How much does the District have to reduce from its FY 19/20 operating budget and why?
The District needs to reduce approximately $10 million from its General Fund operating budget. The District’s enrollment is down over 1,000 students this year and is projected to be down another 700 next year.

How much does the District receive in funding for each student?
The District receives approximately $8,000 per student from school finance funding. However, the five-year declining enrollment averaging formula helps to soften the blow and spread the impact over time.

I thought the District recently passed a Mill Levy Override (MLO). Doesn’t that solve the financial problem?
The District’s voter-approved MLO is designated for specific spending plan items, such as capital projects, increasing district security measures, and improving technology. The MLO cannot be used for alternative uses like balancing the budget without a rigorous change process.

How did the District determine the areas for potential reduction?
The District conducted many Budget Balancer exercises in anticipation of this challenge due to the projected enrollment decline. That exercise used actual current budget details in order to generate significant stakeholder input regarding potential reductions. The Superintendent then assembled a team to meet and determine the recommendations to present to the Board of Education. The results of the Budget Balancer exercise played a role in the team’s reduction recommendations, as well as detailed comparisons to other similar-sized school district budgets, and recommendations to reduce non-staffing budgets.

Are the Superintendent’s recommendations final?
Absolutely not. Only the Board of Education can approve the budget for the District. In addition, this is only the Preliminary Budget Development Assumptions (PBDA) document. This document, once approved by the Board of Education, guides the Superintendent in the development of the District’s FY 19/20 Proposed Budget that is delivered to the Board for consideration in May.
I see that the Superintendent is recommending a significant reduction in staff for next year. Can’t the District reduce in other areas besides staff?

The District’s general fund operating budget is approximately 85 percent salaries and benefits. Much of the rest of budget is obligated to required expenditures such as utilities, operational systems, and program costs. The District needs to reduce staffing to maintain its board approved class-size ratios.

Why can’t the Superintendent just reduce administration to balance the budget?

The Superintendent is recommending reductions in administration. However, most administration are directly tied to school programs or state/federal-mandated processes. Even if the entire administration was reduced, there wouldn’t be enough savings to balance the budget. Approximately 90 percent of the general fund budget is spent in schools or directly supporting schools.

Is the District considering compensation increases for next year?

Yes it is. The District is committed to paying a competitive wage in order to attract and retain quality staff. As a labor-intensive profession, it is essential that we retain and hire the best quality staff in support of our District mission.

How will this impact the future of our district?

By right-sizing the District now to align with current enrollment changes, it will allow the District to be on more stable financial footing, providing flexibility to be responsive to any identified strategic plan goals.

What is the time line for these decisions?

The Board of Education will consider the budget for FY 19/20 with the following time line:

- Board work session and formal presentation (non-action) on PBDA – March 21, 2019
- Board vote (action) on PBDA – April 10, 2019
- Board receipt of proposed budget – May 26, 2019
- Board formal presentation (non-action) on proposed budget – May 29, 2019 (statutory date May 31, 2019)
- Board work session on proposed budget – June 5, 2019
- Board vote (action) on proposed budget – June 12, 2019 (statutory date June 30, 2019)
The District’s business plan and board goals will be the basis for the budget development process. Other influences on the budget development process include pupil count projections, estimated property assessed valuations, estimated beginning fund balance, unified school and district improvement plans, capital plan update, and technology plan update.

**2018**

- **October 1**  Budget modification requests for the FY18/19 mid-year budget sent to budget managers (if applicable)
- **October 26**  Budget modification requests for the FY18/19 mid-year budget due to Budget Office
- **November 6**  Budget modifications package due for Cabinet review
- **November 13**  Budget modification package due to the DAC Budget Subcommittee for review
- **December 12**  Board certifies mill levy for property tax collection in calendar year 2019
- **December**  District-wide pupil projections due from the Enrollment Office

**Winter 2019**

- **January 2**  Budget modification requests for the FY19/20 budget sent to budget managers
- **January 9**  Board non-action on mid-year budget modifications to the FY18/19 adopted budget
- **January 16**  Board work session on mid-year budget modifications to the FY18/19 adopted budget
- **January 23**  Board action on mid-year budget modifications to the FY18/19 adopted budget
- **January 28**  Budget modification requests for the FY19/20 budget due to Budget Office

**Spring 2019**

- **March**  Human Resources Department issues school staffing allocation letters to schools
- **March 13**  Board non-action on preliminary budget development assumptions
- **March 20**  Board work session on preliminary budget development assumptions with DAC budget subcommittee
- **April 1**  Schools return per-pupil allocation budgets to Budget and Planning Office
- **April 5**  Departments return base budget allocation sheets to Budget and Planning Office
- **April 10**  Board action on preliminary budget development assumptions
- **April 24**  June modifications requests distributed if necessary
- **May TBD**  Last day of state legislative session
- **May 3**  Any June modifications to the FY19/20 budget are due
- **May 17**  Projected delivery of proposed budget to the Board of Education (delivery no later than May 31) C.R.S. 22-44-108(1)(c)
- **May 26**  Publish notice to the public that the proposed budget is available for review per C.R.S. 22-44-109(1)
- **May 29**  Board non-action and public hearing for FY18/19 budget adoption and the following resolutions: Use of Portion of Beginning Fund Balance; Appropriation; Designation of Fund Balance; Reserves and Designations Applied to Fiscal Year Spending; Interfund Borrowing; and Student Fees, Fines, and Charges
- **June 5**  Board budget work session and DAC budget subcommittee annual report presentation
- **June 12**  Board action for adoption of FY 19/20 budget and all resolutions C.R.S. 22-44-105(5) and C.R.S. 22-44-105(1)(d.5)

July 1, 2019  Post Uniform Budget Summary to district’s website for FY18/19 C.R.S. 22-44-105(5) and C.R.S. 22-44-105(1) (d.5)