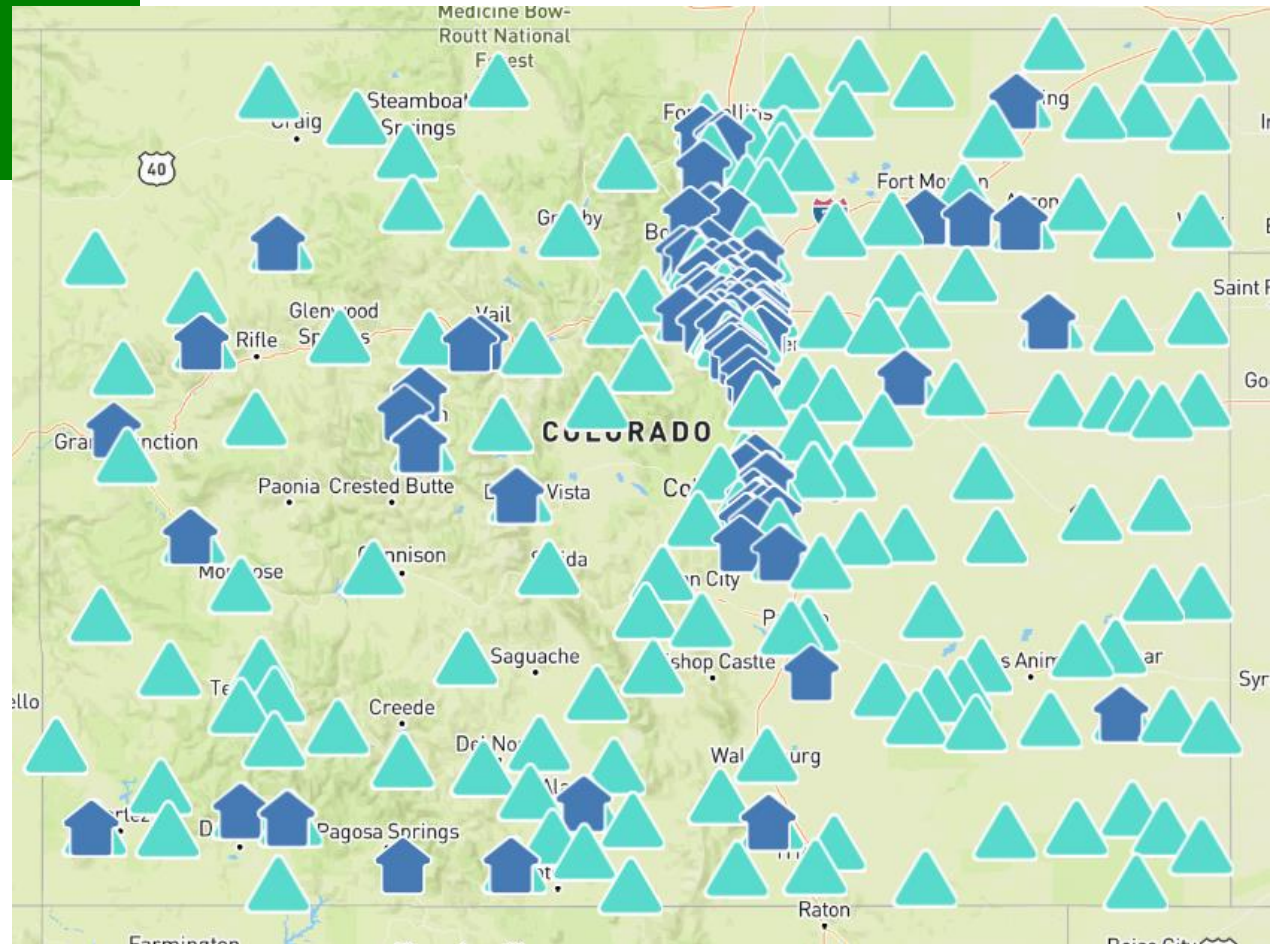
Financial Transparency for Colorado Schools

Welcome to the Colorado K12 Financial Transparency website. Here you will find revenue and expenditure information for each school, district, and BOCES throughout the state. Click below to learn more, or begin exploring using the search and map features.

[Learn more](#) 



Explore the Map





Search for a School, District, or BOCES

 blue spruce|



Blue Spruce Large District

Blue Spruce Small District

 View all 2 results on map

Blue Spruce Large District

 Compare

 Download Data



15,691

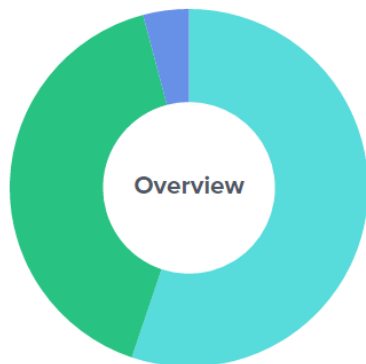
STUDENTS
SERVED



31 View All

SCHOOLS IN
DISTRICT

\$ Funding



● Local 55%
● State 41%
● Federal 4%



Local ⓘ

\$94,989,572

[View Fund Breakdown](#)



State ⓘ

\$70,066,257

[View Fund Breakdown](#)



Federal ⓘ

\$7,106,103

[View Fund Breakdown](#)

Total

\$172,161,933



Other

[View Fund Breakdown](#)

Other revenues not received through local, state, or federal sources. They include proceeds from the sale of bonds, accrued interest, and other extraordinary items.

Total

\$18,115,552

Total Funding

\$190,277,485

Explore
More

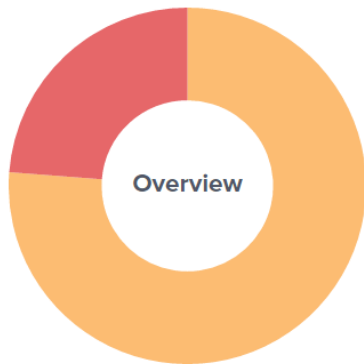




Spending



\$10,030 per Student



● Learning Environment 76%
● Operations 24%



Learning Environment ⓘ

\$119,967,972

[View Fund Breakdown](#)



Operations ⓘ

\$37,414,263

[View Fund Breakdown](#)

Total

\$157,382,234



Construction, Debt & Other

[View Fund Breakdown](#)

These expenditures are those that are not associated with day-to-day operation of school activities. They are comprised of major construction projects, debt payments, acquisition of land, and other programs.

Total

\$33,543,193

Total Spending

\$190,925,427

Explore
More



Spending Overview



About Spending

Expenditure describes the monies expended by the school, district, or BOCES. Expenditures are described by the following dimensions: Type, Areas, and Job. Each of these dimensions is then aggregated by sub-component.



\$10,030

per Student

Spending Overview

-  Learning Environment
-  Operations
-  Construction, Debt & Other
-  Funds

Total Spending

\$190,925,427

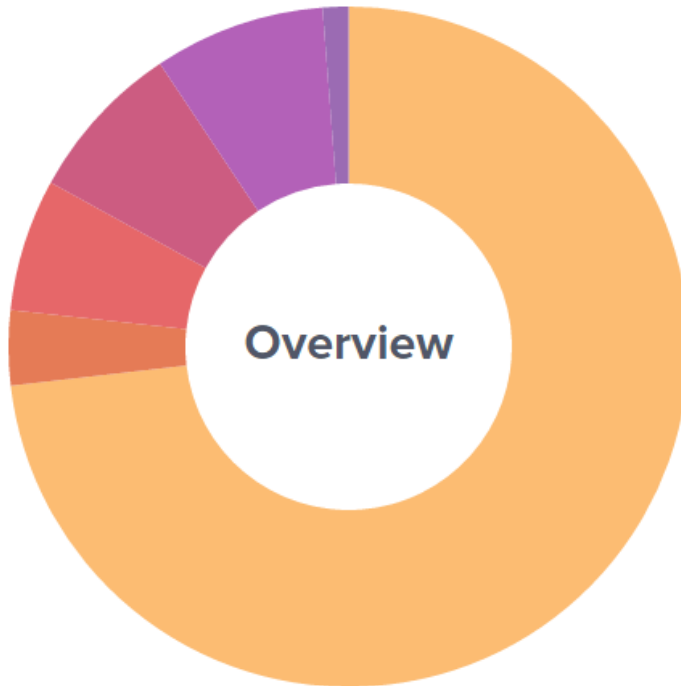
[View Fund Breakdown](#)

Salaries & Benefits	\$130,442,496	68%
Services	\$12,521,792	7%
Supplies	\$12,326,463	6%
Property, Debt, and Other	\$35,634,677	19%

Salaries & Benefits

Administrators	\$10,223,884	8%
Professional - Instructional	\$82,203,343	63%
Professional - Other	\$4,816,009	4%
Paraprofessionals	\$14,597,480	11%
Office / Administrative Support	\$8,118,233	6%
Crafts, Trades, and Services	\$10,483,547	8%

Learning Environment Breakdown by Type



Instructional

\$87,782,942 (73%)



Activities & Athletics

\$4,261,369 (4%)



Student Support

\$7,548,488 (6%)



Staff Support

\$9,150,479 (8%)



School Administration

\$9,757,104 (8%)



District Administration

\$1,467,588 (1%)

Instructional Spending

\$87,782,942

[View Fund Breakdown](#)



Examples include: Math program, language arts program, physical education program, special education. [Learn more](#)

\$5,594
\$ PER STUDENT

Unknown
STATE AVERAGE \$ PER STUDENT

Salaries & Benefits	\$82,170,314	94%
Services	\$3,078,230	3%
Supplies	\$2,010,497	2%
Property, Debt, and Other	\$523,902	1%

Examples include: Athletic programs, student clubs and activities. [Learn more](#)

Activities & Athletics Spending

\$4,261,369

[View Fund Breakdown](#)



\$272
\$ PER STUDENT

Unknown
STATE AVERAGE \$ PER STUDENT

Salaries & Benefits	\$1,925,382	45%
Services	\$1,107,222	26%
Supplies	\$1,104,265	26%
Property, Debt, and Other	\$124,500	3%

Student Support Spending

\$7,548,488

[View Fund Breakdown](#)



\$481
\$ PER STUDENT

Unknown
STATE AVERAGE \$ PER STUDENT

Examples include: Guidance services, health services, psychology services. [Learn more](#)

Salaries & Benefits	\$6,627,080	88%
Services	\$611,776	8%
Supplies	\$301,568	4%
Property, Debt, and Other	\$8,064	0%

Examples include: Staff professional development, instructional technology, program supervision. [Learn more](#)

Staff Support Spending

\$9,150,479

[View Fund Breakdown](#)



\$583
\$ PER STUDENT

Unknown
STATE AVERAGE \$ PER STUDENT

Salaries & Benefits	\$6,570,753	72%
Services	\$1,107,731	12%
Supplies	\$1,415,330	15%
Property, Debt, and Other	\$56,665	1%

School Administration Spending

\$9,757,104

[View Fund Breakdown](#)



\$622
\$ PER STUDENT

Unknown
STATE AVERAGE \$ PER STUDENT

Examples include: Office of principal services, department chair services. [Learn more](#)

Salaries & Benefits	\$9,270,124	95%
Services	\$310,340	3%
Supplies	\$156,714	2%
Property, Debt, and Other	\$19,927	0%

Examples include: Office of superintendent services, office of curriculum services. [Learn more](#)

District Administration Spending

\$1,467,588

[View Fund Breakdown](#)

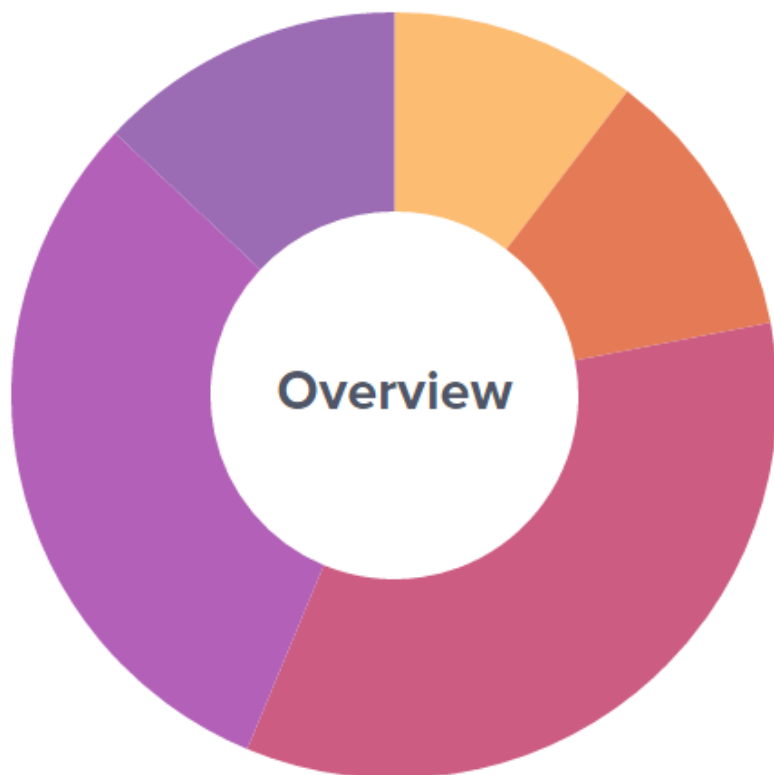


\$94
\$ PER STUDENT

Unknown
STATE AVERAGE \$ PER STUDENT

Salaries & Benefits	\$938,485	64%
Services	\$464,263	32%
Supplies	\$26,907	2%
Property, Debt, and Other	\$37,933	2%

Operations Breakdown by Type



Food Services

\$3,891,125 (10%)



Transportation

\$4,324,581 (12%)



Operations & Maintenance

\$12,839,871 (34%)



Other Support

\$11,495,510 (31%)



Enterprise

\$4,863,176 (13%)

Food Services Spending

\$3,891,125

[View Fund Breakdown](#)



\$248
\$ PER STUDENT

Unknown
STATE AVERAGE \$ PER STUDENT

Salaries & Benefits	\$1,926,402	50%
Services	\$238,311	6%
Supplies	\$1,724,389	44%
Property, Debt, and Other	\$2,023	0%

Transportation Spending

\$4,324,581

[View Fund Breakdown](#)



\$276
\$ PER STUDENT

Unknown
STATE AVERAGE \$ PER STUDENT

Salaries & Benefits	\$3,731,206	86%
Services	\$51,896	1%
Supplies	\$537,349	13%
Property, Debt, and Other	\$4,130	0%

Operations & Maintenance Spending

\$12,839,871

[View Fund Breakdown](#)



\$818
\$ PER STUDENT

Unknown
STATE AVERAGE \$ PER STUDENT

Salaries & Benefits	\$6,971,218	54%
Services	\$1,763,287	14%
Supplies	\$3,230,849	25%
Property, Debt, and Other	\$874,516	7%

Other Support Spending

\$11,495,510

[View Fund Breakdown](#)



\$733
\$ PER STUDENT

Unknown
STATE AVERAGE \$ PER STUDENT

Salaries & Benefits	\$5,799,059	50%
Services	\$3,650,013	32%
Supplies	\$1,432,482	13%
Property, Debt, and Other	\$613,956	5%

Enterprise Spending

\$4,863,176

[View Fund Breakdown](#)

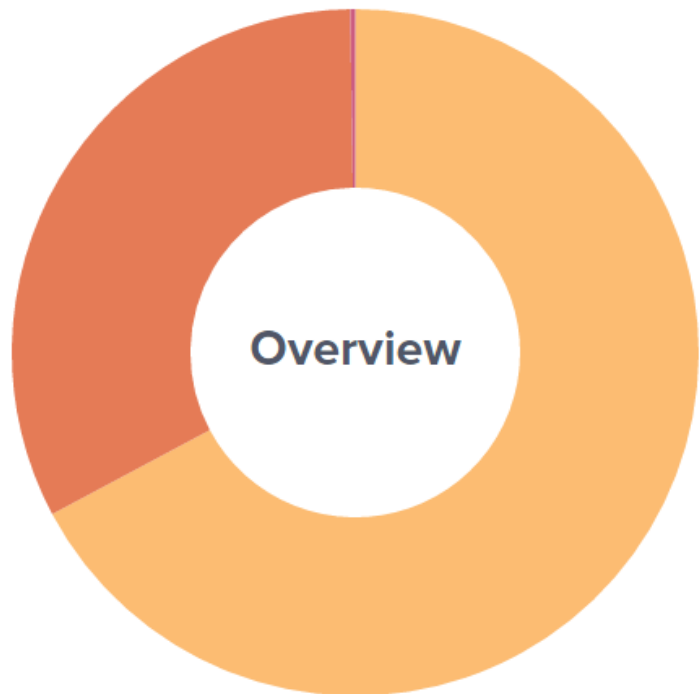


\$310
\$ PER STUDENT

Unknown
STATE AVERAGE \$ PER STUDENT

Salaries & Benefits	\$4,441,196	91%
Services	\$166,124	3%
Supplies	\$186,651	4%
Property, Debt, and Other	\$69,205	2%

Construction, Debt & Other Breakdown by Type



**Construction Facilities Acquisitions
and Construction Services**
\$22,541,204 (67%)



Debt Services & Other Uses
\$10,923,617 (33%)



Community Services
\$78,372 (0%)



Adult Education
\$0 (0%)

Construction Facilities Acquisitions
and Construction Services Spending

\$22,541,204

[View Fund Breakdown](#)



Salaries & Benefits	\$789	0%
Services	\$446,188	2%
Supplies	\$192,442	1%
Property, Debt, and Other	\$21,901,785	97%

Adult Education Spending

\$0

This organization does not have any data reported in this area



Salaries & Benefits	\$0	0%
Services	\$0	0%
Supplies	\$0	0%
Property, Debt, and Other	\$0	0%

Debt Services & Other Uses Spending

\$10,923,617

[View Fund Breakdown](#)



Salaries & Benefits	\$0	0%
Services	-\$474,409	-4%
Supplies	\$0	0%
Property, Debt, and Other	\$11,398,026	104%

Construction, Debt & Other Total

\$33,543,193

Salaries & Benefits	\$71,276	0%
Services	-\$27,400	0%
Supplies	\$199,460	1%
Property, Debt, and Other	\$33,299,856	99%

Community Services Spending

\$78,372

[View Fund Breakdown](#)



Salaries & Benefits	\$70,488	90%
Services	\$821	1%
Supplies	\$7,018	9%
Property, Debt, and Other	\$45	0%

Compare Districts

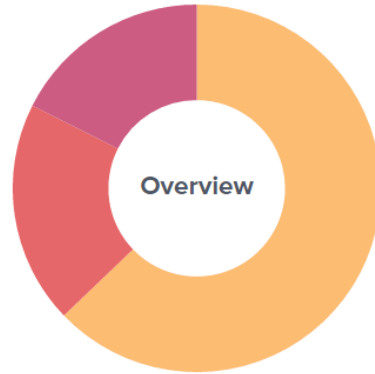
You may compare up to four schools, districts, or BOCES. Use the search to add new comparisons.

×	×
Blue Spruce Large District	Blue Spruce Small District
15,691 STUDENTS SERVED	287 STUDENTS SERVED
E M H	E M H
31 SCHOOLS IN DISTRICT	3 SCHOOLS IN DISTRICT
\$190,925,427 TOTAL SPENDING	\$3,770,052 TOTAL SPENDING
\$10,030 TOTAL SPENDING PER STUDENT	\$12,843 TOTAL SPENDING PER STUDENT

 Spending

Blue Spruce Large District

Breakdown by Type



- Learning Environment 63%
- Operations 20%
- Construction, Debt & Other 17%

Spending Areas



Salaries & Benefits

68%



Services

7%



Supplies

6%



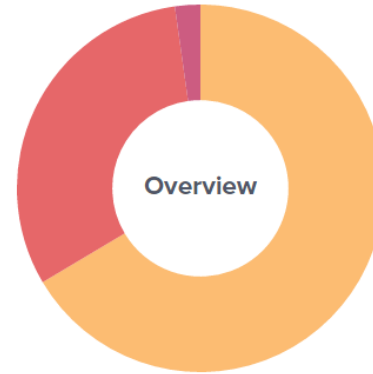
Property, Debt, and Other

19%



Blue Spruce Small District

Breakdown by Type



- Learning Environment 67%
- Operations 31%
- Construction, Debt & Other 2%

Spending Areas

Salaries & Benefits

64%



Services

21%



Supplies

8%



Property, Debt, and Other

7%



Blue Spruce Large District

Blue Spruce Small District

 Learning Environment

\$119,967,972

LEARNING ENVIRONMENT SPENDING

\$2,505,829

LEARNING ENVIRONMENT SPENDING

\$7,646

\$ PER STUDENT

\$8,731

\$ PER STUDENT

 Operations

\$37,414,263

OPERATIONS SPENDING

\$1,180,165

OPERATIONS SPENDING

\$2,384

\$ PER STUDENT

\$4,112

\$ PER STUDENT

 Construction, Debt & Other

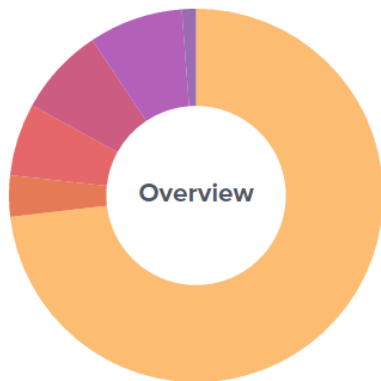
\$33,543,193

CONSTRUCTION, DEBT & OTHER SPENDING

\$84,058

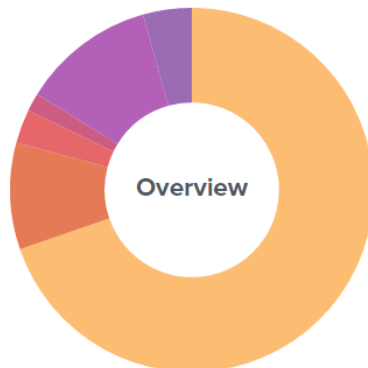
CONSTRUCTION, DEBT & OTHER SPENDING

Blue Spruce Large District



Learning Environment

Blue Spruce Small District



Instructional

\$87,782,942

\$5,594

\$ PER STUDENT



Activities & Athletics

\$4,261,369

\$272

\$ PER STUDENT



Student Support

\$7,548,488



Staff Support

\$9,150,479

\$583

\$ PER STUDENT



School Administration

\$9,757,104

\$622

\$ PER STUDENT



District Administration

\$1,467,588

\$94

\$ PER STUDENT

Instructional

\$1,746,873

\$6,087

\$ PER STUDENT

Activities & Athletics

\$237,207

\$827

\$ PER STUDENT

Student Support

\$76,078

Staff Support

\$39,764

\$139

\$ PER STUDENT

School Administration

\$297,365

\$1,036

\$ PER STUDENT

District Administration

\$108,542

\$378

\$ PER STUDENT

Contact Information

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Questions?

