

The background features abstract, overlapping geometric shapes in various shades of blue, ranging from light sky blue to deep navy blue. The shapes are primarily triangles and polygons, creating a dynamic, layered effect. The text is centered in the white space between these shapes.

# CCSD Staff Presentation January 2017

# Today's Topics

## Budget

- ▶ Review of school funding principles
- ▶ THEN vs. NOW
- ▶ Future Budget considerations

## Update to the District Initiatives

- ▶ The Big 2--- Curriculum and Assessment
- ▶ Fiscal sustainability, Career and College Planning, Technology, Gifted Education

# How are Schools in Colorado funded?

- ▶ Formula Funding- Public School Finance Act 1994
- ▶ Equalization
- ▶ Negative Factor / Amendment 23
- ▶ Categorical Funding

# Calculations

Formula Funding Calculation = funded pupil count X PPR

Formula Funding Composition = local funding (property taxes + vehicle ownership taxes) + state equalization (to make up any balance)

Net Funding = formula funding - negative factor - categorical buyout from program

# Formula Funding

- ▶ Is the state calculation for funding on an individual student basis (PPR)
- ▶ A complex formula that accounts for adjustment factors including:
  - ▶ District size
  - ▶ Number of at risk students
  - ▶ Cost of living changes
- ▶ The per pupil amount is multiplied by the funded average number of students. **The total number of students enrolled is important.**
- ▶ Once the total funding is determined, CDE determines how much of that funding can be provided by property taxes and vehicle taxes within the district. If this is not sufficient the state makes up the difference.

# Equalization

- ▶ If there is a difference between the total funding and what is collected via property tax and vehicle tax..... the state fills that gap
- ▶ CCSD all allowable funding was previously provided by property and vehicle taxes
- ▶ This year's funding includes Equalization, however it is completely off set by the negative factor. This year's funding is less than last year as expected.
- ▶ Reminder: Property Taxes are mostly received in May which **MUST** sustain CCSD for the next 12 months because we still receive nothing from the state. These funds are reserved to apply to needs through the following February.
  - ▶ Resources must be managed carefully

# Amendment 23 and the Negative Factor

- ▶ Amendment 23 was voter approved. Monies collected were targeted for schools
  - ▶ Court Battles have occurred. Including the Dwyer case that went to the Colorado Supreme Court.
- ▶ The Negative Factor looks at how much state money is available and it is used to reduce funding down to what the state can pay
- ▶ Negative Factor is based on total funding but can only be taken from the amount the state provides for equalization
- ▶ As previously mentioned CCSD is NOW impacted by the Negative Factor
- ▶ Other districts have been significantly impacted by the Negative Factor for years. A range from 16.0% to 12.4% as determined by the Legislature
  - ▶ The Negative Factor for 2015-16 and 2016-17 remained constant at 12.4%
    - ▶ CCSD \$648,101 plus \$206,400 of categorical buyout to be taken directly from our funding
    - ▶ Total reduction is \$854,501

# Categorical Funding

- ▶ Funding for the following is considered Categorical Funding
  - ▶ English Language Proficiency
  - ▶ Gifted Education
  - ▶ Special Education
  - ▶ Vocational Education
  - ▶ Transportation Funding
- ▶ By statute Districts not receiving equalization must pay some or all of categorical funding back to the State.
- ▶ CCSD had to refund categorical funding to the state for the past several years.
- ▶ This reduced our funding even though we were not subject to the negative factor
- ▶ However, because categorical funding is calculated based on prior year, there may be a reduction for categorical funding even when a district begins to receive equalization such as what has happened to CCSD this year.



# Why was Clear Creek School District Different than most other districts for funding purposes and why has this changed?

- ▶ CCSD WAS one of a very FEW districts that did not receive any state funding.
- ▶ All CCSD revenues were collected from assessed Property taxes and Vehicle taxes
- ▶ Because of the pending closure of the Henderson Mine, the County's total assessed valuation has decreased substantially shifting the part of the formula funding burden from the county to the state.....

CCSD is NOW impacted by the Negative Factor

# As the Henderson Mine closes.....

- ▶ Spring (2015) a 10 year time horizon was announced and anticipated this has now been revised to 5 years
- ▶ August 2015 - Mine Layoffs began
- ▶ The Henderson Mine provided approximately 72% of assessed property valuation of Clear Creek County. Once there is no mining happening, the value of the mine will be based on the land and buildings only, no value assigned to the ore.

# Assumptions for Projections during 2015-16

- ▶ Assumptions
  - ▶ Pupil Count remains the same
  - ▶ 2.0% Annual Increase in formula funding
  - ▶ 12.4% Negative Factor Calculation
- ▶ Subject to change

# On a Positive Note

- ▶ Fiscal Emergency Fund (Prior to 2016-17 Approximate amount 1.9 million)
- ▶ Was created from unanticipated one time receipts many years ago. The CCBOE has made this a priority to maintain for exactly this type of situation.
  - ▶ Can only be used for one time fiscal emergency conditions.
    - ▶ A shift to state funding source is considered a fiscal emergency....not by choice
    - ▶ A deficit budget is .....by choice and not considered a fiscal emergency
  - ▶ This means that a portion of the budget reduction that comes from shifting to state funding can come from the fiscal emergency fund but not the entire amount
  - ▶ It is not the intent of the Board to fully deplete the fiscal emergency fund

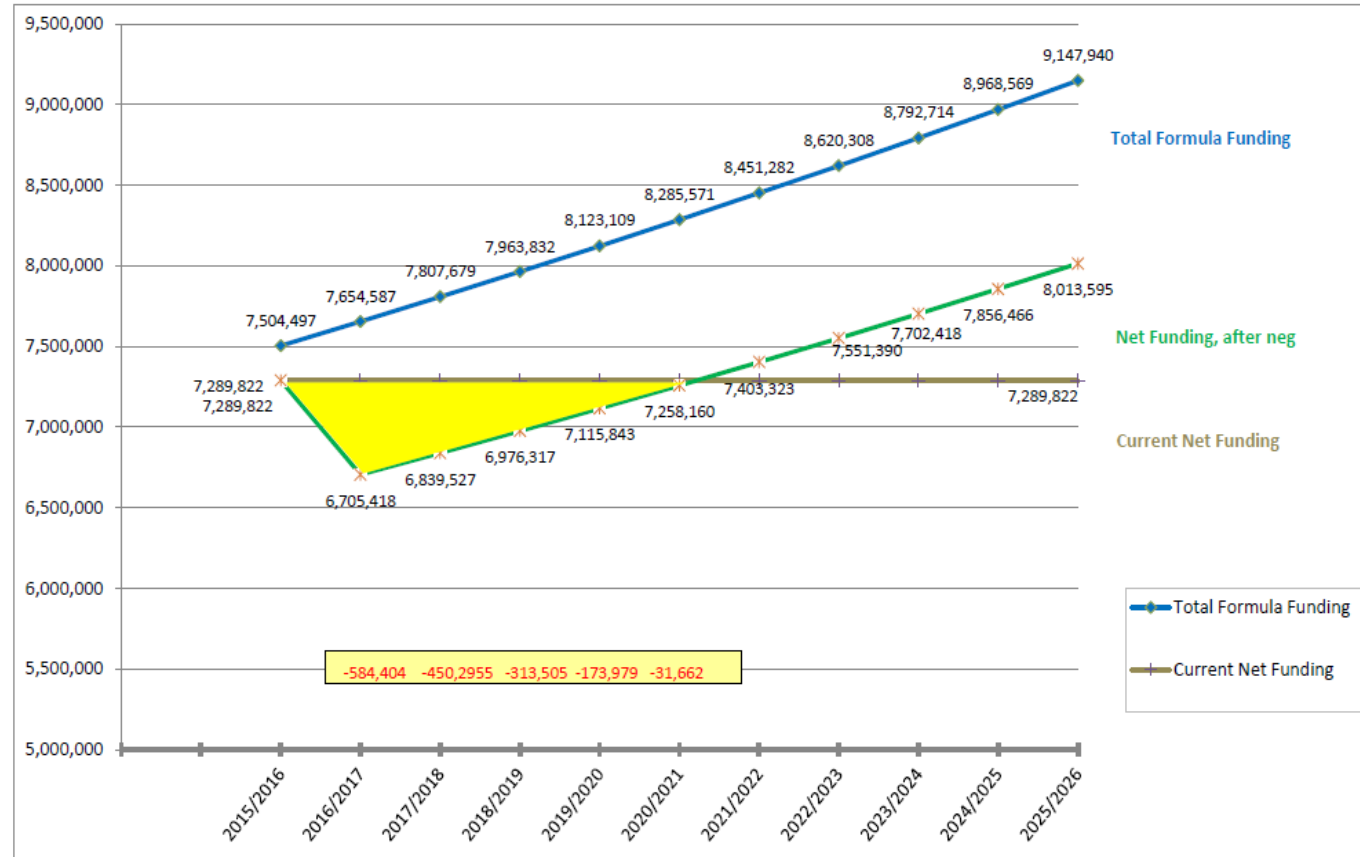
# Draft graph from last year 2015-16 Based on 5 year

- ▶ ASSUMPTIONS MAY CHANGE
- ▶ ADDITIONAL INFORMATION WILL BECOME AVAILABLE OVER TIME
  - ▶ COUNTY
  - ▶ MINE
  - ▶ FURTHER CALCULATION AS INFORMATION BECOMES AVAILABLE
- ▶ POSSIBLE LEGISLATIVE FUNDING CHANGES

CLARITY IN COMMUNICATION IS IMPORTANT THROUGHOUT THIS PROCESS

# As originally projected... (5 year)

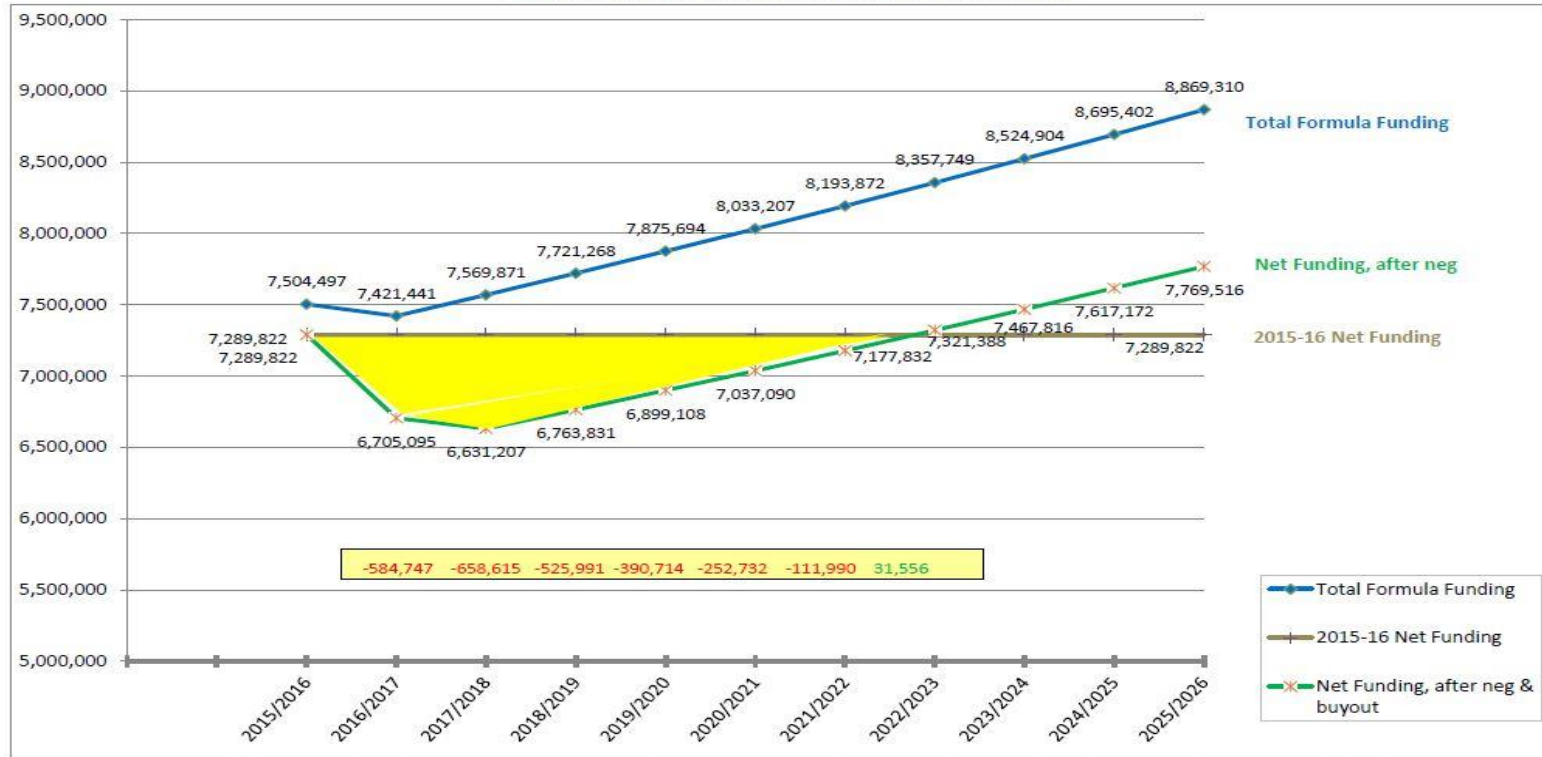
IMPACT OF NEGATIVE FACTOR ON FUNDING AFTER IMPACT OF HENDERSON MINE CLOSURE ON LOCAL PROPERTY TAXES  
 FIVE YEAR VALUE DECREASE ASSUMPTION  
 TOTAL DISTRICT FUNDING, INCLUDING GCS AND CPP



	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
Total Formula Funding	7,504,497	7,654,587	7,807,679	7,963,832	8,123,109	8,285,571	8,451,282	8,620,308	8,792,714	8,968,569	9,147,940
Buyout taken from Program	-214,365										
Current Net Funding	7,289,822	7,289,822	7,289,822	7,289,822	7,289,822	7,289,822	7,289,822	7,289,822	7,289,822	7,289,822	7,289,822
Negative factor	-310	-949,169	-968,152	-987,515	-1,007,266	-1,027,411	-1,047,959	-1,068,918	-1,090,297	-1,112,103	-1,134,345
Net Funding, after neg & buyout	7,289,822	6,705,418	6,839,527	6,976,317	7,115,843	7,258,160	7,403,323	7,551,390	7,702,418	7,856,466	8,013,595
Difference from current		-584,404	-450,295	-313,505	-173,979	-31,662	113,501	261,568	412,596	566,644	723,773
Cumulative differences		-584,404	-1,034,699	-1,348,204	-1,522,183	-1,553,845	-1,440,343	-1,178,775	-766,179	-199,535	524,238

# With the actual 2016-17 assessed values and pupil count

IMPACT OF NEGATIVE FACTOR ON FUNDING AFTER IMPACT OF HENDERSON MINE CLOSURE ON LOCAL PROPERTY TAXES  
THREE YEAR VALUE DECREASE ASSUMPTION  
TOTAL DISTRICT FUNDING, INCLUDING GCS AND CPP



	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
From SO & Prop Tax	7,504,187	6,773,340	5,878,627	4,983,914	4,089,201	3,156,140	3,156,140	3,156,140	3,156,140	3,156,140	3,156,140
From Equalization, before neg	310	648,101	1,691,244	2,737,354	3,786,493	4,877,068	5,037,732	5,201,609	5,368,764	5,539,262	5,713,170
<b>Total Formula Funding</b>	<b>7,504,497</b>	<b>7,421,441</b>	<b>7,569,871</b>	<b>7,721,268</b>	<b>7,875,694</b>	<b>8,033,207</b>	<b>8,193,872</b>	<b>8,357,749</b>	<b>8,524,904</b>	<b>8,695,402</b>	<b>8,869,310</b>
Buyout taken from Program	-214,365	-68,245	0	0	0	0	0	0	0	0	0
2015-16 Net Funding	7,289,822	7,289,822	7,289,822	7,289,822	7,289,822	7,289,822	7,289,822	7,289,822	7,289,822	7,289,822	7,289,822
Negative factor	-310	-648,101	-938,664	-957,437	-976,586	-996,118	-1,016,040	-1,036,361	-1,057,088	-1,078,230	-1,099,794
<b>Net Funding, after neg &amp; buyout</b>	<b>7,289,822</b>	<b>6,705,095</b>	<b>6,631,207</b>	<b>6,763,831</b>	<b>6,899,108</b>	<b>7,037,090</b>	<b>7,177,832</b>	<b>7,467,816</b>	<b>7,617,172</b>	<b>7,769,516</b>	<b>7,769,516</b>
Difference from prior year		-584,727	-73,889	132,624	135,277	137,982	140,742	143,557	146,428	149,356	152,343
Difference from 2015-16		-584,727	-658,615	-525,991	-390,714	-252,732	-111,990	31,566	177,994	327,350	479,694
Cumulative differences		-584,727	-1,243,342	-1,769,333	-2,160,047	-2,412,779	-2,524,770	-2,493,204	-2,315,210	-1,987,859	-1,508,166

# A Comparison.....

## Then (2015-16) vs. Now (2016-17)

### THEN

Through the budget approval process last year spending was reduced by including Budget Task Force Recommendations

Anticipated amount to be taken from the fiscal emergency fund for 2016-17 was projected to be approximately \$590,000

Budget improvements would begin in 2017-2018

Time Horizon for returning to 2015-16 funding level (prior to negative factor impact) was projected to take until 2020-2021

### NOW

Future budget reductions will be necessary if pupil counts do not improve and / or the negative factor does not decrease

Actual amount to be taken from the fiscal emergency fund for 2016-17 is now \$647,696

Budget improvements now projected to begin in 2018-19

**Time Horizon for returning to 2015-16 funding level (prior to negative factor impact) is now projected to take until 2022-23**



# Unanswered / Answered Questions

- ▶ Uncertain how quickly the assessed value of the mine will go down
  - ▶ County projections have not changed from 5 years (2020)
- ▶ Uncertainty about when the decline will start
  - ▶ Has already started

How much might future budget reductions need to be?

# Additional budget considerations

- ▶ 4 day week
- ▶ Aging and high mileage bus fleet
- ▶ Facilities / Maintenance Issues District Wide
- ▶ Salary
  - ▶ As per Board resolution salary steps were frozen for 2016-17 budget year
  - ▶ A step increase for 2016-17 would require approximately \$100,000 added as an on-going expense
  - ▶ Step increases must be funded by sustainable revenue increases or expenditure decreases (one time funding is not sustainable)
  - ▶ Therefore, the situation for 2017-18 is not yet known
  - ▶ Student count predictions begin in February

# On-going process

- ▶ Superintendent, Business Manager and CCBOE continue to be involved with community discussions to stay aware of any substantial changes in factors affecting our funding
- ▶ Budget preparation begins during the Spring semester
  - ▶ School and BAAC input
  - ▶ District Budget preparations
  - ▶ CCBOE approval by June 30, 2017
- ▶ Please continue to help with NO unnecessary spending

# Why was this important information to share?

- ▶ Because we now know the actual first year impact
- ▶ Importance of enrollment / pupil count
- ▶ To have continued common understanding and to build awareness of school funding
- ▶ As budget process proceeds, it is grounded with some common understanding
- ▶ As you leave here today... this is intended to update you
- ▶ Continue to Be Positive Ambassadors
- ▶ Teacher focus should remain in the classroom and on students

# Additional Thoughts

- ▶ CCSD has remained financially stable
- ▶ Message is meant to be proactive
- ▶ Committed to minimizing student impact and reinforcing our mission and goals
- ▶ The Big 2 will still be the Big 2
- ▶ The District Initiatives Plan will continue to move forward

CCSD Vision Statement: The Clear Creek School District will be recognized as a center of educational excellence that strives to develop citizens whose belief systems drive their achievement and success in life.

Fiscal Sustainability	Assessment	Curriculum	College and Career Planning	Technology	Gifted Education
<p><b>Revenue and Expense Anticipation</b></p> <ul style="list-style-type: none"> <li>Continued monitoring of local conditions and monitoring of legislative efforts</li> <li>Budget development process for 2017-18 begins in January</li> </ul> <p><b>Consideration of 4-day week</b></p> <ul style="list-style-type: none"> <li>Begin process to determine if a 4 day week will be considered</li> <li>Preliminary data collection from other districts and decision whether a financial evaluation is required</li> <li>Preliminary modeling of financial impact and decision whether a final evaluation is required</li> <li>Final evaluation to include and not limited to financial, academic, personnel, family and community considerations</li> </ul> <p>✓ The Board of Education approved a 2017-18 calendar for a 5 day week. Consideration would be for future years</p> <p><b>Capital Expense Planning</b></p> <ul style="list-style-type: none"> <li>✓ Planning for facility repair and maintenance</li> <li>✓ Identification and Prioritization</li> <li>✓ Expense Estimates</li> <li>Finance prioritized repair and maintenance</li> <li>Evaluation of funding mechanisms</li> <li>Bus and small vehicle replacement cycle</li> </ul>	<p><b>Assessment CMAS/PARCC</b></p> <ul style="list-style-type: none"> <li>Establishing a vision for community of learners focused on growth and improvements</li> <li>Teacher developed goal setting using data</li> <li>School goals aligned with data analysis</li> <li>Alignment to new state assessment and accountability structures</li> <li>Data analysis of District and School Performance Framework Reports</li> <li>Data and or Item analysis of CMAS assessments</li> </ul> <p><b>District Assessments</b></p> <ul style="list-style-type: none"> <li>DLT and Administrative teams capacity building</li> <li>Data walks- common observables and language</li> <li>Interrater reliability monitoring</li> <li>Use of Assessment Cycle for instructional planning</li> </ul>	<p><b>Flippen Process Continuation</b></p> <ul style="list-style-type: none"> <li>Continued development of leadership capacity to sustain professional development</li> <li>District and School Leadership Team planning to include assessment data analysis with curriculum efforts</li> <li>DLT developed professional development</li> <li>Ongoing use of Lesson Delivery Tool</li> <li>Ongoing use of Student Friendly Learning Objectives</li> <li>Data walks- streamlined and digitized</li> </ul> <p><b>Vertical and Horizontal Alignment of Curriculum</b></p> <ul style="list-style-type: none"> <li>Use of data for curriculum enhancements</li> <li>Lesson Delivery Tools and assessment planning deliverables defined</li> <li>Professional Development for New Staff / Teachers</li> <li>Differentiation and planning for a variety of learner needs</li> </ul>	<p><b>Communication</b></p> <ul style="list-style-type: none"> <li>On-going maintenance of websites</li> <li>Updated assessment timeline and information</li> <li>Parent information sessions for college financial aid seminars</li> </ul> <p><b>Graduation Tool Kit Planning</b></p> <ul style="list-style-type: none"> <li>✓ Finalization of policy</li> <li>✓ Competency measures identified</li> <li>✓ Pathway alignment with post-secondary</li> <li>✓ Planning for accountability of matriculation indicators</li> <li>○ College-planning for elementary students/parents</li> <li>✓ Parent and student informational sessions</li> <li>✓ Alignment to SAT for assessment purposes</li> </ul> <p><b>ICAP processes</b></p> <ul style="list-style-type: none"> <li>✓ 7-12 grade process / check list</li> <li>✓ Career Aptitude</li> <li>✓ Career Cluster identification</li> </ul> <p><b>Response to Intervention</b></p> <ul style="list-style-type: none"> <li>✓ New Process at secondary level maintained</li> <li>✓ Embedded practices and progress monitoring</li> </ul>	<p><b>Strategic Planning</b></p> <ul style="list-style-type: none"> <li>Continuation of Technology Advisory Committee for staff input and planning</li> <li>Technology roadmap re-evaluated annually</li> <li>Ongoing identification and prioritization of instructional and system infrastructure</li> </ul> <p><b>Infrastructure</b></p> <ul style="list-style-type: none"> <li>Identification of ongoing infrastructure improvements</li> <li>Device consistency, stability and sustainability</li> <li>Ensuring systemic procurement process is based on identifiable needs</li> <li>Assessment alignment</li> <li>Implementation and installation upgrade of wireless network (WLN)</li> <li>Evaluation of broadband connectivity, cost effectiveness, and efficacy</li> <li>Network environment security</li> </ul> <p><b>Communication</b></p> <ul style="list-style-type: none"> <li>Policy finalization and implementation</li> <li>Fostering ongoing communications with strategic direction</li> </ul>	<p><b>Programming / CGER Priorities</b></p> <ul style="list-style-type: none"> <li>ALP standards-based goal development</li> <li>Develop progress monitoring procedure to inform stakeholders of student achievement and affective growth aligned with ALP goals</li> <li>Increased Coordinator time with staff and students</li> <li>Differentiated instruction and co-teaching with Assessment, Content, Process, Product, and Environment aims</li> <li>Social-emotional and career guidance (targeted affective instruction)</li> <li>Development of online professional development for teachers</li> </ul> <p><b>Parent and Family Involvement</b></p> <ul style="list-style-type: none"> <li>Parent/family education (info distribution, parent seminar, book studies, progress reports)</li> <li>MEGA membership and activities (MEGA Saturdays, newsletter)</li> </ul>