

Douglas County School District Re.1

**Proposed Budget
Fiscal Year 2009 – 2010**

**Presented to the Board of Education
Tuesday May 19, 2009**



BOE Presentations

- **May 19, 2009 ~ Tonight ~ Information Only**
 - Proposed General Fund Budget
 - Proposed Non-General Fund (“Other”) Budgets
- **June 16, 2009**
 - Approve and Adopt All Funds: FY 2009–2010 Budgets
 - Budget Resolution for FY 2009-2010
 - Appropriation Resolution for FY 2009-2010
 - Resolution Authorizing Use of Beginning Fund Balance
 - Resolution Authorizing Inter-Fund Borrowing

Tonight's Agenda

- **Compliance**
 - Colorado and Federal Law
 - Board Goals and Executive Limitations
- **Proposed FY 2009-2010 General Fund Budget**

Tonight's Agenda (cont.)

- **Proposed FY 2009-2010 Other Funds' Budgets**
 - **Overview: Fund Function and District Operations**
 - **Fund Detail**
 - ✓ **Capital Reserve Fund**
 - ✓ **Governmental Designated-Purpose Grants Fund**
 - ✓ **Athletics and Activities Fund**
 - ✓ **Mil Levy Override Fund**
 - ✓ **Debt Service/Bond Redemption Fund**
 - ✓ **Building Fund**
 - ✓ **Nutrition Services Fund**

Tonight's Agenda (cont.)

- **Proposed FY 2009-2010 Other Funds' Budgets**
 - **Overview: Fund Function and District Operations**
 - **Fund Detail**
 - ✓ Childcare Fund (BASE)
 - ✓ eDCSD Fund
 - ✓ Risk Related Insurance Fund
 - ✓ Insurance Reserve Fund
 - ✓ Pupil Activity Fund
 - ✓ School Discretionary Fund
 - ✓ Trust and Agency Fund

Compliance with Executive Limitations

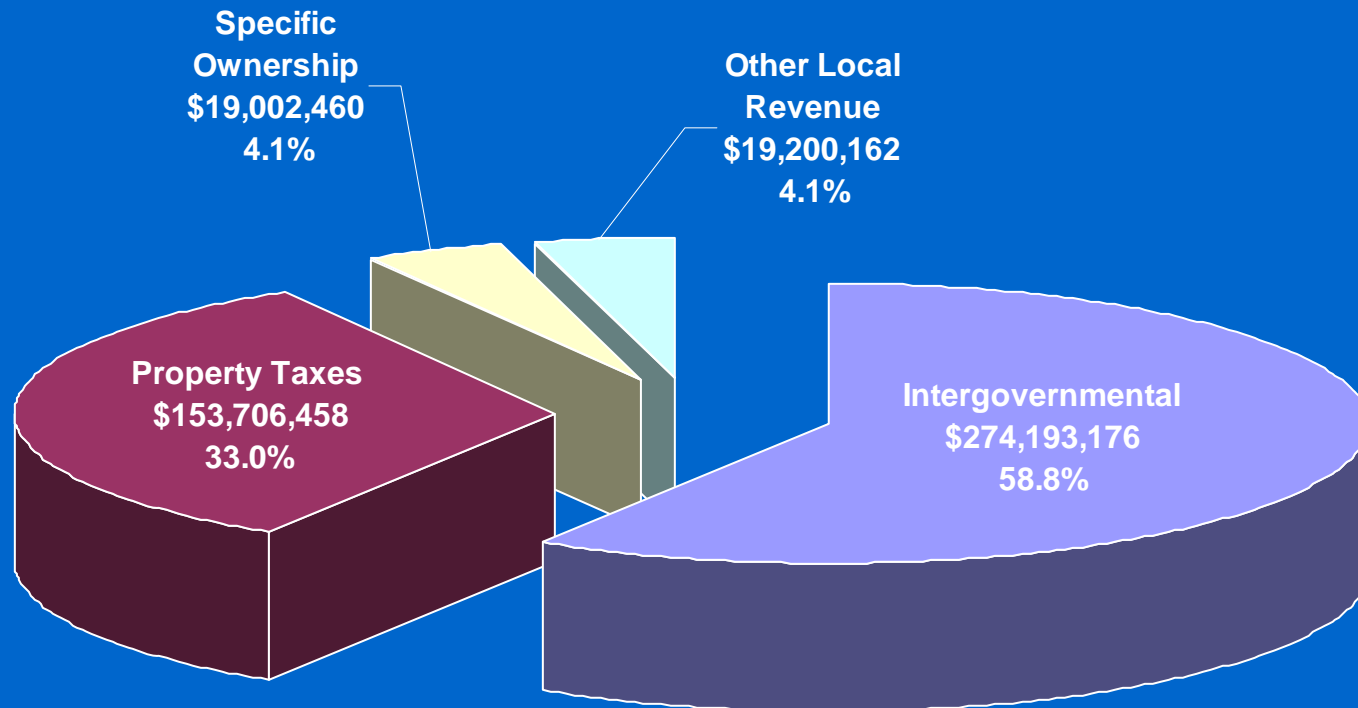
- **EL 1.5 Financial Planning and Budgeting:**
 - Financial planning may not deviate materially from the Board's Ends priorities, risk financial jeopardy, or fail to be derived from a plan projecting at least five years.

General Fund Assumptions

Fiscal Year 2009-2010

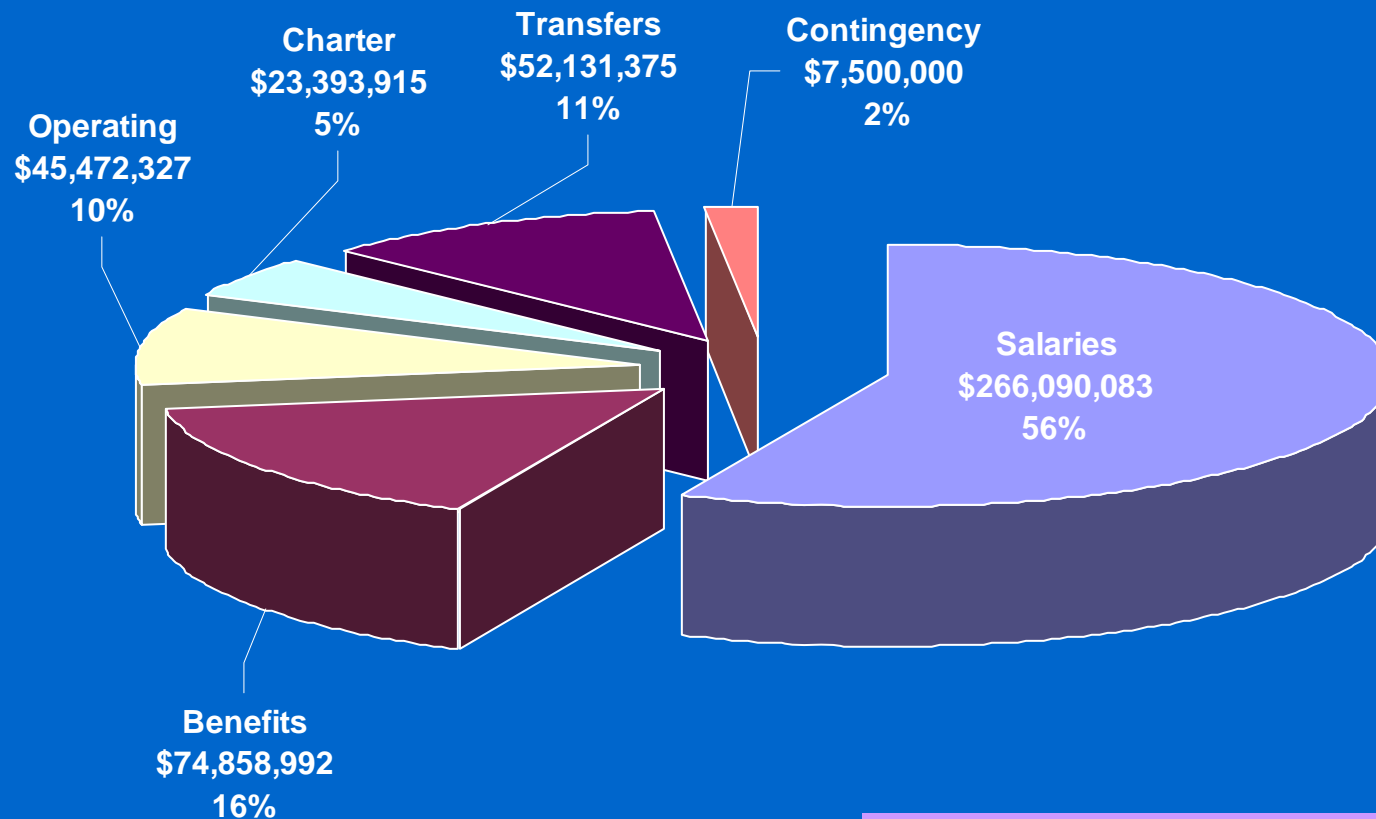
- School Finance Act update
- Inflation Rate = 3.9%
- Amendment 23's 1% Base PPR = 3.9%
+ 1% = 4.9%
- Increased Funded Pupil Count District wide from 55,308 to 56,945
- Per-Pupil Revenue = \$6,953

Proposed FY 2009-2010 General Fund Revenues



Total Revenues \$466,102,255

Proposed FY 2009-2010 General Fund Expenditures



Total Expenditures \$469,446,692

Assumptions Underlying Projected FY 2009–2010 Budget and Five-Year Plan

- **Inflation**

<i>Year</i>	<i>Percentage Rate</i>
2004 – 2005	1.7%
2005 – 2006	0.1%
2006 – 2007	2.1%
2007 – 2008	3.6%
2008 – 2009	2.2%
2009 – 2010	3.9%
2010 – 2011	0.0% *
2011 – 2012	0.5% *
2012 - 2013	1.3% *
2013 - 2014	2.1% *

* Estimated

Proposed General Fund Budget FY 2009-2010

	Audited Actual 2007-08	Budget 2008-09	Forecast 2008-09	Proposed Budget 2009-10
DCSD FPC	49,695	55,308	55,308	56,945
BEGINNING FUND BALANCE	\$33,900,987	\$24,453,296	\$16,920,287	\$15,836,146
REVENUE				
Local Tax Revenue	169,717,095	177,681,485	173,183,011	172,708,918
Intergovernmental Revenue	202,303,985	251,979,928	247,863,365	274,193,176
Other Local Revenue	17,947,632	19,581,468	19,041,468	19,200,162
TOTAL REVENUE	389,968,712	449,242,881	440,087,844	466,102,256
Total Program Funding	318,857,392	375,442,017	366,598,996	395,951,991
EXPENDITURES				
Salaries	260,198,960	268,097,906	269,597,906	266,090,083
Benefits	59,745,005	65,435,534	67,435,534	74,858,992
Operating	43,402,174	41,435,337	38,873,352	45,472,327
Transfers/Allocations/Contingency	43,603,273	76,421,842	65,265,193	83,025,290
TOTAL EXPENDITURES	406,949,412	451,390,619	441,171,985	469,446,692
CHANGE IN FUND BALANCE	(16,980,700)	(2,147,738)	(1,084,141)	(3,344,436)
BEGINNING FUND BALANCE	33,900,987	24,453,296	16,920,287	15,836,146
ENDING FUND BALANCE	\$16,920,287	\$22,305,558	\$15,836,146	\$12,491,710
Ending Fund Balance	5.00%	5.00%	4.12%	3.09%

General Fund Five Year Financial Projection

	Audited Actuals 2007-08	Forecast 2008-09	Proposed Budget 2009-10	Projected Budget 2010-11	Projected Budget 2011-12	Projected Budget 2012-2013	Projected Budget 2013-14
Funded Pupil Count	49,695	55,308	56,945	58,472	59,984	61,258	62,392
Beginning Fund Balance	\$33,900,987	\$16,920,287	\$15,836,146	\$12,491,710	\$14,026,605	\$3,430,717	(\$15,007,178)
Total Revenue	389,968,712	440,087,844	466,102,256	485,215,396	497,530,169	512,917,032	531,058,594
Total Expense	406,949,412	441,171,985	469,446,692	483,680,501	508,126,057	531,354,927	555,552,607
Ending Fund Balance	\$16,920,287	\$15,836,146	\$12,491,710	\$14,026,605	\$3,430,717	(\$15,007,178)	(\$39,501,191)
Ending Fund Balance	5.00%	4.12%	3.09%	3.32%	0.79%	-3.32%	-8.34%

General Fund Projection Assumptions

Projection Assumptions	09-10	10-11	11-12	12-13	13-14
CPI - Inflation	3.90%	0.00%	0.50%	1.30%	2.10%
Student Growth	1,500	1,387	1,368	1,125	981
PERA (District Share)	12.15%	12.55%	12.95%	13.15%	13.15%
PERA (Extra Employee Share)	1.25%	1.75%	2.25%	2.75%	3.00%
Medical Insurance	15.00%	15.00%	10.00%	10.00%	10.00%
Dental Insurance	0.00%	5.00%	5.00%	5.00%	5.00%
Vision Insurance	0.00%	3.00%	3.00%	3.00%	2.00%
Salary (Inflation + Steps of 2.1%)	0.00%	2.10%	2.60%	3.40%	4.20%
Amendment 23 Funding	The last year for additional 1% Amendment 23 funding is 10-11				

Capital Reserve Fund

Proposed FY 2009-2010 Budget

- Repairs to District facilities/sites older than five years
- Pays annual lease purchase obligations
- Funds purchases of vehicles and equipment
- Funds District-wide programs, i.e. asphalt, security systems, carpet, etc.
- Provides funding for District's technology projects, including District wide rotation computer replacement plan

Capital Reserve Fund

Proposed FY 2009-2010 Budget

	Audited Actual 2007-2008	Adopted Budget 2008-2009	Estimated Actual 2008-2009	Proposed Budget 2009-2010
Balance on Hand July 1	\$7,828,084	\$1,860,775	\$1,984,886	\$1,585,646
Revenues				
Total Revenues	12,016,494	12,264,919	12,440,159	15,950,620
Total Sources	19,844,578	14,125,694	14,425,045	17,536,266
Expenditures				
Total Expenditures	17,859,692	13,502,251	12,839,399	16,667,797
Balance on Hand June 30	1,984,886	623,443	1,585,646	868,469
FB as a % of Revenue	16.52%	5.08%	12.75%	5.44%

Capital Reserve Fund Proposed FY 2009-2010 Five-Year Forecast

	Proposed	Forecast			
	Budget				
	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Balance on Hand July 1	\$1,585,646	\$868,469	\$0	\$0	\$0
Revenues					
Total Revenues	15,950,620	13,107,780	12,981,870	13,502,884	14,129,135
Total Sources	17,536,266	13,976,249	12,981,870	13,502,884	14,129,135
Expenditures					
Total Expenditures	\$16,667,797	\$16,632,032	\$15,608,666	\$15,093,574	\$16,045,914
Reduction	-	\$2,655,783	\$2,626,796	\$1,590,690	\$1,916,779
Balance on Hand June 30	868,469	-	-	-	-
FB as a % of Revenue	5.44%	0.00%	0.00%	0.00%	0.00%

Capital Reserve Fund Proposed FY 2009-2010

Five-Year Forecast with Detail

	Proposed	Forecast			
	Budget 2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Balance on Hand July 1	1,585,646	868,469	-	-	-
Revenues					
Total Revenues	15,950,620	13,107,780	12,981,870	13,502,884	14,129,135
Total Sources	17,536,266	13,976,249	12,981,870	13,502,884	14,129,135
Expenditures					
Prior-Year Unfinished Projects	\$3,200,000	\$0	\$0	\$0	\$0
Security	\$250,000	350,000	350,000	350,000	350,000
Transportation	\$400,000	2,200,000	2,200,000	2,200,000	2,200,000
Leases/COPs	\$3,476,022	\$2,010,795	\$2,007,427	\$2,012,334	\$2,364,673
O&M	\$1,780,000	\$830,000	\$830,000	\$830,000	\$830,000
Technology Projects	\$7,561,775	11,241,238	10,221,239	9,701,240	10,301,241
Total Expenditures	\$16,667,797	\$16,632,033	\$15,608,666	\$15,093,574	\$16,045,914
Reduction	-	\$2,655,784	\$2,626,796	\$1,590,690	\$1,916,779
Balance on Hand June 30	868,469	-	-	-	-
FB as a % of Revenue	5.44%	0.00%	0.00%	0.00%	0.00%

Governmental Designated Purpose Grants

Fund Proposed FY 2009-2010 Budget

- Accounts for most federal, state and local grant funds received by the District
 - No Child Left Behind
 - ✓ Title I, Part A: Basic
 - ✓ Title II, Part A: Teacher Quality
 - ✓ Title III, Part A: English Language Learner
 - IDEA: Part B (Handicapped)
- FY 08-09 and FY 09-10 will see Federal Stimulus Dollars – American Recovery and Reinvestment Act (ARRA) received

Governmental Designated Purpose Grants Fund Proposed FY 2009-2010 Budget

	Audited Actual 2007-2008	Adopted Budget 2008-2009	Estimated Actual 2008-2009	Proposed Budget 2009-2010
Balance on Hand July 1	\$185,120	\$185,120	\$185,120	\$185,120
Revenues				
Total Revenues	9,768,490	11,105,690	13,448,343	13,748,238
Expenditures				
Total Expenditures	9,768,490	11,290,810	13,448,343	13,748,238
Change in Fund Balance	-	(185,120)	-	-
Balance on Hand June 30	\$185,120	\$0	\$185,120	\$185,120

Athletic and Activities Fund

Proposed FY 2009-2010 Budget

- **This fund is used to capture all revenues and expenses directly related to CHSAA sponsored athletics and activities**
- **Major revenues include transfer from the General Fund, participation fees, gate and door admissions, and fund raising efforts**

Athletic and Activities Fund

Proposed FY 2009-2010 Budget

	Audited Actual 2007-2008	Adopted Budget 2008-2009	Estimated Actual 2008-2009	Proposed Budget 2009-2010
Balance on Hand July 1	\$1,030,542	\$1,039,985	\$608,756	\$790,265
Revenue				
Total Revenues	10,895,905	11,126,190	11,767,703	8,720,835
Total Sources	11,926,447	12,166,175	12,376,459	9,511,100
Expenditures				
Total Expenditures	11,317,691	11,276,190	11,586,194	8,720,579
Change in Fund Balance	(421,786)	(150,000)	181,509	256
Balance on Hand June 30	\$608,756	\$889,985	\$790,265	\$790,521

2006 Mil Levy Override Fund Proposed FY 2009-2010 Budget

- **This fund is a special revenue fund and serves the function of recording the 2006 voter approved mil levy override revenues and expenditures**
- **For FY 09-10 the student allocation and world language portions have been rolled into the General Fund through the Response To Intervention (RTI) and Innovation and Development (I&D) modeling with Student Based Budgeting (SBB); leaving FY 09-10 allocations for Literacy and Charter Schools**


2006 Mil Levy Override Fund Proposed FY 2009-2010 Budget

	Audited Actual 2007-2008	Adopted Budget 2008-2009	Estimated Actual 2008-2009	Proposed Budget 2009-2010
Balance on Hand July 1	\$0	\$982,990	\$962,116	\$1,966,303
Revenue				
Total Revenues	4,810,325	5,000,000	4,851,525	1,157,252
Total Sources	4,810,325	5,982,990	5,813,641	3,123,555
Expenditures				
Total Expenditures	3,848,209	5,976,420	3,847,338	3,123,555
Change in Fund Balance	962,116	(976,420)	1,004,187	(1,966,303)
Balance on Hand June 30	\$962,116	\$6,570	\$1,966,303	\$0



Debt Service/Bond Redemption Fund

Proposed FY 2009-2010 Budget

- **This fund is for recording dedicated property taxes and payment of outstanding principal and interest on the District's general obligation bonds**
 - **In respect of the District's fiscal year, principal payments are made once a year in December and interest is paid twice a year, in December and June**
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Debt Service/Bond Redemption Fund

Proposed FY 2009-2010 Budget

	Audited Actual 2007-2008	Adopted Budget 2008-2009	Estimated Actual 2008-2009	Proposed Budget 2009-2010
Balance on Hand July 1	\$34,287,234	\$38,220,296	\$40,481,275	\$45,933,955
Revenues				
Total Revenues	60,127,462	60,950,324	65,328,082	67,760,527
Proceeds of Refunding	13,945,000	-	-	-
Payment to Refund Debt - new issue	638,784	-	-	-
Total Sources	108,998,480	99,170,620	105,809,357	113,694,482
Expenditures				
Total Expenditures	68,517,205	60,824,228	59,875,402	61,047,544
Change in Fund Balance	6,194,041	126,096	5,452,680	6,712,983
Balance on Hand June 30	\$40,481,275	\$38,346,392	\$45,933,955	\$52,646,938

Building Fund

Proposed FY 2009-2010 Budget

- **This fund serves to manage the construction of District facilities financed by proceeds arising from the sale of general obligation bonds**
- **Projects slated for FY 09-10 include:**
 - **Elementary School #47 - Castle Rock**
 - **Cimarron MS Completion**
 - **Cresthill MS Remodel & Additions**
 - **Douglas County HS Remodel**
 - **Rock Canyon HS Construct F-Pod**

Building Fund

Proposed FY 2009-2010 Budget

	Audited Actual 2007-2008	Adopted Budget 2008-2009	Estimated Actual 2008-2009	Proposed Budget 2009-2010
Balance on Hand July 1	\$185,916,551	\$149,445,965	\$152,572,608	\$84,457,082
Revenue				
Total Revenue	70,497,095	3,500,000	3,090,126	1,500,000
Total Sources	256,413,646	152,945,965	155,662,734	85,957,082
Expenditures				
Total Expenditures	103,841,038	93,889,601	71,205,652	61,397,721
Change in Fund Balance	(33,343,943)	(90,389,601)	(68,115,526)	(59,897,721)
Balance on Hand June 30	\$152,572,608	\$59,056,364	\$84,457,082	\$24,559,361

Nutrition Services Fund

Proposed FY 2009-2010 Budget

- **Nutrition Services is a District enterprise fund**
- **Approximately 84% of this fund's revenue is derived from the sale of school breakfasts and lunches**
- **The remainder is federal reimbursement & commodities**
- **FY 2009-10 will see the implementation of "Food Courts" in the high schools**

Nutrition Services Fund

Proposed FY 2009-2010 Budget

	Audited Actual 2007-2008	Adopted Budget 2008-2009	Estimated Actual 2008-2009	Proposed Budget 2009-2010
Retained Earnings July 1	\$6,954,262	\$5,717,862	\$4,770,328	\$866,902
Revenues				
Total Revenues	11,774,661	13,016,653	12,675,267	16,599,863
Total Sources	18,728,923	18,734,515	17,445,595	17,466,765
Expenditures				
Total Expenses	13,958,595	13,005,249	16,578,693	15,983,688
Net Income	(2,183,934)	11,404	(3,903,426)	616,175
Retained Earnings June 30	\$4,770,328	\$5,729,266	\$866,902	\$1,483,077

Childcare Fund (BASE)

Proposed FY 2009-2010 Budget

- **Operates as an enterprise operation, with approximately 5,000 children currently enrolled**
- **39 programs in operation providing Before and After School, Kindergarten Enrichment, Intercession and School Break**
- **Self supporting programs with revenues derived from tuition**

Childcare Fund (BASE)

Proposed FY 2009-2010 Budget

	Audited Actual 2007-2008	Adopted Budget 2008-2009	Estimated Actual 2008-2009	Proposed Budget 2009-2010
Balance on Hand July 1	\$2,230,503	\$2,334,503	\$2,858,013	\$2,301,000
Revenue				
Total Revenue	8,224,083	9,787,771	9,316,281	9,489,398
Total Sources	10,454,586	12,122,274	12,174,294	11,790,398
Expenditures				
Total Expenditures	7,596,573	10,183,606	9,873,294	9,489,398
Net Income	627,510	(395,835)	(557,013)	-
Balance on Hand June 30	\$2,858,013	\$1,938,668	\$2,301,000	\$2,301,000

eDCSD Fund

Proposed FY 2009-2010 Budget

- eDCSD is a highly interactive K-12 online school
- Combines rigorous curriculum, well qualified teachers and the best in Web 2.0 technologies
- Tuition-free, District-sponsored online education

eDCSD Fund

Proposed FY 2009-2010 Budget

	Adopted Budget 2008-2009	Estimated Actual 2008-2009	Proposed Budget 2009-2010
Balance on Hand July 1	\$0	\$0	\$100,016
Revenue			
Total Revenue	0	1,262,476	1,952,763
Total Sources	0	1,262,476	2,052,779
Expenditures			
Total Expenditures	-	1,162,460	1,842,384
Net Income	\$0	\$100,016	\$110,379
Balance on Hand June 30	\$0	\$100,016	\$210,395

Insurance Reserve Fund

Proposed FY 2009-2010 Budget

- **This fund provides resources for the District's:**
 - **property/casualty premiums and property/casualty claims**
 - **related loss prevention services including safety**
 - **vehicle insurance**
 - **workers' compensation**
 - **environmental compliance expenses**
 - **litigation management expenses**
- **Participating with Douglas County Safe Routes to School Program along with other District departments**

Insurance Reserve Fund

Proposed FY 2009-2010 Budget

	Audited Actual 2007-2008	Adopted Budget 2008-2009	Estimated Actual 2008-2009	Proposed Budget 2009-2010
Balance on Hand July 1	\$1,724,732	\$1,974,878	\$2,305,657	\$1,564,797
Revenues				
Total Revenues	3,307,500	2,722,875	2,722,875	2,856,296
Total Sources	5,032,232	4,697,753	5,028,532	4,421,093
Expenditures				
Total Expenditures	2,726,575	3,833,730	3,463,735	3,839,312
Change in Fund Balance	580,925	(1,110,855)	(740,860)	(983,016)
Balance on Hand June 30	\$2,305,657	\$864,023	\$1,564,797	\$581,781
Ending Fund Bal as a % of Rev	45.82%	18.39%	31.12%	13.16%

Insurance Reserve Fund

Proposed FY 2009-2010 Budget

	Proposed	Forecast			
	Budget 2009-2010	Budget 2010-2011	Budget 2011-2012	Budget 2012-2013	Budget 2013-2014
Balance on Hand July 1	\$1,564,797	\$581,781	\$0	\$0	\$0
Revenues					
Total Revenues	2,856,296	3,295,924	3,916,482	3,955,647	3,995,203
Total Sources	4,421,093	3,877,705	3,916,482	3,955,647	3,995,204
Expenditures					
Total Expenditures	3,839,312	3,877,705	3,916,482	3,955,647	3,995,203
Change in Fund Balance	(983,016)	(581,781)	0	0	0
Balance on Hand June 30	\$581,781	\$0	\$0	\$0	\$0
Ending Fund Bal as a % of Rev	13.16%	0.00%	0.00%	0.00%	0.00%

Medical Self-Insurance Fund

Proposed FY 2009-2010 Budget

- District and employee medical and dental premium payments to self-fund the health insurance benefit program
- Beginning July 1st of 2009, the Medical Plan will be high deductible plans with a Health Savings Account (HAS)
- The fund has provided for the following increases:
 - 15.0% increase in medical insurance premiums
 - 0.0% increase in dental insurance premiums
 - 0.0% increase in vision insurance premiums

Medical Self-Insurance Fund


Proposed FY 2009-2010 Budget

	Audited Actuals 2007-2008	Adopted Budget 2008-2009	Estimated Actual 2008-2009	Proposed Budget 2009-2010
Balance on Hand July 1	\$932,372	\$0	\$4,760	\$0
Revenues				
Total Revenue	37,278,466	40,479,113	41,182,579	43,694,440
Total Sources	38,210,838	40,479,113	41,187,339	43,694,440
Expenditures				
Total Expenditures	38,206,078	40,479,113	41,187,339	43,694,440
Change in Fund Balance	(927,612)	-	(4,760)	-
Balance on Hand June 30	\$4,760	\$0	\$0	\$0



Pupil Activity Fund

Proposed FY 2009-2010 Budget

- **Individual school's funds earmarked for extra-curricular student activities such as chess, book, recycling and cooking clubs**
 - **Revenues are primarily generated by fund raising efforts and participation fees**
- 

Pupil Activity Fund

Proposed FY 2009-2010 Budget

	Audited Actual 2007-2008	Adopted Budget 2008-2009	Estimated Actual 2008-2009	Proposed Budget 2009-2010
Balance on Hand July 1	\$1,012,609	\$1,552,028	\$1,375,688	\$2,212,493
Revenue				
Total Revenue	3,452,220	3,359,000	3,596,567	3,715,000
Total Sources	4,464,829	4,911,028	4,972,255	5,927,493
Expenditures				
Total Expenditures	3,089,141	3,000,000	2,759,762	3,076,000
Change in Fund Balance	363,079	359,000	836,805	639,000
Balance on Hand June 30	\$1,375,688	\$1,911,028	\$2,212,493	\$2,851,493

School Discretionary Fund

Proposed FY 2009-2010 Budget

- **This fund is a combination of potential vending profit and School Discretionary activities (for example: magazine sales, 5K runs and local restaurant support)**
- **These monies are spent at the individual school's discretion**

School Discretionary Fund

Proposed FY 2009-2010 Budget

	Audited Actual 2007-2008	Adopted Budget 2008-2009	Estimated Actual 2008-2009	Proposed Budget 2009-2010
Balance on Hand July 1	\$2,720,656	\$2,949,667	\$3,162,403	\$3,135,192
Revenues				
Total Revenues	2,056,231	2,947,234	1,337,018	1,668,000
Total Sources	4,776,887	5,896,901	4,499,421	4,803,192
Expenditures				
Total Expenditures	1,614,484	2,603,427	1,364,229	1,704,000
Balance on Hand June 30	\$3,162,403	\$3,293,473	\$3,135,192	\$3,099,192

Private Purpose Trusts Fund

Proposed FY 2009-2010 Budget

- Monies where the District acts as a fiduciary agent; holding assets for the benefit of parties outside the District
- Includes an account funded by a private gift used towards scholarships
- Funds cannot be used to support District programs

Private Purpose Trusts Fund

Proposed FY 2009-2010 Budget

	Audited Actual 2007-2008	Adopted Budget 2008-2009	Estimated Actual 2008-2009	Proposed Budget 2009-2010
Balance on Hand July 1	\$62,081	\$82,081	\$62,731	\$52,981
Revenues				
PS Miller Memorial Contributions	71,400	100,000	64,000	52,000
Total Revenue	71,400	100,000	64,000	52,000
Total Sources	133,481	182,081	126,731	104,981
Expenditures				
Total Expenditures	70,750	82,800	73,750	52,000
Change in Fund Balance	650	17,200	(9,750)	-
Balance on Hand June 30	\$62,731	\$99,281	\$52,981	\$52,981



Proposed FY 2009-2010 Budgets

Next Steps

- **Changes to FY 2009-10 Proposed Budgets**
 - **Review FY 2008-09 Budgets for Supplementals**
 - **Present all FY 2009-10 Budgets for Adoption**
- 