

2015/2016 BUDGET DEVELOPMENT UPDATE

All Leadership
April 7, 2015



Building Bright Futures

AGENDA

- **Community Engagement**
- **Updated Forecasts**
- **Board Direction for the Budget**

COMMUNITY ENGAGEMENT

December	January	February	March
<ul style="list-style-type: none">Board approved the community survey tool and plan for budget forums	<ul style="list-style-type: none">Board approved final survey and forum documents.Forums were held end of January	<ul style="list-style-type: none">Online Budget Survey (3 weeks)	<ul style="list-style-type: none">SPAC/SAC, district leadership and Cabinet budget priorities presented to Board

COMMUNITY ENGAGEMENT BUDGET FORUMS

6

FORUMS

194

ATTENDEES

OVERALL TOP PRIORITIES

- ▶ **POTENTIAL ONGOING**
Compensation Increases and Facilities/Capital
- ▶ **POTENTIAL ONE TIME**
Facilities/Capital and Reserves

COMMUNITY ENGAGEMENT ONLINE BUDGET SURVEY

3

WEEKS

9,119

RESPONDENTS

OVERALL TOP PRIORITIES

- ▶ **DATA – POSTED ON DISTRICT WEBSITE**
[Budget Development Community Engagement page](#)
- ▶ **HIGH LEVEL SUMMARY**
Follows on next three slides

COMMUNITY ENGAGEMENT ONLINE BUDGET SURVEY

- **Summary of Results – Top Level**
 - ▶ **Question #1: Operating Needs – Top 3**
 - ◆ Competitive employee compensation (58 percent)
 - ◆ Targeted focus on improving early literacy (39 percent)
 - ◆ Increase staff (37 percent)
 - ▶ **Question #2: Capital Needs**
 - ◆ Maintenance of existing facilities (59 percent)
 - ▶ **Question #3: Percentage of Funding**
 - ◆ 50/50 split between operating and capital (40 percent)
 - ▶ **Question #4: High Growth**
 - ◆ Recommend redrawing boundaries (35 percent)

COMMUNITY ENGAGEMENT ONLINE BUDGET SURVEY

- **Summary of Results** *(continued)*
 - ▶ **Question #5: Full Day Kindergarten (FDK)**
 - ◆ Increase school funding to expand FDK (56 percent)
 - ▶ **Question #6: Percentage of Compensation Towards Increased Pay for Licensed Staff and Adding Teachers to Reduce 1-3**
 - ◆ 50/50 Split (33 percent)
 - ▶ **Question #7: Reduction in Bus Routes**
 - ◆ Yes (48 percent); No (46 percent)
 - ▶ **Question #8: Fees**
 - ◆ Do not change the way fees are charged (47 percent)

COMMUNITY ENGAGEMENT ONLINE BUDGET SURVEY

- **Summary of Results** *(continued)*
 - ▶ **Question #9: What Part of Jeffco Do You Live**
 - ◆ North Area (35 percent)
 - ▶ **Question #10: Staff Member**
 - ◆ Not Jeffco Public Schools staff member (68 percent)
 - ▶ **Question #11: Group Represented**
 - ◆ Parent/Guardian (62 percent)
 - ▶ **Question #12: Annual Household Income**
 - ◆ Over \$75,000 (41percent)

COMMUNITY ENGAGEMENT BUDGET FORUM EXERCISE

26

GROUPS

200+

PRINCIPALS/LEADERSHIP

OVERALL TOP PRIORITIES

▶ **POTENTIAL ONGOING**

Compensation Increases (23 out of 26)

▶ **POTENTIAL ONE TIME**

Facilities/Capital Infrastructure (14 out of 26)

Funds to Schools for Autonomous Use (10 out of 26)

COMMUNITY ENGAGEMENT SPAC/SAC

143

SCHOOL-LEVEL ACCOUNTABILITY COMMITTEES

OVERALL TOP PRIORITY

- ▶ **PROVIDE FOR SCHOOL-LEVEL AUTONOMY IN DECISION MAKING FOR ALLOCATING FUNDS**
- ▶ **IMPORTANCE OF INCLUDING VOICE OF PARENTS, STAFF AND COMMUNITY IN PROCESS FOR SETTING PRIORITIES**

COMMUNITY ENGAGEMENT **SPAC/SAC**

▪ **TOP SPENDING PRIORITIES**

- ▶ **Staffing related requests were most prominent**
 - ◆ **Class Size (maintain or reduce class sizes)**
 - ◆ **Additional Classroom Support (addition of Paras)**
 - ◆ **Additional Electives, Programming, Enrichment, Extended Learning Opportunities, etc.**
 - ◆ **Increase in Mental Health/Behavior Support (e.g., counselors)**

- ▶ **Maintain Full Day Kindergarten (FDK) as a free program**

COMMUNITY ENGAGEMENT SPAC/SAC (CONT'D)

▪ **OTHER SPENDING PRIORITIES**

- ▶ **Interventions (math, literacy) and instructional materials**
- ▶ **Facilities repairs and upgrades (including playgrounds)**
- ▶ **Technology purchases**
- ▶ **Teacher professional development**
- ▶ **Increases in administrative staffing (deans/assistant principals) as well as master teachers and instructional coaches**
- ▶ **Secretary support increases**

COMMUNITY ENGAGEMENT CABINET/DISTRICT LEADERSHIP

2015/2016 Requests for Budget Increases

Compensation	On-going Costs
PERA increase - Supplemental Amortization Equalization Disbursement (SAED) inc .50%	\$ 2,025,000
Affordable Care Act (ACA) additional benefits	\$ 3,000,000
1% Compensation increase	\$ 5,200,000
Compensation increase for targeted employees	\$ 1,152,000
Substitute teacher pay changes	\$ 763,000
Subtotal employee compensation package increase	\$ 12,140,000
Other Employer Costs	
PERA increase - Amortization Equalization Disbursement (AED) inc .30%	\$ 1,215,000
Retirement and turnover savings	\$ (1,500,000)
Increase capital transfer for facility needs	\$ 3,000,000
Increase SBB funding for neighborhood schools. \$27 per student.	\$ 2,014,000
Increase charter mill levy override equalization. \$27 per student. Total \$7,305,000.	\$ 186,000
Increased salary accrual, building utilities	\$ 1,500,000
General Fund transfers increases for other funds PERA increases, inflation	\$ 526,600
SBB benefit additions for added staff	\$ 700,000
Subtotal other employer costs	\$ 7,641,600
Net Proposed Increases	\$ 19,781,600

COMMUNITY AND STAFF ENGAGEMENT SUMMARY OF FINDINGS - ALL

- **Compensation and facilities at the top of the priorities for all except the SPAC/SAC report.**
- **SPAC/SAC asked for greater school autonomy resources.**

MARCH

Updated Financial Forecast

- **Current estimates from the Joint Budget Committee staff 3/23/2015**
 - ▶ **2.8% inflation plus growth**
 - ▶ **One time funding has been reduced from \$200 million to \$25 million statewide**

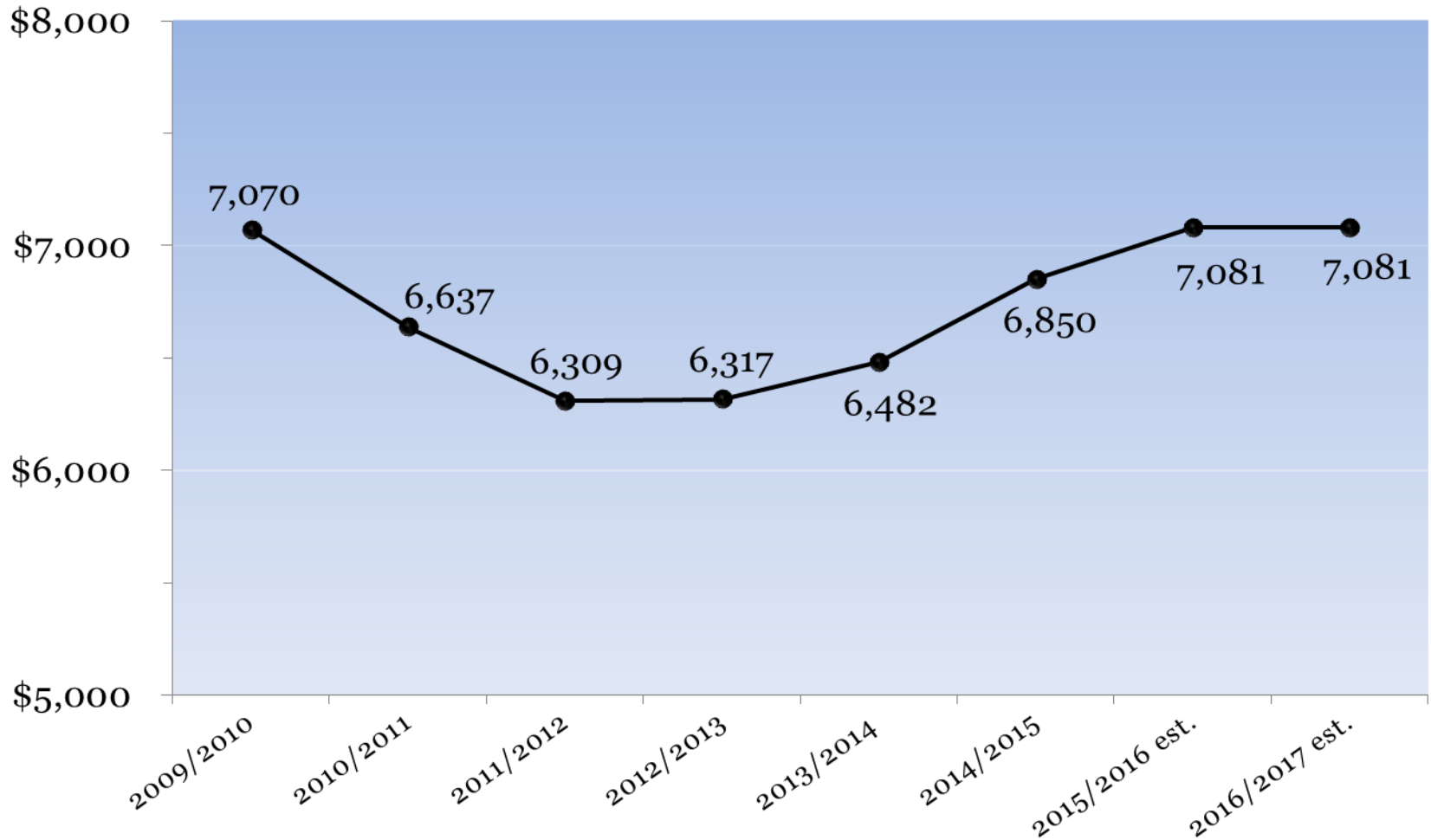


JEFFCO'S REVENUE ESTIMATES

<i>Amounts in millions</i>	Ongoing
Joint Budget Committee Recommendation	\$19.5
Pass through to Charters	\$(2.3)
Pass through to Child Care	\$(0.2)
General Fund	\$17.0



JEFFCO'S PER PUPIL REVENUE



**2014/2015 - CDE has based Total Program and Per Pupil funding numbers on the adoption of the supplemental.

**2015/2016 - CDE has based Total Program and Per Pupil funding numbers on projected enrollment and adoption of the Governor's Revised Budget Request

**2016/2017 assumes the negative factor remains at the 2014/2015 level of \$894M, and enrollment stays flat compared to 2015/2016



2015/2016 ASSUMPTIONS

REVENUE

School Finance Act	\$17,000,000
Specific Ownership Tax	1,000,000
Move Kindergarten to the General Fund from the Child Care Fund	5,000,000
Investment Earnings, Fees and Other	200,000
General Fund Revenue, Otherwise in Reserves	<u>1,600,000</u>
Total Change in Revenue	<u>\$24,800,000</u>

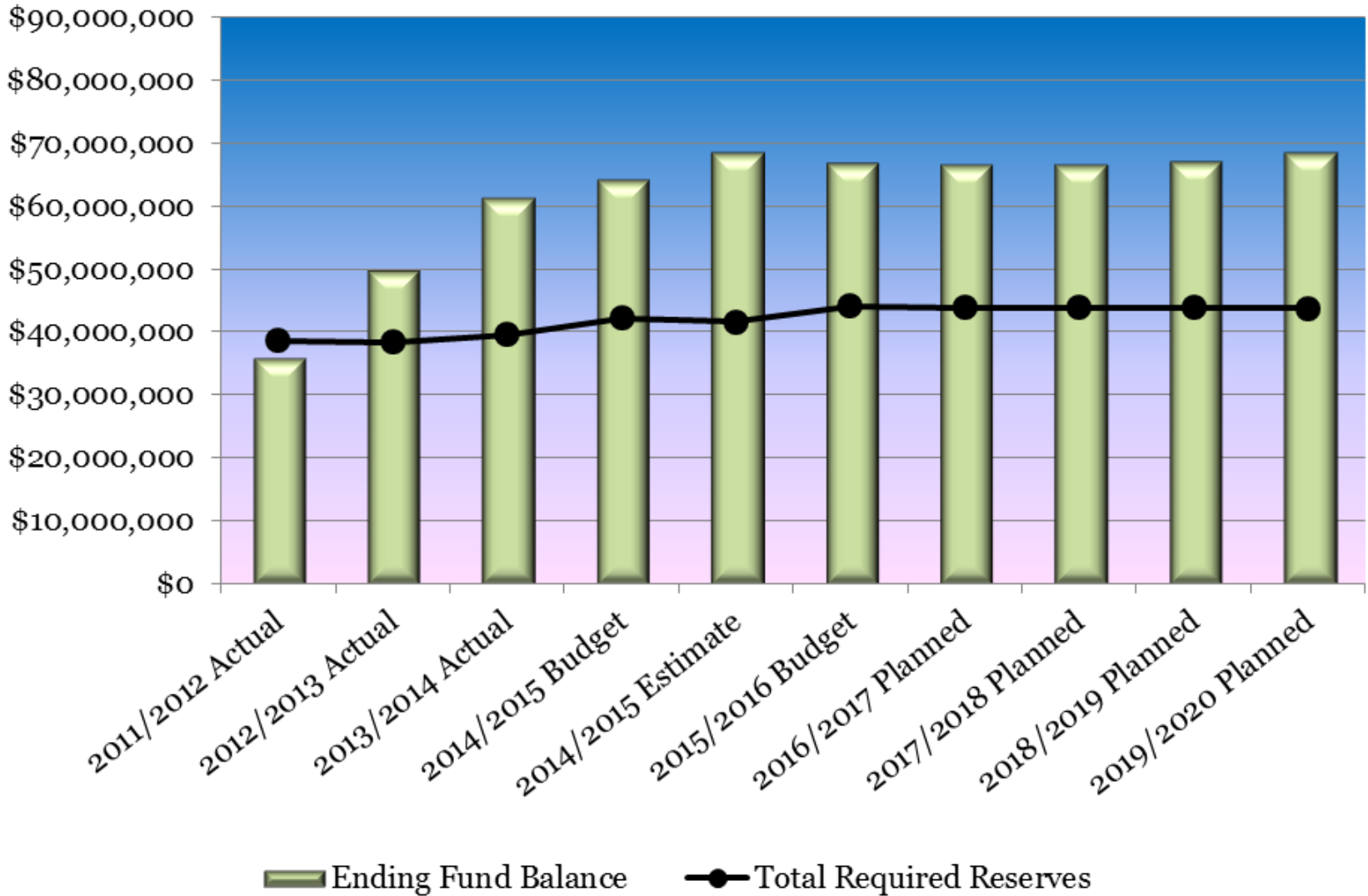
ONGOING

EXPENDITURES

Legislated PERA AED 0.3%	1,215,000
Legislated PERA SAED 0.5%	2,025,000
Estimated Retirement and Turnover Savings	(1,500,000)
Affordable Care Act	3,000,000
Move Kindergarten to the General Fund	5,000,000
Salary Accrual, Utilities	1,500,000
Increase in GF Transfers (Capital Reserve, Transportation, Insurance Reserve)	526,600
General Increase Placeholder TBD	<u>13,033,400</u>
Total Change in Expenditures	<u>\$24,800,000</u>



JEFFCO GENERAL FUND RESERVES





2015/2016 BOARD PLACEHOLDERS

<i>Amounts in millions</i>	Ongoing
Compensation - PERA SAED, ACA	\$5,025,000
PERA, AED, General Fund Transfers	\$1,741,600
Kindergarten change (SBB), Salary accrual, R/T saving	\$5,000,000
Other Board Priorities	XX

2015/2016 BUDGET DEVELOPMENT TIMELINE

Jan 2015

- **Board Community Forums** – 1/22, 1/24 & 1/28
- **SAC/DAC**
 - School level accountability groups meet
 - District level accountability group meets
- **Open Citizen Budget tool** for ~~two~~ **three** weeks [opened on 1/28-2/18]

Feb 2015

- **5th Board Study Session**
 - **SAC/DAC/FOC, Community input presented to BOE**
 - **Survey closes on 2/18**
 - **Communicate Forum Feedback to BOE**
 - **BOE Direction on budget**
 - **Survey closes on 2/18**
 - **SPAC to communicate input from SAC**

Mar 2015

- **5th - Board Regular Meeting**
 - **Budget Update incorporating input from Leadership (Cabinet), SPAC/SAC, Student Based Budgeting, Budget Forums and Budget Survey**
- **19th - Board Regular Meeting**
 - **Final BOE direction on 2015/2016 Proposed Budget before Spring Break**

Apr 2015

- **4 weeks to develop Proposed Budget for May 7 BOE meeting**

We
Are
Here

May 2015

- **7th - Board Study Session**
- **Presentation of Proposed Budget 1st Public Hearing (will include a revised forecast if any legislation is final.)**
- **Proposed budget must be presented to the BOE no later than June 1 per C.R.S. 22-44-108(1)**
- **BOE Final Revisions to Proposed Budget**
- **May 14th – May 26th – Board Regular Meeting**
 - **2nd Public Hearing; and**
 - **Budget Adoption**

2015/2016 BUDGET DEVELOPMENT **TIMELINE**

April

- BOE meeting April 2, 2015, present Projection #2 inclusive of BOE direction on priorities and placeholders
- Budget office builds the proposed budget

2015/2016 BUDGET DEVELOPMENT TIMELINE

May

- BOE meeting May 7, 2015
 - ▶ First public hearing to present the 2015/2016 Proposed Budget including Projection #3
 - ▶ BOE direction on any revisions to be incorporated into the adopted budget
- BOE meeting May ~~14~~**26th**, 2015
 - ▶ Second public hearing for 2015/2016 budget adoption