Colorado School Finance Project (CSFP)

Who are we? What do we do?

- Non-profit, non-partisan
- Supported by school district contributions
- School finance analysis for local and state policy makers since 1995.

Mission: To compile, collect and distribute research-based, non-partisan information and data on topics related to school finance for state and local policymakers.
2019: A closer look

What makes 2019 different?

• New players
• New ideas
• TABOR Refunds
• Change in Residential Assessment Rate
• Interim committees
• 2019 statewide ballot?
• B/S Factor

Colorado’s PK-12 students as it interacts with the state budget

• 2018-19: Over 911,000 students
• Growth is slowing
• Student need continues to grow slower
• Freeing up proposed budgeted dollars during supplemental process that could go to K-12 or to the state -- state won
Student need has changed
Requires more services – this costs money

Students of poverty are 41% population
• approximately $.30 of every $1.00 is state funded.

Students learning English are 14% of population
• approximately $.20 of every $1.00 is state funded.

Students with special needs are 11% of population
• approximately $.30 of every $1.00 is state funded.

Gifted students are 7% of population
• approximately $.15 of every $1.00 is state funded.

State budget conditions have changed
• Revenue continues to grow both in General Fund and Cash Funds – creating larger TABOR refunds
• Inflation rate is lower than anticipated
• Residential Assessment Rate drop not as sharp – not final until April
• Residential values strong
• Does K-12 benefit?
Budget Stabilization Factor

The Budget Stabilization Factor is a mechanism added to the School Finance Act by the Colorado legislature to help balance the State’s budget during the Great Recession. The Factor proportionately reduces total program funding and state aid provided to Colorado’s 178 school districts - ongoing.

Data: CO Legislative Council
Chart: Colorado School Finance Project (p) = proposed

January 2019
Colorado School Districts on Four-Day Weeks 2000-01 to 2018-19
(includes 1 BOCES and the Charter School Institute)

Trends in Per Pupil Spending - Comparing Colorado to U.S. Average
FY 1991-92 to FY 2015-16

Comparing a variety of sources, the funding gap between Colorado and the U.S. average has continued to grow over the past 20+ years.
District challenges remain

- Urgency of funding has only increased in many communities – disparities grow wider
- Underfunding of student populations
- Debt owed to K-12
- Rural issues
- Recruitment, retention and salaries continue to be challenging

State budget changes create different discussions

- Full day kindergarten - $227 million
- Statewide De-Brucing - $1 billion?
- Capital construction – BEST
- Mill Levy Stabilization - ?
- Gallagher – Repeal?
- What is rural?
Assessed Valuation

- Wide variance
- Goals of 1994 – 40 mills and 50/50 split
- School districts have no control of the residential / non-residential split
- Mills inside the formula
- Mills outside the formula
- What are the new tax policy goals?
- Is there added benefit to K-12?
- What are options for districts?
- How long do districts have to make changes?
- Will the state power equalize?
- What is criteria for power equalizing
Total Assessed Value FY 2017-18

Assessed Value Per Pupil FY 2017-18
Total Program Mills FY2017-18

- 27,000 (161,351 students)
- 20,000 - 26,999 (613,260 students)
- 10,000 - 19,999 (65,540 students)
- 1,000 - 9,999 (24,860 students)

District Override Mills (voter approved) - FY 2017-18

- 19,081 - 26,098 (103,003 students)
- 9,000 - 19,000 (466,617 students)
- 5,000 - 8,999 (149,193 students)
- 0,300 - 4,999 (76,581 students)
- 0,000 (69,618 students)
Questions: Now & Later

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