

Cotopaxi School District Board Meeting: Colorado K-12 Funding

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COLORADO SCHOOL FINANCE PROJECT

Support Children - Support The Future

Colorado School Finance Project

Non-profit, non-partisan- Supported by school district contributions- School finance analysis for local and state policy makers since 1995- Governed by a board comprised of national and state experts on school finance

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

Goals of Presentation

- School Finance Refresher
- Cotopaxi School District funding
- State Outlook for School Finance
 - March Forecast
- Statewide Issues – that impact your district

Process & Timing of Legislature



District Budget Process: begins in fall of year for the next fiscal year beginning on July 1.



Department (CDE) hearings for budget requests – State Process



Legislature convenes in January – School districts are ½ way through their fiscal year.

We are here



School districts begin budget process for next year and determine hiring - *prior to the end of the legislative session.*



Creates potential problems for school districts with last minute legislative decisions.



Supplemental process- State “true up” with districts, enrollment impacts

Legislature sets funding amount for next school year

How Schools are funded in Colorado

Colorado's School Finance System 2020-21

Revenue Sources for School Finance



OUTSIDE THE FORMULA REVENUE:

- Federal Funds 5%-6% annually, targeted populations
- Categoricals – General Fund and State Ed Fund
- Stimulus Funds- ONE-TIME dollars with targeted uses for COVID-19

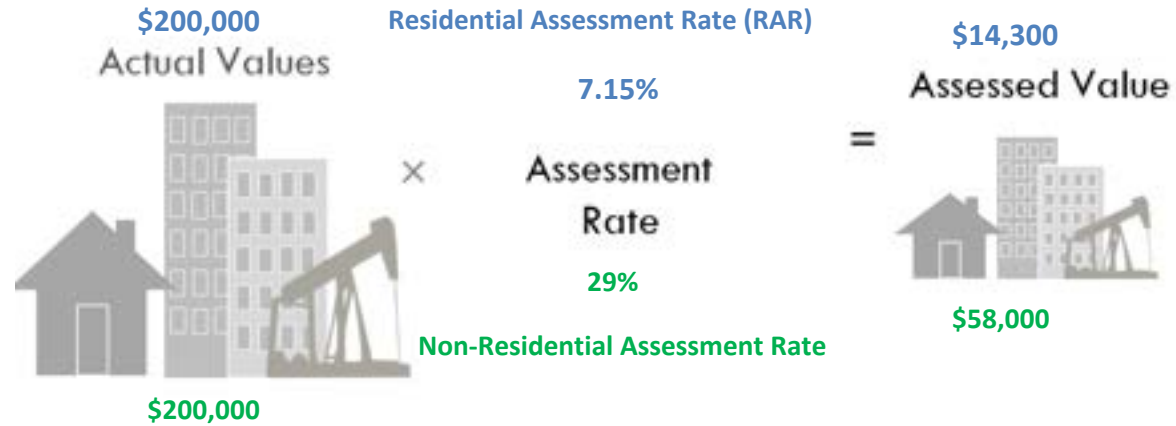
How Revenue is Distributed to Colorado Schools



OUTSIDE THE FORMULA:

- Categorical Funding= \$311,871,933 Every district receives an allocation
 - o For special education, emerging bilingual, gifted and talented, career and technical education students, transportation and small attendance centers
- Grants, Local District and Individual School Fundraising, Foundation Support and Local Overrides- These VARY greatly district to district across the state and in many cases are targeted for specific programs for a limited amount of time.

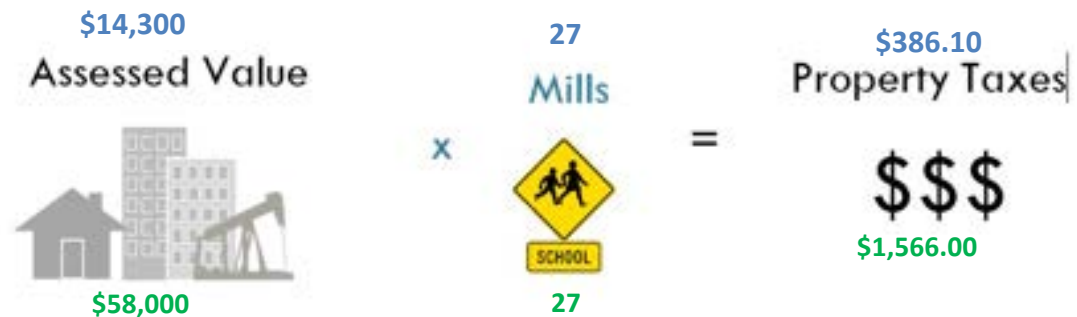
Understanding Mills



- *Assessed Value Per Pupil* measures a district's property tax base on a per pupil basis – and determines how much a given mill levy will generate per pupil.

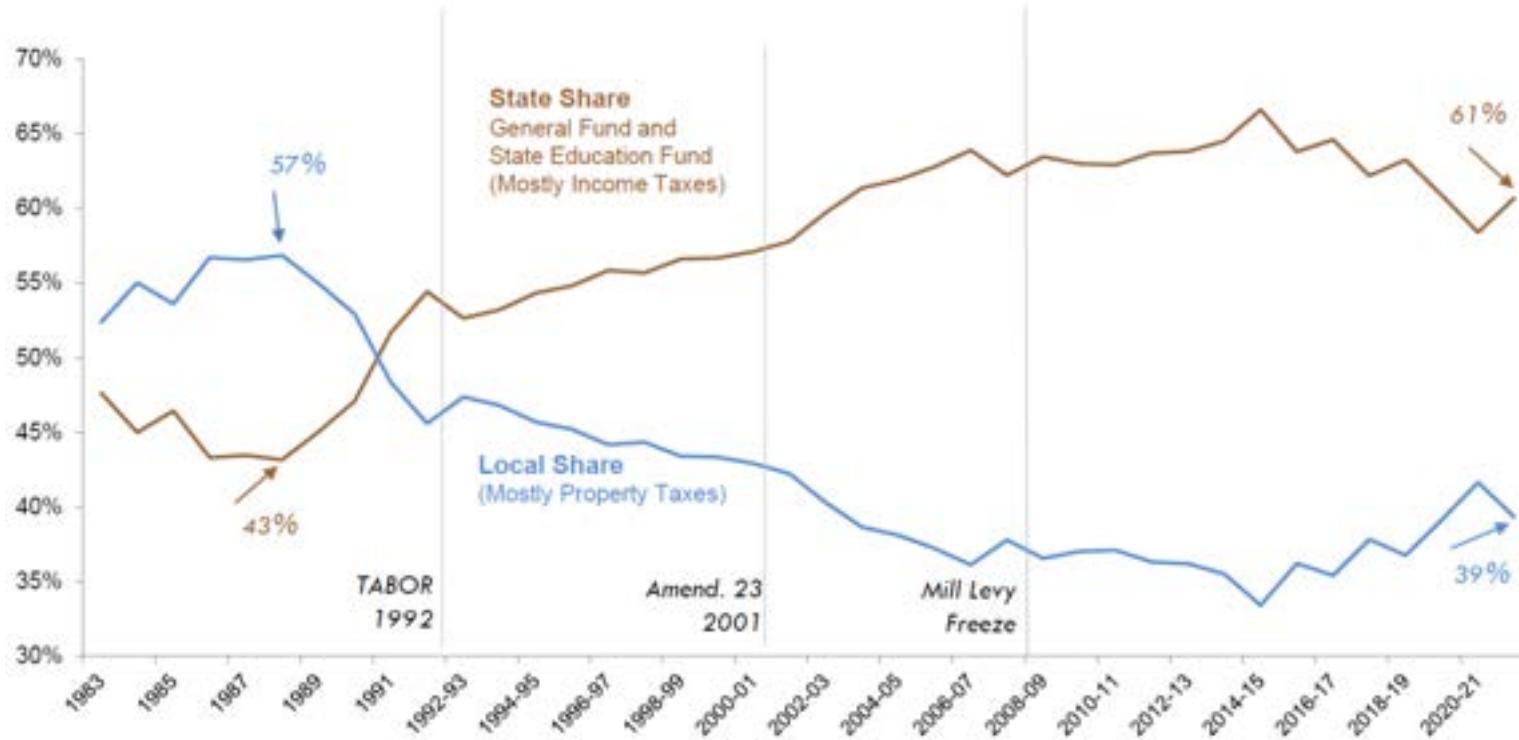
The *Mill Levy* is the tax rate.

- A mill is equal to 1/1000, so each mill generates one dollar per \$1,000 of assessed value.



State and Local Shares of School Finance

1983 to FY 2021-22



Note: Prior to 1993, K-12 funding was done on a calendar year basis

Source: Legislative Council Staff

Facts about Cotopaxi School District in 2021-22

- 208 students (Funded Pupil Count not membership)
- 58% of students identified as at-risk
- 15% of students identified as Special Education
- Per Pupil Revenue: \$15,233.91

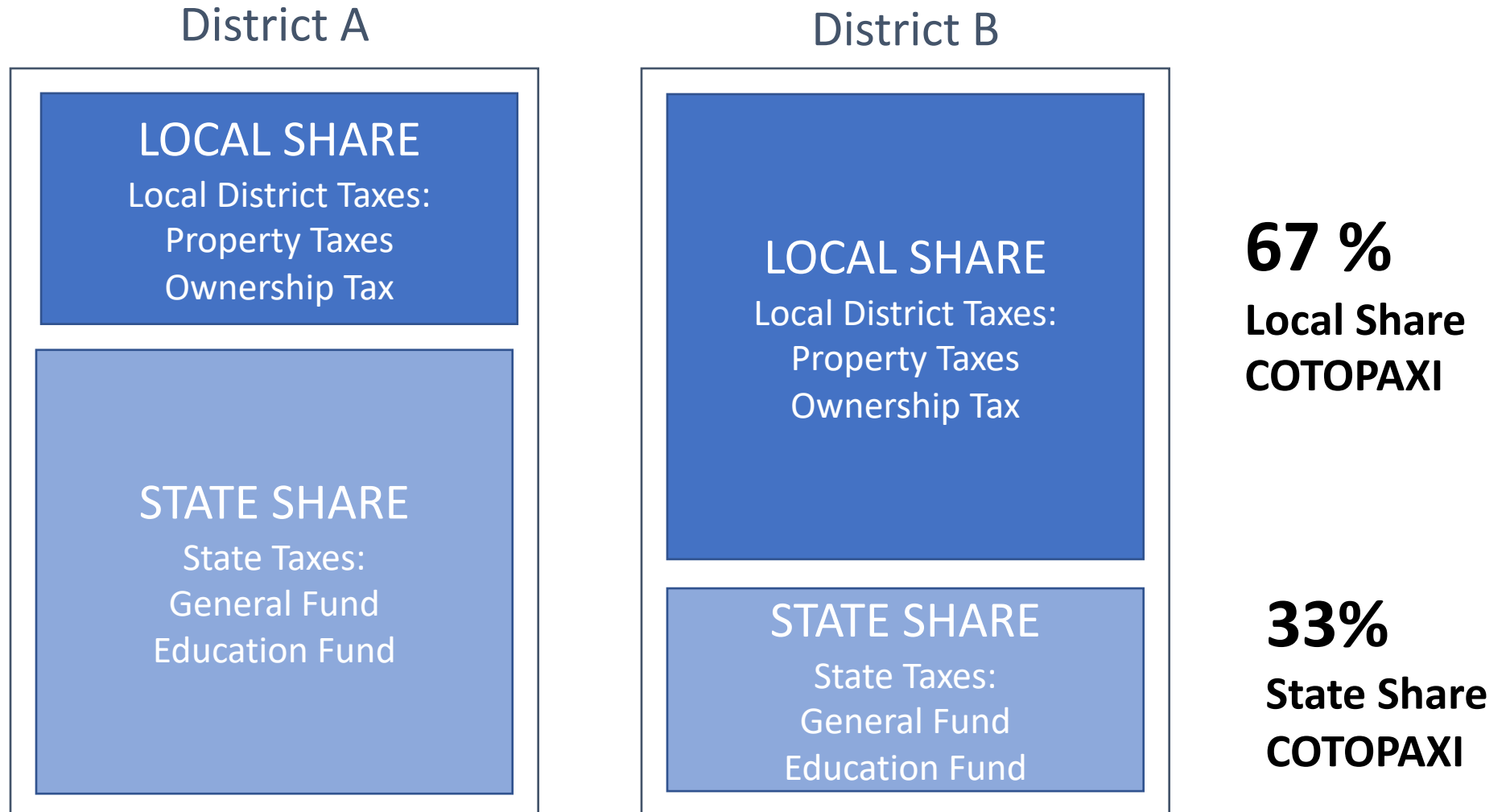
Student count, At-risk, Emerging Bilingual, and Per Pupil Revenue numbers are from CDE's 2021-22 funding workbook

Special Education and Gifted Students are from 2020-21 and can be found on CDE's enrollment pages

School District Funding

- First Dollars in – Local Revenue - property taxes – residential and non residential and ownership taxes
- State backfills difference so ever district’s “base funding” starts the same.
- Then factors applied **less** the budget stabilization factor
- Per Pupil Revenue

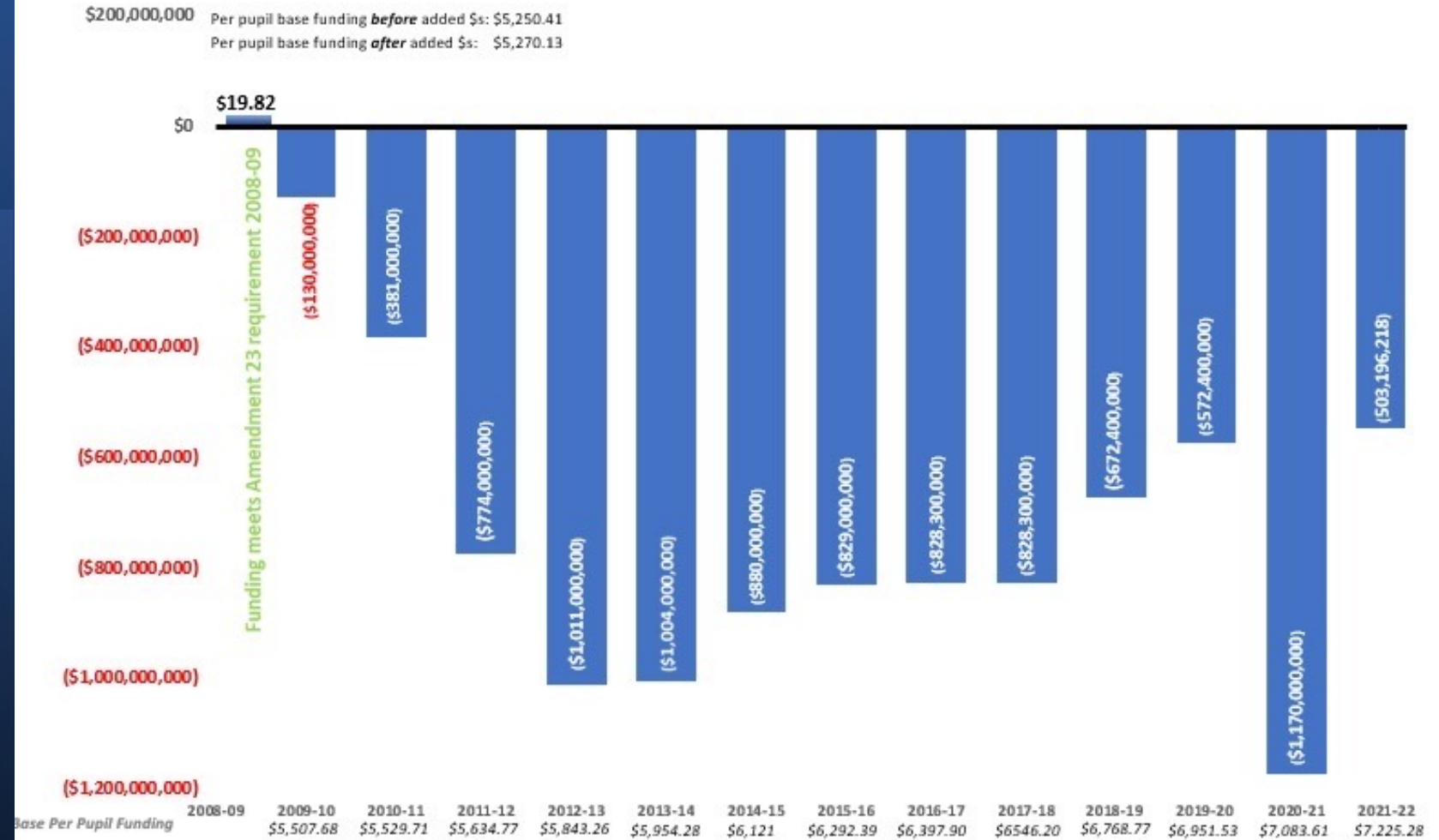
State & Local Share Varies (by design)



Financial Facts for Cotopaxi Schools

- Per Pupil Revenue: \$ 15,233.91
- 2020-21 Total Program Mills: 22.7
- Override mills: 2 override mills
- “De-bruced” in 1998
 - Mills at time of “de-brucing” 37.505
- In 2021-22, 1 mill raised \$77,217 or \$371.00 per student

**Budget Stabilization Factor Statewide Total:
2009-10 to 2021-22**



Budget Stabilization Factor- \$9.6B since 2009-10 for Cotopaxi \$3,727,310

Legislation

- Mill Levy Override State Matching
- Increased funding for Special Education
- Definition of At-risk
- Student Count
- Universal Preschool begins in 2023

Universal Pre-K update

- New Department of Early Childhood created
- A year of planning and many details to be determined.
- [Universal Preschool Recommendations](#)
- Service to begin for all 4-year-olds in Fall 2024
 - 10 hours a week – all that revenue supports

Legislation impacting school funding

- \$180M Reduction to BS Factor to \$321M
- \$80M increase in Special Education Funding
- Various grants
- Working group for at-risk
- School Finance – no surprises
- Mill Levy Override match -

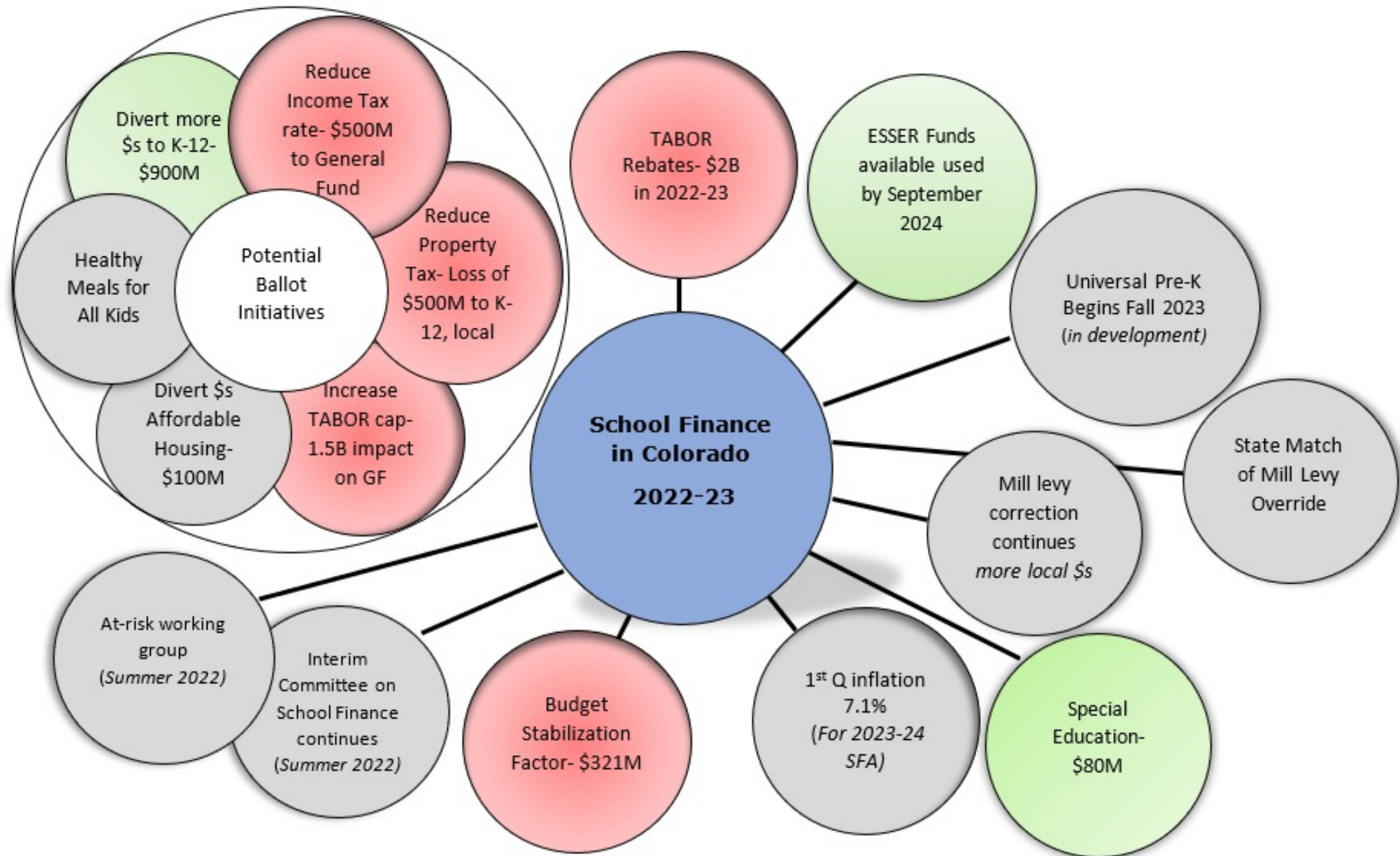
Budget Forecast

- Economy growing – though slowing
 - TABOR Refunds for the foreseeable future

Inflation increasing

- 7.1% 2022
- 3.9% ? 2023
- 2.4% ? 2024

All the moving pieces for school finance 2022-23



Questions & Stay Connected

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- **Stay connected**
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