



Cherry Creek Future Forward

Board of Education

June 13, 2022





Growth Mindset



Equity



Whole Wellbeing



Engagement



Relationships

AGENDA

- Calendar Review
- Student Centered Budgeting Process and Results
- Economic Updates
- Enrollment Update
- School Finance Legislation
- Compensation Philosophy
- FY2022-2023 General Fund Proposed Budget and Forecasts
- Other Funds Proposed Budgets
- Appendices



Calendar Review

Presentation Topics	Venue	Dates
FY2021-2022 Updates, FY2021-2024 Forecast, Economic Updates	Board of Education	December 10, 2021
FY2021-2022 Supplemental Appropriations and 3 Year Forecast	Board of Education	January 10, 2022
FY2021-2022 Updates, FY2021-2024 Forecast and Assumptions	Board of Education	March 4, 2022
FY2022-2023 General Fund Preliminary Budget and Forecast	DAC	March 9, 2022
FY2022-2023 General Fund Updated Preliminary Budget	Board of Education	April 8, 2022
FY2022-2023 All Funds Proposed Budget Draft Posted Online	Website	May 31, 2022
FY2022-2023 Proposed Budget Books Delivered to BoE	Board of Education	May 31, 2022
FY2022-2023 All Funds Proposed Budget Draft	Board of Education	June 8, 2022
FY2022-2023 All Funds Proposed Budget Final	Board of Education	June 13, 2022
FY2022-2023 All Funds Adopted Budget Posted Online	Website	June 30, 2022
Budget Revision and Updated Forecast Presentation	Board of Education	January 2023





Student Centered Budgeting Process and Results



Background

- Discussions regarding budget philosophy updates have been taking place in the District for several years
- Through the pandemic, it became apparent that we have an urgent need to address allocation of funds to ensure that the allocation of resources is going to the areas where there is the most need
- January 2021 - Created a cross-functional group of CCSD representatives to explore existing models and prospective goals for the project to consider
- Team consists of principals, teacher leaders, administrators, and external District partners



Student Centered Budgeting




GOAL: To provide a transparent methodology across the District that demonstrates how CCSD allocates budget resources, both staffing and non-staffing, to educate and serve the students while meeting the standards of excellence as defined by our Values and Strategic Plan.

- FY2022-2023 will introduce a new staffing model for schools with the goal of meeting the needs of each student and allocating funds to help them thrive
 - Will include General Education staffing and Non-Salary (decentralized) allocation of funds
- ➔ • Multi-year project so that as revenues grow, we can allocate those revenues strategically
- Project will create new budget methodologies for schools that align with the strategic priorities of the District
- Budget methodology will be continuously evaluated and updated to ensure the allocation of resources meets the needs of students



RECOMMENDATIONS

Based on our findings, Hanover suggests that Cherry Creek:

-  Allocate supplemental funding to small schools and those that undergo unanticipated enrollment decreases (i.e., maintain hold harmless policies) in addition to weighted or ratio-based allocations to avoid enrollment decline cycles and ensure funding meets various student needs and programs;
-  Differentiate allocation formulas by school level (i.e., elementary, middle, high) by including more data-driven factors (e.g., FRPL, SWD data) at upper levels to more accurately account for school-specific student needs, as upper-level student files typically contain more detailed and tracked information; and
-  Conduct in-depth interviews with leaders in districts implementing exemplary WSF and ratio-based staffing models to understand successful strategies and potential roadblocks for each funding approach.



Student Centered Budgeting

Staffing Impact

- Staying with existing formula for General Education Staffing
 - Decrease staffing by 127 positions
- New formula that considers small school staffing, declining enrollment averaging and new S.E.L.F. factors will preserve 61 staffing positions (48%)
 - **Elementary Schools** - 37 positions
 - **Middle Schools** – 22 positions
 - **High Schools** – 2 positions

Small School Staffing:

- Provide schools additional support who may not have the same economies of scale when it comes to number of students and programs provided.
- No school is going to have their funding reduced, outside of decreases related to lower enrollment

S.E.L.F. factor

- This helps schools with higher ELL, F&R, home insecurity, and lower daily attendance rates to provide additional staff to help educate and support a diverse and growing population of students

Declining Enrollment Averaging

- Help avoid declining enrollment cycles and to provide additional support to ensure the funding meets a wide array of student needs and programs

Hold Harmless:

- No school is going to have their funding reduced, outside of decreases related to lower enrollment

****Note that this new formula is being used to specifically to calculate general education staffing, which is the foundational staffing within each of the schools. SPED, ELL, GT, and Title funded staffing will be calculated the same as prior years and is in addition to the general education staffing formula****



Zero Based Budget Process

Department Zero Based Budget process:

- Departments have historically been given the same amount of money as prior years without regard to changing needs
- Budget for FY2022-2023 will start from zero (zero based budget)
- Build budget based on need and alignment to strategic priorities
 - Historical actuals
 - New initiatives
 - Initiatives being phased out
- Going forward budgets should go up and down each year based on these factors
- This is not necessarily about reducing spend – it is about ensuring spend aligns with the strategic goals of the District



Economic Updates



Governor's Proposed Budget

- Increase total spending for K-12 by 5.85%, which would bring per pupil funding to \$9,491 (increase of more than \$525/student, would be a historic high amount).

Joint Budget Committee (JBC) Initial Budget

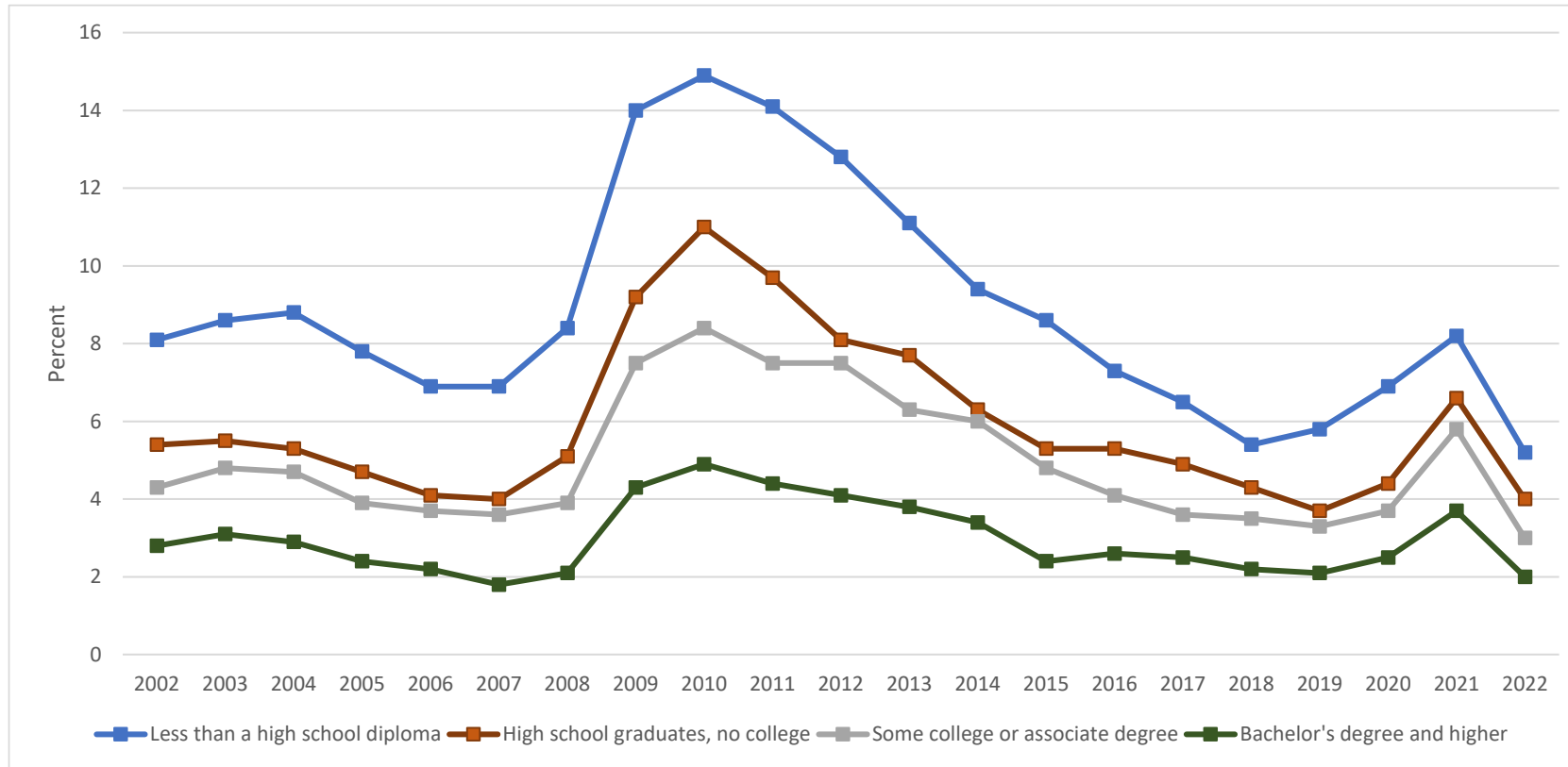
- JBC recommending to appropriate sufficient funds to reduce the Budget Stabilization Factor (BSF) by 50% (from \$503.3M in FY2021-2022 to \$251.6M in FY2022-2023. The effect of this would be an increase to PPR of 7.70%, or \$696/student compared to budget.

JBC Updated Budget Recommendation (Long Bill)

- JBC's original recommendation stays somewhat consistent, however the main change is instead of a \$251M buydown of the BSF, they're now proposing a \$185M buydown. This is based on what has been introduced in the state's long bill as of March 24th. This change is being mainly driven by the uncertainty of higher-than-normal inflation, lower student counts, and potential property tax concerns. This would represent an increase to PPR of 6.10%, or \$546/student, which would bring per pupil funding to \$9,548.



US Unemployment by Educational Attainment – March 2022

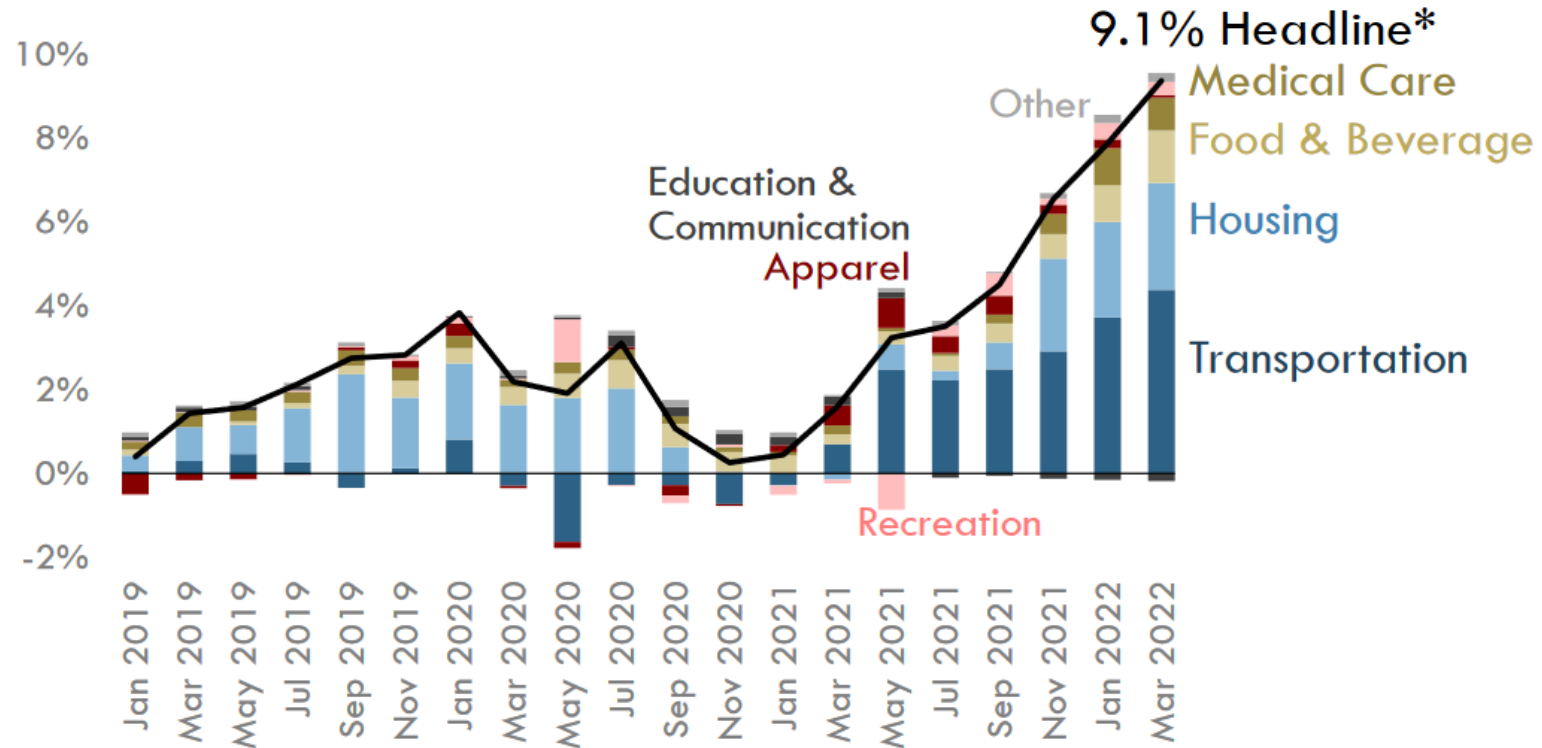


Source: US Bureau of Labor Statistics



Inflation on the Rise

Denver-Aurora-Lakewood Consumer Price Index (CPI-U)
Contributions to Percent Change in Year-over-Year Prices



Source: US Bureau of Labor Statistics



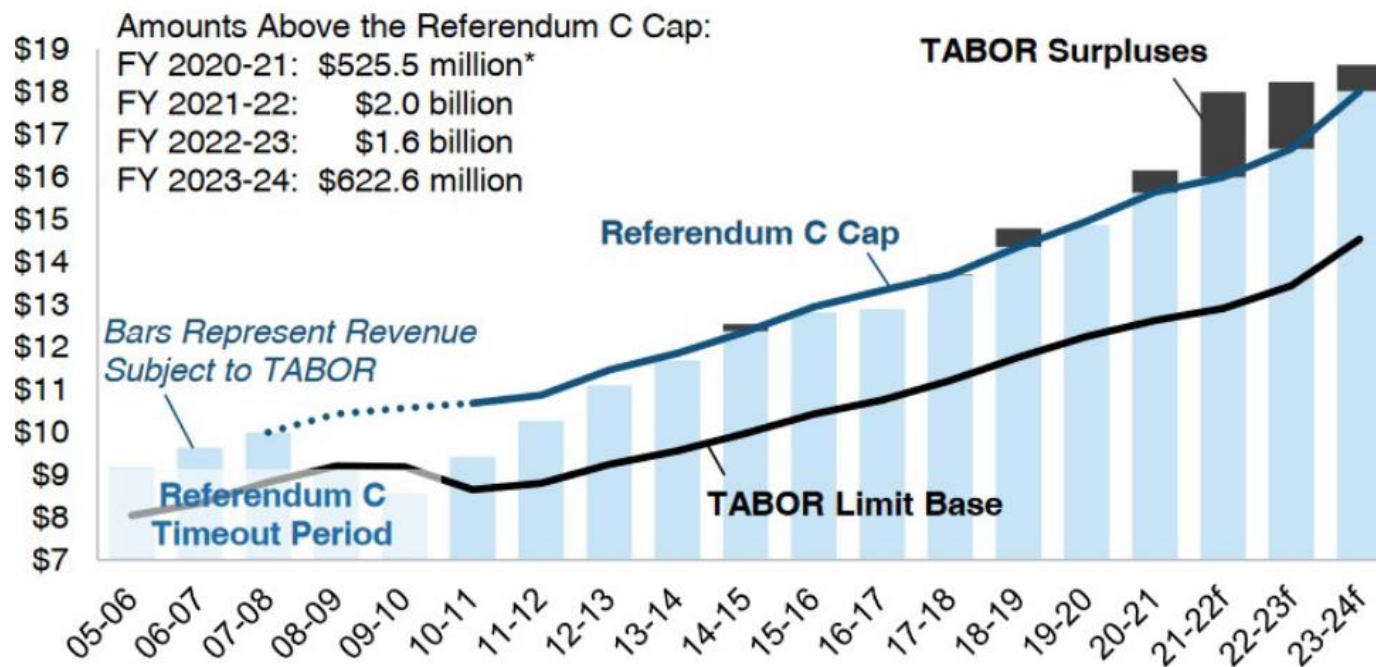
March 2022 Revenue Estimates

History of TABOR Rebates (millions)

Year	Rebates
1997	\$139.0
1998	\$563.2
1999	\$679.6
2000	\$941.1
2001	\$927.2
2005	\$41.1
2015	\$169.7
2019	\$428.5
2021	\$471.4

Source: Colorado Legislative Council

Figure 2
TABOR Revenue, TABOR Limit Base, and the Referendum C Cap
Dollars in Billions





SB22-238 Property Tax

- \$700 million reduction to real property taxation, only for the 2023 and 2024 property tax years
- Reducing the taxable value of homes by \$15,000 and the value of some commercial properties by \$30,000 while lowering assessment rates
- The assessment rates drop from 6.95% to 6.765% for residential properties and from 29% to 27.9% for commercial properties
- The bipartisan bill was introduced as a compromise between Polis, the Legislature, and a group called Colorado Concern that had been working to put a property tax cut on the 2022 ballot.
- A person who owns a \$500,000 home can expect savings of ~\$274 and a typical business owner with a \$500,000 commercial property can expect an average savings of ~\$1,200 in 2023.
- Will reduce local property taxes for K-12 thus putting more pressure on the State Share

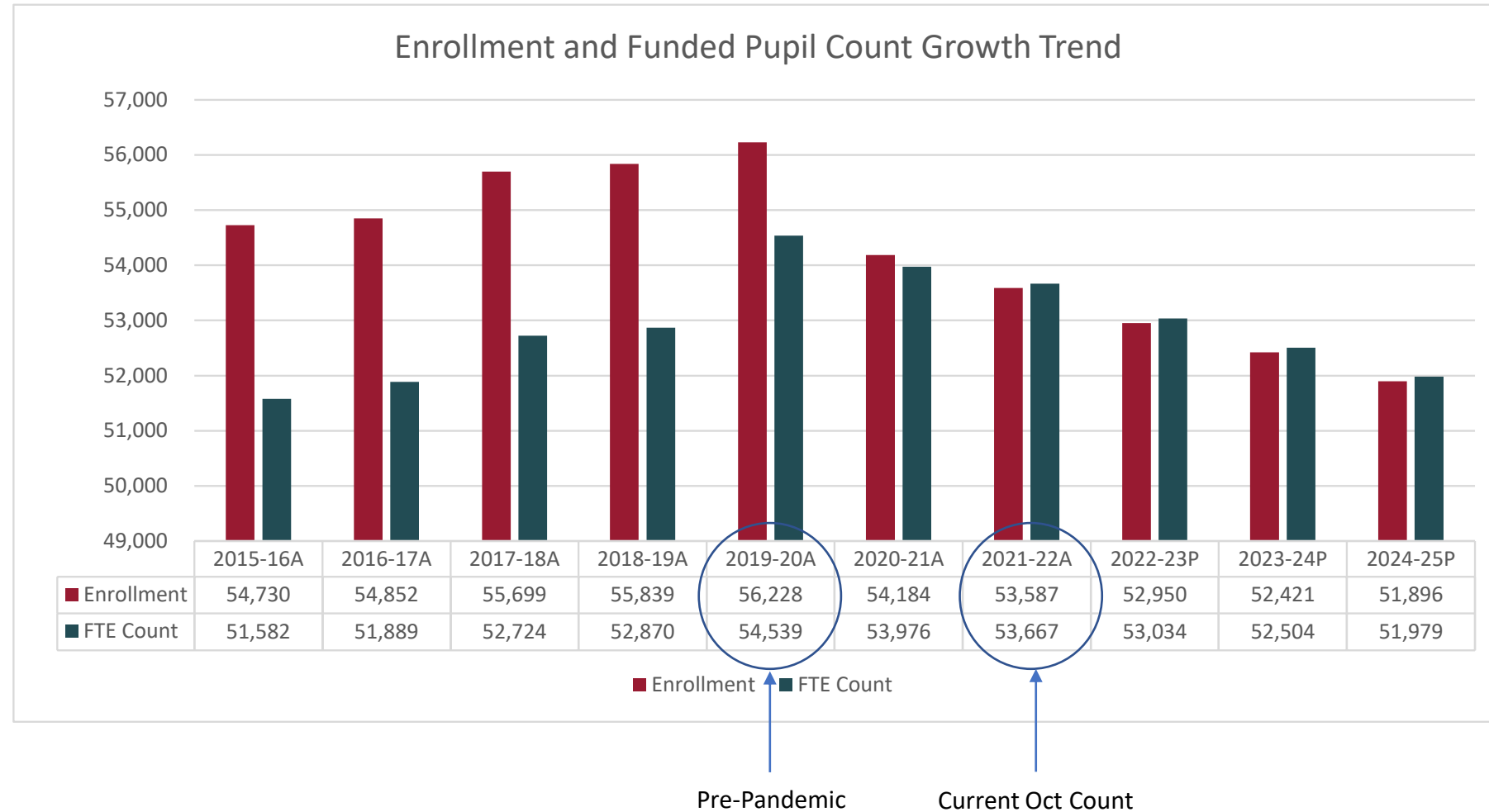


Enrollment Update

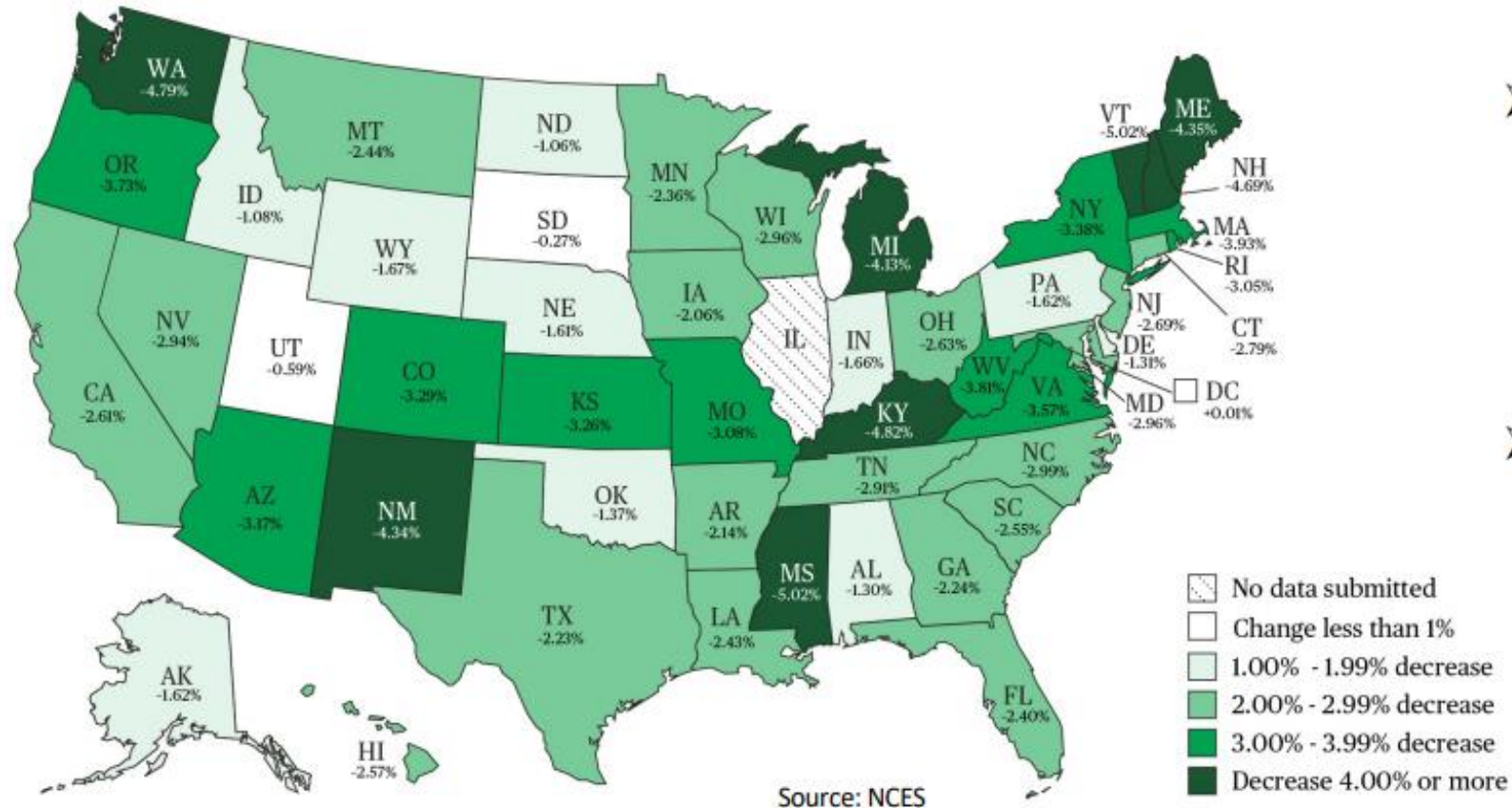


Enrollment

- ❖ Since FY2019-2020 (pre-pandemic) Cherry Creek School District has lost 2,641 student enrollment and 872 funded pupils (est. \$7.9M)
- ❖ Current projections are CCSD will lose 4,332 students and a decrease of 2,560 funded pupils (est. \$25.6M) in 5 years post pandemic



Public school enrollments fell 3% last year.¹ Will those students come back? To the same schools and districts?



- School district revenues are tied to the number of students they enroll
- Some districts suffered large enrollment losses over the last decade:
 - Los Angeles ↓ 28%
 - Philadelphia ↓ 21%
 - Chicago ↓ 15%
- A “COVID baby-bust” will further dampen enrollment numbers in the years to come²

Enrollment losses of even 0.75% can be financially destabilizing*

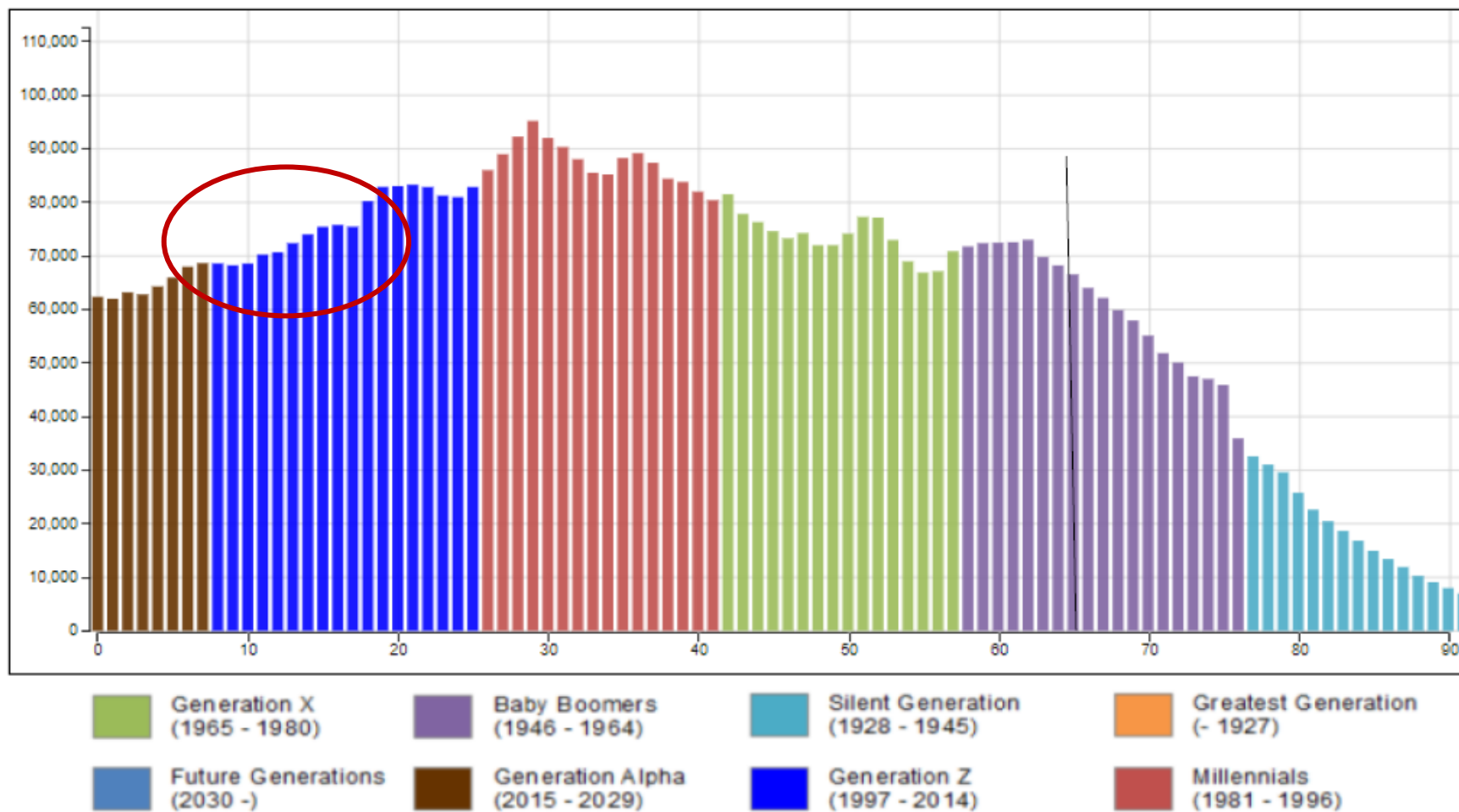
¹ <https://nces.ed.gov/blogs/nces/post/new-data-reveal-public-school-enrollment-decreased-3-percent-in-2020-21-school-year>

² <https://www.brookings.edu/blog/up-front/2021/05/05/the-coming-covid-19-baby-bust-is-here/>

* In 2017, Roza examined spending data from districts >20,000 with and without enrollment declines. A powerpoint covering the analysis and findings is available upon request.

Colorado

2022

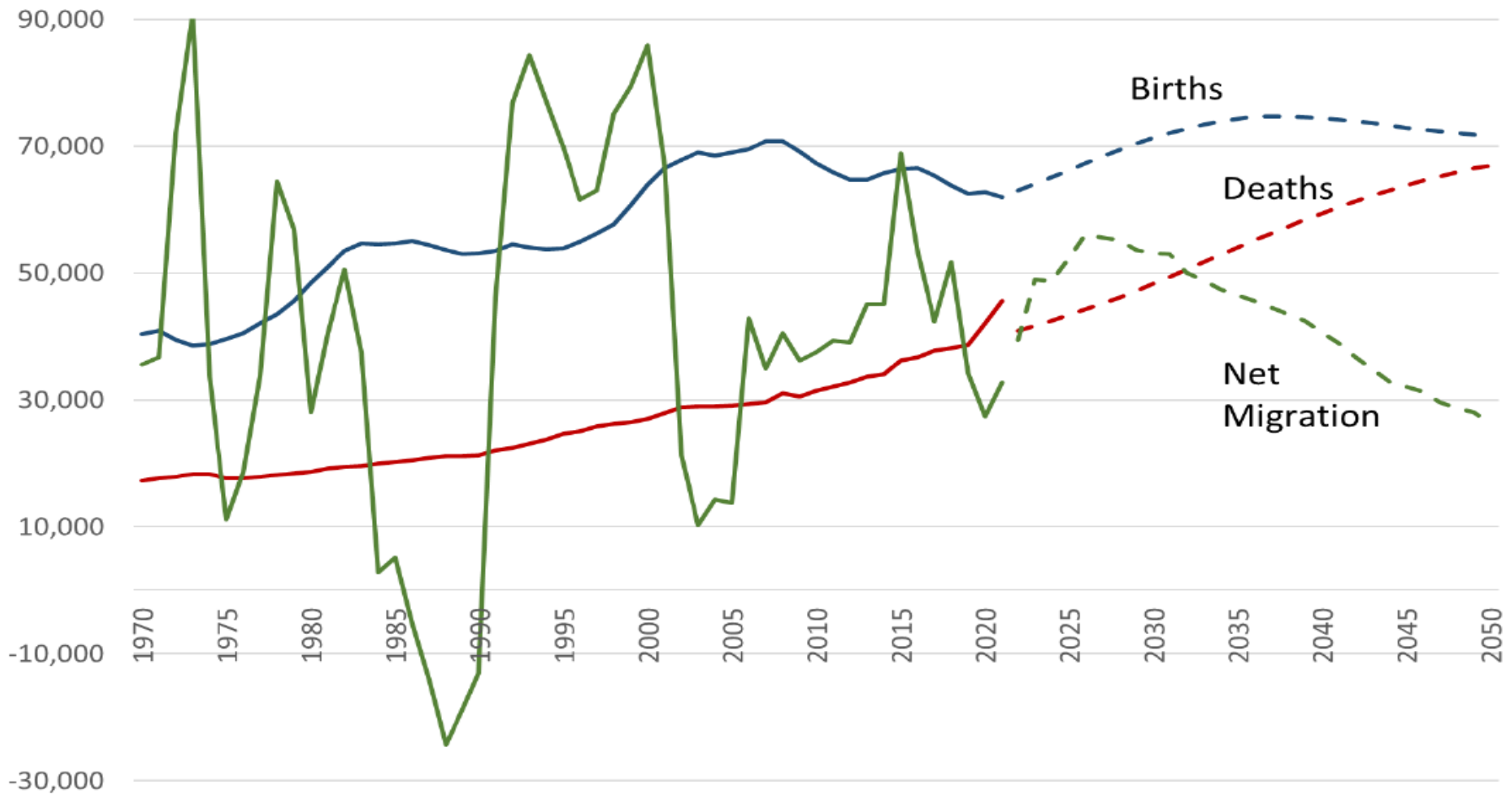


The circle approximately represents K-12 aged children. We should expect decreasing enrollment into the future due to total fewer children in the state.



COLORADO
Department of Local Affairs

Colorado Births, Deaths and Net Migration, 1970 to 2050

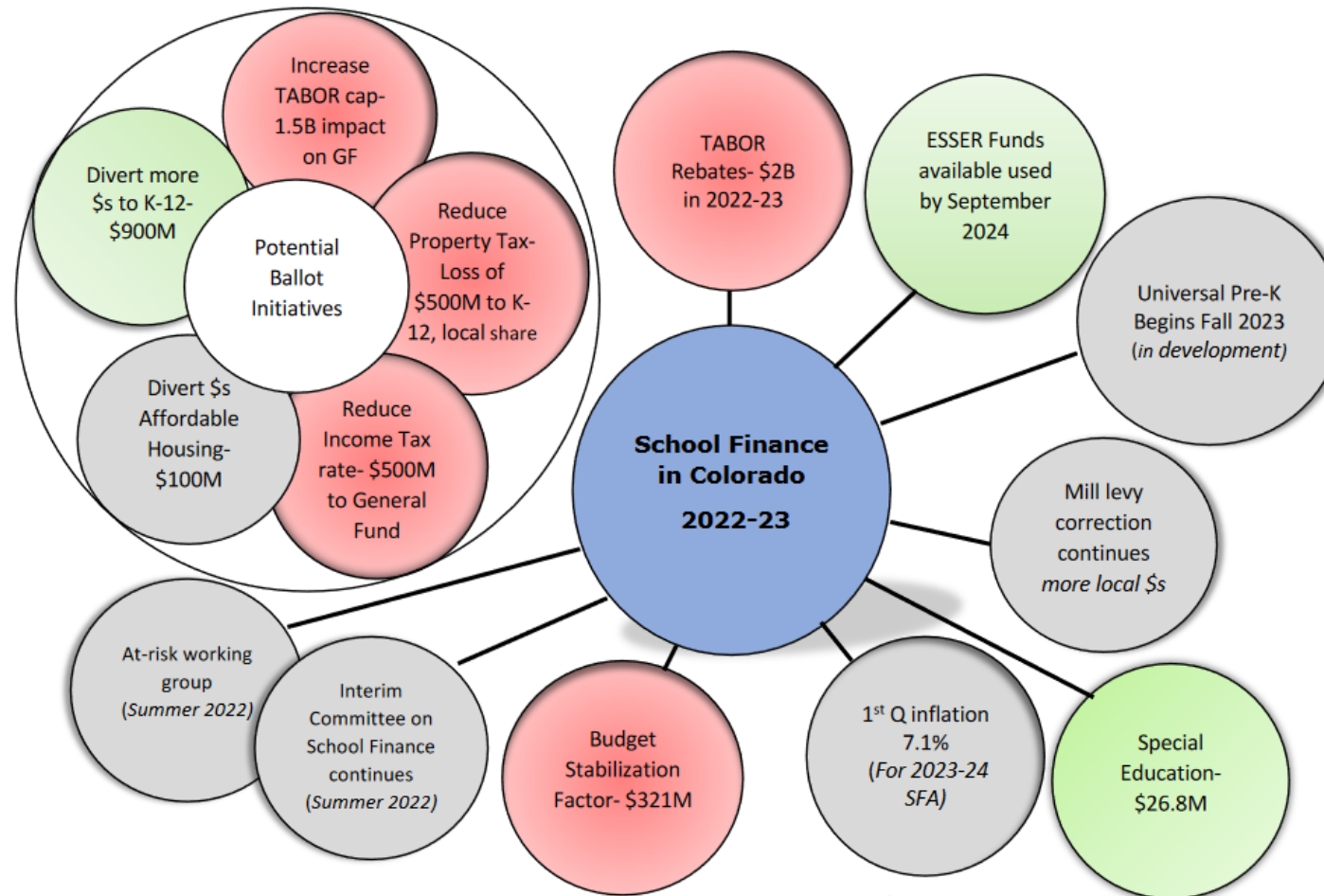




School Finance Legislation



All the moving pieces for school finance 2022-23



March 2022

1650 Franklin Street, Suite UP | Denver, CO 80218
303-860-9136 | @COSFP | cosfp.org

Data Sources: Legislative Council Staff and Colorado Department of Education



Legislative Update

Colorado School Finance Act

- Base Per Pupil Funding:
 - HB22-1390 as introduced increases base per pupil funding for FY2022-2023 by \$252.88 to \$7,478.16, which reflects a 3.50% inflation rate
- Budget Stabilization Factor (BS Factor):
 - HB22-1390 is planned to decrease the BS Factor by \$249.96 million, from \$571.20 million in FY2021-2022 to \$321.24 million in FY2022-2023.
 - The BS factor for Cherry Creek is planned to be (\$19.32M) or -3.68% of the CCSD Total Program Funding
 - Inception to date, the BS Factor cost for CCSD is (\$612.91M), while the state has suffered a loss of (\$10.07B), meaning CCSD represents roughly 6.1% of the historical cost of the BS Factor.
- FY2022-2023 enrollment is expected to continue to decline, however with the 5-year average mechanism built into the School Finance Act, the effects of that decline will be less detrimental to funding
- Cherry Creek per pupil funding will increase by \$546 (6.10%) from \$9,002 in FY2021-2022 to \$9,548 in FY2022-2023.



Compensation Philosophy



Living Within Our Means

- Historically, CCSD had a practice of spending more than we could afford
 - This was offset by successfully passing mill levy override elections on a regular basis that were supported by the voters
- By State statute, school districts are limited to 25% of Total Program in additional mill levy override funding
 - CCSD hit this level with the 2016 election
 - In 2020, CCSD Passed the Debt Free Schools Mill Levy
- For all intents and purposes, the only new revenue going forward for CCSD will be through the State annual increase to Per Pupil Revenue (PPR)
 - The average PPR increase over the past 10 years is 2.43%
 - The average PPR increase over the past 5 years is 4.46%
 - These % do not include the impact of declining enrollment
- This means that going forward expenses cannot exceed the additional **NET** revenue received by the State through annual increase to PPR **AND** enrollment adjustments between 2%-4.5% of total Operating Expense, OR estimated between \$10M to \$25M depending on the year

FY2022-2023 General Fund Preliminary Assumptions

Revenue \$28.49M

- \$28.28M Increase to Per Pupil Revenue, 6.1% increase compared to FY2021-2022 Budget
- (\$9.29M) Decrease funding due to decreased Enrollment, decrease of 974 FPC
- \$3M increase for Mill Levy Override (MLO) 25% of Total Program funding (Before B.S. Factor)
- \$5M Additional SPED Revenue
- \$1M projected increase in Categorical revenue
- \$0.5M Other Revenue

Expense \$28.20M



**Impact to Fund
balance
\$0.29M**

- \$2.75M Opening Woodland Elementary
- (\$2.5M) Eliminate Elementary Online program
- (\$11M) decrease in positions due to lower projected enrollment for FY2022-2023
- \$6M Student Centered Budgeting
- \$1M Mental Health investment for students
- \$0.8M Add 8 FTE for new GT and ELL Positions
- \$1M Add 11.5 FTE in schools to support Instruction and Innovation
- \$0.8M Add 8 FTE for new Assistant Principals
- \$2.6M Market Adjustments for PARA's, Bus Drivers/Assistants, ECE, and Vehicle Maintenance
- \$1M Increase to Substitute Costs
- \$1.2M Increase to Workers Compensation and Insurance Policies (Property and Liability)
- \$0.5M Increase to Fuel (Transportation)
- \$2M PERA Trigger
- \$2M Nurses back to General Fund from Medicaid (50% of current)
- (\$8.2M) Transfer additional qualifying expenses to CCTM Fund (Debt Free)
- (\$1M) Reduction to Capital Reserve Transfer
- \$29.25M Staff Salary increases



Growth Mindset



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FY2022-2023 Preliminary Raise Pool Assumptions

	% of Estimated Pay	Potential Raise
CCEA	74.40%	\$21,764,232
CCTEA	1.60%	\$468,048
CMGC	1.90%	\$555,807
Admin	4.50%	\$1,316,385
ProTech	2.65%	\$775,205
All Other Classified	14.95%	\$4,373,324
TOTAL		\$29,253,000

- Equivalent to approximately a 5.25% raise
- Percentages shown above are based upon estimated FY2021-2022 percentage allocations

FY2022-2023 Compensation

- Equitably distributed a 5.25% raise to all employee groups effective July 1, 2022
- Increased rates for employee groups Longevity schedules (Payments beginning at 10 years of continuous service)
- Completed Market Studies to align compensation structures for the following groups:
 - Bus Drivers and Non-CDL Drivers (CCTEA)
 - Early Childhood Education
 - Extended Child Services
 - Para-Educators
 - Vehicle Maintenance

Market Study Group	5.25% COLA Cost	Market Study Cost	Total Increase	% of Total Pay
Bus Driver and Non-CDL Driver (CCTEA)	\$ 468,048	\$ 747,294	\$ 1,215,342	16.03%
Early Childhood Education	\$ 143,761	\$ 91,549	\$ 235,310	8.59%
Extended Child Services	\$ 128,036	\$ 49,758	\$ 177,794	12.68%
Para-Educators	\$ 1,297,403	\$ 2,434,420	\$ 3,731,823	16.00%
Vehicle Maintenance	\$ 84,551	\$ 33,647	\$ 118,198	6.34%
Total Increase	\$ 2,073,312	\$ 3,356,668	\$ 5,429,980	

Market Study Cycle	
Rotation Year	Employee Group
2020-2021	Administrators
	Custodial, Maintenance, Grounds, and Carpentry (CMGC)
	Educational Office Professionals
	Food and Nutrition Services
2021-2022	Bus Driver and Non-CDL Driver (CCTEA)
	Early Childhood Education
	Extended Child Services
	Para-Educators
	Vehicle Maintenance
2022-2023	Educational Support Personnel
	Professional Technical



Employee Benefit Choice

The district's growth mindset has allowed for CCSD to evolve their Benefit structure philosophy. In FY2022-2023 this means:

- CCSD will now offer two carriers (UHC and Kaiser) with two plans each
- Kaiser Plans will be restructured
- Education around the Benefits of HSA's
- The new Employee Only plan being offered with UHC (United Health Care) has a \$0 payment





FY2022-2023 General Fund Proposed Budget and Forecast



FY2022-2025 Forecast (May 2022)

		FY21-22 UPDATED	FY22-23 UPDATED	FY23-24 UPDATED	FY24-25 UPDATED	FY25-26 UPDATED
Revenue Inputs:						
PPR Rate		\$9,002	\$9,548	\$9,921	\$10,318	\$10,730
PPR (rate change)		9.0%	6.1%	3.9%	4.0%	4.0%
Total FTE Pupil Count		53,667	53,034	52,504	51,979	51,459
Funded Pupil Count Change		-310	-633	-530	-525	-520

	FY20-21 Actual	FY21-22 BUDGET	FY22-23 PRELIM BUDGET	FY23-24 PROJECTION	FY24-25 PROJECTION	FY25-26 PROJECTION
Beginning Fund Balance	\$86.78	\$85.61	\$86.00	\$86.29	\$89.28	\$91.40
Total Revenue	597.51	644.51	672.71	683.97	695.70	714.22
Total Expense	598.68	644.12	672.42	680.98	693.58	701.78
Add/(Draw) Fund Balance Impact	(1.17)	0.39	0.29	2.99	2.12	12.44
Ending Fund Balance	\$85.61	\$86.00	\$86.29	\$89.28	\$91.40	\$103.84



Other Funds Proposed Budgets



Capital Construction, Technology, and Maintenance Fund (CCTM)(Debt Free)

- New Fund created in FY2020-2021 due to the successful passage of the 2020 4A Ballot Initiative
- Proposed Budget Appropriation for FY2022-2023 is \$36.60M
- Anticipated expenses to accomplish the District's Strategic Goals include:
 - Purchase additional technology for 1:1 student initiative and certified staff. The District will begin on a rotation of cycling approximately 25% of the student and certified staff devices each year.
 - Previously funded through the District's Capital Reserve fund, the budget for student software and the District's network infrastructure will be transferred into the Capital Construction, Technology, and Maintenance fund beginning in FY2022-2023.
 - Support general facility maintenance across the District.



Capital Reserve

- Expenses in the Capital Reserve Fund include:
 - Maintenance Projects
 - Capital Leases on current bus fleet and other capital in the district
- What will not be included in FY2022-2023 that was included in FY2021-2022
 - Student Software
 - System Support and Network Infrastructure
 - New Bus Fleet purchases
- What new expenses will be included in FY2022-2023
 - Security and Nutrition Service Vehicles
 - Eaglecrest Renovation and Expansion
 - Health Clinic at Smoky Hill
 - Energy Infrastructure Improvements
- Successful implementation and integration of Oracle across the district
 - Payroll, HR, and Budget implementation phases complete and integrated



Building Fund

- The District Long-Range Facility Planning Committee develops facility planning recommendations for new schools and other facility projects that accommodate student enrollment and improve instructional programs
- Future expenses anticipated in the Building Fund for FY2022-2023 include:
 - Mental Health Day Treatment Center
 - Support Facilities Upgrades
 - Technology
 - Safety and Security
 - School Building Upgrades/Renovations/Innovations
 - Construction/Opening of Woodland Elementary

Project Type	Bond Allocation	Actuals and	
		Commitments	Remaining Funds
Add'l Premium Projects	4,029,328	13,947	4,015,381
Administration	682,684	443,550	239,134
ASC/DPG Renovation	4,675,000	667,130	4,007,870
Asphalt	2,000,000	1,270,527	729,473
Community Health Clinic	4,000,000	3,064,672	935,328
Day Treatment	19,050,000	1,271,146	17,778,854
Electrical	7,752,388	1,660,665	6,091,723
Elementary 45	34,700,000	34,316,509	383,491
Facility Renovations	8,704,207	7,839,478	864,729
Fire Alarm Upgrades	110,000	-	110,000
Fire Protection	5,289,933	2,986,642	2,303,291
Flooring	4,774,036	2,622,979	2,151,057
Furniture and Equipment	685,000	3,066	681,934
HVAC	22,346,846	15,452,795	6,894,051
Innovation	10,149,159	9,000,115	1,149,044
Innovation Campus	5,000,000	-	5,000,000
Intercoms	7,933,795	5,026,400	2,907,394
Mobile	1,988,583	786,045	1,202,538
Nutrition Service	150,000	-	150,000
Playgrounds	981,308	964,044	17,263
Plumbing	6,782,500	1,299,489	5,483,011
Roofing	6,529,331	5,100,431	1,428,900
Security	5,513,121	151,353	5,361,768
Surface Drainage	1,100,000	59,570	1,040,430
Technology	12,000,000	1,725,284	10,274,716
Thumb Latches	6,100,115	4,315,761	1,784,354
Turf/Landscape	1,544,112	140,112	1,404,000
Utility Infrastructure	2,000,000	75,416	1,924,584
Village East	6,058,600	5,970,578	88,022
Total	\$ 192,630,046	\$ 106,227,706	\$ 86,402,340



Bond Redemption Fund

- The Bond Redemption Fund is used to account for property taxes levied and investment income, to provide for payment of Long-Term Debt principal retirement, semi-annual interest, and related fees. The District's long-term debt, in the form of general obligation bonds, total \$636,445,00 as of June 30, 2021.
- Bond Fund expenses for FY2022-2023 are anticipated at \$55,155,603



Designated Purpose Grants

- Designated Purpose Grants Fund exists to help manage Local, State, and Federal Grant funding
- Major Grants funded:
 - Every Student Succeeds Act (ESSA)(Title) Grants
 - READ Act and Medicaid
 - Individuals with Disabilities Education Act (SPED IDEA) (Preschool, Part B, Part C)
- Next year CCSD does not anticipate the following grants:
 - ESSER II
- New grants anticipated for next year:
 - ESSER III
- ESSER Allocation
 - Preservation of teaching jobs that would have been cut due to inadequate state funding, declining enrollment, unfunded mandates, and other cost pressures due to the Pandemic.
 - The required 20% set aside for learning loss for ESSER III will be spent on the following:
 - Curriculum: Houghton Mifflin's K-5 approved core resource to support implementation of the science of reading and K-5 vertical articulation
 - Summer Programs: In-person, Online, CCIC programming, Credit Recovery, YMCA Summer Scholars, STEM, and Inside and out programs
 - Multi-Lingual support for instructional and translation software, summer programming, and before and after school tutoring



Food and Nutrition Services

- The Food and Nutrition Services (FNS) Fund is accountable for the Food Services Program within the District and helps to nourish the whole student by creating nutritious meals, building healthy habits, and cultivating positive relationships to support the Cherry Creek School District. A balanced diet is viewed over a period of time, not by a single meal.
- Focus Areas for FY2022-2023:
 - Age-Appropriate Nutrition Education program to be increased at all educational levels
 - ➔ • Returning to the Traditional National School Lunch Program (Free/Reduced/Paid)
 - Executive Chef plans to offer special meals to all grade levels throughout the year
 - Coordinate with all middle and high schools to ensure all vending and competitive food regulations are in compliance
 - Continue to employ marketing plan and strategy to build program participation
 - Continue to recruit and effectively train Food and Nutrition Services staff to provide customer service that enhances the educational experience of CCSD students
 - Pursue additional opportunities to build revenue to ensure program self-sufficiency
 - Coming soon! Food trucks to better serve all District students
 - ➔ • Transition to 100% recycled trays to align with the District's green initiatives



Extended Child Services

- The Extended Child Services Fund (ECS) is used to account for the District's Before and After and Intersession School Programs offered outside of the traditional classroom schedule including:
 - Before and After School Programs
 - Full Day Programs (guest speakers, field trips, etc.)
 - Pre-School Enrichment and Education
 - Academic Summer School
 - Inside and Out (GT)
 - Staff Development
- Next year the following changes are anticipated:
 - Due to the Pandemic and the workforce adapting to work from home, the ECS programs have seen a significant decrease in participation. This is not expected to be fully restored for a few years and will impact the fund's bottom line.
- Looking forward to 2023-2024
 - Governor Polis signs Universal Preschool bill into law (HB22-1295), promising 4-year-olds 10 hours a week of tuition-free preschool in public school classrooms and private settings such as childcare centers, churches, or licensed homes.
 - Funding will come from the state's existing pre-school program and from the proceeds of a nicotine tax that Colorado voters approved in 2020.



Pupil Activities

- The Pupil Activities Fund accounts for the self-supporting financial activities associated with Elementary, Middle, and High School extracurricular activities
- This includes the sale of Athletic and Activity ticket sales, Fund-Raising events, and User and Club fee revenue generation
- There are no significant changes to Fund Balance anticipated for FY2022-2023



Proposed Budget Appropriations FY2022-2023

	Expenditures and Transfers	Appropriated Reserves	Total Expenditures / Appropriated Reserves
Funds			
Operating/General Fund	\$672,420,000	\$51,386,340	\$723,806,340
Special Revenue Funds			
Designated Purpose Grants	65,750,000	-	65,750,000
Extended Child Services	14,160,000	424,800	14,584,800
Pupil Activities	13,000,000	390,000	13,390,000
Food Services Fund	21,800,000	468,151	22,268,151
Total Operating/Special Revenue Funds	\$787,130,000	\$52,669,291	\$839,799,291
Building Fund	82,510,000	-	82,510,000
Bond Redemption Fund	55,160,000	-	55,160,000
Capital Reserve Fund	49,570,000	1,487,000	51,057,000
Capital Construction, Technology and Maintenance Fund	36,600,000	1,111,988	37,711,988
Total Building, Capital and Debt Services	\$223,840,000	\$2,598,988	\$226,438,988
TOTAL	\$1,010,970,000	\$55,268,279	\$1,066,238,279

NEXT STEPS

July 2022

- Adopted Budget Book available on the website

December 2022

- Audit

January 2023

- Updated Revenue based on October Counts and December Forecast
- Supplemental Appropriations for applicable funds



QUESTIONS





Appendices



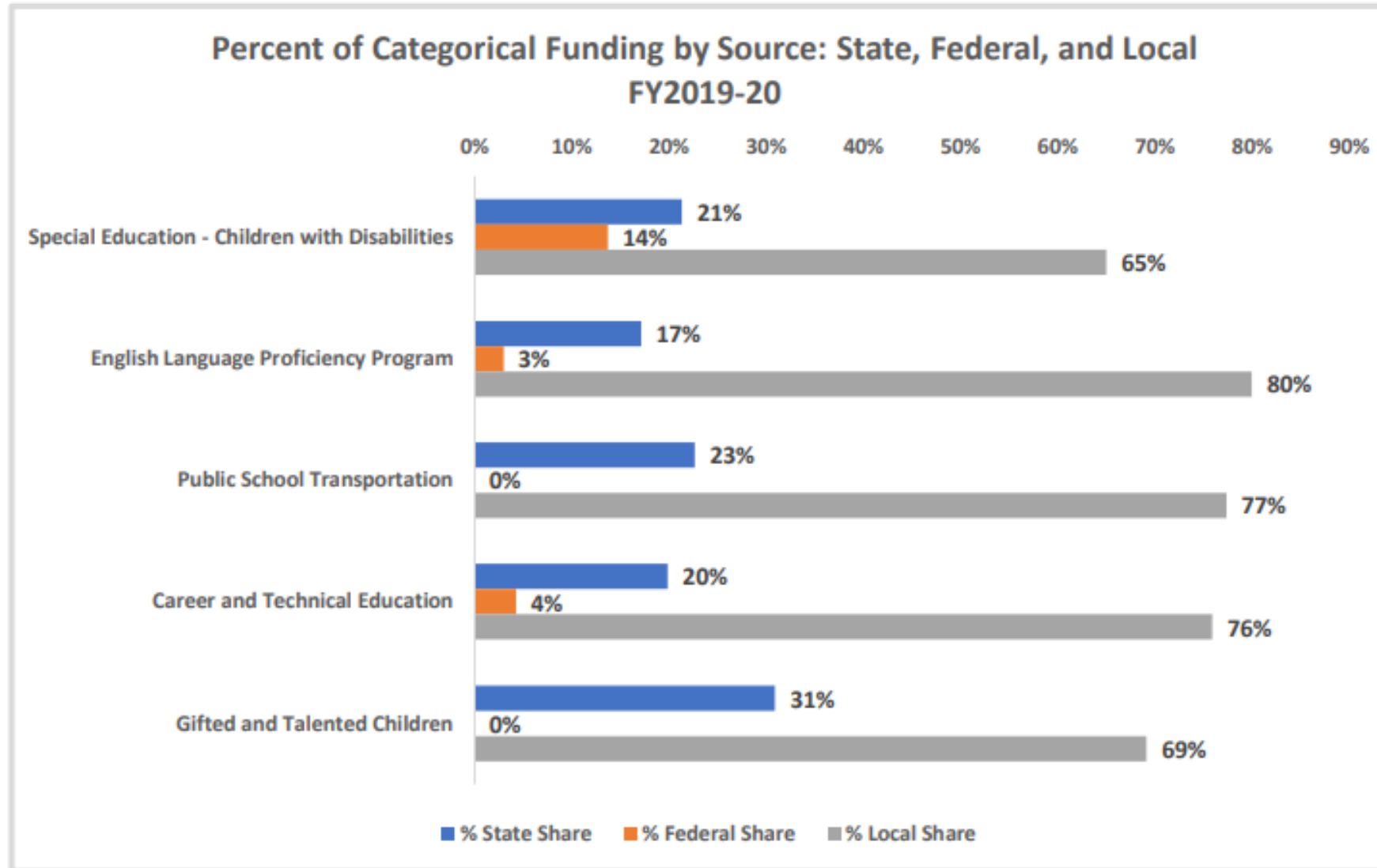
Cherry Creek School District Funded Pupil Counts

Funded Pupil Count (FPC)		Actual FY20-21	Actual FY21-22	Projected FY22-23
Schools	High Schools	17,932	17,829	17,564
	Middle Schools	12,435	12,364	12,180
	Elementary Schools	21,557	21,433	21,114
	Charter Schools	1,214	1,207	1,189
	Total Schools	53,138	52,833	52,047
Programs	Preschool SPED	507	500	644
	Options Program	291	289	285
	Foot Center	16	16	16
	Expulsion	6	6	6
	Ascent	18	22	36
	Total Programs	838	833	987
Total Funded Pupil Count		53,976	53,666	53,034
Funding Per Pupil		\$8,107	\$9,002	\$9,548

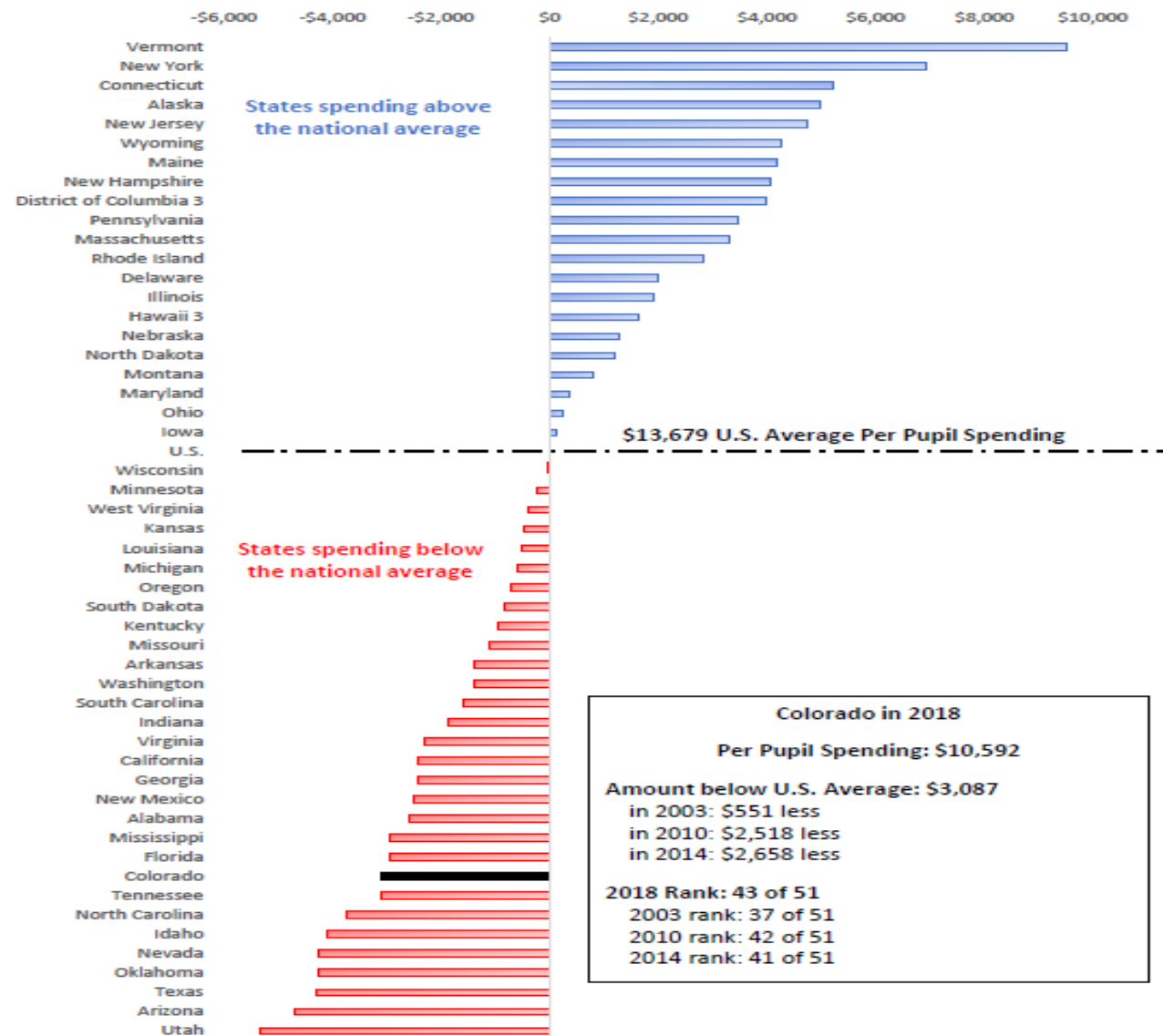


Summary of Budget Reduction Measures (Since the start of the Pandemic)

AMOUNT	DESCRIPTION	STATUS	FISCAL YEAR IMPACT	NOTES
\$1M	Contracted with outside vendor to retrofit lighting and existing infrastructures for improved energy efficiencies across all facilities	In progress	FY2025	Contract set to begin with vendor in FY2023, savings to be realized starting in FY2025, estimate impact \$1M per year for a total of \$20M over 30 years
\$0.2M	Annual Supplier Rebate Savings	In progress	FY2022	Strategic Sourcing continues to leverage contracts for rebates
\$0.7M	Renegotiated district wide janitorial contracts and selected new vendor	Complete	FY2022	\$700k savings for year one, each subsequent year will have a 3% inflator applied. Over 5-year savings estimated as \$1.6M compared to prior vendor contract
\$0.8M	Renegotiated district wide printing solution, selected new vendor	In progress	FY2021	\$800k savings for year one, no significant increases year over year with 5-year savings estimated as \$5M compared to prior vendor contract
\$5.0M	Reduction of capital maintenance spend	Complete	FY2021	This is equivalent to approximately 25% of capital operating spend. Reinstated to prior levels in FY2022
\$10.1M	Central Office / non-school / admin staff support	In progress	FY2021	Reductions began to be implemented in FY2020-21 Budget and have continued through current year with limited additions back to General Fund

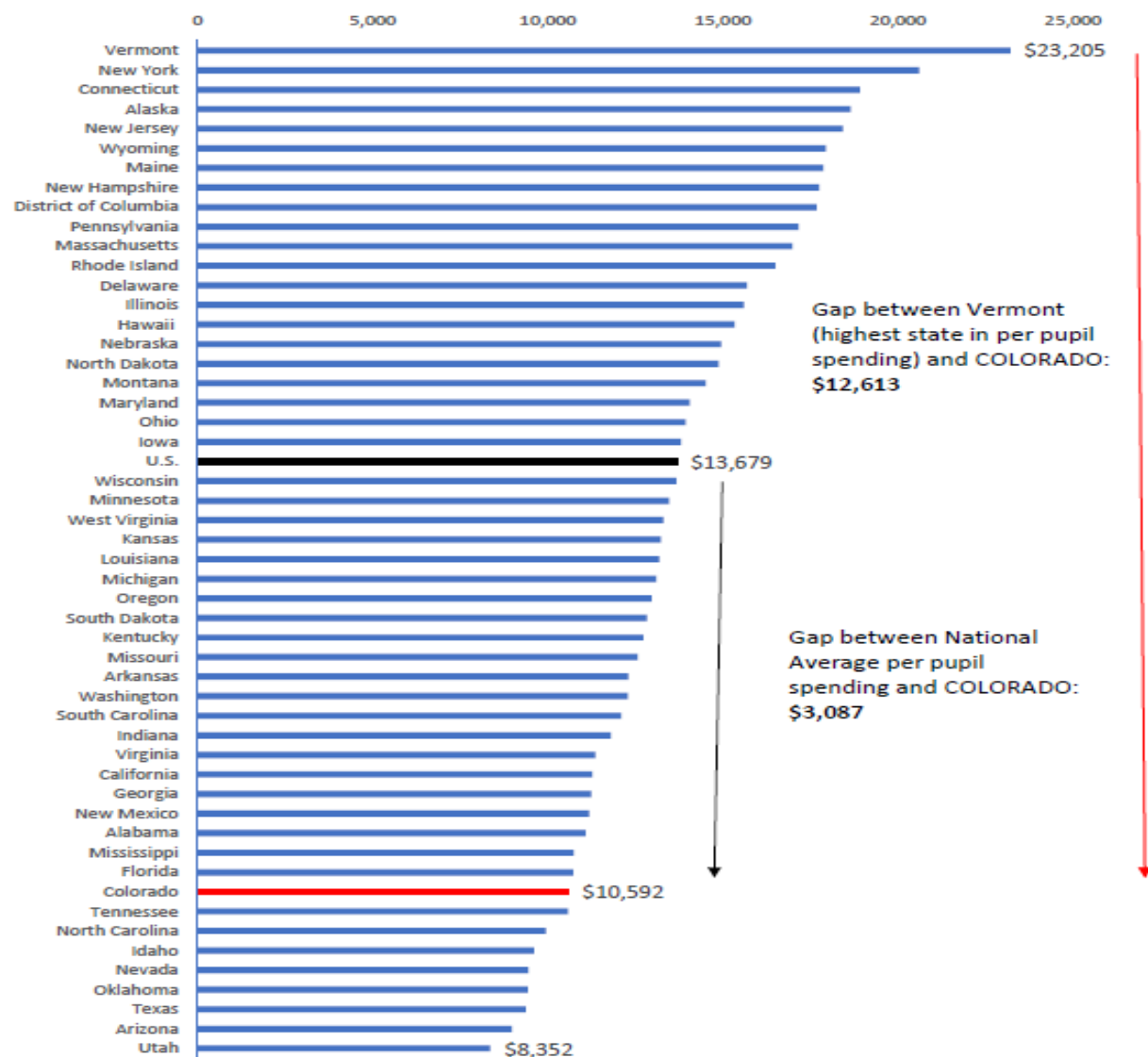


EdWeek Per Pupil Spending Comparison
Dollars Above and Below National Average



Data Source: Education Week Quality Counts 2021

Education Week Quality Counts Per Pupil Spending



Data Source: Education Week Quality Counts 2021



General Fund

\$ IN MILLIONS	FY2021-22 Budget	FY2022-23 Budget	YR/YR Change
BEGINNING FUND BALANCE	\$85.61	\$86.00	\$0.39
<u>Revenues</u>			
Local Sources	295.22	299.43	4.21
State Sources	349.29	373.28	23.99
Total Revenues	644.51	672.71	28.20
TOTAL FUNDS AVAILABLE	\$730.12	\$758.71	\$28.59
<u>Expenditures</u>			
Salaries	455.78	469.43	13.65
Staffing Salaries	426.72	439.16	12.44
Non-Staffing Salaries	29.06	30.27	1.21
Benefits	124.42	133.09	8.67
PERA	87.38	95.39	8.02
Medicare	6.16	6.43	0.27
Health Insurance	27.42	28.96	1.54
Other Benefits	3.45	2.30	(1.15)
Supplies	28.01	32.74	4.73
Other Expenses	35.92	37.16	1.24
Total Expenditures	\$644.13	\$672.42	\$28.29
ENDING FUND BALANCE	\$86.00	\$86.29	\$0.29



Capital, Construction, Technology, and Maintenance Fund (CCTM)(Debt Free)

\$ IN MILLIONS	FY2019-20 Actual	FY2020-21 Actual	FY2021-22 Projected	FY2022-23 Budget
BEGINNING FUND BALANCE	\$0.00	\$0.00	\$15.06	\$16.35
<u>Revenues</u>				
Property Tax	-	34.71	35.81	37.07
Earning on Investments	-	0.02	-	-
Total Revenues	0.00	34.73	35.81	37.07
TOTAL FUNDS AVAILABLE	\$0.00	\$34.73	\$50.87	\$53.42
<u>Expenditures</u>				
Operations and Maintenance	-	3.21	16.00	9.31
Technology	-	6.94	16.00	26.49
Charter School Allocation	-	0.75	0.75	0.80
Debt Service	-	8.78	1.78	-
Total Expenditures	0.00	19.67	34.52	36.60
ENDING FUND BALANCE	\$0.00	\$15.06	\$16.35	\$17.62



Capital Reserve

\$ IN MILLIONS	FY2019-20 Actual	FY2020-21 Actual	FY2021-22 Projected	FY2022-23 Budget
BEGINNING FUND BALANCE	\$20.09	\$17.42	\$22.41	\$73.44
<u>Revenues</u>				
Invest. Income/Cash in Lieu of Land	0.17	3.94	2.52	0.82
Transfer from General Fund	18.94	13.77	13.58	12.28
Certificates of Participation	-	-	71.83	-
Total Revenues	19.11	17.72	87.93	13.10
TOTAL FUNDS AVAILABLE	\$39.20	\$35.13	\$110.35	\$86.53
<u>Expenditures</u>				
Capital Outlays	15.44	8.27	33.72	43.18
Debt Service – Technology and Buses	6.34	4.45	3.19	6.39
Total Expenditures	21.78	12.72	36.91	49.57
ENDING CAPITAL RESERVE FUND BALANCE	\$17.42	\$22.41	\$73.44	\$36.97

* A large portion of the ending fund balance is to fund the energy improvements with JCI that will occur in the subsequent year.



Building Fund

\$ IN MILLIONS	FY2019-20 Actual	FY2020-21 Actual	FY2021-22 Projected	FY2022-23 Budget
BEGINNING FUND BALANCE	\$71.24	\$28.82	\$188.47	\$133.51
<u>Revenues</u>				
Sale of Bonds	-	150.00	-	-
Premium on Bonds	-	42.29	-	-
Investment Income	1.05	0.14	0.26	0.08
Total Revenues	1.05	192.43	0.26	0.08
TOTAL FUNDS AVAILABLE	\$72.29	\$221.25	\$188.73	\$133.58
<u>Expenditures</u>				
Salaries & Benefits	0.17	-	0.05	0.12
Land, Building and Improvements	33.35	23.43	52.71	80.11
Equipment	6.24	3.60	0.19	1.00
Professional Services	3.71	5.75	2.27	1.28
Total Expenditures and Transfers	43.47	32.78	55.22	82.51
ENDING BUILDING FUND BALANCE	\$28.82	\$188.47	\$133.51	\$51.07



Bond Redemption

\$ IN MILLIONS	FY2019-20	FY2020-21	FY2021-22	FY2022-23
	Actual	Actual	Projected	Budget
BEGINNING FUND BALANCE	\$59.58	\$72.27	\$56.87	\$59.67
<u>Revenues</u>				
Property Taxes	70.96	54.83	57.87	55.10
Refunding Bond Proceeds	70.02	-	-	-
Investment Income	0.88	0.18	0.05	0.03
Refunding Bond Premium	17.00	-	-	-
Total Revenues	158.86	55.02	57.91	55.13
TOTAL FUNDS AVAILABLE	\$218.45	\$127.28	\$114.78	\$114.80
<u>Expenditures</u>				
Bond Principal Retirement	33.67	45.89	27.84	29.02
Interest	25.50	24.52	27.26	26.12
Transfer to Escrow Agent/Fiscal Charges	87.02	0.01	0.02	0.02
Total Expenditures	146.18	70.41	55.11	55.16

*Fund Balance seen here is necessary to pay off the debt service payment that occurs in December



Designated Purpose Grants

\$ IN MILLIONS	FY2019-20 Actual	FY2020-21 Actual	FY2021-22 Projected	FY2022-23 Budget
BEGINNING FUND BALANCE	--	--	--	--
<u>Revenues</u>				
Local/Private	2.65	1.98	2.09	4.67
State	3.56	3.89	6.07	5.07
Federal	20.59	56.55	42.38	56.02
Total Revenues	26.80	62.42	50.53	65.75
TOTAL FUNDS AVAILABLE	\$26.80	\$62.42	\$50.53	\$65.75
<u>Expenditures</u>				
Salaries	10.89	35.59	24.38	38.98
Benefits	3.04	8.71	6.18	9.72
Purchased Services	2.62	3.75	4.95	3.95
Supplies and Materials	1.90	8.24	5.23	8.68
Other	8.34	6.13	9.80	4.43
Total Expenditures	26.80	62.42	50.53	65.75
ENDING FUND BALANCE	-	-	-	-



Food and Nutrition Services

\$ IN MILLIONS	FY2019-20 Actual	FY2020-21 Actual	FY2021-22 Projected	FY2022-23 Budget
BEGINNING FUND BALANCE	\$5.68	\$4.92	\$2.83	\$4.79
<u>Revenues</u>				
Sales, Investment, Catering	7.63	1.31	1.86	14.57
Federal Meal Reimbursement	6.36	13.24	20.73	4.94
USDA Donated Food	1.03	0.89	1.32	1.25
State Meal Reimbursement	0.29	0.14	0.14	0.06
Total Revenues	15.31	15.58	24.04	20.83
TOTAL FUNDS AVAILABLE	20.85	19.01	26.72	25.62
<u>Expenditures</u>				
Salaries & Benefits	9.81	9.97	10.47	11.54
Purchased Services	0.58	0.71	0.64	1.02
Supplies	6.68	5.11	9.86	9.12
Property	0.33	0.52	0.69	0.09
Other Objects and Uses of Funds	0.02	0.03	0.26	0.03
Total Expenditures	17.42	16.34	21.93	21.80
ENDING FOOD SERVICE FUND BALANCE	\$3.43	\$2.82	\$4.79	\$3.82



Extended Child Services

\$ IN MILLIONS	FY2019-20 Actual	FY2020-21 Actual	FY2021-22 Projected	FY2022-23 Budget
BEGINNING FUND BALANCE	\$5.82	\$4.75	\$2.98	\$3.46
<u>Revenues</u>				
Before and After School	8.63	6.00	7.25	8.80
Kindergarten Enrichment	0.00	0.00	0.00	0.00
Preschool	1.37	1.58	1.88	4.45
Other Enterprise Programs	0.88	0.86	1.03	0.93
Total Revenues	10.87	8.43	10.16	14.18
TOTAL FUNDS AVAILABLE	\$16.69	\$13.19	\$13.14	\$17.63
<u>Expenditures</u>				
Before and After School	9.65	7.40	6.91	8.82
Kindergarten Enrichment	0.00	0.00	0.00	0.00
Preschool	1.28	2.20	1.88	4.09
Other Enterprise Programs	1.01	0.61	0.90	1.25
Transfer to General Fund	0.00	0.00	0.00	0.00
Total Expenditures and Transfers	11.94	10.21	9.68	14.16
ENDING ECS FUND BALANCE	\$4.75	\$2.98	\$3.46	\$3.47



Pupil Activities

\$ IN MILLIONS	FY2019-20 Actual	FY2020-21 Actual	FY2021-22 Projected	FY2022-23 Budget
BEGINNING FUND BALANCE	\$6.71	\$7.16	\$6.94	\$7.73
<u>Revenues</u>				
High School	8.58	5.06	9.21	10.52
Middle School	1.1	0.27	0.81	0.93
Elementary School	0.73	0.36	0.58	0.66
Other Revenue	0.56	0.21	0.78	0.89
Total Revenues	10.97	5.90	11.38	13.00
TOTAL FUNDS AVAILABLE	\$17.68	\$13.06	\$18.32	\$20.73
<u>Expenditures</u>				
High School Activities	8.32	4.97	8.41	10.33
Middle School Activities	1.02	0.43	0.76	0.93
Elementary School Activities	0.76	0.40	0.60	0.74
Other Expenditures	0.42	0.32	0.82	1.00
Total Expenditures	10.52	6.12	10.59	13.00
ENDING PUPIL ACTIVITIES FUND BALANCE	\$7.16	\$6.94	\$7.73	\$7.73