



# FY 2025-26 Proposed Budget

May 9th, 2025

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# Budget Presentation Topics Timeline

February:

- Preliminary Revenue Forecasts

March:

- Legislative Updates
- School Budget Development

April:

- Departments & Districtwide Priority Investments
- Economic and Revenue Updates

May:

- FY 2025-26 Proposed Budget
- Economic and Revenue Updates

June:

- FY 2025-26 Adopted Budget Updates
- Board of Education Adopts FY 2025-26 Budget & Appropriation



# Today's Goals vs. Next Presentation

## Topics for Today

- Multi-year general fund outlook
- Summary budget presentation
  - General Fund Revenue
  - General Fund Expense
  - Capital Reserve Fund
  - Other Funds
- Fee Schedules

## June Adopted Budget

- Any changes from the May Proposed Budget, if applicable

# Multi-Year Forecasting

Multi-Year forecasting utilizes current yearend projections, next year proposed budget assumptions, and any future year assumptions to produce an annual revenue and expense forecast.

## Topics:

- Assumptions
- Inflationary Increases to Per Pupil Revenue
- Fund Balance Reserves and Guidance
- Total Revenue Trends and Projections
- Multi-Year Projection



# Multi-Year Projection Assumptions

## **Revenue**

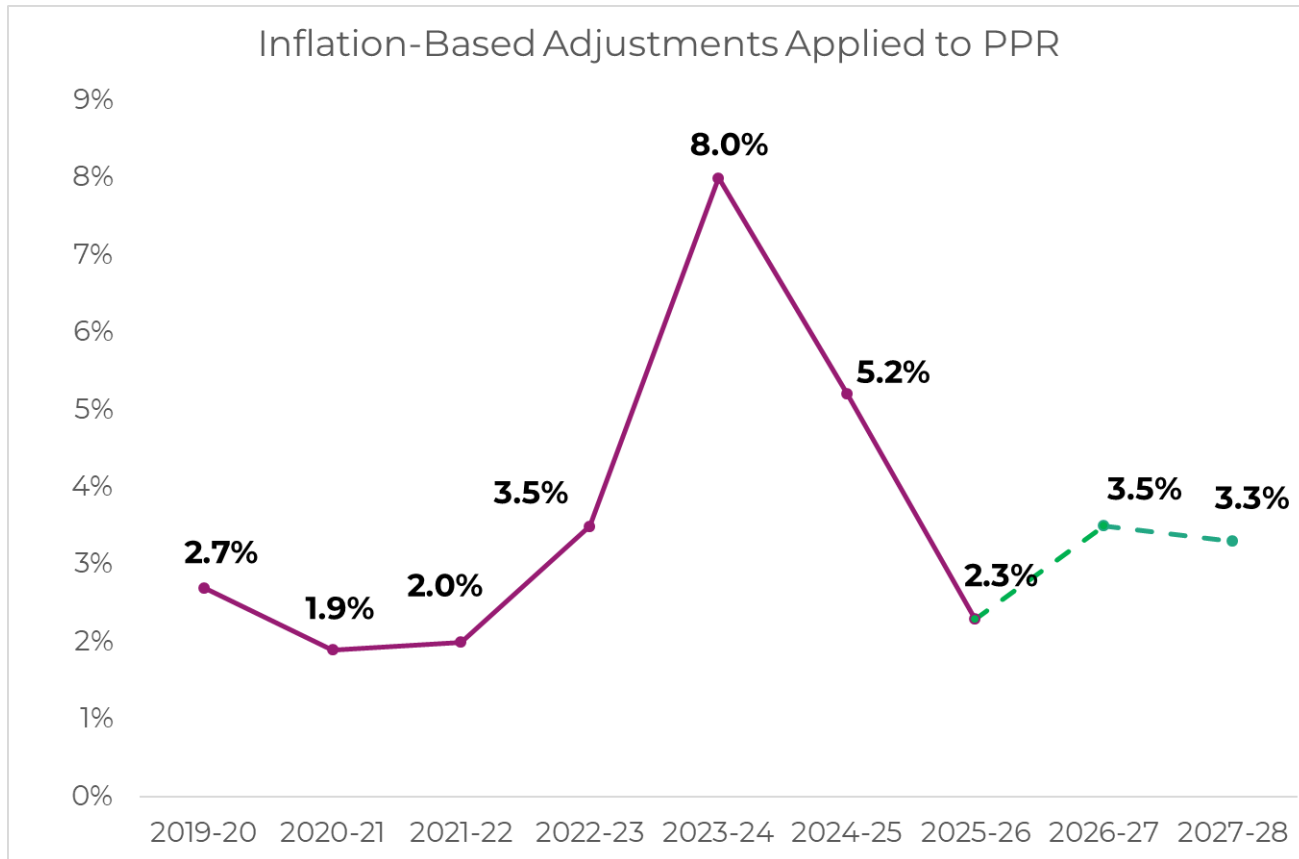
- Per pupil revenue increases at the Office of State Planning & Budgeting projected Consumer Price Index (CPI) rates for future years
- Total program revenue does not increase by the same rate because the district's funded count will continue to decline
- New School Finance Act (HB24-1448) and modified by HB25-1320 – this year's School Finance Act
- The Budget Stabilization Factor is forecasted to be 0% in all future years
- Actual enrollment forecasted to decline around 800 students per year.

## **Expense**

- Compensation increases annually by Step/Lane plus COLA, when combined, equal to CPI
- School based spending is forecasted to decline proportionate to the actual enrollment declines
- Annual districtwide program investments of \$5M & non-salary inflationary increases of \$1M
- Capital transfer is set to \$15.5M in FY27 and \$16M in FY28, deferring capital maintenance

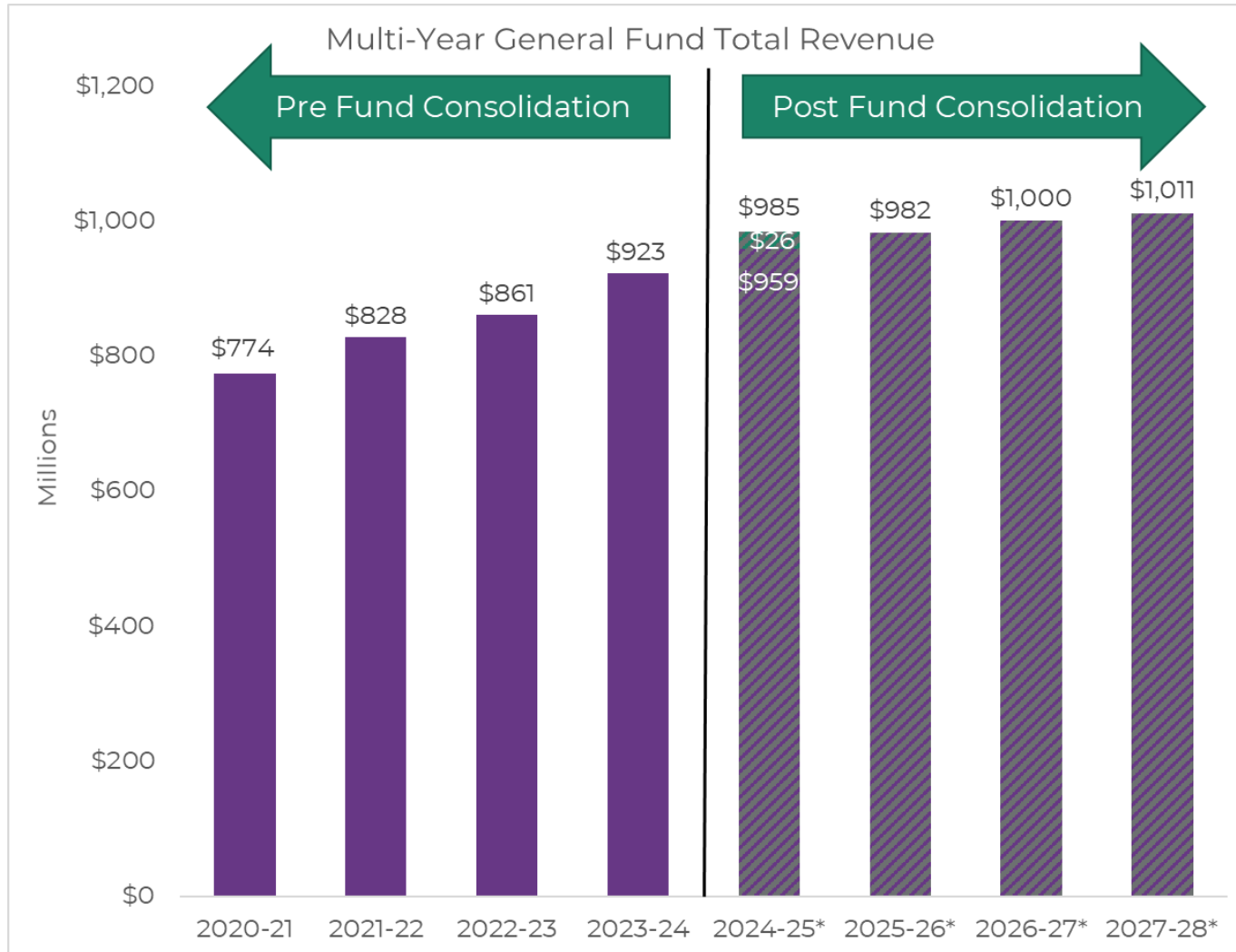
# Historical and Forecasted CPI

The inflationary increases to PPR lag the actual consumer price inflation (CPI); Jeffco receives the PPR increase well after the impact of inflation is felt



- 2.3% applied to fiscal year 2025-26 after being observed from Jan to Dec in 2024
- OSPB March forecast adjusted up future year inflation estimates
  - Jan to Dec 2025 = 3.5%, applicable to fiscal year 2026-27
  - Jan to Dec 2026 = 3.3%, applicable to fiscal year 2027-28

# Multi-Year Revenue



- In FY25, we consolidated technology, transportation and PreK to the general fund, adding a net of \$26M to revenue
- Revenue is **almost flat** from FY25 forecast to FY26 proposed budget
- Multi-year outlook has annual revenue **increasing by 1% to 2%**, which is lower than CPI of 3.5% and 3.3% due to funded count declines, fixed dollar overrides and interest earnings declines

# Reserves Types & Terminology in Jeffco

A **restricted reserve** is set aside by enforceable law or already deployed towards inventory and pre-paid expenses

**TABOR Restricted Reserves:** 3% or more of its fiscal year spending which excludes bonded debt service.

An **assigned reserve** refers to funds that are set aside for a specific purpose, by management decision

**School Carryforward:** The district has a policy of allowing campuses to spend prior years' school-based underspend in a subsequent year, up to 4% of the school's current budget

**Operational Reserves:** Assigned towards the overall budget as a cushion since the budget is only an estimate, not the maximum permitted spend, and helping to absorb cost increases, timing, and other variances

**Multi-Year Commitment:** The district has very few multi-year contracts, but the handful of them show up here

**Designated for Next Fiscal Year Fund Use:** State law indicates that current year reserves must be designated for use in the subsequent year if the district is proposing a budget that requires the use of reserves in the subsequent year

An **unassigned reserve** is available to use in future years towards.

**Jeffco Board Policy EL-15:** The recommended budget "achieves and maintains a year-end unassigned general fund balance of 4% of annual operating expenditures"



# Guidance on Adequate Reserves

GFOA is a primary resources for guidance on adequate reserves, though the credit markets' perspective is worth considering too as it influences our borrowing costs

- Government Financial Officer's Association
  - As a best practice, GFOA recommends governments maintain at least **16%** unrestricted reserves
  - For a \$1bn general fund budget, this would be **\$160M** in unrestricted reserves in addition to the **\$30M** in restricted TABOR reserves, combined total target of **\$190M**
- Ratings Agency
  - Moody's scorecard for K12 debt issuers sees **>25%** available (aka, unrestricted) as a Aaa value; Aa is 17.5% to 25%, A is 10% to 17.5%, Baa is 5% to 10%, etc.
  - This would be **\$250M** in unrestricted reserves in addition to the **\$30M** in restricted TABOR reserves, combined total target of **\$280M** for a Aaa rating

# Multi-Year Revenue, Expense & Fund Balance

\$'s in Millions	Budget 2024-25	Forecast 2024-25	Budget 2025-26	Forecast 2026-27	Forecast 2027-28
<b>Revenue</b>	<b>\$982</b>	<b>\$985</b>	<b>\$982</b>	<b>\$1,000</b>	<b>\$1,011</b>
<b>Expenditures &amp; Transfers</b>	<b>\$1,020</b>	<b>\$1,024</b>	<b>\$1,012</b>	<b>\$1,037</b>	<b>\$1,059</b>
<b>Source / (Use) of Fund Balance</b>	<b>(\$38)</b>	<b>(\$39)</b>	<b>(\$29)</b>	<b>(\$36)</b>	<b>(\$47)</b>
<b>Ending Fund Balance</b>	<b>\$177</b>	<b>\$172</b>	<b>\$146</b>	<b>\$109</b>	<b>\$62</b>
<b>Assigned Reserves</b>					
TABOR Reserves	\$31	\$31	\$30	\$31	\$32
School Carry Forward	\$16	\$16	\$16	\$16	\$0
Operational Reserves	\$17	\$13	\$20	\$13	\$0
Multi-Year Commitments	\$2	\$2	\$2	\$2	\$2
Designated for Next Fiscal Year Fund Use	\$29	\$29	\$36	\$47	\$28
<b>Total Unassigned Reserves</b>	<b>\$82</b>	<b>\$82</b>	<b>\$41</b>	<b>\$0</b>	<b>\$0</b>
Board policy unassigned reserves (4%)	\$41	\$41	\$40	\$0	\$0

## Reserve Balances

**Unassigned reserves** dip to \$0 in FY27 (board policy target would be \$40M)

**School carryforward & operating reserves** dip to \$0 in FY28

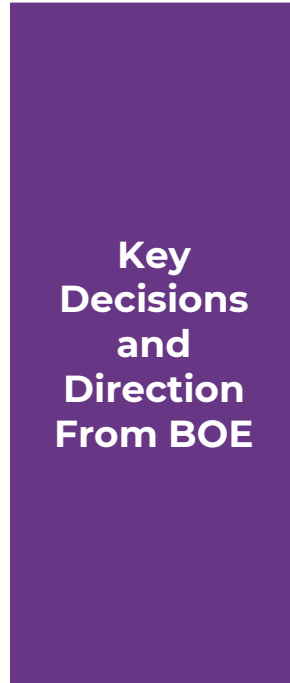
To **avoid negative unassigned reserves**, we assume that the district will cut at least \$20M from expenses by FY29 so that \$30M is enough for subsequent year use

# Process Reminder: Lead Time to Significant Change

The district is not making any significant changes for the 2025-26 budget year; to honor promises to students and families, significant adjustments to services and/or programs should be confirmed in November or December preceding an upcoming school year



Apr to Oct (7 mos)



Nov



Dec to May (6 mos)



Jun

# Use of Reserves – State Law Provision

Colorado Revised Statute § 22-44-105(1.5)(a):

- (1.5) (a) A budget adopted pursuant to this article shall not provide for expenditures, interfund transfers, or reserves, in excess of available revenues and beginning fund balances. If the budget includes the use of a beginning fund balance, the school district board of education shall adopt a resolution specifically authorizing the use of a portion of the beginning fund balance in the school district's budget. The resolution, at a minimum, shall specify the amount of the beginning fund balance to be spent under the school district budget, state the purpose for which the expenditure is needed, and **state the school district's plan to ensure that the use of the beginning fund balance will not lead to an ongoing deficit.**
- When the district uses fund balance, the resolution authorizing its use must state a plan to stop using the fund balance in the future

# Plan to Align Revenue and Expense

The budget adoption resolution will contain language describing steps the district will take to align revenue and expense, pending BOE input

- Reduce expenses in future years
  - Adjust programming or optional services
  - Reduce staffing, services and contracted expenses
  - Avoid or limit future cost increases
- Increase revenue in future years
  - Seek voter authorization for general or special purpose mill levy overrides



# Enrollment & General Fund Revenue

Student enrollment is a major component of estimating our revenue and ensuring we staff appropriately on the expense side of the budget

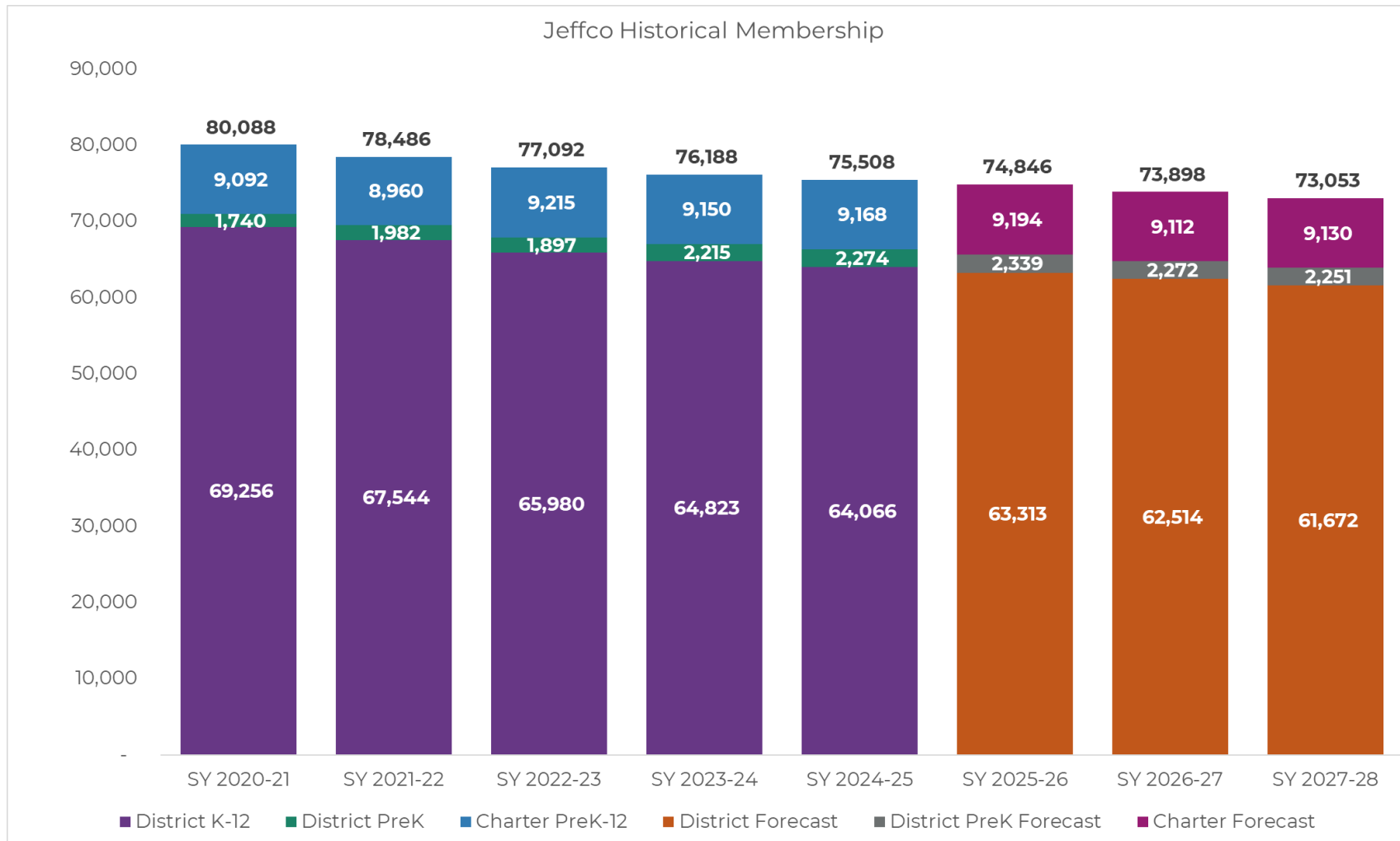
## Topics:

- Enrollment PreK-12 Historical and Forecasted
- Enrollment Matriculation
- New School Finance Act
- Revenue Assumptions
- FY 2025-26 General Fund Revenue
- Historical Total General Fund Revenue



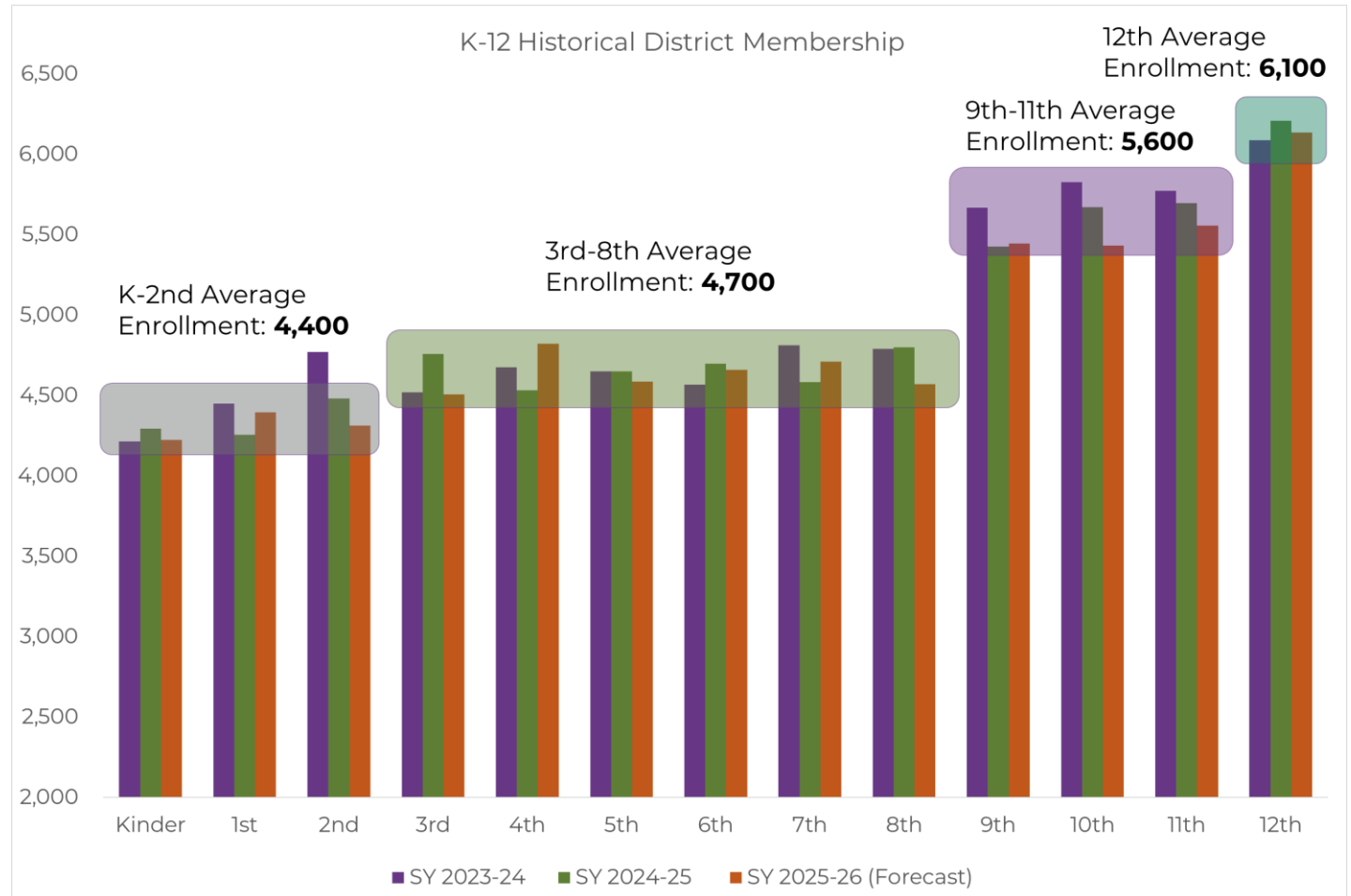
# Enrollment – PreK12 Historical and Forecasted Membership

Estimated K-12 membership is 63,313 for next year, which is approximately 6,000 students lower than five years ago, an 8.7% drop from 2020-21



# District Managed School Matriculation Pattern

- K-2 average enrollment
  - **+4,400**
- Net increase for 9th grade
  - **+900**
- Approximate total new enrollment, K-12th grades
  - **+5,300**
- Students leave the district after 12th grade
  - **-6,100**
- Forecasted decrease in total enrollment
  - **-800**





# FY 2025-26 Total Program Enrollment Final Assumptions

District Enrollment Assumptions (excl charters)	Revised Budget FY 2024-25 5-Year Avg	Proposed Budget FY 2025-26 5-Year Avg	Proposed Budget FY 2025-26 4-Year Avg
K-12 Membership	64.1	63.3	63.3
K-12 Actual FTE Count	63.7	62.9	62.9
K-12 Funded Count	66.3	64.8	64.3
K-12 At-Risk Count	20.6	19.3	19.3
K-12 At-Risk Percent	32%	31%	31%
ELL Count	2.9	2.9	2.9
Sped Count	10.0	10.3	10.3
PreK Count	2.4	2.4	2.4

# New School Finance Act (HB-1320)

The HB-1320 Draft School Finance Act phases in a new school finance formula over seven years, using both the "Old" and "New" formulas concurrently to determine each district's Total Program funding.

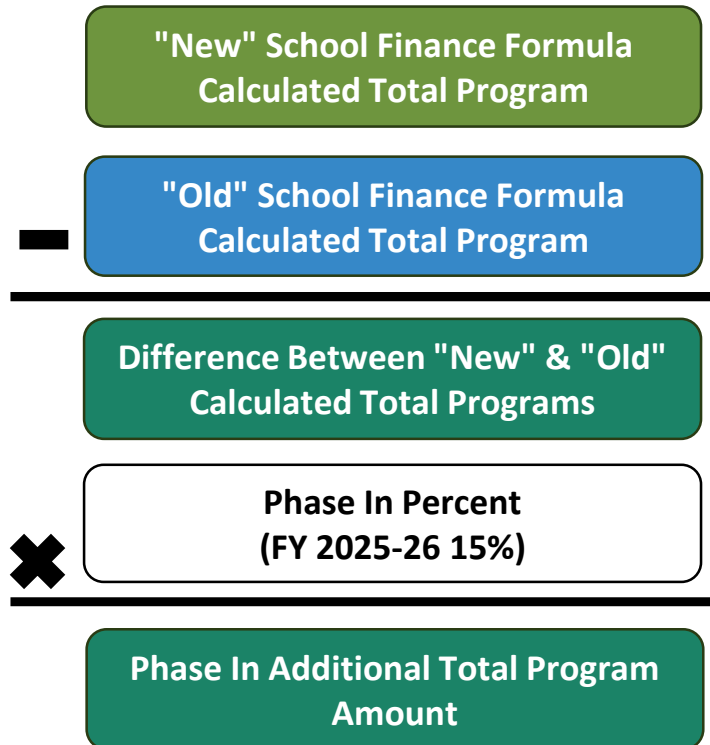
## "New" School Finance Formula

- 4 Year Averaging (Until FY 2027-28)
- Base PPR Grows by CPI
- Enrollment Factors:
  - At-Risk
  - English Language Learner
  - SPED
- Location Factors:
  - Cost of Living Factor

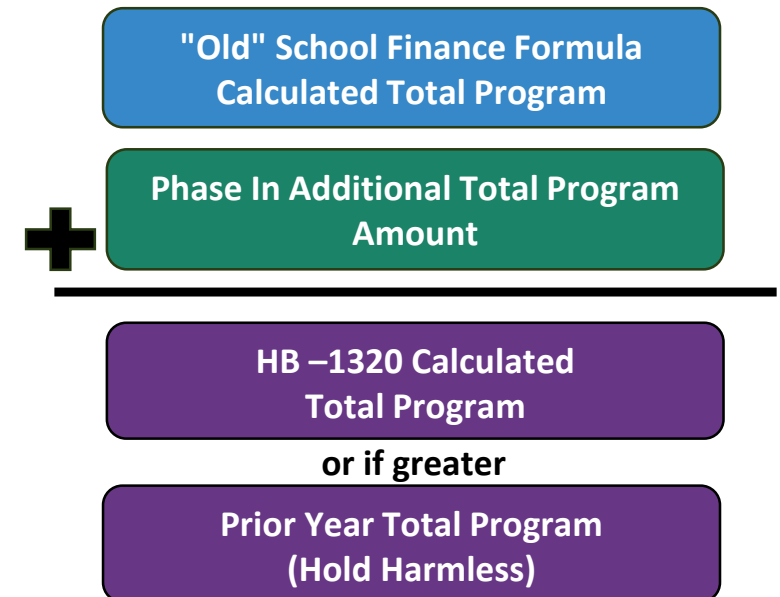
## "Old" School Finance Formula

- 5 Year Averaging (Until FY 2027-28)
- Base PPR Grows by CPI
- Enrollment Factors:
  - At-Risk
  - English Language Learner
- Location Factors:
  - Cost of Living Factor
  - Personnel & Non Personnel
  - Size Factor

### Step 1



### Step 2

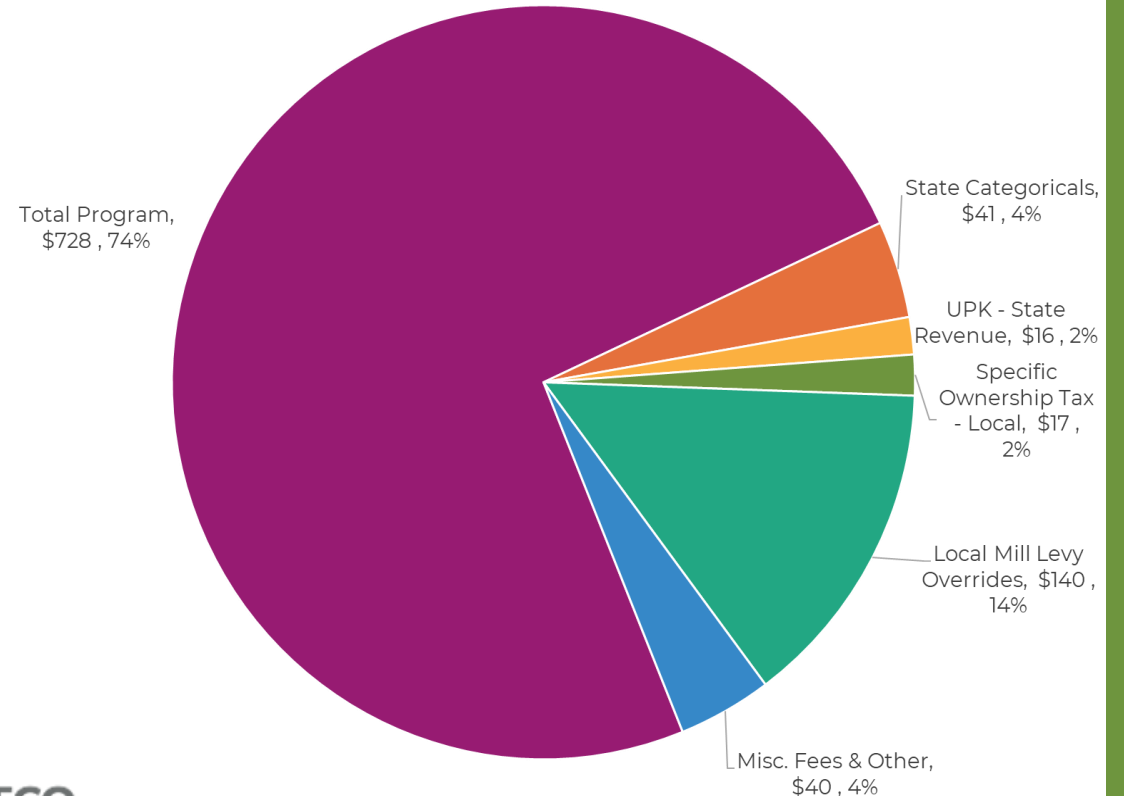


# FY 2025-26 General Fund Revenue

General Fund total revenue is projected to remain unchanged next year at \$982 million, with no expected growth from the current year's revised budget

FY 2025-26 General Fund Revenue Sources  
(in millions)

\$ in millions General Fund Revenue	Revised Rev Budget FY 2024-25	Proposed Rev Budget FY 2025-26	YoY Dollar Chang	YoY Percent Change
State Share	\$ 380	\$ 354	\$ (27)	-7%
Total Program Mills	\$ 325	\$ 353	\$ 28	8%
Specific Ownership Tax -State	\$ 22	\$ 22	\$ (0)	0%
<b>Total Program</b>	<b>\$ 727</b>	<b>\$ 728</b>	<b>\$ 1</b>	<b>0%</b>
State Categoricals	\$ 40	\$ 41	\$ 1	3%
UPK - State Revenue	\$ 15	\$ 16	\$ 0	2%
Specific Ownership Tax - Local	\$ 16	\$ 17	\$ 1	6%
Local Mill Levy Overrides	\$ 140	\$ 140	\$ (0)	0%
Misc. Fees & Other	\$ 43	\$ 40	\$ (3)	-8%
<b>Total Revenue</b>	<b>\$ 982</b>	<b>\$ 982</b>	<b>\$ 0</b>	<b>0%</b>
<b>Revenue Per PreK-12 Pupil</b>	<b>\$ 14,805</b>	<b>\$ 14,960</b>	<b>\$ 156</b>	<b>1%</b>



# General Fund Expenditures

Budgeted expenditures reflect the choices and investments the district is making to align with Jeffco Thrives.

## Topics:

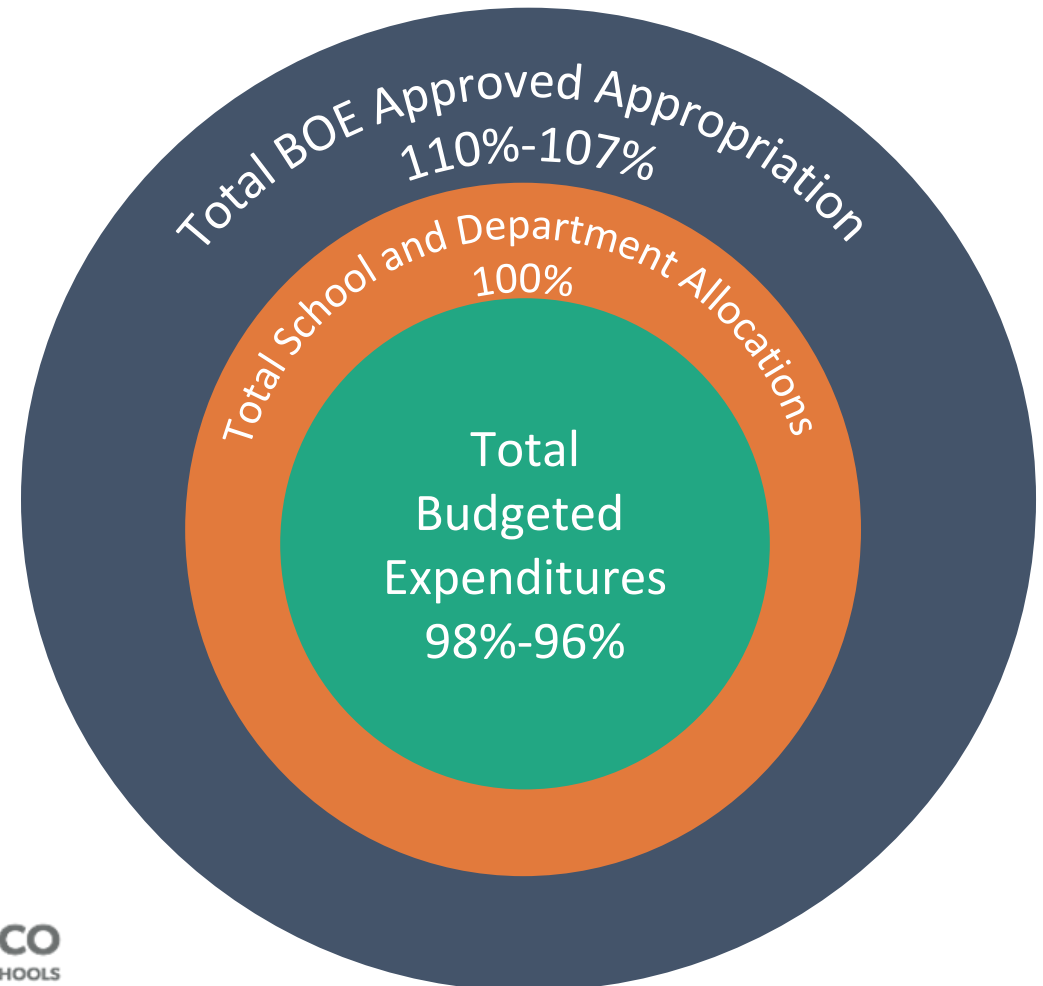
- General Fund Expenditures
- General Fund Adjustments and Investments
- General Fund Expenditures by Type
- General Fund Budget Summary – Revenue & Expenses



# Budgeting Methodology

The district adjusted its budgeting methodology for the 2024-25 fiscal year to use the budget as an estimate of actual spending, instead of a maximum allowable spend.

- Total appropriation is a **maximum possible spend**, including restricted funds (e.g., TABOR), assigned reserves and contingency
- Total allocations are the **authorized spending** levels for departments and schools
- Total budget is an **estimated total spend**, after factoring in estimated vacancy, staff turnover savings and underspends

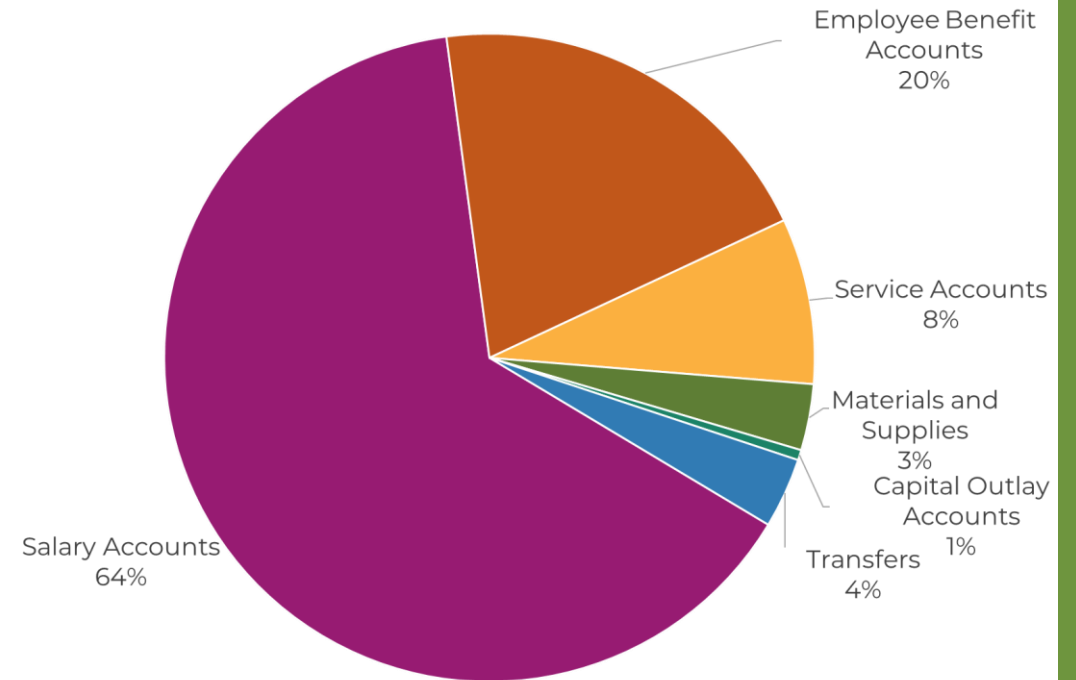


# FY 2025- 26 General Fund Expenditures by **Account Type**

General Fund expenses will decrease \$8M based on current expense adjustments and investments assumptions; the district plans to spend \$15.4k per pupil from the General Fund

<b>\$ in millions</b> <b>General Fund Expenditures</b>	<b>Revised Exp Budget</b> <b>FY 2024-25</b>	<b>Proposed Exp Budget</b> <b>FY 2025-26</b>	<b>YoY Dollar Change</b>	<b>YoY Percent Change</b>
Salary Accounts	\$ 655	\$ 650	\$ (4)	-1%
Employee Benefit Accounts	\$ 207	\$ 204	\$ (3)	-1%
Service Accounts	\$ 73	\$ 84	\$ 11	15%
Materials and Supplies	\$ 30	\$ 33	\$ 4	13%
Capital Outlay Accounts	\$ 5	\$ 5	\$ (0)	-1%
Transfers	\$ 51	\$ 35	\$ (15)	-30%
<b>Total Budgeted Expenditures</b>	<b>\$ 1,020</b>	<b>\$ 1,012</b>	<b>\$ (8)</b>	<b>-1%</b>
<b>Expenditure Per PreK-12 Pupil</b>	<b>\$15,371</b>	<b>\$15,414</b>	<b>\$43</b>	<b>0%</b>

FY 2025-26 Expense by Account



# FY 2025-26 Expense Adjustments and Investments

## **Budgetary Allocation Decrease:**

- Reducing Capital Contribution from the General Fund
- One-Time Stipends
- Student Based Budgeting Allocation Decrease
- ESSER III Grant Deployment
- SAE One-Time Transfer

## **Budgetary Allocation Increase:**

- Compensation Increases
- Student Success & Security Investments
- ESSER III Program Continuation
- Inflationary Increases



# Account and Program Type: Two Sides of the Same Coin

School Districts are required by CDE to report budget and actual expenses by both **account type** and **program type**.

These attribute types give the ability to categorize expenses as "what is the expense" and "what program will the expense support".

## Account Type

Describes the service or commodity obtained as the result of a specific expenditure

## Program Type

Expenditures across multiple account types to accomplish a set of programmatic objectives

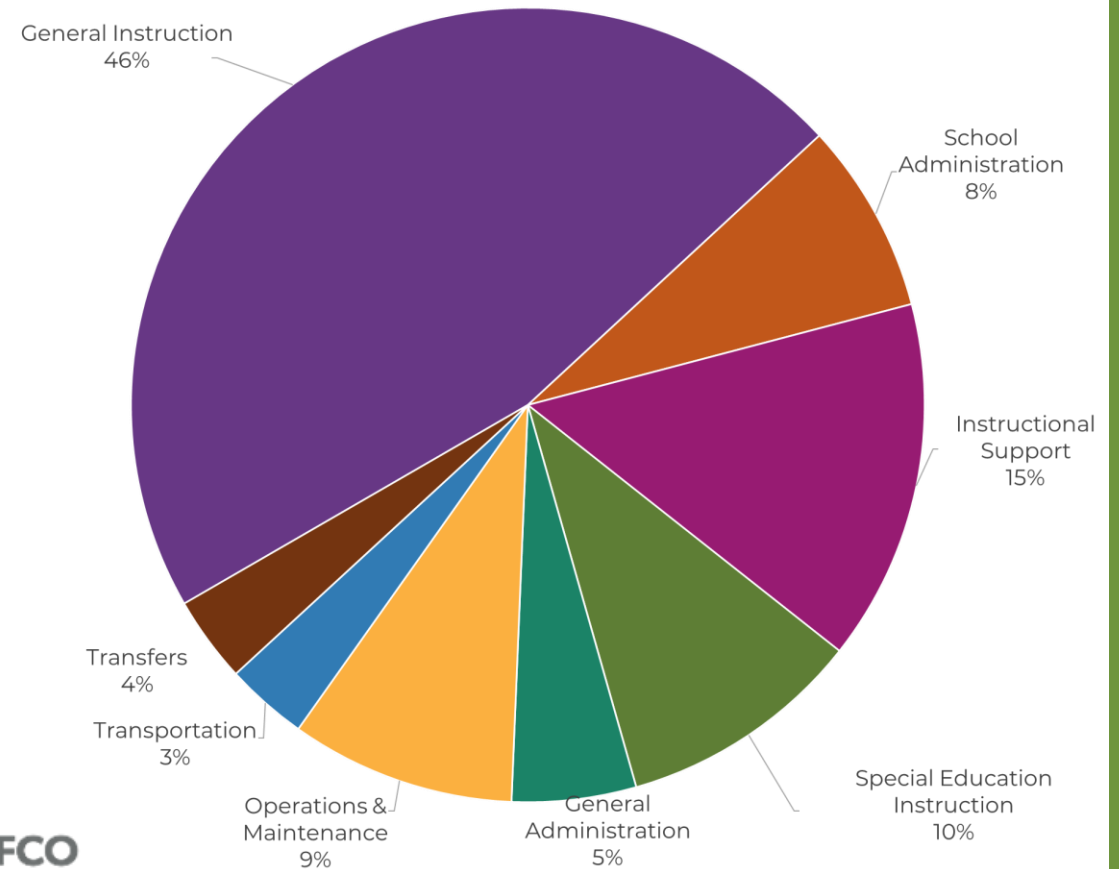


# FY 2025- 26 General Fund Expenditures by Program Type

By program type, the largest program increases are in SPED instruction and Operations & Maintenance. Transfers are not a true program type.

\$ in millions General Fund Expenditures	Revised Exp Budget FY 2024-25	Proposed Exp Budget FY 2025-26	YoY Dollar Change	YoY Percent Change
General Instruction	\$ 468	\$ 470	\$ 2	0%
School Administration	\$ 81	\$ 79	\$ (2)	-3%
Instructional Support	\$ 147	\$ 149	\$ 2	2%
Special Education Instruction	\$ 98	\$ 101	\$ 3	3%
General Administration	\$ 52	\$ 51	\$ (1)	-1%
Operations & Maintenance	\$ 90	\$ 93	\$ 3	3%
Transportation	\$ 34	\$ 34	\$ 0	1%
Transfers	\$ 51	\$ 35	\$ (15)	-30%
<b>Total Budgeted Expenditures</b>	<b>\$ 1,020</b>	<b>\$ 1,012</b>	<b>\$ (8)</b>	<b>-1%</b>

FY 2025-26 Expense by Program Type



# FY 2025-26 Expenditures by Account and Program By Type

## Instruction and Support Programs

- General Instruction
  - Teachers
  - Instructional Materials & Curriculum
- Instructional Support
  - One to One Devices
  - Counselors, Nurses, SW's
- Special Education Instruction
  - Learning Specialists
  - SPED Paraprofessionals

## General & School Admin

- General Admin
  - IT Department
  - HR & Finance
  - District & School Leadership
- School Admin
  - Principals & APs
  - School Secretaries

## Operations, Maintenance, & Transportation

- Operations & Maintenance
  - Utilities
  - Custodial & Grounds
  - Campus Supervisors / SROs
- Transportation
  - Bus Drivers
  - Buses

General Fund Expenditures (\$ in millions)	Instruction & Support Programs	General & School Administration	Operations & Maintenance	Transportation	Transfers	Total by Program
Salary & Benefits (Total Compensation)	\$ 657	\$ 111	\$ 60	\$ 26	\$ -	\$ 854
Services Accounts	\$ 37	\$ 17	\$ 28	\$ 2	\$ -	\$ 84
Materials, Supplies, & Capital Outlay	\$ 26	\$ 2	\$ 4	\$ 6	\$ -	\$ 39
Transfers	\$ -	\$ -	\$ -	\$ -	\$ 35	\$ 35
<b>Total by Account</b>	<b>\$ 720</b>	<b>\$ 130</b>	<b>\$ 93</b>	<b>\$ 34</b>	<b>\$ 35</b>	<b>\$ 1,012</b>

## FY 2025-26 General Fund Summary by Account Type

\$ in millions General Fund	Revised Budget 2024-25	Year end Forecast 2024-25	Proposed Budget FY 2025-26
<b>Beginning Fund Balance</b>	\$ 214	\$ 214	\$ 175
<b>Revenue</b>			
Local Property Tax	\$ 465	\$ 469	\$ 493
Specific Ownership Tax - State	\$ 22	\$ 22	\$ 22
Specific Ownership Tax - Local	\$ 16	\$ 17	\$ 17
State of Colorado	\$ 435	\$ 436	\$ 411
Tuition, Fees & Other	\$ 43	\$ 41	\$ 40
<b>Total Revenue</b>	<b>\$ 982</b>	<b>\$ 985</b>	<b>\$ 982</b>
<b>Expenditures (Account Type)</b>			
Salaries & Benefits	\$ 861	\$ 850	\$ 854
Purchase Services	\$ 73	\$ 88	\$ 84
Materials & Supplies	\$ 30	\$ 30	\$ 33
Capital Outlay	\$ 5	\$ 5	\$ 5
Transfers	\$ 51	\$ 51	\$ 35
<b>Total Expenditures</b>	<b>\$ 1,020</b>	<b>\$ 1,024</b>	<b>\$ 1,012</b>
<b>Fund Source (Use)</b>	<b>\$ (38)</b>	<b>\$ (39)</b>	<b>\$ (29)</b>
<b>Ending Fund Balance</b>	<b>\$ 177</b>	<b>\$ 175</b>	<b>\$ 146</b>

# Capital Reserve Fund

The district requires continuous capital renewal and investment to fund ongoing maintenance, upgrades to existing buildings, and unexpected repairs. This supports the long-term sustainability and reliability across the district.

## Today's conversation will cover:

- Annual capital replacement planning
- Historical Trends
- Capital Priorities
- Ongoing target for annual capital renewal and investment, including deferred improvements



# Planning for Annual Capital Replacement Expenses

Annual Capital Replacement Expenses are estimated to ensure sufficient funds are set aside for replacing or repairing major components of a building and its contents over time.

## Formula:

Annual Capital Replacement Expense =

- Building Replacement Value
- Content Replacement Value
- Capitalized Technology Replacement Value
- Capital Replacement Factor

**TOTAL Estimated Annual Capital Replacement Expense = \$106M**

Replacement Values	
Building	\$3.9B
Content / FF&E	\$0.4B
Site Improvements	\$0.8B
Capitalized Technology	\$0.2B
<b>Total Replacement Value</b>	<b>\$5.3B</b>
Capital Replacement Factor	2%

Additional Resource:

<https://info.isescorp.com/blog/how-much-should-i-spend-on-facilities-renewal>



# Capital – Uses of Capital Funds – adjusted to current value

Over 13 years, Jeffco has invested \$1.4B, averaging \$105M annually in today's dollars, adjusted for cumulative inflation

**Primary** use was facility improvements = \$844M

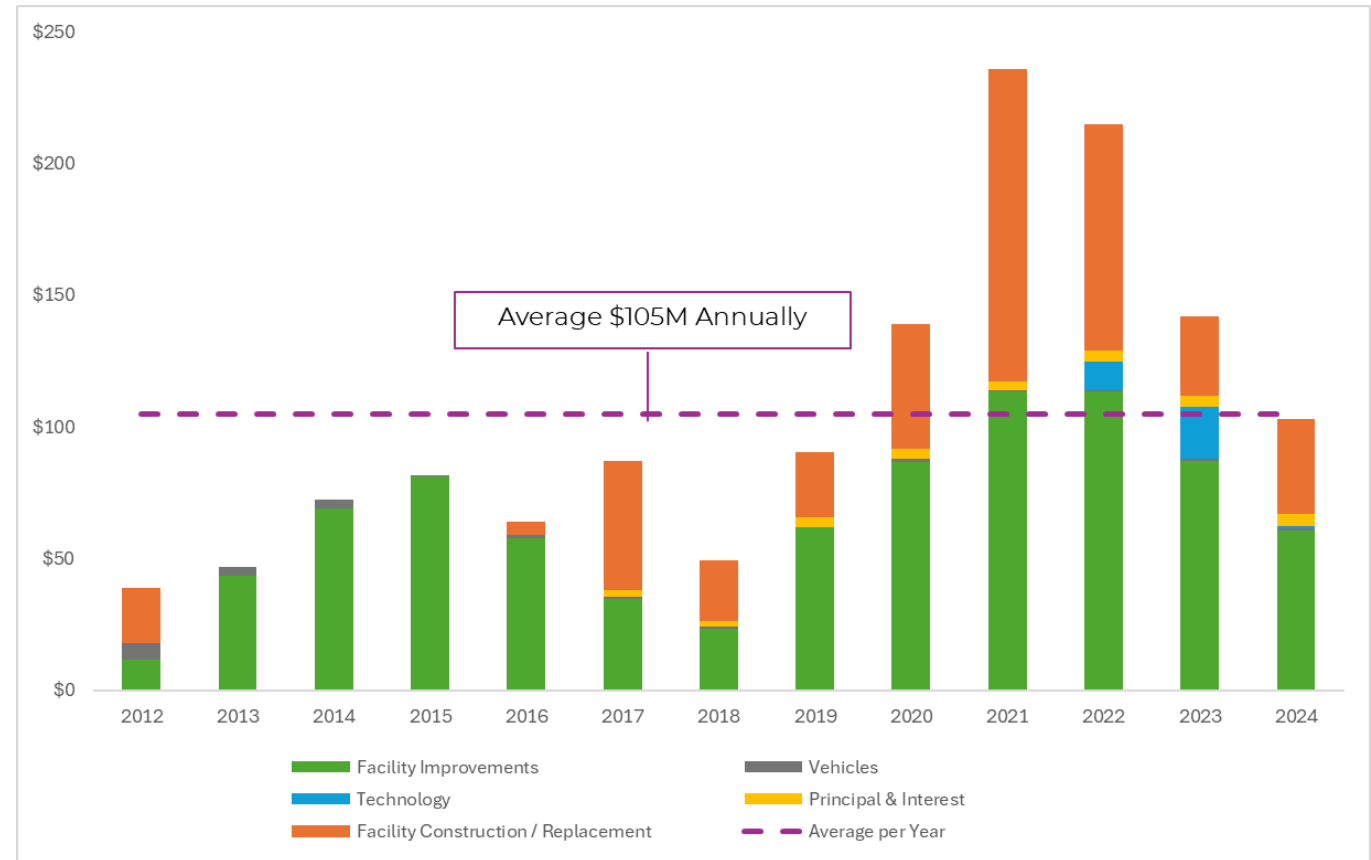
- Average spend = \$65M per year

**Secondary** use was facility construction / replacement = \$441M

- Average spend = \$34M per year

**All other** use was \$79M

- Average spend = \$6.1M per year



# Capital Projects – Priorities in the Short to Medium Term

The annual Jeffco Summary of Findings document identifies capital improvement priorities in four levels, related to documented facility deficiencies. Focus for FY2025-26 would be Priority 1 & 2 projects.

Building System	Facility Condition Assessment Priority				Total
	Priority 1	Priority 2	Priority 3	Priority 4	
Site	\$ 657,021	\$ 3,917,203	\$ 56,283,259	\$ 18,916,239	\$ 79,773,723
Roofing	\$ 12,580,573	\$ 3,661,748	\$ 12,514,503	\$ 227,789	\$ 28,984,613
Structure	\$ 208,501	\$ 760,127	\$ 1,045,940	\$ 165,833	\$ 2,180,400
Exterior	\$ 431,285	\$ 10,085,031	\$ 1,649,061	\$ 3,022,621	\$ 15,187,999
Interior	\$ 220,555	\$ 2,117,179	\$ 36,652,965	\$ 80,145,296	\$ 119,135,995
HVAC	\$ 9,447,226	\$ 89,630,781	\$ 39,792,554	\$ 5,985,150	\$ 144,855,710
Electrical	\$ 2,142,205	\$ 11,348,333	\$ 41,311,695	\$ 2,865,863	\$ 57,668,096
Plumbing	\$ 1,176,912	\$ 3,009,977	\$ 4,770,387	\$ 4,048,187	\$ 13,005,463
Fire and Life Safety	\$ 597,233	\$ 109,756	\$ 1,440,297	\$ 16,689	\$ 2,163,975
Educational Technology	\$ 85,635		\$ 113,661		\$ 199,296
Stairs and Elevators	\$ 73,130	\$ 693,750	\$ 208,192	\$ 2,672,311	\$ 3,647,383
Specialties	\$ 435,039	\$ 774,299	\$ 4,840,655	\$ 22,774,154	\$ 28,824,147
Other	\$ 54,064	\$ 1,023,270	\$ 2,666,976	\$ 51,099	\$ 3,795,410
<b>Total</b>	<b>\$ 28,109,380</b>	<b>\$ 127,131,453</b>	<b>\$ 203,290,146</b>	<b>\$ 140,891,230</b>	<b>\$ 499,422,209</b>

**Priority 1:** Critical systems failure

**Priority 2:** Code and ADA, secondary building systems failure

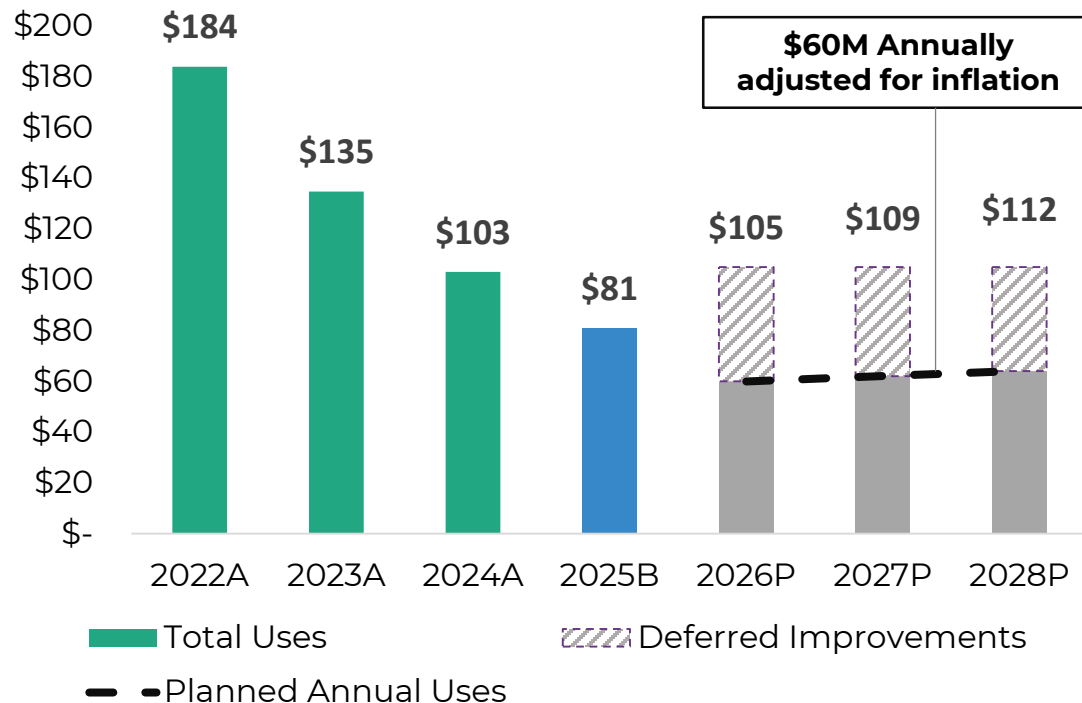
**Priority 3:** Additions, direct program support, site and field improvements

**Priority 4:** Secondary program support, temp building removal, minor renovations

# Proposed Multi-Year Uses of Capital Funding

The proposed budget includes \$60M for capital renewal in FY26, drawing from the reserve balance as well as incoming transfers or other revenues

Capital Uses - Year over Year  
(in millions)



- Plan \$60M for FY26, inclusive of existing commitments (i.e., Fletcher Miller and ERP)
- Defer an estimated \$45M, adjusted for inflation in the subsequent years
- The Strategic Capital Master Plan will help guide future year investments and plans, in addition to the Summary of Findings



# Detailed Multi-Year Sources and Uses of Capital Funding

Reducing the general fund transfer is partially offset by sale proceeds in FY26, and approximately half of the annual spend is pulled from reserves

- The Capital Reserve Fund will have an estimated beginning fund balance of about \$100M next year
- Draws on the fund balance over three years will leave an ending balance of \$4M in FY28
- Cumulative estimated deferred maintenance will be \$140M at the end of FY28

	FY2025-26P	FY2026-27P	FY2027-28P
<b>Beginning Fund Balance</b> (in millions)	<b>100.0</b>	<b>71.3</b>	<b>38.7</b>
<b>Sources</b>			
Transfer from General Fund	15.0	15.5	16.0
Sales of Surplused Property	11.3	10.0	10.0
Other (Interest / Fees in lieu)	5.0	4.0	3.5
<b>Total Sources:</b>	<b>31.3</b>	<b>29.5</b>	<b>29.5</b>
<b>Uses</b>			
New Construction	8.0	10.0	11.0
Facility Improvements	34.2	36.2	37.1
Technology	12.0	10.0	10.0
Other (incl Prin&Int)	5.8	5.9	6.0
<b>Annual Capital Investment / Uses:</b>	<b>60.0</b>	<b>62.1</b>	<b>64.1</b>
<b>Ending Fund Balance</b> (in millions)	<b>71.3</b>	<b>38.7</b>	<b>4.1</b>
<i>Cummulative Deferred Improvements</i>	<i>45.0</i>	<i>91.6</i>	<i>139.7</i>

# Other Funds

The Other Funds is a category to describe the remaining Special Revenue and Enterprise Funds

## Topics:

FY 2024-25 Projected Yearend Expenses

FY 2025-26 Proposed Budget

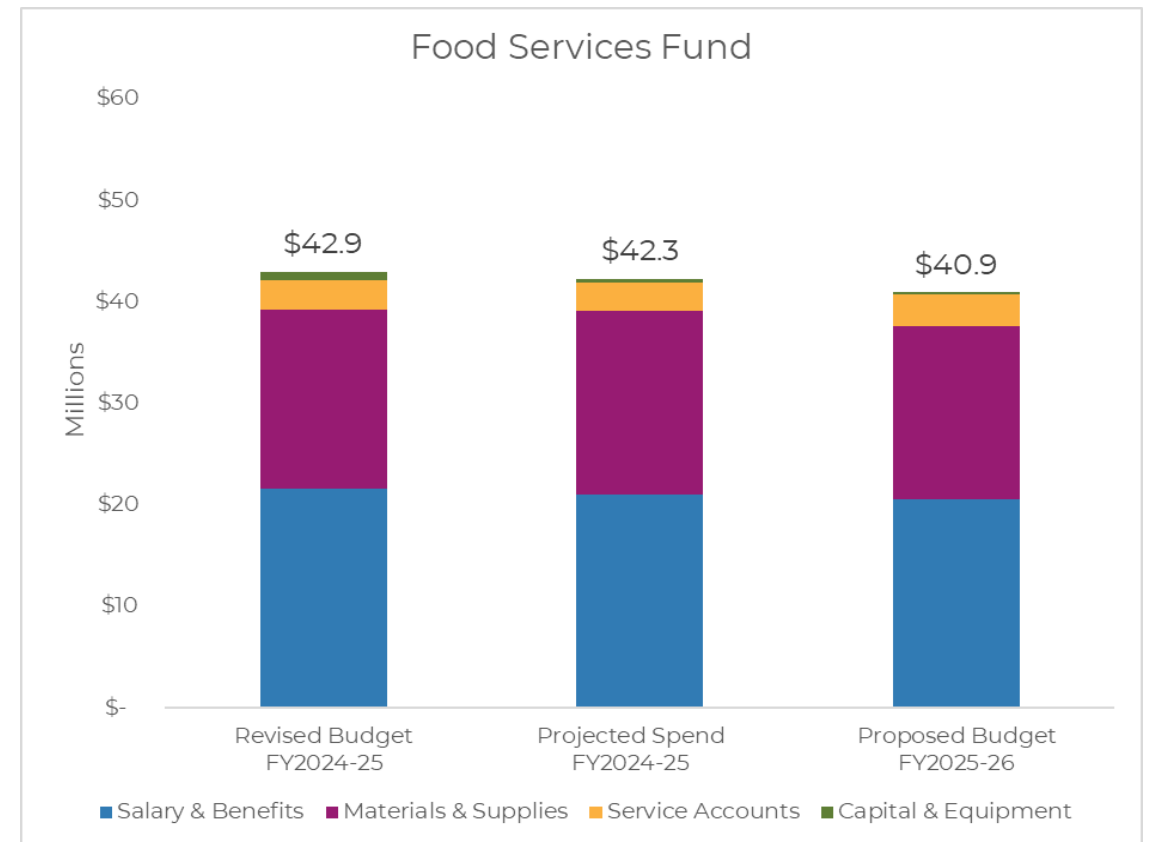
FY 2025-26 Proposed Use of Fund Balance



# Food and Nutrition Services Fund

The fund manages all financial activities associated with school breakfast and lunch program. Healthy School Meals for All (HSMA) provides all students access to a breakfast and lunch at no cost.

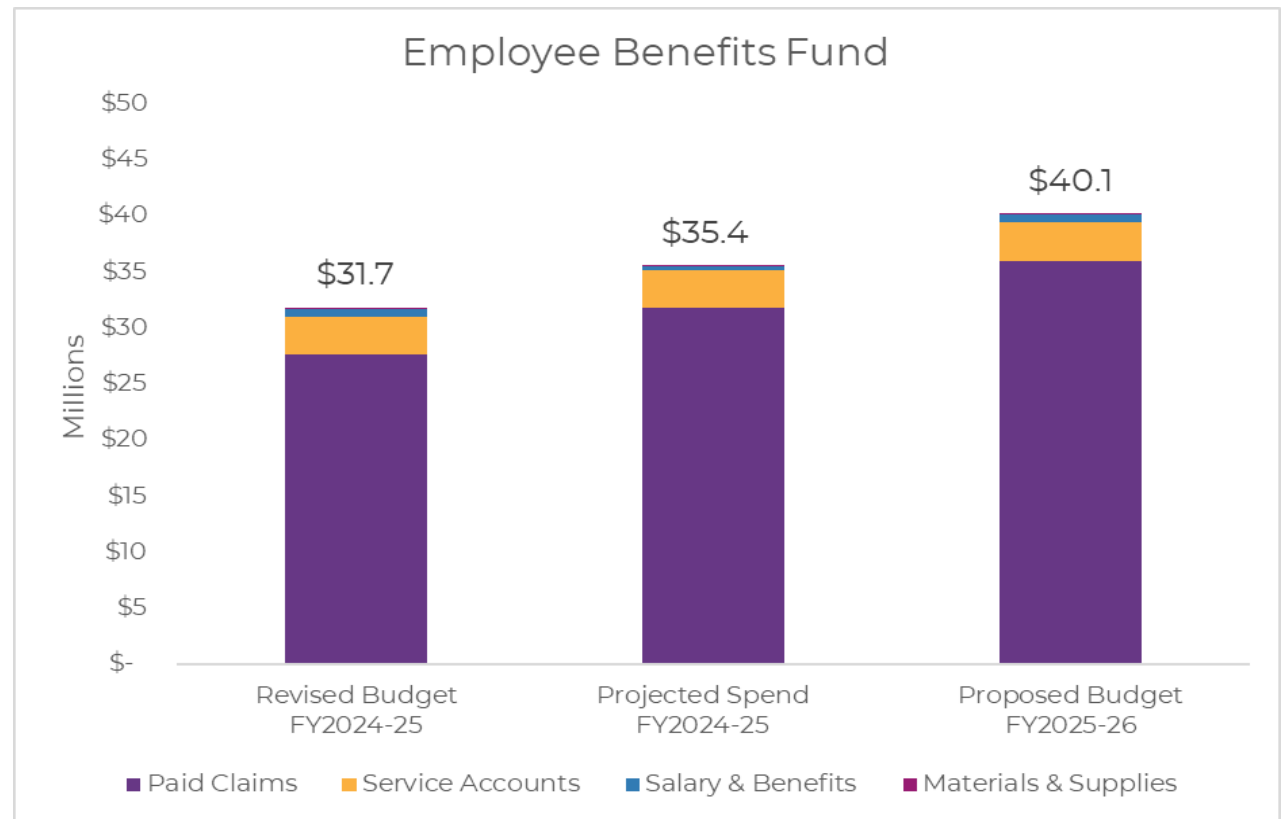
- \$4.6M projected fund use
  - Staffing levels at low meals per labor hour (MPLH) sites
  - Meal options contribution to excess waste
- Targeted cost reductions at central and site-based kitchens



# Employee Benefits Fund

The fund accounts for the self-insurance programs for dental, vision, health, and group life.

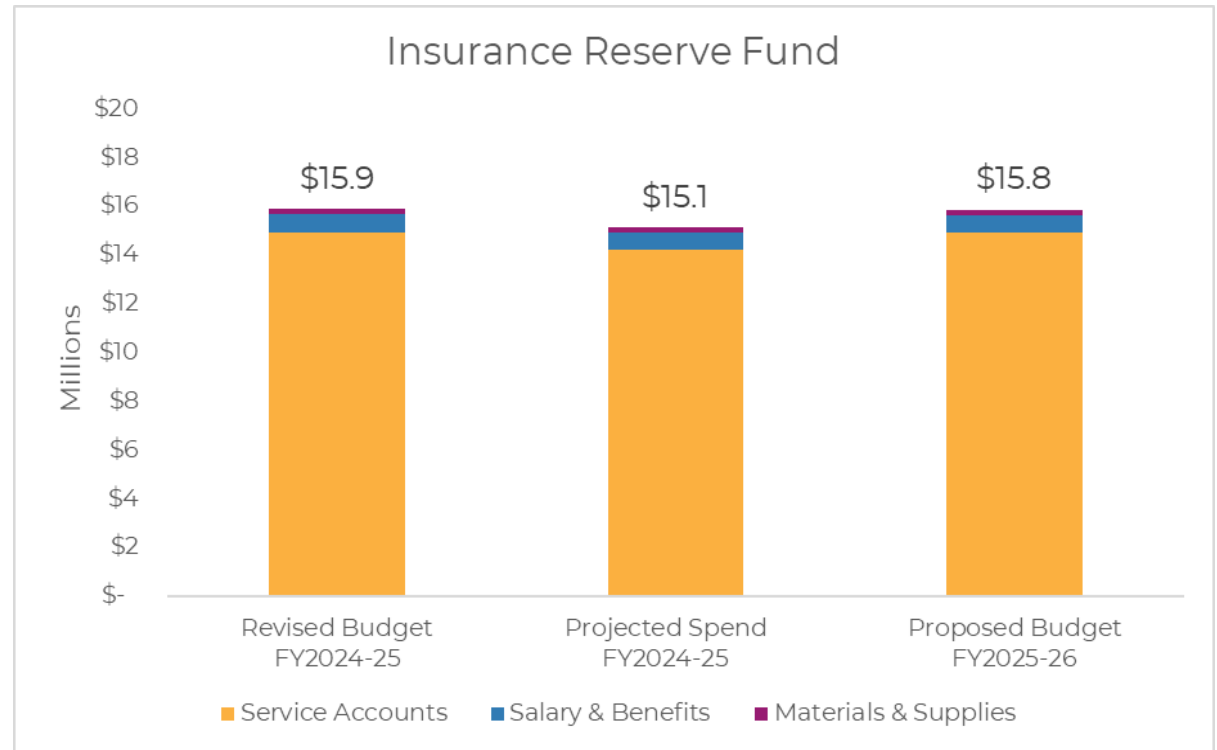
- Includes self-insured plan claims for dental (\$5.9M), vision (\$900k), and UHC health insurance claims (\$29M)
  - **Excludes** Kaiser health, PERA and various other employee benefits
  - Medical/Rx plan costs have increased 14.6% per employee per month due to increased health and Rx costs
- Service accounts include Cobra, admin fees and contracts
- Self-insured plan premiums are set to offset claims, admin, and all other associated costs



# Insurance Reserve Fund

The fund maintains an insurance reserve and captures activity for our insurance lines (e.g., property, liability, cyber, etc.) and the claims expense for our self-insured worker's compensation program .

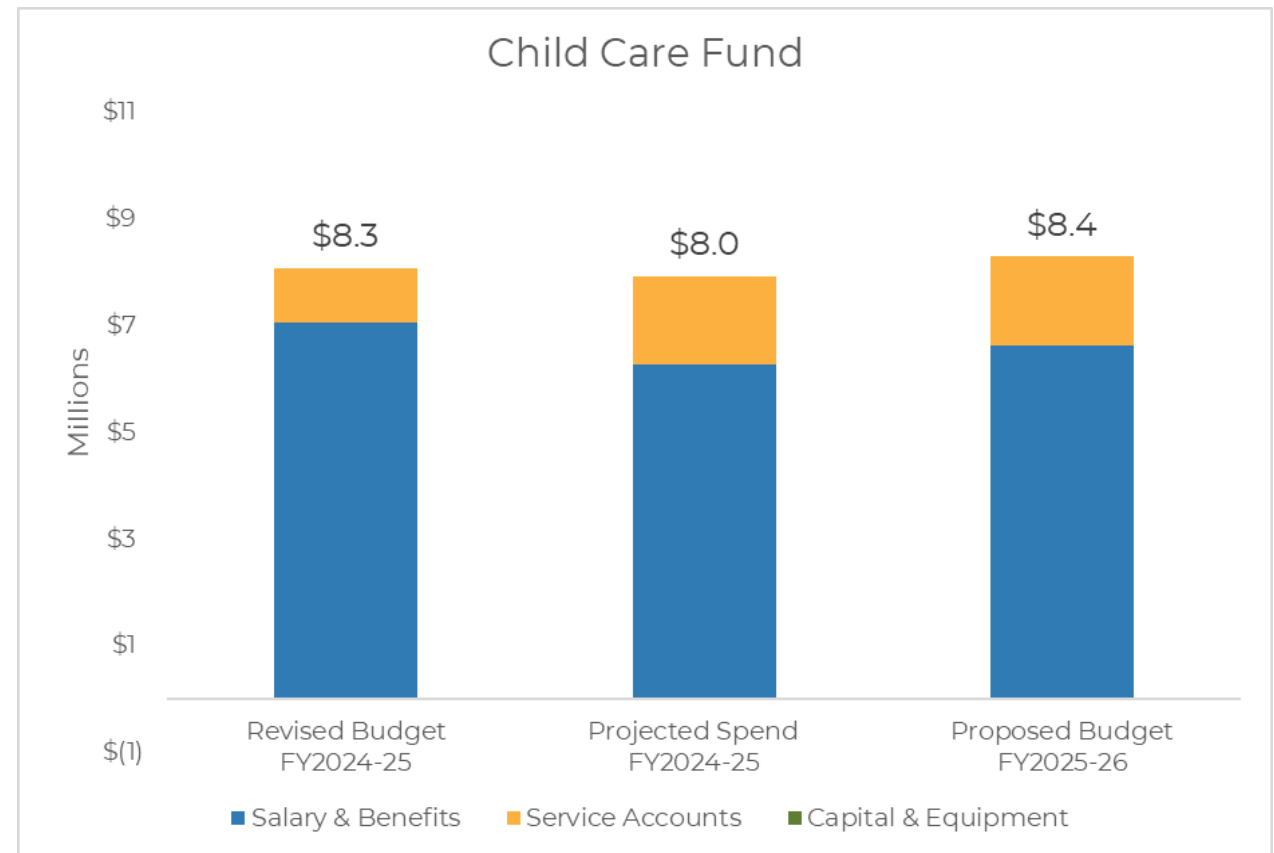
- District insurance program cost optimized by:
  - Increasing deductible on all-other perils coverages
  - Removing smaller and no longer relevant lines of specialty coverage
- The FY26 includes some estimated increases in claims expense and potential losses beneath our self-insured reserve



# Child Care Fund (SAE)

The fund supports school age enrichment (SAE) program that provides before/after school care in a fee-for-service model, with parent and state subsidized tuition.

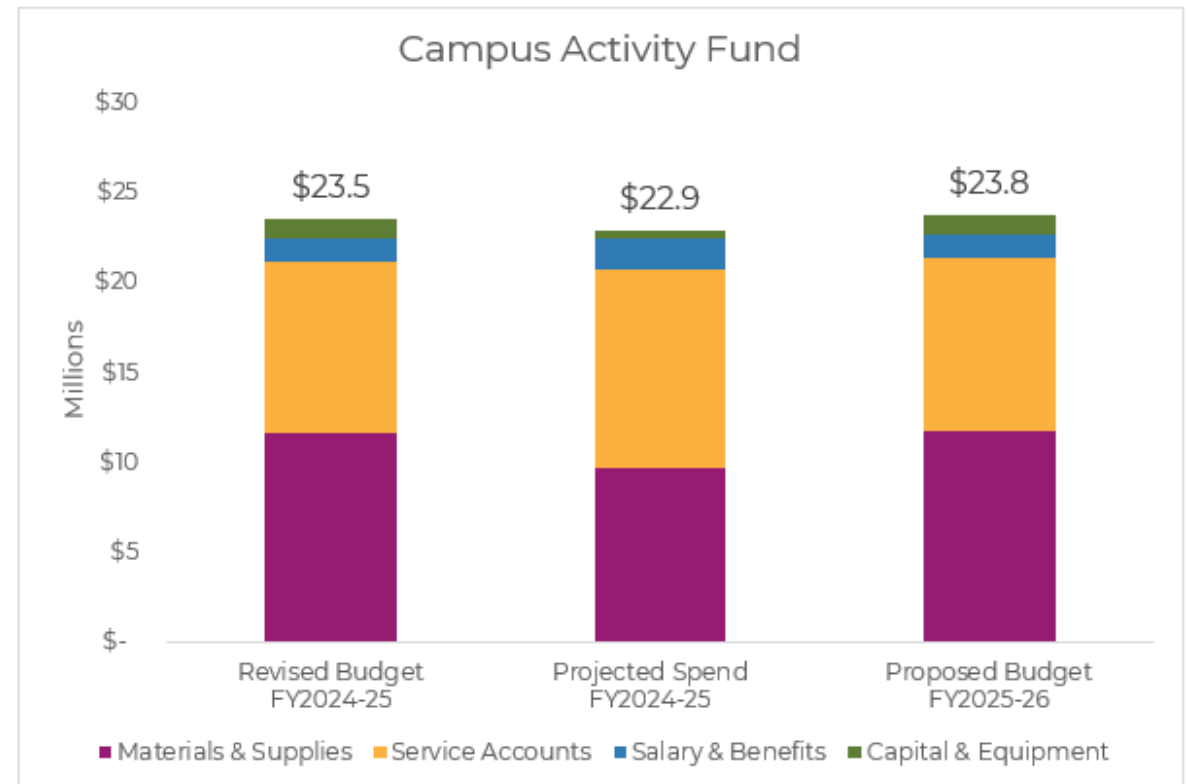
- In FY 2024-25, PreK moved out of the Child Care Fund
- Next year's expense budget is close to the revised budget for FY25
- Proactive department measures helped ensure a general fund transfer is no longer necessary
  - Increased tuition
  - Decreased certain expenses



# Campus Activity Fund

The fund is used to manage revenues collected on behalf of the participants who will benefit from the expenditures. Funds are collected from fundraisers, fees for participation, activity charges, and donations.

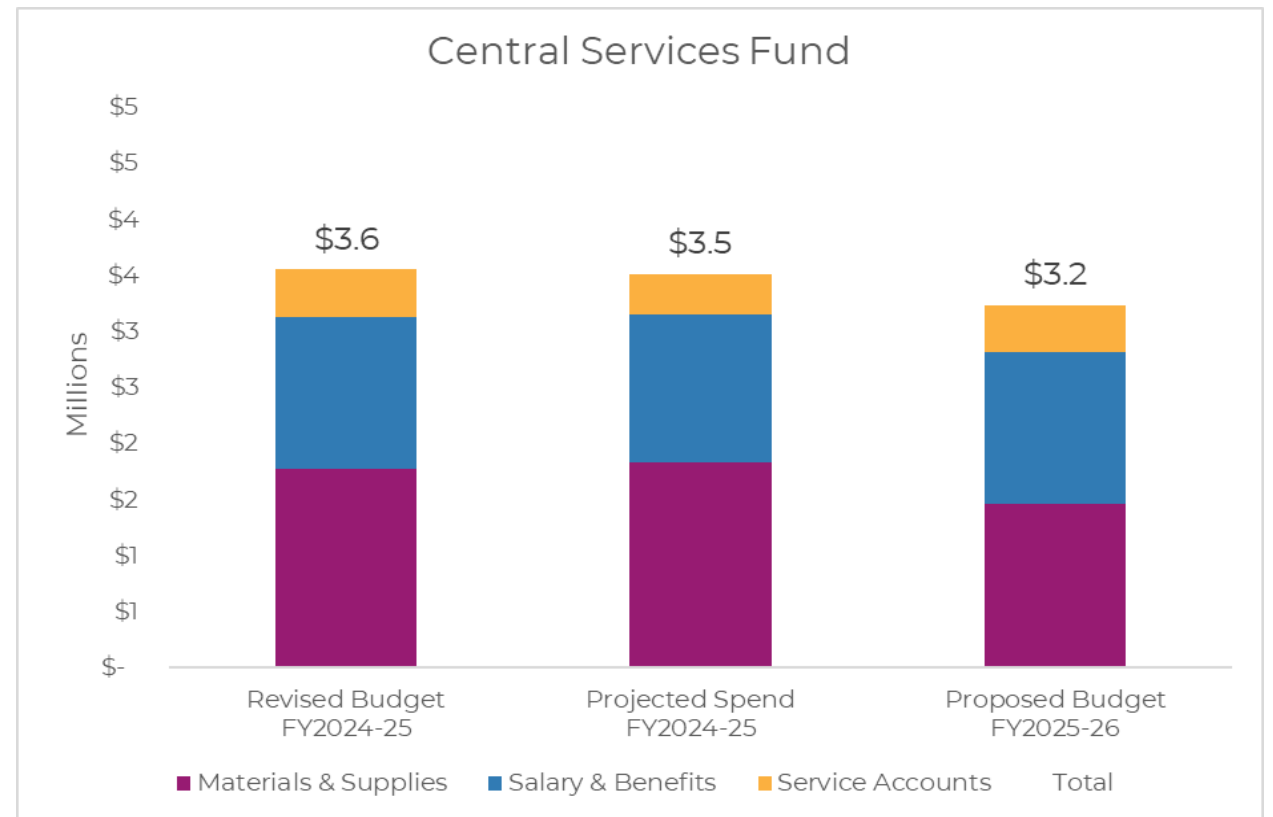
- Moderate variances from FY24 to FY25
- Decreases
  - Materials/Supplies Resale
  - Testing Materials
- Increases
  - Add Pay - Certificated
  - Classified - Hourly
  - Concurrent enrollment



# Central Service Fund

The fund provides mail services, copier and printing services, as well as audio-visual installation, maintenance, and repair for schools and departments.

- Revenue is based on billings to schools and departments based on services rendered
- Printing:
  - Materials for instruction and other large print jobs
- Copier program:
  - Toner, paper, maintenance, and replacement of district copiers
- Mailroom:
  - Inter-district mail services.

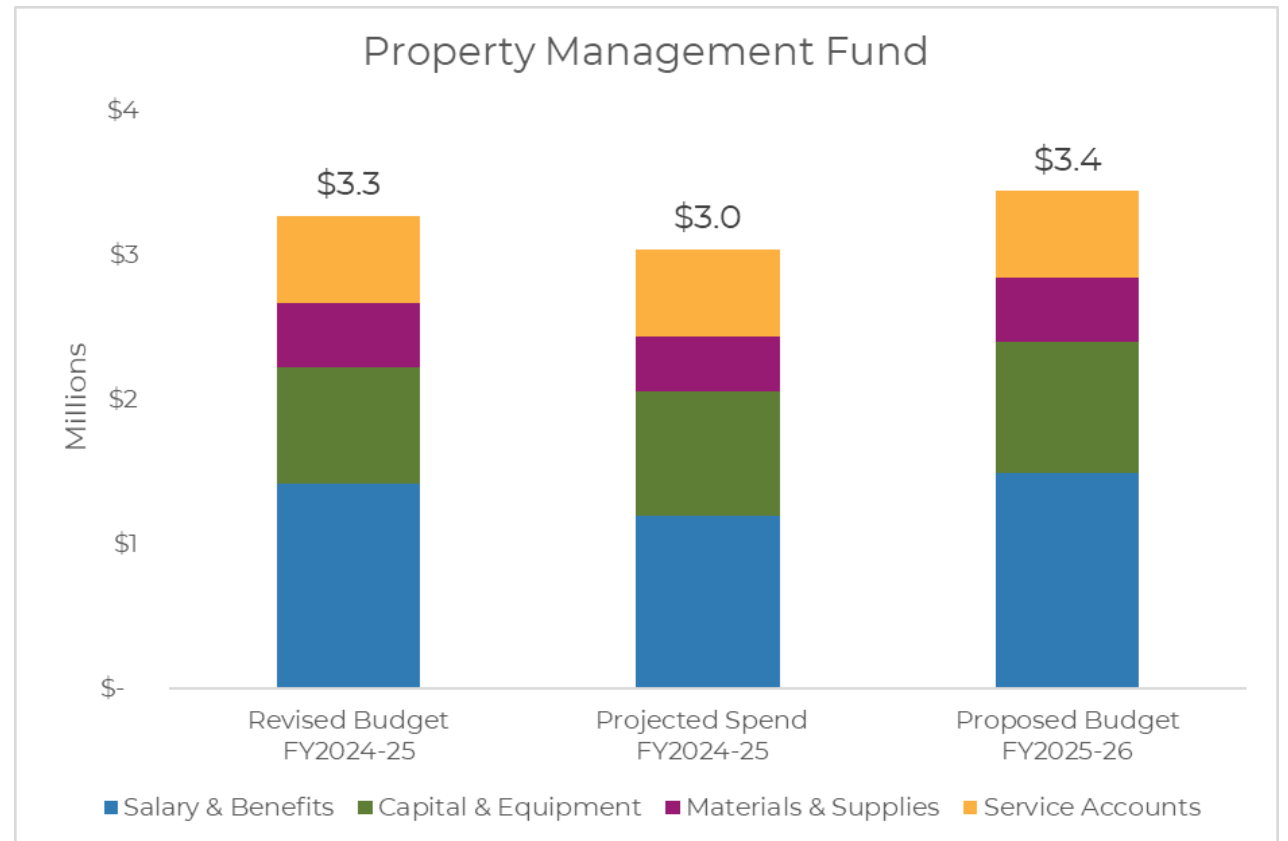




# Property Management Fund

The fund manages all activities associated with community use and rental of district buildings, fields and other facilities.

- Costs include:
  - Maintenance and Custodial
  - Transfers out
  - Concessions
  - Utilities
- Reduce FY26 Proposed Budget to align with historical spend



# Fee Schedules

# Proposed Fees for 2025-26

- District schools and some departments set fees for certain types of services, supplies or materials.
- Most student fees are set at the school level and reflect actual costs for consumable materials or costs for optional experiences that are voluntary in nature, consistent with C.R.S. 22-32-117.
- Central office collects and reviews fees and creates a list of the maximum fee amounts by category of expense for Board review and approval. Note that not every school charges each fee and some schools charge fee amounts lower than the maximum based on their specific actual costs.
- The Board Docs agenda item has two attachments concerning fees:
  - Memo outlining additional fees that are set for specific services in the district
  - PDF of the Maximum Fee Schedule for 2025-26
- Fees are approved via the Resolution to Adopt the 2025-26 Budget
- Fees are already posted so that parents are aware of the preliminary amounts and can plan accordingly, however, they can be changed prior to collection next year.

# Questions

# Appendix

# Additional Resources

Additional resources related to Long Term Capital Planning and Annual Capital Replacement Expenses

- [How Much Should I spend on Facilities Renewal - Intelligent Systems & Engineering Services](#)
- [Assessing the National Landscape of Capital Expenditures for Public School Districts - Urban.org](#)
- [The Capital Renewal and Deferred Maintenance Rule of Thumb - Facility Leadership](#)

# Uses of Capital Funding

We use funds toward various types of capital investments; capital is broadly defined as physical assets useful for more than one year

- **Facility Improvements:** Projects to enhance or modify the existing facility. These can include upgrades to systems like HVAC, plumbing, electrical, or other fixture, furniture, and equipment (FF&E)
- **Facility construction / replacement:** Projects that either create a new school (facility) or an addition to an existing facility
- **Vehicles:** Capital funds utilized to purchase “white fleet” vehicles for use in the district by facilities, transportation, IT, or other operational departments. Does not include purchase of school buses or security patrol vehicles
- **Technology:** Funds utilized for major IT related expenses including conference room equipment, phones, and wireless access points (WAP) across the district
- **Principal and Interest:** Payments that are made to reduce the original amount borrowed (COPs) plus associated interest expense that have been incurred