

Board of Education

Mesa County Valley School District 51

Board Special Meeting Minutes

April 22, 2024

Board Special Meeting Minutes

A - José Luis Chávez B - Barb Evanson C - Andrea Haitz D - Will Jones E - Angela Lema						Board of Education Mesa County Valley School District 51 Special Meeting Minutes: April 22, 2024 Adopted: May 21, 2024	
	A	B	C	D	E		
						AGENDA ITEMS	ACTION
Present		x	x	x	x	<u>BUSINESS MEETING</u> 1. CALL TO ORDER/ROLL CALL ➤ This was a virtual Meeting only. All attendees were virtual. Director Chavez was absent. 2. HB 24-1448 Presentation ➤ Director Haitz discussed House Bill 24-1448. ➤ D51 Chief Financial Officer Melanie Trujillo presented regarding the bill. The bill has problems that do not make it perfect for D51, but has many positive qualities also. ➤ Dr. Hill added even with the passing of the bill, D51 will need more funds. ➤ The bill includes weighted funding for ELL, at-risk and SPED students. ➤ Lobbyist Amy Atwood described the phase in for the bill, which is for districts like D51 that need to keep the 5-year averaging. 3. HB 24-1448 Board Position ➤ The Board decided to take a position of “support, with amend”. ➤ This was a discussion and agreement of supporting the bill, with making changes. All four board members present agreed on this stance. This was not a formal vote to take action on an item. 4. BOARD OPEN DISCUSSION ➤ None	6:00 p.m.
Absent	x						
		x	x	x	x		
Motion				x		5. ADJOURNMENT	6:36 p.m.
						Amy Navarette, Assistant Secretary Board of Education	

Proposed New School Finance Formula

HB24-1448

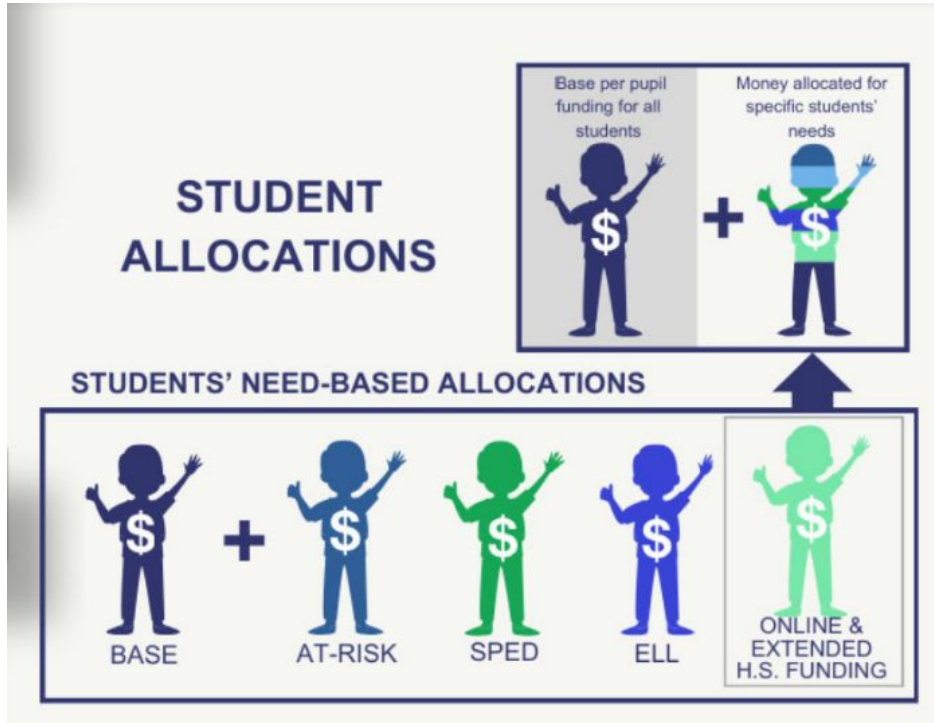




Proposed New School Finance Formula Bill

- Introduced in the House April 11, 2024
- Would meaningfully change how school districts are funded in CO for the first time in 30 years, replacing the current formula implemented in 1994
- Phased in over 6 years, starting in FY 2025-26
- Simplified funding model, removes duplicative wealth factors in the current formula
- Provides weighted funding for ELL, At-Risk, and SPED students
- Year 1 cost to State = \$83 million
- Total new revenue when fully implemented = \$498.5 million

Proposed New School Finance Formula Basics



- At-Risk, SPED Tier A, and ELL students funded at 1.25
- No change to SPED categorical funding
- No change to online/extended HS funding
- **Reduces funded pupil count averaging from 5 years to 4 years**
- Hold harmless provision during phase in that provides greater of current formula or new formula funding - **6 districts held harmless in FY 2025-26**

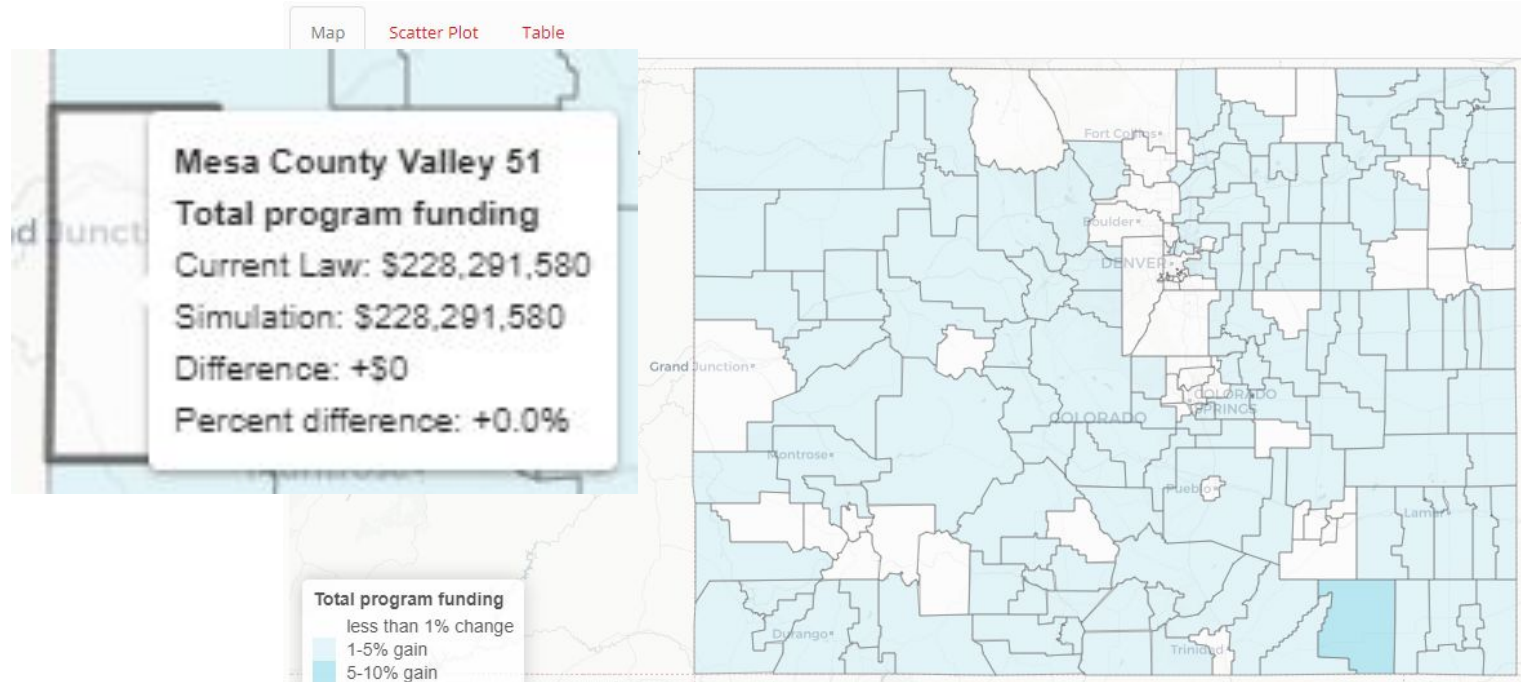


Proposed New School Finance Formula - Potential Impacts to D51



Proposed New School Finance Formula

Yr 1 Impacts





Potential Impacts

- As introduced, the new formula currently would:
 - Increase D51's PPR by \$156 in year 1
 - BUT, fund 286.5 fewer student FTE because of the change from 5 year to 4 year averaging
- The result: D51 would remain on the current formula funding in FY2025-26 and receive no additional funding above current formula, despite being a floor-funded district
- Further competitive disadvantage in funding compared to other districts receiving additional funding

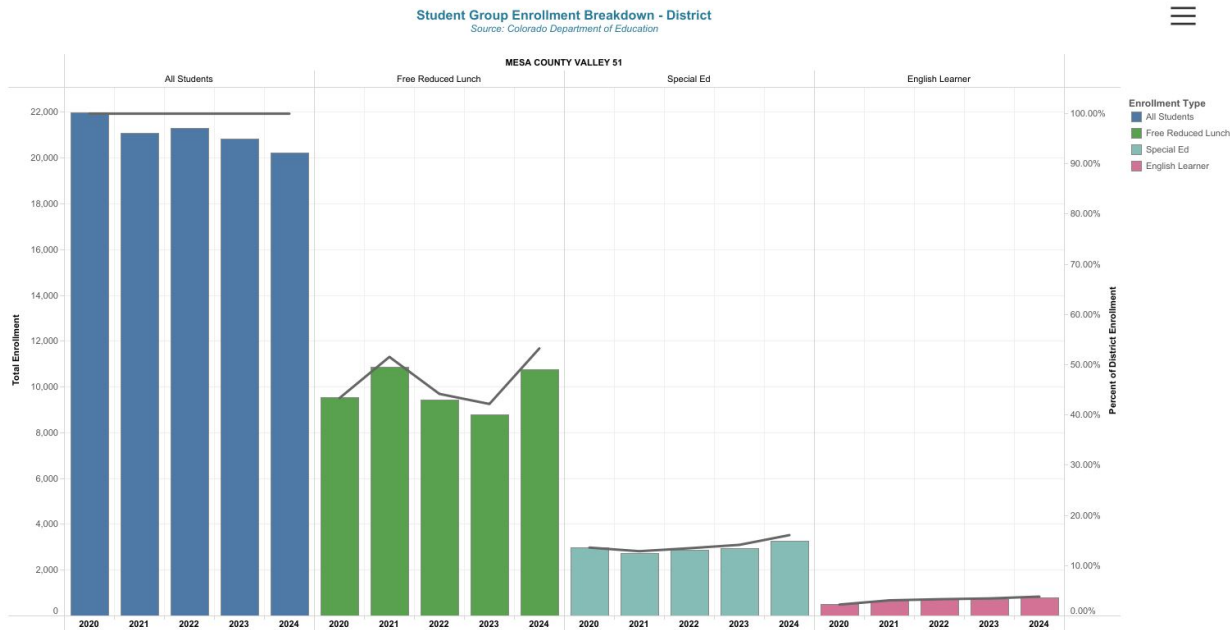


Potential Impacts - Hold Harmless Districts

District	District code	Funded pupil count	Total program funding	Total program funding per pupil
Aspen 1	2640	-21.8	\$0	\$215
Edison 54 JT	1120	-9.5	\$0	\$3,282
Mesa County Valley 51	2000	-286.5	\$0	\$156
Moffat 2	2800	0.0	\$0	\$0
Ouray R-1	2580	-3.8	\$0	\$552
Telluride R-1	2830	-17.9	\$0	\$357

Potential Impacts to D51

- In the long term, increased funding for special student populations should benefit D51 once declining enrollment improves
- In year 1, dollar amount of PPR moves D51 from 174/178 to 170/178 CO school districts





Potential Impacts to D51

- In the short term, the benefits we are currently receiving from 5 year averaging outweigh the benefits of new formula PPR increases
- Projected funded student FTE declines:

Presently anticipated funded FTE declines:		(479.20)	(449.92)	(604.44)	(609.93)
	fy2324	fy2425	fy2526	fy2627	fy2728
Yr 1	19,273.00	18,723.01	18,071.90	17,417.82	16,907.87
Yr 2	19,957.50	19,273.00	18,723.01	18,071.90	17,417.82
Yr 3	20,440.00	19,957.50	19,273.00	18,723.01	18,071.90
Yr 4	20,321.50	20,440.00	19,957.50	19,273.00	18,723.01
Yr 5	21,119.00	20,321.50	20,440.00	19,957.50	19,273.00
5 yr avg	20,222.20	19,743.00	19,293.08	18,688.65	18,078.72
4 yr avg			19,006.35	18,371.43	17,780.15
Addtl funded FTE impact			(286.73)	(317.21)	(298.57)
FDK	1.28	1.28	1.28	1.28	1.28
ASCENT	36.50	36.50	36.50	36.50	36.50
5 yr avg	20,259.98	19,780.78	19,330.86	18,726.43	18,116.50
4 yr avg			19,044.13	18,409.21	17,817.93
Funded FTE declines if change to averaging:			(479.20)	(736.65)	(921.65)
					(908.50)



Potential Impacts to D51

CO School Finance Simulator

Key Takeaways:

- Modeling maintaining 5 year averaging:
 - D51 would receive \$269k in new funding (+0.1%) in year 1
 - Fully implemented, D51 would receive \$1.5m in new funding (+0.7%) during the phase in
 - Reduces the number of districts in “hold harmless” from 6 to 3
 - Continued funding for 4,348 currently funded pupils Statewide
 - Addtl Statewide cost estimate: \$7.6m



New School Finance Formula - Considerations

- Support, but seek to retain 5 year averaging through the phase in period
 - Change to averaging was not part of the Task Force recommendations
 - Add a “hold harmless” provision for funded pupil count, not just for Total Program funding, for districts experiencing substantial declining enrollment

4/4/24 email from CASE:

CASE strongly supports the current law of five-year student averaging. Averaging is a proven strategy to transition responsibly with master contracts, curriculum and instruction implications, and community involvement in decisions that impact students.

Discussion Proposed New School Finance Formula

HB24-1448

