



Budget for Board Consideration May 7, 2025
500 E. Kelley's Road, Woodland Park, CO 80863



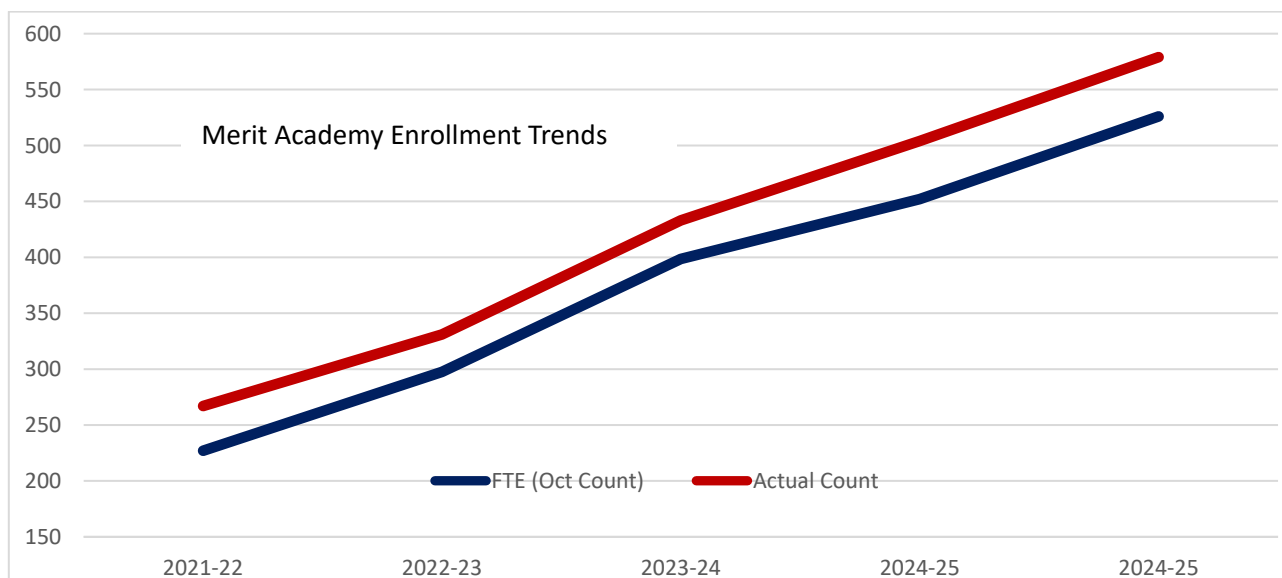
Historical Knowledge

Enrollment

Enrollment is the core measure by which Colorado provides school funding. Students are either full-time students, online students (partial funding), or part-time students (half-funding). Part-time students, for purposes of October count, count as .5 FTE (full-time student) and receive half of the per-pupil revenue (an amount decided each year through the State's legislative process). The combination of the full-time students and half-students is called the FTE count.

There is also an actual count, wherein part-time students actually count in whole. This is often used when looking at facility capacity or similar reviews.

- In Merit Academy's first year, Merit Academy served 267 students, of whom 187 were full-time K-8th grade students, with a funded count (Oct FTE count) of 227 students.
- In the second year (22-23), Merit Academy served 331 students, of whom 264 were full-time K-9th grade students, with a funded count (Oct FTE count) of 297.5 students.
- In the third year (23-24), Merit Academy served 433 students, of whom 364 were full-time K-10th grade students, with a funded count (Oct FTE count) of 398.5 students.
- In the fourth year (24-25) Merit Academy added PreK, which is not included in the funded pupil count. For the 24-25 school year, Merit Academy served 504 PK-11th grade students, of whom 426 are full-time K-11th grade students, with a funded count (Oct FTE count) of 452 students.
- Merit Academy's fifth year (25-26) forecasts serving 579 PK-12th grade students, of whom 499 are full-time K-12th grade students, with a projected funded count (OCT FTE count) of 526 students.





District Percentage

Parts of the budget are based on a percentage of students who attend Merit Academy to the number of students attending WPSD. In particular, local revenue shares are based on this percentage measurement. The student count below are funded pupil count, wherein part-time students account for .5 funded student count. Actual student count is higher; however, because this relates to funding, funded October count is used.

- The 22-23 school year was Merit Academy's second year in operation, but the first year as a WPSD charter school. WPSD's district FTE Oct count, including Merit Academy, was 1,977. Merit Academy accounted for 297.5 of those students, or 15% of district enrollment.
- The 23-24 school year was Merit Academy's third year in operation. WPSD also reconfigured their elementary schools to PK-6th grade, leaving WPMS to serve 7th and 8th grades. Woodland Park School District had a funded Oct. pupil count of 1,815, of which, 398.5 are Merit Academy students. This equates to approximately 21.96% of WPSD enrollment.
- The 24-25 school year was the first year that Gateway was consolidated to Summit and Columbine Elementary Schools. WPSD's funded Oct. pupil count was 1,690.5 students, of which 452 are Merit Academy students, or 26.73%.
- The 25-26 WPSD funded Oct. pupil count is forecasted to be 1,644 students, of which 526 will be Merit Academy students, or 31.99%.

Charter/Authorizer True-Ups

It is customary, even statutorily required, for charter schools and their districts to work together. One such area of collaboration is the State's required fiscal partnership. Per CRS 22-30.5-11, 12, fees, purchases, and revenues between the charter school and the authorizing district require "true-up". If there is a discrepancy between the fees paid and the actual cost incurred or between revenues received and pupil count, the charter school and district work together to address the overage of fees or revenues, typically with reimbursement to the owed party.

True-ups typically occur around audit or budget milestones, in:

- January (mid-year) following CDE's October count confirmation
- June, in preparation for the annual financial audit
- Within 90 days of close of the fiscal year



Sales Tax & Mill Levy Override

Mill Levy Override

In 2003, voters approved a mill levy override for \$1.1 Million to support local education through WPSD. Per C.R.S. 22-32-108.5 (b) and (c):

“(b) The general assembly further finds that section 2 of article IX of the state constitution requires the general assembly to provide for the maintenance of a thorough and uniform system of free public schools throughout the state. Requiring each school district board of education to equitably use and distribute its resources to meet the needs of all students enrolled in all of the schools of the school district supports greater uniformity in providing public education services within each school district and throughout the state.

(c) The general assembly finds, therefore, that each school district board of education has the duty to ensure that the school district uses and allocates its resources in a manner that results in the equitable treatment of all students enrolled in the school district, according to their individual needs, regardless of the type of school of the school district in which each student is enrolled.”

Sales Tax

In March, 2025 the Woodland Park City Council overruled the voters of Woodland Park and voted unanimously to discontinue the 1.09% sales tax that was used to support the Woodland Park School District. As such, this proposed budget does not reflect any sales tax revenue for the 25-26 school year.

Facility Expansion

Due to the loss of sales tax revenue, very little is budgeted towards facility expansion and upgrades. The one exception being an upgrade to the security system to bring it up to code, as well as to update the locks and entry system.

Salary & Benefits

Due to the loss of sales tax revenue, no COLA adjustments were made to salaries. Merit Academy is planning to increase its full-time equivalent staffing by 8% in FY 2026, from 89.4 FTE to 96.8 FTE.

Debt

In fiscal year 2024, as a result of purposeful cash management, Merit Academy was able to pay off all long term bank debt which was originally secured to fund start-up costs including construction and general curriculum and supplies.

To facilitate future short term operating cash needs and anticipated building maintenance and upgrades, a line of credit was secured.



Merit Academy is still indebted to its initial authorizer, ER BOCES. The balance of this debt at the conclusion of FY 25 (06/30/2025) is anticipated to be \$53,000. The full balance of this debt is expected to be settled in FY 28.

Five-year Forecast

Merit Academy has developed a five-year budget forecast. Included are estimates of enrollment, revenues, and expenditures. Said expenses include facility improvements, increase employees' salaries and benefits, and bolstered fund balance and reserves. Merit Academy's preschool/prekindergarten (opened August 2024) is included in revenue and expenditure forecasts. Revenues associated with this program are private pay and therefore not included in revenues flowed through from WPSD.

Merit Academy	FY 22	FY23	FY24	FY 24	FY 25	FY 25	FY 26	Year over	
Initial Budget FY 26 May 7, 2025	FINAL 21-22	FINAL 22-23	JUNE 2023, 23-24	JAN 2024, 23-24	MAY 2024, 24-25	JAN 2025, 24-25	MAY 2025, 25-26	Year	Year over
			ADOPTED BUDGET	REVISED, UNAUDITED	ADOPTED BUDGET	REVISED, UNAUDITED	PROPOSED BUDGET	\$ change in	Year
Funded Count	223	297.5	400	398.5	479	452	526	'000s	% Change
BEGINNING FUND BALANCE						252,331	273,256		
Restricted - TABOR						154,251	221,000		
All Other Fund Balance						98,080	52,256		
REVENUE									
Revenue from Local Sources	515,664	1,141,081	870,238	898,468	1,428,377	1,272,524	747,717		
Sales Tax		384,284	498,168	536,953	652,193	672,405	-	(672)	-100% A
MLO		165,529	224,070	241,515	290,134	294,114	342,367	48	16% A
Donations/Grants	511,154	404,604	140,000	110,000	303,800	141,316	219,000	78	55% D
Preschool / PreKindergarten					166,050	141,489	154,350	13	9%
Other	4,510	186,664	8,000	10,000	16,200	23,200	32,000	9	38%
State Revenue	2,058,018	2,916,355	4,214,600	4,483,214	5,748,583	5,370,022	6,918,225	1,548	29% C
Per Pupil Funding	8,663	9,156	10,168	10,277	11,243	11,127	12,373	1	11%
Per Pupil Revenue	1,931,849	2,723,791	4,067,200	4,095,381	5,385,454	5,029,603	6,508,130	1,479	29% C
State Medicaid						45,000	90,000	45	100% B
English Language Proficiency Act		1,251	1,400	6,587	5,296	4,524	5,000	0	11%
State ECEA (SPED)	36,328	17,583		3,293	5,187	22,419	24,000	2	7%
READ	6,361	5,199	7,000	5,199	5,200	11,214	12,000	1	7%
CO Charter Maintenance/Construction		59,355	81,000	59,640	80,000	77,669	88,095	10	13%
Audit Adjustment	47,289								
Rural Funding			58,000	67,807	90,570				
HB22-1186 At-Rsk Mitigation	36,191								
Mentor Grant				78,153					
Gifted and Talented				10,863	11,876	9,526	10,000	0	5%
State Grant Colorado Career and Technical						5,067	6,000	1	18%
PERA State of Behalf		109,175		156,291	165,000	165,000	175,000	10	6%
Federal Revenue	161,125	301,423	19,426	65,611	45,347	20,569	23,000	2	12%
ESSA IIA / Title II	6,000	14,920	19,426	15,111	16,820	3,500	4,000	1	14%
IDEA	155,125	16,348		44,900	28,527	9,280	10,000	1	8%
ESSER II				5,600					
ESSER III		270,155							
Federal Grant Title 3						1,236	2,000	1	62%
Federal Grant Title 4						6,553	7,000	0	7%
TOTAL REVENUE	2,734,807	4,358,858	5,104,264	5,447,293	7,222,307	6,663,115	7,688,941	1,026	15%
TOTAL RESOURCES AVAILABLE						6,915,446	7,962,197	1,047	15%

A Decrease due to sales tax revenue ending in MAR-2025

B Full year of Medicaid revenue reflected for FY26, compared to half year in FY25

C A combination of increases in: FTE from 452 to projection of 526, PPR from \$11,127 to 12,373, and MA to WSPD student count from 25.93% to approx. 32%

D Projected increase reflective of hiring grant specific employee

Merit Academy	FY 22	FY23	FY24	FY 24	FY 25	FY 25	FY 26	Year over	
Initial Budget FY 26 May 7, 2025	FINAL 21-22	FINAL 22-23	JUNE 2023, 23-24	JAN 2024, 23-24	MAY 2024, 24-25	JAN 2025, 24-25	MAY 2025, 25-26	Year	Year over
Funded Count	223	297.5	ADOPTED BUDGET 400	REVISED, UNAUDITED 398.5	ADOPTED BUDGET 479	REVISED, UNAUDITED 452	PROPOSED BUDGET 526	\$ change in '000s	Year % Change
EXPENDITURES									
Instructional Expenditures									
100 Salaries	822,250	1,411,198	2,104,272	2,241,602	2,901,667	2,586,446	3,073,817	487	19% D
200 Employee Benefits	174,112	564,210	783,551	882,970	1,193,465	1,064,594	1,259,760	195	18% D
300 Purchased Professional & Technical Service	26,800	14,538	36,550	14,500	17,000	3,000	-	(3)	-100%
400 Purchased Property Services	-	-	-	-	-	-	-		
500 Other Purchased Services	174,000	104,344	148,000	178,600	162,000	90,475	95,500	5	6%
600 Supplies	217,650	223,204	267,000	223,000	280,000	308,400	257,000	(51)	-17% E
700 Property	70,000	11,073	41,000	12,500	3,500	15,000	4,000	(11)	-73% E
800 Other Objects	10,500		24,200			500	-		
900 Other Uses of Funds									
Total Instructional Expenditures	1,495,312	2,328,567	3,404,573	3,553,172	4,557,632	4,068,415	4,690,077	622	15%
Support Expenditures									
100 Salaries	288,600	654,210	627,846	729,175	1,173,785	1,138,770	1,293,000	154	14% D
200 Employee Benefits	43,060	235,943	232,448	285,252	440,028	445,709	504,326	59	13% D
300 Purchased Professional & Technical Service	134,818	104,145	121,400	150,924	98,800	136,900	152,100	15	11%
400 Purchased Property Services	118,700	47,365	202,290	26,350	128,650	118,675	97,500	(21)	-18% E
500 Other Purchased Services	239,600	379,364	118,960	262,810	398,401	346,779	404,614	58	17%
600 Supplies	92,000	57,265	71,300	98,000	148,250	163,000	114,000	(49)	-30% E
700 Property	509,478	67,113	10,050	51,500	41,000	95,925	47,000	(49)	-51% E
800 Other Objects	3,000	72,753	53,180	49,680	35,100	25,000	11,000	(14)	-56% E
900 Other Uses of Funds	494,400	285,502	78,000	81,100	74,000	103,018	74,000	(29)	-28% E
Total Support Expenditures	1,923,656	1,903,660	1,515,474	1,734,791	2,538,014	2,573,776	2,697,540	124	5%
TOTAL EXPENDITURES	3,418,968	4,232,227	4,920,047	5,287,963	7,095,646	6,642,191	7,387,617	745	11%
SURPLUS/DEFICIT					126,661	20,924	301,324		
FUND BALANCES					-	252,331	273,256		
TOTAL EXPENDITURES AND FUND BALANCE					7,222,307	6,915,446	7,962,197		
TOTAL APPROPRIATION					7,222,307	6,915,446	7,962,197		

D 8% increase in Staff FTE from 89.4 to 96.8, reflective of enrollment growth and adding 12th grade, while being mindful of budgetary restrictions. Anticipated mix of staff selecting insurance vs. \$300 cash in lieu. No COLA adjustments, slight increase in salaries for FY26 to account for added workday in the 25/26 school year.

E Overall decrease in spending due to spending freeze put into place March 2025 due to loss of sales tax revenue

Merit Academy 5 year Forecast (total count/forecast PK-12)		554	618	633	641	648
		FY26 2025-2026	FY27 2026-2027 FORECAST	FY28 2027-2028 FORECAST	FY29 2028-2029 FORECAST	FY30 2029-2030 FORECAST
Forecasted Oct. Funded Pupil Count		526	590	605	613	620
Beginning Fund Balance		273,253	574,577	615,391	985,128	1,486,742
Revenue						
1000	Revenue from Local Sources	747,717	546,050	561,050	591,050	621,050
3000	State Revenue	6,918,225	7,504,350	8,277,100	8,730,241	9,130,241
4000	Federal Revenue	23,000	65,000	75,000	80,000	80,000
Total Revenue		7,688,941	8,115,400	8,913,150	9,401,291	9,831,291
Fund Balance		273,253	574,577	615,391	985,128	1,486,742
Total Resources Available		7,962,195	8,689,977	9,528,541	10,386,419	11,318,033
Instructional Expenses						
100	Salaries	3,073,817	3,308,976	3,502,964	3,667,141	3,839,527
200	Employee Benefits	1,259,760	1,352,551	1,432,656	1,501,854	1,574,512
300	Purchased Professional & Technical Services	-	20,000	22,000	22,000	22,000
400	Purchased Property Services	-	-			
500	Other Purchased Services	95,500	185,000	190,000	195,000	195,000
600	Supplies	257,000	267,000	277,000	250,000	250,000
700	Property	4,000	5,000	7,000	9,000	9,000
800	Other Objects	-				
900	Other Uses of Funds					
Total Instructional Expenses		4,690,077	5,138,528	5,431,620	5,644,995	5,890,039
Support Expenses						
100	Salaries	1,293,000	1,383,510	1,466,521	1,539,847	1,616,839
200	Employee Benefits	504,326	539,629	572,006	600,607	630,637
300	Purchased Professional & Technical Services	152,100	190,000	212,000	215,000	215,000
400	Purchased Property Services	97,500	102,375	107,494	112,868	118,512
500	Other Purchased Services	404,614	424,845	446,087	468,392	491,811
600	Supplies	114,000	119,700	125,685	131,969	138,568
700	Property	47,000	62,000	65,000	65,000	65,000
800	Other Objects	11,000	19,000	12,000	6,000	6,000
900	Other Use of Funds	74,000	95,000	105,000	115,000	115,000
Total Support Expenses		2,697,540	2,936,058	3,111,793	3,254,682	3,397,367
Total Expenses		7,387,617	8,074,586	8,543,413	8,899,678	9,287,405
Surplus/Deficit		301,324	40,814	369,737	501,613	543,886
Fund Balance Beginning		273,253	574,577	615,391	985,128	1,486,742
Fund Balance Ending		574,577	615,391	985,128	1,486,742	2,030,628
Total Expenditures and Fund Balance		7,962,195	8,689,977	9,528,541	10,386,419	11,318,033