

 Douglas County School District RE1

Financial Plan and Budget

Fiscal Year 2012-2013



Douglas County
School District

Learn today. Lead tomorrow.
Castle Rock, CO

DOUGLAS COUNTY SCHOOL DISTRICT RE.1
FINANCIAL PLAN AND BUDGET
FISCAL YEAR 2012-13

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Fiscal Year 2012-13 Financial Plan and Budget



INTRODUCTORY SECTION

BOARD OF EDUCATION 2012-2013



From Left to Right: John Carson, Justin Williams, Meghann Silverthorn, Kevin Larsen, Doug Benevento, Craig Richardson and Dan Gerken

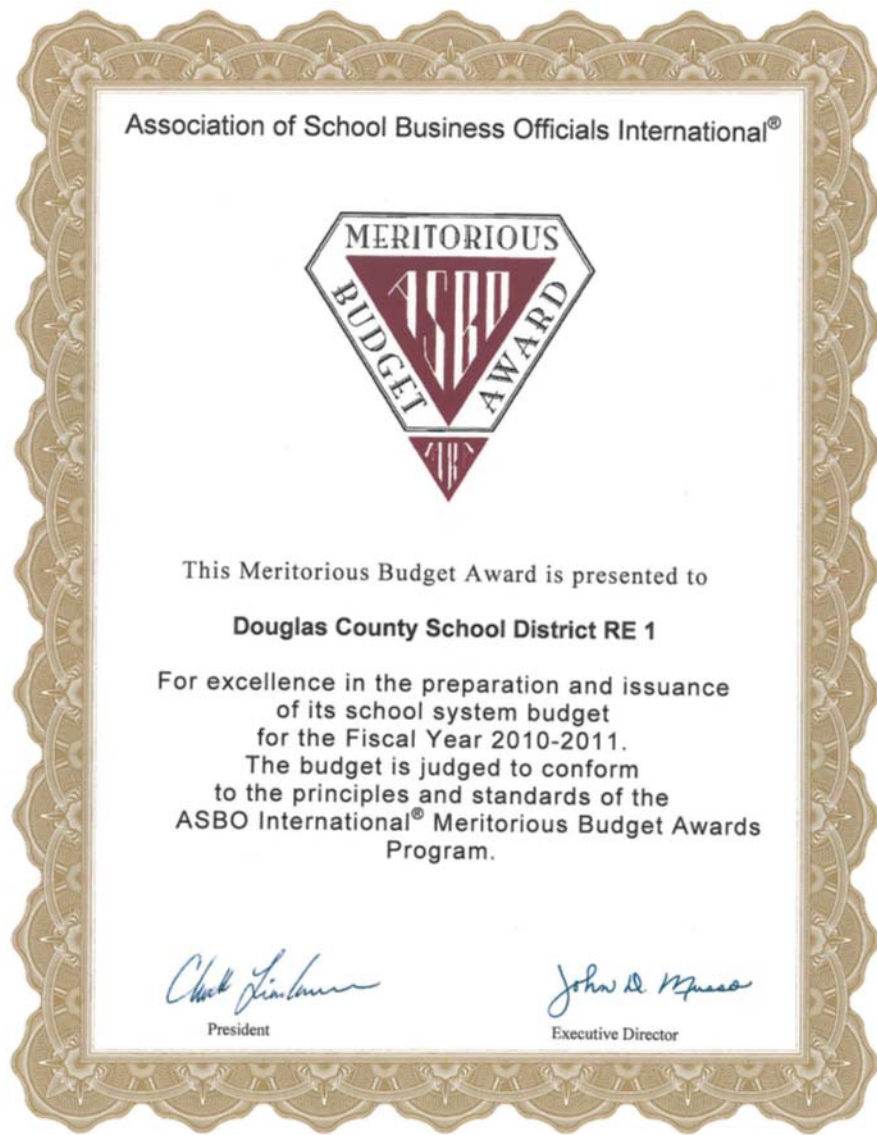
<i>Name</i>	<i>Position/District</i>	<i>Term Expires</i>
John Carson	President – District B	2013
Dan Gerken	Vice President – District D	2013
Doug Benevento	Director – District E	2013
Craig Richardson	Director – District A	2015
Meghann Silverthorn	Director – District G	2013
Kevin P. Larsen	Director – District C	2015
Justin G. Williams	Director – District F	2015

Dr. Elizabeth Celania-Fagen
Superintendent



Superintendent’s Cabinet/Leadership Team

Dr. Chris Cutter	Assistant Supt., Elementary Education
Daniel McMinimee	Assistant Supt., Secondary Education
Dana Strothers	Chief Academic Officer – Elementary Education
Dr. Carolyn Jefferson-Jenkins	Chief Academic Officer – Secondary Education
Bonnie Betz	Chief Financial Officer
Dr. Syna Morgan	System Performance Officer
Pat McGraw	Development and Innovation Officer
Robert Ross	Legal Counsel
William Moffitt	Chief Operations Officer
Brian Cesare	Chief Human Resources Officer
Cinamon Watson	Community Relations Officer and Executive Director DCEF
Randy Barber	Public Information Officer
Dwight Humphrey	Information Technology Director



The Association of School Business Officials International (ASBO) has awarded the Meritorious Budget Award for excellence in the preparation and issuance of a 2010-2011 school system annual budget to Douglas County School District RE 1.

The Meritorious Budget Awards Program was designed by ASBO International and school business management professionals to enable school business administration to achieve excellence in budget presentation. The program helps school systems build a solid foundation in the skills of developing, analyzing and presenting a budget.

The Meritorious Budget Award is only conferred to school systems that have met or exceeded the Meritorious Budget Award Program Criteria. No other organization or award program is specifically designed to enhance school budgeting and honor a school system for a job well done.

EXECUTIVE SUMMARY

Demographic Overview

The District's boundaries are largely coterminous with those of Douglas County, with just a small portion of the District located in Elbert County. The District is located immediately south of Denver metropolitan area, along the eastern slope to the Rocky Mountains, and includes the towns of Castle Rock, Parker and Larkspur; the cities of Lone Tree and Castle Pines North, and the unincorporated area of Highlands Ranch. The District encompasses approximately 867 square miles and has a population of approximately 291,000.

The District provides a full range of PK-12 educational school programs and services including basic education in elementary, middle and senior high schools, special education for handicapped students, online educational options, vocational education and other educational programs for approximately 63,000 students. About 3,000 of these students enroll in one of DCSD's online learning schools, eDCSD (Colorado Cyber School) or Hope Online. Both online schools enroll students from kindergarten through twelfth grade, offering a valuable alternative to the traditional education environment.

The District is governed by a seven-member Board of Education (the Board), whose members are elected by the qualified electors within the District's boundaries.

Each school provides information about specific programs, services, and activities offered on their individual school websites. To access the school websites, visit the District website at:

www.dcsdk12.org

Instructional Programs and Services

A variety of educational programs and services are offered to the Douglas County School District community to enhance student achievement. Some educational programs are summarized below.

EXECUTIVE SUMMARY

Alternative Schools and Programs

Daniel C. Oakes High School

Daniel C. Oakes High School is the District's comprehensive alternative high school designed to meet the needs of over 130 students each quarter who are looking for an alternative path toward achieving a high school diploma. Founded in 1987, Daniel C. Oakes High School is a school dedicated to providing an instructional, community atmosphere with a focus on personalized instruction (12 students per class). D.C. Oakes students meet the District graduation requirements in a small school environment that engages them in their own learning, fosters resiliency and connects them back to the environment through an outdoor program of canoeing, backpacking, rock climbing and working in the rivers of mountains of Colorado, Utah and Arizona. D.C. Oakes operates on a year-round modified "A" track calendar. Because of the high demand for this choice program, this school has an application and acceptance process and usually has a waiting list.

Rocky Mountain School of Expeditionary Learning (RMSEL)

A public school of choice, RMSEL is a vital partnership of five Denver-area school districts: Aurora, Denver Cherry Creek, Douglas County and Littleton; and two non-profit organizations actively involved in the renewal of public education: Outward Bound and the Public Education and Business Coalition. Expeditionary Learning captures the power of Outward Bound principles and research about best practices and combines them in the classroom to promote high academic achievement and character development.

Eagle Academy

Eagle Academy is Douglas County School District's "night" high school of choice for students who are unable to attend school during the day. Located in the Highlands Ranch High School building, Eagle Academy meets the needs of adults and young adults who want to complete Douglas County graduation requirements and earn a high school diploma. Eagle Academy operates on a modified school calendar, offering English, math, science and social studies classes which meet Monday through Thursday evenings from 5 to 9 p.m. Because of the high demand for this type of program, this school has an application and acceptance process and usually has a waiting list.

Home Schooling

Authorized by legislative declaration, home schooling is defined as the sequential program of instruction taking place in a home, which is provided by the child's parent or by an audit designated by the parent. Although home schooled students are required to participate in nationally-normed testing periodically, home schooling is not under the supervision and control of a school district. This educational program is not intended to be, and does not qualify as, a private or non-profit school. Home schooled students must register with a school district to be exempt from compulsory attendance requirements.

Renaissance Magnet School

Located in Castle Rock, Renaissance is a K-6 magnet school that enrolls students from all parts of Douglas County. Expeditionary Learning/Outward Bound Learning expeditions engage students in active learning, support literacy, promote character development, create a sense of adventure, spark curiosity and foster an ethic of service. The subject matter of a Learning Expedition is derived from Colorado and Douglas County School District content standards. Renaissance operates on a modified calendar. Wednesdays are half-days to allow for teacher development in this approach. District busing is available from satellite stops in Parker.

EXECUTIVE SUMMARY

Alternative Schools and Programs

Lone Tree Magnet School

Students from all across the district have the opportunity to enroll in Lone Tree Elementary, a magnet school that teaches students the way the brain learns best. Using Susan Kovalik’s Highly Effective Teaching (HET, formerly Integrated Thematic Instruction), this unique instructional model includes: integrated conceptual curriculum, body-brain compatible elements, “being there” experiences, social-political action projects, Lifelong Guidelines and LIFESKILLS. Believing that the goal of education is responsible citizenship, students are encouraged to work collaboratively, through their area of strengths, towards mastery of District End Statements and state standards. Lone Tree Magnet School is a preK-6th grade school.

eDCSD – The Colorado Cyber School

Douglas County School District is proud to offer eDCSD, a highly interactive K-12 online school. Delivering the same quality online education that parents and students expect from the District, eDCSD is designed to connect students to their futures and offers all Colorado families a new option for 21st century learning. eDCSD combines rigorous curriculum, well qualified teachers and the best in Web 2.0 technologies—all with the convenience on online accessibility to create a learning experience that is truly one of a kind.

Charter Schools

Douglas County School District has eleven authorized charter schools. Charter Schools enroll students from across the district on a lottery or wait list basis. Charter Schools focus on a specific delivery model ranging from the Montessori philosophy to Core Knowledge by E.D. Hirsch. Our Douglas County charter schools include: Academy Charter School K-8, American Academy K-8, Ben Franklin Academy PreK-8, Challenge to Excellence K-8, Parker Core Knowledge PreK-8, Hope Online Co-op K-12, North Star Academy K-8, Parker Core Knowledge PreK-8, Platte River Academy K-8, SkyView Academy PreK-12, and STEM School Academy 6-12. Ben Franklin Academy, SkyView Academy and STEM School Academy are still growing in different grade levels each year as they are new. Charter options exist in all three regions of Douglas County – Castle Rock, Highlands Ranch and Parker.

Special Education

Special education programming is driven by the unique individual educational needs of students with disabilities and procedures required by federal and state mandates. On average, in Douglas County Schools, the cost of special education is 2 to 2.5 times the amount spent on students without disabilities. Approximately ten percent of special education funding comes from the federal government and sixteen percent provided via the state. The balance of approximately seventy-four percent is derived from local District sources.

The special education population is very diverse. It includes students who are categorized as cognitively disabled, learning disabled, emotionally disturbed, visually impaired, hearing impaired, physically disabled, speech/language impaired, chronically ill, or multiplied disabled. The vast majority of special education students are in the mainstream, attending neighborhood schools, and spend at least part of the day in a general education classroom.

EXECUTIVE SUMMARY

Alternative Schools and Programs

The schools undertake the responsibility of:

- identifying all disabled children and offering them educational services
- assessing each disabled child individually and, when appropriate, formulating a written Individualized Education Program (IEP)
- ensuring that disabled students are placed in the “least restrictive environment” commensurate with their needs
- notifying parents in writing about identification, evaluation and school placement of their child
- providing those “related services” required for children to benefit from special education

School-to-Career

School-to-Career prepares students for life and the world of work by blending relevant workplace competencies with academic rigor. This unique partnership among schools, businesses and community organizations offers the following resources for students (grades 7-12):

- Educational and Career Planning (ECP) with access to internet based CHOICES career guidance system
- Internships for high school seniors
- Job shadow opportunities such as participation in construction Career Day
- Post-secondary educational campus visits including access to the CU Conference on World Affairs
- Junior Achievement classes
- College Ready Dual Enrollment Courses
- Career and Technical Certification Courses

School-to-Career also offers staff development courses to educators from Douglas County and other Districts. These courses are Workplace Institutes for Educators and Healthcare Institutes for Educators. In addition to a District-level coordinator, the system includes an advisory committee and site coordinators/committees at each middle and high school in Douglas County.

Extracurricular Programs

In addition to the educational programs offered, numerous extracurricular activity and athletic opportunities are provided to Douglas County District Students through the Pupil Activities program. This program creates a positive influence for children allowing them to build additional social and leadership skills needed to succeed academically and become a responsible member of the community.

EXECUTIVE SUMMARY

School Funding Revenue Sources

Colorado Public School Finance Act

Douglas County Schools receive funding from the State of Colorado through the Public School Finance Act. This Act uses a formula to determine state and local funding amounts for school districts to provide PK-12 public education. These amounts are based on revenues generated from state equalization revenue, local specific ownership taxes and local property taxes. This School Finance Program formula funding is budgeted in the General Fund.

Formula Illustration

Total Program Funding received under the Public School Finance Act starts with an annual statewide October pupil count. Generally, pupils in grades 1 through 12 are counted either as full-time or part-time depending on the number of scheduled hours of coursework. Kindergarten, preschool special education, and a limited number of at-risk preschool pupils are counted as part-time. This count is referred to as a Full-Time Equivalent (FTE) pupil count. Adjustment factors are included based on the cost of living study, personnel costs, the size of the District in comparison to other school districts in the State, and the “Negative Factor”, introduced based on a legislative legal opinion in order to reduce statewide funding under the School Finance Act.

The table below shows the funding calculation for FY2012-13:

FY2012-13 SCHOOL FINANCE ACT FORMULA		
Statewide base per pupil funding		\$5,843.26
Multiplied by District personnel costs factor	x	0.9050
Multiplied by District cost-of-living factor	x	1.244
PLUS		+
Statewide base per pupil funding		\$5,843.26
Multiplied by District non-personnel costs factor	x	0.0950
TOTAL		\$7,133.57
Multiplied by District size factor	x	1.0297
Funding per pupil without At-Risk Pupils		\$7,345.44
Statutory funding per pupil with At-Risk Pupils		\$7,413.32
Negative Factor - Formula Reduction of - 16.11%		(\$1,194.51)
Net per pupil funding under HB12-1345 (School Finance Act)		\$6,218.81

Description of Major Revenue Sources

Local Funding:



Property Taxes – Each school district is required to impose a property tax levy to finance its Local Share of Total Program. The ability to raise money from property taxes varies widely among districts. Differences in tax bases (assessed property values) result in differences in revenues collected, using a given mill levy. Nonetheless, no district’s property tax revenues are transferred to any other district; instead, monies raised remain in the district which imposes the tax.

EXECUTIVE SUMMARY

Description of Major Revenue Sources (continued)

Local Funding: (continued)

The county assessor determines the valuation of all property located within a district's boundaries (e.g. residential, commercial, agricultural, oil, and gas). The state is responsible for determining that the valuation is based on a percentage of the property's actual value.

Specific Ownership Taxes – Vehicle registration taxes are collected by counties and are shared with schools districts. Each district's Local Share includes an amount of specific ownership tax revenue equal to the prior budget year's actual amount received.

Statewide across all school districts, specific ownership taxes are projected to provide about 2.51% of Total Program funding.

Other Revenue – Other revenues includes investment earnings, fees for athletics, activities, parking, and rental of District facilities.

State Funding:



State Equalization Aid – This funding is allocated from the State of Colorado to fund educational programs authorized by the Public School Finance Act of 1994. Funding is provided on a 'per-pupil' basis from enrollment figures generated by the October 1 official school district count. There are a variety of factors that influence the projected enrollments for the upcoming school year that must be considered carefully in order to determine how a budgeted revenue figure is determined.

Categorical (State) Funding – Categorical programs include Special Education, Transportation, Vocational Education, English Language Acquisition and Gifted and Talented education programs. Amendment 23 specifies that funding for these programs provided by the State increases each year at the rate of inflation plus 1% through 2010-11. For FY2011-12 and later years, the increase is for the rate of inflation only.

Federal Funding:



Federal Funding – Federal funds provide support for the Designated Purpose Grants Fund through Title programs under the "No Child Left Behind Act" and funding for special needs programs. The Food Services Fund is also funded by Federal sources. The two largest amounts the District receives are for "Education for the Handicapped" and federal reimbursement for the school breakfast and lunch programs.

EXECUTIVE SUMMARY

FUND OVERVIEW

Athletics and Activities Fund 26

This fund accounts for all revenues and expenses directly related to CHSAA-sponsored athletics and activities. For FY 2012-2013, budgeted revenues total \$12.2 million toward expenses of \$12.3 million.

Building Fund 41

The Building Fund is used to account for the management and actual construction of District facilities that are financed by the proceeds of school bond issues. The beginning fund balance for FY 2012-2013 is estimated at \$17.3 million, together with estimated revenues of \$100,000 will cover estimated expenditures of \$5.4 million.

Bond Redemption/Debt Service Fund 31

This fund serves as the vehicle for recording dedicated property taxes and the payment of outstanding principal and interest on the District's General Obligation Bonds. Available revenues for this fund are projected to be \$70.0 million plus a \$59.9 million beginning fund balance. Expenditures for this fund are budgeted at \$70.3 million. Main expenses are \$40.7 million for mandatory principal payments and \$29.1 million in regular interest payments.

Capital Projects Fund 43

This fund was created in FY 2010-2011 to account for the acquisition of capital assets that were formerly reported in the District's Special Revenue Fund. Colorado Statute was changed in FY 2010-2011 eliminating the mandate to move 3% of General Fund revenues into the Capital Reserve Fund. This new fund accounts for activity associated with the acquisition of capital assets defined in BOE policy DID, as those items or groups of items that have a value of \$5,000 or more with a useful life greater than one year.

Child Care Fund 52

This fund is organized as an enterprise operation, and includes Before and After School Child Care, Intersession and Extended Kindergarten. These programs are budgeted to be self-supporting with revenues derived from program enrollment fees and charged on a per-child basis. For FY 2012-2013, the estimated beginning fund balance of \$3.6 million, along with budgeted revenues of \$9.1 million, will cover budgeted expenditures of \$9.1 million.

Certificates of Participation (COP) Capital Projects Fund 45

This fund has been established to account for capital projects funded with the proceeds from the Sale of Certificates of Participation. This fund will account for the activity associated with the construction of Aspen View Charter School as well as activities associated with capital projects identified in the FY 2012 DCSD Master Capital Plan.

Certificates of Participation (COP) Lease Payment Fund 39

Pursuant to the CDE Chart of Accounts, this fund is for non-voter approved lease payments. The accounting associated with this new fund was formerly included in the General Fund as well as the Capital Reserve Fund.

EXECUTIVE SUMMARY

FUND OVERVIEW (continued)

Full Day Kindergarten Fund 19

The activity associated with the full day kindergarten program has previously been accounted for in the District's General Fund. This fund's revenues come from tuition paid by families to access a full day kindergarten program at many of the District's elementary schools. Included in this fund are reserves designated for tuition scholarships meeting the needs of the District's at-risk kindergarten students. This fund is included in the Combined General Fund for purposes of financial reporting in the Comprehensive Annual Financial Report (CAFR).

General Fund 10

The General fund is the District's largest fund, and accounts for approximately 75% of the total District budget. This fund accounts for all District operations, except where funds are required to be reported separately. The General Fund includes budgets for all schools and most departments within the District. For FY 2012-2013, expenditures, including transfers and reserves, total \$474.2 million.

Student Based Budgeting

From the General Fund, District-operated schools are allocated a per pupil dollar amount based upon the formula presented in the table below. The allocation makes a direct link between a school's actual enrollment and funding.

The goals of Student Based Budgeting are:

- Establish greater equity between sites on a per pupil basis
- Empower sites with greater discretion and flexibility
- Synergize the student based budget planning process to bring all revenue sources into play
- Reduce long-term District fiscal liability resulting from under-enrollment (October reconciliation)
- Foster a greater spirit of entrepreneurialism and competition in schools
- Respond proactively to political initiatives directed at dictating school district financial practices

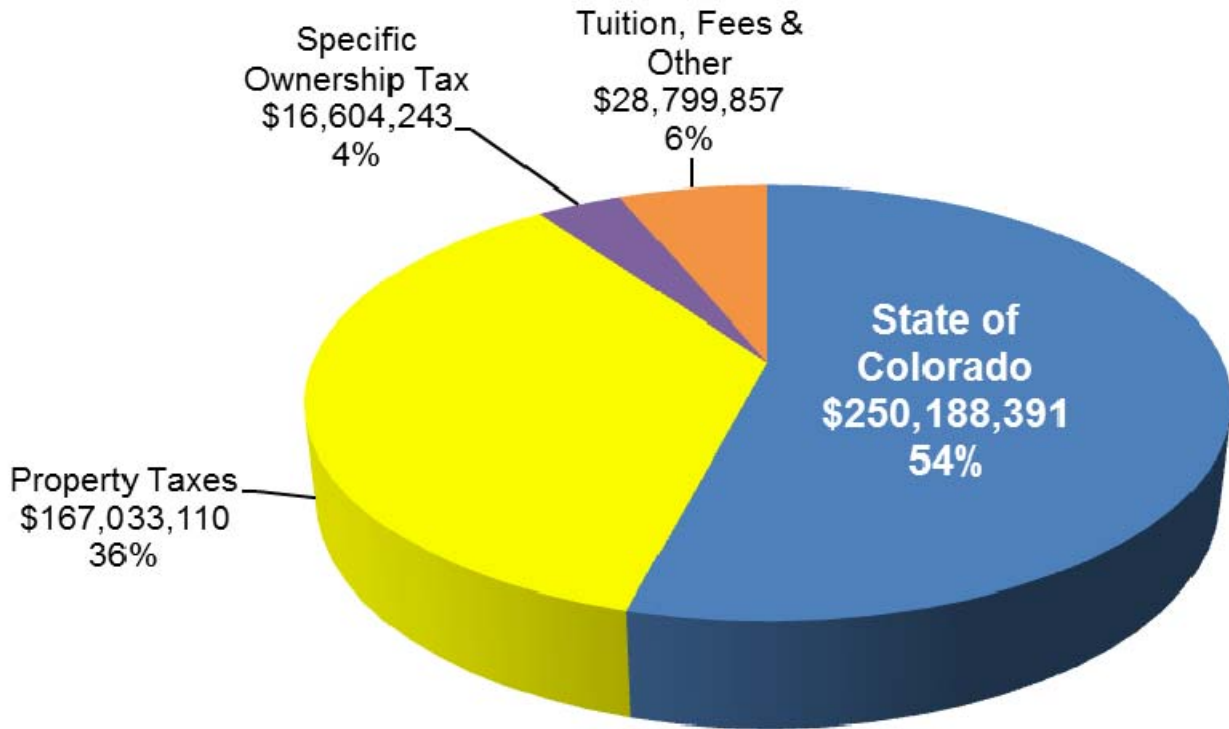
Individual schools use these dollars for certified staff, classified staff, supplies and materials. Schools base their budgets on historical figures, through input from District staff and school advisory councils. Student Based Budgeting began in Fiscal Year (FY) '06 with one feeder group, expanded to three feeder groups in FY 07 and to all District feeders in FY 08. During FY 13 a one-time allocation of \$125 was given to each level and is included in the table below.

	FY '10	FY '11	FY '12	FY '13
	Allocation	Allocation	Allocation	Allocation
	<u>Per Pupil</u>	<u>Per Pupil</u>	<u>Per Pupil</u>	<u>Per Pupil</u>
Elementary School - Conventional	\$ 3,568	\$3,318	\$3,318	\$3,518
Elementary School - 4 Track	\$ 3,589	\$3,339	N/A	N/A
Middle Schools	\$ 3,792	\$3,542	\$3,442	\$3,592
High Schools	\$ 3,566	\$3,316	\$3,216	\$3,191

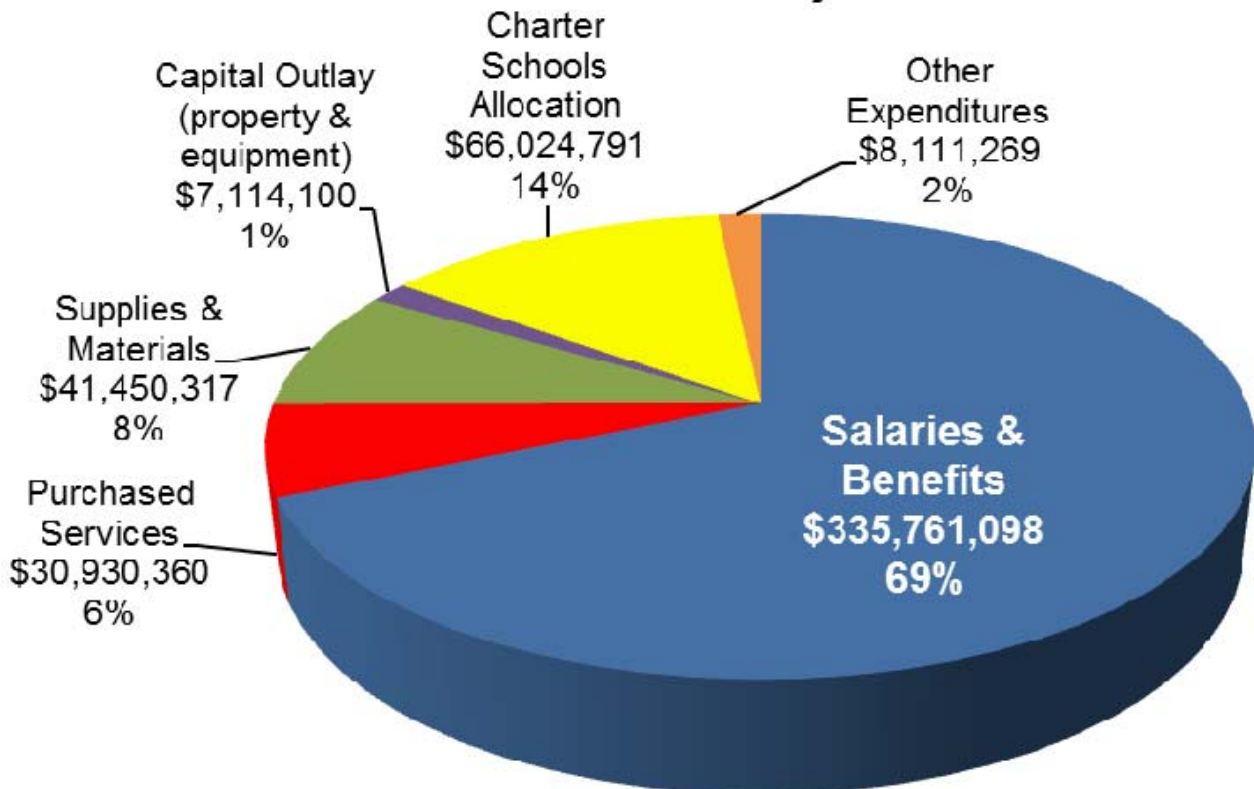
EXECUTIVE SUMMARY

FUND OVERVIEW (continued)

Where the Money Comes From



Where the Money Goes



EXECUTIVE SUMMARY

FUND OVERVIEW (continued)

Governmental Designated Purpose Grants Fund 22

This fund accounts for most state and local grants, as well as federal funding, received by the District. Essentially this fund is a balanced fund where FY 2012-2013 expenditures equal the available dedicated revenues of \$10.8 million.

Medical Self Insurance Fund 65

This fund contains District and employee medical and dental premium payments. The District operates a self-funded employee benefit program and must match set premiums to cover projected medical payouts. Anticipated revenues for FY 2012-2013 are \$40.1 million and expenses are budgeted at \$40.1 million.

Nutrition Services Fund 51

The Nutrition Services Fund operates as an enterprise fund and accounts for activities related to preparation of school meals. FY 2012-2013 has a beginning balance of \$84,406 and estimates \$16.0 million in sales and other revenue. Budgeted spending totals \$15.1 million, with approximately 40% going for food and commodity purchases.

Outdoor Education Center Fund 54

This tuition-based fund provides an outdoor learning environment where students are engaged in experimental learning activities. In addition to developing knowledge of the ecological surroundings, students are also involved in problem solving, being creative and constructing meaningful solutions. Total sources for FY 2012-2013 will be \$685,552, which includes a beginning balance of \$306,868. Anticipated expenses are budgeted at \$635,552.

Pupil Activity Fund 74

This fund is a combination of vending profits, magazine sales and includes a group of individual school funds earmarked for extra-curricular student activities at the elementary, middle and high school levels. Revenues are generated by fund raising events and user/club fees. The beginning fund balance is \$7.5 million and budgeted revenues total \$4.6 million, with expenses of \$3.9 million budgeted.

Private Purpose Trust Scholarship Fund 75

Accounting for monies whereby the District acts as a fiduciary agent, this fund is comprised of several accounts funded by private gifts, donations and/or fund raising efforts. The beginning fund balance is \$18,666 with an additional \$58,000 in anticipated contributions. Expenses are budgeted to total \$60,000.

Risk Insurance Reserve Fund 18

This fund accounts for the activity associated with the District's property, liability and vehicle insurance, as well as related loss prevention services. It also accounts for the activity associated with the District's self-insurance worker's compensation insurance. This fund is considered a part of the Combined General Fund as 100% of its sources come from a General Fund transfer.

Transportation Fund 25

This fund is used to account for revenues from a fee imposed for the purpose of paying excess transportation costs pursuant to the provisions of Sections 22-40-102(1.7)(a) or 22-32-113(5)(a), C.R.S., respectively. Section 22-24-103(1)(f), C.R.S., requires a district use this fund when such a fee is imposed. For FY 2012-2013, total sources of \$18.9M are anticipated to cover expenditures of \$18.6M.

EXECUTIVE SUMMARY

FINANCIAL PLAN ADOPTED BUDGET RESOLUTION

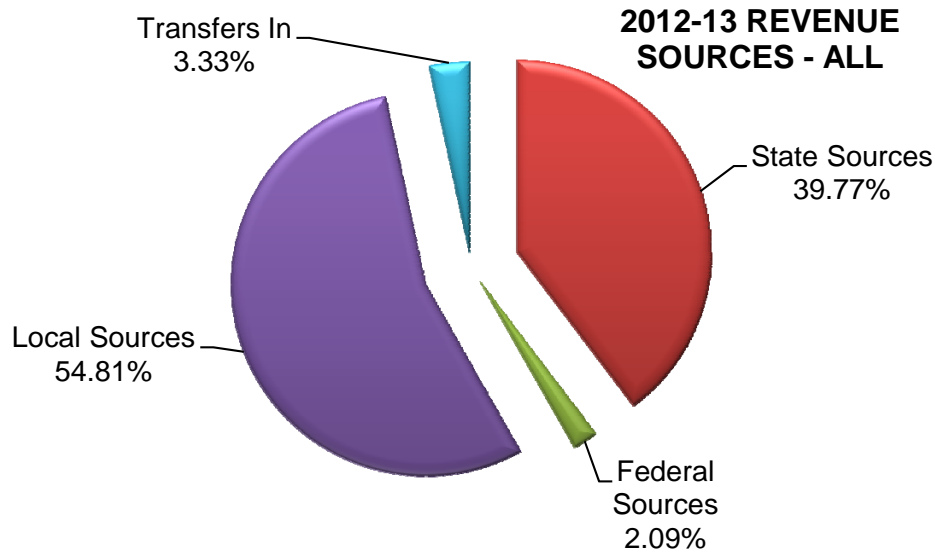
Approval of 2012-13 Fiscal Year Budget

BE IT RESOLVED by the Board of Education of the Douglas County School District Re. 1, and Elbert Counties as presented to the Board of Education, for the Fiscal Year beginning July 1, 2012 and ending June 30, 2013 be adopted, and that there be appropriated to each fund of the School District the following amounts by fund, as recommended by the Superintendent and the Chief Financial Officer:

DISTRICT FUNDS	BUDGET
Operating Fund	
Combined General Fund	\$ 474,233,876
Risk Reserve Fund	4,147,139
Full Day Kindergarten Fund	7,783,309
Transportation Fund	18,647,696
Capital Projects Fund	6,542,000
Special Revenue Funds	
Governmental Purpose Grants Fund	10,788,088
Athletics and Activities Fund	12,320,552
Bond Redemption/Debt Service Fund	70,321,574
Certificates of Participation (COP) Lease Payments Fund	3,188,033
Capital Project Funds	
Bond Building Fund	5,396,628
Certificates of Participation (COP) Capital Projects Fund	17,000,000
Internal Service Fund	
Medical Self Insurance Fund	40,102,444
Enterprise Funds	
Nutrition Services Fund	15,061,715
Child Care (B.A.S.E.) Fund	9,149,932
Outdoor Education Enterprise Fund	635,552
Trusts and Agency	
Pupil Activity & School Discretionary Fund	3,913,000
Private Purpose Trust Scholarship Fund	60,000

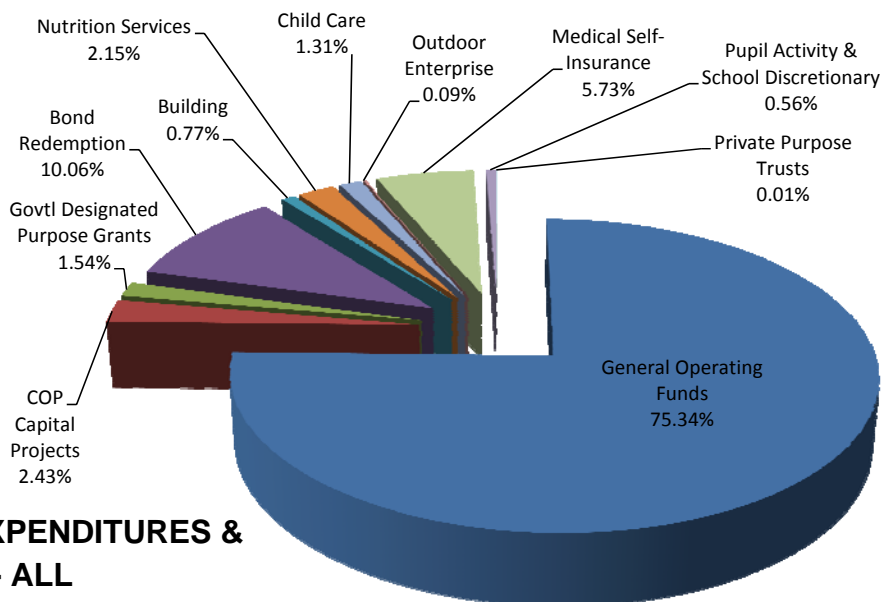
The 2012-13 Financial Plan Budget Resolution is to be submitted for consideration and action by the Board of Education at the regularly scheduled meeting, held on June 18, 2012 at the Administration Building, 620 Wilcox, Castle Rock, Colorado 80104.

EXECUTIVE SUMMARY



Revenue Sources	
Beginning Fund Balance	\$ 160,892,691
Property Taxes	220,337,780
State Equalization	257,640,052
Specific Ownership Taxes	16,604,243
Other Intergovernmental Revenue	9,152,582
Other Local & State Revenue	130,720,631
Federal Revenue	14,024,263
Transfers In	22,316,006
Total Revenue and Transfers	670,795,557
Funds Available	\$ 831,688,248

Budgeted Expenditures & Transfers	
General Operating Funds	\$ 504,900,518
Certificate of Participation Capital Projects	17,000,000
Govtl. Designated Purpose Grants	10,788,088
Bond Redemption/Debt Service	70,321,574
Building	5,396,628
Nutrition Services	15,061,715
Child Care (B.A.S.E.)	9,149,932
Outdoor Enterprise (LIFE Center)	635,552
Medical Self-Insurance	40,102,444
Pupil Activity & School Discretionary	3,913,000
Private Purpose Trusts	60,000
Total Expenditures & Transfers	\$ 677,329,451



EXECUTIVE SUMMARY

BUDGET DEVELOPMENT ASSUMPTIONS

In developing the FY 2012-2013 Budget, a total budget reduction of \$18.1 million was required: \$11.7 million of prior year reductions that were offset with one time reserves anticipating a successful Mill Levy Override election in November of 2011, \$4.2 million reinstatement of the Pay for Performance budget lines that were used in FY 2012 to avoid furlough days, and \$2.2 million accounting for the statutorily required PERA (Public Employee Retirement Association) contribution increase. The Colorado State Legislature and the Governor approved a FY 2013 budget that maintained the current year's per pupil revenue so State generated reductions were not required. These budget reductions were achieved as follows:

Elementary SBB Reduction (\$0)	\$0.0 M
Middle School SBB Reduction (\$50)	0.5 M
HS SBB Reduction (\$225)	3.6 M
Central Administration Reductions	1.0 M
Capital Reallocation/Reduction	3.4 M
Cost of Business Budget Opportunities (Central Admin.)	6.0 M
Negotiated Reductions	2.0 M
Contingency Reduction/Reallocation	<u>1.6 M</u>
Total FY 2013 Budget Reduction and Reallocations	\$18.1 M

Four budget lines - such as utilities, medical benefits, and contingency and substitute teachers – had budgets that were significantly higher than the actual need. These four budget lines were decreased to be more in line with actuals resulting in the \$6 million in Cost of Business Opportunities. Since these four budget lines had excess budget, the \$6 million is expected to increase the FY 2012 General Fund's ending fund balance by this amount. This additional fund balance provided us an opportunity to offer a 1% retention stipend to all employees and allocate out one time monies at \$125/student to each of our neighborhood and alternative schools. These additional expenses are also accounted for in the FY 2013 Proposed Budget.

In addition, the Colorado Department of Education is projecting student growth of 2,006 students in FY 2013. The Proposed Budget includes the revenues and expenses associated with these new students assuming that about 1,000 students are enrolling in the District's eleven charter schools.

Finally, through negotiations (which are ongoing), an opportunity has been identified to reallocate existing compensation dollars - benefiting about 10% of our employees - to a 1% ongoing pay increase for the benefit of all employees. The FY 2013 Proposed Budget includes this ongoing pay increase as well as the associated increases in Medicare and PERA.

EXECUTIVE SUMMARY

LEGISLATIVE IMPACTS

Gallagher Amendment

The Gallagher Amendment was adopted by Colorado voters in 1982 and divides the state's total property tax burden between residential and nonresidential (commercial) property. The Amendment mandates that 45% of total state property taxes must come from residential property, and the remaining 55% from commercial property.

TABOR Amendment

The Taxpayer Bill of Rights (TABOR) was approved by Colorado voters in 1992. It applies to all levels of Colorado government (including school districts) and is designed to restrain government growth. Tax rates cannot be raised without voter approval, and revenues in excess of the TABOR limit must be refunded to taxpayers.

Public School Finance Act

The Colorado General Assembly enacted the Public School Finance Act in 1994 (subject to annual review and revision). Most revenues provided to Colorado's 178 school districts are provided on this legislation. Funding is based on an annual October pupil count. For each pupil funded, the formula provides a base amount of money, plus additional monies for cost of living, personnel costs, size and online funding. There is also funding for at-risk pupils. Starting in FY 2010-2011, the "negative factor" (see Amendment 23 below) is now applied

Amendment 23

Amendment 23 was approved by Colorado voters in November 2000 and changes K-12 public school state funding, and required the statewide "base" funding to be increased by the rate of inflation and one percent for ten years. Starting in FY 2010-2011 and later, the increase is only at the rate of inflation. Due to state budget shortfalls starting in FY 2010-2011, the State Legislature adopted additional legislation resulting in a "negative factor" funding recessions.

Referendum C

Colorado taxpayers voted to approve Referendum C in November 2005. This referendum allowed the state to spend monies collected over the TABOR limit for the next five years on health care, public education, transportation projects and local fire and police pensions.

EXECUTIVE SUMMARY

DOUGLAS COUNTY SCHOOLS—FISCAL YEAR 2012-13 STUDENT ENROLLMENT PROJECTIONS

Throughout the 2013 Budget, per-pupil revenue calculations are based upon a Funded Pupil Count (“FPC”). The FPC in fiscal year 2011-2012 (FY’ 12) was 59,606. For fiscal year 2012-2013 (FY’ 13) the Budget’s FPC is 61,612 (this includes 58,481 for regular District students and 3,131 for online student). Note: When calculating the District’s FPC, kindergarten children count as 0.58 funded pupils due to their half-day classes. The State is working towards increasing funding for full-day kindergarten programs over a multi-year period.

The principal method used by the District for enrollment forecasting is known as the Cohort-Survival Technique. The Cohort Survival Ration (CSR) is an enrollment projection method which essentially compares the number of students in a particular grade to the number of students in the previous grade during the previous year. Rations are computed for each grade progression and are then used to project future enrollments.

The ratio indicates whether a change in the number of students is indicative of enrollment that is stable, increasing, or decreasing. A ratio on one indicates stable enrollment; less than one indicates declining enrollment, while greater than one indicates increasing enrollment. If, for example, a school district had 100 fourth graders and the next year only has 95 fifth graders, the CSR would be 0.95.

Fluctuations in the rate from year-to-year create a pattern from which an average Cohort-Survival Rate from grade to grade can be calculated to project future student membership. For example, if over a period of several years, an average of 98 percent of the student membership in grade 6 goes on to grade 7, and if 3,000 children were to be now enrolled in grade 6, then next year’s grade 7 membership may be estimated at 98 percent of 3,000 or 2,940 students. These rates are then applied to present student membership and used to help project membership levels for each succeeding year.

Family/residential mobility complicates projections of an individual school’s enrollment. Economic factors are key determinates. Correlations can be drawn between the size and growth rates of the student population as affected by changes in wages or other measures on income, birthrate, the price of existing housing, and the construction rates and prices of new residential developments. Commercial and industrial migration are also influential factors as are the availability and cost of office and warehouse space.

ENROLLMENT BY PLANNING AREA

Planning Schools	Actual Enrollment					Projected Enrollment *					
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	
East											
Elementary	8,190	8,437	7,721	7,661	7,660	7,386	7,322	7,134	7,019	7,063	
Middle	2,474	2,447	3,249	3,305	3,405	3,450	3,365	3,452	3,455	3,343	
High	4,512	4,695	4,838	5,006	5,122	5,202	5,375	5,463	5,618	5,751	
Total	15,176	15,579	15,808	15,972	16,187	16,038	16,062	16,049	16,092	16,157	
North											
Elementary	13,980	13,223	12,914	13,034	12,944	12,786	12,466	12,235	12,196	12,390	
Middle	3,849	4,216	4,310	4,281	4,371	4,369	4,410	4,398	4,285	4,213	
High	6,679	6,926	7,181	7,404	7,580	7,627	7,727	7,905	8,164	8,422	
Total	24,508	24,365	24,405	24,719	24,895	24,782	24,603	24,538	24,645	25,025	
West											
Elementary	5,931	5,623	5,731	6,161	6,281	5,773	5,782	5,736	5,709	5,710	
Middle	1,549	1,602	1,659	1,736	1,833	1,922	1,902	1,875	1,915	1,908	
High	3,201	3,276	3,363	3,621	3,737	3,849	4,018	4,164	4,254	4,344	
Total	10,681	10,501	10,753	11,518	11,851	11,544	11,702	11,775	11,878	11,962	
Charter	Total	3,387	3,751	4,485	5,956	6,572	7,758	8,005	8,139	8,169	8,116
Other *	Total	4,971	5,736	6,014	4,949	5,152	5,667	5,667	5,667	5,667	5,667
District	Total	58,723	59,932	61,465	63,114	64,657	65,789	66,168	66,451	66,927	

* These three Planning Area figures include Alternative and Magnet but do not include Preschool and are subject to change annually as the Master Capital Plan is updated.

* Other schools include Alternative, Magnet, On-Line, Preschool

OVER 60,000 PUPILS AND GROWING.....

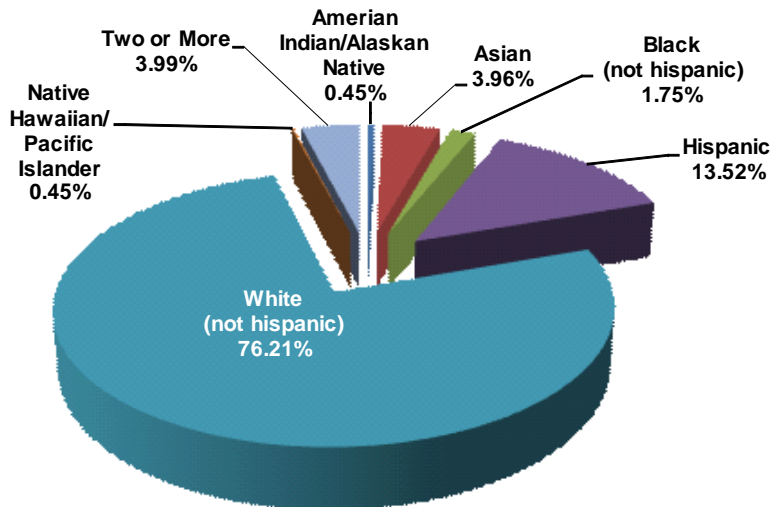
Douglas County School District remains the third largest school district in Colorado for the fifth year in a row. The largest increase in enrollment took place between 1990 and 2000, when the number of students increased by nearly 166 percent.

Below is a brief look at the FY 2012-2013 student demographics of Douglas County School District:

American Indian/Alaskan Native: 288
 Black: 1,131
 Two or more: 2,577

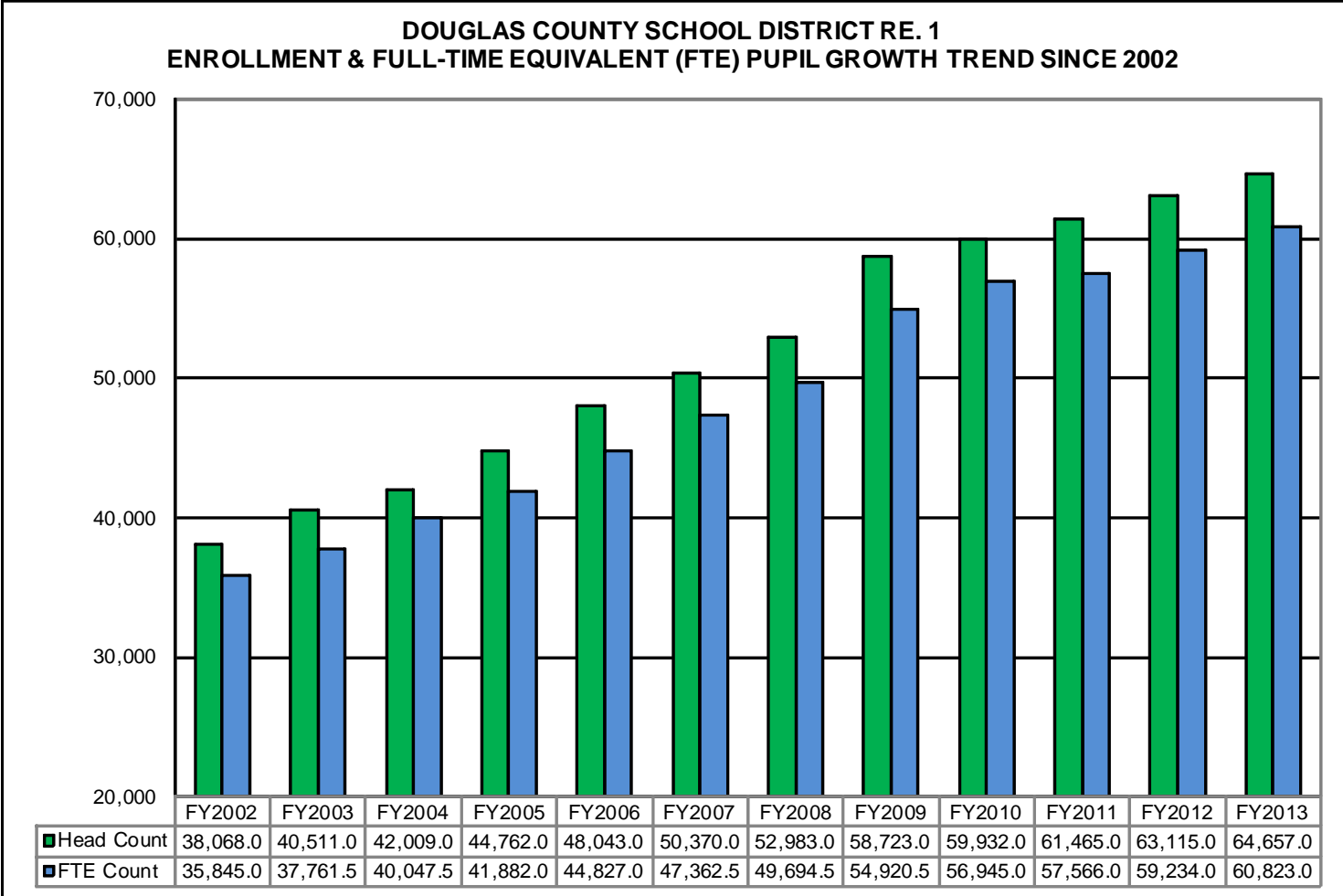
Asian: 2,559
 Hispanic: 8,740

Native Hawaiian: 84
 Caucasian: 49,278



EXECUTIVE SUMMARY

FY 2012-2013 ENROLLMENT





Fiscal Year 2012-13 Financial Plan and Budget



ORGANIZATION SECTION

MISSION, CORE VALUES AND GOVERNANCE

MISSION STATEMENT

The vision of the Douglas County School District is to help students acquire the knowledge and abilities to be responsible citizens who contribute to our society.

CORE VALUES

Educational Excellence

- High expectations are the focus of everything we do. We challenge all people to acquire a foundation of knowledge and academic skills, and to achieve their highest potential.

Human Diversity

- Varied beliefs and backgrounds strengthen a public education system. We respect differences which contribute to a better society for all human beings.

Individual Potential

- Individuals develop within an environment that nurtures intellectual, social, emotional, physical and aesthetic growth.

Lifelong Learning

- Education is a process that begins at birth and continues throughout life. We foster curiosity, motivation and the desire to learn that extends beyond school settings.

Productive Effort

- The pursuit of greater knowledge and more powerful thinking demands hard work, perseverance and commitment.

Shared Responsibility

- The partnerships among parents, students, staff and community members are characterized by mutual commitment and collaborative effort.

Ethical Behavior

- Our actions are distinguished by the highest standards of personal behavior, including trust, honesty, fairness, integrity and mutual respect.

Continuous Improvement

- Our District, its systems and processes will be subject to continual scrutiny and improvement. We will be recognized for management by fact, results focus and a long-range outlook.

BOARD OF EDUCATION POLICY GOVERNANCE

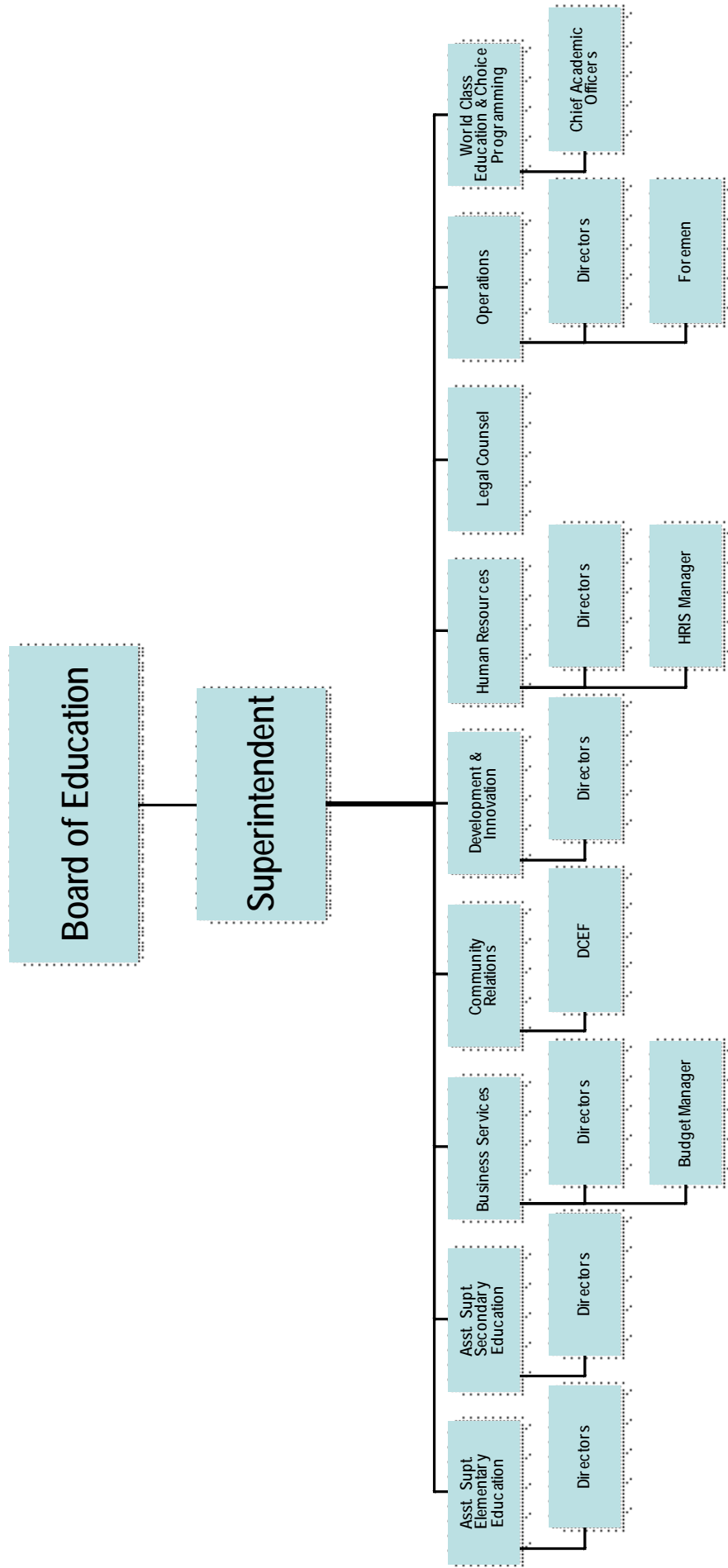
Board's Purpose: On behalf of the citizens of Douglas County School District, the purpose of the Board of Education is to assure that the District (a) achieves appropriate results for appropriate persons at an appropriate cost, and (b) avoids unacceptable actions and situations.

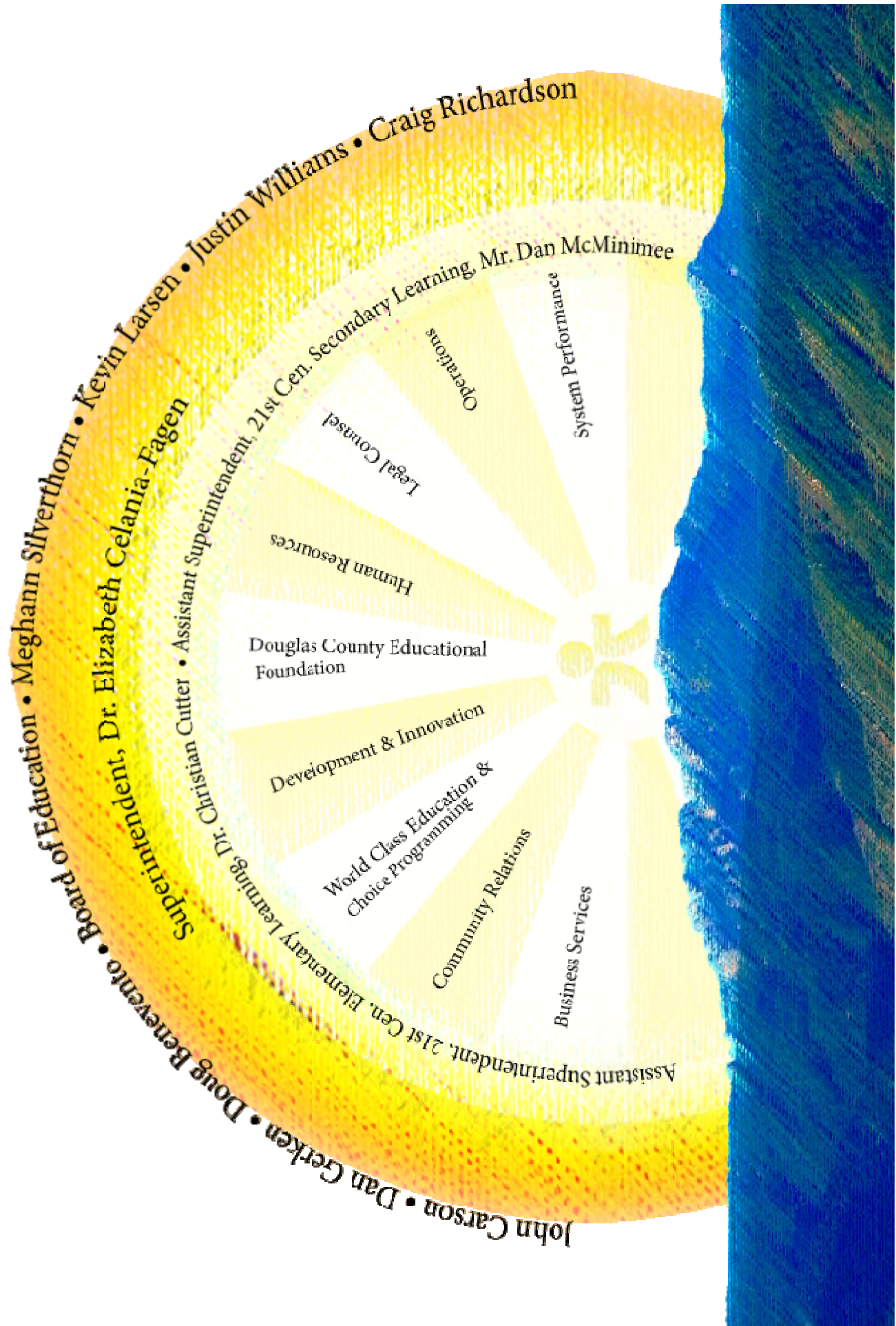
Board/Superintendent Linkage: The Board's sole, official connection to the operational organization of the District, its achievement and conduct is through the District's chief executive officer (CEO), titled "Superintendent."

End Statements: Douglas County School District students acquire the knowledge and abilities to be responsible citizens who contribute to our society.

Executive Limitations: The Superintendent shall not cause or allow any practice, activity, decision or organization circumstance that is unlawful, imprudent or in violation of commonly accepted business and professional ethics.

Douglas County School District





COMMUNITY INVOLVEMENT

District Accountability Committee (DAC)

In Colorado, it is a statutory requirement for every school district to have a District Accountability Committee (DAC). The District Accountability Committee members are selected by the Board of Education and are comprised of parents, community and staff members. As a committee to the Board of Education, the DAC makes recommendations on priorities for spending District funds, on the preparation of the District's improvement plans, on charter school applications and on other areas and issues as requested by the Board of Education and as required by law.

Student Advisory Group

The charge of this Board of Education committee is to make recommendations to improve the educational programming of the District. This group is composed of high school sophomores, juniors and seniors representing each of the District's high schools. Student voice and engagement in the governance of the District supports our core values, promoting shared responsibility between students, parents, staff and community members, and ensuring that students participate in continuous improvement to attain a World-Class Education.

Long-Range Planning Committee (LRPC)

The charge of the LRPC is to study school district facility and capacity needs. This committee of the Board of Education keeps close track of new housing developments and student enrollment trends. Recommendations are made to the Board of Education on capacity needs, school locations, attendance boundaries and other issues related to facilities. Members represent all areas of the county and are comprised of twenty-two voting members: two for each high school feeder, two at-large and two charter members. Additionally, the LRPC publishes the Master Capital Plan which includes six year's worth of enrollment projections, the Capital Improvement Program (existing facility needs) and school-by-school data summary sheets. This comprehensive document ultimately goes to the Board of Education for approval, and is often used as a tool when they contemplate Bond Elections.

Douglas County Special Education Advisory Council (DCSEAC)

The general intent of the Douglas County Special Education Advisory Council is to gather, communicate and disseminate information to key stakeholders, as well as influence and support programming for students with disabilities in the District.

Fiscal Oversight Committee (FOC)

The primary function of the Fiscal Oversight Committee is to assist the Board of Education in fulfilling its fiscal oversight responsibilities with integrity and reliability. The FOC does not assume the ultimate fiscal responsibilities of the Board of Education (the "Board"). The Board and Superintendent retain the ultimate responsibility for the District's financial condition and for decision making in all matters of policy and operation. In all matters related to the District's fiscal health, the FOC shall foster adherence to: (a) all applicable laws and recommended policies, procedures and practices; and (b) promoting attainment of best-in-class performance.

BOARD OF EDUCATION

The District is governed by a seven-director Board whose members are elected by the registered electors of the District for staggered four-year terms of office. The District is divided into seven director districts, with one director being elected from each District. The regular biennial election of District directors is held on the first Tuesday after the first Monday in November of odd-numbered years. The Board is a policy-making body whose functions are to establish policies for the District, provide for the general operation and personnel of the District and oversee the property, facilities and financial affairs of the District. Members of the Board serve without compensation.

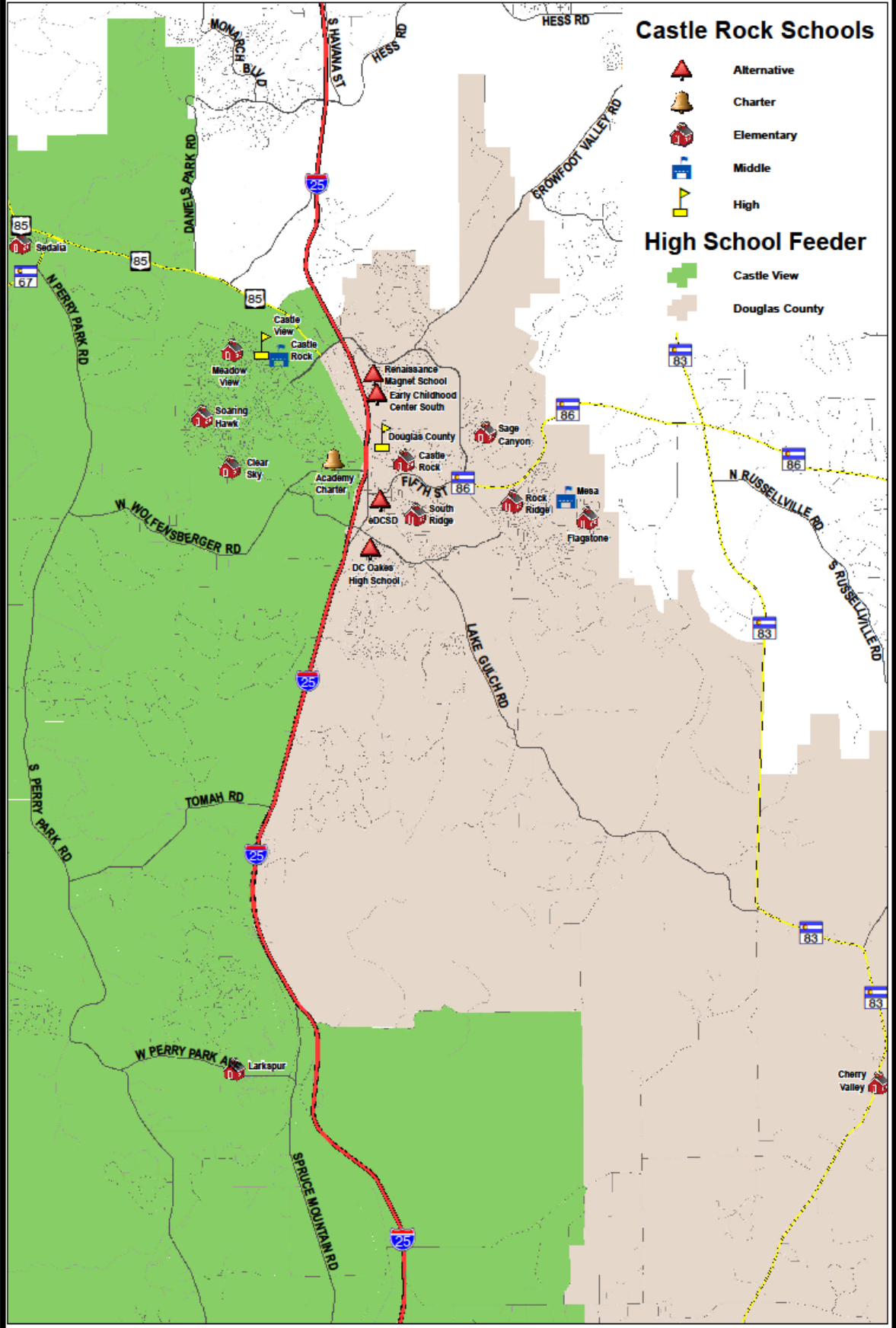
Board meetings are open to the public and are held on the first and third Tuesdays of every month, beginning at 5:00 p.m. Schedule variations may occur and Special Meetings may be called by the President of the Board. The meetings are usually held at the District Administration Building, located at 620 Wilcox Street in Castle Rock, CO. Agenda for future meetings and minutes for past Board meetings can be accessed on the District's website. Board members have delegated the District's day-to-day operations to the Superintendent and appropriate staff.

ACCREDITATION

The District is fully accredited by the Colorado Department of Education. The District is subject to periodic monitoring by the state to ensure continued compliance with accreditation standards. The District, in turn, accredits of all its schools each year.

SCHOOL DISTRICT POWERS

The District is a body corporate with perpetual existence and may hold property in its name for any purpose authorized by law, may sue and be sued, and may be a part to contracts for any purpose authorized by law. State statutes grant to the Board the power to govern the District. General duties which the Board is required to perform include, but are not limited to, the following: to adopt policies and prescribe rules and regulations necessary and proper for the administration of the District; to employ all personnel required to maintain the operations and carry out the educational programs of the District; to establish and pay personnel compensation; to determine the education programs to be provided by the District; to prescribe the textbooks for any course of instruction or study in such programs; to define school boundaries, determine the location of each school site; construct, erect, repair, alter and remodel buildings and structures, to procure group life, health or accident insurance covering employees of the District; procure appropriate property damage, casualty, public liability and accident insurance; and provide transportation of pupils enrolled in the District's public schools.



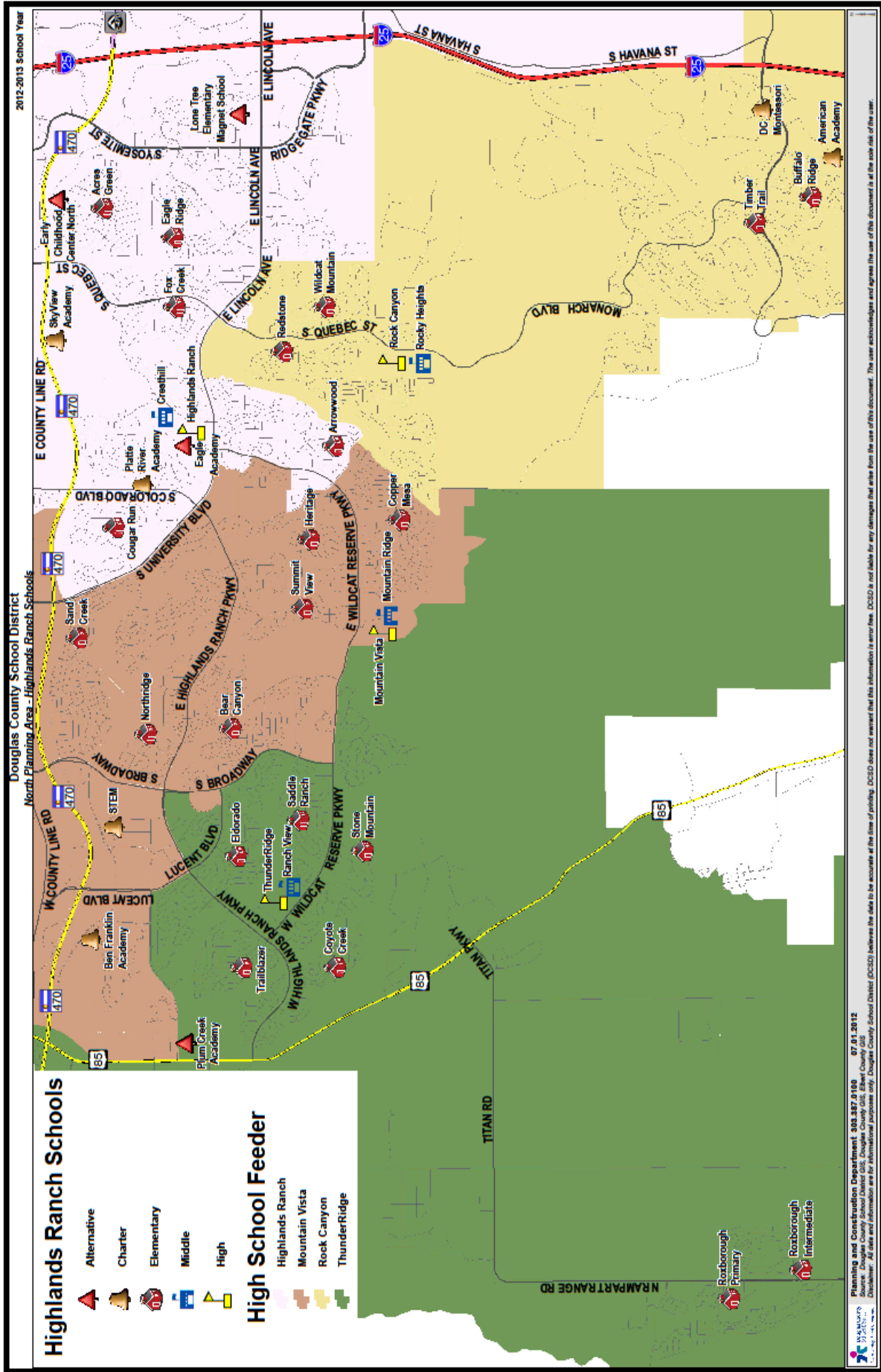
Castle Rock Schools

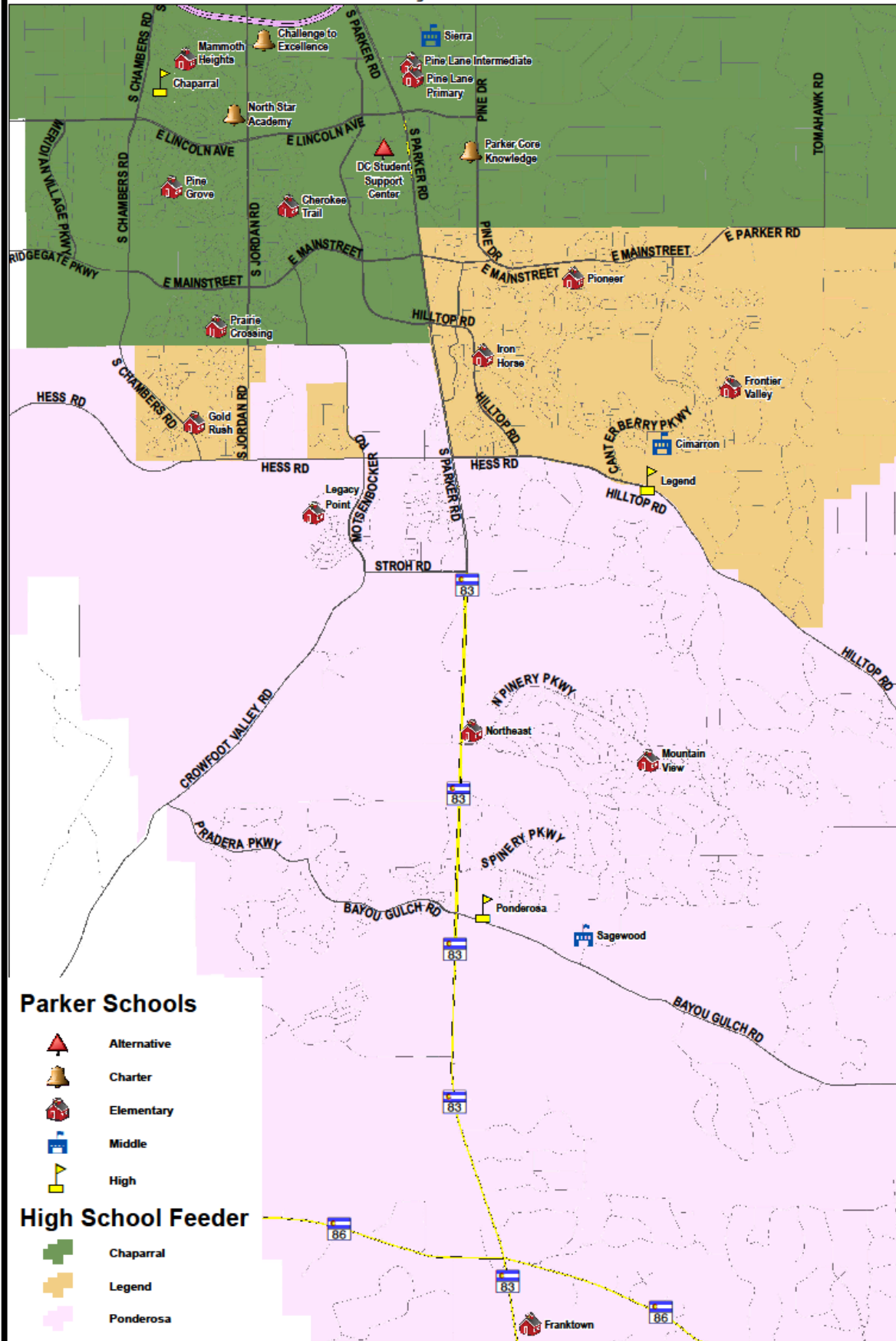
- Alternative
- Charter
- Elementary
- Middle
- High

High School Feeder

- Castle View
- Douglas County

Planning and Construction Department 303.387.0100 07.01.2012
 Source: Douglas County School District GIS, Douglas County GIS, Elbert County GIS
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Planning and Construction Department 303.387.0100 07.01.2012
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Process Begins



July - September 2011

Budget discussions relating to processes for FY 12-13 budget development.

June 2012

Adoption of FY12-13 Financial Plan & Budget by the Board of Education. Certification of Pupil Count to Colorado Department of Education.

November/December 2011

Superintendent & Cabinet discussions of steps necessary to formulate a balanced budget.



May 2012

Board of Education presentation of Proposed FY12-13 Budget. Public Notice for Proposed Budget on file.

January 2012

Spreadsheets created for use by schools & departments for development of budgets.

April 2012

Public Budget Hearing. Superintendent & Cabinet to review Preliminary FY12-13 Budget.

February 2012

Superintendent & Cabinet discussions on department & school budgets.

March 2012

Department & school budgets finalized. Direction by Board of Education & Superintendent on budget reductions.

PREPARATION AND APPROVAL OF ADOPTED FINANCIAL PLAN

The District's annual budget, referred to as the Adopted Financial Plan and Budget, provides the framework for both budgeted expenditures and projected revenues for the year. It translates into financial terms the anticipated use of District resources to provide for the educational programs and services of the District.

The Board of Education assigns to the Superintendent the overall responsibility for budget preparation, presentation and administration. This responsibility is then delegated, as appropriate, to those administrative personnel who have supervisory responsibilities for the operations in each of the schools and departments.

Individual budget units are prepared using a decentralized management basis, by the principal or department head in cooperation with the faculty of the school or the department staff. The participation and involvement at the schools of the advisory committees to the District is also valued and encouraged.

Pieces of information used to develop budget figures include: student enrollment projections, student-to-staff ratios, per pupil allocations and current staff personnel numbers and salary histories. This information aids the budget office staff in projecting and distributing budget figures. Budget guidelines and instructions are provided as budget development parameters to the schools and departments by District leadership under the direction of the Superintendent.

In accordance with state statutes and District policy, the proposed annual budget for the ensuing fiscal year is submitted to the Board of Education at least thirty days prior to July 1, which is the beginning of the next fiscal year. Within ten days after the budget is submitted, an appropriate public notification as to the availability of the proposed budget and the public hearing date(s) is posted within the District and published in a newspaper having general circulation within the District. The Board of Education then conducts one or more public budget hearings to present and explain the proposed budget, inviting questions and discussions from those in the audience.

Following consideration of the proposed budget presented by the administration as well as the comments and discussion of those providing testimony, the Board of Education approves the proposed budget, with such changes or revisions as it considers appropriate. The Board of Education then officially adopts the budget and its accompanying appropriations resolutions prior to the end of the previous fiscal year, June 30.

ACCOUNTING BASIS

Modified Accrual Basis for Governmental Funds

Modified accrual is essentially accrual accounting, modified to recognize the governmental environment and unique accounting measurement objectives. Under the modified accrual basis of budgeting, revenues are recognized in the fiscal year in which they become both measurable and available to finance expenditures of the current period. Expenditures, rather than expenses, are recorded to show the decreases in net financial resources of the current period. Debt service requirements are accounted for as expenditures in the year of payment. Appropriations not spent lapse at the end of the fiscal year. Equity is referred to as fund balance under this basis of accounting.

Accrual Basis for Proprietary Enterprise Funds, Internal Service Funds and Fiduciary Funds

Under the accrual basis of budgeting, most transactions are recorded when they occur, regardless of when cash is received or disbursed. This is essentially the same as in commercial accounting. Under the accrual basis, revenues are recorded when earned and the related income is collected or considered to be collectible. Revenue or income is considered to be earned when the related services have been performed or goods have been sold. Under the accrual basis of budgeting, expenses are recorded when the liability for the payment of the expense has been incurred. Depreciation of capital assets is budgeted as an expense of the budgeting period. Purchases of capital assets are not recorded as expenditures. In the Nutrition Services Fund, these amounts are capitalized and depreciation is recorded over the expected useful life of the asset. The measurement focus in these funds is on income or loss determination, and on expenses rather than expenditures. Equity is referred to as net asset under this basis of accounting and budgeting.

The following list summarizes the basis used for budgeting purposes for each fund of the District:

<u>Governmental Funds</u>	<u>Budgeting Basis</u>
General Fund	Modified Accrual
Gov't Designated Special Revenue Fund	Modified Accrual
Capital Reserve Fund	Modified Accrual
Debt Services Fund	Modified Accrual
Building Fund	Modified Accrual
Athletics and Activities Fund	Modified Accrual
Mill Levy Override Fund	Modified Accrual
<u>Fiduciary Funds</u>	
Trust and Agency Fund	Accrual
Agency – Pupil Activity Fund	Accrual
<u>Proprietary Funds</u>	
Child Care Fund	Accrual
Nutrition Services Fund	Accrual
<u>Internal Services Funds</u>	
Risk Insurance Reserve Fund	Accrual
Medical Self-Insurance Fund	Accrual

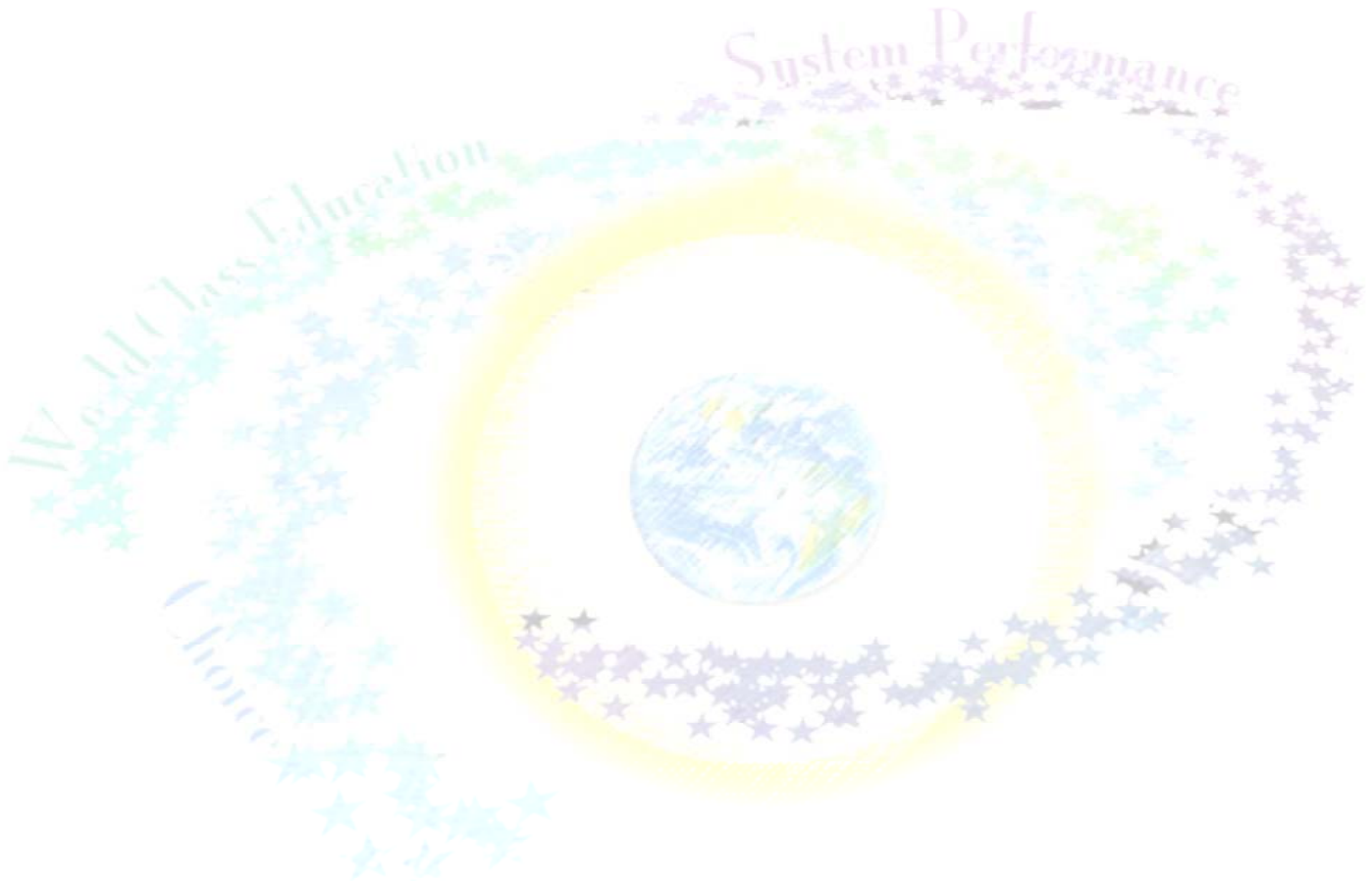
Fiscal Year 2012-13 Financial Plan and Budget



FINANCIAL SECTION



Fiscal Year 2012-13 Financial Plan and Budget



Budget Summary All Funds

CONSOLIDATED BUDGET SUMMARY INTRODUCTION

The Consolidated Budget Summary is designed to present summaries for all Douglas County School District resources. The District funds are categorized as:

Governmental Funds

- Operating Budget
 - ◊ General Fund

- Special Revenue
 - ◊ Risk Insurance
 - ◊ Full Day Kindergarten
 - ◊ Transportation
 - ◊ Athletics and Activities
 - ◊ Medical
 - ◊ Pupil Activity
 - ◊ Private Purpose Trust

- Capital Improvements and Projects
 - ◊ Capital Projects
 - ◊ COP Capital Projects
 - ◊ Building

Debt Service Funds

- Bond Redemption/Debt Service
- COP Lease Payment

Proprietary Funds (Enterprise Funds)

- Nutrition Services
- Child Care
- Outdoor Education

Descriptions of the individual funds can be found in the Introductory Section of the Financial Plan. The following information is available for all funds of the Douglas County School District in this budget summary:

- Appropriated Expenditures by Fund Type: illustrates how the District funds are set up using standards set by the Governmental Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP).

- Expenditures in All Funds by Object: provides an expenditure comparison of the various fund types with pie charts showing the breakdown by object.

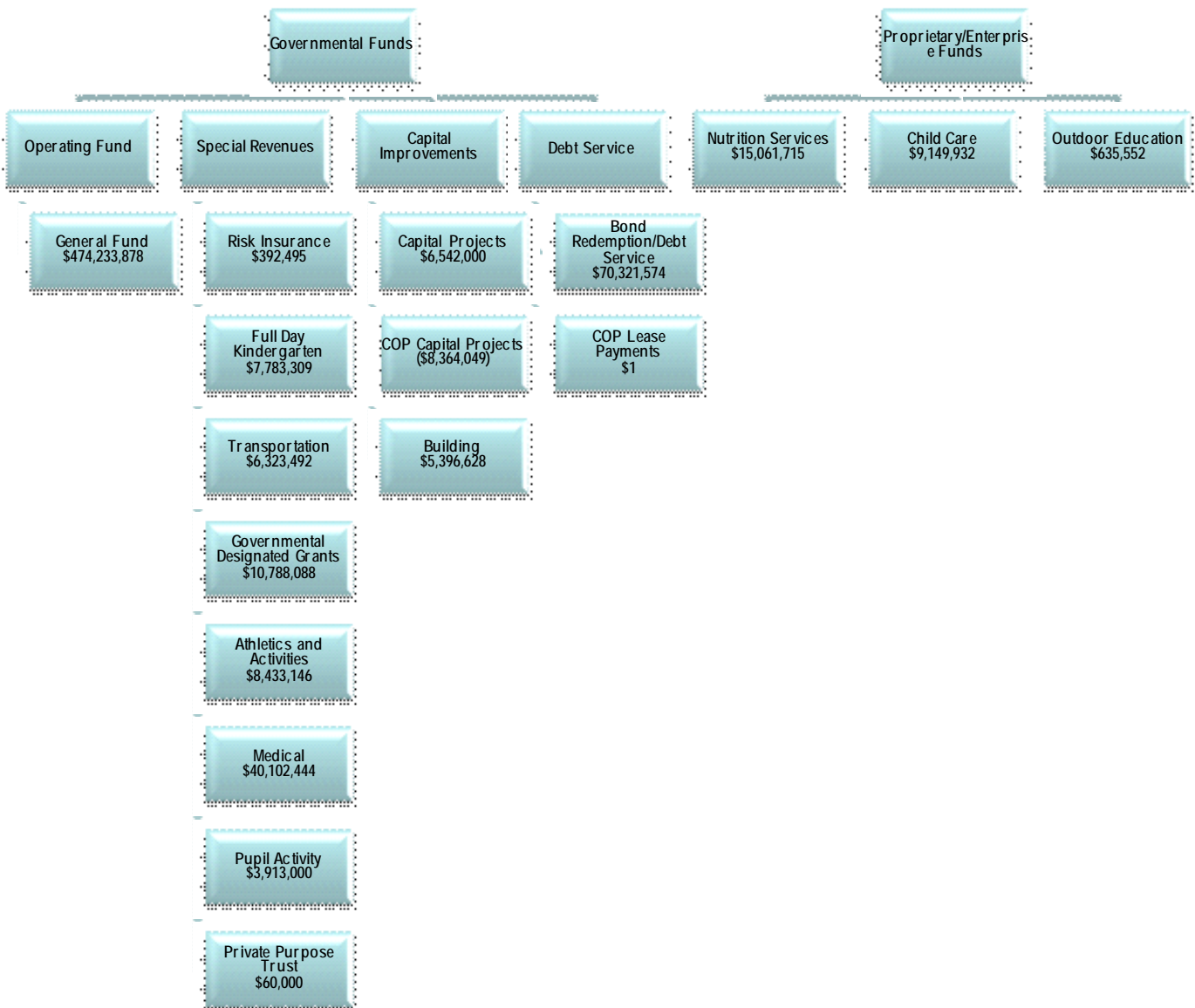
CONSOLIDATED BUDGET SUMMARY INTRODUCTION

- FY 2012-2013 All Funds Budgeted Revenue and Budgeted Expenditures by Activity – shows an overview of total District resources and planned spending by fund type.
- Description of Expenditures by Object – provides information on the various categories of expenditures in the District’s budget and a concise presentation of expenditures by type.
- Revenue by Fund Type – provides five-year history (three actual and two budget) of revenue by fund.
- Expenditures by Fund Type – provides five year history (three actual and two budget) of revenue by fund.
- Synopsis of Revenue and Expenditures – provides a summary presentation of a five-year history of the budget with beginning fund balance, revenue by type, expenditures by activity and ending fund balance. An analysis of District reserves is provided.

APPROPRIATED EXPENDITURES BY FUND TYPE

The Douglas County School District records and reports all financial transactions using standards set by the Governmental Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP). These standards require school districts to use individual funds that categorize by fund type. Each fund type and the individual funds operated by the Douglas County School District in FY 2012-2013 are listed below, showing appropriated expenditures, which include transfers.

FY 2012-2013 TOTAL EXPENDITURES AND TRANSFERS \$650,773,205



DESCRIPTION OF EXPENDITURE PROGRAMS

Expenditures cover salaries, benefits, and daily operational costs for running the District. The following provides a more detailed explanation of what each program expenditure type includes:

Instruction

Includes those activities dealing directly with the interactions between staff and students. Teaching may be provided for students in a school classroom, in another location such as a home or hospital, or in other locations such as those involving co-curricular activities.

Support Services – Students

Activities designed to assess and improve the well-being of students and to supplement the teaching process. These services pertain to interaction between students and teachers by designing the educational program for the needs of individual students.

Support Services – Instructional Staff

Activities associated with assisting the instructional staff with the content and process of providing learning experiences for students. These services pertain to the interaction between students and teachers, focusing on designing the curriculum training staff on training methods, assessing the student's learning and retention of the subject matter and delivering and coordinating such activities.

Support Services – General Administration

Activities concerned with establishing and administering policy for operating the school district.

Support Services – School Administration

Activities concerned with overall administrative responsibility for a school, or a combination of schools.

Support Services – Business

Activities concerned with paying, transporting, exchanging, and maintaining goods and services for the school district. Included are the fiscal and internal services necessary for operating the school district.

Operation and Maintenance of Plant Services

Activities concerned with keeping the physical plant open, comfortable, and safe for use, and keeping the grounds, buildings, and equipment in effective working condition and state of repair. These include the activities of maintaining safety in buildings, on the grounds, and the vicinity of schools. Minor remodeling which does not change the capital assets of the building should be charged here.

Student Transportation Services

Activities concerned with the transportation of students to and from their places of residence and the public schools in which enrolled, including any site attended for special education or vocational education, and to and from one school of attendance to another in vehicles owned or rented and operated by the school district or under contract with the school district.

DESCRIPTION OF EXPENDITURE PROGRAMS (Continued)

Support Services – Central

Activities, other than general administration, which support each of the other instructional and supporting services programs. These activities include planning, research, development, evaluation, information, staff, data processing, and risk management services.

Other Support Services

All other support services not classified elsewhere in the support services programs.

Food Services Operations

Activities concerned with providing food to students and staff in a school or school district. This service area includes preparing and serving regular and incidental meals, lunches, or snacks in connection with school activities and food delivery.

Community Services

Activities concerned with providing community services to students, staff or other community participants. One example would be a child care center.

Education for Adults

Activities concerned with the instructional programs for adult students.

Facilities Acquisition and Construction Services

Activities concerned with acquiring land and buildings; remodeling buildings; constructing buildings and additions to buildings; initially installing or extending service systems and other built-in equipment; and improving sites.

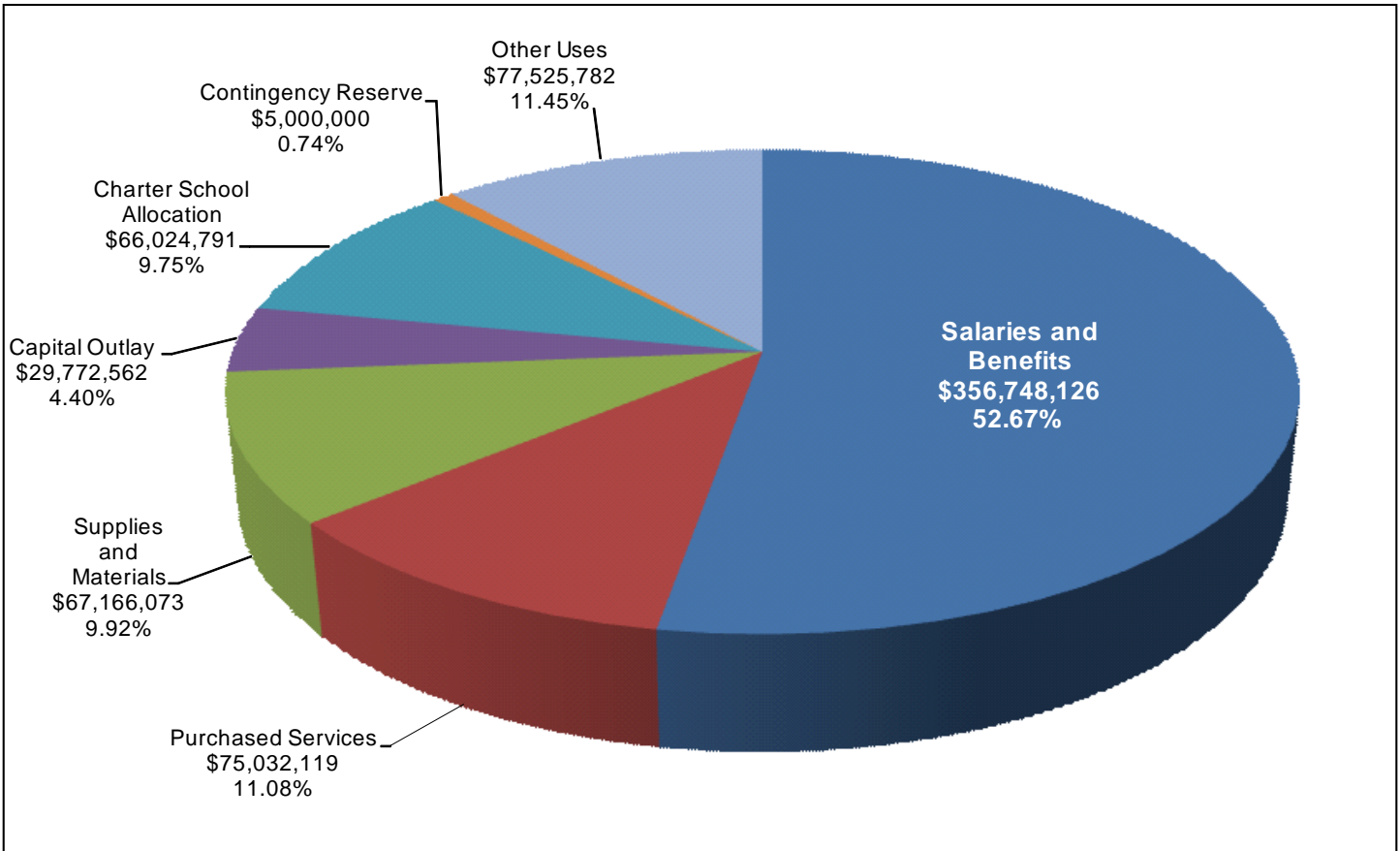
Other Uses

A number of outlays of governmental funds are not properly classified as expenditures, but still require budgetary or accounting control. These include debt service payments and certain transfers of moneys from one fund to another.

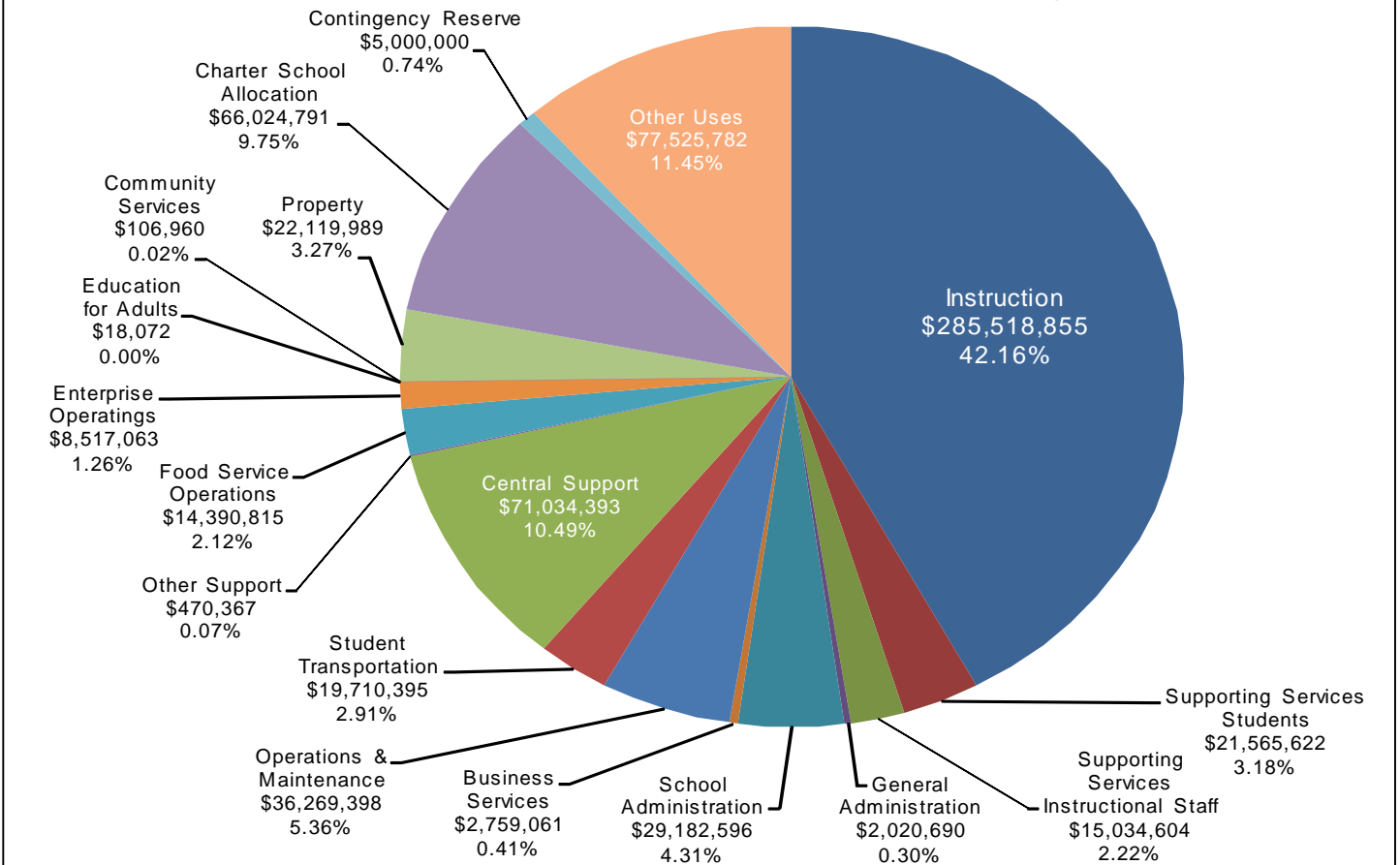
Reserves

Consists of moneys set aside for specific purposes and identifies those portions of the fund balance which are segregated for future purposes and/or are not available to finance expenditures of the subsequent accounting period.

FY 2012-2013 Expenditures in All Funds by Object



FY 2012-2013 Expenditures in All Funds by Program



DOUGLAS COUNTY SCHOOL DISTRICT RE. 1
REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE (NET ASSETS)
ALL FUNDS
FOR THE PERIOD END JUNE 30, 2013—ADOPTED BUDGET

	Operating Budgets							Governmental Designated Grants
	General	Risk Insurance	Full Day Kindergarten	Transportation	Capital Projects	COP Capital Projects	Athletic & Activities	
REVENUE								
Local Taxes	\$ 167,033,110	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Revenue	-	-	-	-	-	-	-	10,428,258
Intergovernmental Revenue	266,792,634	-	-	-	-	-	-	-
Other Local Revenue	19,087,543	-	3,658,314	6,054,000	-	-	8,286,384	359,830
TOTAL REVENUE	452,913,287	-	3,658,314	6,054,000	-	-	8,286,384	10,788,088
EXPENDITURES								
Instruction	257,519,336	-	7,783,309	-	34,000	-	10,932,107	9,250,103
Supporting Services - Students	16,749,741	-	-	-	-	-	368,606	534,275
Supporting Services - Instructional Staff	13,890,715	-	-	-	-	-	369,414	774,475
General Administration	2,020,690	-	-	-	-	-	-	-
School Administration	29,132,926	-	-	-	-	-	-	49,670
Business Services	2,759,061	-	-	-	-	-	-	-
Operations & Maintenance	35,497,395	575,003	-	-	197,000	-	-	-
Student Transportation	-	-	-	19,710,395	-	-	-	-
Central Support	20,115,220	3,466,536	-	-	6,311,000	1,000,000	-	40,000
Other Support	470,367	-	-	-	-	-	-	-
Food Service Operations	-	-	-	-	-	-	-	-
Enterprise Operatings	235,114	-	-	-	-	-	-	-
Community Services	-	-	-	-	-	-	-	106,960
Education for Adults	18,072	-	-	-	-	-	-	-
Property	291,493	100,000	-	-	-	16,000,000	-	-
Charter School Transfers	66,024,791	-	-	-	-	-	-	-
Contingency Reserve	5,000,000	-	-	-	-	-	-	-
Other Uses	2,546,870	5,600	-	(1,062,699)	-	-	650,425	32,605
Total Expenditures	452,271,791	4,147,139	7,783,309	18,647,696	6,542,000	17,000,000	12,320,552	10,788,088
TRANSFERS AND OTHER SOURCES								
Transfers In	(60,000)	(3,754,644)	-	(12,324,204)	-	-	(3,887,406)	-
Proceeds from Certificates of Participation	-	-	-	-	-	(25,364,049)	-	-
Transfers Out	22,022,087	-	-	-	-	-	-	-
Total Transfers and Reserves	21,962,087	(3,754,644)	-	(12,324,204)	-	(25,364,049)	(3,887,406)	-
TOTAL EXPENDITURES AND RESERVES	474,233,878	392,495	7,783,309	6,323,492	6,542,000	(8,364,049)	8,433,146	10,788,088
Change in Fund Balance (Net Assets)	(21,320,591)	(392,495)	(4,124,995)	(269,492)	(6,542,000)	8,364,049	(146,762)	-
Beginning Fund Balance (Net Assets)	56,365,397	829,206	5,039,456	526,442	11,958,568	-	1,466,912	185,120
Ending Fund Balance (Net Assets)	\$ 35,044,806	\$ 436,711	\$ 914,461	\$ 256,950	\$ 5,416,568	\$ 8,364,049	\$ 1,320,150	\$ 185,120

Bond Redemption/ Debt Service	COP Lease Payment	Building	Enterprise Funds			Medical	Pupil Activity	Private Purpose Trust	Total
			Nutrition Services	Child Care	Outdoor Education				
\$ 69,908,913	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$236,942,023
-	-	-	3,596,005	-	-	-	-	-	14,024,263
-	-	-	-	-	-	-	-	-	266,792,634
125,000	-	100,000	12,453,171	9,149,932	378,684	40,102,444	4,645,000	58,000	104,458,302
70,033,913	-	100,000	16,049,176	9,149,932	378,684	40,102,444	4,645,000	58,000	622,217,222
-	-	-	-	-	-	-	-	-	285,518,855
-	-	-	-	-	-	-	3,913,000	-	21,565,622
-	-	-	-	-	-	-	-	-	15,034,604
-	-	-	-	-	-	-	-	-	2,020,690
-	-	-	-	-	-	-	-	-	29,182,596
-	-	-	-	-	-	-	-	-	2,759,061
-	-	-	-	-	-	-	-	-	36,269,398
-	-	-	-	-	-	-	-	-	19,710,395
-	-	-	-	-	-	40,101,637	-	-	71,034,393
-	-	-	-	-	-	-	-	-	470,367
-	-	-	14,390,815	-	-	-	-	-	14,390,815
-	-	-	-	7,911,265	370,684	-	-	-	8,517,063
-	-	-	-	-	-	-	-	-	106,960
-	-	-	-	-	-	-	-	-	18,072
-	-	5,396,628	75,000	-	256,868	-	-	-	22,119,989
-	-	-	-	-	-	-	-	-	66,024,791
-	-	-	-	-	-	-	-	-	5,000,000
70,261,574	3,188,033	-	595,900	1,238,667	8,000	807	-	60,000	77,525,782
70,261,574	3,188,033	5,396,628	15,061,715	9,149,932	635,552	40,102,444	3,913,000	60,000	677,269,453
-	(2,289,752)	-	-	-	-	-	-	-	(22,316,006)
-	(898,280)	-	-	-	-	-	-	-	(26,262,329)
60,000	-	-	-	-	-	-	-	-	22,082,087
60,000	(3,188,032)	-	-	-	-	-	-	-	(26,496,248)
70,321,574	1	5,396,628	15,061,715	9,149,932	635,552	40,102,444	3,913,000	60,000	650,773,205
(287,661)	(1)	(5,296,628)	987,461	-	(256,868)	-	732,000	(2,000)	(28,555,983)
59,864,336	1,104,328	17,255,196	84,406	3,552,786	306,868	3,828,068	7,465,504	18,666	169,851,259
\$ 59,576,675	\$ 1,104,327	\$ 11,958,568	\$ 1,071,867	\$ 3,552,786	\$ 50,000	\$ 3,828,068	\$ 8,197,504	\$ 16,666	\$ 141,295,276

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1
REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE (NET ASSETS)
ALL FUNDS BY OBJECT
FOR THE PERIOD END JUNE 30, 2013—ADOPTED BUDGET

	Operating Budgets							Governmental Designated Grants
	General	Risk Insurance	Full Day Kindergarten	Transportation	Capital Projects	COP Capital Projects	Athletic & Activities	
REVENUE								
Local Taxes	\$ 167,033,110	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Revenue	-	-	-	-	-	-	-	10,428,258
Intergovernmental Revenue	266,792,634	-	-	-	-	-	-	-
Other Local Revenue	19,087,543	-	3,658,314	6,054,000	-	-	8,286,384	359,830
TOTAL REVENUE	452,913,287	-	3,658,314	6,054,000	-	-	8,286,384	10,788,088
EXPENDITURES								
Salaries	242,503,969	282,699	2,937,020	10,826,538	-	-	3,817,978	634,530
Benefits	74,280,545	79,398	698,294	4,152,635	-	-	792,726	208,911
Purchased Services	26,599,737	3,646,942	-	683,681	-	-	1,850,113	1,244,887
Supplies and Materials	33,694,381	132,500	4,147,995	3,475,441	-	-	5,189,310	8,667,155
Capital Outlay	-	-	-	572,100	6,542,000	17,000,000	20,000	-
Charter School Allocation	66,024,791	-	-	-	-	-	-	-
Contingency Reserve	5,000,000	-	-	-	-	-	-	-
Early Separation Agreement	1,621,498	-	-	-	-	-	-	-
Other Uses	2,546,870	5,600	-	(1,062,699)	-	-	650,425	32,605
Total Expenditures	452,271,791	4,147,139	7,783,309	18,647,696	6,542,000	17,000,000	12,320,552	10,788,088
TRANSFERS AND OTHER SOURCES								
Transfers In	(60,000)	(3,754,644)	-	(12,324,204)	-	-	(3,887,406)	-
Proceeds from Certificates of Participation	-	-	-	-	-	(25,364,049)	-	-
Transfers Out	22,022,087	-	-	-	-	-	-	-
Total Transfers and Reserves	21,962,087	(3,754,644)	-	(12,324,204)	-	(25,364,049)	(3,887,406)	-
TOTAL EXPENDITURES AND RESERVES	474,233,878	392,495	7,783,309	6,323,492	6,542,000	(8,364,049)	8,433,146	10,788,088
Change in Fund Balance (Net Assets)	(21,320,591)	(392,495)	(4,124,995)	(269,492)	(6,542,000)	8,364,049	(146,762)	-
Beginning Fund Balance (Net Assets)	56,365,397	829,206	5,039,456	526,442	11,958,568	-	1,466,912	185,120
Ending Fund Balance (Net Assets)	\$ 35,044,806	\$ 436,711	\$ 914,461	\$ 256,950	\$ 5,416,568	\$ 8,364,049	\$ 1,320,150	\$ 185,120

Bond Redemption/ Debt Service	COP Lease Payment	Building	Enterprise Funds					Pupil Activity	Private Purpose Trust	Total
			Nutrition Services	Child Care	Outdoor Education	Medical				
\$ 69,908,913	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$236,942,023
-	-	-	3,596,005	-	-	-	-	-	-	14,024,263
-	-	-	-	-	-	-	-	-	-	266,792,634
125,000	-	100,000	12,453,171	9,149,932	378,684	40,102,444	4,645,000	58,000		104,458,302
70,033,913	-	100,000	16,049,176	9,149,932	378,684	40,102,444	4,645,000	58,000		622,217,222
-	-	124,000	4,199,117	4,890,641	201,782	349,329	-	-	-	270,767,603
-	-	37,034	1,978,043	1,992,200	54,652	84,587	-	-	-	84,359,025
-	-	50,000	645,249	592,913	61,708	39,656,889	-	-	-	75,032,119
-	-	150,000	7,303,406	435,511	46,542	10,832	3,913,000	-	-	67,166,073
-	-	5,035,594	340,000	-	262,868	-	-	-	-	29,772,562
-	-	-	-	-	-	-	-	-	-	66,024,791
-	-	-	-	-	-	-	-	-	-	5,000,000
-	-	-	-	-	-	-	-	-	-	1,621,498
70,261,574	3,188,033	-	595,900	1,238,667	8,000	807	-	60,000		77,525,782
70,261,574	3,188,033	5,396,628	15,061,715	9,149,932	635,552	40,102,444	3,913,000	60,000		677,269,453
-	(2,289,752)	-	-	-	-	-	-	-	-	(22,316,006)
-	(898,280)	-	-	-	-	-	-	-	-	(26,262,329)
60,000	-	-	-	-	-	-	-	-	-	22,082,087
60,000	(3,188,032)	-	-	-	-	-	-	-	-	(26,496,248)
70,321,574	1	5,396,628	15,061,715	9,149,932	635,552	40,102,444	3,913,000	60,000		650,773,205
(287,661)	(1)	(5,296,628)	987,461	-	(256,868)	-	732,000	(2,000)		(28,555,983)
59,864,336	1,104,328	17,255,196	84,406	3,552,786	306,868	3,828,068	7,465,504	18,666		169,851,259
\$ 59,576,675	\$ 1,104,327	\$ 11,958,568	\$ 1,071,867	\$ 3,552,786	\$ 50,000	\$ 3,828,068	\$ 8,197,504	\$ 16,666		\$ 141,295,276

LARGEST REVENUE SOURCES

To provide for a child's education, various revenues constitute the total of a school district's operating revenues. The District's General Fund receives revenues from state and local sources. The majority of the District's total revenues becomes available to the District through the School Finance Act. Based on the District's October pupil count, the School Finance Act provides funding through local property taxes, specific ownership taxes and state equalization.

District revenues are divided into: Local Tax Revenues, Federal Revenue, Intergovernmental Revenues and Other Local Revenues. The District's Local Tax Revenues are principally derived from Property Tax and Specific Ownership tax receipts.

Federal Revenues provide support for the Designated Purpose Grant Fund through Title programs under the "No Child Left Behind Act" and funding for special needs programs. The Nutrition Services Fund is also funded by Federal sources.

The largest portion of Intergovernmental Revenues is the School Finance Act dollars allocated by the Colorado General Assembly. Pursuant to the School Finance Act, for FY 2012-2013, the District's total program funding on a per-pupil basis is projected at \$6,219, which is basically the same as last year.

Other Intergovernmental revenues are primarily derived from the state's categorical program funding which also increases based upon the rate of inflation. Such funds are in addition to School Finance Act funding. These dollars are for specific programs designed to serve a select group of students or certain student needs. The District receives categorical funding for: English Language Proficiency Education, Gifted and Talented Education, Special Education, Vocational Education and Transportation.

Other Local Revenues are comprised of District-imposed charges for services, various third-party contributions and donations, transfers-in and interest earnings. Examples of charges for services include rentals, fees for transportation, instructional materials and tuition.

DESCRIPTION OF EXPENDITURES BY OBJECT

The six categories of expenditures for the District are listed below in descending order.

Salaries make up the largest expenditure category in most funds. Some funds, such as the Capital Projects Fund and Bond Redemption/Debt Service Fund, do not include salaries and benefits.

Benefits consist of District PERA contributions, Medicare, dental, health and life insurance, as well as short and long term disability payments. The PERA contribution rate will increase each year through January 2018, when it will be set at 20.15%.

Purchased Services comprise payments for professional services provided by outside companies or individuals.

Supplies and Materials expenditures include text books and library books, as well as classroom and other supplies

Capital Outlay includes planned expenditures for new construction and renovations of schools and support facilities.

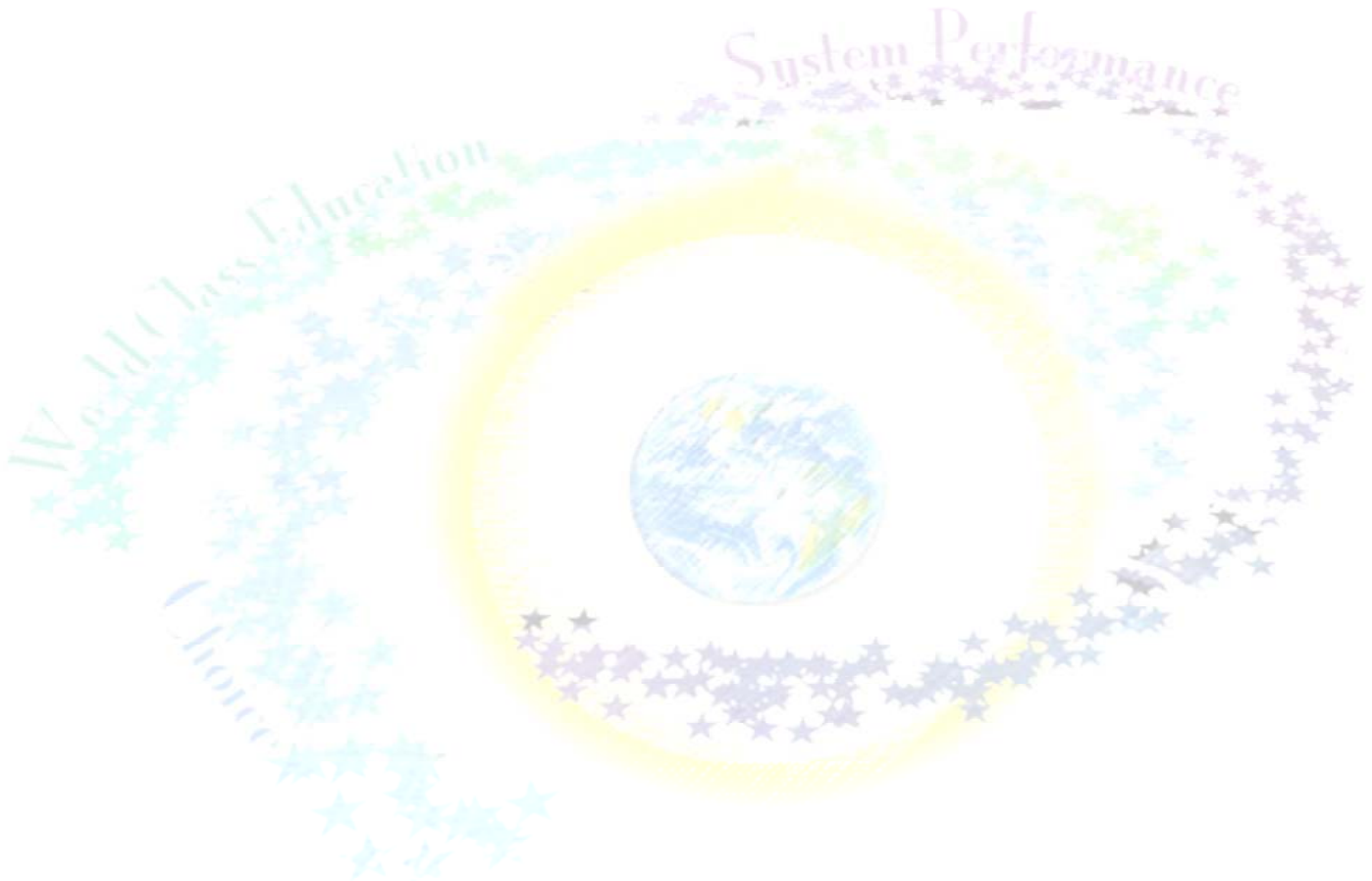
Other includes repayment of bonds issued by the District to build and renovate schools and other facilities in the District, along with expenditures that are specific to various funds and programs, such as Athletics and Activities, Nutrition Services and Child Care.

(In Millions)	Operating Fund	Special Revenue Funds	Capital Improvements / Debt Service	Enterprise Funds	Total Expenditures
Salaries	\$ 242.50	\$ 18.97	\$ 0.00	\$ 9.29	\$ 270.76
Benefits	74.28	6.05	0.00	4.02	84.35
Purchased Services	26.60	47.13	0.00	1.30	75.03
Supplies and Materials	33.70	25.68	0.00	7.78	67.16
Capital Outlay	0.00	0.59	28.58	0.60	29.77
Other	2.54	-0.31	0.50	1.84	4.57
Total	\$ 379.62	\$ 98.11	\$ 29.08	\$ 24.83	\$ 531.64

**EXPENDITURES, TRANSFERS AND APPROPRIATED RESERVES
SUMMARY BY FUND
FY 2008-2009 to FY 2012-2013**

<u>FUND</u>	<u>ACTUAL 2008-2009</u>	<u>ACTUAL 2009-2010</u>	<u>ACTUAL 2010-2011</u>	<u>BUDGET 2011-2012</u>	<u>BUDGET 2012-2013</u>
General Fund	\$ 443,444,878	\$ 431,365,300	\$ 440,393,998	\$ 456,151,393	\$ 474,233,878
Capital Reserve Fund	12,351,987	23,311,632	2,042,072	675,000	-
Capital Projects Fund	-	-	2,877,000	3,428,000	6,542,000
COP Capital Projects Fund	-	-	-	-	(8,364,049)
Transportation Fund	-	-	17,407,376	17,754,287	6,323,492
Risk Insurance Reserve Fund	4,133,117	2,372,613	3,910,351	3,458,971	392,495
Full Day Kindergarten	-	-	-	-	7,783,309
Athletic and Activities Fund	12,243,869	12,008,995	11,880,602	11,163,821	8,433,146
Governmental Designated Special Revenue Fund	12,808,822	13,830,977	19,227,566	11,403,020	10,788,088
Nutrition Services Fund	16,544,894	15,301,521	13,418,552	13,736,557	15,061,715
Child Care Fund	9,526,402	8,857,027	7,957,000	8,810,214	9,149,932
Outdoor Education	-	-	-	-	635,552
Private Purpose Trust Fund	77,500	54,250	60,000	72,500	60,000
Pupil Activity Fund	4,713,753	4,312,627	3,082,616	3,340,000	3,913,000
Medical Self-Insurance Fund	43,959,337	39,824,161	38,421,571	39,801,605	40,102,444
Debt Service/Bond Redemption Fund	59,769,983	60,421,632	66,819,334	69,587,385	70,321,574
COP Lease Payment	-	-	-	-	1
Building Fund	74,806,728	52,557,245	14,297,078	16,050,690	5,396,628
TOTAL	\$ 694,381,270	\$ 664,217,980	\$ 641,795,116	\$ 655,433,443	\$ 650,773,205

Fiscal Year 2012-13 Financial Plan and Budget



General Fund

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1
REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - GENERAL FUND
FOR THE PERIOD END JUNE 30,

	2012-13 Budget	% of Total	2011-12 Budget	% of Total	2010-11 Actual	% of Total
REVENUE						
Local Taxes	\$ 167,033,110	36.88%	\$ 165,199,088	38.62%	\$ 174,265,715	38.80%
Intergovernmental Revenue	266,792,634	58.91%	245,702,199	57.44%	253,551,515	56.45%
Other Local Revenue	19,087,543	4.21%	16,825,310	3.93%	21,340,074	4.75%
TOTAL REVENUE	452,913,287	100.00%	427,726,597	100.00%	449,157,304	100.00%
EXPENDITURES						
Instruction	252,066,204	53.16%	234,358,026	51.38%	231,266,281	53.86%
Supporting Services - Students	16,749,741	3.53%	15,666,787	3.43%	15,368,198	3.58%
Supporting Services - Instructional Staff	13,890,715	2.93%	12,765,654	2.80%	15,881,251	3.70%
General Administration	2,020,690	0.43%	2,121,413	0.47%	2,646,006	0.62%
School Administration	29,132,926	6.14%	26,228,346	5.75%	28,635,080	6.67%
Business Services	2,759,061	0.58%	3,153,541	0.69%	2,952,504	0.69%
Operations & Maintenance	35,497,395	7.49%	36,807,452	8.07%	34,874,340	8.12%
Student Transportation	-	0.00%	-	0.00%	236,313	0.06%
Central Support	20,115,220	4.24%	16,358,648	3.59%	19,111,096	4.45%
Other Support	470,367	0.10%	1,033,145	0.23%	891,798	0.21%
Enterprise Operations	235,114	0.05%	-	0.00%	-	0.00%
Education for Adults	18,072	0.00%	-	0.00%	-	0.00%
Property	291,493	0.06%	-	0.00%	-	0.00%
Payments to component units	66,024,791	13.92%	56,579,436	12.40%	46,384,715	10.80%
Other Uses	-	0.00%	2,145,263	0.47%	1,936,560	0.45%
Total Expenditures	439,271,789	92.64%	407,217,711	89.27%	400,184,142	93.21%
TRANSFERS AND RESERVES						
Transfers In	(60,000)	-0.01%	-	0.00%	(69,025)	-0.02%
Carryover Award	8,000,000	1.69%	19,400,000	4.25%	-	0.00%
Transfers Out	21,962,087	4.63%	20,533,682	4.50%	29,240,886	6.81%
Contingency Reserve	5,000,000	1.05%	9,000,000	1.97%	-	0.00%
Total Transfers and Reserves	34,902,087	7.36%	48,933,682	10.73%	29,171,861	6.79%
TOTAL EXPENDITURES AND RESERVES	474,173,876	100.00%	456,151,393	100.00%	429,356,003	100.00%
Change in Fund Balance (Net Assets)	(21,260,589)		(28,424,796)		19,801,301	
Beginning Fund Balance (Net Assets)	56,365,397		65,111,144		45,309,843	
Ending Fund Balance (Net Assets)	<u>\$ 35,104,808</u>		<u>\$ 36,686,348</u>		<u>\$ 65,111,144</u>	

2009-10 Actual	% of Total	2008-09 Actual	% of Total	2007-08 Actual	% of Total
\$ 175,167,567	38.32%	\$ 171,332,510	38.91%	\$ 169,717,095	43.60%
262,689,046	57.46%	247,071,209	56.11%	202,303,985	51.97%
19,318,224	4.23%	21,932,059	4.98%	17,238,912	4.43%
457,174,837	100.00%	440,335,778	100.00%	389,259,992	100.00%
242,484,497	56.23%	240,054,296	54.62%	236,474,433	58.21%
13,515,520	3.13%	13,138,168	2.99%	12,862,037	3.17%
15,006,795	3.48%	17,004,081	3.87%	17,321,127	4.26%
2,574,020	0.60%	2,691,626	0.61%	3,149,176	0.78%
28,139,033	6.52%	28,747,667	6.54%	27,601,204	6.79%
3,299,522	0.77%	3,281,803	0.75%	3,653,130	0.90%
32,657,100	7.57%	32,757,824	7.45%	31,504,207	7.76%
16,347,163	3.79%	17,052,063	3.88%	16,988,812	4.18%
10,614,904	2.46%	11,153,948	2.54%	11,002,644	2.71%
1,561,062	0.36%	1,289,015	0.29%	2,061,785	0.51%
-	0.00%	-	0.00%	-	0.00%
-	0.00%	-	0.00%	-	0.00%
-	0.00%	-	0.00%	-	0.00%
24,736,327	5.74%	21,533,210	4.90%	20,351,460	5.01%
212,597	0.05%	644,125	0.15%	887,993	0.22%
391,148,540	90.70%	389,347,826	88.59%	383,858,008	94.49%
(102,565)	-0.02%	(3,941,024)	-0.90%	(708,720)	-0.17%
-	0.00%	4,412,745	1.00%	-	0.00%
40,216,760	9.33%	49,684,307	11.30%	23,091,405	5.68%
-	0.00%	-	0.00%	-	0.00%
40,114,195	9.30%	50,156,028	11.41%	22,382,685	5.51%
431,262,735	100.00%	439,503,854	100.00%	406,240,693	100.00%
25,912,102		831,924		(16,980,701)	
17,752,211		16,920,287		33,900,988	
\$ 43,664,313		\$ 17,752,211		\$ 16,920,287	

DOUGLAS COUNTY SCHOOL DISTRICT
GENERAL FUND EXPENDITURES BY PROGRAM AND OBJECT
Individual School and Department Budgets

SCHOOL/DEPARTMENT	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Expenses	Transfers and Other Allocations	Total
Elementary Schools								
Acres Green	\$ 1,868,549	\$ 568,002	\$ 80,547	145,420	\$ -	\$ 6,100	\$ -	\$ 2,668,618
Arrowwood	1,961,589	566,980	47,967	376,427	-	-	-	2,952,963
Bear Canyon	2,296,561	648,033	75,800	162,398	-	3,600	-	3,186,392
Buffalo Ridge	1,837,665	483,769	50,826	31,102	-	8,401	-	2,411,763
Castle Rock Elem	2,010,586	586,271	73,592	190,616	-	12,401	-	2,873,466
Cherokee Trail	2,153,769	636,520	91,793	196,199	-	4,750	-	3,083,031
Cherry Valley	354,136	104,142	5,162	37,481	-	500	-	501,421
Clear Sky	3,099,438	891,573	68,790	166,545	-	88,533	-	4,314,879
Copper Mesa	2,115,640	608,800	62,227	248,601	-	30,000	-	3,065,268
Cougar Run	1,837,739	567,970	47,703	200,422	-	-	-	2,653,834
Coyote Creek	1,837,458	521,587	62,346	151,858	-	23,070	-	2,596,319
Eagle Ridge	2,063,988	632,621	59,108	261,817	-	-	-	3,017,534
Eldorado	2,149,440	654,458	48,018	116,510	-	2,250	-	2,970,676
Flagstone	2,490,999	740,618	104,438	371,703	-	-	-	3,707,758
Fox Creek	2,101,018	601,504	69,423	197,943	-	2,800	-	2,972,688
Franktown	1,439,266	421,154	7,181	148,529	-	11,952	-	2,028,082
Frontier Valley	2,386,398	687,360	85,196	228,425	-	74,386	-	3,461,765
Gold Rush	2,497,067	766,392	84,364	272,381	-	131,324	-	3,751,528
Heritage	2,114,305	638,808	56,549	276,782	-	8,100	-	3,094,544
Iron Horse	1,789,146	540,443	89,263	413,413	-	4,650	-	2,836,915
Larkspur	1,245,498	357,934	25,144	82,030	-	106,294	-	1,816,900
Legacy Point	1,519,074	450,800	63,702	277,949	-	31,802	-	2,343,327
Lone Tree	1,506,972	476,275	72,502	3,042	-	-	-	2,058,791
Mammoth Heights	2,965,004	863,402	70,922	193,151	-	150,294	-	4,242,773
Meadow View	2,144,119	613,071	78,105	138,067	-	2,419	-	2,975,781
Mountain View	1,508,902	454,530	60,403	100,742	-	4,600	-	2,129,177
Northeast	1,719,223	500,235	59,025	55,198	-	97,807	-	2,431,488
Northridge	2,794,569	786,786	65,564	470,877	-	800	-	4,118,596
Pine Grove	2,415,606	655,488	77,952	179,114	-	7,471	-	3,335,631
Pine Lane Primary/Intermediate	3,600,541	1,045,203	131,603	302,602	-	4,230	-	5,084,179
Pioneer	2,275,650	645,853	61,069	181,775	-	3,000	-	3,167,347
Prairie Crossing	2,176,322	639,728	69,276	247,055	-	3,150	-	3,135,531
Redstone	2,179,518	666,555	52,840	485,340	-	149,030	-	3,533,283
Renaissance	1,371,270	420,257	61,379	224,578	-	2,000	-	2,079,484
Rock Ridge	2,482,341	752,251	94,032	289,901	-	82,708	-	3,701,233
Roxborough Intermediate	1,873,779	539,187	65,453	227,733	-	3,250	-	2,709,402
Roxborough Primary	1,529,025	442,352	91,823	186,258	-	3,200	-	2,252,658
Saddle Ranch	2,242,856	636,881	73,406	229,639	-	48,716	-	3,231,498
Sage Canyon	2,101,150	613,209	119,262	220,155	-	-	-	3,053,776
Sand Creek	2,430,809	716,732	73,076	205,960	-	3,000	-	3,429,577
Sedalia	1,530,907	436,378	37,759	130,984	-	1,800	-	2,137,828
Soaring Hawk	2,648,806	767,909	78,793	200,895	-	49,574	-	3,745,977
South	2,055,540	603,934	94,137	169,720	-	55,000	-	2,978,331
Stone Mountain	1,959,587	548,974	64,518	196,830	-	3,500	-	2,773,409
Summit View	1,995,829	563,595	70,696	409,454	-	6,500	-	3,046,074
Timber Trail	2,141,025	625,078	48,280	103,550	-	1,050	-	2,918,983
Trailblazer	1,712,753	515,458	44,526	183,780	-	-	-	2,456,517
Wildcat Mountain	2,303,142	668,161	76,047	140,248	-	89,056	-	3,276,654
Other Elementary School Expenses	-	-	-	-	-	-	4,775,666	4,775,666
Total - Elementary Schools	\$ 98,834,574	\$ 28,873,221	\$ 3,251,587	\$ 10,031,199	\$ -	\$ 1,323,068	\$ 4,775,666	\$ 147,089,315
Middle Schools								
Castle Rock MS	\$ 3,583,961	\$ 1,026,116	\$ 148,995	\$ 439,708	\$ -	\$ 35,500	\$ -	\$ 5,234,280
Cimarron	5,154,214	1,497,305	132,430	474,718	-	61,843	-	7,320,510
Cresthill	3,746,188	1,076,908	84,369	490,948	-	1,640	-	5,400,053
Mesa	3,693,497	1,091,904	165,224	262,798	-	291,089	-	5,504,512
Mountain Ridge	4,080,932	1,151,966	111,986	570,373	-	500	-	5,915,757
Ranchview	3,823,347	1,102,463	119,164	564,012	-	-	-	5,608,986
Rocky Heights	5,003,121	1,394,601	109,314	507,313	-	1,000	-	7,015,349
Sagewood	3,759,429	1,065,138	115,596	864,952	-	142,003	-	5,947,118
Sierra	3,732,017	1,081,264	49,819	331,217	-	351,690	-	5,546,007
Other Middle School Expenses	-	-	-	-	-	-	1,795,068	1,795,068
Total - Middle Schools	\$ 36,576,706	\$ 10,487,665	\$ 1,036,897	\$ 4,506,039	\$ -	\$ 885,265	\$ 1,795,068	\$ 55,287,640

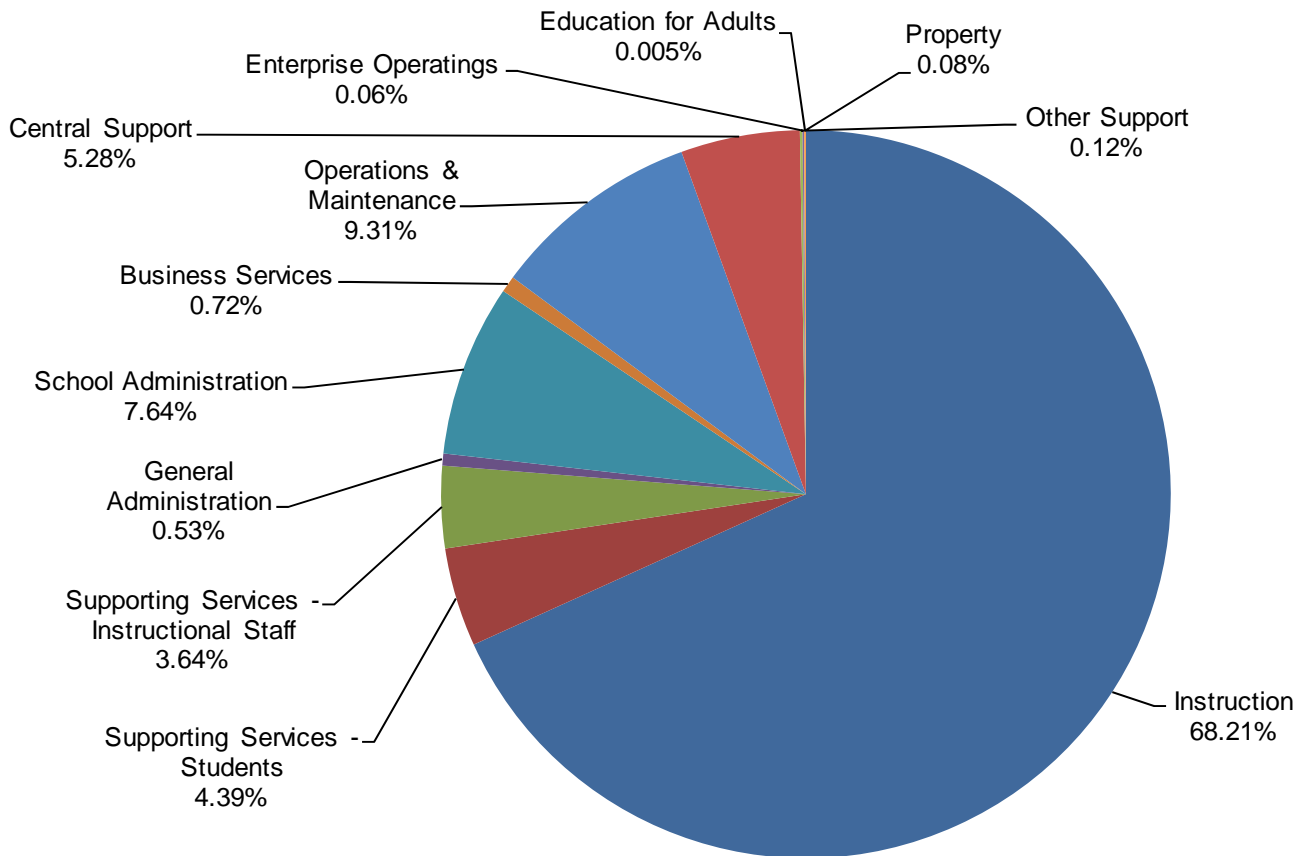
**DOUGLAS COUNTY SCHOOL DISTRICT
GENERAL FUND EXPENDITURES BY PROGRAM AND OBJECT
Individual School and Department Budgets**

SCHOOL/DEPARTMENT	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Expenses	Transfers and Other Allocations	Total
High Schools								
Castle View	\$ 5,947,899	\$ 1,709,195	\$ 216,041	\$ 865,756	\$ -	\$ 2,500	\$ -	\$ 8,741,391
Chaparral	7,865,610	2,235,216	270,459	1,209,971	-	8,444	-	11,589,700
DC Oakes	1,154,238	328,341	37,635	104,786	-	1,400	-	1,626,400
Douglas County	6,719,593	1,949,775	249,912	749,017	-	398,591	-	10,066,888
Eagle Academy	602,175	176,866	1,500	42,176	-	1,200	-	823,917
Highlands Ranch	5,782,645	1,660,091	313,149	824,184	-	24,500	-	8,604,569
Legend	5,850,531	1,746,677	294,281	1,061,418	-	189,013	-	9,141,920
Mountain Vista	7,137,034	1,989,426	237,198	707,208	-	117,444	-	10,188,308
Ponderosa	4,492,626	1,248,406	195,114	606,708	-	68,442	-	6,611,296
Rock Canyon	5,965,541	1,755,405	279,366	1,204,898	-	36,775	-	9,241,985
ThunderRidge	6,234,412	1,847,938	205,919	1,604,900	-	95,746	-	9,988,915
Other High School Expenses	1,875,632	572,160	166,303	747,774	-	12,139	2,740,332	6,114,340
Total - High Schools	\$ 59,627,936	\$ 17,219,496	\$ 2,466,877	\$ 9,728,794	\$ -	\$ 956,194	\$ 2,740,332	\$ 92,739,629
TOTAL - ALL SCHOOLS	\$195,039,216	\$ 56,580,382	\$ 6,755,361	\$ 24,266,032	\$ -	\$ 3,164,527	\$ 9,311,066	\$ 295,116,584
General Administration								
Board of Education	\$ 66,799	\$ 17,938	\$ 205,600	\$ 169,912	\$ -	\$ 25,500	\$ -	\$ 485,749
Superintendent's Office	326,537	70,482	65,975	308,453	-	13,700	-	785,147
Staff Counsel	192,663	46,499	251,355	(40,392)	-	11,295	-	461,420
Human Resources	1,119,772	285,613	77,688	219,829	-	503,135	-	2,206,037
Pay for Performance	-	-	-	-	-	-	4,300,000	4,300,000
Benefits	-	-	33,500	(9,567)	-	-	-	23,933
Communication Services	429,922	118,958	43,500	185,123	-	16,000	-	793,503
School/Community Partnerships	216,425	79,128	3,070	33,544	-	1,400	-	333,567
Educational Foundation	228,971	64,978	12,500	38,022	-	5,063	-	349,534
Sub-Total General Administration	\$ 2,581,089	\$ 683,596	\$ 693,188	\$ 904,924	\$ -	\$ 576,093	\$ 4,300,000	\$ 9,738,890
Learning Services								
Assistant Superintendent	\$ 238,966	\$ 54,685	\$ 23,387	\$ 218,283	\$ -	\$ 71,931	\$ -	\$ 607,252
Assistant Superintendent - Elementary	216,017	50,627	47,298	202,528	-	51,702	-	568,172
Direction of Elementary Education	426,274	106,286	6,000	26,991	-	18,399	-	583,950
Direction of Middle School Education	166,938	41,866	3,500	22,719	-	1,000	-	236,023
Direction of High School Education	423,025	114,712	40,025	103,565	-	6,345	-	687,672
Research and Assessment	471,758	123,405	202,172	433,499	-	16,250	-	1,247,084
Grant Coordination	73,730	19,201	625	347	-	-	-	93,903
Instructional Support Services	13,079,300	3,916,828	1,638,806	931,182	-	39,964	-	19,606,080
English as a Second Language	113,432	18,705	3,800	48,642	-	15,057	-	199,636
Early Childhood Ed / K-3 Accredited	200,761	66,139	120,892	36,253	-	-	-	424,045
Preschool	138,742	38,995	5,100	885,866	-	746,342	-	1,815,045
Gifted and Talented	376,348	91,071	34,685	748,038	-	12,794	-	1,262,936
Health Services	1,589,977	451,533	80,753	165,258	-	523	-	2,288,044
Literacy	174,556	43,107	32,700	75,703	-	12,450	-	338,516
Student Assistance	292,206	81,634	29,889	33,894	-	600	-	438,223
Curriculum and Standards Implement	759,315	185,522	145,577	1,105,813	-	1,618	-	2,197,845
Career and Technical Education	57,797	16,337	163,365	157,605	-	6,300	-	401,404
School to Career	5,459	962	41,340	59,027	-	4,535	-	111,323
Media Center	258,568	82,271	40,536	63,388	-	1,395	-	446,158
Learning Support Services	-	-	10,615	2,900	-	3,000	-	16,515
Student Wellness	245,269	61,913	1,000	34,242	-	250	-	342,674
Reading Recovery	1,043,758	300,225	6,500	248,561	-	400	-	1,599,444
Center for Professional Development	811,243	180,156	161,482	702,641	-	8,072	-	1,863,594
Charter School Partnership	82,633	23,790	1,504	17,443	-	1,500	-	126,870
Sub-Total Learning Services	\$ 21,246,072	\$ 6,069,970	\$ 2,841,551	\$ 6,324,388	\$ -	\$ 1,020,427	\$ -	\$ 37,502,408

**DOUGLAS COUNTY SCHOOL DISTRICT
GENERAL FUND EXPENDITURES BY PROGRAM AND OBJECT
Individual School and Department Budgets**

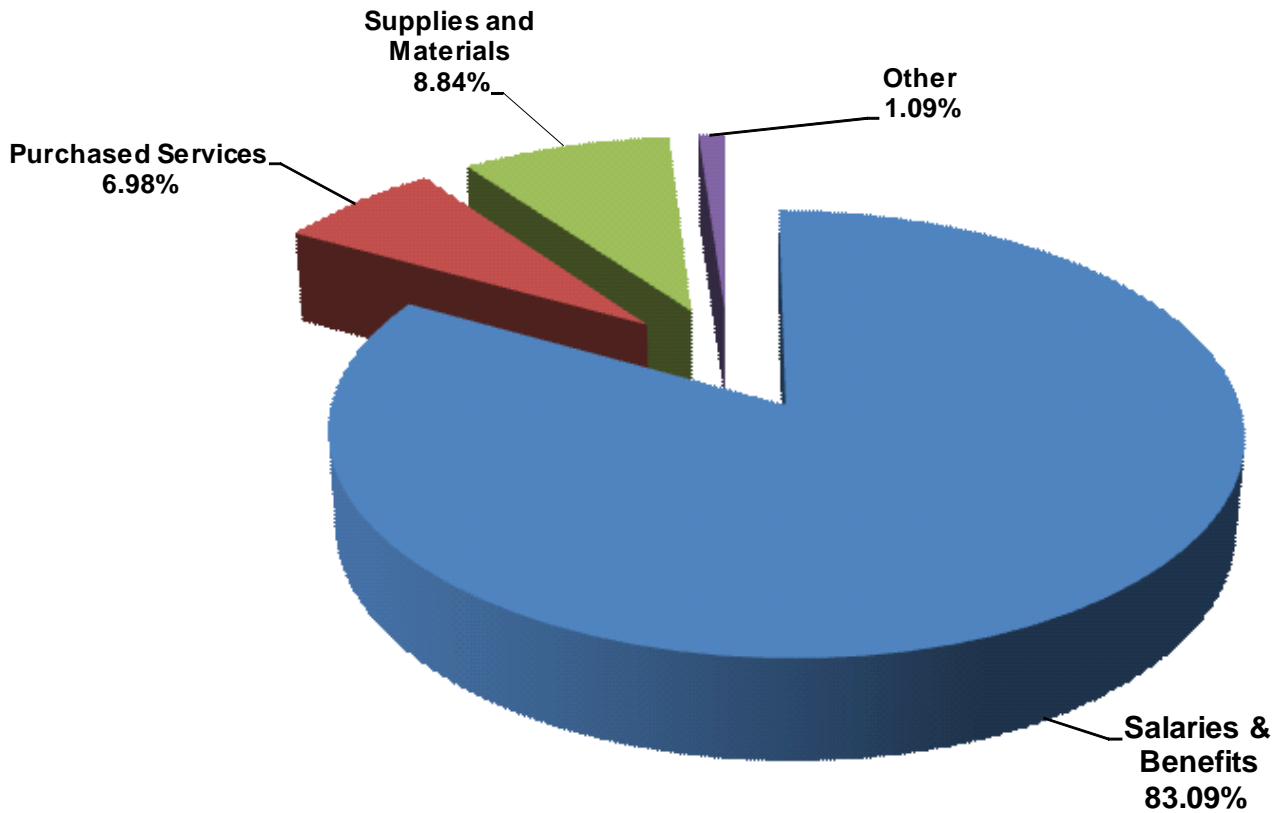
SCHOOL/DEPARTMENT	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Expenses	Transfers and Other Allocations	Total
Support Services								
Business Services	\$ 1,467,516	\$ 417,461	\$ 78,130	\$ 274,833	\$ -	\$ 18,200	\$ -	\$ 2,256,140
Purchasing	483,879	144,801	16,466	168,661	-	(172,700)	-	641,107
Warehouse	281,774	90,621	3,200	17,320	-	850	-	393,765
Print Shop	-	-	-	21,590	-	-	-	21,590
Mail Service	-	-	205,132	5,663	-	(200,000)	-	10,795
Information/Technology	3,652,033	966,382	331,809	1,329,534	-	12,125	-	6,291,883
Operations & Maint/Direction of O&M	5,105,278	1,596,294	1,755,149	3,782,150	-	(624,927)	-	11,613,944
Chief Operations Officer	220,869	51,552	13,573	133,080	-	-	-	419,074
Planning	312,893	80,004	40,676	10,794	-	1,200	-	445,567
Security	709,694	214,589	581,960	264,009	-	1,350	-	1,771,602
Nutrition Service	-	-	-	1,585	-	-	-	1,585
Transportation	-	-	24,488	94,280	-	-	-	118,768
Cantril Building	100,053	30,543	8,707	20,884	-	-	-	160,187
Wilcox	31,616	11,654	39,882	145,915	-	-	-	229,067
West Support Center	15,194	5,718	39,932	86,747	-	-	-	147,591
Outdoor Ed Center	-	-	28,500	65,000	-	-	-	93,500
DC Athletic Stadium	8,400	1,406	23,630	48,717	-	-	-	82,153
HR (Shea) Athletic Stadium	6,669	2,514	56,615	127,821	-	22,500	-	216,119
Sports Authority Stadium	8,400	1,405	65,231	64,670	-	-	-	139,706
DCHS - South (Annex)	-	-	50,669	184,304	-	-	-	234,973
Contingencies	-	-	-	-	-	-	5,000,000	5,000,000
Cap / Ins Reserve Transfer	-	-	-	-	-	-	3,754,644	3,754,644
Athletic Fund Transfer	-	-	-	-	-	-	3,887,406	3,887,406
COP Lease Payment Transfer	-	-	-	-	-	-	1,995,833	1,995,833
Reserved for Schools	-	-	-	-	-	-	5,600,000	5,600,000
School & Department Carryforward	-	-	-	-	-	-	8,000,000	8,000,000
Transportation Fund Transfer	-	-	-	-	-	-	12,324,204	12,324,204
Sub-Total Support Services	\$ 12,404,268	\$ 3,614,944	\$ 3,363,749	\$ 6,847,557	\$ -	\$ (941,402)	\$ 40,562,087	\$ 65,851,203
Charter School Payments	-	-	-	-	-	-	\$ 47,453,922	47,453,922
Hope Charter School Payment	-	-	-	-	-	-	18,570,869	18,570,869
Sub-Total Charter Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,024,791	\$ 66,024,791
GRAND TOTAL	\$231,270,645	\$ 66,948,892	\$ 13,653,849	\$ 38,342,901	\$ -	\$ 3,819,645	\$ 120,197,944	\$ 474,233,876

GENERAL FUND EXPENDITURES BY PROGRAM



Summary of General Fund Expenditures by	2012-13 Budget		2011-12 Budget	
Instruction	\$ 260,066,206	68.215%	\$ 238,357,811	67.424%
Supporting Services - Students	16,749,741	4.393%	15,789,876	4.466%
Supporting Services - Instructional Staff	13,890,715	3.643%	12,799,615	3.621%
General Administration	2,020,690	0.530%	2,121,413	0.600%
School Administration	29,132,926	7.641%	26,677,819	7.546%
Business Services	2,759,061	0.724%	3,153,541	0.892%
Operations & Maintenance	35,497,395	9.311%	36,807,452	10.412%
Central Support	20,115,220	5.276%	16,358,648	4.627%
Other Support	470,367	0.123%	1,033,145	0.292%
Enterprise Operatings	235,114	0.062%	21,250	0.006%
Education for Adults	18,072	0.005%	-	0.000%
Property	291,493	0.076%	397,863	0.113%
	<u>\$ 381,247,000</u>	<u>100.000%</u>	<u>\$ 353,518,433</u>	<u>100.000%</u>

**GENERAL FUND
EXPENDITURES BY OBJECT**



EXPENDITURES BY OBJECT	2012-13 Budget		2011-12 Budget	
Salaries & Benefits	\$ 316,784,514	83.09%	\$ 305,058,183	82.56%
Purchased Services	26,599,737	6.98%	26,599,737	7.20%
Supplies and Materials	33,694,381	8.84%	33,694,381	9.12%
Other	4,168,368	1.09%	4,168,368	1.13%
	<u>\$ 381,247,000</u>	<u>100.00%</u>	<u>\$ 369,520,669</u>	<u>100.00%</u>

**DOUGLAS COUNTY SCHOOL DISTRICT
GENERAL FUND STAFFING AND EXPENDITURES
Individual School and Department Budgets**

2012-2013

SCHOOL/DEPARTMENT	Projected	Total			2012-2011	2011-2010	2010-2009	2009-2008
	Pupil FTE Enrollment	Total Staff FTE	Expenditure Allocation	Cost Per Pupil				
Elementary Schools								
Acres Green	642	54.38	\$ 2,668,618	4,157	\$ 3,429,639	\$ 3,085,024	3,296,226	\$ 3,408,688
Arrowwood	446	34.42	2,952,963	6,621	2,476,040	2,218,048	2,810,564	2,828,522
Bear Canyon	612	43.64	3,186,392	5,207	3,090,027	2,784,701	3,040,806	3,040,216
Buffalo Ridge	501	32.71	2,411,763	4,814	2,480,919	2,199,467	2,574,907	2,548,590
Castle Rock Elem	494	40.99	2,873,466	5,817	2,686,179	2,246,709	3,752,527	3,684,609
Cherokee Trail	608	44.29	3,083,031	5,071	2,796,554	2,460,451	2,909,005	2,806,416
Cherry Valley	51	6.44	501,421	9,832	476,374	434,611	518,692	561,686
Clear Sky	865	61.80	4,314,879	4,988	3,733,295	3,084,988	2,919,873	2,494,382
Copper Mesa	659	45.83	3,065,268	4,651	2,935,620	2,640,432	2,902,372	2,656,841
Cougar Run	522	39.19	2,653,834	5,084	2,797,505	2,568,727	2,849,552	2,617,633
Coyote Creek	397	26.96	2,596,319	6,540	2,217,048	2,265,444	2,430,149	2,499,774
Eagle Ridge	602	43.92	3,017,534	5,013	2,815,446	2,383,611	2,724,721	2,572,630
Eldorado	609	45.21	2,970,676	4,878	3,168,113	2,847,255	3,106,691	3,151,228
Flagstone	662	47.74	3,707,758	5,601	3,201,992	2,775,672	3,408,029	3,278,374
Fox Creek	536	38.57	2,972,688	5,546	2,734,137	2,554,256	2,908,166	2,862,672
Franktown	277	26.48	2,028,082	7,322	1,766,764	1,405,136	1,714,137	1,624,543
Frontier Valley	663	46.13	3,461,765	5,221	3,274,435	3,002,663	3,660,531	3,547,012
Gold Rush	714	53.73	3,751,528	5,254	3,444,083	2,741,645	2,709,589	2,219,067
Heritage	637	44.74	3,094,544	4,858	2,936,752	2,631,133	2,855,145	2,937,533
Iron Horse	510	36.69	2,836,915	5,563	2,481,454	2,413,504	2,872,070	2,798,382
Larkspur	291	23.43	1,816,900	6,244	1,744,483	1,560,258	1,783,045	1,835,662
Legacy Point	481	33.33	2,343,327	4,872	2,227,881	2,146,973	2,413,669	2,559,863
Lone Tree	468	32.40	2,058,791	4,399	2,478,012	2,186,627	2,452,567	2,291,236
Mammoth Heights	841	57.54	4,242,773	5,045	3,870,053	3,306,539	3,413,822	2,973,136
Meadow View	581	42.74	2,975,781	5,122	2,902,029	2,569,900	2,814,224	2,589,180
Mountain View	375	29.86	2,129,177	5,678	2,241,602	1,894,387	2,748,779	2,929,966
Northeast	472	34.99	2,431,488	5,151	2,178,029	2,225,142	2,586,820	2,581,819
Northridge	756	51.23	4,118,596	5,448	3,556,276	3,394,907	3,512,863	3,309,356
Pine Grove	624	41.77	3,335,631	5,346	3,056,645	2,756,220	2,975,528	2,974,005
Pine Lane Primary/Intermediate	935	74.95	5,084,179	5,438	5,030,925	4,542,020	5,465,084	5,329,966
Pioneer	579	45.17	3,167,347	5,470	2,918,806	2,503,349	3,082,975	3,116,067
Prairie Crossing	581	45.86	3,135,531	5,397	2,813,810	2,558,162	2,285,978	2,387,089
Redstone	687	46.69	3,533,283	5,143	3,130,524	2,962,236	3,429,101	3,222,297
Renaissance	399	29.86	2,079,484	5,212	1,862,843	1,886,129	1,772,909	1,826,746
Rock Ridge	705	53.71	3,701,233	5,250	3,483,495	2,721,651	3,515,238	3,267,780
Roxborough Intermediate	493	38.65	2,709,402	5,496	2,438,780	2,329,137	2,437,314	2,315,915
Roxborough Primary	392	34.86	2,252,658	5,747	2,827,816	1,925,487	2,295,858	2,224,783
Saddle Ranch	594	40.74	3,231,498	5,440	2,587,429	2,607,752	2,934,044	2,805,775
Sage Canyon	655	40.71	3,053,776	4,662	2,489,167	2,263,271	-	-
Sand Creek	585	47.90	3,429,577	5,863	3,086,658	2,768,158	3,058,235	2,902,511
Sedalia	342	30.71	2,137,828	6,251	2,094,950	1,597,907	1,824,288	1,812,792
Soaring Hawk	707	50.30	3,745,977	5,298	3,289,350	2,777,190	3,254,071	2,937,581
South	549	47.59	2,978,331	5,425	2,889,327	2,596,207	2,720,476	2,678,111
Stone Mountain	535	34.74	2,773,409	5,184	2,222,274	1,965,315	2,106,594	1,826,435
Summit View	564	37.80	3,046,074	5,401	2,990,810	2,527,218	3,001,981	3,025,298
Timber Trail	596	43.69	2,918,983	4,898	2,827,637	2,455,174	2,878,105	2,833,617
Trailblazer	512	42.81	2,456,517	4,798	2,971,449	2,572,384	2,924,901	3,082,070
Wildcat Mountain	599	41.27	3,276,654	5,470	3,069,401	2,606,648	2,677,106	2,370,885
Other Elementary School Expenses	-	-	4,775,666	-	10,772,526	7,176,041	9,186,575	4,794,933
Total - Elementary Schools	26,905	1,989.16	\$ 147,089,315	5,467	\$ 144,995,363	\$ 126,125,866	\$ 141,515,902	\$ 132,943,672
Middle Schools								
Castle Rock MS	833	67.14	\$ 5,234,280	6,284	\$ 4,952,360	\$ 4,244,037	\$ 4,673,570	\$ 4,469,760
Cimarron	1,401	103.23	7,320,510	5,225	6,659,717	5,957,246	4,186,514	3,654,966
Cresthill	912	72.32	5,400,053	5,921	5,340,421	4,778,127	5,371,401	5,134,098
Mesa	1,000	74.21	5,504,512	5,505	4,900,526	4,434,407	4,852,324	4,498,687
Mountain Ridge	1,056	77.18	5,915,757	5,602	5,616,299	5,152,924	5,743,462	5,711,243
Ranchview	1,013	73.77	5,608,986	5,537	5,548,460	5,381,384	5,618,723	5,501,870
Rocky Heights	1,390	94.17	7,015,349	5,047	6,804,597	6,267,567	6,838,146	6,294,323
Sagewood	979	73.45	5,947,118	6,075	5,546,657	4,734,739	3,638,372	4,110,449
Sierra	1,025	73.80	5,546,007	5,411	4,908,272	4,856,779	5,028,110	5,104,635
Other Middle School Expenses	-	-	1,795,068	-	1,618,650	1,179,384	2,502,941	1,051,896
Total - Middle Schools	9,609	709.27	\$ 55,287,640	5,754	\$ 51,895,959	\$ 46,986,594	\$ 48,453,563	\$ 45,531,927

**DOUGLAS COUNTY SCHOOL DISTRICT
GENERAL FUND STAFFING AND EXPENDITURES
Individual School and Department Budgets**

2012-2013

SCHOOL/DEPARTMENT	Projected	Total	Total	Cost	2012-2011	2011-2010	2010-2009	2009-2008
	Pupil FTE		Expenditure					
Enrollment	Staff FTE	Allocation						
High Schools								
Castle View	1,717	113.44	\$ 8,741,391	5,091	\$ 8,223,862	\$ 7,266,235	\$ 7,418,446	\$ 7,168,737
Chaparral	2,068	144.78	11,589,700	5,604	11,099,547	10,397,194	11,948,019	12,183,831
DC Oakes	-	19.99	1,626,400	-	1,597,068	1,509,486	1,442,958	1,362,987
Douglas County	1,876	126.95	10,066,888	5,366	9,990,436	9,534,728	10,070,555	10,900,410
Eagle Academy	-	11.90	823,917	-	1,004,310	803,318	853,028	865,866
Highlands Ranch	1,679	111.72	8,604,569	5,125	9,414,435	9,005,179	9,281,675	9,249,466
Legend	1,913	121.90	9,141,920	4,779	8,443,646	6,459,912	4,708,322	3,078,502
Mountain Vista	2,071	130.71	10,188,308	4,920	9,872,003	9,584,416	10,264,646	10,097,214
Plum Creek Academy	-	-	-	-	-	101,419	104,044	46,959
Ponderosa	1,141	82.01	6,611,296	5,794	6,855,498	7,774,836	9,147,277	10,128,636
Rock Canyon	1,785	118.54	9,241,985	5,178	8,397,212	7,585,305	7,529,209	7,241,404
ThunderRidge	1,942	128.77	9,988,915	5,144	9,312,151	9,115,342	9,347,253	8,732,106
Other High School Expenses	-	40.33	6,114,340	-	2,644,481	2,497,234	4,832,417	1,813,103
Total - High Schools	16,192	1,151.04	\$ 92,739,629	5,727	\$ 86,854,649	\$ 81,634,604	\$ 86,947,849	\$ 82,869,221
TOTAL - ALL SCHOOLS			\$ 295,116,584		\$ 283,745,971	\$ 254,747,064	\$ 276,917,314	\$ 261,344,820
General Administration								
Board of Education		1.00	\$ 485,749		\$ 419,868	\$ 469,739	\$ 468,586	\$ 509,442
Superintendent's Office		2.00	785,147		486,541	561,936	484,962	444,629
Chief of Staff		-	-		-	-	14,150	78,486
Staff Counsel		2.00	461,420		375,478	290,190	312,471	433,063
Human Resources		15.26	2,206,037		1,784,254	2,785,177	2,891,965	2,794,167
Pay for Performance		-	4,300,000		4,423,312	3,974,693	7,539,910	2,885,257
Medical Adjustment		-	-		-	3,616,710	-	-
Benefits		-	23,933		33,500	33,500	35,000	-
Staff/Organizational Development		-	-		-	-	922,798	1,504,143
DCFT		-	-		321,269	217,674	221,077	220,319
Communication Services		7.00	793,503		663,199	599,918	380,570	360,854
School/Community Partnerships		7.00	333,567		-	-	143,940	237,508
CQI		-	-		-	-	-	170,373
Educational Foundation		4.00	349,534		363,976	348,784	308,649	218,857
Sub-Total General Administration		38.26	\$ 9,738,890		\$ 8,871,397	\$ 12,898,321	\$ 13,724,078	\$ 9,857,098
Learning Services								
Assistant Superintendent		2.00	\$ 607,252		\$ 446,670	\$ 535,284	\$ 513,566	\$ 462,155
Assistant Superintendent - Elementary		2.00	568,172		450,173	-	-	\$ -
Direction of Elementary Education		5.00	583,950		81,969	-	-	-
Direction of Middle School Education		2.00	236,023		226,154	41,878	45,521	46,669
Direction of High School Education		6.50	687,672		429,384	16,000	16,000	206,050
Pre K thru Grade 12 Instruction		-	-		372,955	44,250	265,264	292,588
High School Feeder Areas		-	-		149,485	1,816,867	2,482,490	3,487,447
Student Development		-	-		429,384	495,968	539,794	733,165
Research and Assessment		6.50	1,247,084		736,597	744,080	795,271	843,307
Grant Coordination		1.00	93,903		94,155	85,886	92,853	88,650
Instructional Support Services		281.31	19,606,080		15,798,170	45,923,019	44,988,200	44,823,969
English as a Second Language		1.00	199,636		13,943	13,943	54,824	173,355
Early Childhood Ed / K-3 Accredited		-	424,045		-	-	45,580	45,580
Preschool		2.00	1,815,045		3,221,105	2,723,152	2,772,666	1,772,027
Gifted and Talented		2.00	1,262,936		384,911	397,293	488,861	463,732
Health Services		26.90	2,288,044		1,901,435	1,803,536	1,773,931	1,814,466
Literacy		2.00	338,516		279,548	315,755	354,861	611,609
Read to Succeed		-	-		-	-	19,139	440,939
Student Assistance		4.89	438,223		419,200	396,149	389,356	393,373
Curriculum and Standards Implement		8.00	2,197,845		772,869	639,941	712,165	995,788
Career and Technical Education		-	401,404		240,000	274,091	287,350	811,360
School to Career		-	111,323		60,000	42,721	37,215	153,288
Media Center		6.00	446,158		409,398	540,761	535,414	775,575
Learning Support Services		-	16,515		226,706	-	-	-
Student Wellness		2.00	342,674		96,513	-	-	-
Reading Recovery		30.40	1,599,444		1,339,107	2,124,673	-	-
Center for Professional Development		8.32	1,863,594		857,816	771,467	-	-
BRT		-	-		-	-	4,144	73,312
Charter School Partnership		1.50	126,870		-	-	-	-
Public Education Coalition		-	-		-	-	88,055	87,834
Wings Program		-	-		2,000	3,736	3,723	3,709
Sub-Total Learning Services		401.32	\$ 37,502,408		\$ 29,439,647	\$ 59,750,450	\$ 57,306,243	\$ 59,599,947

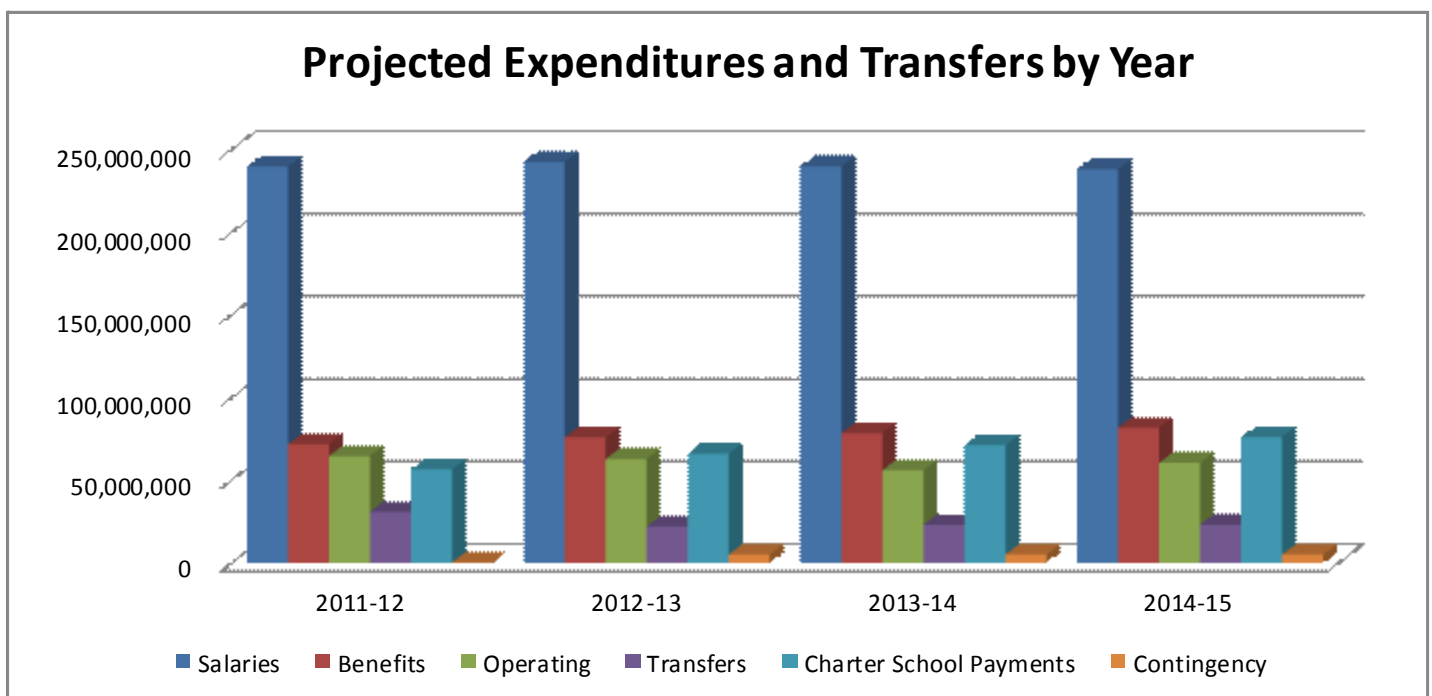
**DOUGLAS COUNTY SCHOOL DISTRICT
GENERAL FUND STAFFING AND EXPENDITURES
Individual School and Department Budgets**

2012-2013

SCHOOL/DEPARTMENT	Projected		Total		2012-2011	2011-2010	2010-2009	2009-2008
	Pupil FTE Enrollment	Staff FTE	Expenditure Allocation	Cost Per Pupil				
Support Services								
Business Services		24.60	\$ 2,256,140		\$ 3,929,561	\$ 3,851,427	\$ 2,087,836	\$ 2,137,812
Purchasing		9.70	641,107		613,144	653,501	647,833	686,009
Warehouse		6.70	393,765		389,760	386,070	343,561	373,350
Print Shop		-	21,590		-	-	-	-
Mail Service		-	10,795		5,632	6,132	162,125	243,795
Information/Technology		52.20	6,291,883		12,142,077	11,040,376	7,227,087	7,637,363
Operations & Maint/Direction of O&M		94.00	11,613,944		9,174,315	9,914,723	10,740,469	9,941,816
Chief Operations Officer		2.00	419,074		297,863	314,355	98,465	104,103
Planning		4.00	445,567		10,550	13,193	14,775	14,775
Security		32.90	1,771,602		1,561,659	1,408,785	1,395,388	1,492,492
Nutrition Service		-	1,585		-	-	-	-
Transportation		-	118,768		-	105,052	19,095,923	18,862,035
Cantril Building		-	160,187		72,493	-	-	-
Wilcox		-	229,067		228,402	279,574	254,605	266,996
West Support Center		-	147,591		155,804	-	-	-
Outdoor Ed Center		-	93,500		-	-	-	-
DC Athletic Stadium		-	82,153		-	-	-	-
HR (Shea) Athletic Stadium		0.30	216,119		-	-	-	-
Sports Authority Stadium		-	139,706		-	-	-	-
DCHS - South (Annex)		-	234,973		-	-	-	-
Contingencies		-	5,000,000		6,500,000	5,000,000	12,701,597	850,000
Cap / Ins Reserve Transfer		-	3,754,644		7,082,644	10,501,033	15,431,916	14,287,794
Athletic Fund Transfer		-	3,887,406		3,887,406	3,887,406	4,829,472	4,795,688
COP Lease Payment Transfer		-	1,995,833		-	-	-	-
Reserved for Schools		-	5,600,000		2,500,000	2,500,000	4,686,344	3,086,344
Override Election Fund Transfer		-	-		-	-	1,157,252	5,000,000
School & Department Carryforward		-	8,000,000		19,400,000	-	-	-
Full-Day Kindergarten Transfer		-	-		250,000	500,000	2,186,344	-
eDCSD Transfer		-	-		-	788,606	-	-
Transportation Fund Transfer		-	12,324,204		11,513,632	12,013,632	-	-
Sub-Total Support Services		226.40	\$ 65,851,203		\$ 79,714,942	\$ 63,163,865	\$ 83,060,992	\$ 69,780,372
Charter School Payments		-	\$ 47,453,922		\$ 33,798,960	\$ 27,494,605	\$ 23,393,915	\$ 23,799,633
Hope Charter School Payment		-	18,570,869		20,580,476	18,602,638	22,574,794	27,008,750
Sub-Total Charter Payments		-	\$ 66,024,791		\$ 54,379,436	\$ 46,097,243	\$ 45,968,709	\$ 50,808,383
GRAND TOTAL		4,515.45	\$ 474,233,876		\$ 456,151,393	\$ 436,656,943	\$ 476,977,336	\$ 451,390,620

GENERAL FUND SUMMARY BUDGET AND TWO YEAR PROJECTION

	Revised* Budget 2011-12	Projected** Y-E Actuals 2011-12	Adopted Budget 2012-13	Projected Budget 2013-14	Projected Budget 2014-15
BEGINNING FUND BALANCE	\$65,111,144	\$65,111,144	\$56,365,397	\$35,104,808	\$28,067,174
REVENUE					
Local Taxes:					
Property Tax	149,199,088	146,515,106	150,428,867	151,666,055	152,916,358
Specific Ownership Taxes - In Formula	8,000,000	7,600,000	8,800,249	8,800,249	8,800,249
Specific Ownership Taxes - Out	8,000,000	7,600,000	7,803,994	7,803,994	8,803,994
Subtotal - Local Tax Revenue	<u>165,199,088</u>	<u>161,715,106</u>	<u>167,033,110</u>	<u>168,270,298</u>	<u>170,520,601</u>
Intergovernmental Revenue	254,648,793	255,802,553	266,792,634	278,833,380	294,077,922
Other Local Revenue	<u>20,345,196</u>	<u>19,185,608</u>	<u>19,147,543</u>	<u>19,280,004</u>	<u>20,192,540</u>
TOTAL REVENUE	<u>440,193,077</u>	<u>436,703,267</u>	<u>452,973,287</u>	<u>466,383,682</u>	<u>484,791,063</u>
EXPENDITURES					
Salaries	239,636,390	236,896,127	242,503,969	239,803,969	238,203,969
Benefits	71,752,521	71,907,037	75,902,043	78,519,985	81,784,984
Operating	64,573,865	50,686,881	62,840,986	56,040,986	60,580,986
Transfers	30,944,510	29,379,533	21,962,087	23,006,779	23,110,760
Charter School Payments	56,579,436	56,579,436	66,024,791	71,049,598	76,074,404
Contingency ~ General	<u>189,865</u>	<u>-</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>
TOTAL ALL EXPENDITURES	<u>463,676,587</u>	<u>445,449,014</u>	<u>474,233,876</u>	<u>473,421,317</u>	<u>484,755,103</u>
CHANGE IN FUND BALANCE	(23,483,510)	(8,745,747)	(21,260,589)	(7,037,634)	35,960
BEGINNING FUND BALANCE	65,111,144	65,111,144	56,365,397	35,104,808	28,067,174
ENDING FUND BALANCE	<u>\$41,627,634</u>	<u>\$56,365,397</u>	<u>\$35,104,808</u>	<u>\$28,067,174</u>	<u>28,103,134</u>



DOUGLAS COUNTY SCHOOL DISTRICT BUDGETED FTE

Certified Staff includes classroom teachers, counselors, nurses, social workers, etc. Starting in FY 2011-12 the Kindergarten FTE were moved to a separate fund.

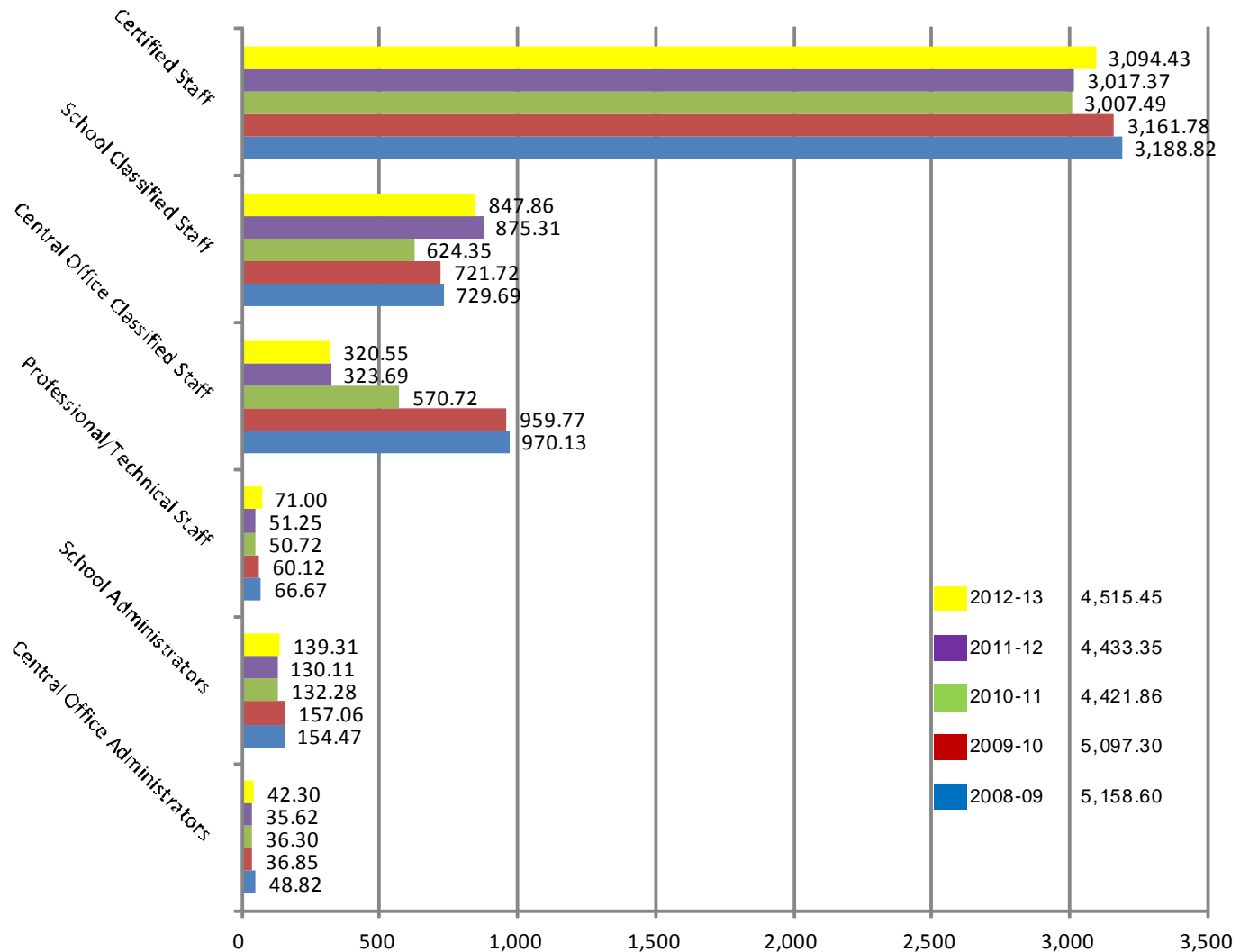
School Classified Staff includes paraprofessional aides and officer support in the school buildings.

Central Office Classified Staff includes the crafts, trade, nutrition services staff and custodians. In FY 2010-11 all transportation FTE's were moved to a separate fund (around 268.69 positions in total).

Professional/Technical Staff includes building principals and assistant principals.

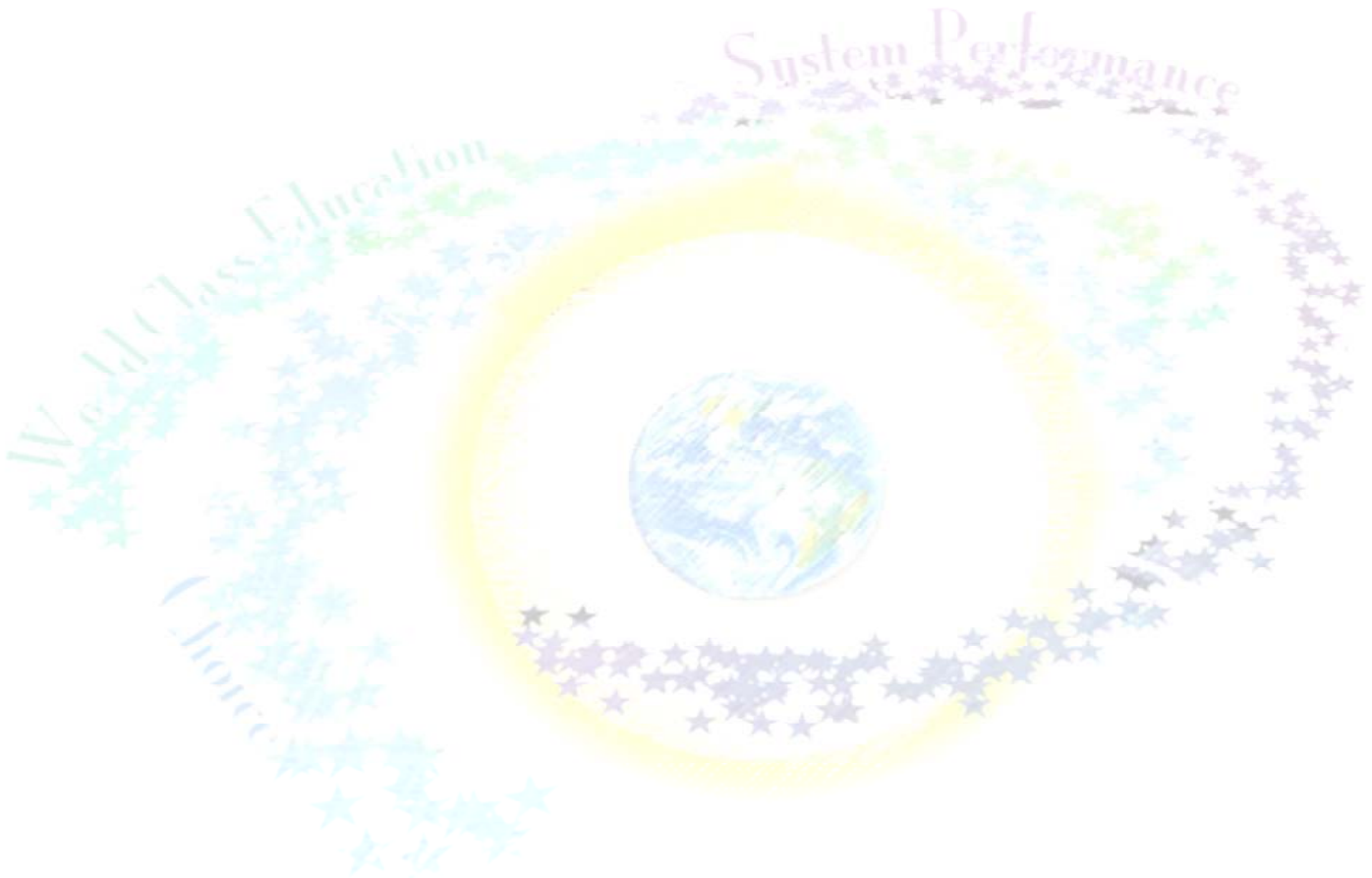
School Administrators includes superintendent, assistant superintendents, directors, etc.

NOTE: FTE's are subject to change yearly based on our School Based Budget management system. If a particular school has increased enrollment, and with that increased enrollment comes additional dollars, they may choose to add another Teacher and or a part-time assistant principal depending on the need for that year. It will do the opposite in a year a particular building loses enrollment.





Fiscal Year 2012-13 Financial Plan and Budget



Risk Insurance Fund

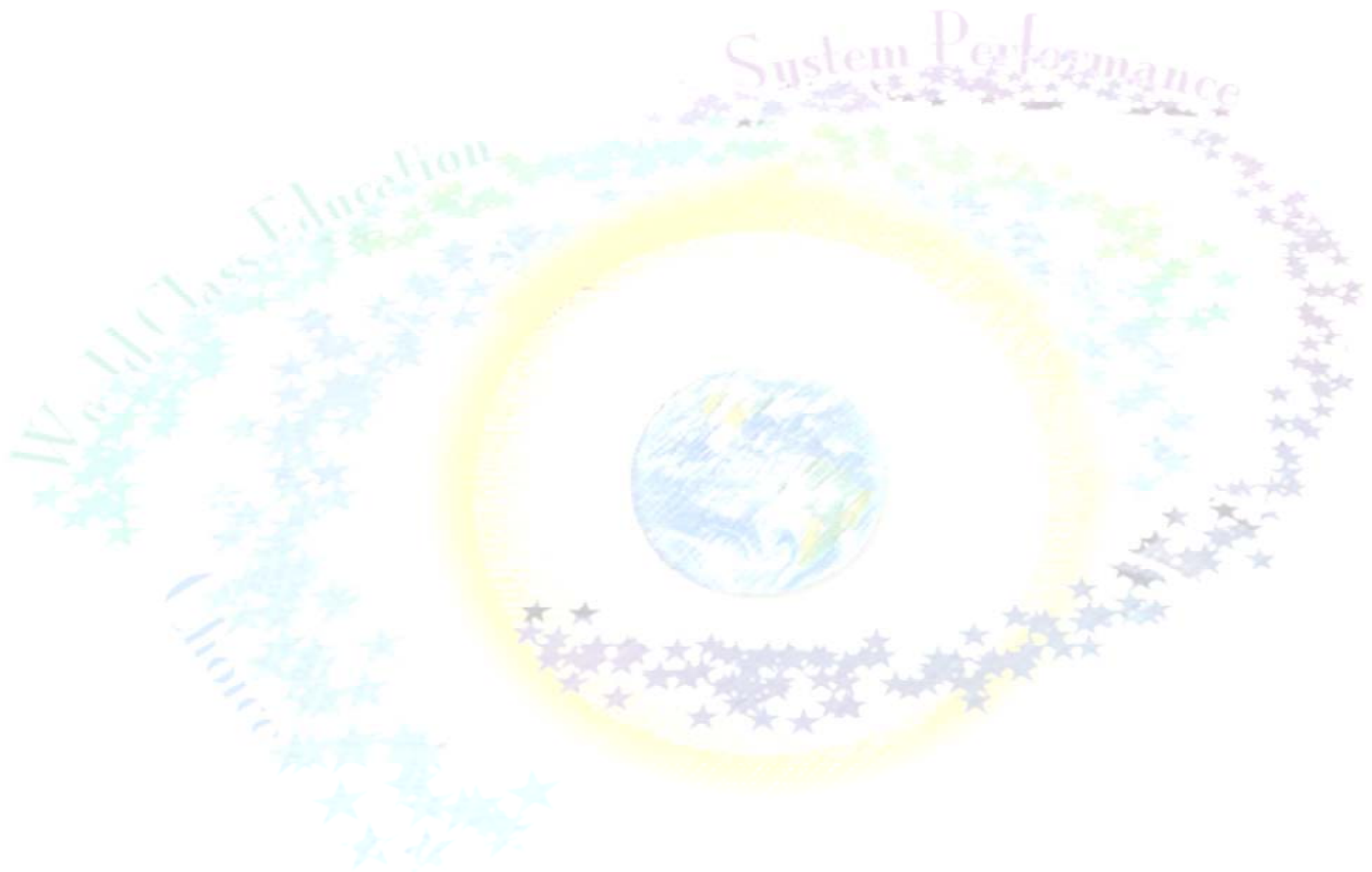
RISK INSURANCE FUND 18

The Risk Insurance Fund has been established to minimize the cost of risk to the Douglas County School District by providing effective risk management, safety, loss prevention, insurance and self-insurance programs, claims administration and litigation management services to the entire District.

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Budget
Fund Balance, July 1	\$ 2,305,657	\$ 892,387	\$ 1,330,183	\$ 783,884	\$ 829,206
Revenues					
Transfer In - General Fund	2,719,847	2,810,409	3,699,141	4,554,644	3,754,644
Total Sources	5,025,504	3,702,796	5,029,324	5,338,528	4,583,850
Expenditures					
Insurance Administration					
Salary and Benefits	445,215	442,775	599,472	350,623	362,097
Legal Services	23,923	32,441	52,124	50,000	50,000
Security Administration	112,053	130,538	-	-	-
Purchased Services	236,708	168,817	96,918	86,900	102,589
Supplies and Materials	8,526	10,689	7,023	8,500	132,500
Equipment	35,870	22,343	12,204	20,000	-
Dues, Memberships, Fees and Training	5,620	3,593	447	5,600	5,600
Property & Casualty Insurance					
Self Funded Claims Expense	305,896	342,825	403,009	475,000	475,000
Insurance Premiums	580,854	589,916	686,443	691,223	694,321
Purchased Services	85,757	73,629	88,460	104,803	105,003
Change in IBNR	135,730	(1,639)	-	-	-
Workers' Compensation					
Workers' Compensation Self Funded	1,294,070	1,657,085	1,795,827	2,452,297	1,949,434
Purchased Services	100,042	128,392	86,600	109,150	109,150
Workers' Compensation Premiums	142,720	144,162	109,232	161,445	161,445
Change in IBNR	620,133	(1,372,953)	307,681	-	-
Alternative Duty	-	-	-	22,987	-
Total Expenditures	4,133,117	2,372,613	4,245,440	4,538,528	4,147,139
Change in Fund Balance	(1,413,270)	437,796	(546,299)	16,116	(392,495)
Fund Balance, June 30	\$ 892,387	\$ 1,330,183	\$ 783,884	\$ 800,000	\$ 436,711

Insurance Reserve Fund Facts and Figures	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Estimate
Claims handled annually	263	275	285
District Safety/Wellness Trainings Held	152	175	170
Self-Insured Loss Costs (\$)	\$2,153,485	\$2,424,434	\$2,500,000
NCCI Experience Modification rating for Workers' Compensation	.73	.81	.80

Fiscal Year 2012-13 Financial Plan and Budget



Full Day Kindergarten Fund

FULL DAY KINDERGARTEN FUND 19

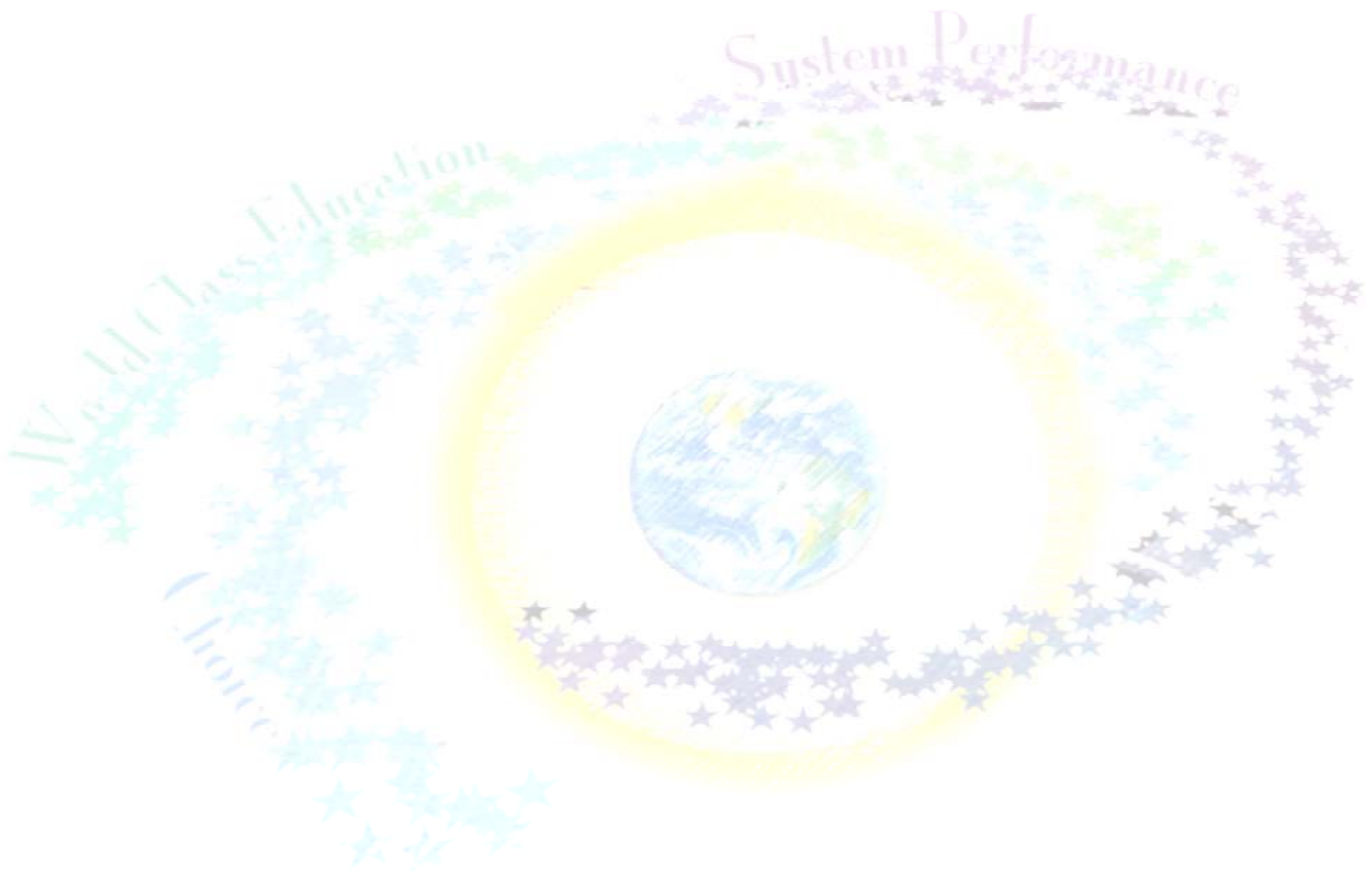
The activity associated with the full day kindergarten program has previously been accounted for in the District's General Fund. This fund's revenues come from tuition paid by families to access a full day kindergarten program at many of the District's elementary schools. Included in this fund are reserves designated for tuition scholarships meeting the needs of the District's at-risk kindergarten students. This fund is also expected to be included in the Combined General Fund for purposes of financial reporting in the Comprehensive Annual Financial Report (CAFR).

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Budget
Fund Balance, July 1	\$ -	\$ -	\$ 3,574,802	\$ 4,490,780	\$ 5,039,456
Revenues					
Tuition	-	-	3,039,178	3,426,479	3,658,314
Other Revenue	-	-	150	-	-
Total Revenue	-	-	3,039,328	3,426,479	3,658,314
Transfers In - General Fund	-	-	-	250,000	-
Total Sources	-	-	6,614,130	8,167,259	8,697,770
Expenditures					
Instruction					
Salaries	-	-	1,609,387	1,911,781	2,935,775
Benefits	-	-	421,893	582,935	697,783
Purchased Services	-	-	10,048	209,000	-
Supplies and Materials	-	-	20,266	4,124,995	4,147,995
Equipment	-	-	435	-	-
School Administration Services					
Salaries	-	-	48,413	30,282	1,245
Benefits	-	-	12,908	8,891	511
Total Expenditures	-	-	2,123,350	6,867,884	7,783,309
Change in Fund Balance	-	-	915,978	(3,441,405)	(4,124,995)
Fund Balance, June 30	\$ -	\$ -	\$ 4,490,780	\$ 1,299,375	\$ 914,461

Note: This fund was within the General Fund for the 2010-11 and 2011-12 reporting purposes, but will be separate for the 2012-13 year and beyond.

Facts and Figures	FY 2011-2012 Actuals	FY 2012-2013 Actuals	FY 2013-2014 Projection
Number of Full-Day Programs	35 Neighborhood 8 Charter	37 Neighborhood 8 Charters	38 Neighborhood 8 Charters
Students Enrolled in Full-Day Programs	1,892	2,138	2,138
District-Provided Scholarships	112	154	154

Fiscal Year 2012-13 Financial Plan and Budget



Transportation Fund

TRANSPORTATION FUND 25

The Douglas County School District's Transportation Department provides school transportation services for more than 33,000 eligible students. We serve more than 926 square miles throughout Douglas County by providing daily bus service, field trips and special needs transportation to ensure the safe and timely arrival of Douglas County Students.

For FY 2012-2013, the estimated beginning fund balance of \$526,442, along with budgeted revenues of \$18.4 million, will cover budgeted expenditures of \$18.6 million. Included in the revenue to help cover the budgeted expenditures is the revenue received from the Zpass card program. Each child that rides a bus must have a Zpass. The initial cost of the Zpass is \$25 for the card and all replacements. The cost of a one-way trip either to or from school is \$0.50, and a maximum fee of \$1.00/day is charged if students ride both to and from school.

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Budget
Fund Balance, July 1	\$ -	\$ -	\$ -	\$ 543,111	\$ 526,442
Revenues					
Fees - To/From School	-	-	924,188	1,200,000	1,270,000
Reimbursement	-	-	4,063,950	3,996,154	4,000,000
Other Revenue	-	-	976,569	700,000	784,000
Total Revenue	-	-	5,964,707	5,896,154	6,054,000
Transfer In - General Fund	-	-	12,013,632	11,888,632	12,324,204
Total Sources	-	-	17,978,339	18,327,897	18,904,646
Expenditures					
Student Transportation Services					
Salaries	-	-	10,758,534	10,701,829	10,826,538
Benefits	-	-	3,821,224	3,943,935	4,152,635
Purchased Services	-	-	981,243	691,296	683,681
Supplies & Materials	-	-	3,129,104	3,459,606	3,475,441
Equipment/Property	-	-	317,491	395,320	572,100
Other	-	-	(1,572,368)	(1,062,699)	(1,062,699)
Total Expenditures	-	-	17,435,228	18,129,287	18,647,696
Change in Fund Balance	-	-	543,111	(344,501)	(269,492)
Fund Balance, June 30	\$ -	\$ -	\$ 543,111	\$ 198,610	\$ 256,950

Transportation Facts and Figures	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Estimate
Total vehicles maintained	506	519	529
Routes	239	239	245
On-time performance	98.464%	98.5%	98.5%
Average Fuel Cost per gallon	\$3.07	\$3.07	\$3.24

Fiscal Year 2012-13 Financial Plan and Budget



Capital Projects Fund

CAPITAL PROJECTS FUND 43

This fund was established for FY 2010-2011 as a result of the changes to the Capital Reserve Fund. It accounts for those capital projects that meet the requirement of the District's fixed asset definition (a value of more than \$5,000 and a useful life greater than one year). Capital projects that do not meet the definition of fixed assets will be accounted for in the District's General Fund. Over the past two years, the sources for this fund were provided by a General Fund transfer. This ongoing transfer, however, has been suspended for the next two years as part of the District's budget balancing efforts. There is sufficient fund balance to fund the ongoing capital needs over the next two years.

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Budget
Fund Balance, July 1	\$ -	\$ -	\$ -	\$ 12,258,568	\$ 11,958,568
Revenues					
Other Revenue	-	-	92,000	-	-
Total Revenue	-	-	92,000	-	-
Transfer In - General Fund	-	-	12,213,131	8,132,184	-
Total Sources	-	-	12,305,131	20,390,752	11,958,568
Expenditures					
Instruction					
Equipment/Property	-	-	-	34,926	34,000
Instructional Staff Support Services					
Equipment/Property	-	-	-	21,396	-
Central Support Services					
Equipment/Property	-	-	-	7,459,862	6,311,000
Operations and Maintenance					
Equipment/Property	-	-	41,508	282,335	197,000
Facilities Acquisition and Construction Services					
Equipment/Property	-	-	5,055	33,665	-
Contingency	-	-	-	600,000	-
Total Expenditures	-	-	46,563	8,432,184	6,542,000
Change in Fund Balance	-	-	12,258,568	(300,000)	(6,542,000)
Fund Balance, June 30	\$ -	\$ -	\$ 12,258,568	\$ 11,958,568	\$ 5,416,568

Fiscal Year 2012-13 Financial Plan and Budget



Building Funds



Master Capital Plan 2012-2013



MASTER CAPITAL PLAN

The Douglas County School District Master Capital Plan encompasses a five-year period (2012-2017) and represents an important tool in the District's planning decisions. It is used to identify and prioritize school sites for future schools in order to satisfy student enrollment needs. It is also used to prioritize funding for capital needs. Recognizing school facilities must adapt to fluid educational requirements and the District exists in a dynamic community, it is imperative that planning for future educational and facility needs of the District is ongoing.

LONG RANGE PLANNING COMMITTEE

The Long Range Planning Committee was created in 1983 to work in conjunction with Douglas County School District in their efforts to address the District's capital facility needs.

The charge of the Long Range Planning Committee is to continually analyze community population change and trend data, evaluate population impacts on District education and support facilities, and collect community feedback. The Committee also recommends appropriate actions to the Board of Education regarding school attendance boundaries, facility usage (including facility construction, renovation, or closure) and anticipated capital outlay requirements.

Every year the Committee presents the updated Master Capital Plan to the Board of Education with recommendations for specific projects that may be needed in the next five years.

The Long Range Planning Committee is comprised of two representatives from each high school feeder area, two at-large members and a representative of the development and home building community. The Long Range Planning Committee is one of three committees of the Board of Education.

2011-2012 LONG RANGE PLANNING COMMITTEE MEMBERS

Rudy Lukez, Chair, Mountain Vista High School Feeder
Kay Dry, Vice Chair, Highlands Ranch High School Feeder
Pat Murtha, Chaparral High School Feeder
Dave Harper, Chaparral High School Feeder
Jennifer Johnson, Legend High School Feeder
Gail Feeder, Legend High School Feeder
Dilpreet Jammu, Ponderosa High School Feeder
Ramona Jobe, Ponderosa High School Feeder
Kim DeCoste, Highland Ranch High School Feeder
Wendy Vogel, Mountain Vista High School Feeder
Cindy Barnard, Rock Canyon High School Feeder
Vacant, Rock Canyon High School Feeder
Stephanie Stanley, ThunderRidge High School Feeder
Heather Sherman, ThunderRidge High School Feeder
Anne Fenske, Castle View High School Feeder
Paul Grenney, Castle View High School Feeder
Marcie Herrel, Douglas County High School Feeder
Patricia Montoya, Douglas County High School Feeder
Gregg Sherry, Charter School Representative
Todd Warnke, Charter School Representative
Shelyce Foster, At Large
Zeke Lynch, At Large

NON-VOTING MEMBERS

Jack Hoagland, Development Community
Karmen Smith, Secondary Education Representative
Sheila Beving, Elementary Education Representative
William Moffitt, Interim Chief Operations Officer
Rich Cosgrove, Director of Planning and Construction

ENROLLMENT FORECASTS

DISTRICT K-12 FIVE-YEAR PROJECTIONS

Although the recession ended in June 2009 (*National Bureau of Economic Research; Bureau of Labor Statistics*) and the economy is beginning to show modest improvement, the District continues to take a conservative approach in projecting student enrollment through the 2016-2017 school year. Factors impacting the enrollment forecasts for this planning period include:

- Slow recovery in building activity since 2009
- Addition of grade levels, facility expansions, and Board of Education approval of increased class sizes at several charter schools
- Growing gap between the number of incoming kindergartners and graduating 12th graders
- Majority of the District's growth for this planning period is increased charter school enrollment

District K-12 Enrollment Summary of All Planning Areas						
	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Elementary	31,658	31,869	31,866	31,847	31,500	31,358
Middle	10,416	11,072	11,618	11,828	12,045	12,092
High	16,091	16,903	17,677	18,621	19,777	20,580
Grand Total	58,165	59,844	61,162	62,295	63,323	64,030
Growth		1,679	1,318	1,134	1,027	708
Five Year Average Increase	1,173					
<i>Projection numbers do not include preschool</i>						

CAPACITY INDICATIONS

Based on existing school capacities, five-year projections for the District, as well as new development in the Planning Areas, the Planning and Construction Department continues to monitor specific growth areas along the southern tier of the North Planning Area, and growth areas in the East (Legend Feeder Area) and West (Castle View Feeder Area). To address expected growth in the next five years, several feeder areas will need to incorporate school capacity alternatives such as adopt a year-round calendar, addition of mobile classrooms, or build schools and/or facilities in the following areas:

Growth:

- One new elementary school in the East Planning Area (Legend High School Feeder)
- One new elementary school in the West Planning Area (Castle View High School Feeder)
- An addition to Castle View High School

Program Needs:

- One new Early Childhood Center in the North Planning Area (Highlands Ranch)
- One new Early Childhood Center in the East Planning Area (Parker)
- An addition to the Early Childhood Center in the West Planning Area (Castle Rock)

LAND INVENTORY EVALUATION

Real estate is also a critical component to long range capital planning. In December 2010 the Board of Education directed the Long Range Planning Committee to develop a land inventory of all dedicated school sites. The Planning and Construction Department and a subcommittee of the Long Range Planning Committee evaluated all dedicated school sites in order to determine the suitability of each site to support a school or other facility. Key factors in the evaluation included the size of the site, topography, roads, utility infrastructure, development and expected student population in the surrounding area, and if there were any constraints unique to the site. A map and a listing of dedicated sites by Planning Area is included in the Development Analysis section of this document.

FAILURE OF ELECTIONS

The failure of the 2011 and 2008 bond and budget override elections continue to impact the District's enrollment capacity, and funds available for the District's facility and technology needs. The need for additional capacity, condition of current facilities, and significant technology deficiencies leave the District with over \$240M in capital needs with no dedicated funding stream. Facility capital investment needs are disproportionately higher in the first year of the five-year planning period. Without funding, these high priorities will continue to increase in scope and cost.

FACILITIES MANAGEMENT

During the next five years, District facilities will require significant repairs and renovations to address facility capital needs. Facility capital needs are identified based on a District Internal Facility Audit. These audits are ongoing and are used to identify, prioritize, and estimate costs for facility capital needs. The audits focus on factors including life safety and health, code compliance, system and component life expectancy, and District growth. Facility conditions such as deferred maintenance, educational suitability, and energy audit needs are also included in the study.

In order for capital projects to be considered and approved, they must align with the Facilities Priority Matrix. Projects will not be added to the priority list until they have undergone a rigorous review by internal staff. The audits are used to maintain the Capital Improvement Plan, which is the basis for the Master Capital Plan.



FACILITY PRIORITY MATRIX

Level 1	Rank	Category - What is the opportunity or problem?
	1	Life Safety and Health: Required to reasonably prevent or respond to known or projected risks, e.g., educational environment or indoor air quality
	2	Compliance: Required for code/regulatory, contract compliance, required upgrades, end-of-life
	3	System Failure/Upgrade: A system has failed or is reaching its useful life and is in need of replacement now or in the immediate future
	4	Component Failure/Upgrade: A component of a system has failed or is reaching its useful life and is in need of replacement now or in the immediate future
	5	District Growth: Infrastructure or applications required to enable growth in school, teacher, student, data
	6	Required Infrastructure: Required infrastructure improvement/enhancement to enable other projects
	7	Strategic Priority: System or application needed to enable achievement of District strategic goals and/or ends
	8	Preferred, Desired: Customers would prefer a new or different product, system or equipment to that which is currently working
	9	Political Expedience
10	No Problem: Reviewed and no problem found	
Level 2	Rank	Failure Expectancy - What is the frequency of the problem?
	1	Immediate/Emergency/Very Poor: The system has failed or is expected to fail in less than 1 year
	2	Probable/High/Poor: Failure and/or replacement need within 1 to 3 years
	3	Eventual/Medium/Fair: Failure and/or replacement need within 3 to 5 years
	4	New/Low/Good: The system, component or technology currently does not exist; or failure and/or replacement need is greater than 5 years
5	No problem: There is no critical problem or identified need with the system	
Level 3	Rank	Consequences - What is the impact/result?
	1	Safety/Health: Student and/or staff safety or health is or has lost potential to be compromised
	2	Outage/Closure: Upon failure, a production outage or a partial or complete facility closure will occur
	3	Potential Damage: Potential or significant damage to District instruction, assets or reputation
	4	Legal/Financial: Significant legal or financial penalties
	5	Instruction/Investment Return: Generates high return on instruction and/or investment (ROI as measured by test scores, NPV, or other)
	6	Staff Productivity: Significantly increases staff productivity (as measured objectively)
	7	Lost Opportunity/Minor Consequence: Opportunity lost to improve process or reporting, or minor consequences
8	No Failure: No failure is expected	
Level 4	Rank	Users Impacted
	1	High Impact/District-wide
	2	Medium Impact/Feeder-wide
	3	Lower Impact/School-wide
4	Minimal Impact/Class level impact	



CAPITAL IMPROVEMENTS SUMMARY 2012-2017

	2012 Funded	2012-13	2013-14	2014-15	2015-16	2016-17	Total
ADA Compliance	\$ 29,279	\$ 3,089,973	\$ 115,800	\$ 121,600	\$ 127,600	\$ 276,080	\$ 3,760,332
Additions	\$ -	\$ -	\$ -	\$ -	\$ 11,770,000	\$ -	\$ 11,770,000
Communication/Security Systems	\$ -	\$ 2,687,018	\$ 255,878	\$ 761,776	\$ 823,728	\$ 1,357,600	\$ 5,886,000
Electrical	\$ 126,726	\$ 1,372,499	\$ 194,590	\$ 88,413	\$ 58,900	\$ 2,445,286	\$ 4,286,414
Energy Conservation	\$ -	\$ 291,600	\$ 245,496	\$ 243,200	\$ 274,340	\$ 1,176,800	\$ 2,231,436
Exterior Architectural Improvements	\$ -	\$ 698,333	\$ 198,582	\$ -	\$ -	\$ -	\$ 896,915
Exterior Construction Daylighting	\$ -	\$ 2,140,779	\$ 1,403,994	\$ -	\$ -	\$ -	\$ 3,544,773
Exterior Finishes	\$ 52,000	\$ 2,242,969	\$ 237,799	\$ 58,154	\$ 225,009	\$ 1,236,560	\$ 4,052,491
Furnishings & Equipment	\$ -	\$ 2,186,304	\$ 290,260	\$ 250,000	\$ 250,000	\$ 314,000	\$ 3,290,564
Interior Architectural Improvements	\$ -	\$ 525,525	\$ 451,523	\$ -	\$ -	\$ -	\$ 977,048
Interior Finishes	\$ 2,041,933	\$ 8,820,251	\$ 876,987	\$ 99,920	\$ 1,907,620	\$ 1,871,888	\$ 15,618,599
Landscaping	\$ -	\$ 1,862,955	\$ 201,147	\$ 84,551	\$ 901,512	\$ 448,400	\$ 3,498,565
Life Safety	\$ 56,098	\$ 1,590,918	\$ -	\$ 95,721	\$ 387,394	\$ 115,200	\$ 2,245,331
Mechanical/Plumbing	\$ 489,729	\$ 19,964,009	\$ 1,537,179	\$ 470,751	\$ 801,512	\$ 2,022,400	\$ 25,285,580
Mechanical Energy Conservation	\$ -	\$ 1,450,980	\$ 270,762	\$ 358,810	\$ -	\$ 926,720	\$ 3,007,272
Mobile Classrooms	\$ -	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 3,000,000
New Construction	\$ -	\$ -	\$ -	\$ 17,360,000	\$ 33,660,000	\$ -	\$ 51,020,000
Paving & Surfacing	\$ 527,995	\$ 4,988,900	\$ 1,098,828	\$ 811,360	\$ 984,370	\$ 3,332,160	\$ 11,743,613
Playing Fields	\$ 991,982	\$ 2,439,581	\$ 816,760	\$ 1,249,500	\$ 1,516,376	\$ 8,675,040	\$ 15,689,239
Roofing	\$ 1,094,668	\$ 3,979,087	\$ 50,000	\$ 663,023	\$ 4,105,990	\$ 820,400	\$ 10,713,168
Site Improvements	\$ 12,800	\$ 1,801,938	\$ 380,403	\$ 26,752	\$ 1,586,068	\$ 387,200	\$ 4,195,161
Structural	\$ -	\$ 242,516	\$ 158,025	\$ 121,600	\$ 173,537	\$ 146,416	\$ 842,094
Technology Infrastructure	\$ 64,000	\$ 3,937,480	\$ 406,251	\$ 340,319	\$ 565,740	\$ 100,000	\$ 5,413,790
Technology Capital	\$ -	\$ 11,401,100	\$ 13,056,100	\$ 8,789,380	\$ 8,613,600	\$ 8,379,850	\$ 50,240,000
Transportation - Buses	\$ -	\$ 560,000	\$ 560,000	\$ 560,000	\$ 560,000	\$ 560,000	\$ 2,800,000
Transportation - White Fleet	\$ -	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 985,000
TOTAL	\$ 5,487,210	\$ 79,071,715	\$ 23,603,364	\$ 33,351,800	\$ 70,090,296	\$ 35,389,000	\$ 246,993,385

	North Area	East Area	West Area	Charter Schools	Support Facilities	Total
ADA Compliance	\$ 1,673,148	\$ 724,691	\$ 745,523	\$ 14,070	\$ 602,900	\$ 3,760,332
Additions	\$ -	\$ -	\$ 11,770,000	\$ -	\$ -	\$ 11,770,000
Communication/Security Systems	\$ 1,433,545	\$ 1,894,893	\$ 1,266,027	\$ 290,329	\$ 1,001,206	\$ 5,886,000
Electrical	\$ 910,451	\$ 1,374,037	\$ 1,619,426	\$ 2,100	\$ 380,400	\$ 4,286,414
Energy Conservation	\$ 447,910	\$ 243,200	\$ 291,526	\$ -	\$ 1,248,800	\$ 2,231,436
Exterior Architectural Improvements	\$ 375,375	\$ 182,387	\$ 339,153	\$ -	\$ -	\$ 896,915
Exterior Construction Daylighting	\$ 853,363	\$ 1,093,973	\$ 1,597,438	\$ -	\$ -	\$ 3,544,774
Exterior Finishes	\$ 654,209	\$ 1,212,428	\$ 518,679	\$ 104,608	\$ 1,562,567	\$ 4,052,491
Furnishings & Equipment	\$ 167,199	\$ 223,955	\$ 1,649,410	\$ -	\$ 1,250,000	\$ 3,290,564
Interior Architectural Improvements	\$ -	\$ 525,883	\$ 451,165	\$ -	\$ -	\$ 977,048
Interior Finishes	\$ 3,473,554	\$ 6,470,662	\$ 4,237,194	\$ 909,987	\$ 527,204	\$ 15,618,601
Landscaping	\$ 890,471	\$ 587,745	\$ 1,019,553	\$ 449,306	\$ 551,500	\$ 3,498,575
Life Safety	\$ 626,784	\$ 1,241,826	\$ 140,200	\$ 95,721	\$ 140,800	\$ 2,245,331
Mechanical/Plumbing	\$ 5,408,796	\$ 4,774,807	\$ 14,159,583	\$ 856,535	\$ 85,732	\$ 25,285,453
Mechanical Energy Conservation	\$ 1,306,783	\$ 1,138,293	\$ 562,195	\$ -	\$ -	\$ 3,007,271
Mobile Classrooms	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000	\$ 3,000,000
New Construction	\$ 8,750,000	\$ 24,910,000	\$ 17,360,000	\$ -	\$ -	\$ 51,020,000
Paving & Surfacing	\$ 3,526,237	\$ 1,947,838	\$ 2,391,237	\$ 1,853,302	\$ 2,025,000	\$ 11,743,614
Playing Fields	\$ 6,502,207	\$ 5,071,406	\$ 3,423,065	\$ 355,701	\$ 336,860	\$ 15,689,239
Roofing	\$ 3,500,379	\$ 2,326,695	\$ 3,293,326	\$ 1,249,967	\$ 342,800	\$ 10,713,167
Site Improvements	\$ 406,437	\$ 1,565,259	\$ 827,512	\$ 21,603	\$ 1,374,350	\$ 4,195,161
Structural	\$ 315,110	\$ 260,500	\$ 255,459	\$ 11,025	\$ -	\$ 842,094
Technology Infrastructure	\$ 1,717,872	\$ 1,806,375	\$ 1,213,403	\$ -	\$ 676,140	\$ 5,413,790
Technology Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,240,000
Transportation - Buses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,800,000
Transportation - White Fleet	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 985,000
TOTAL	\$ 41,266,682	\$ 58,852,162	\$ 68,385,551	\$ 6,200,184	\$ 15,106,259	\$ 246,993,270

Totals do not match due to rounding

BOND BUILDING FUND 41

The Building Fund is used to account for the management and actual construction of District facilities that are financed by the proceeds of school bond issues. The beginning fund balance for FY 2012-2013 is estimated at \$5.2 million, together with estimated revenues of \$100,000 will cover estimated expenditures of \$5.3 million.

	2008-09	2009-10	2010-11	2011-12	2012-13
	Actual	Actual	Actual	Budget	Budget
Fund Balance, July 1	\$ 152,572,604	\$ 81,761,934	\$ 30,123,296	\$15,338,607	\$ 5,296,628
Revenues					
Other Revenue	139,509	3,350	1,006,368	-	-
Intergovernmental	-	-	1,572,533	-	-
Interest	3,856,549	915,257	231,523	250,000	100,000
Total Revenue	<u>3,996,058</u>	<u>918,607</u>	<u>2,810,424</u>	<u>250,000</u>	<u>100,000</u>
Total Sources	<u>156,568,662</u>	<u>82,680,541</u>	<u>32,933,720</u>	<u>15,588,607</u>	<u>5,396,628</u>
Expenditures					
Facilities Acquisition & Construction Services					
Salaries	1,516,808	1,325,719	1,168,866	192,278	124,000
Benefits	-	-	-	-	37,034
Building & Building Improvements	61,299,760	45,497,601	12,400,726	14,263,189	5,035,594
Purchased Services	5,249,899	1,927,974	533,541	50,000	50,000
Supplies & Materials	4,409,316	1,768,169	1,751,983	145,000	150,000
Equipment	2,322,825	2,025,702	1,736,663	-	-
Other	8,120	12,080	3,334	938,140	-
Total Expenditures	<u>74,806,728</u>	<u>52,557,245</u>	<u>17,595,113</u>	<u>15,588,607</u>	<u>5,396,628</u>
Change in Fund Balance	<u>(70,810,670)</u>	<u>(51,638,638)</u>	<u>(14,784,689)</u>	<u>(15,338,607)</u>	<u>(5,296,628)</u>
Fund Balance, June 30	<u>\$ 81,761,934</u>	<u>\$ 30,123,296</u>	<u>\$ 15,338,607</u>	<u>\$ -</u>	<u>\$ -</u>

CONSTRUCTION REPORT—FUND 41

January 2013

NOTE: These projects are funded from the remaining 2006 bond.

Projects from 2012

- Buffalo Ridge Elementary School will receive a fire alarm system replacement. The work will be completed with the use of District Operations and Maintenance staff along with Simplex, a fire alarm contractor. The completion date is April 1, 2013.
- Cantril will receive an upgrade to the local area network. The work will be managed by Construction staff along with ITS and an Architect and General Contractor. The Architect is Humphries Poli Architects. General Contractors will be bidding for the job. The completion date is TBD.
- Cantril will also receive a new fire alarm system. The work will be managed by Construction staff along with Operations and Maintenance staff and an Architect and General Contractor. The Architect is Humphries Poli Architects. General Contracts will be bidding for the job. The completion date is TBD.
- Heritage Elementary School will receive new countertops in eight restrooms. The work will be completed with the use of District Operations and Maintenance staff. The completion date is December 31, 2012. The project is complete.
- Northridge Elementary School will receive brick masonry repairs. The work will be completed with the use of District Operations and Maintenance staff along with a mason contractor. The project completion date is December 31, 2012. This project is no longer needed.
- O&M East driveway access will receive improvements. DCSD is now working directly with the County and C-DOT to administer improvements to Hwy. 83. C-DOT will manage design and construction. Construction has started. The estimated completion is Winter 2012/Spring 2013.
- Renaissance Magnet School will receive one new counter top and three ADA sinks. The work will be completed with the use of District Operations and Maintenance staff. The completion date is December 31, 2012. The project is complete.
- Sports Authority Stadium will receive repairs to the site for drainage issues. The work will be managed by Construction staff along with an Architect and Landscape Contractor. The Architect is DLH Architecture. The Landscape Contractor is Arrow J Landscape. The completion date is February 4, 2013.
- Wildcat Mountain Elementary School will receive a fire alarm system replacement. The work will be completed with the use of District Operations and Maintenance staff along with Simplex, a fire alarm contractor. The completion date is April 1, 2013.

Construction Projects for 2013 - Fund 41 (continued)

- Buffalo Ridge Elementary will receive new flooring in the kitchen, new flooring in restrooms and a new roof. The work will be managed by Construction staff along with an Architect and General Contractor. The Architect is Oz Architecture. The General Contractor will bid for the project. The completion date is July 19, 2013.
- Chaparral High will receive new interior door hardware and a new roof. The work will be managed by Construction staff along with an Architect and General Contractor. The Architect is H+L Architecture. The General Contractor will bid for the project. The completion date is August 6, 2013.
- Cougar Run Elementary will receive a new fire alarm system, new flooring in the restrooms and a new roof. The work will be managed by Construction staff along with an Architect and General Contractor. The Architect is Oz Architecture. The General Contractor will bid for the project. The completion date is July 19, 2013.
- Frontier Valley Elementary will receive new VCT floors in the cafeteria. The work will be managed by Construction staff along with an Architect and General Contractor. The Architect H+L Architecture. The General Contractor will bid for the project. The completion date is August 6, 2013.
- Ponderosa High will also have two sets of restrooms remodeled to make them ADA compliant. The work will be managed by Construction staff along with an Architect and General Contractor. The Architect is Yon Tanner Architecture. General Contractors will be bidding for the job. The completion date July 9, 2013.

COP CAPITAL PROJECTS FUND 45

This fund has been established to account for capital projects funded with the proceeds from the Sale of Certificates of Participation. This fund will account for the activity associated with the construction of Aspen View Charter School as well as activities associated with capital projects identified in the FY 2012 DCSD Master Capital Plan.

	2008-09	2009-10	2010-11	2011-12	2012-13
	Actual	Actual	Actual	Budget	Budget
Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues					
Proceeds from Sale of COP					
Aspen View Academy	-	-	-	-	13,000,000
SkyView Academy	-	-	-	-	12,364,049
Transfer In (Fund 21)	-	-	-	739,843	-
Total Revenue	-	-	-	739,843	25,364,049
Total Sources	-	-	-	739,843	25,364,049
Expenditures					
Facilities Acquisition & Construction Services					
Building & Building Improvements				739,843	17,000,000
Total Expenditures	-	-	-	739,843	17,000,000
Change in Fund Balance	-	-	-	-	8,364,049
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ 8,364,049

CONSTRUCTION REORT—FUND 45

January 2013

NOTE: These projects are funded from the 2012 COP.

Projects from 2012

- Douglas County HS will have projectors installed in 65 classrooms. The work will be completed with the use of District Operations and Maintenance staff and a General Contractor. The contractor is Creative Concepts. The completion date is December 31. The project is complete.
- Acres Green Elementary will receive daylighting enhancements. The work will be managed by Construction staff along with an Architect and General Contractor. The Architect is Klipp. The General Contractor will bid for the project. The completion date is August 2, 2013.
- Arrowwood Elementary will receive resurfacing on the parking lot, bus loop and play pads. The work will be completed with the use of District Operations and Maintenance staff and an Asphalt contractor. The Asphalt Contractor will bid for the project. The completion date is August 12, 2013.
- Bear Canyon Elementary will receive new flooring in the staff restrooms. The work will be managed by Construction staff along with an Architect and Flooring Contractor. The Architect is Keys & Associates. The Flooring Contractor will bid for the project. The completion date is August 5, 2013.
- Castle Rock Middle will have the gym floor sanded. The work will be completed with the use of Construction staff, District Operations and Maintenance staff and a Flooring Contractor. The Flooring Contractor will bid for the project. The completion date is August 12, 2013.
- Castle Rock Middle will also receive a new fire alarm system, flooring repairs in the cafeteria and kitchen, upgrade to the HVAC control system, resurface to the parking lot, a new traffic signal and enlarged entry to the school. The work will be managed by Construction staff along with an Architect and General Contractor. The Architect is VTBS Architects. The General Contractor will bid for the project. The completion date is August 1, 2013.
- Chaparral High will also receive a new synthetic turf field. The work will be managed by Construction staff along with an Architect and Turf Contractor. The Architect is DLH Architecture. The Turf Contractor will bid for the project. The completion date is August 1, 2013.
- Clock systems will be replaced in multiple schools this year. Ten locations will be updated. The locations are Castle Rock Elementary, Frontier Valley Elementary, Mountain Ridge Middle, Rocky Heights Middle, Sagewood Middle, Timber Trail Elementary, Arrowwood Elementary, Castle Rock Middle, Trailblazer Elementary and Wildcat Mountain Elementary. The work will be completed with the use of District Operations and Maintenance staff. The completion date is August 12, 2013.

Construction Projects for 2013—Fund 45 (continued)

- Douglas County HS will have the chalk boards resurfaced. The work will be completed with the use of District Operations and Maintenance staff. The completion date is TBD.
- Eagle Ridge Elementary will receive flooring repairs in the kitchen. The work will be completed with the use of District Operations and Maintenance staff and a Flooring Contractor. The Flooring Contractor will bid for the project. The completion date is August 12, 2013.
- Early Childhood Center-Castle Rock will have gutters and downspouts added to the building. The work will be completed with the use of District Operations and Maintenance staff. The completion date is TBD.
- Iron Horse Elementary will receive resurfacing on the parking lot, bus loop and play pads. The work will be completed with the use of District Operations and Maintenance staff and Asphalt contractor. The Asphalt Contractor will bid for the project. The completion date is August 12, 2013.
- Larkspur Elementary will receive exterior appearance enhancements. The work will be managed by Construction staff along with an Architect and General Contractor. The Architect is RTA. The General Contractor will bid for the project. The completion date is August 9, 2013.
- Legend High School will have the gym floor sanded. The work will be completed with the use of Construction staff, District Operations and Maintenance staff and a Flooring Contractor. The Flooring Contractor will bid for the project. The completion date is August 12, 2013.
- Mag hold Open Release systems will be replaced in multiple schools this year. Ten locations will be updated. The locations are yet to be determined. The work will be completed with the use of District Operations and Maintenance staff. The completion date is TBD.
- Meadow View Elementary will also receive new windows or window seals at the entrances. The work will be completed with the use of District Operations and Maintenance staff. The completion date is August 12, 2013.
- Mobile units will receive new carpet this year. Ten units will be updated. The locations are Rock Ridge, Sage Canyon, Buffalo Ridge, Flagstone, Heritage, Prairie Crossing (2), Meadow View, Pine Lane Primary and Redstone. The work will be completed with the use of Construction staff, District Operations and Maintenance staff and a Flooring Contractor. The Flooring Contractor will bid for the project. The completion date is August 12, 2013.
- Mountain Vista High will have the gym floor sanded. The work will be completed with the use of Construction staff, District Operations and Maintenance staff and a Flooring Contractor. The Flooring Contractor will bid for the project. The completion date is August 12, 2013.

Construction Projects for 2013—Fund 45 (continued)

- Mountain Vista High will also receive resurfacing on the tennis courts. The work will be completed with the use of District Operations and Maintenance staff and Asphalt Contractor. The Asphalt Contractor will bid for the project. The completion date is August 12, 2013.
- Northeast Elementary will receive a new play field. The work will be completed with the use of District Operations and Maintenance staff and Asphalt Contractor. The Asphalt Contractor will bid for the project. The completion date is August 12, 2013.
- Northeast Elementary will also receive daylighting enhancements. The work will be managed by Construction staff along with an Architect and General Contractor. The Architect is RTA. The General Contractor will bid for the project. The completion date is August 9, 2013.
- Pine Lane North Elementary will receive daylighting enhancements. The work will be managed by Construction staff along with an Architect and General Contractor. The Architect is CSNA Architects. The General Contractor will bid for the project. The completion date is August 2, 2013.
- Pine Lane South will receive new carpet throughout the entire school. The work will be managed by Construction staff along with an Architect and Flooring Contractor. The Architect is Keys & Associates. The Flooring Contractor will bid for the project. The completion date is August 9, 2013.
- Ponderosa High will receive a new intercom system, new flooring in hallways and classrooms, a new roof, a new cooling tower and new catwalks in the Auditorium. The work will be managed by Construction staff along with an Architect and General Contractor. The Architect is H+L Architecture. The General Contractor will bid for the project. The completion date is August 6, 2013.
- Ranch View Middle will have the gym floor sanded. The work will be completed with the use of Construction staff, District Operations and Maintenance staff and a Flooring Contractor. The Flooring Contractor will bid for the project. The completion date is August 12, 2013.
- Rock Canyon High will receive a new track surface. The work will be managed by Construction staff along with an Architect and Track Contractor. The Architect is DLH Architecture. The Track Contractor will bid for the project. The completion date is August 1, 2013.
- Roxborough Primary will receive flooring repairs in the kitchen. The work will be completed with the use of District Operations and Maintenance staff and a Flooring Contractor. The Flooring Contractor will bid for the project. The completion date is August 12, 2013.
- Saddle Ranch Elementary will receive new carpet throughout the school, new flooring in the cafeteria and new flooring in two lunchroom restrooms. The work will be managed by Construction staff along with an Architect and Flooring Contractor. The

Construction Projects for 2013—Fund 45 (continued)

Architect and Flooring Contractor. The Architect is Keys & Associates. The Flooring Contractor will bid for the project. The completion date is August 5, 2013.

- Sedalia Elementary will receive daylighting enhancements. The work will be managed by Construction staff along with an Architect and General Contractor. The Architect is Klipp. The General Contractor will bid for the project. The completion date is August 2, 2013.
- Shea Stadium will have bleachers repaired or replaced. The work will be completed with the use of District Operations and Maintenance staff. The completion date is August 1, 2013.
- Sierra Middle will receive new gym cooling. The work will be managed by Construction staff along with a Design Consultant and Mechanical Contractor. The Consultant is Envision. The Mechanical Contractor will bid for the job. The completion date is August 1, 2013.
- South Ridge Elementary will receive daylighting enhancements. The work will be managed by Construction staff along with an Architect and General Contractor. The Architect is CSNA Architects. The General Contractor will bid for the project. The completion date is August 2, 2013.
- Sports Authority Stadium will receive a tenant finish build out on the site. The work will be managed by Construction staff along with an Architect and General Contractor. The Architect is DLH Architecture. The General Contractor will bid for the project. The completion date is March 1, 2013.
- Technical Energy Audits (TEA) are underway at Douglas County High School and Ponderosa High School for performance contracts. The contractor for DCHS is McKinstry and the contractor for PHS is Ameresco. Final decisions for scopes of work are due January 2013.
- Trailblazer Elementary will receive an upgrade to fire alarm detectors/devices, new flooring in the restrooms and new condensing boilers. The work will be managed by Construction staff along with an Architect and General Contractor. The Architect is Mellin & Associates. The General Contractor will bid for the project. The completion date is August 1, 2013.
- Wildcat Mountain Elementary will receive new flooring and sinks in the restrooms. The work will be managed by Construction staff along with an Architect and General Contractor. The Architect is Mellin & Associates. The General Contractor will bid for the project. The completion date is August 1, 2013.
- Wildcat Mountain Elementary will also receive resurfacing on the play pads. The work will be completed with the use of District Operations and Maintenance staff and Asphalt contractor. The Asphalt Contractor will bid for the project. The completion date is August 12, 2013.



Fiscal Year 2012-13 Financial Plan and Budget



Bond Redemption Fund

BOND REDEMPTION FUND 31

The Bond Redemption Fund is used to account for property taxes levied, investment income, and bond premium, to provide for payment of general long-term debt principal retirement, semi-annual interest, and related fees.

The district's long-term debt, in the form of general obligation bonds, totals \$509,211,093 as of June 30, 2012. The budgeted amount for this debt service in Fiscal Year 2012-13 is \$70,261,574.

In accordance with Colorado School Law, the legal debt limit is 20% of the District's assessed valuation. The legal debt limit based on 20% of the District's 2011 assessed valuation of \$4.916 billion, is \$983 million. The District refers to the 20% of assessed value limit for purposes of debt issuance limits. This debt limit exceeds the net amount of the District's bonds payable, minus funds available for debt service payment by approximately \$544 million.

The District's enrollment has increased approximately 30% over the last five years and continued annual increases are expected for the next several years. District needs for additional school facilities are expected to continue to increase over the next several years. The need for the issuance of bonds to provide for these school facilities is carefully considered with the assistance of the Long-Range Facilities Planning Committee.

The accompanying Bond Redemption Fund graph includes annual comparative indicators of the level of total bonded indebtedness and the annual debt service, presented on a per pupil basis. The net bonded debt per pupil will continue to decrease each year as bond principal payments are made and enrollment increases, unless additional bonds are issued.

Bond Rating Information

The District continues to maintain its Aa2 rating from Moody's Investors Services Inc., an AA rating from Fitch, Inc., and an AA upgrade from Standard and Poor's for our general obligated bond issues.

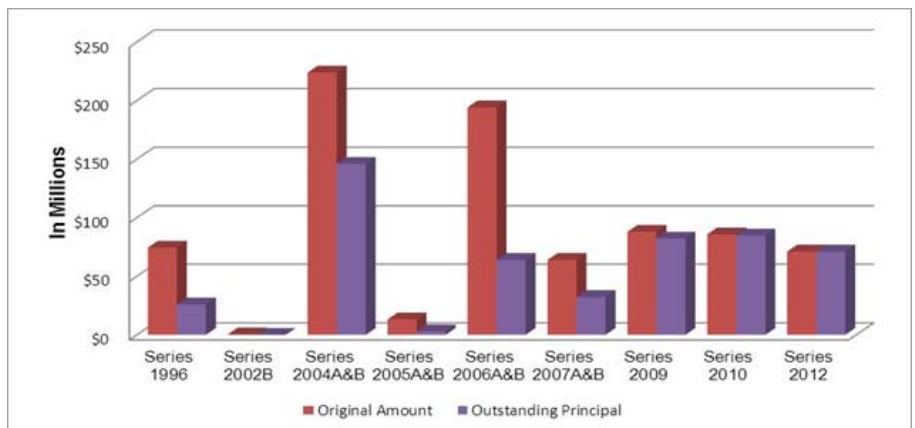
- Moody's Investors Services Inc. Aa2 General Obligation Bonds – "Obligations rated Aa are judged to be of high quality and are subject to very low credit risk. The numerical modifier 2 indicates a mid-range ranking of this rating category."
- Fitch, Inc. AA General Obligation Bonds – "Very high credit quality. 'AA' ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events."
- Standard and Poor's AA General Obligation Bonds – "Debt rated AA has a very strong capacity to pay interest and repay principal and differs from the highest rated issues only in small degree."

BOND REDEMPTION FUND 31 (Continued)

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Budget
Fund Balance, July 1	\$ 40,481,275	\$ 45,430,372	\$ 55,124,890	\$ 59,340,736	\$ 59,864,336
Revenues					
Ad Valorem Taxes	64,719,081	69,413,960	70,618,443	69,723,385	69,864,171
Delinquent Taxes	-	-	-	-	44,742
Interest on Investments	-	102,565	92,937	1,250,000	125,000
Total Revenue	64,719,081	69,516,525	70,711,380	70,973,385	70,033,913
Total Sources	105,200,356	114,946,897	125,836,270	130,314,121	129,898,249
Expenditures					
Debt Service					
Principle	28,210,000	28,558,505	37,144,739	34,010,448	40,687,777
Interest	31,014,228	31,098,556	29,277,668	34,712,937	29,053,797
Bond Issue Costs	-	659,901	542,871	479,999	520,000
Fees	2,350	2,105	-	-	-
Total Expenditures	59,226,578	60,319,067	66,965,278	69,203,384	70,261,574
Other Financing Sources and Uses					
Proceeds of Refunding	-	100,997,981	103,652,133	85,280,059	-
Payment to Refund Debt - New Issue	-	(100,398,356)	(103,113,364)	(84,800,060)	-
Transfer to Other Funds	(543,406)	(102,565)	(69,025)	(364,000)	(60,000)
Total	(543,406)	497,060	469,744	115,999	(60,000)
Change in Fund Balance	4,949,097	9,694,518	4,215,846	1,886,000	(287,661)
Fund Balance, June 30	\$ 45,430,372	\$ 55,124,890	\$ 59,340,736	\$ 61,226,736	\$ 59,576,675

The June 30th fiscal year-end fund balances shown are necessary for this fund to have the cash available to make required debt service payments when they become due. Property taxes, which are levied late in December, are mostly collected by the following June 30th. However, most of the fund's expenditures are due on the following December 15th. The annual principal payments and one of the two interest payments are due on December 15th. The other interest payment is due on June 15th.

This chart compares by bond series total bonds issued to total bonds outstanding, rounded to the millions.



BOND REDEMPTION FUND 31 (Continued)

The District issues general obligation (G.O.) bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District.

G.O. Bonds outstanding at June 30, 2012, consisted of the following:

Series	Amount
\$74,390,000 G.O. Refunding Bonds, Series 1996; interest ranging from 4.90% to 7.00% payable semiannually; principal payable annually beginning in December 1997 with the final payment due in December 2016. A portion of these bonds was refunded in fiscal 2007.	\$ 25,925,000
\$409,936 G.O. Capital Appreciation Bonds, Series 2002B; price ranging from 59.484% to 70.624% yielding 4.55% to 4.90%; interest compounds semiannually; principal payable annually beginning December 2009 with the final	62,222
\$65,000,000 G.O. Bonds, Series 2004A; interest ranging from 5.50% to 5.75% payable semiannually; principal payable annually beginning in December 2008. The final	10,285,000
\$158,920,000 G.O. Refunding Bonds, Series 2004B; interest ranging from 2% to 5% payable semiannually; principal payable annually beginning in December 2005. The final payment is due in December 2019.	135,665,000
\$11,900,000 G.O. Refunding Bonds, Series 2005A; yielding 2.05% to 3.85% with interest ranging from 3% to 5.5% payable semiannually; principal payable annually beginning December 2005. The final payment is due December	2,425,000
\$1,194,956 G.O. Capital Appreciation Bonds, Series 2005B; price ranging from 63.39% to 81.90% yielding 3.42% to 4.23%; interest compounds semiannually; principal payable annually beginning December 2010 with the	583,980
\$44,115,000 G.O. Refunding Bonds, Series 2006A; interest ranging from 4% to 5% payable semiannually; principal payable annually beginning December 2007. The final payment is due December 2016.	30,205,000

BOND REDEMPTION FUND 31 (Continued)

G.O. Bonds outstanding (continued):

Series	Amount
\$147,635,000 G.O. Improvement Bonds, Series 2006B; interest ranging from 3.5% to 5% payable semiannually; principal payable annually beginning in December 2009. The final payment is due in December 2027. A portion of these bonds was refunded in fiscal year 2011.	\$ 31,365,000
\$2,364,942 G.O. Capital Appreciation Bonds, Series 2006B; price ranging from 63.39% to 81.90% yielding 3.82% to 3.88%; interest compounds semiannually; principal payable annually beginning in December 2013 with the final payment due December 2014.	2,364,942
\$47,400,000 G.O. Improvement Bonds, Series 2007A; interest ranging from 4% to 5% payable semiannually; principal payment beginning in December 2008. The final payment is due December 2028.	15,655,000
\$2,599,949 G.O. Capital Appreciation Bonds, Series 2007A; yielding 3.8% to 4.26%; interest compounds semiannually; principal payable annually beginning December 2012. The final payment is due December 2017.	2,599,949
\$13,945,000 G.O. Refunding Bonds, Series 2007B; interest ranging from 4% to 5% payable semiannually; principal payable annually beginning in December 2017 and the final payment due December 2018.	13,945,000
\$87,310,000 G.O. Refunding Bonds, Series 2009; interest ranging from 2% to 5.25%; interest payable semiannually; principal payable annually beginning December 2009. The final payment is due December 2025.	81,665,000
\$540,000 G.O. Capital Appreciation Bonds, Series 2009; yielding 3.25%; interest compounds semiannually; principal payable annually beginning in December 2015 and the final payment due December 2015.	540,000
\$85,285,000 G.O. Refunding Bonds, Series 2010; interest ranging from 2% to 5.0%; interest payable semiannually; principal payable annually beginning December 2010. The final payment is due December 2025.	84,270,000

Aggregate Debt Service Payments
Douglas and Elbert Counties, Colorado
Outstanding General Obligation Bonds—Actual Payment Dates

Date	1996	2002B	2004	2004B	2005A	2005B	2006A
12/15/2012	13,257,375.00	2,120,000.00	3,527,837.50	18,556,625.00	66,687.50	1,565,000.00	737,593.75
06/15/2013	475,125.00		193,600.00	3,012,500.00	66,687.50		737,593.75
12/15/2013	14,050,125.00		3,618,600.00	20,817,500.00	66,687.50	1,565,000.00	737,593.75
06/15/2014			99,412.50	2,567,375.00	66,687.50		737,593.75
12/15/2014			3,714,412.50	20,927,375.00	66,687.50	1,565,000.00	15,237,593.75
06/15/2015				2,108,375.00	66,687.50		382,593.75
12/15/2015				21,503,375.00	66,687.50	1,565,000.00	15,512,593.75
06/15/2016				1,623,500.00	66,687.50		12,218.75
12/15/2016				24,188,500.00	2,491,687.50		587,218.75
06/15/2017				1,059,375.00			
12/15/2017				17,814,375.00			
06/15/2018				640,500.00			
12/15/2018				13,130,500.00			
06/15/2019				328,250.00			
12/15/2019				13,458,250.00			
06/15/2020							
12/15/2020							
06/15/2021							
12/15/2021							
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	27,782,625.00	2,120,000.00	11,153,862.50	161,736,375.00	3,025,187.50	6,260,000.00	34,682,593.75

Note: This schedule is subject to change depending on any possible refunding or other bond related activity.

2006B	2007A	2007B	2009	2010	2012	Aggregate Debt Service
7,988,025.00	3,101,375.00	314,525.00	2,235,118.75	2,298,075.00	2,435,787.50	58,204,025.00
598,625.00	391,375.00	314,525.00	2,058,368.75	1,737,525.00	1,461,137.50	11,047,062.50
8,153,625.00	3,106,375.00	314,525.00	2,238,368.75	2,302,525.00	1,846,137.50	58,817,062.50
598,625.00	391,375.00	314,525.00	2,056,568.75	1,731,875.00	1,457,287.50	10,021,325.00
8,153,625.00	3,106,375.00	314,525.00	2,236,568.75	2,311,875.00	1,852,287.50	59,486,325.00
598,625.00	391,375.00	314,525.00	2,054,318.75	1,726,075.00	1,453,337.50	9,095,912.50
5,973,625.00	3,106,375.00	314,525.00	6,049,318.75	2,316,075.00	1,853,337.50	58,260,912.50
466,125.00	391,375.00	314,525.00	2,019,393.75	1,720,175.00	1,449,337.50	8,063,337.50
6,091,125.00	3,106,375.00	314,525.00	6,089,393.75	3,885,175.00	1,859,337.50	48,613,337.50
328,625.00	391,375.00	314,525.00	1,937,993.75	1,705,775.00	1,445,237.50	7,182,906.25
328,625.00	3,106,375.00	7,134,525.00	6,167,993.75	11,995,775.00	1,865,237.50	48,412,906.25
328,625.00	391,375.00	178,125.00	1,832,243.75	1,607,825.00	1,441,037.50	6,419,731.25
328,625.00	391,375.00	7,303,125.00	6,277,243.75	14,807,825.00	1,866,037.50	44,104,731.25
328,625.00	391,375.00		1,721,118.75	1,357,800.00	1,435,725.00	5,562,893.75
328,625.00	391,375.00		6,386,118.75	15,062,800.00	1,870,725.00	37,497,893.75
328,625.00	391,375.00		1,616,156.25	1,074,612.50	1,430,287.50	4,841,056.25
328,625.00	391,375.00		21,991,156.25	15,344,612.50	1,875,287.50	39,931,056.25
328,625.00	391,375.00		1,085,437.50	756,150.00	1,423,612.50	3,985,200.00
328,625.00	391,375.00		21,340,437.50	15,666,150.00	1,883,612.50	39,610,200.00
328,625.00	391,375.00		553,743.75	405,900.00	1,416,712.50	3,096,356.25
328,625.00	391,375.00		8,413,743.75	12,715,900.00	5,186,712.50	27,036,356.25
328,625.00	391,375.00		347,418.75	123,150.00	1,400,062.50	2,590,631.25
328,625.00	391,375.00		8,622,418.75	2,183,150.00	16,020,062.50	27,545,631.25
328,625.00	391,375.00		130,200.00	87,100.00	1,181,050.00	2,118,350.00
328,625.00	391,375.00		2,545,200.00	2,222,100.00	16,236,050.00	21,723,350.00
328,625.00	391,375.00		66,806.25	44,400.00	829,675.00	1,660,881.25
328,625.00	4,211,375.00		2,611,806.25	2,264,400.00	12,769,675.00	22,185,881.25
328,625.00	295,875.00				590,875.00	1,215,375.00
328,625.00	4,305,875.00				15,555,875.00	20,190,375.00
328,625.00	195,625.00				266,750.00	791,000.00
13,473,625.00	4,400,625.00				2,741,750.00	20,616,000.00
	90,500.00				204,875.00	295,375.00
	3,710,500.00				2,804,875.00	6,515,375.00
					139,875.00	139,875.00
					2,869,875.00	2,869,875.00
					71,625.00	71,625.00
					2,936,625.00	2,936,625.00
58,996,775.00	43,671,125.00	17,761,025.00	120,684,656.25	119,454,800.00	115,427,787.50	722,756,812.50



Fiscal Year 2012-13 Financial Plan and Budget



Certificate of Participation (COP) Lease Payment Fund

CERTIFICATES OF PARTICIPATION (COP) LEASE PAYMENT FUND 39

The Certificates of Participation (COP) fund is identified for non-voter approved lease payments. The accounting associated with this fund was formerly included in the General Fund as well as the Capital Reserve Fund.

	2008-09	2009-10	2010-11	2011-12	2012-13
	Actual	Actual	Actual	Budget	Budget
Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -	\$1,104,328
Revenues					
Sky View - COP	-	-	-	847,896	-
Aspen View - COP	-	-	-	-	898,280
Interest	-	-	-	-	-
Total Revenue	-	-	-	847,896	898,280
Transfer In - Capital Reserve Fund	-	-	-	1,109,369	-
Transfer In - General Fund	-	-	-	1,445,895	1,995,833
Payment to Refund COP From SkyView	-	-	-	-	293,919
Total Sources	-	-	-	3,403,160	4,292,360
Expenditures					
Debt Service					
Principle - Sky View COP	-	-	-	255,000	260,000
Principle - Aspen View COP	-	-	-	-	345,000
Principle - 2003 COP	-	-	-	-	370,000
Principle - 2006 COP	-	-	-	885,000	540,000
Interest - Sky View COP	-	-	-	592,938	587,838
Interest - Aspen View COP	-	-	-	-	553,280
Interest - 2003 COP	-	-	-	-	89,427
Interest - 2006 COP	-	-	-	565,894	442,488
Total Expenditures	-	-	-	2,298,832	3,188,033
Change in Fund Balance	-	-	-	1,104,328	(1)
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 1,104,328	\$1,104,327

CERTIFICATES OF PARTICIPATION (COP) LEASE PAYMENT FUND 39 (Continued)

The District issues certificates of participation (COP) to provide funds for the acquisition and construction of major capital facilities.

COPs outstanding at June 30, 2012, consisted of the following:

<u>Series</u>		<u>Amount</u>
2003	Interest ranging from 2% to 4.2% payable semiannually, principal payable annually beginning December 2004. The final payment due December 2017.	\$2,450,000
2006	Interest ranging from 4% to 4.75% payable semiannually, principal payable annually beginning December 2008. The final payment due December 2021.	\$10,480,000
2009	Interest ranging from 2% to 5% payable semiannually; principal payable annually beginning in January 2011. The final payment due January 2031.	\$13,475,000
	Total	\$26,405,000

See the following page's for the schedule of outstanding COP payable.

CERTIFICATES OF PARTICIPATION (COP) LEASE PAYMENT FUND 39 (Continued)

Outstanding Certificates of Participation - Payments

Date	2003	2006	2009	Total
07/01/2012			293,918.75	293,918.75
12/01/2012	418,044.00	766,643.75		1,184,687.75
01/01/2013			553,918.75	553,918.75
06/01/2013	41,384.00	215,843.75		257,227.75
07/01/2013			290,993.75	290,993.75
12/01/2013	426,384.00	1,150,843.75		1,577,227.75
01/01/2014			810,993.75	810,993.75
06/01/2014	34,165.00	197,143.75		231,308.75
07/01/2014			284,493.75	284,493.75
12/01/2014	434,165.00	1,172,143.75		1,606,308.75
01/01/2015			819,493.75	819,493.75
06/01/2015	26,565.00	177,643.75		204,208.75
07/01/2015			277,137.50	277,137.50
12/01/2015	441,565.00	1,187,643.75		1,629,208.75
01/01/2016			827,137.50	827,137.50
06/01/2016	18,265.00	157,443.75		175,708.75
07/01/2016			268,887.50	268,887.50
12/01/2016	448,265.00	1,207,443.75		1,655,708.75
01/01/2017			833,887.50	833,887.50
06/01/2017	9,450.00	136,443.75		145,893.75
07/01/2017			259,706.25	259,706.25
12/01/2017	459,450.00	1,231,443.75		1,690,893.75
01/01/2018			839,706.25	839,706.25
06/01/2018		114,543.75		114,543.75
07/01/2018			249,556.25	249,556.25
12/01/2018		1,254,543.75		1,254,543.75
01/01/2019			854,556.25	854,556.25
06/01/2019		91,743.75		91,743.75
07/01/2019			238,212.50	238,212.50
12/01/2019		1,276,743.75		1,276,743.75
01/01/2020			863,212.50	863,212.50
06/01/2020		62,118.75		62,118.75
07/01/2020			225,712.50	225,712.50
12/01/2020		1,307,118.75		1,307,118.75
01/01/2021			875,712.50	875,712.50
06/01/2021		30,993.75		30,993.75
07/01/2021			209,462.50	209,462.50
12/01/2021		1,335,993.75		1,335,993.75
01/01/2022			894,462.50	894,462.50
07/01/2022			192,337.50	192,337.50
01/01/2023			907,337.50	907,337.50
07/01/2023			174,462.50	174,462.50
01/01/2024			929,462.50	929,462.50
07/01/2024			155,587.50	155,587.50
01/01/2025			945,587.50	945,587.50
07/01/2025			135,837.50	135,837.50
01/01/2026			965,837.50	965,837.50
07/01/2026			115,087.50	115,087.50
01/01/2027			985,087.50	985,087.50
07/01/2027			93,337.50	93,337.50
01/01/2028			1,008,337.50	1,008,337.50
07/01/2028			70,462.50	70,462.50
01/01/2029			1,030,462.50	1,030,462.50
07/01/2029			46,462.50	46,462.50
01/01/2030			1,056,462.50	1,056,462.50
07/01/2030			23,737.50	23,737.50
01/01/2031			1,078,737.50	1,078,737.50
	2,757,702.00	13,074,481.25	20,685,787.50	36,517,970.75

CERTIFICATES OF PARTICIPATION (COP) LEASE PAYMENT FUND 39 (Continued)

Outstanding Certificates of Participation - Principal Payments

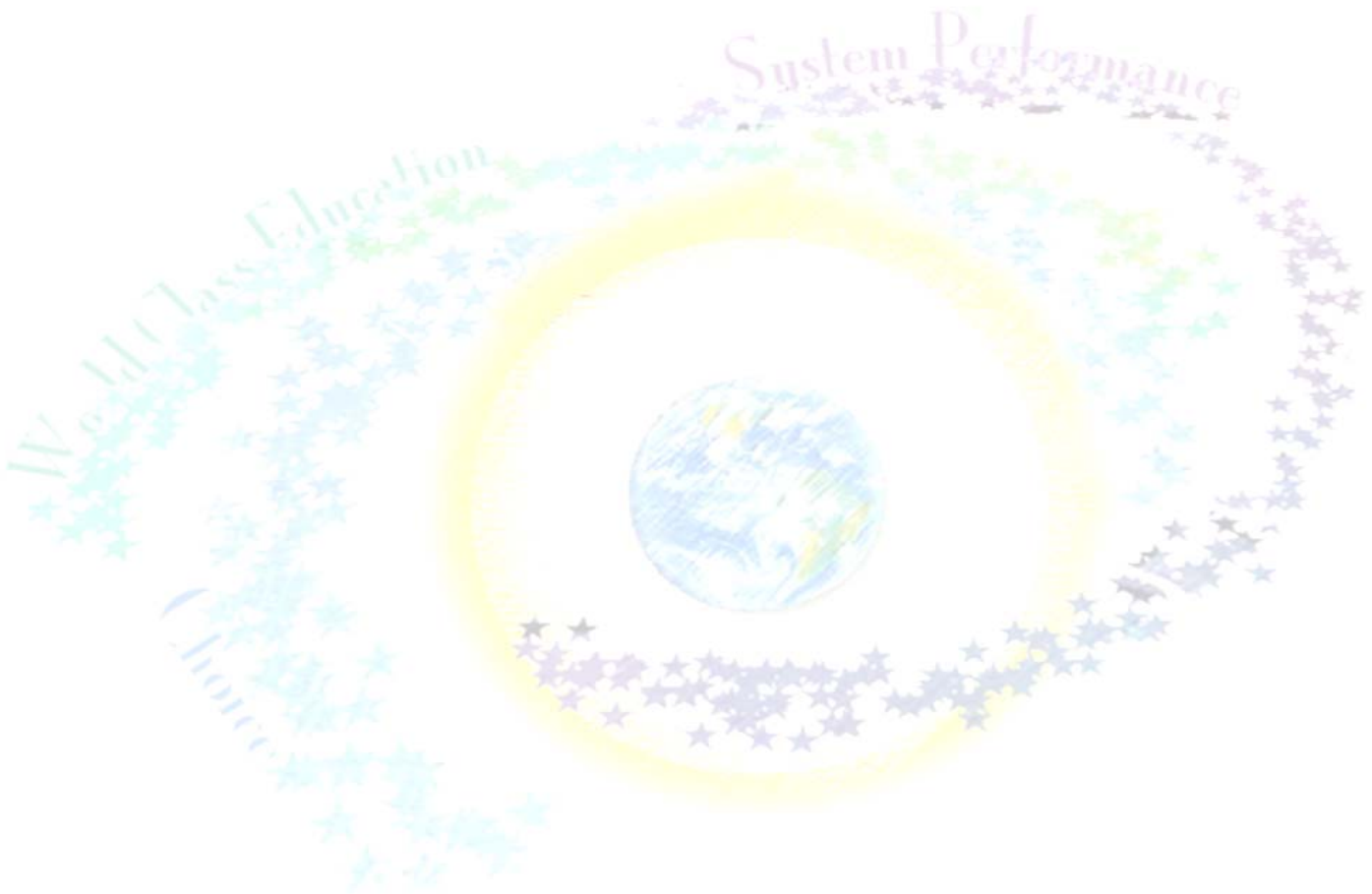
Date	2003	2006	2009	Total
12/01/2012	370,000.00	540,000.00		910,000.00
01/01/2013			260,000.00	260,000.00
12/01/2013	385,000.00	935,000.00		1,320,000.00
01/01/2014			520,000.00	520,000.00
12/01/2014	400,000.00	975,000.00		1,375,000.00
01/01/2015			535,000.00	535,000.00
12/01/2015	415,000.00	1,010,000.00		1,425,000.00
01/01/2016			550,000.00	550,000.00
12/01/2016	430,000.00	1,050,000.00		1,480,000.00
01/01/2017			565,000.00	565,000.00
12/01/2017	450,000.00	1,095,000.00		1,545,000.00
01/01/2018			580,000.00	580,000.00
12/01/2018		1,140,000.00		1,140,000.00
01/01/2019			605,000.00	605,000.00
12/01/2019		1,185,000.00		1,185,000.00
01/01/2020			625,000.00	625,000.00
12/01/2020		1,245,000.00		1,245,000.00
01/01/2021			650,000.00	650,000.00
12/01/2021		1,305,000.00		1,305,000.00
01/01/2022			685,000.00	685,000.00
01/01/2023			715,000.00	715,000.00
01/01/2024			755,000.00	755,000.00
01/01/2025			790,000.00	790,000.00
01/01/2026			830,000.00	830,000.00
01/01/2027			870,000.00	870,000.00
01/01/2028			915,000.00	915,000.00
01/01/2029			960,000.00	960,000.00
01/01/2030			1,010,000.00	1,010,000.00
01/01/2031			1,055,000.00	1,055,000.00
	2,450,000.00	10,480,000.00	13,475,000.00	26,405,000.00

CERTIFICATES OF PARTICIPATION (COP) LEASE PAYMENT FUND 39 (Continued)

Outstanding Certificates of Participation - Interest Payments

Date	2003	2006	2009	Total
07/01/2012			293,918.75	293,918.75
12/01/2012	48,044.00	226,643.75		274,687.75
01/01/2013			293,918.75	293,918.75
06/01/2013	41,384.00	215,843.75		257,227.75
07/01/2013			290,993.75	290,993.75
12/01/2013	41,384.00	215,843.75		257,227.75
01/01/2014			290,993.75	290,993.75
06/01/2014	34,165.00	197,143.75		231,308.75
07/01/2014			284,493.75	284,493.75
12/01/2014	34,165.00	197,143.75		231,308.75
01/01/2015			284,493.75	284,493.75
06/01/2015	26,565.00	177,643.75		204,208.75
07/01/2015			277,137.50	277,137.50
12/01/2015	26,565.00	177,643.75		204,208.75
01/01/2016			277,137.50	277,137.50
06/01/2016	18,265.00	157,443.75		175,708.75
07/01/2016			268,887.50	268,887.50
12/01/2016	18,265.00	157,443.75		175,708.75
01/01/2017			268,887.50	268,887.50
06/01/2017	9,450.00	136,443.75		145,893.75
07/01/2017			259,706.25	259,706.25
12/01/2017	9,450.00	136,443.75		145,893.75
01/01/2018			259,706.25	259,706.25
06/01/2018		114,543.75		114,543.75
07/01/2018			249,556.25	249,556.25
12/01/2018		114,543.75		114,543.75
01/01/2019			249,556.25	249,556.25
06/01/2019		91,743.75		91,743.75
07/01/2019			238,212.50	238,212.50
12/01/2019		91,743.75		91,743.75
01/01/2020			238,212.50	238,212.50
06/01/2020		62,118.75		62,118.75
07/01/2020			225,712.50	225,712.50
12/01/2020		62,118.75		62,118.75
01/01/2021			225,712.50	225,712.50
06/01/2021		30,993.75		30,993.75
07/01/2021			209,462.50	209,462.50
12/01/2021		30,993.75		30,993.75
01/01/2022			209,462.50	209,462.50
07/01/2022			192,337.50	192,337.50
01/01/2023			192,337.50	192,337.50
07/01/2023			174,462.50	174,462.50
01/01/2024			174,462.50	174,462.50
07/01/2024			155,587.50	155,587.50
01/01/2025			155,587.50	155,587.50
07/01/2025			135,837.50	135,837.50
01/01/2026			135,837.50	135,837.50
07/01/2026			115,087.50	115,087.50
01/01/2027			115,087.50	115,087.50
07/01/2027			93,337.50	93,337.50
01/01/2028			93,337.50	93,337.50
07/01/2028			70,462.50	70,462.50
01/01/2029			70,462.50	70,462.50
07/01/2029			46,462.50	46,462.50
01/01/2030			46,462.50	46,462.50
07/01/2030			23,737.50	23,737.50
01/01/2031			23,737.50	23,737.50
	307,702.00	2,594,481.25	7,210,787.50	10,112,970.75

Fiscal Year 2012-13 Financial Plan and Budget



Other Budgets



Fiscal Year 2012-13 Financial Plan and Budget



Governmental Designated Grant Fund

GOVERNMENTAL DESIGNATED GRANT FUND 22

This fund accounts for most state and local grants, as well as federal funding, received by the District. Essentially this fund is a balanced fund where FY 2012-2013 expenditures equal the available dedicated revenues of \$10.8 million.

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Budget
Fund Balance, July 1	\$ 185,120	\$ 185,120	\$ 185,120	\$ 185,120	\$ 185,120
Revenues					
Local Revenues					
Healthy Schools Colorado Grant	-	95,637	171,454	150,000	110,000
Morgridge Foundation Grant	134,139	24,331	6,524	500	6,000
Comprehensive Health Grant	43,817	42,472	83,730	100	40,000
K-12 Tobacco Prevention	82,568	73,582	1,985	-	-
Closing the Achievement Gap	-	1,113	77,375	-	-
Other local grants	23,131	232,507	8,703	-	-
State Revenues					
Expelled and At Risk Students Grant	30,659	277,104	310,682	213,907	142,605
Governor's Safe & Drug Free Grant	49,078	82,343	-	-	-
Federal Revenues					
Project Safety Net Grant	-	26,911	62,518	48,000	48,000
Child Care Assistance Block Grant	107,160	207,350	122,032	103,962	110,000
Carl Perkins	155,215	130,662	168,615	150,000	-
SWAP	223,759	242,646	256,339	279,209	178,854
Race to the Top	-	-	-	-	61,225
WIRED	351,820	5,764	-	-	-
IDEA Early Preschool	110,193	112,351	112,746	-	-
ARRA - IDEA Early Preschool	-	34,736	298,261	-	104,900
IDEA Part B	7,202,495	6,972,297	6,273,196	8,500,000	7,861,808
ARRA - IDEA Part B	1,961,208	2,734,792	4,518,690	-	-
Title II, Part A: Teacher Quality/ NCLB	599,724	546,225	632,787	510,607	612,813
Title II, Part D: Technology	11,659	7,134	5,023	-	-
Title II, Part D: Technology ARRA	-	12,759	-	-	-
Title II, Part D: EETT	-	49,261	73,838	-	-
Title III, Part A: ELL/NCLB	71,968	118,392	153,170	184,529	230,502
Title III, Part A: ELEI	-	20,717	19,915	-	-
Title IV, Part A: Safe & Drug Free	73,913	77,960	84,331	-	-
Title V, Part A: Innovative Programs	19,558	-	-	-	-
Title V, Part B: Public Charter School Grant	222,526	295,000	626,194	-	-
Title V, Part D: American History Grant	238,247	354,463	303,915	100,000	-
Energy Performance Grant	-	-	137,181	204,450	130,000
Title I, Part A: Basic/NCLB	1,053,293	867,446	1,031,808	957,756	1,151,381
Title I, Part D: Neglected & Delinquent	42,692	26,798	-	-	-
Other federal grants	-	158,224	152,241	-	-
Total Revenue	12,808,822	13,830,977	15,693,253	11,403,020	10,788,088
Total Sources	\$ 12,993,942	\$ 14,016,097	\$ 15,878,373	\$ 11,588,140	\$ 10,973,208

GOVERNMENTAL DESIGNATED GRANT FUND 22 (Continued)

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Budget
Expenditures					
Instruction					
Salaries	\$ 4,423,073	\$ 3,920,421	\$ 5,340,774	\$ 4,152,677	\$ -
Benefits	1,187,598	1,173,573	1,511,733	1,585,375	-
Purchased Services	183,543	504,453	741,454	686,305	980,000
Supplies & Materials	452,578	420,021	824,345	1,918,279	8,302,708
Property	121,784	119,130	333,714	133,284	-
Other	1,484	80,430	24,403	960	-
Instructional Student Support					
Salaries	3,005,298	2,976,806	2,489,278	227,431	181,040
Benefits	722,063	740,602	646,425	43,872	81,000
Purchased Services	113,337	208,341	349,159	276,679	88,660
Supplies & Materials	19,886	85,126	163,382	44,351	140,970
Property	1,156	32,469	138,428	4,300	-
Other	45,454	73,603	73,159	36,471	32,605
Instructional Teacher Support					
Salaries	1,067,451	1,039,908	1,258,941	1,382,892	321,290
Benefits	230,456	235,655	274,028	280,555	105,481
Purchased Services	194,328	489,307	283,692	223,551	165,227
Supplies & Materials	36,432	210,014	55,595	44,811	182,477
Property	20,000	295,721	860	-	-
Other	541,249	835,584	830,721	256,266	-
Health Services					
Salaries	36,631	34,656	-	-	-
Benefits	5,492	6,011	-	-	-
Purchased Services	14,105	56,076	63,919	5,300	10,000
Supplies & Materials	22,129	52,250	6,776	-	-
Other	4,210	83	-	-	-
School Administration					
Salaries	21,413	30,385	17,171	17,289	42,200
Benefits	6,165	7,524	5,491	-	7,470
Purchased Services	1,669	1,763	2,078	-	-
Business Services					
Salaries	-	5,725	-	-	-
Benefits	-	876	-	-	-
Operation & Maintenance Services					
Salaries	16,402	-	-	-	-
Benefits	1,001	-	-	-	-
Purchased Services	17,469	-	-	-	-
Supplies & Materials	2,131	-	-	-	-
Central Support Services					
Salaries	409	2,450	22,690	-	-
Benefits	58	370	4,658	-	-
Purchased Services	105	74	30	-	-
Supplies & Materials	43,245	39,579	49,113	100	40,000
Non-Instructional Services					
Salaries	53,170	54,590	66,376	56,227	90,000
Benefits	8,163	9,235	15,890	14,863	14,960
Purchased Services	22,067	31,753	89,198	11,182	1,000
Supplies & Materials	6,825	15,945	5,646	-	-
Property	-	-	1,306	-	-
Other	-	-	2,820	-	1,000
Community Services					
Supplies & Materials	652	718	-	-	-
Education for Adults					
Salaries	104,300	-	-	-	-
Benefits	15,523	-	-	-	-
Purchased Services	36,517	-	-	-	-
Supplies & Materials	1,801	-	-	-	-
Facilities Acquisition and Construction Services					
Property	-	39,750	-	-	-
Total Expenditures	<u>12,808,822</u>	<u>13,830,977</u>	<u>15,693,253</u>	<u>11,403,020</u>	<u>10,788,088</u>
Change in Fund Balance	-	-	-	-	-
Fund Balance, June 30	<u>\$ 185,120</u>	<u>\$ 185,120</u>	<u>\$ 185,120</u>	<u>\$ 185,120</u>	<u>\$ 185,120</u>



Fiscal Year 2012-13 Financial Plan and Budget



Athletic and Activities Fund

ATHLETIC AND ACTIVITIES FUND 26

This fund accounts for all revenues and expenses directly related to CHSAA-sponsored athletics and activities. For FY 2012-2013, budgeted revenues total \$11.6 million toward expenses of \$11.8 million.

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Budget
Fund Balance, July 1	\$608,756	\$723,568	\$1,010,793	\$1,076,248	\$1,466,912
Revenues					
Student Fees	5,868,655	5,736,593	6,798,960	5,921,281	6,533,413
Gate Fees	642,294	720,671	825,965	518,306	692,289
Other	1,055,175	1,009,484	735,944	820,219	553,172
Total Revenue	<u>7,566,124</u>	<u>7,466,748</u>	<u>8,360,869</u>	<u>7,259,806</u>	<u>7,778,874</u>
Transfer In - General Fund	<u>4,792,559</u>	<u>4,829,472</u>	<u>3,887,406</u>	<u>3,887,406</u>	<u>3,887,406</u>
Total Sources	<u>12,967,439</u>	<u>13,019,788</u>	<u>13,259,068</u>	<u>12,223,460</u>	<u>13,133,192</u>
Expenditures					
Instruction					
Salaries	3,776,713	3,775,837	3,606,487	2,730,713	3,255,663
Benefits	515,311	548,806	561,716	457,121	693,493
Purchased Services	1,532,497	1,787,700	1,748,908	-	-
Supplies & Materials	4,679,394	4,002,802	4,440,331	750,079	-
Property	2,240	16,795	11,095	-	18,270
Other	593,462	649,200	610,780	98,406	16,300
Instruction Student Support					
Salaries	283,642	274,880	289,872	938,652	562,315
Benefits	72,243	82,832	85,131	201,833	99,233
Purchased Services	14,648	14,258	7,859	1,642,625	1,809,788
Supplies & Materials	46,447	37,416	35,702	3,256,092	5,182,590
Property	-	-	-	12,360	-
Other	(9,644)	334	-	381,750	(194,024)
Instruction Teacher Support					
Salaries	111,057	150,475	131,161	-	-
Benefits	14,897	21,594	20,654	-	-
Purchased Services	125,690	163,846	177,262	40,325	40,325
Supplies & Materials	432,957	437,640	396,466	415,332	6,720
Property	20,020	2,306	7,453	-	1,730
Other	32,297	42,274	51,943	238,533	320,639
Total Expenditures	<u>12,243,871</u>	<u>12,008,995</u>	<u>12,182,820</u>	<u>11,163,821</u>	<u>11,813,042</u>
Change in Fund Balance	<u>114,812</u>	<u>287,225</u>	<u>65,455</u>	<u>(16,609)</u>	<u>(146,762)</u>
Fund Balance, June 30	<u><u>\$723,568</u></u>	<u><u>\$1,010,793</u></u>	<u><u>\$1,076,248</u></u>	<u><u>\$1,059,639</u></u>	<u><u>\$1,320,150</u></u>

ATHLETIC AND ACTIVITIES FUND 26 (Continued)

Below is the list of Athletic and Activities, expenditures by year:

ATHLETIC AND ACTIVITY PROGRAMS	FY 2008-09	FY 2009-10	FY 2010-11
ATHLETIC TRAINER	\$ 407,336.67	\$ 409,720.77	\$ 418,564.92
BOYS BASEBALL	448,450.93	413,163.32	496,471.12
BOYS BASKETBALL	618,278.92	659,057.30	668,895.06
BOYS CROSS COUNTRY	159,499.96	172,406.95	162,622.69
BOYS FOOTBALL	1,025,379.20	1,124,812.35	1,163,777.66
BOYS LACROSSE	277,010.76	291,249.16	322,269.59
BOYS SOCCER	221,392.31	243,646.80	278,927.83
BOYS SWIMMING	50,671.50	43,865.46	49,531.45
BOYS TENNIS	130,049.76	153,340.46	128,498.06
BOYS TRACK	225,590.78	252,007.71	214,705.99
BOYS VOLLEYBALL	0.00	1,442.71	277.29
BOYS WRESTLING	332,522.26	384,747.20	340,031.83
CHOIR	182,499.22	180,295.32	251,948.44
CONCERT BAND	4,352.03	32,735.59	39,972.58
DECA	233,172.95	279,745.74	347,637.95
DRAMA	622,927.83	594,241.63	558,558.05
FBLA (FUTURE BUSINESS LEADERS OF AMERICA)	77,663.34	70,140.96	74,666.09
FCCLA (FAMILY CONSUMER CAREER LEADERS OF AM)	29,572.93	26,834.57	49,864.60
FFA (FUTURE FARMERS OF AMERICA)	8,710.54	23,841.42	27,095.35
GIRLS BASKETBALL	497,603.58	525,231.85	442,531.14
GIRLS CHEERLEADING	613,214.54	581,759.92	651,030.12
GIRLS CROSS COUNTRY	111,170.84	122,556.01	98,811.84
GIRLS FIELD HOCKEY	21,372.78	21,855.26	28,280.41
GIRLS GOLF	87,210.69	94,208.27	87,742.22
GIRLS GYMNASTICS	26,818.34	25,590.04	25,213.14
GIRLS LACROSSE	62,963.57	57,459.63	59,675.23
GIRLS POM SQUAD	272,927.55	452,196.48	438,082.27
GIRLS SOCCER	232,846.38	249,330.02	276,280.81
GIRLS SOFTBALL	184,882.18	180,378.49	190,245.32
GIRLS SWIMMING	160,092.96	193,079.97	162,090.65
GIRLS TENNIS	155,946.30	137,697.12	135,857.23
GIRLS TRACK & FIELD	177,427.39	165,209.12	165,800.63
GIRLS VOLLEYBALL	514,887.98	512,928.89	515,539.15
GOLF	148,108.54	116,116.90	105,962.56
HERO	5,233.27	5,243.32	868.76
HS DRILL TEAM	10,917.84	12,791.25	7,680.20
JAZZ BAND	1,855.43	5,063.24	7,581.34
MARCHING BAND	1,134,335.52	339,227.58	434,959.86
NEWSPAPER	86,941.53	102,470.18	87,501.51
ORCHESTRA	84,465.78	90,654.47	110,089.42
SPEECH/DEBATE	72,596.85	89,056.06	62,388.78
STUDENT COUNCIL	565,070.20	446,789.74	375,012.75
YEARBOOK	1,104,200.11	1,154,551.56	1,097,412.17
OTHER PROGRAMS	855,699.11	970,253.88	1,021,866.89
TOTAL	\$ 12,243,871.15	\$ 12,008,994.67	\$ 12,182,820.95



Fiscal Year 2012-13 Financial Plan and Budget



Nutrition Services Fund

NUTRITION SERVICES FUND 51

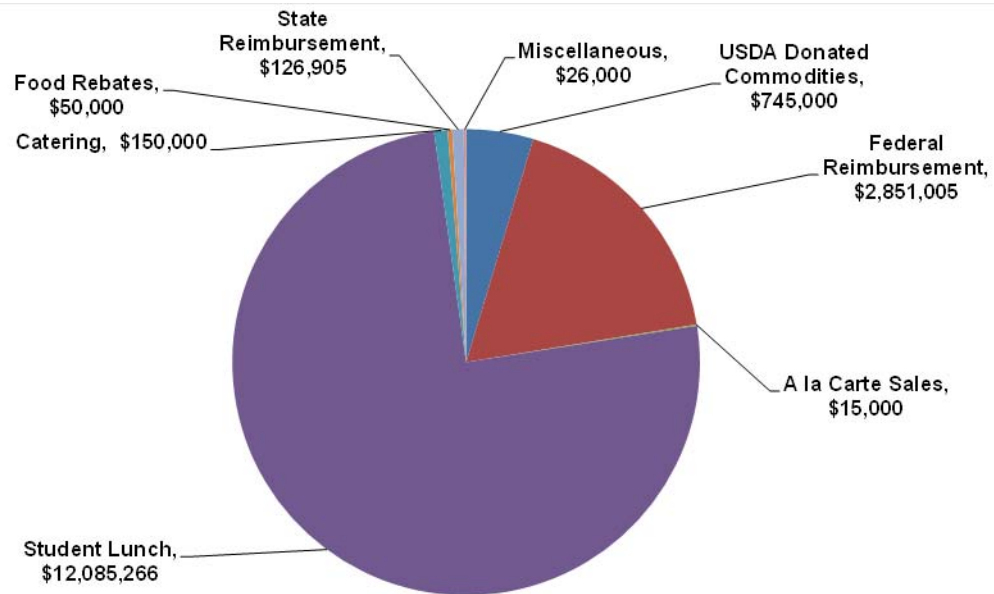
FY 2012-2013 has a beginning balance of \$84,406 and estimates \$16.0 million in sales and other revenue. Budgeted spending totals \$15.1 million, with approximately 40% going for food and commodity purchases.

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Budget
Operating revenues:					
Food Sales	\$ 9,851,990	\$10,484,847	\$10,812,844	\$11,204,212	\$12,085,266
Federal Reimbursement	1,821,449	2,153,434	2,628,897	2,163,770	2,851,005
Commodity Contribution	828,563	611,332	957,756	750,000	745,000
Misc. Revenue	31,976	182,699	40,887	62,000	241,000
State Match - Child Nutr. & CDE Re	139,167	150,614	139,586	122,027	126,905
Total operating revenues	12,673,145	13,582,926	14,579,970	14,302,009	16,049,176
Operating expenses					
Salaries	5,501,960	6,014,084	4,551,829	4,631,484	4,199,117
Benefits	1,464,555	1,847,534	1,305,425	1,345,926	1,978,043
Food & Commodities	7,008,929	4,995,715	6,088,508	5,732,400	5,236,563
Purchased Services	679,239	649,696	616,521	613,147	645,249
Supplies & Materials	993,950	930,174	966,481	1,000,000	2,066,843
Depreciation	128,289	206,706	262,767	195,000	265,000
Equipment	191,660	15,751	12,901	100,000	75,000
Other	576,312	641,861	591,751	570,600	595,900
Total operating expenses	16,544,894	15,301,521	14,396,183	14,188,557	15,061,715
Operating income (loss)	(3,871,749)	(1,718,595)	183,787	113,452	987,461
Transfers In - General Fund	-	-	-	600,000	-
Change in net assets	(3,871,749)	(1,718,595)	183,787	713,452	987,461
Total net assets, beginning	4,770,328	898,579	(820,016)	(636,229)	84,406
Total net assets, ending	\$ 898,579	\$ (820,016)	\$ (636,229)	\$ 77,223	\$ 1,071,867

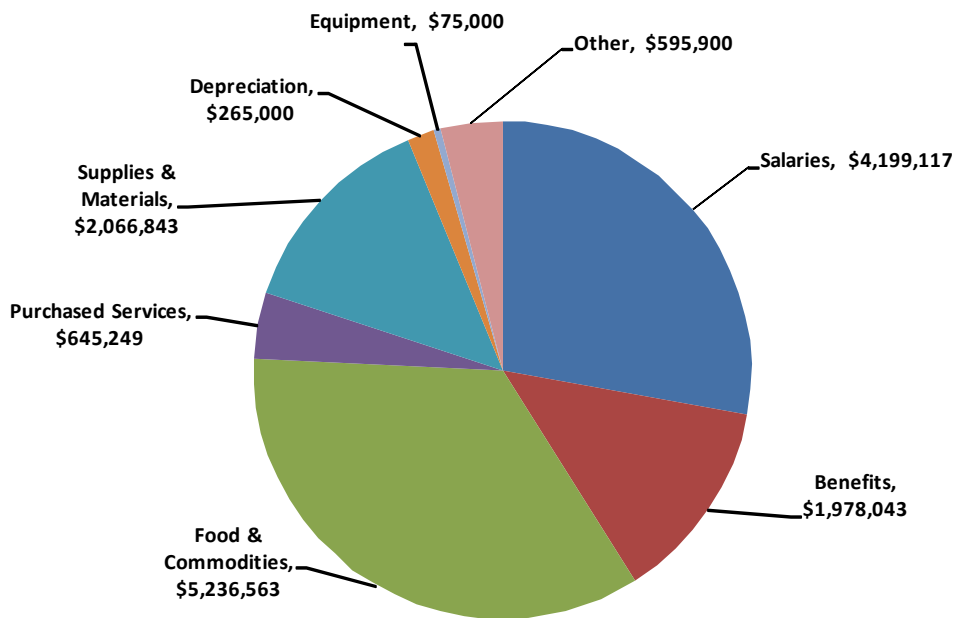
Measure	FY 11-12
	Actual
Average number of hot meals and a la carte lunches served daily	27,000
Total number of reduced cost meals served annually	551,145
Elementary Nutrition Breaks served on a daily basis	3
Number of meals served per labor hour used (National average is 15)	18
Food cost percentage of total budget (National average is 43%)	34.10%

NUTRITION SERVICES FUND 51 (Continued)

The Nutrition Services support students by offering nutritious and appealing meals, with resources that promote learning and optimum wellness. The fund operates as an enterprise fund and accounts for activities related to preparation of school meals.



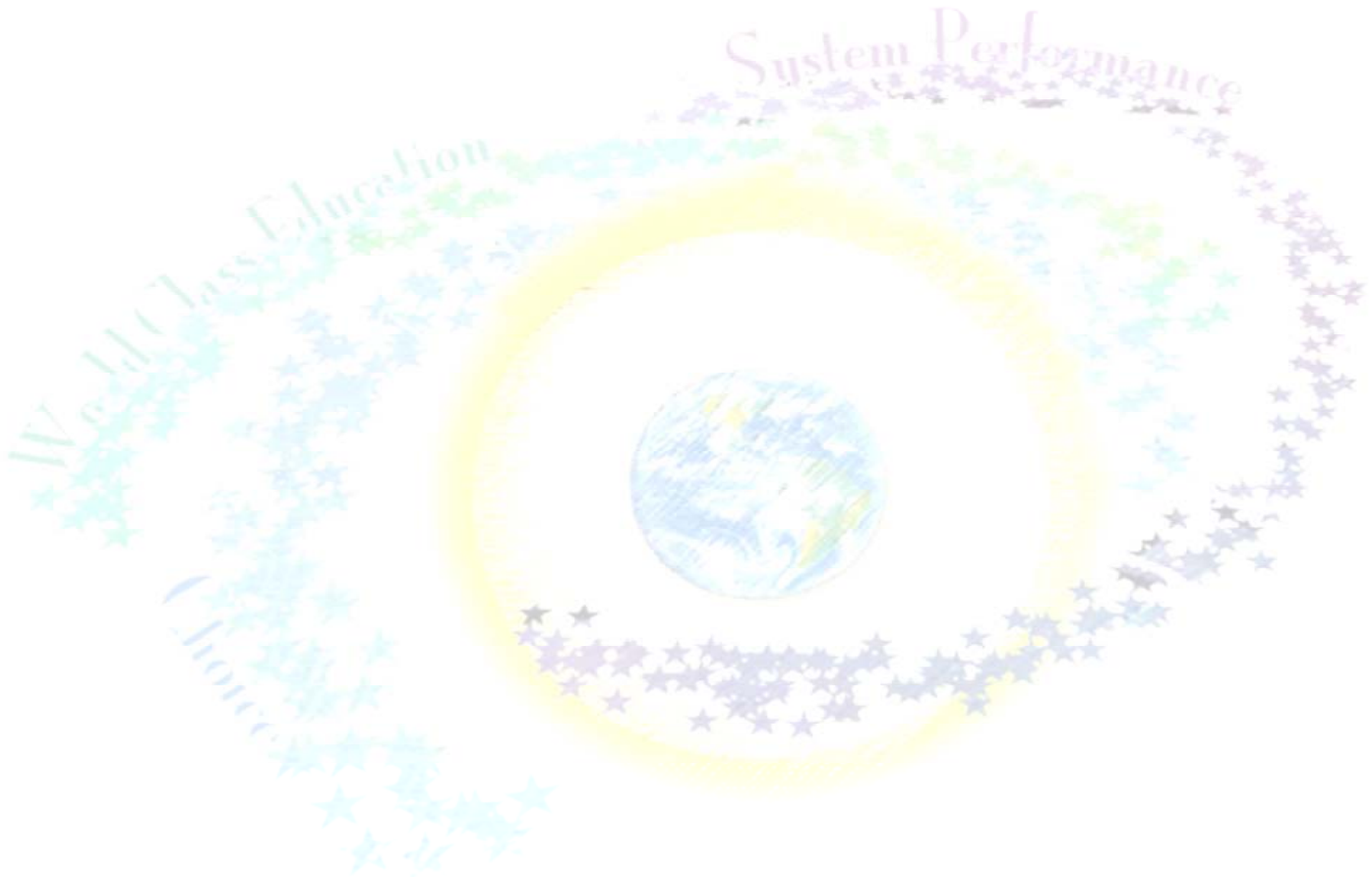
2012-13 Nutrition Services Revenue



2012-13 Budget Expenses by Object



Fiscal Year 2012-13 Financial Plan and Budget



Child Care Fund

CHILD CARE FUND 52

This fund is organized as an enterprise operation, and includes:

- Before and After School (BASE) Child Care
- Kindergarten Enrichment
- Spring, Summer, and Winter Break Care
- On-site Convenience
- State Licensed
- School Partnership
- District Support

These programs are budgeted to be self-supporting with revenues derived from program enrollment fees and charged on a per-child basis.

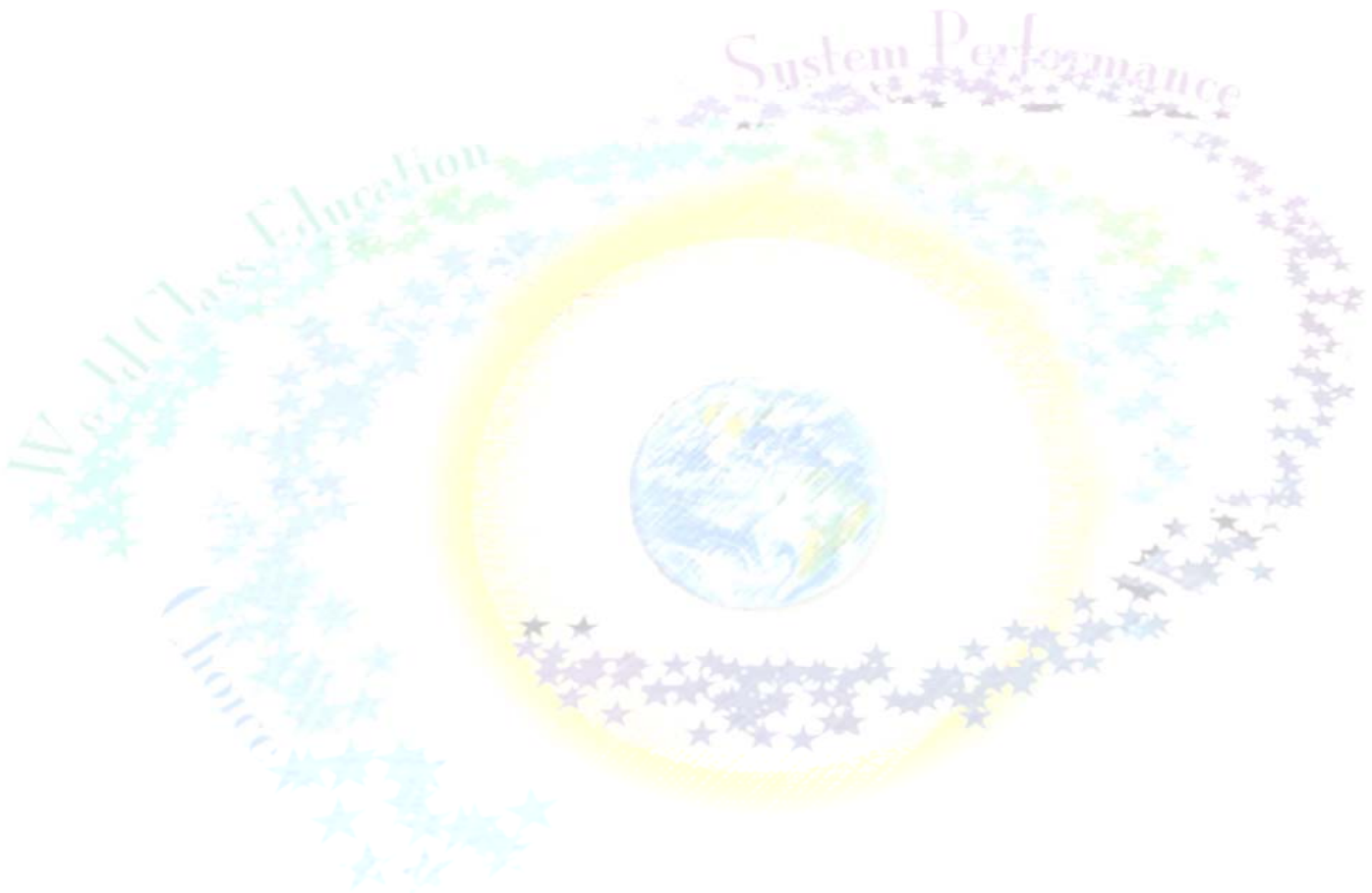
Children who participate in our programs acquire the knowledge and abilities to make educated choices concerning their social, emotional, and physical health while learning principles of respect, integrity, honesty, and responsibility.

For FY 2012-2013, the estimated beginning fund balance of \$3.6 million, along with budgeted revenues of \$9.1 million, will cover budgeted expenditures of \$9.1 million.

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Budget
Operating revenues:					
Tuition from Individuals	\$ 9,095,657	\$ 9,122,383	\$ 8,905,075	\$ 8,810,214	\$ 9,149,932
Other	63,275	52,740	5,577	-	-
Total operating revenues	<u>9,158,932</u>	<u>9,175,123</u>	<u>8,910,652</u>	<u>8,810,214</u>	<u>9,149,932</u>
Operating expenses:					
Salaries	7,698,559	7,146,587	6,840,322	4,734,402	6,882,841
Benefits	-	-	-	1,921,762	-
Purchased Services	65,353	62,623	76,770	689,578	116,249
Supplies & Materials	577,826	529,726	571,694	425,992	435,511
Field Trips & Entrance Fees	602,818	648,429	687,056	25,432	799,094
Other	581,846	469,662	384,989	1,013,048	916,237
Total operating expenses	<u>9,526,402</u>	<u>8,857,027</u>	<u>8,560,831</u>	<u>8,810,214</u>	<u>9,149,932</u>
Change in net assets	(367,470)	318,096	349,821	-	-
Total net assets, beginning	<u>2,858,013</u>	<u>2,490,543</u>	<u>2,808,639</u>	<u>3,158,460</u>	<u>3,552,786</u>
Total net assets, ending	<u>\$ 2,490,543</u>	<u>\$ 2,808,639</u>	<u>\$ 3,158,460</u>	<u>\$ 3,158,460</u>	<u>\$ 3,552,786</u>

Operating Hours	6:30 AM to 6:00 PM (close)
Ages of Children Served	5 years (minimum) to 13 years (maximum)
Eligibility Requirement	Child(ren) must be enrolled in DCSD
Rates	Set by site and vary by program
All Staff	Subject to criminal records check through Colorado Bureau of Investigation

Fiscal Year 2012-13 Financial Plan and Budget



DC Outdoor Education Center Fund

DOUGLAS COUNTY OUTDOOR EDUCATION CENTER

FUND 54

This tuition-based fund provides an outdoor learning environment where students are engaged in experimental learning activities. In addition to developing knowledge of the ecological surroundings, students are also involved in problem solving, being creative and constructing meaningful solutions.

The Center provides a “Challenge by Choice” curriculum that encourages students to challenge themselves and tackle their fears. It could mean speeding down a zip-line, hitting the bull’s-eye on the archery range, or even ascending a climbing tower.

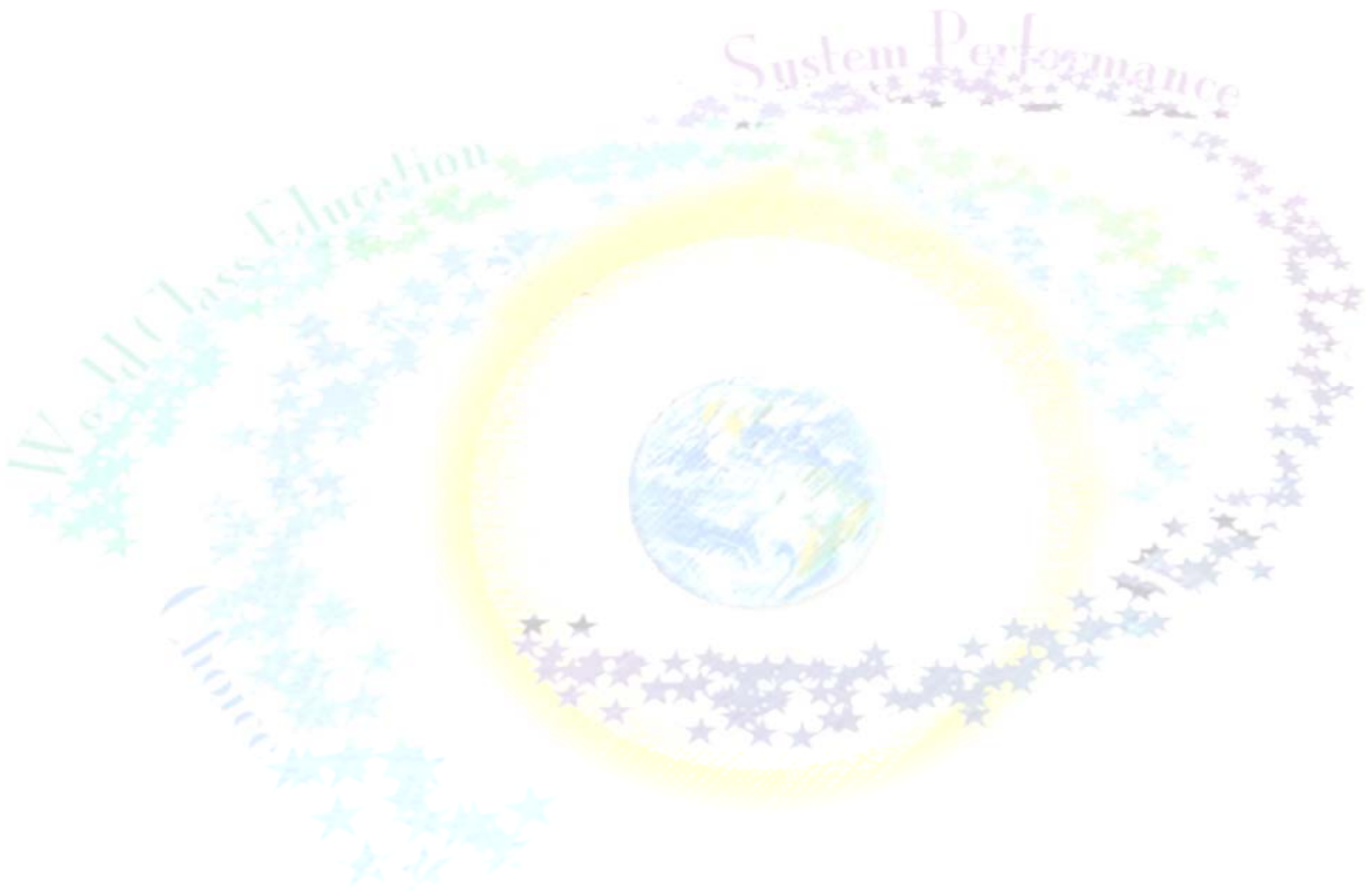
Every activity has an academic connection which ties back to the classroom. For example, an archer may have to adjust the degree of their aim on the range to accommodate for changes in weather as well as differences in distance, connecting physics to a real-world setting.

Total sources for FY 2012-2013 will be \$685,552, which includes a beginning balance of \$306,868. Anticipated expenses are budgeted at \$635,552.

	2008-09	2009-10	2010-11	2011-12	2012-13
	Actual	Actual	Actual	Budget	Budget
Operating revenues:					
Tuition from Individuals	\$ -	\$ -	\$ -	\$ 104,100	\$ 306,500
Grants	-	-	-	-	30,000
Rental Building	-	-	-	-	42,184
Total operating revenues	-	-	-	104,100	378,684
Operating expenses:					
School Administration	-	-	-	-	82,400
Salaries	-	-	-	50,000	162,850
Benefits	-	-	-	11,250	11,184
Purchased Services	-	-	-	1,000	61,708
Supplies & Materials	-	-	-	78,650	46,542
Property	-	-	-	150,000	256,868
Depreciation	-	-	-	-	6,000
Other	-	-	-	363,200	8,000
Total operating expenses	-	-	-	654,100	635,552
Operating income (loss)	-	-	-	(550,000)	(256,868)
Transfers In - General Fund	-	-	-	550,000	-
Change in net assets	-	-	-	-	(256,868)
Total net assets, beginning	-	-	-	-	306,868

Note: Natural Gas, Electricity, Water and Trash pick-up expenses will be within the General Fund (Fund 10) O & M Department for 2012-2013.

Fiscal Year 2012-13 Financial Plan and Budget



Medical Fund

MEDICAL FUND 65

This fund contains District and employee medical and dental premium payments. The District operates a self-funded employee benefit program and must match set premiums to cover projected medical payouts. Anticipated revenues for FY 2012-2013 are \$40.1 million and expenses are budgeted at \$40.1 million

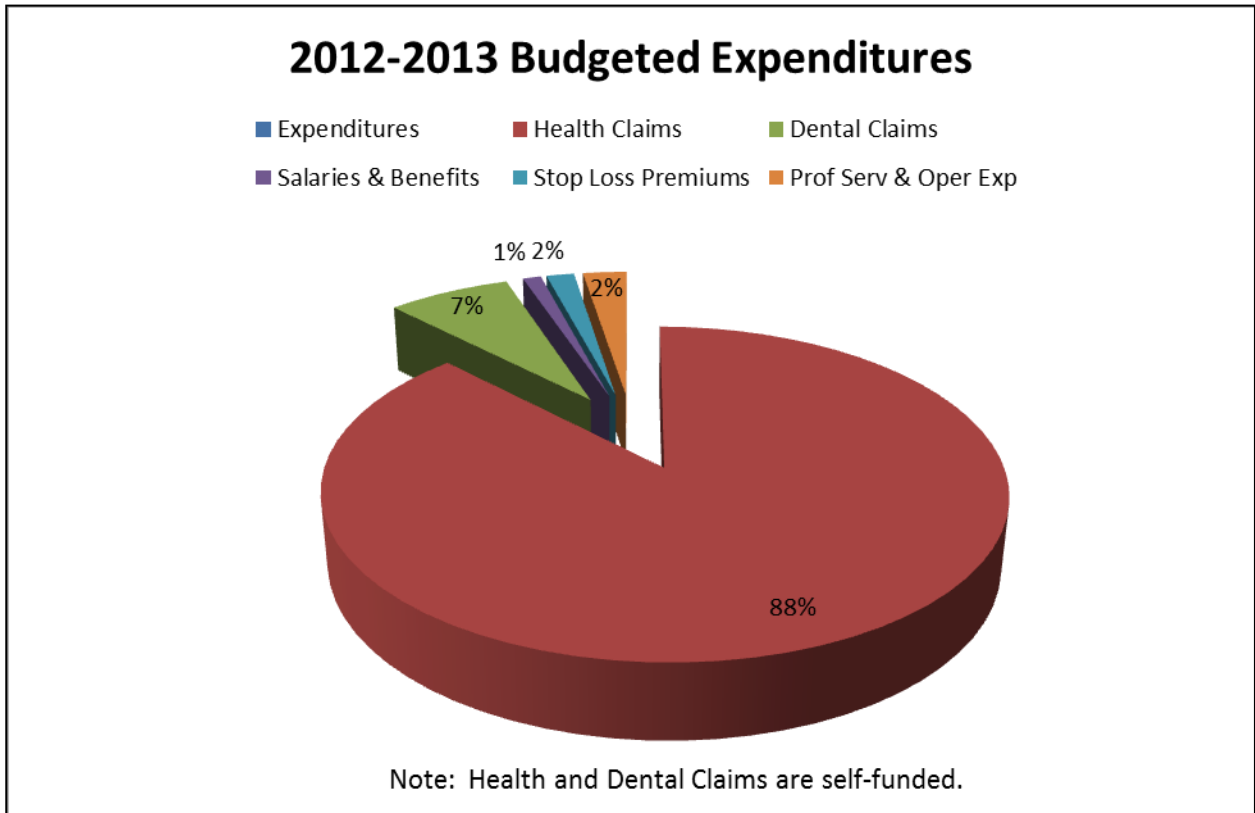
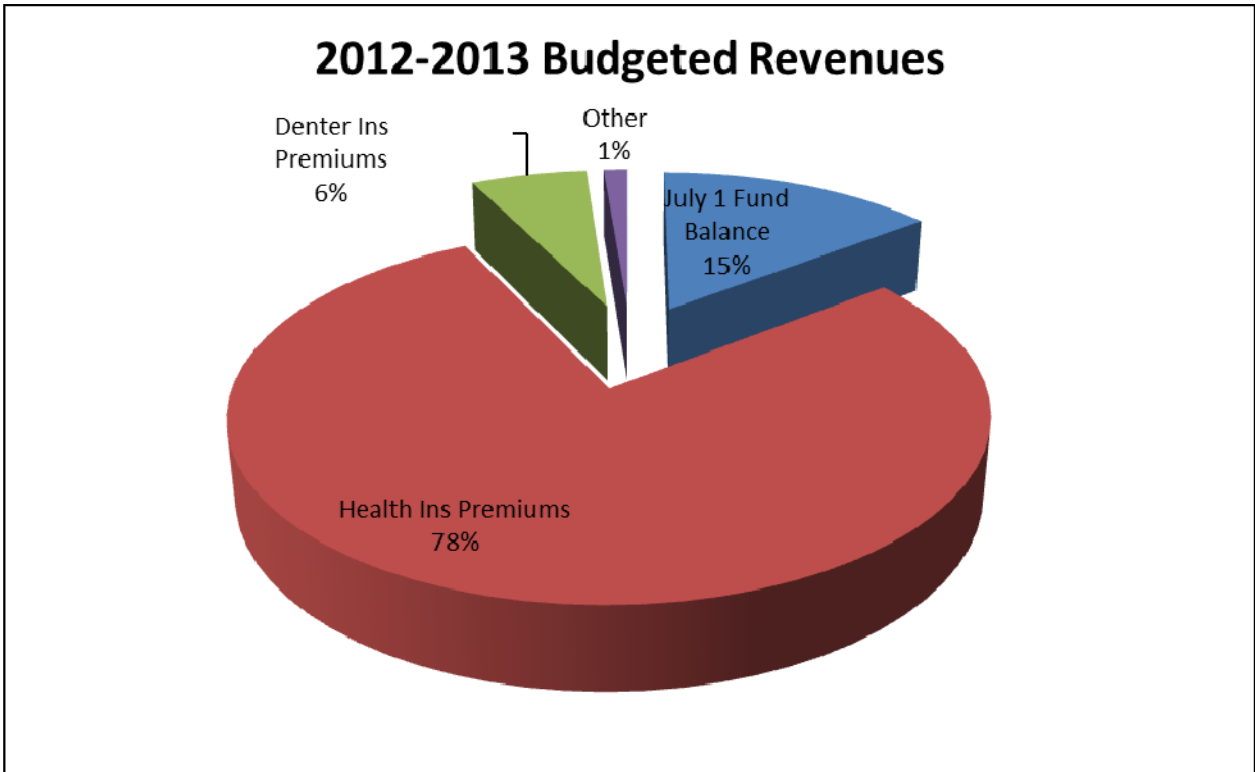
	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Budget
Fund Balance, July 1	\$ 4,760	\$ 4,760	\$ 2,307,856	\$ 6,440,302	\$ 6,828,068
Revenues					
Health Insurance Premiums	39,527,078	40,212,569	37,684,127	39,572,616	36,661,377
Dental Insurance Premiums	1,428,706	1,413,873	1,804,387	890,182	2,853,639
Transfer from General Fund	2,575,808	-	3,835,237	-	-
Other	427,745	500,815	159,631	-	587,428
Total Revenue	43,959,337	42,127,257	43,483,382	40,462,798	40,102,444
Total Sources	43,964,097	42,132,017	45,791,238	46,903,100	46,930,512
Expenditures					
Health Claims (Self Funded)	35,657,874	26,782,532	34,732,371	36,666,040	35,160,608
Dental Claims (Self Funded)	3,476,472	3,625,356	2,726,380	648,435	2,853,639
Salaries & Benefits	391,573	410,580	405,743	502,528	423,299
Stop Loss Premiums	623,438	568,406	311,403	495,168	645,844
Professional Services	3,802,560	8,434,545	1,171,846	982,477	995,698
Operating Expenses	7,420	2,742	3,193	506,958	23,356
Change in IBNR	-	-	-	-	-
Total Expenditures	43,959,337	39,824,161	39,350,936	39,801,606	40,102,444
Change in Fund Balance	-	2,303,096	4,132,446	661,192	-
Fund Balance, June 30	\$ 4,760	\$ 2,307,856	\$ 6,440,302	\$ 7,101,494	\$ 6,828,068

Fund Balance

Financial stability of the Douglas County School District (DCSD) Medical Self Insurance Fund is dependent on setting the appropriate funding rates and maintaining an adequate level of reserves. The primary purpose for establishing and maintaining reserves for the Medical Self Insurance Fund is to reasonably guarantee the continuous and proper function of the Fund.

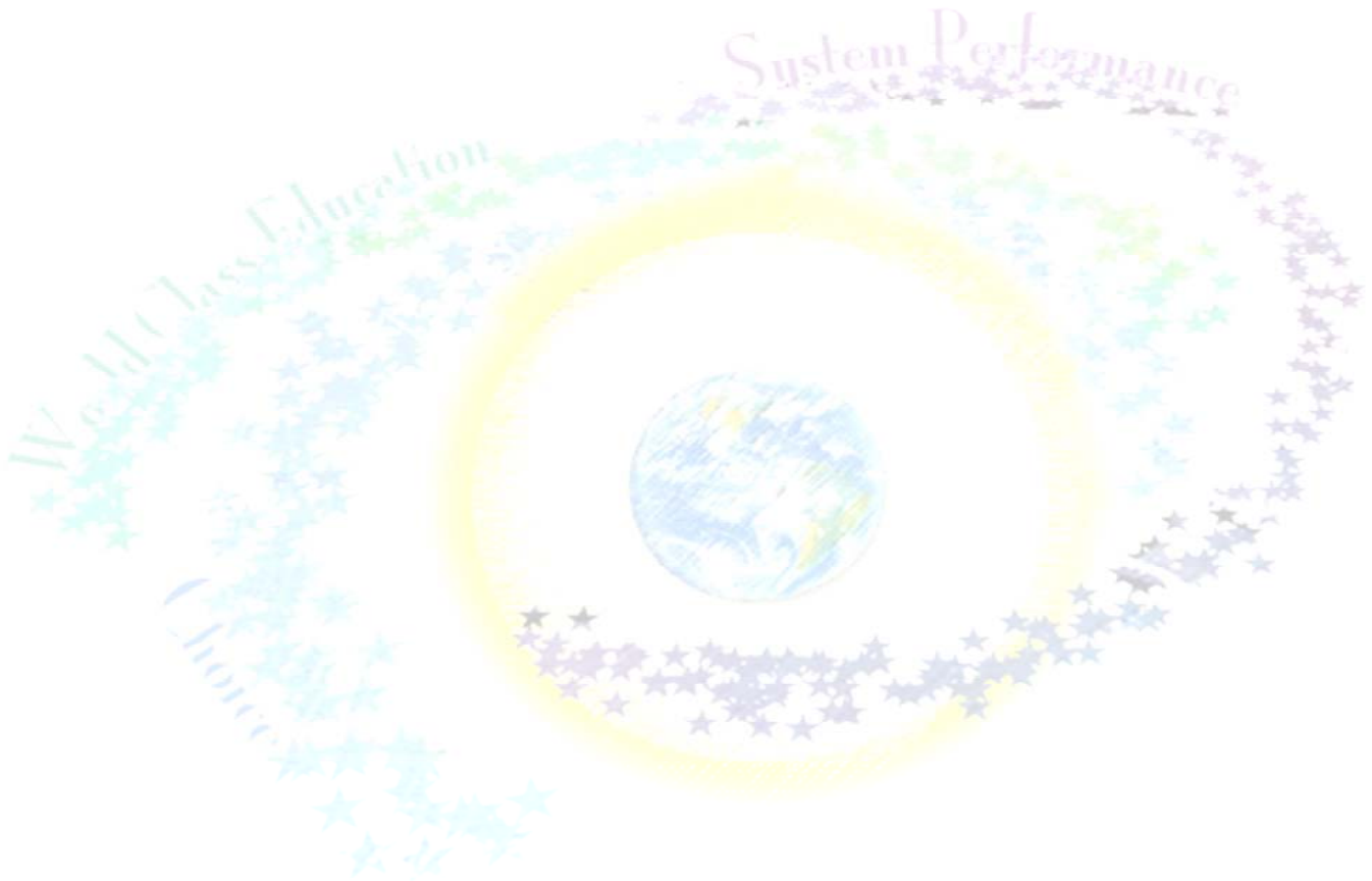
The Douglas County School District CIGNA/Allegiance High Deductible Health Plan and the CIGNA/Allegiance PPO plan are partially self-funded. DCSD is responsible for paying all claims under the two health plans, but purchases specific stop loss coverage to cover catastrophic events. It is this self-insurance component that necessitates a reserving policy. See Appendix C for policy DFB.

MEDICAL FUND 65 (Continued)





Fiscal Year 2012-13 Financial Plan and Budget



Pupil Activity Fund

PUPIL ACTIVITY FUND 74

This fund is a combination of vending profits, magazine sales and includes a group of individual school funds earmarked for extra-curricular student activities at the elementary, middle and high school levels. Revenues are generated by fund raising events and user/club fees. The beginning fund balance is \$7.5 million and budgeted revenues total \$4.6 million, with expenses of \$3.9 million budgeted.

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Budget
Fund Balance, July 1	\$ 4,417,871	\$ 4,437,968	\$ 5,035,832	\$ 6,175,758	\$ 7,465,504
Revenues					
Pupil Activity					
Elementary Schools	540,318	584,657	596,877	580,000	550,000
Middle Schools	425,079	402,416	432,643	430,000	430,000
Senior High Schools	2,482,586	2,302,204	1,974,514	1,950,000	2,000,000
Other	1,907	-	17,542	-	-
Total Pupil Activity	<u>3,449,890</u>	<u>3,289,277</u>	<u>3,021,576</u>	<u>2,960,000</u>	<u>2,980,000</u>
School Discretionary					
Elementary Schools	755,555	1,058,530	1,114,017	840,000	875,000
Middle Schools	363,566	370,071	497,843	460,000	460,000
Senior High Schools	141,810	161,604	239,057	250,000	280,000
Other	23,029	31,009	144,207	10,000	50,000
Total School Discretionary	<u>1,283,960</u>	<u>1,621,214</u>	<u>1,995,124</u>	<u>1,560,000</u>	<u>1,665,000</u>
Total Revenue	<u>4,733,850</u>	<u>4,910,491</u>	<u>5,016,700</u>	<u>4,520,000</u>	<u>4,645,000</u>
Total Sources	<u>9,151,721</u>	<u>9,348,459</u>	<u>10,052,532</u>	<u>10,695,758</u>	<u>12,110,504</u>
Expenditures					
Pupil Activity					
Elementary Schools	513,239	443,705	495,665	450,000	500,000
Middle Schools	411,920	388,576	408,288	360,000	425,000
Senior High Schools	2,292,365	2,392,134	1,902,768	1,500,000	1,900,000
Other	(157)	-	7,114	-	-
Total Pupil Activity	<u>3,217,367</u>	<u>3,224,415</u>	<u>2,813,835</u>	<u>2,310,000</u>	<u>2,825,000</u>
School Discretionary					
Elementary Schools	895,477	506,979	537,304	410,000	500,000
Middle Schools	139,917	381,780	386,057	380,000	400,000
Senior High Schools	216,809	168,592	101,260	190,000	150,000
Other	244,183	30,861	38,318	50,000	38,000
Total School Discretionary	<u>1,496,386</u>	<u>1,088,212</u>	<u>1,062,939</u>	<u>1,030,000</u>	<u>1,088,000</u>
Total Expenditures	<u>4,713,753</u>	<u>4,312,627</u>	<u>3,876,774</u>	<u>3,340,000</u>	<u>3,913,000</u>
Change in Fund Balance	<u>20,097</u>	<u>597,864</u>	<u>1,139,926</u>	<u>1,180,000</u>	<u>732,000</u>
Fund Balance, June 30	<u><u>\$ 4,437,968</u></u>	<u><u>\$ 5,035,832</u></u>	<u><u>\$ 6,175,758</u></u>	<u><u>\$ 7,355,758</u></u>	<u><u>\$ 8,197,504</u></u>

PUPIL ACTIVITY FUND 74 (Continued)

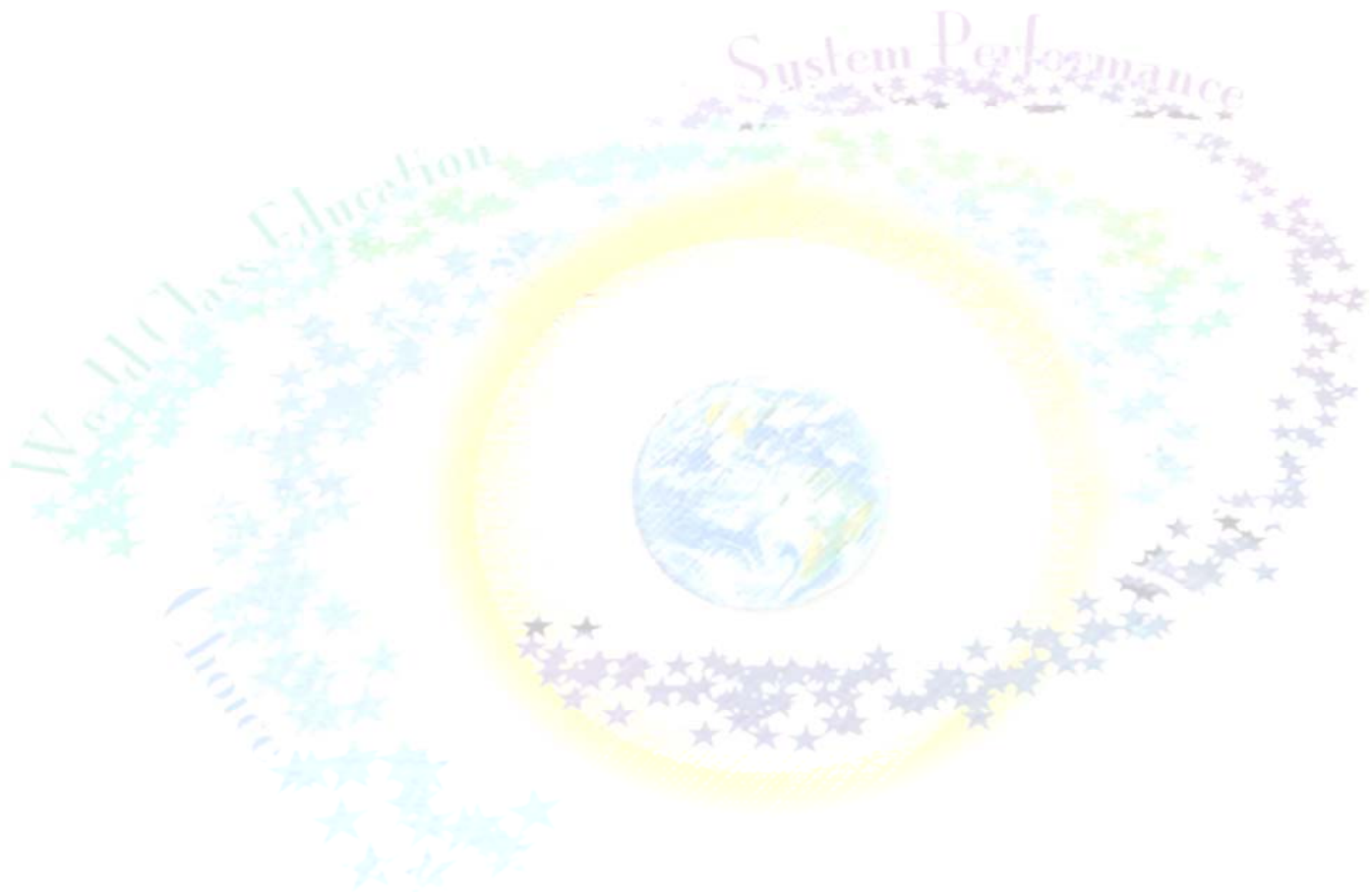
Here are just a few of the type of expenditures for 2011-12 school year spent on these programs/activities:

Program/Activities	Amount	Program/Activities	Amount
After Prom	\$ 119,242.90	Prom	\$ 77,457.83
Art	140,976.99	School Store	152,021.80
Chinese Club	57,348.03	Senior Class	44,555.30
COED Ice Hockey	56,075.88	Student Council	42,964.36
Facility Use	58,249.39	Student Directories	30,117.67
Inline Hockey	35,813.34	Student Planners	124,333.01
Junior Class	98,109.02	Tech Theater Club	53,798.90
Library Club	35,097.78	Weight Training Club	65,202.50
Magazine/Fundraiser	292,078.29	Year Book	63,456.41
Other Music Activities	38,627.74	Subtotal of sample expenditures	\$ 1,585,527.14





Fiscal Year 2012-13 Financial Plan and Budget



Private Purpose Trust Scholarship Fund

PRIVATE PURPOSE TRUST SCHOLARSHIP FUND 75

Accounting for monies whereby the District acts as a fiduciary agent, this fund may be comprised of several accounts funded by private gifts, donations and/or fund raising efforts. The beginning fund balance is \$18,666 with an additional \$58,000 in anticipated contributions. Expenses are budgeted to total \$60,000.

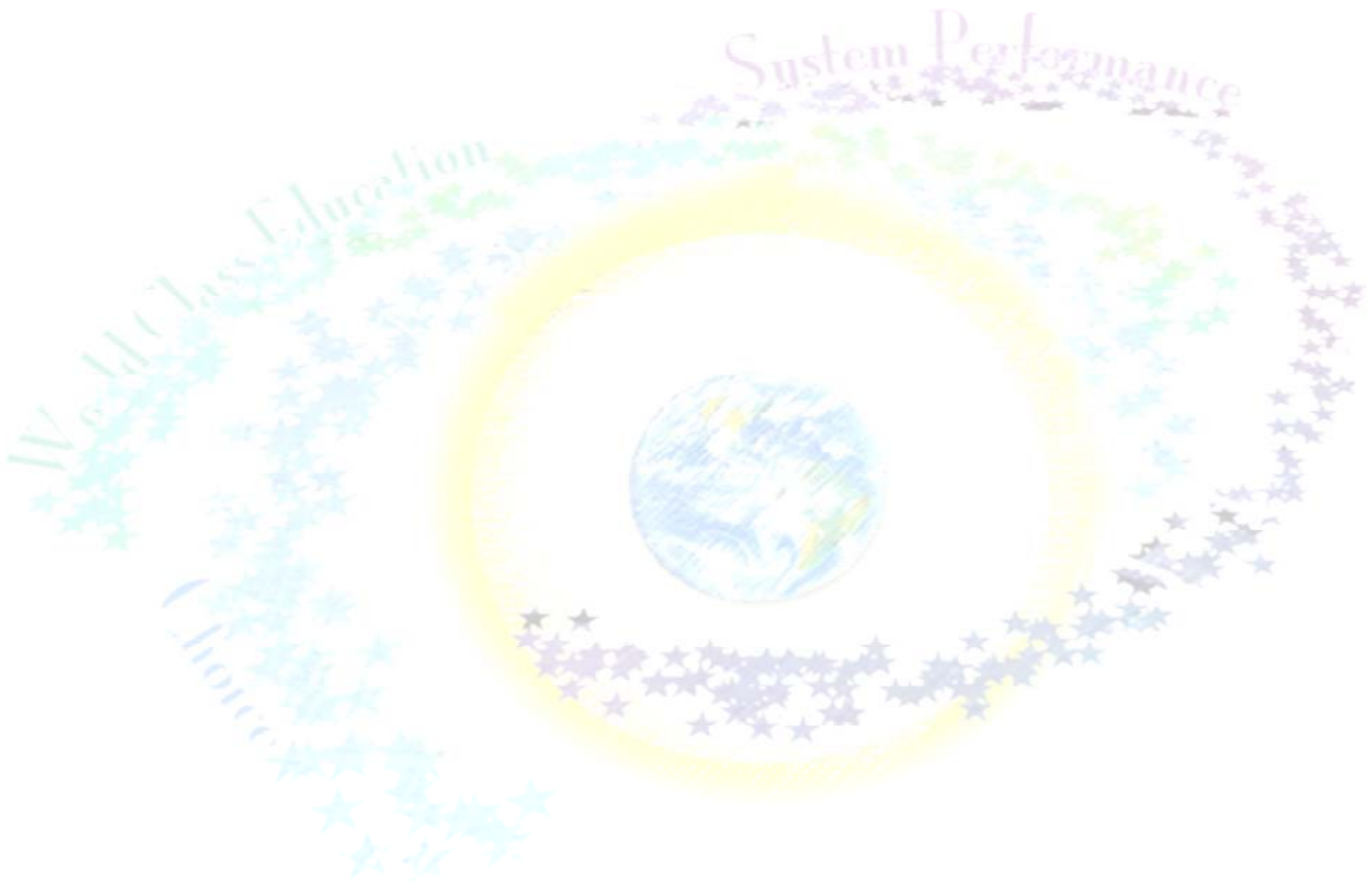
DCSD students received scholarships to the following colleges from the PS Miller Memorial Trust Fund (FY 2010-11):

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Budget
Fund Balance, July 1	\$ 50,416	\$ 36,916	\$ 41,466	\$ 29,566	\$ 18,666
Revenues					
PS Miller Memorial Contributions	64,000	58,800	61,600	61,600	58,000
Total Revenue	64,000	58,800	61,600	61,600	58,000
Total Sources	114,416	95,716	103,066	91,166	76,666
Expenditures					
PS Miller Memorial Trust Fund	77,500	54,250	73,500	72,500	60,000
Total Expenditures	77,500	54,250	73,500	72,500	60,000
Change in Fund Balance	(13,500)	4,550	(11,900)	(10,900)	(2,000)
Fund Balance, June 30	\$ 36,916	\$ 41,466	\$ 29,566	\$ 18,666	\$ 16,666

Higher Education Institution Name	Amount Received	Higher Education Institution Name	Amount Received
Arapahoe Community College	\$1,000	Midland Lutheran College	\$ 1,000
Art Institute of Colorado	1,000	Nebraska Wesleyan University	1,000
Barclay College	1,000	North Park University	500
Baylor University	3,000	Rose Hulman Institute of Technology	1,500
Brigham Young University	2,000	Southern Virginia University	1,000
California Institute of Technology	1,000	University of Colorado	13,500
Case Western Reserve University	1,000	University of Denver	1,000
Colorado Christian University	1,000	University of Georgia	1,000
Colorado College	2,000	University of Nebraska	2,000
Colorado School of Mines	7,500	University of New Mexico	1,000
Colorado State University	15,500	University of Northern Colorado	6,000
Doane College	1,000	University of Oklahoma	1,000
Eckerd College	1,000	University of Wyoming	4,000
Metropolitan State College of Denver	2,000	Total	\$74,500

Note: Total expenditures for 2010-11 in the table above totals \$74,500 and on the financial summary shows \$73,500—this is due to a refunded amount from 2009-10 expenditures.

Fiscal Year 2012-13 Financial Plan and Budget



INFORMATIONAL

new outcomes

for a

new day



Education in Transition A Plan for Change

Douglas County School District | Strategic Plan
Learn today. Lead tomorrow.



Across the country, schools and school districts are in transition. The reasons for this vary, with the exception of one cardinal issue: all of our school districts are outdated, as Dr. Tony Wagner explains in his book, *The Global Achievement Gap*. The American education system was invented over 100 years ago with the goal of producing a few college-bound students and many more compliant “routine” workers to meet the needs of the booming Industrial Revolution. Still evident in our school structure today, schools were modeled after the then-admired assembly line model. Information was somewhat limited, and education held a monopoly on that knowledge – students had to come to school to learn/memorize information, as well as learn to read, write and “figure” or do arithmetic.

Today, many of these original components remain in place, yet the outcomes we need from our American educational system

are far different, and the context in which it operates has dramatically changed. Today is a new day for learning.

Douglas County School District (DCSD) is aware of and responding to the challenges in American education. As a district with strong traditions of innovation, excellence and economic efficiency, we are the ideal organization to design and implement a new system that responds to the convergence of recommendations for change in education. DCSD, in the spirit of servant leadership, has collaboratively defined its commitments to students, employees, parents, and our community. Next, we have identified three District-level priorities – Choice, World-Class Education and System Performance. These will keep us true to our Commitments, align our work, and facilitate the transition from an excellent 20th century school district to a world-class 21st century school district.

new outcomes



creative

financially literate

critical thinkers

globally aware

problem solvers

adaptable

ethical

resilient

collaborators

communicators

It has become clear that our students are competing on a world stage. As stated by Thomas Friedman, the world is indeed “flat.” This matters to the American education system for many important reasons. First, the pay for “routine” work has plummeted as companies outsource this work to other countries where workers require far lower wages. Does this mean that American workers should do routine work for less? The answer should be “no,” if our country wishes to retain the quality of life that we have enjoyed over the past 100 years. Instead, as explained by the National Center on Education and the Economy in its book, *Tough Choices or Tough Times*, the quality of life in our country depends on Americans preparing for and securing the highest paying jobs in the world – the creative and innovative positions. This depends on the American education system changing its outcomes from a focus on conformity to a focus on creativity. We no longer need compliant graduates who have memorized a set of facts, who believe every answer is found in a book, or who have perfected the game of school – to memorize, regurgitate and dump. Instead, our country and our business partners demand graduates who are globally aware, financially literate, creative, adaptable and resilient, collaborative, ethical, problem solvers, critical thinkers, and communicators to accommodate the careers in this new day. These graduates will be the most qualified and highly sought after in the world. They will secure the highest paying jobs and stimulate growth and development in the communities they populate.

The schools and districts producing these graduates will generate higher property values as well as economic development in their communities.

In order to transition, DCSD will employ the following key District priorities: Choice, World-Class Education and System Performance. All of these priorities uphold the commitments DCSD is making to its students, employees, parents, and community members. In addition, all three strategies are designed to move DCSD toward our desired state – creating the opportunity for each of our students to be successful in a world we cannot fully predict. These strategies wrap around our commitments to create a plan for change.

Our Core Values

Our Core Values remain constant in an ever-changing world. They provide the foundation for our work and influence how we conduct ourselves and engage with others.

Educational Excellence

High expectations are the focus of everything we do. We challenge all people to acquire a foundation of knowledge and academic skills, and to achieve their highest potential.

Human Diversity

Varied beliefs and backgrounds strengthen a public education system. We respect differences which contribute to a better society for all human beings.

Individual Potential

Individuals develop within an environment that nurtures intellectual, social, emotional, physical and aesthetic growth.

Lifelong Learning

Education is a process that begins at birth and continues throughout life. We foster curiosity, motivation and the desire to learn that extends beyond school settings.

Productive Effort

The pursuit of greater knowledge and more powerful thinking demands hard work, perseverance and commitment.

Shared Responsibility

The partnerships among parents, students, staff and community members are characterized by mutual commitment and collaborative effort.

Ethical Behavior

Our actions are distinguished by the highest standards of personal behavior, including trust, honesty, fairness, integrity and mutual respect.

Continuous Improvement

Our District, its systems and processes will be subject to continual scrutiny and improvement. We will be recognized for management by fact, results focus and a long-range outlook.



Our Commitments

Our Commitments summarize our promises to our students, parents, employees, and community. They are based on our Core Values and provide a broad philosophy that filters our daily work.

Commitment to our Students. Douglas County School District is committed to the success of our students as lifelong learners and critical thinkers. We value all students as individuals with visions of their own futures and connections to the world, and we will guide them toward their full potential. DCSD will encourage our students to build meaningful relationships with their peers, teachers, administrators, and staff. DCSD is committed to providing our students with physically and emotionally safe educational environments, the necessary tools for learning, and the freedom to explore their many options in life.

Commitment to our Parents and Families. Douglas County School District is committed to welcoming, encouraging and supporting parents and family members as key partners in the education of our students. We value parents' ideas, opinions and concerns, knowing they have an understanding of how issues and events affect their students and families. DCSD will keep our parents and families engaged and informed with current information. DCSD is committed to providing our parents and families with choices to meet each student's individual learning needs.

Commitment to our Employees. Douglas County School District is committed to respecting and supporting all employees. We value the skills and experiences our colleagues possess – qualities which allow them to meet high expectations and fulfill varied responsibilities. DCSD empowers our employees to make decisions about students' successes in a collaborative environment. We encourage staff members to embrace the choices they have in career and professional development opportunities. DCSD is committed to retaining our staff through competitive compensation and by promoting an environment in which employees share their passion for their work.

Commitment to our Community. Douglas County School District is committed to engaging our community members as partners in providing a world-class education for our students. We value the support of our community to graduate well-rounded citizens who will make meaningful contributions to our society. DCSD will responsibly use the taxpayer resources provided by our community, acting as good neighbors and in the best interest of our students. DCSD is committed to being honest stewards of the property entrusted to us by our community, and will be accountable to them through transparent dealings and the academic growth of our students.

Our Vision

is to help students acquire the knowledge and abilities to be responsible citizens who contribute to our society.

Our Priorities

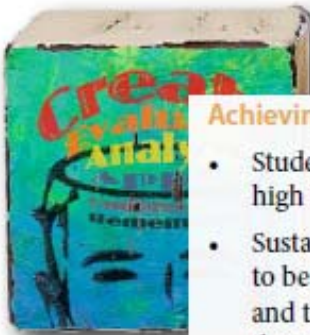
Our Priorities are inspired by our Core Values, our Commitments and the changing needs of our students, profession and community. They provide perspective in relation to our vision for change in Douglas County School District.



Choice

Providing each child the maximum opportunity for success

- Communicating the unique qualities of each school to our students, employees, parents, and community gives all students the highest possibility for success.
- Empowering every school to achieve their desired state provides many learning opportunities for students and synergy in our schools.



World-Class Education

Achieving sustainable learning for the 21st century

- Students must be prepared to compete on a world stage for jobs that require a high level of creativity and innovation.
- Sustainable learning is essential and requires the most important information to be taught in a way that can be retained, that stretches across content areas, and that incorporates the tools our young people will be required to use in the workforce.
- Education is more personalized, and students develop a deep understanding of self, world, career, and their own pathway to success.



System Performance

Defining and measuring what matters most

- We will define what matters most to our stakeholders.
- Our development of a cutting-edge System Performance Framework will measure student, educator, school, leader, and District performance.
- Authentic measurements will lead to continuous improvement for our students and allow our stakeholders to remain informed.

blueprint for choice



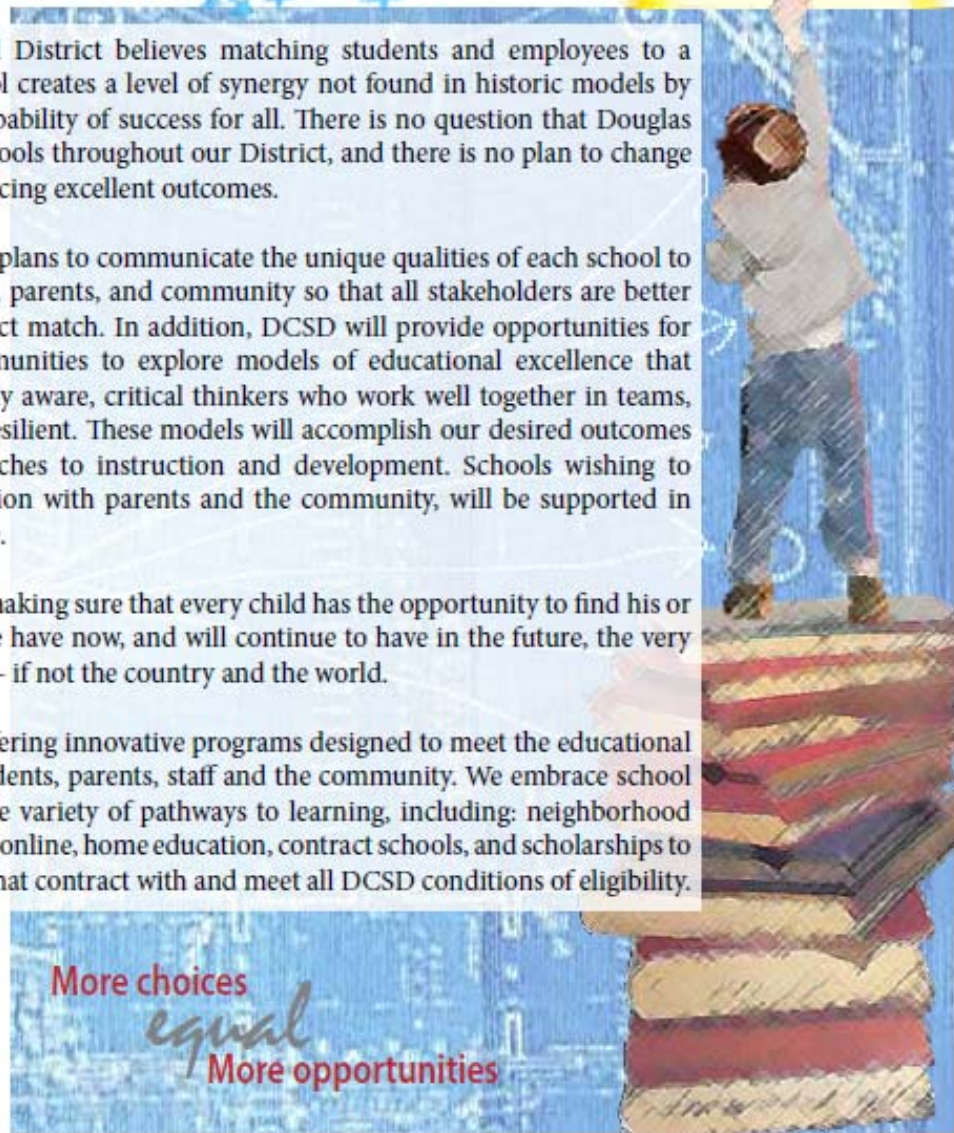
Choice is our commitment to provide each child the maximum opportunity for success.

Douglas County School District believes matching students and employees to a learning model or school creates a level of synergy not found in historic models by creating the highest probability of success for all. There is no question that Douglas County has amazing schools throughout our District, and there is no plan to change schools or models producing excellent outcomes.

Through Choice, DCSD plans to communicate the unique qualities of each school to our students, employees, parents, and community so that all stakeholders are better equipped to find a perfect match. In addition, DCSD will provide opportunities for schools and their communities to explore models of educational excellence that produce creative, globally aware, critical thinkers who work well together in teams, problem solve and are resilient. These models will accomplish our desired outcomes through various approaches to instruction and development. Schools wishing to transform, in collaboration with parents and the community, will be supported in doing so through Choice.

DCSD is committed to making sure that every child has the opportunity to find his or her niche. We believe we have now, and will continue to have in the future, the very best schools in the state – if not the country and the world.

DCSD prides itself in offering innovative programs designed to meet the educational needs and desires of students, parents, staff and the community. We embrace school choice by offering a wide variety of pathways to learning, including: neighborhood schools, magnet, charter, online, home education, contract schools, and scholarships to private partner schools that contract with and meet all DCSD conditions of eligibility.



world-class education



World-Class Education

achieves sustainable learning for
the 21st century.

Douglas County School District recognizes that the world has changed quickly, and DCSD is committed to providing each student with a World-Class Education. This means that our students will be able to compete against students across the nation and the world for the most sought-after careers.

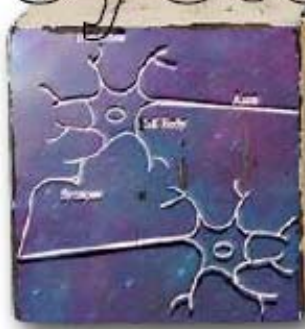
A World-Class Education Requires:

- Content be a vehicle for developing important skills
- The most important information is identified and taught deeply
- Teaching produces sustainable learning
- The most important content and skills are assessed authentically
- All learning activities are relevant and naturally integrative
- "Digital Native" students are engaged
- Through advocacy, students develop deep understanding of self, world, career, and their own personal pathway to success
- Intervention is personalized
- Technology is a tool – among many others
- Students learn from mistakes through restorative practices

DCSD graduates will successfully demonstrate all Colorado State Standards – Grade Level Expectations (GLE) and 21st century skills through World-Class Education. Students will have the opportunity to develop and receive feedback on 21st century skills, such as creativity, communication, global awareness, critical thinking, problem solving, resiliency, financial literacy, health/wellness, ethics, democracy, civic responsibility, systems thinking, and collaboration/teamwork.

DCSD is committed to producing sustainable learning by focusing its instruction and learning activities on analysis, synthesis, application, evaluation, and creation. Each DCSD school will determine their own processes for producing the above-mentioned World-Class Education expectations.

system performance



System Performance

empowers us to define and measure what matters most.

For too long in education we have relied on standardized assessments for information regarding our performance. As a result, we have acquiesced to measuring what is easy instead of measuring what is most important. This common practice has produced many unintended consequences in education throughout the world.

Douglas County School District is committed to authentically assessing that which matters most – even if what is most important is very difficult to measure. We are committed to doing this with regard to student performance, educator performance, leader performance, school performance, and District performance through our System Performance Framework.

DCSD, in collaboration with our employees, our schools and our community, will identify the most important outcomes for each of these groups. Next, DCSD will work with assessment partners to develop valid and reliable assessments that will authentically measure each important outcome. This data will inform our work as well as our compensation system, our accreditation processes, our parent communication and more.

We are committed to providing our students, parents, employees, and community with consistent information and reporting on how we are doing regarding the most important outcomes in our system through System Performance.

The cutting-edge System Performance Framework currently in development demonstrates our commitment to:

- Inform and engage the community
- Empower and support parents
- Retain and attract the highest-quality employees
- Ensure the highest level of student success

The framework will promote continuous improvement and innovation to ensure that what is being counted actually counts.

DISTRICT AND SCHOOL ACCREDITATION

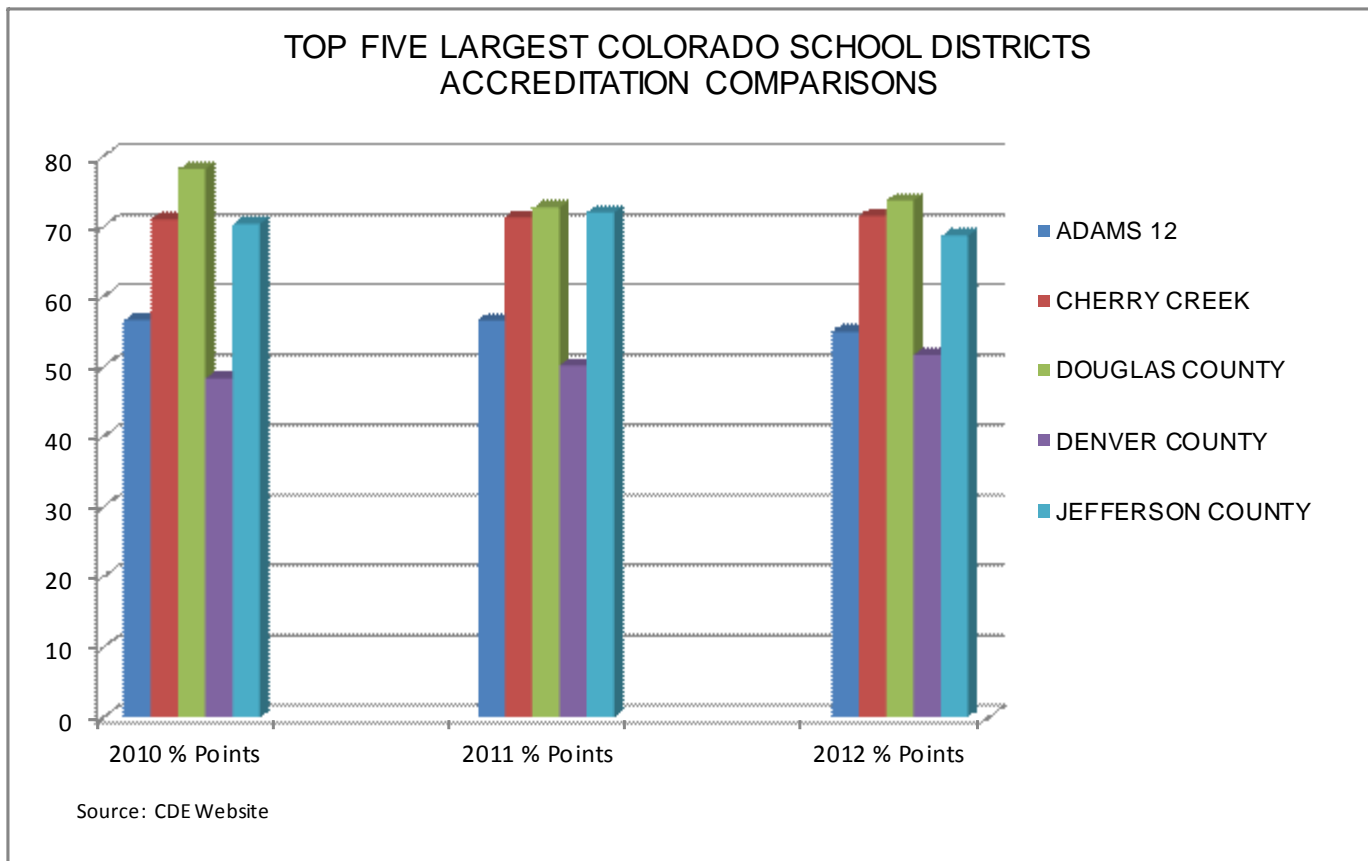
Background

The Education Accountability Act of 2009 (SB-163, section 22-11 208 and 22-11-210 C.R.S.) requires an annual review of district and school performance. All districts annually receive a District Performance Framework (DPF) report, which determines their accreditation rating. Schools receive an annual School Performance Framework (SPF) report, which determines their school plan types. For districts, the Colorado Department of Education (CDE) makes the final determination of the accreditation ratings. For schools, CDE makes a recommendation to the State Board, who makes the final determination for schools.

The purpose of doing this is threefold:

- For all districts and schools, it provides a basis for statewide comparison.
- It assists districts and schools that are underperforming and directs state support and intervention when appropriate.
- It also identifies the highest performing districts and schools so that others can learn from their practices and reward them.

Following is an analysis of Colorado's five largest school districts:



School Accreditation

In 2012, 19 DCSD schools have received the John Irwin Award. Meanwhile, 16 DCSD schools received the Governor’s Distinguished Improvement Award. Eight of those schools received both awards.

John Irwin Award

The 2012 John Irwin awards are awarded to schools that “exceed” expectations on the state’s three-year school performance framework’s indicator related to academic achievement and “meet or exceed” expectations on the indicator related to academic growth gaps. These schools demonstrate the highest levels of achievement not just for some students but also adequate performance across all student groups. For high schools, the schools also “meet or exceed” graduation expectations.

The following DCSD Schools received the 2012 John Irwin Award:

American Academy	Parker Core Knowledge Charter School
Bear Canyon Elementary School	Pine Grove Elementary School
Buffalo Ridge Elementary School	Platte River Charter Academy
North Star Academy	Rock Canyon High School
Heritage Elementary School	Rocky Heights Middle School
Highlands Ranch High School	Saddle Ranch Elementary School
DCS Montessori Charter School	Stone Mountain Elementary
Mountain Vista High School	Summit View Elementary School
Northridge Elementary School	Timber Trail Elementary School
Wildcat Mountain Elementary School	

Governor’s Distinguished Improvement Award

The 2012 Governor’s Distinguished Improvement awards are awarded to schools that “exceed” expectations on the 3-year school performance framework’s indicator related to academic growth and “meet or exceed” expectations on the indicator related to academic growth gaps. These schools demonstrate the highest levels of growth for not just some students but all student groups.

The following DCSD Schools received the 2012 Governor’s Distinguished Improvement Award:

American Academy	Northridge Elementary School
Bear Canyon Elementary School	Parker Core Knowledge Charter School
Academy Charter School	Redstone Elementary School
Acres Green Elementary School	Saddle Ranch Elementary School
Copper Mesa Elementary School	Soaring Hawk Elementary School
Eagle Ridge Elementary School	Stone Mountain Elementary
Flagstone Elementary School	Summit View Elementary School
Fox Creek Elementary School	Timber Trail Elementary School

2011-2012 DISTRICT PERFORMANCE RESULTS

Among the measures Douglas County School District uses to judge student achievement are the Transitional Colorado Assessment Program (TCAP) and the American College Testing Program (ACT).

State Testing

The Colorado Academic Standards were adopted on December 10, 2009. The revised standards include early school readiness and postsecondary competencies, as well as reflect both workforce readiness and 21st century skills. In order to measure those new content standards, Colorado is moving to implement a new assessment system. Phase I began in 2012 with the introduction of the Transitional Colorado Assessment Program (TCAP). In the coming years, the TCAP will be replaced with a new assessment system that is fully aligned with the Colorado Academic Standards.

Since the inception of the Colorado Student Assessment Program (CSAP) and TCAP, Douglas County students have performed well above the state average at every grade level and in every content area.

District Accountability

The Douglas County School District is committed to authentically assessing that which matters most—even if what is most important is difficult to measure. The District is committed to doing this with regard to student performance, educator performance, leader performance, school performance and District performance through its System Performance Network.

The District, in collaboration with our employees, schools and community, will identify the most important outcomes for each of these groups. Next, DCSD will work with assessment partners to develop valid and reliable assessments that will authentically measure each important outcome. This data will inform our work as well as our compensation system, our accreditation processes, our parent communication and more.

DCSD is committed to providing our students, parents, employees and community with consistent information and reporting on how we are doing regarding the most important outcomes in our system through System Performance.

ASSESSMENT DATA

Reading Performance Level Percentages						
	Spring 2010		Spring 2011		Spring 2012	
	DCSD	State	DCSD	State	DCSD	State
GRADE 3						
Unsatisfactory	6	11	5.4	9.2	4.6	8
Partially Proficient	12	18	11.5	17.5	12.1	17.7
Proficient	73	64	74.5	66.7	74.6	66.7
Advanced	8	6	8.2	6.1	8.3	7.2
GRADE 4						
Unsatisfactory	5	10	5.1	11.2	5.1	10.5
Partially Proficient	16	23	15.3	23.1	14.2	22.1
Proficient	74	62	72.4	60.7	74.2	62.6
Advanced	4	3	7	4.6	6.2	4.4
GRADE 5						
Unsatisfactory	5	11	5.3	11.8	5.1	11.5
Partially Proficient	12	18	13	18.7	10.5	18.3
Proficient	70	61	71.5	61.2	71.5	61.2
Advanced	13	9	9.9	7.8	12.6	8.2
GRADE 6						
Unsatisfactory	4	9	4	9.4	3.1	8.5
Partially Proficient	10	18	10.3	19.2	9.3	18
Proficient	67	59	69	59.9	69.9	61.6
Advanced	19	13	16.6	11.1	17.3	11.5
GRADE 7						
Unsatisfactory	5	11	5.8	11.7	4.9	11.4
Partially Proficient	13	20	14.4	20.6	13.2	19.8
Proficient	69	59	67.1	57.7	67.9	59.3
Advanced	13	9	12.1	9.4	13.4	8.9
GRADE 8						
Unsatisfactory	5	10	5.5	9.6	5.5	10.4
Partially Proficient	14	20	15.5	22.7	15.3	21.8
Proficient	70	59	67.9	57.9	67.7	58.9
Advanced	10	9	10.7	9.1	10.5	8.2
GRADE 9						
Unsatisfactory	4	7	3.1	6.8	3.1	6.6
Partially Proficient	16	23	17	26	15.1	24.5
Proficient	73	63	73.6	61.9	75.4	63.4
Advanced	6	4	4.8	3.6	4.5	3.9
GRADE 10						
Unsatisfactory	5	9	4.3	8.4	4	7.2
Partially Proficient	14	21	17	23.9	14.5	22.1
Proficient	65	57	66.3	57.5	68	60.5
Advanced	12	9	9.4	7.7	10.4	9

Writing Performance Level Percentages						
	Spring 2010		Spring 2011		Spring 2012	
	DCSD	State	DCSD	State	DCSD	State
GRADE 3						
Unsatisfactory	3	7	3	6	3.3	5.8
Partially Proficient	34	42	34	42	34.2	41.3
Proficient	50	42	52	43	52	45.2
Advanced	12	9	11	8	10.3	7.3
GRADE 4						
Unsatisfactory	4	8	3	6	3.8	7.5
Partially Proficient	31	41	25	38	31.6	42.8
Proficient	53	42	56	45	52.2	42.1
Advanced	12	9	16	11	12.1	7.2
GRADE 5						
Unsatisfactory	2	5	2	4	2.2	5.2
Partially Proficient	26	37	25	35	25.1	36
Proficient	58	48	58	50	55.8	47.6
Advanced	14	10	15	11	16.6	10.8
GRADE 6						
Unsatisfactory	2	5	2	4	2	5.2
Partially Proficient	25	37	20	34	25.4	38.2
Proficient	58	47	60	51	57.5	46.7
Advanced	15	10	18	11	14.7	9.4
GRADE 7						
Unsatisfactory	2	4	1	3	1.2	3
Partially Proficient	24	37	25	37	22.2	34.7
Proficient	57	45	56	47	54.3	47.7
Advanced	17	13	17	12	21.6	14.1
GRADE 8						
Unsatisfactory	1	3	2	3	1.9	3.1
Partially Proficient	30	40	29	42	29.9	41.4
Proficient	54	44	54	44	54.8	45
Advanced	14	11	15	11	12.5	9.8
GRADE 9						
Unsatisfactory	3	5	2	4	1.9	4.1
Partially Proficient	34	44	29	41	29.6	43.2
Proficient	51	42	55	44	57.1	44.3
Advanced	11	7	12	9	9.7	6.8
GRADE 10						
Unsatisfactory	5	9	3	6	3.4	5.9
Partially Proficient	30	41	35	45	33	43.4
Proficient	48	38	51	42	53.6	42.5
Advanced	13	9	8	5	6.9	5.8

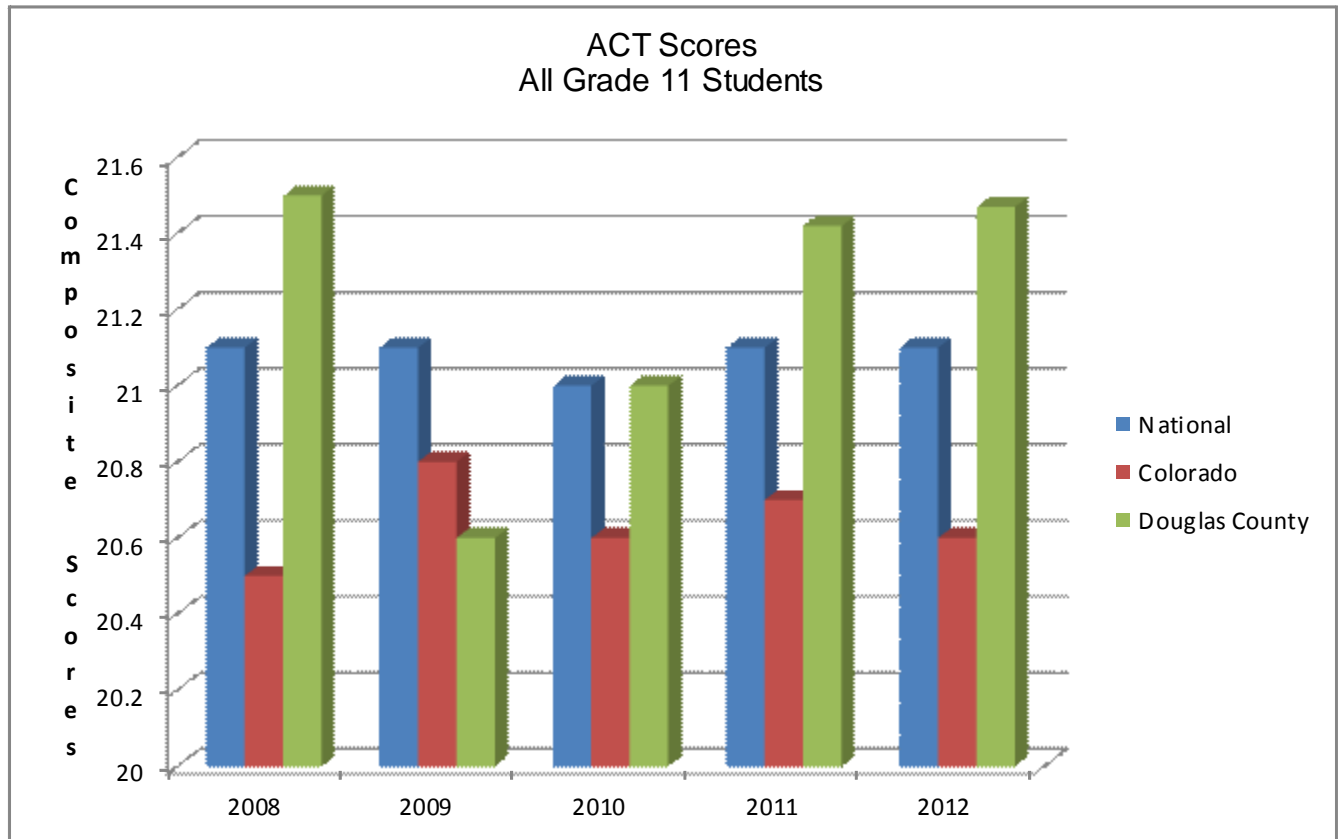
Math Performance Level Percentages						
	Spring 2010		Spring 2011		Spring 2012	
	DCSD	State	DCSD	State	DCSD	State
GRADE 3						
Unsatisfactory	4	8	4	8	4.1	7.9
Partially Proficient	13	21	14	22	13.9	20.9
Proficient	36	38	43	41	41.3	40.3
Advanced	47	33	39	28	40.5	30.7
GRADE 4						
Unsatisfactory	4	8	4	8	4.1	8.3
Partially Proficient	13	21	11	20	11.5	19.9
Proficient	40	41	43	43	40	41.4
Advanced	44	29	41	28	44.2	30.4
GRADE 5						
Unsatisfactory	4	9	4	10	4.7	9.7
Partially Proficient	15	25	15	24	16.3	25.5
Proficient	39	37	37	36	37	36.3
Advanced	42	28	43	30	41.7	28.2
GRADE 6						
Unsatisfactory	6	12	6	13	5.1	12.2
Partially Proficient	15	25	15	24	16.7	25.7
Proficient	38	37	36	36	38.2	36.8
Advanced	41	25	43	27	39.7	24.5
GRADE 7						
Unsatisfactory	9	18	8	15	6.9	14.6
Partially Proficient	24	33	22	32	22.2	31.8
Proficient	34	28	33	29	32	28.9
Advanced	34	21	37	24	38.3	24.2
GRADE 8						
Unsatisfactory	10	19	10	19	11.7	20.9
Partially Proficient	22	28	23	29	20.1	27
Proficient	34	28	35	29	31.7	27.2
Advanced	34	23	32	22	35.8	24.3
GRADE 9						
Unsatisfactory	18	29	20	31	18.7	30.7
Partially Proficient	30	30	29	30	28.6	30
Proficient	30	25	31	24	31	23.5
Advanced	21	14	19	14	20.2	13.9
GRADE 10						
Unsatisfactory	19	31	19	29	17.7	28
Partially Proficient	36	36	36	37	36.6	37.3
Proficient	33	25	33	26	33.9	26.5
Advanced	8	5	8	6	9	6.2

Science Performance Level Percentages						
	Spring 2010		Spring 2011		Spring 2012	
	DCSD	State	DCSD	State	DCSD	State
GRADE 5						
Unsatisfactory	5	13	7	16	6.6	14.5
Partially Proficient	34	39	33	37	30.8	36.7
Proficient	44	34	43	33	43.2	34.6
Advanced	16	13	16	13	19.2	13.9
GRADE 8						
Unsatisfactory	13	23	14	23	13.2	22.6
Partially Proficient	26	27	25	26	26.4	27.8
Proficient	52	41	52	41	51	41.5
Advanced	8	7	8	8	8.5	7.4
GRADE 10						
Unsatisfactory	17	28	18	29	15.2	26.3
Partially Proficient	20	22	20	21	21.4	22.2
Proficient	52	41	50	41	53.2	42.7
Advanced	7	6	8	7	7.7	6.7

ASSESSMENT DATA (Continued)

College Entrance Exams

The ACT or American College Testing assessment measures academic achievement in English, mathematics, reading and science reasoning abilities. During the 2000-2001 school year, the state of Colorado added the ACT to its testing program. All eleventh grade students in Colorado are required to take this test. Douglas County students regularly score above both the state and national average on the ACT. Test results released in 2012 show that the District continued to score above the state average.



The SAT or Scholastic Assessment test measures critical reading, mathematics and writing abilities. While it is the most widely taken standardized college entrance test in the United States, far fewer students in Colorado and Douglas County take this test. Overall, Douglas County students do score above the national average.

Summary

Results from all these tests validate when the District is doing well and point to where improvement is needed. This information, gathered over time, gives the District a good picture of how well our students are meeting state and District academic content standards.

4 YEARS OF ACTUAL AND A BUDGET STAFFING SUMMARY

Employee Group	Actual FTE 2008-09	Actual FTE 2009-10	Actual FTE 2010-11	Actual FTE 2011-12	% of Total 2011-12	Budget FTE 2012-13	% of Total 2012-13
100 - Administrative Staff	221.90	209.54	185.66	171.70	3.36%	192.85	3.75%
200 - Certified Staff	3,428.77	3,337.61	3,166.73	3,095.69	60.59%	3,021.58	58.72%
300 - Professional/Technical Staff	105.05	96.56	88.69	92.43	1.81%	109.29	2.12%
400 - Clerical Staff	889.95	860.54	772.58	777.98	15.23%	795.56	15.46%
500 - School Office/Instructional Support	445.74	427.78	389.95	366.40	7.17%	376.65	7.32%
600 - Support Services	751.14	749.44	643.57	604.97	11.84%	649.92	12.63%
	5,842.55	5,681.47	5,247.18	5,109.17	100.00%	5,145.85	100.00%

100 - Administrator - An administrator is an individual who performs managerial activities, and is responsible for developing or interpreting policies or regulations and executing those policies or regulations through the direction of individuals at all levels, and may supervise other employees.

200 - Certified Professional - Performs duties requiring a high degree of knowledge and skills acquired through at least a baccalaureate degree including skills in the field of education or education psychology.

300 - Professional/Technical - Performs assignments requiring a high degree of knowledge and skills usually acquired through at least a baccalaureate degree but not requiring skills in the field of education.

400 - Paraprofessionals - Performs activities supporting professional individuals/functions of an organization.

500 - Office/Administrative Support - Performs the activities of preparing, transferring, transcribing, systematizing, or preserving communications, records, and transactions.

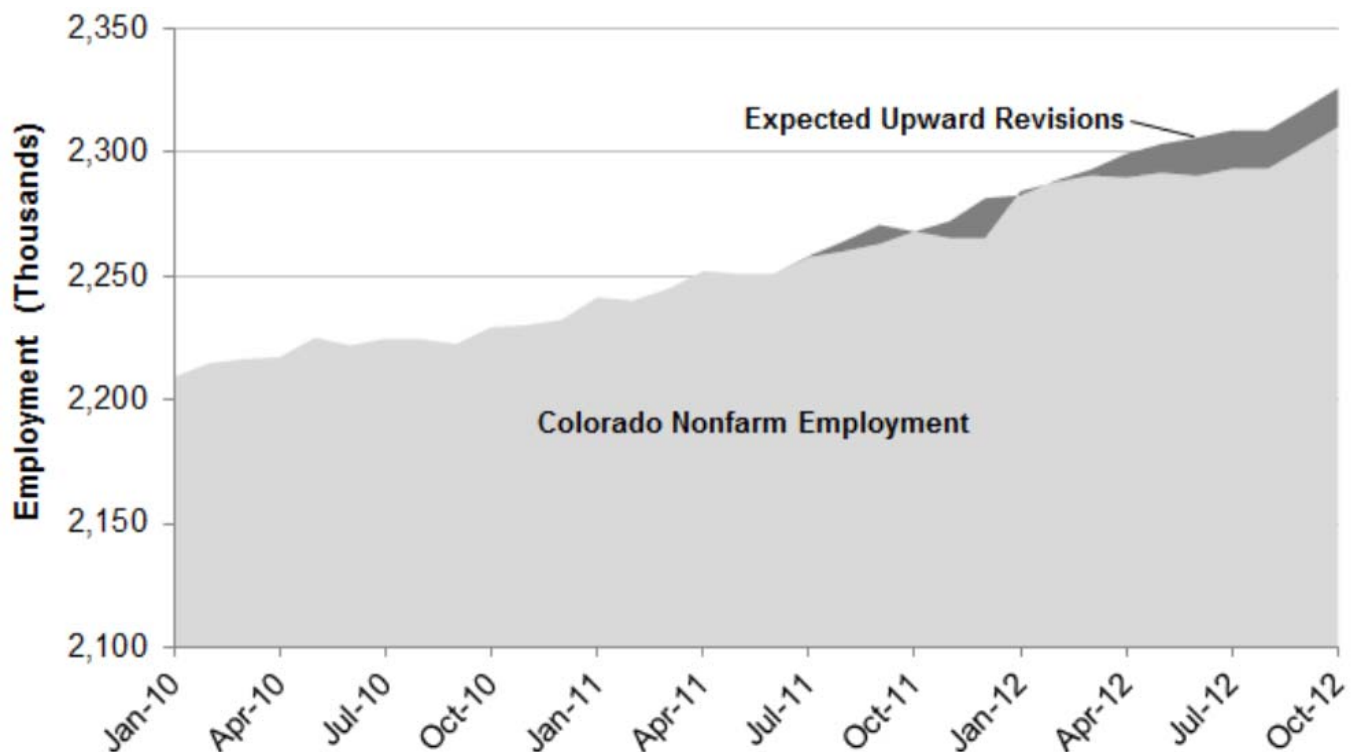
600 - Crafts, Trades, and Services - Performs tasks that require skill levels which can be acquired through on-the-job training and experience or through apprenticeship or other formal training programs.

COLORADO ECONOMIC CONDITIONS

Excepts from: The Colorado Outlook – December 2012; Colorado Governor’s Office of State Planning and Budgeting (OSPB)

Colorado’s economy outperformed the national economy with steady gains in 2012 and appears ready to expand at an even healthier pace in 2013. Nonfarm employment continues to post steady gains, personal income and wage and salaries are slowly growing, Colorado’s housing market is one of the most vibrant in the nation, and consumers are spending more money as their confidence in the economy grows. However, uncertainty from a weak international economy and unresolved federal fiscal policies continue to prevent a stronger recovery. Although consumers thus far appear undeterred by these uncertainties, businesses have begun to scale back on their investments, manufacturing activity has slowed, and a weak international economy is putting downward pressure on investment growth in U.S. markets.

Nonfarm Employment Statistics are Expected To Be Revised Upward
Seasonally Adjusted



Source: Published data is from the U.S. Bureau of Labor Statistics, Current Employment Statistics (establishment survey). Expected revisions are from a Legislative Council Staff analysis of anticipated revisions to employment based on Quarterly Census of Employment and Wages data from the U.S. Bureau of Labor Statistics.

This forecast was prepared assuming there will be a federal deficit reduction deal reached sometime in the first quarter of 2013 and that the U.S. debt ceiling will be raised. As long as Congress and the President continue to deliberate about these policies, the economy in Colorado and the nation will grow at rates slower than potential. Colorado's economy is expected to continue to grow through the first half of 2013, but at significantly slower rates as households and businesses react to the combined impact of tighter fiscal policy and increased economic uncertainty. Assuming Congress restores certainty to federal fiscal policies during the first quarter of 2013, Colorado's economy is expected to gain speed in the second half of the year at rates that outperform the national economy.

Both urban and rural areas of the state are growing. Colorado has one of the most resilient agricultural industries in the nation, and Colorado's farmers have weathered the drought better than those in many other parts of the nation. In addition, oil and natural gas production continues to bring economic vitality and growth to the economy in the northern part of the state.

Colorado Labor Markets Gaining Steadily

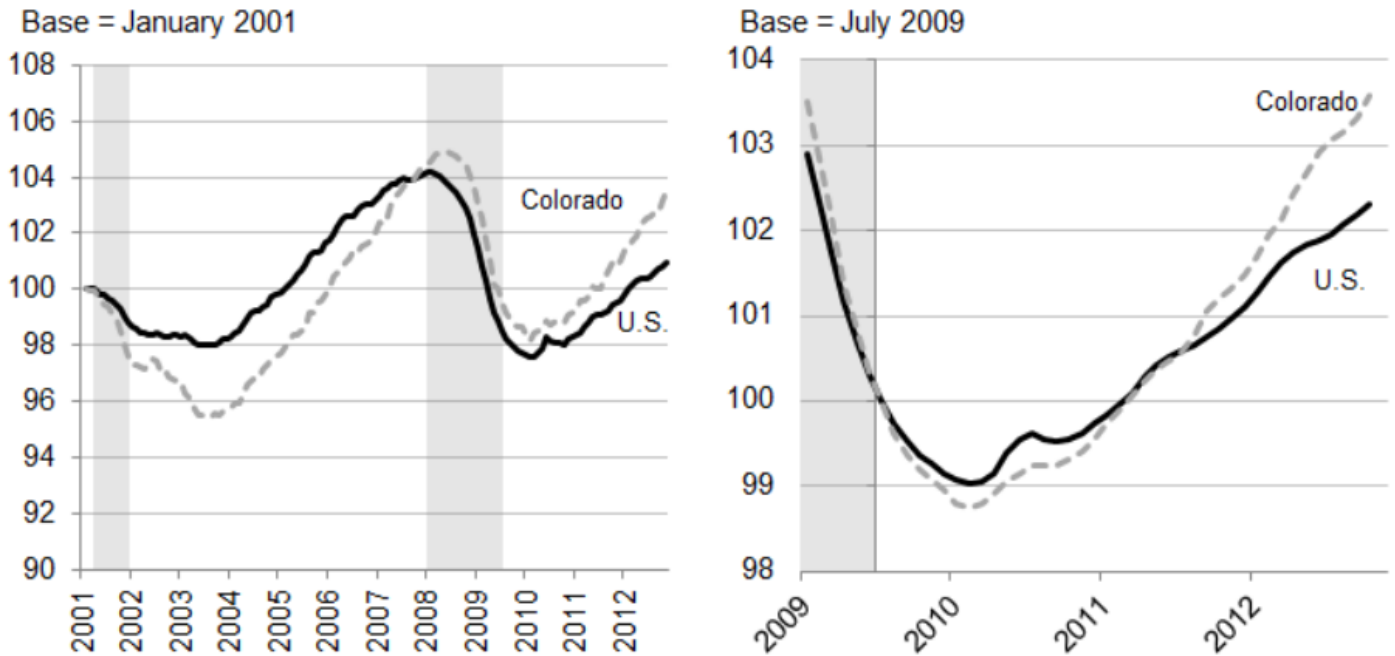
The Colorado labor market added jobs at a moderate pace through October 2012, outpacing employment gains nationwide. After incorporating revisions expected by Legislative Council Staff, the state added an average of 4,400 jobs per month during the first ten months of 2012, representing a growth rate of 2.2 percent compared with the same time period in 2011. The state continues to attract small business; according to the Kauffman Index of Entrepreneurial Activity, Colorado has the fifth-highest rate of entrepreneurial activity in the United States during 2011, with 450 new business owners per 100,000 adults.

Even with consistent growth, Colorado employment has not returned to pre-recessionary levels. Colorado lost 151,600 jobs between April 2008 and January 2010, the bottom of the business cycle for employment. Through October, published statistics show that Colorado has gained 100,900 jobs since the trough, of which 42,100 jobs were gained during the twelve months preceding October 2012.

Each spring the U.S. Bureau of Labor Statistics revises its employment data to reflect new information gleaned from unemployment insurance premium forms. In Spring 2012, they used unemployment insurance data through the second quarter of 2011 to revise their estimates of Colorado employment significantly upward for 2010 and 2011. Prior to this revision, the published growth rate for 2011 was 0.8 percent. The revision increased 2011 growth in Colorado employment to 1.5 percent. This would bring job growth to 116,600 jobs since the trough in January 2010 and 57,900 jobs during the twelve months preceding October 2012. The revisions anticipated by Legislative Council Staff reveal an entirely different growth path for the Colorado economy over the last two years than that revealed by the published data. Instead of an economy characterized by extended periods of stagnation interrupted by inexplicable spurts of activity (as indicated by the published data), the revised data reveal a much healthier and steadily expanding economy.

Since 2001, Colorado's labor market has been more volatile than the nation as a whole, falling faster during recessions and growing faster during recoveries. The chart on the left shows that Colorado lost relatively more jobs than the nation following the 2001 recession, then gained jobs faster between 2004 and 2008. The chart on the right, which focuses on the most recent recovery, shows that Colorado is again gaining jobs at a faster rate than the nation. This assumes upward revisions in Colorado employment expected by Legislative Council Staff.

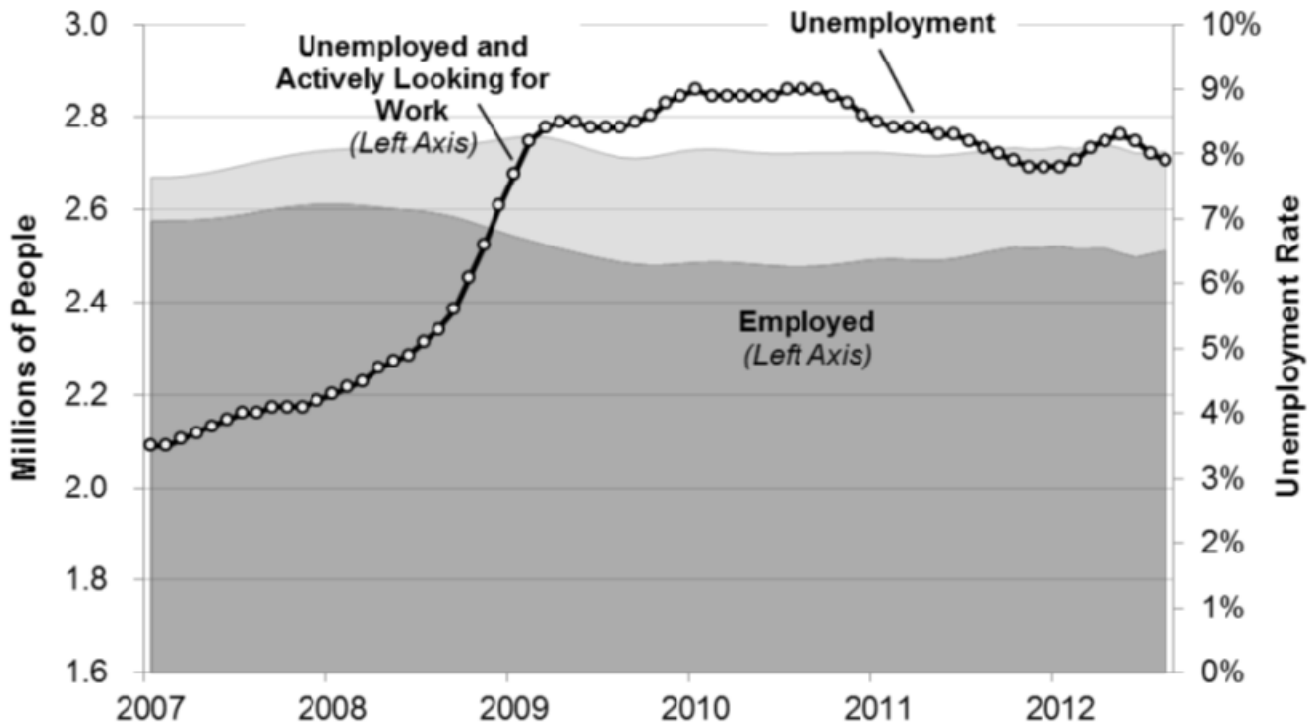
Nonfarm Employment Growth Colorado vs. the Nation



Source: Bureau of Labor Statistics, Current Employment Statistics (establishment survey). Seasonally adjusted, data through October 2012. Colorado data incorporates upward revisions expected by Legislative Council Staff.

The unemployment rate was 7.9 percent in October, down only slightly from a rate of 8.1 percent in October 2011. While nonfarm job statistics have indicated steady job growth through October 2012, the household survey, used to calculate the unemployment rate, shows that the number of persons employed and unemployed is about the same as it was at the close of 2011. Farm employment may explain some of the divergence. Farm employment has likely fallen in 2012, and farm employment is included in the household survey but not in the establishment survey.

Colorado Unemployment Rate and Labor Force

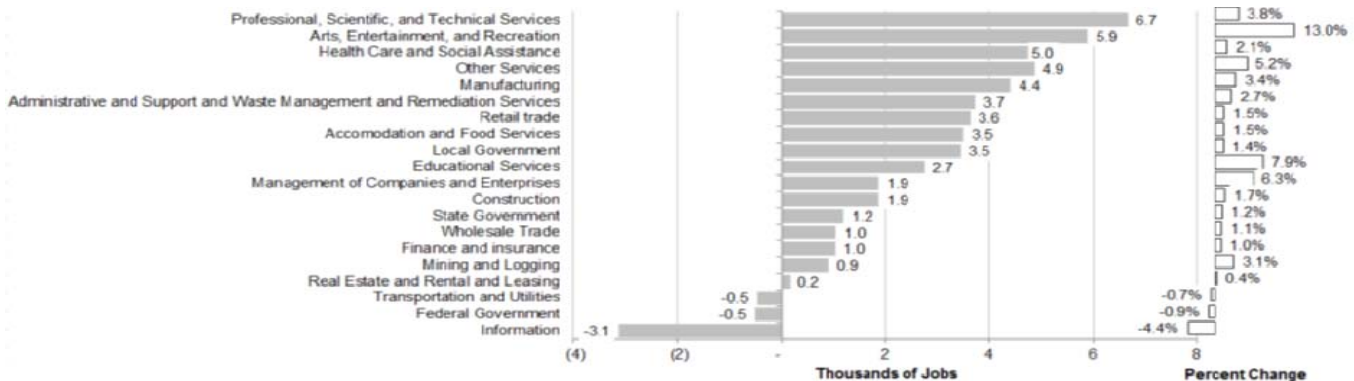


Source: Bureau of Labor Statistics, Local area Unemployment Statistics (household survey). Seasonally adjusted, data through October 2012.

Most sectors in the labor market showed employment growth through October 2012. The chart below shows the number of jobs added and the percentage change by sector since December 2011 on a seasonally adjusted basis. Industries adding the most jobs included the professional, scientific, and technical services sector, with 6,700 new jobs, and the arts, entertainment, and recreation sector, with 5,900 new jobs. The educational services sector employment increased 7.9 percent, while employment in the management of companies and enterprises sector grew 6.3 percent.

Nonfarm Employment Growth by Industry

Change in Number of Jobs between December 2011 and October 2012



Source: Rebenchmarked data based on Legislative Council Staff Analysis.

Despite the housing market's turnaround, the real estate and rental leasing sector has not added significantly to its job base, but will likely begin to expand in 2013 as the housing market gains strength. The information sector, made up of telecommunications companies, book, newspaper, and software publishers, data processing and related services, lost over 3,000 jobs over the last 10 months.

Colorado's labor market grew at a moderate rate and saw steady improvement through October 2012. Economic uncertainty resulting from the fiscal cliff and the European debt crisis is expected to slow labor market conditions in the first half of 2013. Job growth should gain momentum in the second half of 2013, assuming some resolution in federal fiscal policies and continued, through nervous, market confidence in European efforts to resolve their crisis.

- Colorado's labor market is expected to continue to improve, with nonfarm employment growing 1.8 percent in 2012 and 1.0 percent in 2013. Employment growth will gain momentum in 2014, increasing 1.6 percent.
- The unemployment rate will remain high, averaging 7.9 percent in 2012 and 7.8 percent in 2013 before falling to 7.2 percent in 2014.

Personal Income and Wages Growing Slowly

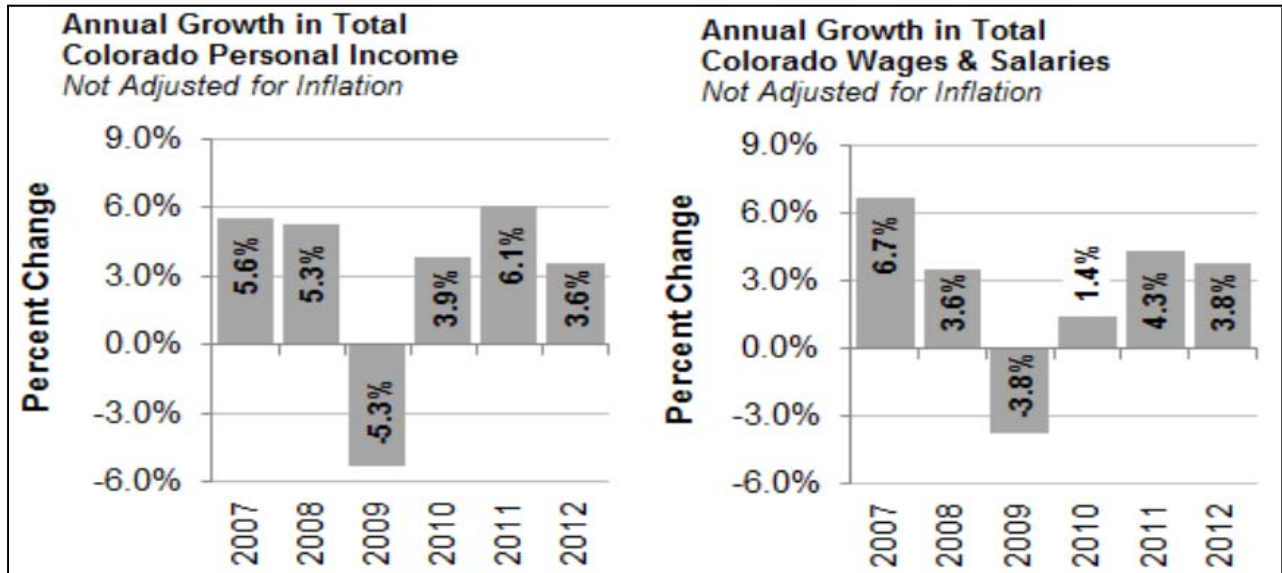
Colorado personal income grew at an annual average growth rate of 3.6 percent through the third quarter of 2012 compared with the same period in 2011, after increasing 6.1 percent in 2011. Most components of personal income continued to grow in 2012, but at slower rates than in 2011. Wages and salaries increased 3.8 percent through the third quarter of 2012, after increasing 4.3 percent in 2012. Dividends, interest, and rent grew at a rate of 4.9 percent thus far in 2012, down from a rate of 8.6 percent in 2011. Business income (also known as nonfarm proprietor's income) also lost momentum, growing only 1.8 percent through the third quarter after increasing 5.1 percent in 2011. Farm income fell 3.4 percent through the third quarter of 2012 after increasing 30.8 percent in 2011, and will likely lose additional momentum in late 2012 and into 2013 and the effects of the drought begin to be realized at the retail level.

- Personal income will increase 3.6 percent in 2012 and 2.7 percent in 2013. While transfer payments are expected to remain high, they will not grow as quickly as they have during the last few years. In addition, business and farm income will increase at slower rates.
- Income from wages and salaries is the largest component of personal income. In the past two years, personal income grew faster than wages and salaries because of growth in transfer payments and more volatile income sources such as business and farm income. Wage and salary income will slowly increase along with the economy at rates of 3.6 percent in 2012 and 2.8 percent in 2013.

Consumer Spending Remains Strong

Retail sales remained strong thus far in 2012, increasing 6.3 percent year-to-date through August compared with the same period in 2011. The Conference Board's Consumer Confidence Index increased to its highest level in November since early 2008, the beginning of the recession. In Colorado, consumer confidence has been buoyed by steady gains in employment and improvements in the housing market.

Growth in Colorado Income

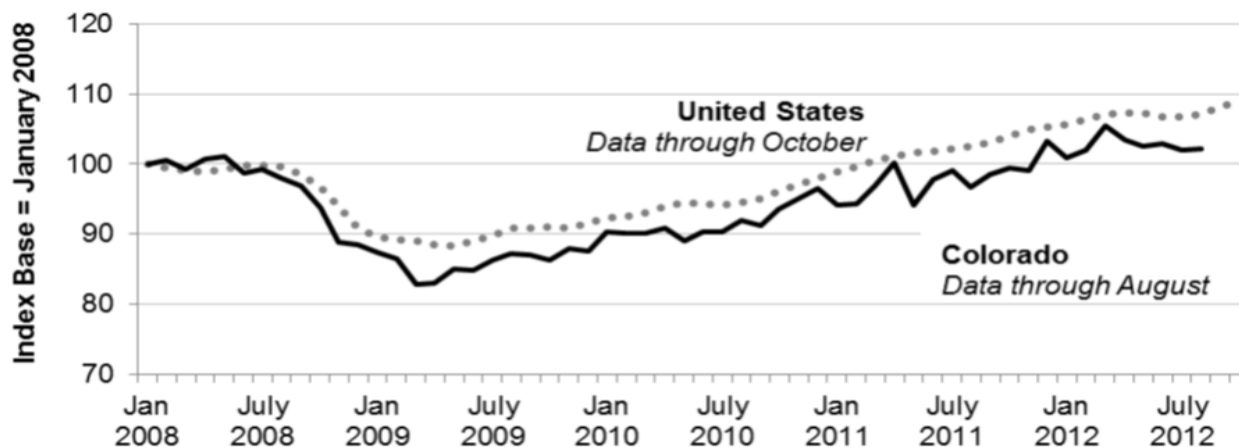


The next chart indexes changes in retail trade spending in Colorado and the nation since January 2008. Consumer spending in Colorado and the nation trended downward somewhat during the summer of 2012. However, growth in spending nationwide and Colorado sales tax revenue in the fall point to stronger growth in consumer spending in Colorado through the rest of 2012.

Consumers have more discretionary income; gas prices have fallen, and gains in the stock and housing markets have made consumers and businesses more confident. Figure 21 shows growth in sales by retail sector through August 2012 compared with the first eight months of 2011. Retail sales on all items except energy increased 9.2 percent over this time period, indicating that consumers and businesses are using the savings from lower gasoline prices to purchase other goods. Gains in the housing market have helped drive furniture and home furnishing sales, which increased 13.8 percent over this time period.

Retail Trade in Colorado and the Nation

3-Month Moving Average Indexed to January 2008 Levels



Source: U.S. Census Bureau, Colorado Department of Revenue

Capital gains from the stock market may also be resulting in the purchase of large ticket items such as cars and trucks; sales for motor vehicles and auto parts advanced 11.7 percent year-to-date through August. In addition, many households have shed debt. According to Federal Reserve flow of funds data, the nation's households shed or refinanced at lower rates more than \$1 trillion of debt since the beginning of the recession. Total household debt as a percent of U.S. GDP fell from 76 percent in the first quarter of 2009 to 60 percent of GDP in the third quarter of 2012, a level last seen in 2003. Households' total debt service obligations as a percent of income has fallen nearly 20 percent during this time period, from 13.3 percent in the first quarter of 2009 to 10.7 percent in the second quarter of 2012. Although the debt that remains will continue to restrain spending and investment, the significant decrease in debt has increased discretionary income, contributing to strong growth in retail sales.

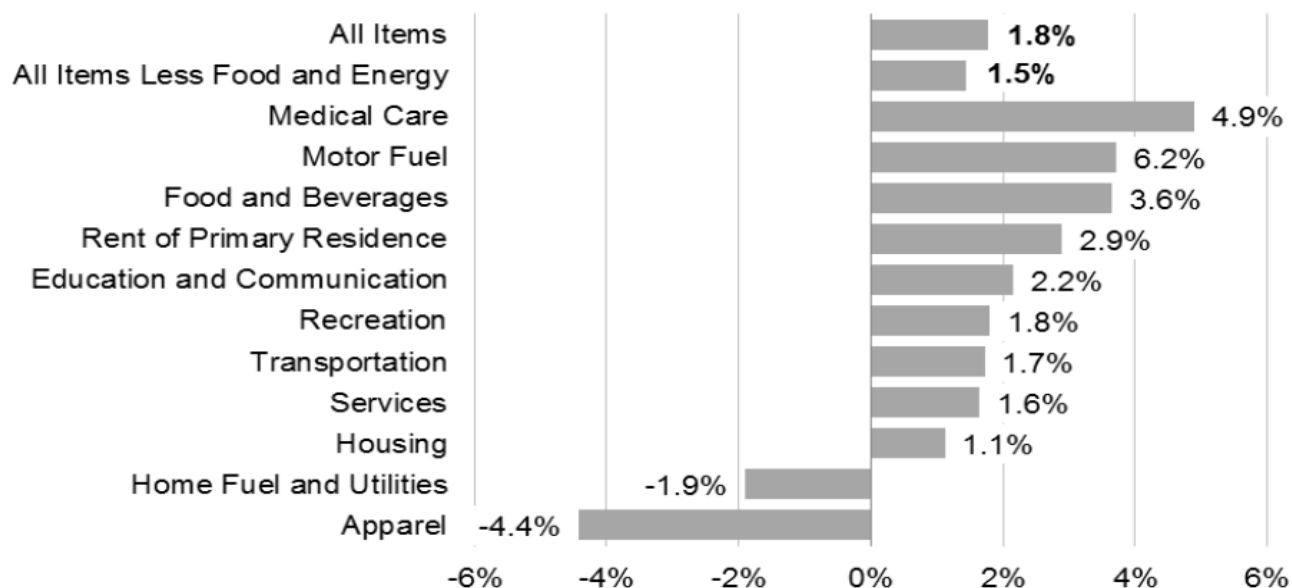
- Consumers seem undeterred by uncertainty about the European economy and federal fiscal policies. However, growth in spending is expected to slow somewhat through the first few months of 2013. Retail trade will increase 5.2 percent in 2012 and 4.1 percent in 2013.

Prices Are Steady In Colorado

The falling price of fuel in the first half of 2012 has eased up on inflationary pressures in Colorado. Prices for goods and services increased 1.8 percent in the first half of 2012 compared with the first half of 2011. The price of medical care increased the fastest, at 4.9 percent. Meanwhile, home fuel and utilities fell 1.9 percent, while apparel prices dropped the fastest, at 4.4 percent. The price of housing increased only modestly at 1.1 percent.

- Prices in Colorado will rise 1.7 percent in 2012 and 2.1 percent in 2013. Although price pressure is expected from higher food prices and a strong rental market, which will put upward pressure on the housing component of the consumer price index, lower energy prices and continued slack in the labor and consumer markets will keep inflation low overall.

Components of Inflation for Boulder-Denver-Greeley CPI
Change Between First Half 2012 over First Half 2011



Source: Bureau of Labor Statistics.

Colorado's Housing Market Is Contributing to the State's Recovery

Colorado's housing market began an earnest recovery in early 2012 after years of suppressed housing activity. The industry is faring better in the metro-Denver and Front Range cities than most metropolitan areas in the nation and is spilling over to other areas of the economy. For example, part of the recent rise in nonfarm employment growth in Colorado is being attributed to the vibrant housing market, adding jobs to the construction and finance sectors.

Housing prices have posted gains in the Denver metropolitan region for the past 12 months, buoyed by low inventory levels, affordable housing prices, and low interest rates. Low inventory levels are driving higher prices and increasing homeowner confidence. Despite the gains, home sales in Colorado and other states are still being dampened by tight lending restrictions and stringent credit requirements, making it difficult for some potential homebuyers to purchase homes. Given the low inventory levels, the number of permits granted for residential construction rose considerably in 2012 over prior years, although they remain at historically low levels. The homebuilding industry is beginning to gain more confidence in the real estate market and builders are pulling more permits. This activity is contributing to some economic growth in the state, especially in northern Colorado and the Front Range.

According to the Case-Shiller Home Price Index, Denver home prices increased for the eleventh-consecutive month in September, advancing 6.7 percent over September 2011 levels. The 20-city composite index increased 3.0 percent during the same time period. As shown in Figure 23, Denver home prices were 5.6 percent below the peak value in the index in March 2006.

Meanwhile, the 20-city composite index was 30.7 percent below its peak value in April 2006. Therefore, price increases in the Denver area are more likely to be building equity into homes than in many other cities nationwide. The price stability is contributing to Colorado's economic recovery; as homeowners feel more confident about their financial position they are more likely to make large purchases and or investments.

Interest rates are at historically low levels, helping the housing market nationwide. According to data from Freddie Mac, 30-year fixed-rate conventional mortgage financing fell to a record-low in November of 3.34 percent from the 4.0 percent range a year ago. In September, the Federal Reserve started buying mortgage bonds to encourage more borrowing and spending, and ultimately to keep interest rates on home loans at low rates.

Summary

Colorado's economic recovery is gaining strength and outperforming the national economy. Nonfarm employment is showing consistent growth; personal income and wages show slow, steady growth, consumer spending is strong, and the housing market is recovering. During the first half of 2013, the economy will grow more slowly amidst uncertainties associated with federal fiscal policy. In the second half of 2013, businesses will hire more workers and invest more in new business startups, assuming federal budget issues have been resolved. The housing and residential construction markets will continue to fuel economic growth, particularly in Denver and the northern urban corridor. Despite high agricultural crop prices, farm income will decrease as a result of lower production related to the drought. Oil and gas production in the northern part of the state is expected to continue to expand.

Douglas County Demographic Summary 2012

Source: Douglas County Community Planning and Sustainable Development Department, March, 2012.

Population

The Douglas County population estimate for January 1, 2012 is 291,083 persons, a 0.9% increase from the previous year's estimate of 288,430. Between 2000 and 2010, the population of Douglas County increased 62.4%, which made Douglas County the fastest growing county in Colorado, and the 16th fastest growing county in the nation. The population age 65 and over increased 177.8% during the same time. Seniors now make up 7.1% of the population, compared to 4.2% in 2000. By the year 2030, seniors are expected to be 20% of the total county population.

Permit Trends

Permits issued for new housing in all of Douglas County increased 38% compared to 2010, with 1,317 permits issued in 2011. Building began on 232 apartment units in the Primary Urban Area, which account for 18% of the total residential permits issued in 2011. In addition, six skilled nursing facilities or senior living facilities began construction in 2011, with two in Castle Rock, two in Parker, and two in the Primary Urban Area.

Residential Development

Douglas County added 985 new housing units in 2011, which was a 0.9% increase in the County's housing stock. The County's total housing stock as of January 1, 2012, is 108,193 units. Single family detached houses account for 78% of that total. The incorporated cities and towns in Douglas County contain 40% of the total housing stock. Ninety percent of all housing units are located in the urban-designated areas of the County, which includes the cities and towns, the Primary Urban Area which contains Highlands Ranch, and the Separated Urban Areas of The Pinery, Roxborough, and Castle Pines Village.

Residential Sales

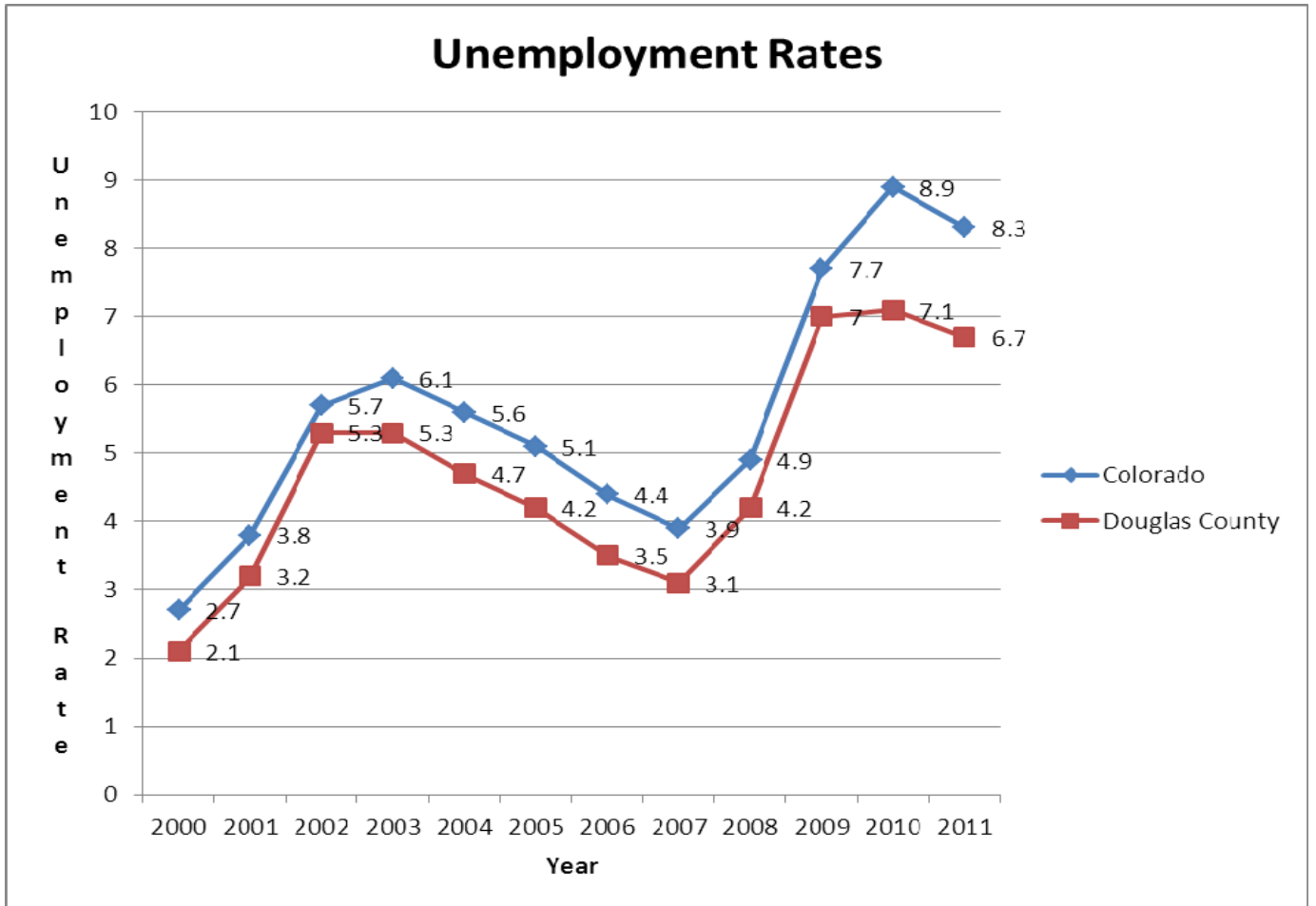
The median price of all homes sold in Douglas County in 2011 was \$292,330, and the average was \$338,385. This includes all newly built and existing single-family houses, townhouses, and condominiums sold in 2011. The number of sales increased 4.4% compared to 2010, marking the first increase in sales volume since 2005. The total number of foreclosure filings initiated in 2011 was 1,781, which is a 26% decrease from 2010.

Annual Income

The 2010 average annual wage for jobs located in Douglas County was \$51,970, which was a 1.9% increase from the previous year. According to the 2010 American Community Survey, the median household income in Douglas County was \$94,909, which ranks 6th in the nation for highest median household income among counties with populations of 65,000 or more. Douglas County consistently has one of the lowest poverty rates in the nation, with only 3.3% of people with incomes below the poverty level in 2010.

Annual Employment

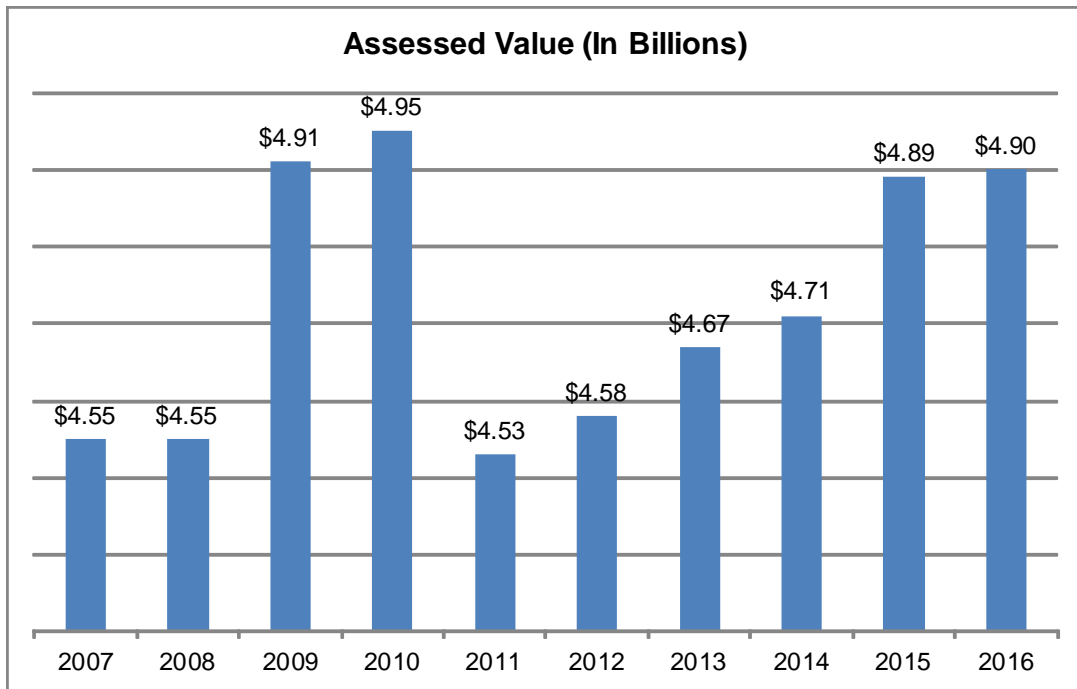
The number of jobs located in Douglas County decreased 0.3% from 2009 to 2010, bringing the average annual total to 89,824 jobs. The retail trade industry continues to be the County's largest employer in 2010 with 16.5% of jobs, followed by government (12.4%), accommodation and food services (11.0%), and professional and technical services (9.4%). The number of jobs in the healthcare and social assistance industry continues to increase despite the slowdown in other industries.



Source: National Bureau of Economic Research; Bureau of Labor Statistics

Assessed Valuation

In Colorado, all property are revalued every odd number year—this is called a reappraisal. When a property is reappraised by the Assessor’s office, they estimate the market value as of the appraisal date, which is set by statute as June 30th of the preceding year. The appraisal date for the 2011 Reappraisal is June 30, 2010. In even number years property values stay the same unless a change has occurred to the property. Colorado law requires that residential property be valued using sales from a specific time frame. This time frame, known as the “study period”, is a minimum of eighteen months, and may extend up to five years prior to the appraisal date. The Assessor’s Office many not include any transactions that occurred after the appraisal date in their analysis.



Source: 2011 RBC Capital Markets, Denver, CO

Enrollment Forecasts – District K-12 Five-Year Projections

Although the recession ended in June 2009 (*National Bureau of Economic Research; Bureau of Labor Statistics*) and the economy is beginning to show modest improvement, the District continues to take a conservative approach in projecting student enrollment through the 2016-2017 school year. Factors impacting the enrollment forecasts for this planning period include:

- Slow recovery in building activity since 2009
- Addition of grade levels, facility expansions and Board of Education approval of increased class sizes at several charter schools
- Growing gap between the number of incoming kindergartners and graduating 12th graders
- Majority of the District’s growth for this planning period is increased charter school enrollment

District K-12 Enrollment Summary of All Planning Areas

	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Elementary	31,658	31,869	31,866	31,847	31,500	31,358
Middle	10,416	11,072	11,618	11,828	12,045	12,092
High	16,091	16,903	17,677	18,621	19,777	20,580
Grand Total	58,165	59,844	61,161	62,296	63,322	64,030
Growth		1,679	1,317	1,135	1,026	708
Five Year Average Increase	1,173					

Projection numbers do not include preschool

Source: Douglas County School District Master Capital Plan 2012-2013

Capacity Indications

Based on existing school capacities, five-year projections for the District, as well as new development in the Planning Areas, the Planning and Construction Department continues to monitor specific growth areas along the southern tier of the North Planning Area, and growth areas in the East (Legend Feeder Area) and West (Castle View Feeder Area). To address expected growth over the next five years, several feeder areas will need to incorporate school capacity alternatives such as adopt a year-round calendar, addition of mobile classrooms or build schools and/or facilities in the following areas:

Growth:

- One new elementary school in the East Planning Area (Legend High School Feeder)
- One new elementary school in the West Planning Area (Castle View High School Feeder)
- An addition to Castle View High School

Program Needs:

- One new Early Childhood Center in the North Planning Area (Highlands Ranch)
- One new Early Childhood Center in the East Planning Area (Parker)
- An addition to the Early Childhood Center in the West Planning Area (Castle Rock)

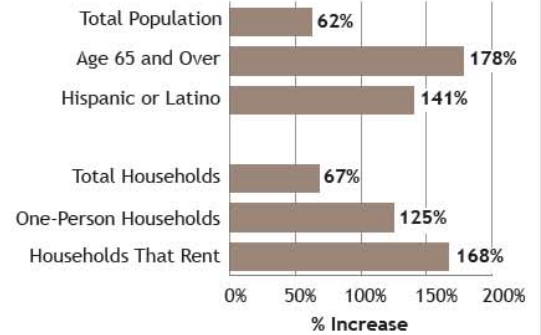
Douglas County 2010 Census Profile

A decade of change

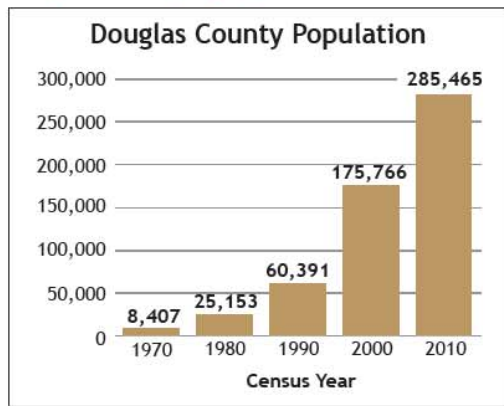
The 2010 Census was conducted in April 2010. The questionnaire had 10 questions asking the number of people living at an address, their relationship to each other, their sex, age, race and whether they own or rent the place where they live. Results were released in Spring 2011.

The population of Douglas County from the 2010 Census is 285,465. The population increased 62% since the 2000 Census, which made Douglas County the fastest growing county in Colorado and the 16th fastest growing county in the nation.

Summary of Changes 2000 to 2010

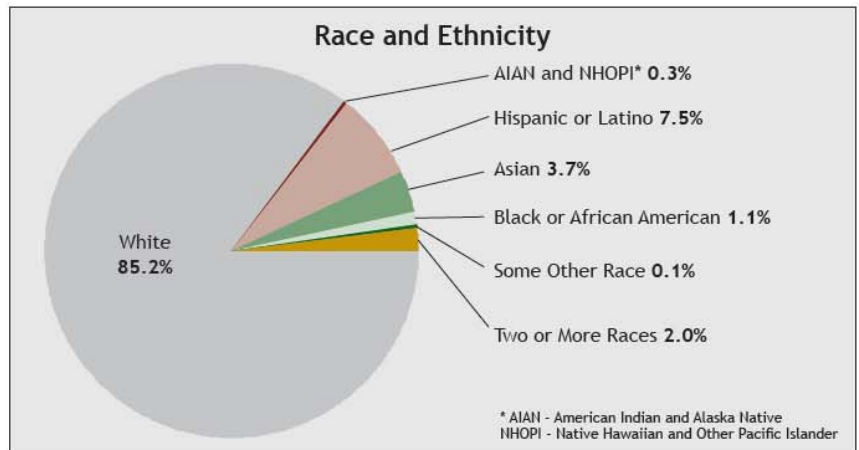


Population, Age, Race and Ethnicity

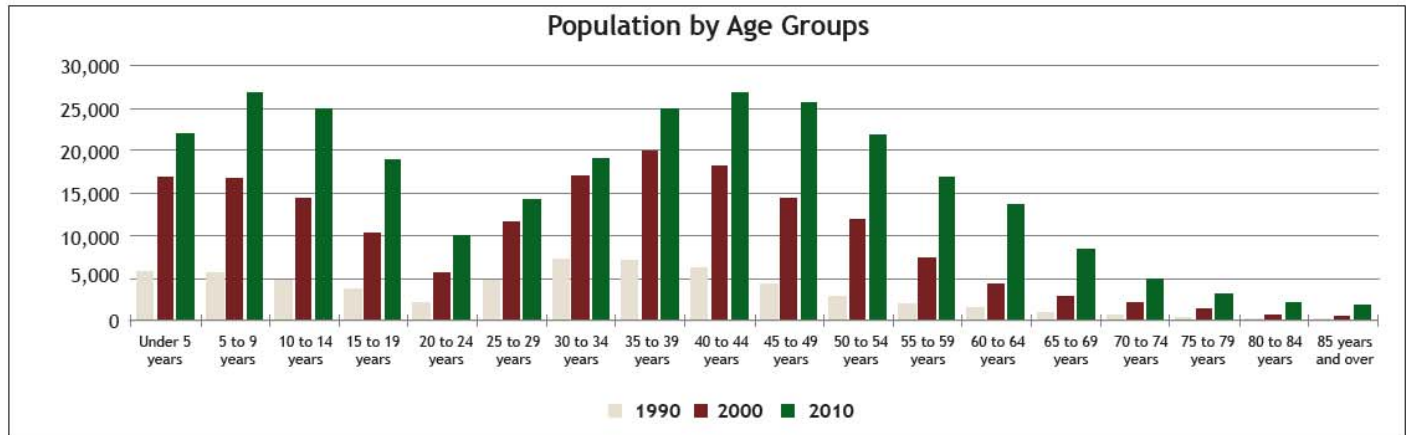


	2000 Census	2010 Census	% Change
Population	175,766	285,465	62.4%
Population under 18 years	55,477	87,012	56.8%
Population age 65 and over	7,322	20,343	177.8%

Median age in years	2000	2010
	33.7	36.6



Population by Age Groups



Households

Housing Units	2000 Census	2010 Census	% Change
Total housing units	63,333	106,859	68.7%
Occupied housing units	60,924	102,018	67.5%
Vacancy housing units	2,409	4,841	101.0%
Vacancy rate	3.8%	4.5%	
Renter occupied	7,392	19,788	167.7%
Owner occupied	53,532	82,230	53.6%
% Renter occupied	12.1%	19.4%	
% Owner occupied	87.9%	80.6%	
Average household size	2.88	2.79	
Owner occupied	2.95	2.90	
Renter occupied	2.33	2.34	

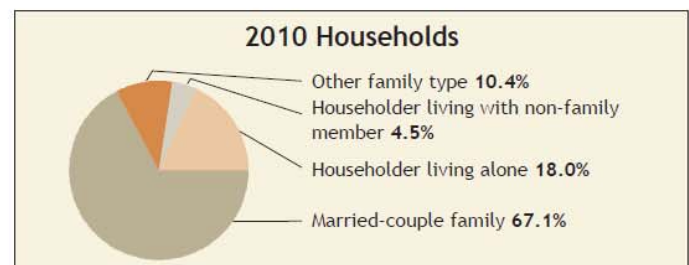
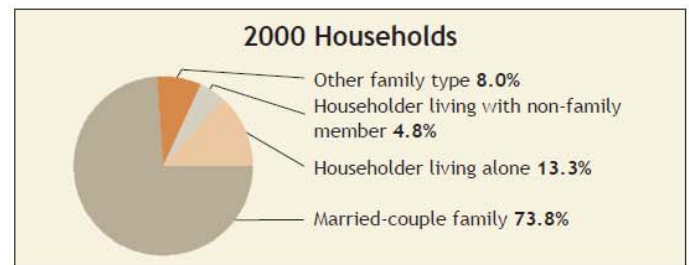
Households by Type	2000 Census	2010 Census	% Change
Total households	60,924	102,018	67.5%
Married-couple family	44,951	68,449	52.3%
Married couples with own children under 18 years	25,328	36,855	45.5%
Other family	4,899	10,659	117.6%
Single-parents with own children under 18 years	3,425	7,113	107.7%
Householder living alone	8,130	18,325	125.4%
Person 65 years or over living alone	1,140	3,758	229.6%
Householder living with non-family member	2,944	4,585	55.7%
Unmarried partner households with no related members	1,742	2,935	68.5%



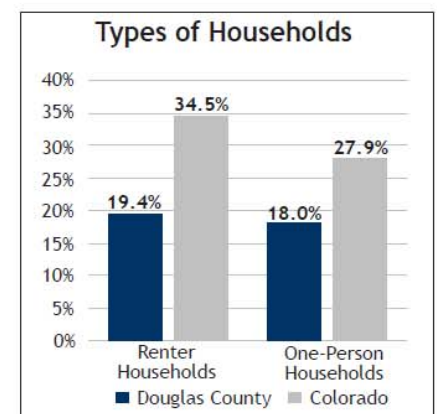
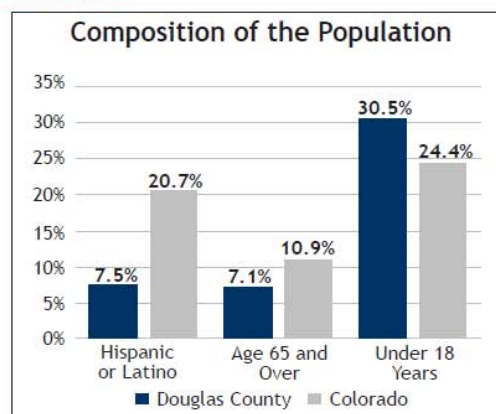
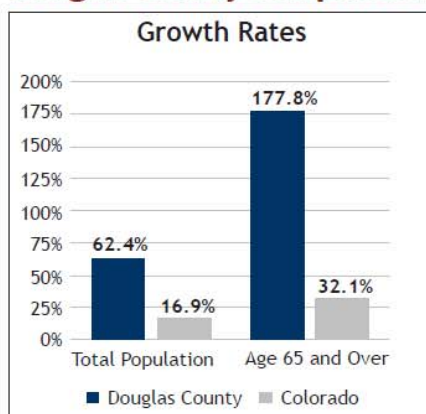
Family household - A household having at least one member related to the householder by birth, marriage, or adoption.

Nonfamily households - A household consisting of people living alone and households which do not have any members related to the householder.

Nonrelatives - Include any household member not related to the householder by birth, marriage, or adoption. This includes unmarried partners.



Douglas County Compared to Colorado



Douglas County School District Re. 1
Principal Employers
Current Year and Nine Years Ago

	2011			2002		
	Employees		% of Total County Employment	Employees		% of Total County Employment
Douglas County Schools*	5,927	1	3.82%	5396	1	6.31%
Echostar Communications	1,900	2	1.22%	-	-	-
CH2M Hill	1,720	3	1.11%	-	-	-
AVAYA	1,500	4	0.97%	1500	4	1.75%
TW Telecom	1,100	5	0.71%	1050	6	1.23%
Western Union	1,080	6	0.70%	-	-	-
Douglas County Government	1,045	7	0.67%	725	8	0.09%
Heaalthtone:SkyRidge Medical	930	8	0.60%	-	-	-
Sprint Nextel	930	9	0.60%	-	-	-
Centura: Parker Adventist Hospital	840	10	0.54%	-	-	-
Liberty Media	-	-	-	-	-	-
Information Handling Services	-	-	-	1500	3	1.75%
First Data Corporation	-	-	-	2616	2	3.06%
Merrill Lynch	-	-	-	1190	5	1.39%
Expanets	-	-	-	1000	7	1.17%
Nordstrom	-	-	-	600	9	0.70%
Dillards	-	-	-	550	10	0.64%
Total for Principal Employers	<u>16,972</u>		<u>11.50%</u>	<u>16,127</u>		
Total Employment in Douglas County as of June 30th	147,954			85,519		
Percentage	11.5%			18.9%		

Source: Southeast Business Partnership

Principal Property Taxpayers
Current Year and Nine Years Ago as of December 31st

	2011			2002		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Park Meadows Mall LLC	\$ 61,970,950	1	1.27%	\$ 46,941,700	1	1.69%
HCA HealthOne LLC	48,530,100	2	1.02%	-	-	-
Intermaountan Rural Elec Assn	43,139,000	3	0.79%	21,118,000	4	0.76%
Public Service Co. of Colorado (Xcel)	40,741,200	4	0.75%	20,791,200	6	0.75%
Century Link (was Quest Corporation)	38,882,200	5	0.57%	32,586,700	2	1.18%
Craig Realty Group Castle Rock LLC	18,898,990	6	0.38%	-	-	-
Plaza Drive Properties LLC	16,931,860	7	0.37%	25,963,040	3	0.94%
Target Corporation	16,391,460	8	0.33%	-	-	-
Visa USA Inc	13,863,170	9	0.33%	-	-	-
Wells Rei tll South jamica Street LLC	11,759,110	10	0.28%	13,841,400	9	0.31%
Direct TV Operations	-	-	-	-	-	-
Castle Rock Factory Shops Partner	-	-	-	20,878,710	5	0.75%
Merrill Lynch & CO	-	-	-	17,128,710	7	0.62%
TCI Realty Investments	-	-	-	14,709,760	8	0.53%
Meridan Associiates East	-	-	-	8,056,180	9	0.29%
Thyssen-Bornemisza,Inc	-	-	-	6,370,440	10	0.23%
	<u>\$ 311,108,040</u>		<u>6.09%</u>	<u>\$ 228,385,840</u>		<u>8.05%</u>

Source: Douglas County Treasurer/DCSD CAFR

Douglas County School District Re. 1
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Calendar Years

		<u>Residential Property</u>		<u>Other Property Classes</u>	
Tax Year	Collection Year	Assessed Value	Actual Value	Vacant Land	Commercial
2011	2012	\$ 2,605,060,140	\$ 32,726,886,181	\$ 237,907,000	\$ 1,352,671,890
2010	2011	2,835,278,200	35,619,072,864	328,390,830	1,461,043,520
2009	2010	2,804,614,750	35,233,853,643	338,451,120	1,465,556,170
2008	2009	2,712,177,010	34,072,575,503	352,466,660	1,398,061,420
2007	2008	2,630,673,430	33,048,661,181	334,701,420	1,334,996,740
2006	2007	2,356,476,840	29,603,980,402	266,327,340	1,220,874,170
2005	2006	2,206,389,260	27,718,458,040	268,822,740	1,168,970,503
2004	2005	1,973,699,670	24,795,221,985	240,207,920	1,036,495,860
2003	2004	1,864,550,330	23,423,999,121	238,511,770	966,834,580
2002	2003	1,751,736,460	22,006,739,447	188,458,875	867,530,670

Tax Year	Collection Year	Industrial	Agricultural	Natural Resources	State Assessed
2011	2012	\$ 106,996,720	\$ 16,967,090	\$ 425,920	\$ 184,707,000
2010	2011	114,075,070	18,733,120	343,730	158,980,100
2009	2010	98,981,380	17,633,480	219,050	154,083,000
2008	2009	51,894,240	19,303,880	318,030	143,966,400
2007	2008	57,097,880	18,486,600	380,290	137,184,200
2006	2007	49,165,040	14,281,410	401,120	115,320,030
2005	2006	49,576,470	13,926,590	471,970	116,537,000
2004	2005	46,368,840	14,023,380	530,440	109,736,300
2003	2004	47,032,370	14,557,520	493,800	112,539,800
2002	2003	39,749,780	13,754,320	670,460	120,780,300

Tax Year	Collection Year	Other Property Classes Assessed	Other Property Classes Actual Value	Total Assessed Value	Grand Total Actual Value	Direct Tax Rate
2011	2012	\$ 1,590,578,890	\$ 5,484,754,793	\$ 4,504,735,760	\$ 38,211,640,974	48.788
2010	2011	1,789,434,350	6,170,463,276	4,624,712,550	41,789,536,140	46.890
2009	2010	1,804,007,290	6,220,714,793	4,608,622,040	41,454,568,436	46.681
2008	2009	1,750,528,080	6,036,303,724	4,462,705,090	40,108,879,227	47.103
2007	2008	1,669,698,160	5,757,579,862	4,300,371,590	38,806,241,043	46.500
2006	2007	1,487,201,510	5,128,281,069	3,843,678,350	34,732,261,471	46.500
2005	2006	1,437,793,243	4,957,907,734	3,644,182,503	32,676,365,775	46.500
2004	2005	1,276,703,780	4,402,426,828	3,250,403,450	29,197,648,813	46.500
2003	2004	1,205,346,350	4,156,366,724	3,069,896,680	27,580,365,845	46.500
2002	2003	1,055,989,545	3,641,343,259	2,807,726,005	25,648,082,706	43.584

Source: Douglas County Assessor (unaudited)/DCSD CAFR

Douglas County School District Re. 1
Direct and Overlapping Property Tax Rates ⁽¹⁾
Last Ten Calendar Years

Assessment Year	Collection Year	General Fund	Debt Service Fund	Total	Douglas County (2)	Total
2011	2012	33.341	15.45	48.788	24.27	73.06
2010	2011	32.644	14.25	46.890	24.27	71.16
2009	2010	32.485	14.196	46.681	24.27	70.95
2008	2009	33.197	13.906	47.103	24.27	71.38
2007	2008	33.358	13.142	46.500	24.27	70.77
2006	2007	33.970	12.530	46.500	24.27	70.77
2005	2006	33.066	13.434	46.500	24.27	70.77
2004	2005	35.108	11.392	46.500	24.27	70.77
2003	2004	35.568	10.932	46.500	24.27	70.77
2002	2003	30.883	12.701	43.584	24.27	67.85

Notes:

(1) In addition to the County and the School District, there are five cities and towns and one hundred three special districts which levy property taxes in Douglas County. Because of this number of taxing entities, this table identifies only the District and the County.

(2) Includes the Law Enforcement Authority (LEA).

Source: Douglas County Treasurer/DCSD CAFR

Douglas County School District Re. 1
Property Tax Levies and Collections
Last Ten Years

Assessment Year	Collection Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Levy
2011	2012	\$ 221,044,051	\$ 219,450,816	99.28%	\$ 56,221	\$ 219,507,037	99.30%
2010	2011	233,933,234	231,099,780	98.79%	148,133	231,247,913	98.85%
2009	2010	229,275,614	226,434,281	98.76%	50,528	226,484,809	98.78%
2008	2009	221,968,627	215,341,376	97.01%	30,010	215,371,386	97.03%
2007	2008	211,754,477	205,145,167	96.88%	73,455	205,218,622	96.91%
2006	2007	188,393,901	184,592,058	97.98%	120,339	184,712,397	98.05%
2005	2006	179,088,243	176,590,109	98.61%	194,135	176,784,244	98.71%
2004	2005	160,092,493	159,487,668	99.62%	121,266	159,608,934	99.70%
2003	2004	151,865,044	149,276,356	98.30%	635,409	149,911,765	98.71%
2002	2003	130,863,072	129,428,785	98.90%	93,207	129,521,992	98.98%



Douglas County School District Re. 1
Ratios of Outstanding Debt by Type
Last Ten Years

Governmental Activities

Year Ended June 30	General Obligation Bonds	Certificates of Participation	Total	Assessed Value	Personal Income	Population (1)	Percentage of Personal Income	Total Debt Per Capita
2012	\$ 509,211,093	\$ 26,505,000	\$ 535,716,093	\$ 4,504,735,760	\$18,081,970	291,083	3.38%	\$ 1,840
2011	543,221,501	27,540,000	570,761,501	4,916,844,570	17,514,402	288,430	3.07%	1,979
2010	580,366,240	28,575,000	608,941,240	4,879,538,950	17,108,472	290,059	2.81%	2,099
2009	608,924,744	16,920,000	625,844,744	4,678,187,640	16,969,723	286,780	2.71%	2,182
2008	637,134,744	17,655,000	654,789,744	4,513,520,560	14,706,467	281,418	2.25%	2,327
2007	609,424,795	17,980,000	627,404,795	4,022,845,950	12,993,222	268,506	2.07%	2,337
2006	477,537,985	4,465,000	482,002,985	3,824,694,533	11,347,684	252,988	2.35%	1,905
2005	492,736,706	4,775,000	497,511,706	3,421,062,410	9,657,842	236,524	1.94%	2,103
2004	474,089,030	5,075,000	479,164,030	3,244,520,170	8,702,221	224,023	1.82%	2,139
2003	427,110,281	480,000	427,590,281	2,982,680,865	8,336,227	209,942	1.95%	2,037

Source: School District Financial Records
Douglas County Government

(1) Figures included in this schedule represent the most recent data available.
Data is estimated and is subject to change based on updated information.

Douglas County School District Re. 1
Ratios of Net General Bonded Debt Outstanding
Last Ten Years
(Unaudited)

Year Ended June 30	General Obligation Bonds	Debt Service Funds Available	Net Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita	Actual Value	Assessed Value	Personal Income	Population (1)
2012	\$ 509,211,093	\$ 40,687,776	\$ 468,523,316	1.43%	\$1,610	\$32,726,886,181	\$ 4,504,735,760	\$18,081,970	\$ 291,083
2011	543,221,541	34,010,448	509,211,093	1.19%	1,718	42,796,887,933	4,916,844,570	21,370,411	296,374
2010	580,366,240	37,144,738	543,221,502	1.28%	1,873	42,388,764,678	4,879,538,950	18,911,869	290,059
2009	608,924,744	28,558,504	580,366,240	1.42%	2,024	40,851,922,503	4,678,187,640	16,969,723	286,780
2008	637,134,744	28,210,000	608,924,744	1.54%	2,164	39,541,237,491	4,513,520,560	14,706,467	281,418
2007	609,424,795	34,287,234	575,137,561	1.63%	2,142	35,350,080,781	4,022,845,950	12,993,222	268,506
2006	477,537,985	32,441,936	445,096,049	1.34%	1,759	33,298,821,051	3,824,694,533	11,347,684	252,988
2005	492,736,706	25,227,192	467,509,514	1.57%	1,977	29,786,127,985	3,421,062,410	9,657,842	236,524
2004	474,089,030	30,537,110	443,551,920	1.57%	1,980	28,182,515,810	3,244,520,170	8,702,221	224,023
2003	427,110,281	28,675,957	398,434,324	1.52%	1,898	26,251,375,327	2,982,680,865	8,336,227	209,942

Douglas County School District Re. 1
Direct and Overlapping Debt
(Unaudited)

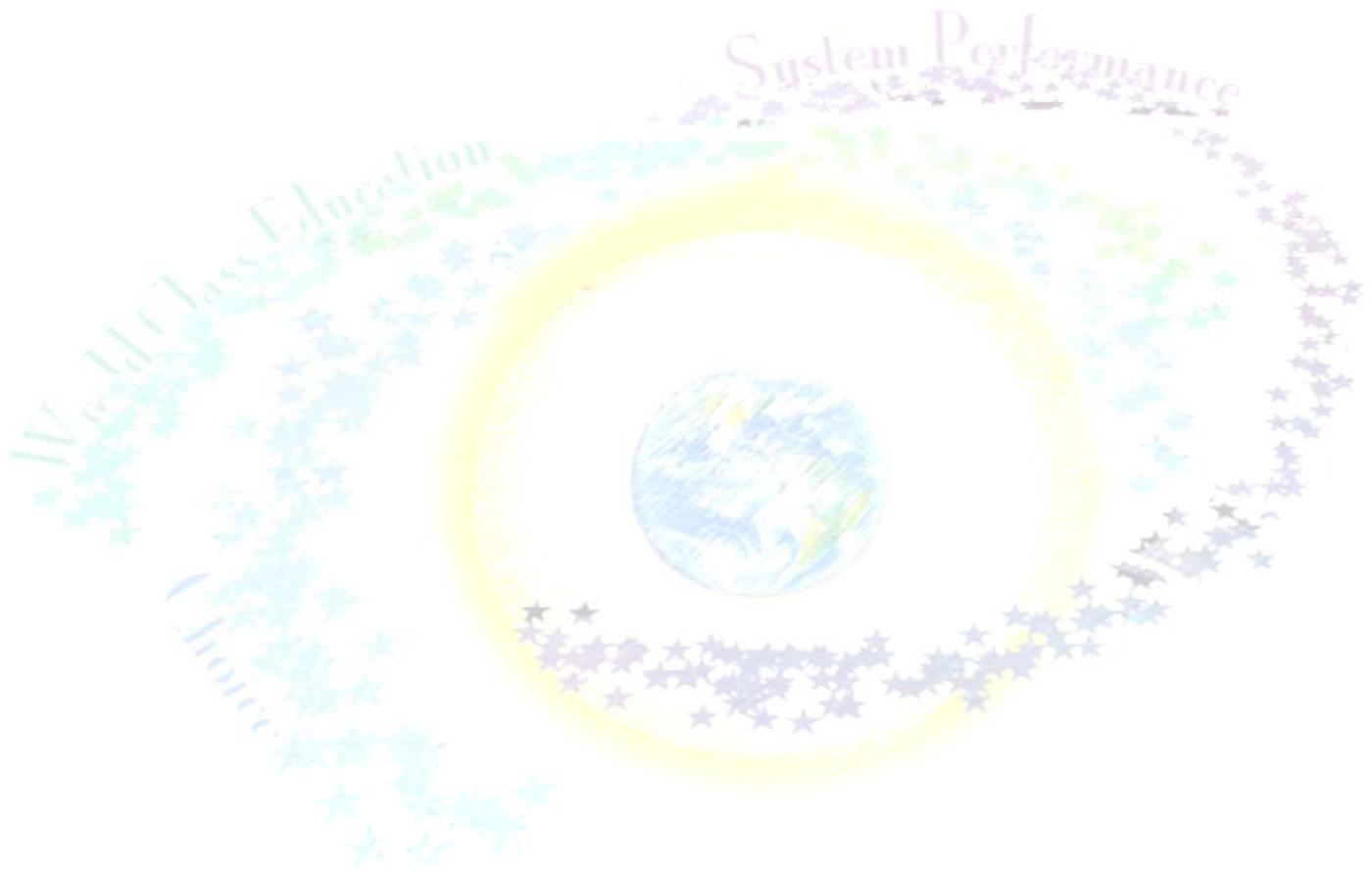
Overlapping Entity	Amount Outstanding	Percent	Amount
Municipalities:			
Aurora	\$ 16,065,000	0.12%	\$ 19,278
Special Districts:			
Antelope Heights Metropolitan District	9,800,000	100	9,800,000
Canterberry Crossing Metropolitan District	11,405,000	100	11,405,000
Canterberry Crossing II Metropolitan District	13,195,000	100	13,195,000
Castle Oaks Metropolitan District	5,860,000	100	5,860,000
Castle Pines North Metropolitan District and Green Valley Water and Sanitation District	15,060,000	100	15,060,000
Castlewood Ranch Metropolitan District	21,190,000	100	21,190,000
Centennial Water & Sanitation	-	100	-
Chatfield South Water District	182,272	100	182,272
Cherokee Ridge Estates Metropolitan District	1,110,000	100	1,110,000
Cherry Creek South Metropolitan District No. 1	5,460,000	100	5,460,000
Compark Business Campus Metropolitan District	40,580,000	100	40,580,000
Concord Metropolitan District	5,740,000	100	5,740,000
Consolidated Bell Mountain Ranch Metropolitan District	14,410,000	100	14,410,000
Cottonwood Water and Sanitation District	24,991,589	100	24,991,589
Crystal Crossing Metro	6,330,000	100	6,330,000
Crystal Valley Metropolitan District No. 1	20,740,000	100	20,740,000
Heritage Hills Metropolitan District	1,780,000	100	1,780,000
Highlands Ranch Metro	73,830,000	100	73,830,000
Horse Creek Metropolitan District	4,655,000	100	4,655,000
Hunting Hill Metropolitan District	4,000,000	100	4,000,000
Inverness Metropolitan Improvement District	1,535,625	30.17	463,298
Inverness Water and Sanitation District	8,530,360	31.16	2,658,060
Jordan Crossing Metropolitan District	1,385,000	100	1,385,000
Lincoln Creek Metropolitan District	4,100,000	100	4,100,000
Lincoln Meadows Metropolitan District	7,855,000	100	7,855,000
Lincoln Park Metropolitan District	28,960,000	100	28,960,000
Lincoln Station Metropolitan District	13,662,000	100	13,662,000
Louviers Water & San	665,773	100	665,773
Maher Ranch Metropolitan District No. 4	20,610,000	100	20,610,000
Meadows Metropolitan Districts Nos. 1-7	70,000,000	100	70,000,000
Meridian Metropolitan District	66,875,000	100	66,875,000
Meridian Village Metro #1	35,185,000	100	35,185,000
Neu Towne Metropolitan District	5,275,000	100	5,275,000
North Meridian Metropolitan District	7,244,000	100	7,244,000
Omni Park Metropolitan District	5,865,000	100	5,865,000
Old Towne Metro	910,000	100	910,000
Parker Automotive Metropolitan District	14,585,000	100	14,585,000
Parker Properties Metropolitan District No. 1	255,000	100	255,000
Park Meadows Business Improvement	15,520,000	100	15,520,000
Park Meadows Metropolitan District	2,255,000	100	2,255,000
Parker Water & Sanitation	97,700,000	100	97,700,000
Perry Park Metropolitan District	-	100	-
Pine Bluffs Metropolitan District	4,510,000	100	4,510,000
Pinery West Metropolitan District No.s 1 and 2	19,130,000	100	19,130,000
Pinery West Metropolitan District No. 3	2,695,000	100	2,695,000
Plum Creek Metropolitan District	2,220,000	100	2,220,000
Ravenna Metropolitan District	9,000,000	100	9,000,000
Reata North Metropolitan District	9,765,000	100	9,765,000
Reata South Metropolitan District	19,350,000	100	19,350,000
Regency Metropolitan District	2,995,000	100	2,995,000
Robinson Ranch Metro District	700,000	100	700,000
Rocking Horse Metro #1 & #2	30,648,000	100	30,648,000
Roxborough Village Metropolitan District	17,224,391	100	17,224,391
Roxborough Water and Sanitation District	5,876,250	73.96	4,346,075
Sedalia Water & Sanitation	170,183	100	170,183
Solitude Metropolitan District	5,000,000	100	5,000,000
South Meridian Metropolitan District	12,044,000	100	12,044,000
South Suburban Park and Recreation District	23,505,000	16.97	3,988,799
Southeast Public Improvement Metropolitan District	4,030,000	31.31	1,261,793
South Park Metropolitan District	980,000	4.63	45,374
Stonegate Village Metropolitan District	34,575,000	100	34,575,000
Thunderbird Water and Sanitation District	372,450	100	372,450
Villages at Castle Rock Metropolitan District No. 4 and Founders Village Metropolitan District No. 6	49,785,256	100	49,785,256
Villages at Castle Rock Metropolitan District No. 7	2,895,000	100	2,895,000
West Metro Fire Protection District	38,470,000	3.62	1,392,614
	\$ 1,001,297,149		\$ 916,480,204

Source: Douglas County Survey of Special Taxing Districts

Note: Although the District has attempted to obtain accurate information as the outstanding debt of such governmental entities, it does not represent its completeness or accuracy as there is no central reporting entity which has this information available and the s based on information available and information supplied by others. This table, however, should provide a reasonable representation of the overlapping debt which affects the District.



Fiscal Year 2012-13 Financial Plan and Budget



GLOSSARY

DOUGLAS COUNTY SCHOOLS ABBREVIATIONS AND ACRONYMS

ACT	American College Testing	FY	Fiscal Year
ASBO	Association of School Business Officials	GF	General Fund
BFB	Beginning Fund Balance	GFOA	Government Finance Officers Association
BFR	Budgeting for Results	HSA	Health Savings Account
CAFR	Comprehensive Annual Financial Report	IB	International Baccalaureate
CDE	Colorado Department of Education	IDEA	Individuals with Disabilities Act
CHSAA	Colorado High School Athletics and Activities	IEP	Individual Educational Plan
COP	Certificates of Participation	ILP	Individual Literacy Plan
CPI	Consumer Price Index	K-12	Kindergarten through 12 th Grade
CRS	Colorado Revised Statutes	LRPC	Long Range Planning Committee
CSAP	Colorado Student Assessment Program	NCLB	No Child Left Behind
CSR	Cohort Survival Ratio	PDPA	Public Deposit Protection Act
DAC	District Advisory Committee	PERA	Public Employee Retirement Act
DCEF	Douglas County Education Foundation	PPA	Per Pupil Allocation
ECP	Educational and Career Planning	SAT	Scholastic Assessment Test
EFB	Ending Fund Balance	SBB	Student Based Budgeting
EL	Executive Limitation	STAR	Success Through Automated Resources
ESL	English as a Second Language	SWAP	School to Work Alliance Program
FPC	Funded Pupil Count	TABOR	Taxpayers' Bill of Rights
FTE	Full Time Equivalent		

GLOSSARY OF TERMS

Abatements

Abatements are complete or partial cancellations of a tax levy. Abatements typically apply to property taxes.

Account

A record used to summarize all increases and decreases in a particular asset or any other type of asset, liability, fund equity, revenue, or expenditure. Accounts are found in the General Ledger.

Accrual

The recognition of revenue or expenses at the time they are earned or incurred, regardless of when the money is received or paid out.

Accrual Basis of Accounting

A method of accounting under which revenue is recognized when earned and expenditures are recognized when incurred, regardless of the timing of related cash flows.

Ad Valorem Taxes

Taxes levied on the assessed valuation of real and personal property located within the District, which is the final authority in determining the amount to be raised for educational purposes.

Agency Fund

A fund used to account for assets held by a district or other governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Amendment 23

An amendment to the Colorado Constitution affecting State funding of K-12 education. Approved by the voters in November 2000, the amendment provides for increases each year of at least the rate of inflation plus one percent for fiscal years 2001-02 through 2010-11 and annually thereafter by at least the rate of inflation. Other financial provisions relating to school District funding are also included.

Amortization

(1) The portion of the cost of a limited-life or intangible asset charged as an expense during a particular period. (2) The reduction of debt by regular payments of principal and interest sufficient to retire the debt by maturity.

Appropriation

A budgeted amount of money, which is approved by a Board of Education resolution, to spend for designated purposes.

Assessed Valuation

The tax value assigned to property by the assessor. Property taxes are paid on the basis of a property's assessed valuation which is based on a percentage of the property's market value.

Attendance Rate

The average daily student attendance expressed as a percent.

Average Cost Per Student

Total site level budget for regular educational services, divided by the projected full-time equivalent (*FTE*) student enrollment. Kindergarten students attend a half-day, and count as 0.5 FTE. Average costs per student will fluctuate due to various factors: length of service and additional education for professional staff members, differences in utility costs, and basic staffing requirements.

Balanced Budget

A budget with total expenditures not exceeding total revenue and monies available in the fund balance within an individual fund.

Board of Education

The governing body of a school district comprised of elected representatives. The Douglas County School Board of Education (the "Board") consists of seven members elected for four-year terms. The Board elects officers from within its own membership. The Board is a policy-making body whose functions are to establish the Goals and Executive Limitations of the

GLOSSARY OF TERMS

Board of Education (continue)

of the District. The Board appoints a Superintendent as the District's chief executive to prescribe rules and regulations necessary and proper for the effective and efficient administration of the District's day-to-day operations.

Bonds

A certificate of debt issued by the school district guaranteeing payment of the original investment plus interest by a specified future date. Bonds may be classified according to maturity structure, source of payment or price. In general, bond issues must be voter authorized. The District's General Obligation Bonds finance the cost of new school construction or other large dollar capital renovation projects. Bond proceeds can be spent only for the voter-authorized purpose(s). Proceeds from the District's bond issues cannot be used to fund the daily operating expenses of the District.

Budget

An annual financial plan that identifies revenues and amounts thereof, specifies the type and level of services to be provided and establishes the amount of money which can be spent. Used without any modifier, the term usually indicates a financial plan for a year. In actual practice, the term may be distinguished by the plan presented to the appropriating body for adoption and the plan ultimately approved by that body. The term may also be distinguished by its use in regard to operating expenditures versus capital plans.

Building Fund

The Building Fund is used to account for financial resources to be used for major capital outlay including acquiring facility sites, construction or purchasing buildings, remodeling of buildings, and acquisition of equipment as provided for by a related bond issue.

CAFR Sort

Primarily programmatic-grouped expenses as reported within the District's Comprehensive Annual Financial Report. Displayed herein to facilitate comparisons between prior years'

CAFR-reported actuals and the current budget.

CDE

Colorado Department of Education.

Chart of Accounts

A list of accounts systematically arranged, applicable to a specific activity or concern, accordingly naming and numbering individual accounts. A chart of accounts, accompanied by descriptions of their use and of the general operation of the books of account, becomes a classification or manual of accounts – a leading feature of a "system of accounts."

In the context of the Colorado school finance, the Chart of Accounts was developed in response to 22-44-105 (4) of the C.R.S. as enacted by the legislature in 1994. The legislature charged the State Board of Education to establish and implement a statewide financial reporting system to make school-to-school and district-to-district comparisons more understandable, accurate and meaningful.

The Chart of Accounts as developed is a comprehensive budgeting, accounting and reporting code structure for use in school district financial management. The various elements specified in the account code structure are in compliance with applicable statutes and regulations. The first seven account code elements comprise the account string. They are: **Fund, Location, Special Reporting Element, Program, Subject/Object/Balance Sheet, Job Classification and Designated Grant/Project.** The bold terms are defined within this Glossary.

Capital Outlay

An expenditure which results in the acquisition of fixed assets or additions to fixed assets which are presumed to have benefits for more than one year and which generally cost at least \$5,000. Examples include expenditures for land or existing buildings, improvements of grounds, construction of buildings, additions to buildings, remodeling of buildings, furniture, vehicles, and equipment.

GLOSSARY OF TERMS

Capital Reserve Fund

This is a special revenue fund used to account for the revenues and expenditures primarily relating to the purchase and acquisition of school district equipment.

Categorical Programs

Specific programs that are funded separately from a district's total program funding under the Colorado Public School Finance Act of 1994 (as amended). Examples include vocational education, special education and pupil transportation. State funds for categorical programs must be used specifically for the program and are generally distributed based on a formula prescribed by law.

Colorado Revised Statutes (C.R.S.)

Colorado Revised Statutes (C.R.S.) are the official, currently revised, laws of the State of Colorado.

Colorado Student Assessment Program (CSAP)

The Colorado Student Assessment Program is a standards-based assessment designed to provide a picture of student performance to school districts, educators, parents, and the community. The primary purpose of the assessment program is to determine the level at which Colorado students meet the state model content standards in the content areas that are assessed. The results are used by educators to improve curricula and instruction as well as increase individual student learning.

Comprehensive Annual Financial Report ("CAFR")

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented and audited in conformity with generally accepted accounting principles (GAAP). As a general rule, an audit report is signed by a licensed certified public accountant and includes: (a) a statement of scope; (b) explanatory comments; (c) an opinion;

(d) financial statements; (e) and supplementary comments and recommendations.

Consumer Price Index (CPI)

A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of cost of living and economic inflation.

Contingency Reserve

The Board of Education may provide for a contingency reserve for any of the funds. The amount is included in the appropriation for each fund and may be expended to meet unanticipated expenditures.

Content

Defines the knowledge, process, and skills within a subject area.

Cost-of-Living Factor

One of the three main factors used in calculating a district's per pupil funding. The cost-of-living factor reflects the relative differences among the state's 178 districts in the costs of housing, goods, and services for the regions in which districts are located.

Curriculum

All courses of study offered by an educational institution, or a group of related courses in a specific field of study, which allows students to acquire and integrate knowledge and skills.

Debt Service

Expenditures related to the retirement of debt and interest on debt

Depreciation

Depreciation is the systematic allocation of the cost of an asset to expense over the years or accounting periods making up its useful life.

District

Douglas County School District Re1, Douglas and Elbert Counties, Colorado.

GLOSSARY OF TERMS

Dropout Rate

An annual rate reflecting the percentage of all students enrolled in grades 7-12 who leave school during the reporting period and are not known to transfer to other public or private schools.

Employee Benefits

Compensation, in addition to regular salary, provided to an employee. This includes such benefits as health insurance, life insurance, Public Employees' Retirement Association (PERA) contributions and Medicaid.

Encumbrances

Purchase orders, contracts and/or other commitments which are chargeable to an appropriation and for which a part of the appropriation is reserved.

Enrollment

The number of pupils enrolled on October 1 within the budget year.

Enterprise Fund

A fund used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the cost of providing services to the general public be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate.

Entitlement

Payments guaranteed by the state legislatures to eligible recipients for a certain period of time. The primary example is state equalization program payments.

Equalization Program Funding

The financial base of support for public education for school districts in Colorado as calculated by the Public School Finance Act, as amended. Equalization Program funding is provided by a combination of state funding, local property taxes, and specific ownership

taxes as determined under the provisions of the school finance act.

Equalization Program Funding Per Pupil

The total equalization program funding, as provided under the school finance act as amended, of a district divided by the districts funded pupil count.

Expenditures

Charges incurred, whether paid or unpaid, which are presumed to benefit the fiscal period in which such are recorded.

Expenses

The costs of the goods and services used in the process of obtaining revenue.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government.

Fiscal Year

A twelve-month accounting period to which the annual budget applies. The District's fiscal year runs July 1 through June 30.

Fixed Assets

Land, buildings, machinery, furniture and other equipment which the District intends to hold or continue in use over a long period of time.

F.T.E. (Full-Time Equivalent) — Student Enrollment

For student enrollment purposes, a full-time equivalent is based on the portion of a day that a student spends in an instructional setting. Half-day Kindergarten students are considered 0.50 FTE.

F.T.E. (Full-Time Equivalent) — Personnel Employment

For personnel purposes, a full-time equivalent is based on an employee's work requirement in comparison to what may be defined contractually as a whole work day. For instance, a Kindergarten Teacher instructing only one session is considered half-day and as such counts as a 0.5 FTE.

GLOSSARY OF TERMS

Function

Function includes the activities or actions which are performed to accomplish enterprise objectives.

Funded Pupil Count

A district's pupil count, for funding purposes, under the Public School Finance Act of 1994 (as amended) which provides that the October 1 enrollment count determines a district's program funding for the current fiscal year. The funded pupil count is expressed in full-time equivalent (*FTE*) pupils.

Gallagher Amendment

This 1982 state constitutional amendment requires that the residential property share of the total assessed value in the state be stabilized at approximately 45 percent of the total. This stabilization is done by decreasing the residential percentage used to determine residential assessed values.

General Fund

General Fund is a fund to account for all financial resources except those required to be accounted for in another fund. All revenues and expenditures, except those revenues and expenditures attributable to other funds shall be accounted for in the General Fund.

General Ledger

The record containing all of the accounts of the District.

Governmental Designated Purpose Grants

Grants received from federal, state, or local governments, or private sources to be used for a specific and designated purpose. Examples are Chapter I, Chapter II, Vocational Education, etc.

Governmental Fund

A generic classification adopted by the National Council on Governmental Accounting to refer to all funds other than proprietary and fiduciary funds. General fund, special revenue funds, capital projects funds, debt

service funds and special assessment funds are all examples of governmental fund types.

Graduation Rate (High Schools Only)

Number of students who completed locally defined requirements for graduation from high school, expressed as a percent. The rate is a cumulative or longitudinal rate that calculates the number of students who actually graduate as a percent of those who were in membership and could have graduated over a four-year period.

Instruction

Instruction includes the activities dealing with the teaching of pupils.

Local Share

The portion of a district's total program contributed directly by local taxpayers of the district. A district's local share includes revenue from property taxes and specific ownership taxes.

Location

A dimension used as a way to identify schools, attendance centers, operational units, buildings or sites as budgetary units or cost center designators, as a means of segregating costs.

Magnet School

A magnet school is one which functions in the traditional school setting, but with an emphasis on a few target areas of instruction to best prepare students for the future.

Membership

Number of students officially enrolled.

Mil

Local tax rates against property are always computed in mils. A mil is one one-thousandth of a dollar of taxable value (.001). One mil produces \$1 in tax income for every \$1,000 of property (*taxable value*).

Mil Levy

The rate of taxation based on dollars per thousand of taxable value.

GLOSSARY OF TERMS

Object

An accounting and budgeting account code used to record expenditures for a specific category of salaries, employee benefits and goods or services purchased.

Operations and Maintenance

Activities concerned with keeping the physical plant of the school facilities open, comfortable and safe for use, and keeping the grounds, buildings and equipment in an effective working condition and state of repair.

Instructional Supplies and Materials

Instructional supplies and materials include, but are not limited to, supplies, textbooks, library books, periodicals, and other supplies and materials.

Insurance Reserve Fund

A special revenue fund used for the payment of loss or damage to the property of a unit of the District; or to service and pay premiums on insurance; or used for the payment of administrative expenses, loss control, workers' compensation and legal claims against the District.

Inter-Fund Transfer

Money that is taken from one fund and added to another fund. Inter-fund transfers are not receipts or expenditures of the District.

Lease/Purchase Agreement

Contractual agreements that are termed leases, but that in substance are purchase contracts.

Per Pupil Operating Revenue

The equalization program funding of a District for any budget year determined in accordance with the provisions of the Public School Finance Act, as amended, divided by the funded pupil count of the District for said budget year, minus the amount transferred from the General Fund to the Capital Reserve and Insurance Reserve Funds.

Pedagogy

The art or science of being a teacher, generally refers to strategies or styles of instruction.

Program

A dimension (an element in the account code structure) which describes the activity for which a service or material object is acquired. The programs of a school district are classified into six broad areas: Instruction, Support Services, Operation of Non-Instructional Services, Facilities Acquisition and Construction Services, Other Uses and Reserves. Pursuant to C.R.S. 22-44-110(1) *Program* intended to allow for the review of the *functions* of the proposed budget.

Property Tax

The general property tax is levied on land and buildings located within the district. Every owner of private and business property in the District, including public utilities, pays this tax. Property owned by governmental, charitable, and religious institutions is exempt from taxation.

Public School Finance Act of 1994 (as amended)

C.R.S. 22-53-10 1, *et seq.*, seeks to provide for a thorough and uniform system of funding and operation of public schools throughout the state. It requires that all school districts operate under the same finance formula and that equity considerations dictate all districts be subject to the expenditure and maximum levy provisions of this act. Under the previous 1988 act, Colorado's 178 school districts were classified into eight setting category groups with similar characteristics for funding purposes. The 1994 act, created under House Bill 94-1001, replaces the eight setting category groups with individually determined school district per pupil funding amounts.

Public Employees Retirement Association (PERA)

PERA provides retirement and other benefits to the employees of government agencies and public entities in the State of Colorado. Established by state law in 1931, PERA operates by

GLOSSARY OF TERMS

Public Employees Retirement Association (PERA) (continue)

authority of the Colorado General Assembly and is administered under Title 24, Article 51 of the Colorado Revised Statutes. It serves as a substitute for social security and used actuarially established investment objectives with long-term goals and policies.

Pupil Enrollment

For funding purposes, under the current school finance act, the pupil enrollment is based on the October 1 enrollment count within the budget year. As with the previous law, a two-year average would be applied to declining enrollment districts. Pupil enrollment can be presented as the full count or on a full-time equivalent (*FTE*) basis with half-time kindergarten pupils counted as 0.5 FTE.

Pupil Services

Those activities, which are, designed to assess and improve the well-being of pupils and to supplement the teaching process.

Purchased Services

Amounts paid for personal services rendered by personnel who are not on the payroll of the district and other services, which the district may purchase.

Residual Equity

The financial assets remaining after all liabilities have been liquidated.

Retained Earnings

An equity account reflecting the accumulated earnings of an enterprise.

Revenues

Funds received, generally from taxes or a State/Federal funding program, which are not loans and which do not cause an increase in a liability account.

Salaries

Amounts paid to employees of the district who are considered to be in positions of a permanent nature or hired temporarily,

including personnel substituting for those in permanent positions.

Self Insurance

The underwriting of one's own insurance rather than purchasing coverage from a private provider, by identifying specific areas of risk and assessing actuarially sound charges.

Source/Object/Balance Sheet

A combination dimension which is used to identify the *type* of account: Balance Sheet revenue (sources) or expenditure (object). Object is the service or commodity obtained. Pursuant to C.R.S. 22-44-110(1) *Object* intended to allow for the review of the *objects* of the proposed budget.

Specific Ownership Tax

An annual tax imposed upon each taxable item of personal property, including motor vehicles.

State Aid Equalization

A district's state aid, under the current school finance act, is equal to its total equalization program funding less the local share. The Public School Finance Act of 1994 requires the school district local share to be the revenue based on the annual property tax levy plus the amount of specific ownership tax other than the portion of the specific ownership tax attributable to a bond redemption tax levy or an operating revenue override tax levy.

Supplemental Budget

Where money for a specific purpose from other than ad valorem taxes subsequently (following adoption of the budget) becomes available to meet a contingency, a supplemental budget for expenditures not to exceed the amount of said money may be adopted and appropriation of said money made there from.

Supplies and Materials

Supplies and materials include textbooks, library books, and other instructional materials, office supplies, building maintenance parts, gasoline, tires, and custodial supplies. With the exception of some unique areas such

GLOSSARY OF TERMS

as maintenance supplies and transportation-related expenses, most materials are established in relation to the student population.

TABOR (Amendment 1)

An amendment to the Colorado Constitution approved by voters in November 1992 imposes certain tax and expenditure limits. The name TABOR is derived from the title of the amendment which when on the ballot reads, the "Taxpayers' Bill of Rights". TABOR has three major provisions. First, it requires voter approval for tax increases. Second, it limits the amount of revenue that may be collected each year. Third, through its provisions requiring voter approval to weaken any existing limit, it limits appropriations.

Tax Assessment Year and Collection Year

The calendar year in which taxes are levied (*December*) is the tax assessment year. The calendar year in which tax bills are sent out (*January*) is the tax collection year. The calendar year tax bills, based on December tax assessments and billed in January, are reflected as revenue to the school district in the current year's budget.

Tax Authority

A government body, such as city, county, or school board, with authority to levy property taxes.

Taxes

Amounts levied by a government to finance services performed for the common benefit.

Transfers

A transfer does not represent a purchase; rather, it is used to show that funds have been handled without having goods and services rendered in return. Included here are transactions for interchanging or transferring money from one fund to the other.

Unencumbered Appropriation

That portion of an appropriation not yet expended or encumbered.

Yield

The rate of annual income return on an investment, expressed as a percentage. (a) Income yield is obtained by dividing the current dollar income by the current market price for the security. (b) Net yield or yield of maturity is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

APPENDIX A
COLORADO STUDENT
ASSESSMENT PROGRAM

COLORADO STUDENT ASSESSMENT PROGRAM

Excerpts from the Colorado Department of Education website

General Assessment Information

For fourteen years Colorado has used the Colorado Student Assessment Program (CSAP) tests. With the adoption of new academic standards, a new assessment system that is aligned to the new standards must be put in place by 2014. In order to transition to the new state tests, CDE began using the Transitional Colorado Assessment Program (TCAP) in 2012, which measures a blend of old and new standards and will allow school districts to transition their instruction from the old standards to the new ones. The transitional assessments will also allow for continued growth calculations using state tests to maintain comparability from year to year until the system is completely transitioned to the new standards and assessments. This will also preserve the comparability of the school and district performance framework accountability system until 2014.

2012 - 2013 State Assessment Windows

TCAP Grades and Content Area	Early Testing Window	Regular Testing Window
Grade 3 Reading and Lectura	2/11/2013 - 2/22/2013	2/25/13 - 3/8/2013
Grade 3 Writing and Lectura Grades 4 - 10 Reading and Writing Grade 4 Lectura and Escritura Grades 3 - 10 Mathematics Grades 5, 8 and 10 Science	3/4/2013 - 4/5/2013	3/11/2013 - 4/12/2013
CoAlt Grades and Content Areas		Testing Window
Grades 3 - 10 Reading, Writing, Mathematics Grades 5, 8 and 10 Science		2/6/2013 - 3/22/2013
Access for ELLs® Grades and Content Areas		Testing Window
Grades K - 12 Reading, Writing, Speaking and Listening		1/7/2013 - 2/8/2013
COACT	Initial Test Date	Make-up Test Date
Grade 11	Tuesday April 23, 2013	Tuesday May 7, 2013

Colorado ACT

The 11th grade ACT assessment, which is more commonly known as the Colorado ACT (CO ACT), is administered once in April and once in May. This assessment is equivalent to all other ACT Assessments administered on national test dates throughout the country. Since this is an actual college entrance exam, results from this assessment can be submitted for college entrance by the student to their college or university of choice.

The CO ACT Assessment consists of two parts which are designed to help students prepare for postsecondary educational opportunities. The first part is a pre-test session which includes an interest inventory, a student profile section, and a course/grade section. The second part is the academic assessment section which includes tests in the areas of English, Mathematics, Reading, and Science. From the tests, students receive a composite score along with scores for each of the skill areas. The CO ACT assessment also provides two sub scores in English, three sub scores in Mathematics, and two sub scores in Reading.

Colorado Standards

The Office of Standards and Instructional Support leads the state in the research and management of Colorado's student educational expectations. They review the states and nations which most effectively define mastery and help students and teachers achieve clearer results in order to guide Colorado schools to greater outcomes. The Colorado Academic Standards (CAS) are the expectations of what students need to know and be able to do at the end of each grade. They also stand as the values and content organizers of what Colorado sees as the future skills and essential knowledge for our next generation to be more successful. State standards are the basis of the annual state assessment.

The Office of Standards and Instructional Support is responsible for on-going public conversations and information sessions conducted with schools, higher education, school boards, policy makers, and the media about these learning principles.

Colorado has ten content areas:

Colorado Arts:

- Music
- Visual Arts
- Theatre
- Dance

Comprehensive Health and Physical Education

Mathematics

Reading, Writing, and Communicating

Science

Social Studies

World Languages

In addition, the state had developed standards for Extended Evidence Outcomes for students with significant cognitive disabilities. Colorado also adopted Colorado English Language Proficiency (CELP) standards to support English language learners.

Douglas County School District

The Douglas County School District Office of System Performance facilitates the administration of national, state, and district assessment tests. The results from tests, surveys, and other evaluations are housed electronically and used for analysis and assessment of student performance. We are a service organization dedicated to providing teachers and administrators fact-based information, upon which sound decisions can be made to positively affect student learning.

We are committed to providing our students, parents, employees, and community with consistent information and reporting on how we are doing regarding the most important outcomes in our system through System Performance.

The cutting-edge System Performance Framework currently in development demonstrates our commitment to:

- Inform and engage the community
- Empower and support parents
- Retain and attract the highest-quality employees
- Ensure the highest level of student success

The framework will promote continuous improvement and innovation to ensure that what is being counted actually counts.

What is Balanced Assessment?

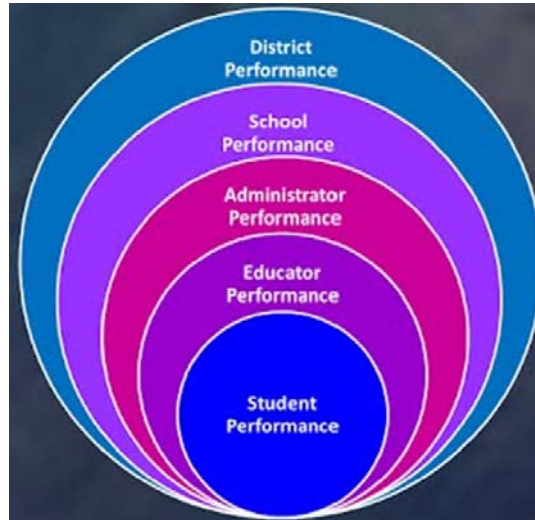
The term "balanced assessment" refers to the strategic use of formative, interim, and summative measures of student performance in a way that addresses immediate student needs, informs ongoing instructional adjustments, and guides long-term educational improvement. A balanced approach to assessment recognizes both the strengths and limitations of the various assessment types and highlights the most relevant assessment data to address student learning needs, improve instruction, and increase accountability at all levels within an educational system.

A balanced assessment system is a synthesis of interacting quality assessments and assessment methods that inform instruction, enhance student learning and engagement, and guide continuous educational improvement. These assessments align to rigorous and relevant learning outcomes, provide essential student performance data that is both valid and reliable, and support all stakeholders in taking ownership of monitoring student progress and ensuring academic success.

Why do we need a Balanced Assessment System?

While the philosophy behind Balanced Assessment certainly is not new to education, the call for a system that uses multiple and varied measures of student performance has grown louder in recent years. While the push for higher levels of academic achievement and accountability

continues to increase, more people have realized that a single test cannot provide a comprehensive evaluation of student performance. The state of Colorado has even gone as far as passing legislation that requires the inclusion of multiple student performance measures in teacher evaluations as well as the Unified Improvement Planning process for both schools and districts.



From the DCSD Strategic Plan:

For too long in education we have relied on standardized assessments for information regarding our performance. As a result, we have acquiesced to measuring what is easy instead of measuring what is most important. This common practice has produced many unintended consequences in education throughout the world.

Douglas County School District is committed to authentically assessing that which matters most – even if what is most important is very difficult to measure. We are committed to doing this with regard to student performance, educator performance, leader performance, school performance, and District performance through our System Performance Framework.

Balanced Assessment, like quality instruction, is simultaneously a science and an art. While each teacher's Balanced Assessment System (BAS) will contain common elements and measures required by state law and district policy, some of the most critical assessment system components will be unique from classroom to classroom as educators use best practices to meet the distinct learning needs of each student. Innovative instruction and continuous improvement - two facets of a 21st century educational system - rely upon a strong BAS to evaluate effectiveness and drive future advancements.

Other states—Michigan, North Carolina, West Virginia and Wisconsin—are also embarking upon this journey into Balanced Assessment.



APPENDIX B

BOARD POLICIES

ANNUAL BUDGET

I. Policy Statement

The Board of Education (BOE) recognizes that the extent and quality of educational services affect, and are affected by, the financial condition of the District. A proposed budget, developed under the direction of the superintendent, shall be presented to the BOE no later than June 1 for the next fiscal year. Together with the proposed budget, a statement shall be submitted describing the underlying assumptions applied in creating the budget, the major objectives of the District's educational program for the ensuing fiscal year, and the manner in which the budget proposes to fulfill such objectives.

The proposed budget shall include details surrounding fund balance, reserves and contingencies as well as a three year budget forecast. The format and procedures used in developing the budget must meet requirements of the State Board of Education as set forth in the Financial Policies and Procedures Handbook for public school districts in addition to Colorado Revised Statutes and Governmental Accounting Standards Board (GASB) regulations.

II. Proposed Budget Development Guidelines

A. Fund Balance

1. The District shall provide an estimate of the end-of-year fund balances to be carried forward to the ensuing year as a beginning fund balance(s). Fund balance measures the net financial resources available to finance expenditures in future periods. Pursuant to Colorado State Statutes and GASB 54, the Superintendent shall ensure that Fund Balances are accounted for within the following guidelines (GASB 54 is not applicable to Enterprise Funds such as Nutrition Services and B.A.S.E.):
 - a. **Non-spendable fund balance:** This category includes District assets that will never convert to cash (e.g., prepaid items, warehouse inventories), assets that will not convert to cash soon enough to affect the current period, and/or resources that must be maintained intact pursuant to legal or contractual requirements.
 - b. **Restricted fund balance:** This category is used to describe the portion of fund balance that reflects resources that are subject to externally enforceable legal restrictions such as the State of Colorado's Tabor Reserve requirement. Such restrictions typically are imposed by parties altogether outside the School District.
 - c. **Assigned fund balance:** This category accounts for the portion of the fund balance that reflects the District's intended use of resources as determined by the BOE or designee. When it is appropriate for fund balance to be assigned, the BOE delegates this authority to the superintendent and/or the Chief Financial Officer. For all funds other than the General Fund, amounts in

excess of non-spendable, and/or restricted fund balances shall be reported as assigned.

- d. **Unassigned fund balance:** This category accounts for the portion of the fund balance left in the General Fund, that is in excess of what can properly be classified in one of the three categories already described. This unassigned General Fund Balance will be maintained to provide the district with sufficient working capital and a margin of safety to address unexpected critical needs without borrowing. This Unassigned Fund Balance category may only be appropriated by resolution of the BOE.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by assigned fund balance, and lastly, unassigned fund balance.

- 2. A proposed budget shall not provide for expenditures, interfund transfers, or reserves in excess of available revenues and beginning fund balance.
- 3. A proposed budget that includes any portion of beginning fund balance to be used to cover expenditures, interfund transfers, or reserves, shall be accompanied by a “specific resolution” adopted by the BOE authorizing the use of that portion of the beginning fund balance in the District’s budget. This resolution shall specify at a minimum:
 - (a) The amount of the beginning fund balance to be spent under the budget;
 - (b) The purpose for which the expenditure is needed; and
 - (c) The District’s plan to ensure the use of beginning fund balance will not lead to an ongoing deficit.

B. District Reserve Requirement

- 1. The District’s General, Capital Projects and Insurance Reserve Funds shall be developed with adequate appropriated monies for unforeseen contingencies.
- 2. The proposed budget shall ensure that the District holds restricted General Fund or cash emergency reserves in the amount required under the provisions of section 20 (5) of article X of the State Constitution (the Tabor Reserve); except the BOE may secure a letter of credit from an investment grade bank for all or a portion of the emergency reserve as long as the BOE filed a letter of intent with the State Treasurer and the Department of Education.
- 3. If the BOE elects to meet the TABOR Reserve requirement with the letter of credit option, the costs for this letter of credit shall be covered from monies appropriated explicitly for such purpose.

C. Contingency Requirement

1. At a minimum, the adopted budget for the coming fiscal year shall ensure that the District appropriates in the General Fund a contingency in an amount equal to at least one percent of the amount budgeted to the General Fund.
2. If at any time moneys are to be expended from the General Fund contingency created pursuant to paragraph 3.a, such monies cannot be expended absent BOE approval unless:
 - (a.) Any single expenditure from the General Fund contingency is less than \$1M; and
 - (b.) The total amount of expenditures from the General Fund contingency within the fiscal year totals less than half the amount of the originally appropriated contingency (0.5%).
3. Any monies expended from General Fund contingency shall be restored in the immediately succeeding fiscal year to a full one percent of the amount budgeted for the succeeding year's General Fund.

Compliance with and level of reserves and contingencies contemplated by this policy shall be examined every year as part of the budget development process to determine if modifications are prudent in view of uncertainties in current and future revenues and expenses.

NOTE:

The format and procedures used in developing the budget must meet requirements of the State Board of Education as set forth in the Financial Policies and Procedures Handbook for public school districts.

Adopted: June 16, 2009

LEGAL REFS.:

Colorado Constitution, Article X, Section 20

C.R.S. § Title 22, Article 44, Part 1 School District Budget Law

C.R.S. § Title 22, Article 44, Part 2 Financial Policies and Procedures)

Letter of Credit: First Amendment dated July 1, 2010 between Douglas County School District RE1 and JPMorgan Chase, and extended for FY 2011 and FY 2012.

CROSS REFS:

DBG: Budget Adoption Procedures

EL 1.6.1 Fiscal Management and Control

Douglas County School District Re. 1

BUDGET ADOPTION PROCEDURES

A proposed budget, developed under the direction of the superintendent, shall be presented to the Board no later than June 1 for the next fiscal year. Together with the preliminary budget, a statement shall be submitted describing the major objectives of the District's educational program for the ensuing fiscal year, and the manner in which the budget proposes to fulfill such objectives.

The Board shall notify the public that it has received a proposed budget from the administration. The proposed budget shall be available for public inspection at the office of the superintendent, and public notices shall be posted to that effect.

It shall be the Board's responsibility to review the proposed budget in open session, make such changes as it deems necessary, and adopt a budget and appropriation resolution no later than June 30 for the ensuing fiscal year.

Once the budget is adopted, it shall become the plan and legal authority for receiving and expending money during the fiscal year, except that, the Board may review and change the budget with respect to both revenues and expenditures prior to October 15 of the fiscal year for which the budget was adopted.

Authorization for Revenue Increase

The District may call an election to seek voter approval of an increase in the District's authorized revenue base, in accordance with applicable law. If the District is authorized to raise and spend additional local revenues, the Board may adopt a supplemental budget.

Current practice codified 1978

Adopted: October 3, 1978

Repealed by the Board and re-enacted and revised by the Superintendent: December 3, 2002

Revised October 9, 2009

LEGAL REFS.:

Colo. Const. Art. X, Sec. 20

C.R.S. 22-44-103

C.R.S. 22-44-107 through-110

C.R.S. 22-54-108

CROSS REF.:

EL 1.5 Financial Planning and Budgeting

Douglas County School District Re.1, Castle Rock, Colorado

Board File: DK

PAYMENT PROCEDURES

The superintendent or superintendent's designee shall be authorized to make payments and release checks for all bills and expenditures, including payroll, that do not exceed the amounts budgeted for the purpose, and that have been properly processed, documented, and cleared in accordance with District and Board policies and procedures.

Any transfer of funds by an administrator shall receive prior approval by the superintendent or superintendent's designee.

All expenditures shall be made in accordance with District and Board policies, applicable law, and the Board's adopted budget.

Current practice codified 1978

Adopted: February 6, 1979

Revised: December 3, 2002

Revised: January 18, 2005

Douglas County School District Re. 1, Castle Rock, Colorado

SCHOOL PROPERTIES DISPOSAL PROCEDURE Real

Property

Surplus and/or abandoned real property of the District may be sold in the following manner:

1. The Board may declare that real property is surplus and may be sold if that real property may not be needed within the foreseeable future for any purpose authorized by law.
2. If the property is sold to a state agency or political subdivision of the state, it shall not be necessary to find that the property may not be needed.
3. The Board shall order an appraisal or shall otherwise determine the reasonable value of the property prior to sale.
4. The Board shall establish a minimum selling price acceptable to the Board.
Surplus real property shall be sold upon such terms and conditions as the Board may approve. A legal description must be given of all such property offered for sale.
5. The Board may lease school property pending the sale thereof, with or without an option to purchase, and may also, at its discretion, lease school property which is temporarily not needed for the District's purposes.
6. As a general rule, all sales should be by sealed bid pursuant to an Invitation to Bid or Request for Proposals published at least twice and at least five days (excluding Saturday and Sunday) before the bid opening or auction date in a newspaper of general circulation within the District. If, in the judgment of the Board, the best interests of the District are served, the provision of this policy requiring competitive bidding may be waived and the Board may authorize the sale or other disposition of surplus property upon such terms and conditions as it may approve.

Equipment, Materials, and Supplies

It shall be the policy of the District to dispose of surplus or obsolete equipment, materials, and supplies no longer required to accomplish the District's mission.

Disposal of such items shall be the responsibility of the superintendent or designee, upon determination that they are no longer of any use to the District in the foreseeable future.

Surplus items shall be classified and disposed of as follows:

1. Items having no resale value - these may be offered without cost to charitable and civic organizations, or disposed of by the most efficient method, without Board approval.
2. Items having resale value -
 - a. Those having a fair market value of less than \$1,000.00 may be disposed of by the superintendent or designee at the most advantageous price by private sale or by other means deemed to be in the best interests of the District, with or without advertising and without specific Board approval.
 - b. Items having a fair market value of \$1,000.00 or more shall be advertised for sale, upon Board approval, in a newspaper of general circulation in the county and sold to the highest bidder. The District shall reserve the right to reject all bids.
 - c. If, in the judgment of the Board, the best interests of the District are served, the provision of this policy requiring competitive bidding may be waived and the Board may authorize the sale or other disposition of such property upon terms and conditions it may approve.

Current practice codified 1978

Revised: January 16, 1990

Revised: December 3, 2002

Douglas County School District Re. 1, Castle Rock, Colorado

REVENUES FROM INVESTMENTS/USE OF SURPLUS FUNDS

Scope

The District is a corporate entity in the State of Colorado governed by a seven member Board. This Investment Policy addresses the methods, procedures, and practices that must be exercised to ensure the effective and judicious fiscal and investment management of the District's funds. This Policy applies to the investment of all financial assets and all funds of the District over which it exercises financial control and has been written to comply with various regulatory requirements under which the District operates.

In order to effectively make use of the District's cash resources, all of the general, capital reserve, insurance reserve, Nutritional Services, Pupil Activity and special revenue funds will be pooled into one investment account and accounted for separately. The Building and Bond Funds shall each have separate investment accounts, each of which shall maintain its own investments. Each such investment account shall be subject to the objectives and restrictions set forth below except that 100 percent of the funds in each investment account may be invested in the following to the extent consistent with Colorado law and this Policy: Flexible Repurchase Agreements, Time Certificates of Deposit, Federal Instrumentality Securities, U.S. Treasury Obligations, Local Government Investment Pools, Money Market Mutual Funds, savings accounts or Guaranteed Investment Contracts.

Objectives

All funds that are held for future disbursement shall be deposited and invested by the District in accordance with Colorado statutes and resolutions enacted by the Board in a manner to accomplish the following objectives.

1. Safety of Funds: Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
 - a. Credit Risk: The District will minimize credit risk, the risk of loss due to the failure of the security issuer, by:
 - Limiting investments to the safest types of securities;
 - Prequalifying financial institutions, broker/dealers, intermediaries, and advisors with which the District will do business;

- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.
- b. Interest Rate Risk: The District will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by:
- Structuring the investment portfolio so that securities mature sufficiently close to cash requirements for ongoing operations, thereby minimizing the potential need to sell securities on the open market prior to maturity;
 - Investing operating funds primarily in shorter-term securities, approved local government investment pools, approved money market mutual funds, and repurchase agreements.
2. Liquidity of Funds: The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. To ensure that adequate funds are available to pay the District's projected financial obligations, investment will be purchased or deposits made that reasonably match the anticipated cash disbursements of the District.

Since all possible cash demands cannot be anticipated, the portfolio shall consist largely of securities with active secondary or resale markets so that the potential for a realized loss if an early liquidation of a security is necessary will be minimized.

A core of stable funds may be identified through cash flow analysis that is available for investing in longer term securities. Although the market value of these longer term securities may fluctuate significantly, the fluctuation will not effect the liquidity of the portfolio since they can be held to maturity in all but extreme circumstances.

3. Yield: The District's portfolio shall earn a competitive market rate of return on available funds throughout budgetary and economic cycles. In meeting this objective, investment management personnel will take into account the District's investment risk constraints and cash flow needs.

Delegation of Authority

The Board shall designate the Superintendent and his/her designee as the investment officers of the District, who are responsible for all investment decisions and investment activities. The Board through the District's external auditors will periodically review the compliance of

the cash, treasury, and investment management practices with the District's Investment Policy and Regulations.

The Superintendent, or his/her designee, shall establish written administrative procedures for the operation of the District's investment program consistent with the Investment Policy and Regulations. The Superintendent and other authorized persons acting in accordance with the Colorado statutes, the resolutions enacted by the Board, and the written Investment Policy and Regulations, while exercising proper due diligence in making investment decisions, shall be relieved of personal responsibility for an individual security's credit risk or market price changes. The investment officers will be covered by the District's errors and omissions policy.

The Superintendent may engage the support services of outside professionals so long as it can be demonstrated that these services produce a net financial advantage and necessary financial protection of the District's resources. Such services may include engagement of financial advisors in conjunction with debt issuance, portfolio management support, special legal representation, third party custodial services, and independent rating services.

Prudence

The standard of prudence to be used for managing the District's assets is the "prudent investor" rule applicable to a fiduciary, which states that a prudent investor "shall exercise the judgment and care, under circumstances then prevailing, which men of prudence, discretion, and intelligence exercise in the management of the property of another, not in regard to speculation but in regard to the permanent disposition of funds, considering the probable income as well as the probable safety of their capital." (C.R.S. 15-1-304, Standard for Investments.)

Eligible Investments And Transactions

All investments will be made in accordance with governing law. The Board has further restricted the investment of District's funds to the following types of securities and transactions:

1. U.S. Treasury Obligations: Treasury Bills, Treasury Notes, Treasury Bonds, and Treasury Strips with maturities not exceeding five years from the date of purchase.
2. Federal Instrumentality Securities: Debentures, discount notes, callable securities, and stripped principal or coupons with final maturities not exceeding five years from the date of purchase issued by the following only: Federal National Mortgage Association (FNMA), Federal Farm Credit Banks (FFCB), Federal Home Loan Banks (FHLB), Federal Home Loan Mortgage

Corporation (FHLMC), and Student Loan Marketing Association (SLMA). For the purposes of this paragraph a “weighted average life” will not constitute a stated maturity. To be approved, Federal Instrumentality securities must be rated AAA by either Moody’s or Standard and Poors.

3. Prime Commercial Paper issued on U.S. companies and denominated in U.S. currency that, at the time of purchase, is rated in its highest rating category by one or more nationally recognized organizations which regularly rate such obligations. If the commercial paper issuer has senior debt outstanding, the senior debt must be rated by each service that publishes a rating on the issuer of at least A+ by Standard and Poors, A-1 by Moody’s, and A+ by Duff and Phelps. (Senior debt is defined as the most senior secured or unsecured debt of the insurer with an original maturity exceeding one year.) The aggregate amount of securities purchased from any one Commercial Paper issuer shall not exceed 50 percent of the District’s portfolio at the time of purchase.
4. Eligible Bankers Acceptances, with an original maximum maturity not exceeding 180 days, issued on domestic banks or branches of foreign banks domiciled in the U.S. and operating under U.S. banking laws, whose senior long-term debt is rated, at the time of purchase AA by Standard and Poors, Aa by Moody’s, or AA by Duff and Phelps. The aggregate amount of securities purchased from any one Bankers Acceptance issuer shall not exceed 10 percent of the District’s portfolio at the time of purchase.
5. Repurchase Agreements with a defined termination date of 180 days or less collateralized by U.S. Treasury securities listed in Item #1 above or Federal Instrumentality securities listed in Item #2 above. The maturity of the collateral shall not exceed 10 years. For the purpose of this section, the term collateral shall mean purchased securities under the terms of the District’s approved Master Repurchase Agreement. The purchased securities shall have an original minimum market value including accrued interest equal to or exceeding 102 percent of the dollar value of the transaction and the collateral maintenance level shall be 101 percent. Collateral shall be held in the District’s custodial bank as safekeeping agent, and the market value of collateral securities shall be marked-to-the-market daily based on that day’s bid price.

Repurchase Agreements shall be entered into only with dealers who have executed a Master Repurchase Agreement with the District and who are recognized as Primary Dealers with the Market Reports Division of the Federal Reserve Bank of New York.

6. Flexible Repurchase Agreement, as provided by Colorado law, entered into by the District with approved counter parties. These flexible repurchase agreements may be closed out in varying amounts and at varying times at the option of the District. These agreements are deemed by both parties to be purchases and sales of securities and are not loans.

All such Flexible Repurchase Agreements shall be determined as legal and valid for both parties and shall have a fixed rate during the entire life of the agreement. The District has the option of varying the dollar amount and the timing of the draw down by an agreed upon percentage of the anticipated draw down and a specified number of days. The District and the counter party to the agreement will specify the details of the allowable variance when the agreement is structured. In addition, the District may draw down in excess of the variance up to the remaining balance in the agreement for a bona fide, unanticipated cash need.

The collateral shall be limited to U.S. Treasury securities listed in Item #1 above or Federal Instrumentality securities listed in Item #2 above. The maturity of the collateral shall mean purchased securities under the terms of the District's approved Master Repurchase Agreement. The purchased securities shall have an original minimum market value including accrued interest equal to or exceeding 102 percent of the dollar value of the transaction and collateral maintenance level shall be 101 percent. Collateral shall be held in the District's custodial bank as safekeeping agent, and the market value of the collateral securities shall be marked-to-the-market daily based on that day's bid price.

Repurchase Agreements shall be entered into only with dealers who have executed a Master Repurchase Agreement with the District and who are recognized as Primary Dealers with the Market Reports Division of the Federal Reserve Bank of New York.

7. Local Government Investment Pools authorized under C.R.S. 24-7-701, 702 which: 1) are "no-load" (i.e., no commission fees shall be charged on purchases or sales of shares); 2) have an objective of maintaining a constant daily net asset value per share (usually \$1.00 per share); 3) limit assets of the fund to U.S. Treasury securities and Repurchase Agreements outlined in Item #5, Federal Instrumentality securities, and Commercial Paper; 4) have a maximum stated maturity in accordance with Federal Securities Law Regulation 2A-7; and 5) have a rating of AAAM by Standard and Poors or AAA by Moody's or AAA/V-1+ by Fitch IBCA, Inc. The District's investment shall not exceed 10 percent of the outstanding shares of any one local government investment pool at the time of purchase.

8. Time Certificates of Deposit or savings accounts in state or national banks or state or federally chartered savings and loans which are state approved depositories per C.R.S. 24-75-603 et seq. (as evidenced by a certificate issued by the State Banking Board) and are insured by the FDIC. Certificates of Deposit will have a maximum maturity of five years. Certificates of Deposit which exceed the FDIC insured amount shall be collateralized in accordance with Colorado Public Deposit Protection Act. This collateral will have a market value equal to or exceeding 102 percent of the difference between the insured amount and the District's total deposit for all funds within the institution. The aggregate amount of Certificates of Deposit purchased from any one bank or savings and loan shall not exceed 25 percent of the District's portfolio at the time of purchase.

The Superintendent, or his designee, shall take steps on a routine basis to obtain copies from the banks and savings and loans of the periodic certification of collateral which is sent to the banking board.

9. Money Market Mutual Funds registered under the Investment Company Act of 1940 which: 1) are "no-load" (i.e. no commission fee shall be charged on purchases or sales of shares); 2) have a constant daily net asset value per share (usually \$1.00); 3) limit assets of the fund to those securities authorized in this Policy; 4) have a maximum stated maturity and weighted average maturity in accordance with Federal Securities Regulation 2A-7; and 5) are rated either AAA by Standard and Poors or AAA by Moody's or AAA/V-1+ by Fitch IBCA, Inc. The District's investment shall not exceed 10 percent of the outstanding shares of any one money market mutual fund at the time of purchase.

If the District uses a "sweep" account at the bank so that any remaining balances at the end of the day in any of the District's bank accounts can be captured in one account and invested overnight in a money market mutual fund designated by the District, the District's "sweep" account will not be subject to the limits described in the preceding paragraph because of the short-term nature (overnight) of the investment.

10. Municipal Notes or Bonds that are an obligation of any State of the United States, the District of Columbia, or any territorial possession of the United States or of any political subdivision, institution, department, agency, instrumentality, or authority of any such governmental entities which qualify under Colorado statutes. The municipal bonds or notes must be general obligation or revenue bonds with an effective final maturity of five years or less (the maturity for a pre-refunded bond will be its refunding date) and a

rating of Aa or better by Moody's or AA or better by Standard and Poors: original obligation or revenue bonds that are insured by the MBI, FGIC, or AMBAC Indemnity Corporation (as long as MBIA, FGIC, and AMBAC maintain their AAA rating), or are escrowed to maturity in U.S. Treasury collateral.

11. Guaranteed Investment Contracts shall, at the time the contract or agreement is entered into, be only with a party providing the investment whose long-term credit rating is rated in one of the two highest rating categories by Moody's, Standard and Poors or Fitch. The final maturity shall not exceed five years. The District has the option of varying the dollar amount and the timing of the draw-down by an agreed-upon percentage of the anticipated draw-down and a specified number of days. The District and the other party to the agreement will specify the details of the allowable variance when the agreement is structured. In addition, the District may draw down in excess of the variance up to the remaining balance in the agreement for a bona fide, unanticipated cash need, subject in all cases to compliance with applicable Colorado law.

The District will strictly interpret the foregoing list of authorized securities.

Investment Diversification

It is the intent of the District to diversify the investments within the portfolio to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions, or maturities. The asset allocation in the portfolio should, however, be flexible depending upon the outlook for the economy, the securities market, and the District's anticipated cash flow needs. A minimum of 50 percent of the investable assets of the District will be maintained in aggregate in the following:

- Federal Instrumentality Securities
- U.S. Treasury Obligations
- Repurchase Agreements
- Local Government Investment Pools
- Money Market Mutual Funds
- Time Certificates of Deposit
- Flexible Repurchase Agreements
- Guaranteed Investment Contracts

Investment Maturity And Liquidity

Investments shall be limited to maturities not exceeding five years unless otherwise approved in writing by the Board Finance Committee for special circumstances (e.g. the reinvestment

of bond proceeds). The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

Competitive Transactions

Each investment transaction shall be competitively transacted with broker/dealers who have been authorized by the District. At least two broker/dealers shall be contacted for each transaction and their bid and offering prices shall be recorded.

Selection Of Broker/Dealers And Financial Institutions Acting As Broker/Dealers

The District shall maintain a list of authorized broker/dealers and financial institutions which are approved for investment purposes, and it shall be the policy of the District to purchase securities only from those authorized institutions and firms.

To be eligible, a broker/dealers or bank must meet at least one of the following criteria:

1. Be a member in good standing of the National Association of Securities Dealers AND registered with the State of Colorado, Department of Regulatory Agencies or; *(This is to include Colorado banks, S & Ls and local brokers.)*
2. Be recognized as a Primary Dealer by the Market Reports Division of the Federal Reserve Bank of New York; or;
3. Report voluntarily to the Market Reports Division of the Federal Reserve Bank of New York. *(This is to include national banks.)*

Each broker/dealer or financial institution will be sent a copy of this Policy and a list of those persons authorized to execute investment transactions. Each firm must acknowledge receipt of such materials to qualify for the Approved List of Brokers/Dealers and Financial Institutions.

Broker/dealers and other financial institutions will be selected by the District on the basis of their expertise in public cash management and their ability to provide service to the District's account. Each broker/dealer, bank, or savings and loan that has been authorized shall be required to submit and annually update a District approved Broker/Dealer Information Request Form which includes the firm's most recent financial statements. The District shall maintain a file of the most recent Broker/Dealer Information Forms submitted by each firm approved for investment purposes.

The District may purchase commercial paper from direct issuers as long as they meet the criteria outlined in item 3 of the Eligible Investments and Transactions section of this Investment Policy.

Selection Of Banks And Savings And Loans As Depositories And Providers Of General Banking Services

The District shall maintain a list of authorized banks and savings and loans which are approved to provide depository and other banking services for the District. To be eligible for authorization, state or national banks and state or federally chartered savings and loans must be state approved depositories per C.R.S. 24-75-603 et seq. (as evidenced by a certificate issued by the State Banking Board) and insured by the FDIC. Banks or savings and loans who fail to meet this criteria, or in the judgment of the District's finance staff no longer offer adequate safety to the District, will be removed from the list. The list will be updated annually to ensure current compliance.

The intent of the District is to support the financial institutions located within the District. Investments in institutions located outside of the District will be made only when competitive rate, adequate collateral, allocation of assets and stability do not permit the use of a local financial institution, or when investment timing or other substantial reasons make use of a local financial institution incompatible with the best interests of the District.

Safekeeping And Custody

The District shall approve one or more financial institutions to provide safekeeping and custodial services for the District. A District approved Safekeeping Agreement shall be executed with each custodian bank prior to utilizing that bank's safekeeping services. Custodian banks will be selected on the basis of their ability to provide service to the District's account and the competitive pricing of their safekeeping related services.

Except for non-negotiable Certificates of Deposit, Local Government Investment Pools, and Money Market Funds, all investment securities purchased by the District will be delivered by either book entry or physical delivery and will be held in third-party safekeeping by a District approved custodian bank, its correspondent New York bank, or the Depository Trust Corporation (DTC).

All non-book entry (physical delivery) securities shall be held by the custodian bank's correspondent bank in New York City and the custodian bank shall issue a safekeeping receipt to the District evidencing that the securities are held by the correspondent bank for the District. The District may utilize the services of the Depository Trust Corporation (DTC), through the custodian bank, as a depository for delivery of non-wirable securities.

It is the objective of the District that all owned securities be perfected in the name of the District. The District's perfected ownership of all book entry securities shall be evidenced by a safekeeping receipt issued to the District by the custodian bank who acts as the District's safekeeping agent. The safekeeping receipt shall state that the securities are held in the

Federal Reserve system either in a Customer Account/IO3O for the custodian bank which will name the District as “customer” or in a Trust Account/IO5O with the trust department named as agent for the District.

All custodied securities that are registered shall be registered in the name of the District or in the name of a nominee of the District or in the name of the custodian or its nominee or, if in a clearing corporation, in the name of the clearing corporation or its nominee. The District’s custodian will be required to furnish the District with monthly reports of holdings of custodied securities.

Reporting

Accounting and reporting on the District’s investments and deposits shall conform with Generally Accepted Accounting Principles (GAAP) and the accounting standards promulgated by the Governmental Accounting Standards Board (GASB). On a monthly basis, an investment report shall be prepared and submitted to the Superintendent or his designee and the Board of Education Finance Sub-Committee listing the investments held by the District, the current market valuation of the investments, and performance results. The report shall include a summary of investment earnings during the period. A record shall be maintained by the District of all bids and offerings for security transactions in order to ensure that the District receives competitive pricing.

Ethics And Conflicts Of Interest

Officers and employees involved in the investment process shall not engage in personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the Superintendent any material financial interest in financial institutions that conduct business with the District and they shall further disclose any large personal financial investment positions that could be related to the performance of the District’s portfolio. Employees and officers shall subordinate their personal investment transactions to those of the District particularly with regard to the timing of purchases and sales.

Policy Revisions

This Investment Policy shall be reviewed periodically by the Superintendent, or his designee, and may be amended by the Board as conditions warrant.

Adopted: June 20, 2000
Revised: December 3, 2002
Revised: July 6, 2004
Revised: October 18, 2005

LEGAL REFS.:

C.R.S. 11-10.5-101 et seq.
C.R.S. 11-47-101 et seq.
C.R.S. 24-75-601 et seq.
C.R.S. 24-75-701 et seq.

CROSS REF.:

DG/DGA, Banking Services (and Deposit of Funds)

Douglas County School District Re. 1, Castle Rock, Colorado

**Reserving Policy for Douglas County School District
Medical Self Insurance Fund**

SUMMARY

Financial stability of the Douglas County School District (DCSD) Medical Self Insurance Fund is dependent on setting the appropriate funding rates and maintaining an adequate level of reserves. The primary purpose for establishing and maintaining reserves for the Medical Self Insurance Fund is to reasonably guarantee the continuous and proper function of the Fund.

The Douglas County School District CIGNA/Allegiance High Deductible Health Plan and the CIGNA/Allegiance PPO plan are partially self-funded. DCSD is responsible for paying all claims under the two health plans, but purchases specific stop loss coverage to cover catastrophic events. It is this self-insurance component that necessitates a reserving policy.

This reserving policy covers the following types of reserves:

- I. Incurred But Not Reported Reserve (IBNR) - On any given day, the Fund has a liability to pay claims that have already been incurred, but not reported as of that day. The plan is also obligated to cover the cost of administering run-out claims in the event the Medical Self Insurance Fund is terminated.

- II. Contingency Reserve – This reserve represents an estimate for an event that may occur. Even if DCSD continues to fund at the expected claim level (based on standard actuarial practices), there is a risk that claims can be higher. The Contingency Reserve covers costs associated with these unexpected claims that have not met the specific stop loss threshold. This Contingency Reserve also allows for the following:
 - a. Maintaining cost effective and competitive benefits during periods of economic downturn, reduced revenues or tightened budgets.
 - b. Maintaining cost effective and competitive benefits during periods of high medical trend, substantial insurance/reinsurance rate increases and an ability to absorb multiple catastrophic medical claim situations occurring simultaneously.
 - c. Maintaining flexibility in the Fund regarding calculating the degree and amount of risk it is willing to assume on a self-funded basis.
 - d. Maintaining the Fund’s ability to respond proactively and confidently in its function rather than being a reactionary, passive entity controlled by economic and insurance market fluctuations.

In addition to this Reserving Policy, it is affirmed that any reserves in the Fund shall not be subject to a transfer out of the Fund.

CALCULATION OF RESERVES

I. IBNR Valuations (See Exhibit A for five year history of IBNR valuations)

A valuation of the IBNR shall be performed annually by a qualified actuary. The actuary will use methods that conform to the relevant Standards of Practice as promulgated by the Actuarial Standards Board. The calculation of the IBNR shall be based on the expectations that this Reserve amount will cover run-out claims 65% of the time. This 65% threshold is actuarially sound. The IBNR at this level shall be 100% funded at all times.

II. Contingency Reserve (See Exhibit B for reserving levels at a low, medium and high threshold)

Calculate the Contingency Reserve yearly by the following formula and the actuarial standards using a predictive modeling distribution.

$$[(A + B + C) \times D \times 12] + [E \times F] \times G$$

Where:

- A = Specific Stop Loss Premium per employee per month for the next year
- B = Administrative Expenses per employee per month for the next year
- C = Expected claims cost per employee per month for the next year
- D = Number of employees covered under the self-funded plan for the next year
- E = Kaiser per Employee per Year premium cost
- F = Number of employees covered under Kaiser plan for the next year
- G = Margin as defined below,

Low = Factor of 1

- Funds one year of cost at the 85th percentile of the expected cost. Also funds one year additional premium of Kaiser, which will offset premium increase if above our expected increase of 8%.

Medium = Factor of 3

- Funds 3 years of cost at the 85th percentile of the expected cost. Also funds 3 years additional premium of Kaiser, which will offset premium increase if above our expected increase of 8%.

High = Factor of 5

- Funds 5 years of cost at the 85th percentile of the expected cost. Also funds 5 years additional premium of Kaiser, which will offset premium increase if above our expected increase of 8%.

The Contingency Reserve shall be managed at the medium factor of 3 and shall be maintained at a minimum margin at the low factor and a maximum margin at the high factor.

Exhibit A – IBNR Valuations

I. For FY 2011, the IBNR for the Medical Self Insurance Fund is \$2,270,824.

II. Table of 6 Year History of IBNR Valuations

	FY 2012	FY 2011	FY 2010	FY 2009	FY 2008	FY 2007
IBNR Valuation		\$2,270,824	\$4,000,000	\$3,437,534	\$2,635,465	\$3,053,343

Exhibit B – Contingency Reserve Valuations

For FY 2011-2012, the margin ranges for the Contingency Reserve is as follows:

Margin Low = \$3,318,240

Margin Medium = \$9,954,720

Margin High = \$16,591,200

Contingency	FY 2012	FY 2011
Low (1)		\$3,318,240
Medium (2)		\$9,954,720
High (3)		\$16,591,200

Board File: DFC

DCSD Certificates of Participation Policy

I. POLICY STATEMENT

The Board of Education (BOE) shall:

- A. Limit the amount of aggregate Certificate of Participation lease agreements to 10% of General Fund Revenues or \$50 million (note: General Fund revenues for DCSD include charter school revenue), whichever is greater, minimizing the impact on the General Fund to meet this lease payment requirement, which in turn will minimize the potential impact on the District's credit rating. At existing rates today, \$50 million of Certificates results in a \$3.5 million to \$4.5 million appropriation requirement yearly.

- B. Incur Certificate of Participation (COP) lease purchase agreements only:
 - a. when a highly important capital* need of the District exists and is referenced in the District's Master Capital Plan and no authorization (i.e. voter approved election) to issue General Obligation Bond debt nor proceeds from previous bond sales exists to meet this need, or

 - b. on behalf of a charter school when all requirements below are met and the incurrence of a COP lease purchase agreement on behalf of a charter school represents a win/win partnership with the District.
 - i. The charter school has been in existence for a minimum of three years and is expanding to a new site, or a new charter school with a solid financial plan projected through five years;
 - ii. The charter school agrees to locate in a geographical region of the District that has high student growth and results in the lessening of overcrowding;
 - iii. The charter school agrees to work with the District in determining the Charter School instructional program to ensure the District is incentivizing the offering of numerous educational choices throughout the District;
 - iv. The charter school has realistic enrollment projections – a minimum of 400 students - that easily provide enough per pupil revenue (PPR) so that the COP lease payments are no more than 20% of charter revenues;
 - v. The charter school agrees to provide space for 50% of their capacity to a larger attendance boundary meeting the District's need to provide classroom space for Douglas County student growth.** Please reference associated Long Range Planning Committee policy, "Charter School Enrollment Preferences."

The information provided in the attached regulation supports this policy statement.

*The amortization of any COP obligations shall match the long term, expected life of this capital need.

**The intent is that the charter attendance boundary encompasses two to three elementary and middle school boundaries to provide choice for all students attending any of the District neighborhood schools or the new charter school.

SUMMARY

Financial stability of the Douglas County School District (DCSD) is dependent upon establishing appropriate limits on the use of Certificate of Participation lease agreements to meet District ongoing capital needs. Considerations regarding this policy include the impact on the District's credit rating (which directly impacts the county taxpayer), an assessment of facility needs focused on health and safety issues, the need for classroom space accommodating growth, and an assessment of the District's General Fund capacity to meet ongoing lease payment requirements.** In all cases, the BOE shall make decisions that provide the greatest flexibility in meeting the District's ongoing capital needs in the future.

This policy is relevant at this time as DCSD has not been successful in passing a Bond election since FY 2006. The Master Capital Plan has identified \$100 million of deferred maintenance projects and the District continues to grow at a rate of 1,500 to 2,000 students yearly. The use of this COP instrument offers an opportunity to partner with new or ongoing District charter schools that are willing to locate in a geographical area of the District that represents the highest student growth and therefore, the greatest area in need of classrooms. This partnership allows the charter school to receive construction funding from the District at a very favorable interest rate, but the charter school pays the appropriated lease payments yearly.

**Note: The use of Certificate of Participation lease agreements requires that State per pupil revenue and District mill levy override dollars are used to make the lease payments. In the past, successful Bond elections gave the District the authority to levy the debt service payments against the tax payer thereby preserving the District's General Fund to meet ongoing operational needs.

C. BACKGROUND

Definition of Certificates of Participation (COPs): COP's are tax-exempt government securities used to raise funds to improve and construct buildings or purchase equipment. These investment instruments are used to finance capital costs related to construction or acquisition and may not be used to finance ongoing operating costs. COPs are sold to investors who provide the proceeds to pay for the capital needs and in return receive COP payments which include interest income that is exempt from federal and state income tax. In general, COPs should be used selectively to implement projects that are essential to the municipality.

COP lease agreements have historically been used primarily by local municipalities, but have more recently been used in a very limited way by school districts. Please note the FY 2011 Colorado Front Range and Colorado Aa1 Rated School District COP data provided in Table I in the appendix. Also note that this listing supports the District's limit on COPs at 10% of yearly revenues.

COPs provide several advantages to school districts which include:

- allowing fast-growing school districts to meet their capital demands even when the District is nearing or at their state imposed debt limitation;
- allowing districts an opportunity to meet capital demands with a minimal impact on general fund revenues (spreading out needed capital expense over 10, 15 or 20 years) in spite of an unsuccessful bond election; and
- providing a low interest financing instrument that can be structured in a manner that provides the greatest flexibility to the District so that when a bond election passes, the COP obligation may be paid off. Note that under this circumstance, the question posed to voters must specifically include the intent to pay off this COP obligation.

In a typical COP transaction, a school district leases certain facilities (any land or buildings fully paid off and put up as collateral) to an independent party such as a local school district building authority. This independent party then leases back the property or facilities to the district. The independent party also assigns all of its interests in the leases and associated documents to a third party trustee. The rent paid by the school district under the lease is pledged to the trustee to pay the principal and interest on the COPs.

A revenue source must be identified to make these lease payments and in Colorado, that revenue source would be the State's per pupil allocation. These COPs, or lease payments are "annual appropriation" securities, meaning that the Board of Education must decide each year to appropriate funds that are sufficient to pay the principal and interest. It is because of this annual appropriation requirement that most guidance regarding incurring COP lease payments states that COPs shall only be used as a last resort to meet the ongoing capital needs of a District. This standard implies to a potential investor that the BOE shall not fail to appropriate the lease payments yearly. In addition, the collateral that is used for the lease should also represent a very valuable asset to the District. For example, Douglas County School District uses Mammoth Heights Elementary as collateral for the proceeds designated for Sky View Charter School's construction in Highlands Ranch. It is possible that the project under construction could be used as collateral. Please note the history of Douglas County School District COP activity provided in Table II of the appendix. Table III lists DCSD School Inventory with Date of Opening and notes the school properties that are collateralized as of March, 2012. Those properties highlighted in blue in this table are those that could be eligible for collateral for a future COP. The assumption is that properties that have been open for 20 years or more would be fully paid off and therefore eligible as collateral. Again, depending on the particular situation, it may be possible to use the project under construction as the collateral for the COP.

District Risk Assessment

Although there is no statutory or specific guidance on the amount of outstanding COPs, there is a practical limit based on the District's ability to repay this and other required lease payments. There must also be consideration to the District's credit rating, which directly impacts the interest rate demanded for any District debt (including General Obligation Bond debt) and is paid directly by the tax payer.

It is in the best interest of DCSD to preserve the District's credit rating. The amount of District indebtedness (both GO debt and COP debt) is considered in both Moody's and Fitch's Ratings. From Moody's Press Release dated February 10, 2012:

MANAGEABLE DEBT PROFILE

“The District’s 1.4% direct debt slightly exceeds the 1.0% Aa1 median for school districts in Colorado and nationally but is easily afforded by the local tax base. Its ten-year principal amortization rate is a rapid 75.2%. The District’s peak annual obligation on its outstanding COPs is \$2.9 M in fiscal 2015, a manageable 0.6% of 2011 revenues.”

Note the included press releases from both Fitch and Moody’s as Exhibits A and B in the appendix regarding the District’s 2012 Bond Refunding. In addition, reference Tables IV Thru VII which provides comparative financial and demographic data for Aa1 districts and Aa2 districts both in Colorado and in the nation as a comparison against the data specifically associated with Douglas County School District.

Informal conversations with Moody’s and Fitch indicated that for a District the size of DCSD, a COP limit of around \$50 million or about 10% of yearly General Fund revenues could be considered. DCSD General Fund revenues include the revenues for the District’s eleven (11) charter schools. Based on an interest rate of 4.5%, \$50 million would result in total COP lease payment requirement of between \$4 and \$5 million, requiring about 1% of revenues to be appropriated yearly to meet this obligation.

Charter School Risk Assessment

The District’s Fiscal Oversight Committee reviewed the following information regarding analyses done by the Colorado banking community in determining the credit worthiness of a charter school. This information is included for consideration by the BOE when considering whether to approve the District to offer a COP on behalf of a charter school. The following criteria for credit approval in the open market were shared:

Ongoing Charter School:

- The charter school shall be in operation a minimum of 3 years – 4 to 5 years preferred in order to establish that the charter school is stable
- A minimum of 400 students enrolled is required, along with a history of regular increases in student counts or stable population
- Financial reports are published and audited yearly
- Charter has a history of submitting financial reports and audits timely
- High School charter schools represent greater risk to the investor than elementary charter schools (K-8 or K-6) due to the greater fluctuation in high school enrollments
- Enrollment of greater than 400 students

New Charter School (Proposes a greater risk, so the following criteria must be assessed before approving a COP lease agreement to a new District charter school):

- Is charter school partnering willing to partner with an ongoing entity – the District?
- Has a solid financial plan for the charter school been submitted?
- Is the lease payment obligation less than 21% of charter revenues?
- Is the type of charter school proposed one that represents high demand?

- Has an assessment been done to consider the feasibility of a neighborhood school vs. a charter school for this geographic location?

Reference Tables VII and VIII which summarize DCSD's Charter School Debt Activity as well as their total school capital leases and loans. These summaries provide data for comparative purposes when considering the approval of a charter school's request for financial assistance in building a facility.

The District's risk tolerance is increased in the event the charter school is willing to locate in a geographical area of the District that has a high expectation of student growth in the near future. As long as the charter school meets the District's rigorous charter application process, the District/charter partnership is a win/win as classroom space is provided to meet the District's growth needs, but the lease payment obligation is paid by the charter school's per pupil revenue. The charter school benefits by obtaining favorable financing to assist in the success of the charter's educational program.

Other Considerations Regarding COPs

In general, the BOE should also consider the following factors in determining whether or not to authorize further COP lease agreements:

- How many buildings is the District willing to collateralize?
- Should the District impose some minimum facility standards on a charter school partner so that in the event of a default, the facility more closely matches the District's facility standards?
- How much COP capacity should be reserved for District facility needs? Please see table of District capital needs for the next three (3) years.
- Consider structuring the COP lease agreement for District's deferred maintenance to allow for payoff in the event of a successful bond election – the COP for Summit View Elementary in the early 1990's was paid off with the 1994 successful bond election

D. APPENDIX

Table I: COPs and General Obligation Debt Comparisons of Colorado Front Range and Aa1 Rated School Districts

Table II: DCSD History of COP Agreements as of June 30, 2011

Table III: DCSD School Inventory and School Opening Dates

Table IV: Aa1 Rated Colorado School Districts - Comparative Rating Data

Table V: Aa1 Rated National School Districts – Comparative Rating Data

Table VI: Aa2 Rated Colorado School Districts – Comparative Rating Data

Table VII: Aa2 Rated National School Districts – Comparative Rating Data

Table VIII: Total DCSD Charter School Debt Activity (as of June 30, 2011)

Table IX: Total DCSD Charter School Capital leases and Loans (as of June 30, 2011)

Exhibit A: Fitch’s Rating Press Release associated with DCSD’s 2012 Bond Refunding

Exhibit B: Moody’s Rating Press Release associated with DCSD’s 2012 Bond Refunding

Table 1
Certificate of Participation (COP) Lease Purchase Agreements and General Obligation (GO) Debt
Comparisons of Front Range and Aa1 Rated CO School Districts
(Data Collected from FY 2010-2011 Comprehensive Annual Financial Reports)

SCHOOL DISTRICT	Bond Credit Rating	GF Reserves	Total Outstanding COP Debt	Due in One Year	% Total COP Debt to Revenues	% COP Due in 1 Year to Revenues	Total Outstanding GO Debt
Cheyenne Mountain School District	AAA	30,611,225	0	0	0.00%	0.00%	22,820,485
Aspen School District	Aa1	20,117,332	0	0	0.00%	0.00%	67,035,000
Boulder Valley School District	Aa1	261,816,776	3,145,000	580,000	1.20%	0.22%	374,280,000
Cherry Creek School District No. 5	Aa1	404,821,803	2,700,000	885,000	0.67%	0.22%	508,008,072
Douglas County School District	Aa1	449,157,304	27,540,000	1,135,000	6.13%	0.25%	543,221,501
Douglas County School District at COP Debt Limit of \$50M	Aa1	449,157,304	50,040,000	0	11.14%	0.00%	543,221,501
Littleton School District	Aa1	138,583,730	0	0	0.00%	0.00%	89,245,000
Adams 12 Five Star Schools	Aa2	311,516,855	35,382,774	1,882,860	11.36%	0.60%	367,281,774
Aurora School District	Aa2	275,456,942	0	0	0.00%	0.00%	395,593,545
El Paso County - Falcon District 49	Aa2	91,875,665	86,090,000	1,875,000	93.70%	2.04%	43,946,925
Colorado Springs School District No. 11	Aa2	190,009,297	26,110,000	2,150,000	13.74%	1.13%	179,924,973
Jefferson County School District No. 1	Aa2	614,583,001	32,830,246	1,425,000	5.34%	0.23%	523,928,367

SOURCE: District CAFRS as of June 30, 2011

NOTES:

Denver Public Schools are not included
in this analysis as they have non-capital

Table II
History of DCSD Certificates of Participation
(As of March 2012)

Certificate of Participation Series	Proceeds Used For	Original Lease Amount	Paid Off In	Dollar Amount of Debt Outstanding as of June 30, 2011	Property Used as Collateral
1993	Summit View Elementary	\$8.0 M	1994	\$0.00	Through CASB Lease Program (Paid from Bond Sale Proceeds)
1997	Castle Rock Middle School	\$3.1 M	2003	\$0.00	Larkspur Elementary, Sedalia Elementary and the land they reside on
2003	DC Oakes	\$5.075 M	2017	\$2.81 M	Larkspur Elementary, Sedalia Elementary and the land they reside on
2006	Lone Tree Magnet	13.83 M	2021	\$11.0 M	Sagewood Middle School Building and the land on which it resides
2009	Sky View Charter	\$13.92 M	2031	\$13.73 M	Mammoth Heights Elementary and the land on which it resides

Table III
School Inventory and Opening Date
(As of March 2012)

School #	School Abbreviation	School Name	Year Opened	Collateralized?
	CVE	Cherry Valley Elementary	1952	
		Plum Creek Academy	1952	
#3	SED	Sedalia Elementary	1952	YES
HS1	DCH	Douglas County High School	1961	
MS2	DCH	DCHS South	1966	
#4	NEI	Northeast Elementary	1966	
#5	LK	Larkspur Elementary	1972	YES
#7	PLI	Pine Lane Intermediate	1972	
#6	SO	South Street Elementary	1972	
	AG	Acres Green Elementary	1975	
MS2	SMS	Sierra Middle School	1975	
#9	FT	Franktown Elementary	1980	
#10	MVP	Mountain View Elementary	1980	
#11	PLP	Pine Lane Primary	1980	
#12	NR	Northridge Elementary	1982	
HS2	PHS	Ponderosa High School	1982	
	CRE	Castle Rock Elementary	1984	
HS3	HRH	Highlands Ranch High School	1985	
#14	SC	Sand Creek Elementary	1986	
#17	ER	Eagle Ridge Elementary	1988	
#15	RR	Rock Ridge Elementary	1988	
#16	CT	Cherokee Trail Elementary	1989	
#18	BC	Bear Canyon Elementary	1990	
MS3	CMS	Cresthill Middle School	1991	
	RXP	Roxborough Primary	1991	
#19	SV	Summit View Elementary	1992	
#21	CC	Coyote Creek Elementary	1995	
#22	FC	Fox Creek Elementary	1995	
#20	PG	Pine Grove Elementary	1995	
	CRM	Castle Rock Middle School	1996	
#23	CRUN	Cougar Run Elementary	1996	
HS4	TRH	ThunderRidge High School	1996	
#25	BR	Buffalo Ridge Elementary	1997	
HS5	CH	Chaparral High School	1997	
	DCO	DC Oakes - Castle Rock	1997	
#24	PE	Pioneer Elementary	1997	

Table III
 School Inventory and Opening Date
 (As of March 2012)

School #	School Abbreviation	School Name	Year Opened	Collateralized?
#26	TB	Trailblazer Elementary	1997	
#28	IH	Iron Horse Elementary	1998	
MS4	RVM	Ranch View Middle School	1998	
#27	WM	Wildcat Mountain Elementary	1998	
#29	SR	Saddle Ranch Elementary	1999	
MS5	SGMS	Sagewood Middle School	1999	
#31	AW	Arrowwood Elementary	2000	
#30	MDV	Meadow View Elementary	2000	
#34	EE	Eldorado Elementary	2001	
#33	HE	Heritage Elementary	2001	
HS6	MVH	Mountain Vista High School	2001	
#32	PCE	Prairie Crossing Elementary	2001	
#36	FV	Frontier Valley Elementary	2002	
#40	FS	Flagstone Elementary	2003	
#38	LP	Legacy Point Elementary	2003	
MS6	MRM	Mountain Ridge Middle School	2003	
MS7	RHM	Rocky Heights Middle School	2003	
#35	TT	Timber Trail Elementary	2003	
HS7	RCH	Rock Canyon High School	2004	
#37	SHE	Soaring Hawk Elementary	2004	
#41	CME	Copper Mesa Elementary	2005	
#39	RS	Redstone Elementary	2005	
HS8	CVH	Castle View High School	2006	
	REM	Renaissance Magnet	2006	
#49	LT	Lone Tree Elementary	2007	
#42	MH	Mammoth Heights Elementary	2007	YES
#43	STM	Stone Mountain Elementary	2007	
#45	CSE	Clear Sky Elementary	2008	
#44	GRE	Gold Rush Elementary	2008	
HS9	LHS	Legend High School	2008	
MS8	MMS	Mesa Middle School	2008	
#46	RXI	Roxborough Intermediate	2008	
	PCA	Plum Creek Academy Replacement	2009	
MS9	CIM	Cimarron Middle School	2010	
#47	SGC	Sage Canyon Elementary	2010	

Table IV
 Colorado School Districts with Aa1 Credit Ratings
 Financial Performance Data
 (Source: Moody's Investors Service February 2012)

Selected Financials and other Datapoints	Median	Mean	Min	Max	Douglas County Related Data	District Count
	Most Recent Available	Most Recent Available	Most Recent Available	Most Recent Available	Most Recent Available	Most Recent Available
Financial Data : Debt Statistics & Ratios						
Direct Net Debt as % of Full Value	1	0.9	0.2	1.4	1.4	5
Payout, 10 Years, General Obligation Debt (%), Current Value	73.8	65.3	37.1	76.8	75.2	5
Financial Data : Financial Statistics & Ratios						
Total General Fund Revenues (\$000)	261,817	258,023	20,891	461,009	455,000	5
General Fund Balance as % of Revenues	11.7	17.6	10	33.1	14.6	5
Unreserved General Fund Balance as % of Revenues	5.5	11.4	4.7	33.6	5.9	5
General Net Cash as % of General Revenues	21.9	24.4	11.2	46.2	22.2	5
Financial Data : Tax Base Statistics and Ratios						
Total Full Value (\$000)	37,214,632	32,870,485	12,646,427	42,724,943	39,600,000	5
Average Annual Increase in Full Value (%)	4	7	2	16	(-8%) Cur Yr Decrease	5
Top Ten TaxPayers as % of Total	6	6	6	8	6.9	N/A
Financial Data : Demographic Statistics						
Actual/Estimated Population, Annual Value	293,521	203,797	17,101	308,005	296,000	5

Table V National School Districts with Aa1 Credit Ratings Financial Performance Data (Source: Moody's Investor Service February 2012)						
Selected Financials and other Datapoints	Medians	Mean	Min	Max	Douglas County School District	Total District Count
	Most Recent Available	Most Recent Available	Most Recent Available	Most Recent Available	Most Recent Available	Most Recent Available
Financial Data : Debt Statistics & Ratios						
Direct Net Debt as % of Full Value	1	1.3	0	7.5	1.4	159
Payout, 10 Years, General Obligation Debt (%), Current Value	72	69.5	25.6	100	75.20%	148
Financial Data : Financial Statistics & Ratios						
Total General Fund Revenues (\$000)	94,007	141,144	7,582	1,187,336	455,000	159
General Fund Balance as % of Revenues	18.8	22.5	0	105.7	14.6	159
Unreserved General Fund Balance as % of Revenues	13.2	16.8	-1.6	100.9	5.9	159
General Net Cash as % of General Revenues	20	24	0	108	22.2	159
Financial Data : Tax Base Statistics and Ratios						
Total Full Value (\$000)	7,572,482	13,615,206	465,831	158,179,483	39,600,000	159
Average Annual Increase in Full Value (%)	4	4	-6	16	(-8%) Cur Yr Decrease	159
Top Ten TaxPayers as % of Total	6	31	0	3,703	6.9	N/A
Financial Data : Demographic Statistics						
Actual/Estimated Population, Annual Value	45,189	108,608	1,819	952,294	296,000	156

Table VI
 Colorado School Districts with Aa2 Credit Ratings
 Financial Performance Data Comparisons
 (Source Moody's Investors Service February 2012)

Selected Financials and other Datapoints	Medians	Mean	Min	Max	Douglas County School District	Total District Count
	Most Recent Available	Most Recent Available	Most Recent Available	Most Recent Available	Most Recent Available	Most Recent Available
Financial Data : Debt Statistics & Ratios						
Direct Net Debt as % of Full Value	1.2	1.3	0.1	3.2	1.4	21
Payout, 10 Years, General Obligation Debt (%), Current Value	61.7	65.6	30.2	100	75.2	20
Financial Data : Financial Statistics & Ratios						
Total General Fund Revenues (\$000)	92,900	198,580	8,490	1,474,762	455,000	21
General Fund Balance as % of Revenues	22.9	21.2	7.9	36.7	14.6	21
Unreserved General Fund Balance as % of Revenues	12.3	13.3	5.7	24.5	5.9	21
General Net Cash as % of General Revenues	27.4	26.8	8.4	38	22.2	21
Financial Data : Tax Base Statistics and Ratios						
Total Full Value (\$000)	11,669,150	17,928,465	3,892,274	83,151,295	39,600,000	21
Average Annual Increase in Full Value (%)	4.4	5.9	-1.4	14.4	(-8%) Cur Yr Decrease	21
Top Ten TaxPayers as % of Total	7.7	9.3	3.3	31.6	6.9	21
Financial Data : Demographic Statistics						
Actual/Estimated Population, Annual Value	102,853	168,912	6,273	626,928	296,000	21

<p style="text-align: center;">Table VII National School Districts with Aa2 Credit Ratings Financial Performance Data Comparisons (Source Moody's Investors Service February 2012)</p>						
Selected Financials and other Datapoints	Medians	Mean	Min	Max	Douglas County School District	District Count
	Most Recent Available	Most Recent Available	Most Recent Available	Most Recent Available	Most Recent Available	Most Recent Available
Financial Data : Debt Statistics & Ratios						
Direct Net Debt as % of Full Value	1.2	1.6	-0.8	9.7	1.4	847
Payout, 10 Years, General Obligation Debt (%), Current Value	71.3	69.6	5.8	100	75.2	776
Financial Data : Financial Statistics & Ratios						
Total General Fund Revenues (\$000)	68,392	112,113	2,464	6,465,800	455,000	848
General Fund Balance as % of Revenues	18	21.1	-10.1	138.1	14.6	848
Unreserved General Fund Balance as % of Revenues	11.6	15.7	-13.8	140.1	5.9	847
General Net Cash as % of General Revenues	17.5	20.6	-28.2	138.1	22.2	847
Financial Data : Tax Base Statistics and Ratios						
Total Full Value (\$000)	4,634,505	8,471,658	30,991	463,845,551	39,600,000	847
Average Annual Increase in Full Value (%)	3.9	4.1	-10	36.6	(-8%) Cur Yr Decrease	842
Top Ten TaxPayers as % of Total	6.9	27	0.2	10,557.10	6.9	822
Financial Data : Demographic Statistics						
Actual/Estimated Population, Annual Value	39,675	87,023	628	4,444,560	296,000	831

Table VIII
Total DCSD Charter School Debt Activity
(FY 2010-2011 DCSD CAFR)

	Balance June 30, 2010	Additions	Payments	Balance June 30, 2011	Due Within One Year
Charter Schools:					
Castle Rock Lifelong					
<u>Learning Center:</u>					
Loan	\$ 7,590,000		\$ 140,000	\$ 7,450,000	\$ 150,000
Loss on Refunding	(655,620)		(25,216)	(630,404)	
Discount	(32,447)		(1,248)	(31,199)	
<u>Platte River:</u>					
Loan	7,090,000		180,000	6,910,000	185,000
Loss on Refunding	(1,276,715)		(58,032)	(1,218,683)	
Discount	(54,016)		(2,455)	(51,561)	
Compensated Absences	7,149	6,216		13,365	
<u>Montessori:</u>					
Loan	8,735,000		175,000	8,560,000	185,000
<u>Core Knowledge:</u>					
Loan	4,310,000	2,435,000	95,000	6,650,000	100,000
Loss on Refunding	(626,671)		(26,111)	(600,560)	
Premium	143,963	42,910	6,714	180,159	
<u>American Academy:</u>					
Loan	17,030,000		155,000	16,875,000	165,000
Discount	(138,793)		(4,957)	(133,836)	
<u>North Star Building Lease</u>					
	10,975,000		75,000	10,900,000	100,000
<u>Challenge to Excellence:</u>					
Loan	7,180,000		140,000	7,040,000	145,000
Loan Premium	30,639		1,135	29,504	
Loss on Refunding	(327,910)		(13,663)	(314,247)	
<u>Hope Online:</u>					
Note Payable	278,947		163,792	115,155	115,155
Capital Lease	36,647		36,647		
<u>Skyview Academy:</u>					
Loan	13,920,000		190,000	13,730,000	255,000
Loan Premium	338,942		17,839	321,103	
Total	<u>\$ 74,554,115</u>	<u>\$ 2,484,126</u>	<u>\$ 1,244,445</u>	<u>\$ 75,793,796</u>	<u>\$ 1,400,155</u>

Table IX
 Total DCSD Charter School Capital Leases and Loans
 (Fm FY 2010-2011 CAFR)

Year Ended June 30, 2011	Principal	Interest	Total
2012	\$ 1,400,155	\$ 4,596,466	\$ 5,996,621
2013	1,335,000	4,539,533	5,874,533
2014	1,645,000	4,478,171	6,123,171
2015	1,730,000	4,405,609	6,135,609
2016	1,805,000	4,326,119	6,131,119
2017-2021	10,405,000	20,219,639	30,624,639
2022-2026	13,645,000	16,976,170	30,621,170
2027-2031	18,075,000	12,584,570	30,659,570
2032-2036	15,080,000	7,323,102	22,403,102
2037-2041	13,110,000	2,577,003	15,687,003
Total	<u>\$ 78,230,155</u>	<u>\$ 82,026,382</u>	<u>\$ 160,256,537</u>

Exhibit A: Fitch's Rating
Press Release Associated with
DCSD's 2012 Bond Refunding

Fitch Rates Douglas Co. School Dist RE1, CO's GOs 'AA+'; Outlook Stable

Fitch Ratings-Austin-2 February 2012: Fitch Ratings assigns an 'AA+' rating to the following Douglas County School District RE1, Colorado (the District) unlimited tax bonds:

--\$51.12 million general obligation (GO) refunding bonds, series 2012

The bonds are secured further by the Colorado School Credit Enhancement Program, which is rated 'AA' by Fitch.

In addition, Fitch affirms the following rating:

--\$457.4 million in outstanding unlimited tax bonds at 'AA+'.

The Rating Outlook is Stable.

The bonds are scheduled for a negotiated sale on Feb. 15, 2012. Proceeds from the refunding bonds will be used to refund portions of the District's outstanding debt for interest savings.

SECURITY

The bonds are secured by an unlimited ad valorem tax pledge of the District.

KEY RATING DRIVERS

STRONG MANAGEMENT TEAM: A new management team has displayed a comprehensive, conservative budgeting approach designed to reduce the District's reliance on periodic voter-approved levy overrides historically obtained to address growth-related financial pressures.

ROBUST TAX BASE: Serving a population of 290,000, the District's tax base is large and diverse. Income levels remain well above average and local unemployment levels compare favorably to state and national averages.

MANAGEABLE ENROLLMENT PRESSURES: Voters' recent rejection of a large bond authorization has not hampered the District's ability to serve its growing enrollment base given a new strategic alliance with charter schools and capacity available throughout existing District schools.

ADEQUATE FINANCIAL RESERVES: The District's financial cushion has improved in each of the last two fiscal years but still remains modest in size relative to the District's considerable operations.

WHAT COULD TRIGGER A RATING ACTION

HAT COULD TRIGGER A RATING ACTION

REDUCTION IN FINANCIAL FLEXIBILITY: Failure to maintain structural balance and available reserves at or above current levels, given the uncertainty of future voter-approved overrides, enrollment trends, and potential state-aid cutbacks, could cause negative rating action.

CREDIT PROFILE

LARGE RECOVERING ECONOMY

Located between Denver and Colorado Springs, the District covers a large and wealthy area that until recently had strong residential, retail, and office development. Mainly coterminous with Douglas County, the District serves a growing population of 290,000 and an enrollment of 63,000. The District continues to benefit from easy access to both the Denver and Colorado Springs labor markets as well as strong academic performance.

Building activity dropped off notably in 2009 and as a result, the District experienced an assessed value (AV) decline of 8.2% in the 2011 appraisal cycle. However, mid-year building permit values in the county indicate 50% growth over prior year results. Fitch views with caution management's expectation for tax base expansion over the near term but notes that downside risk is low at least until the next revaluation occurs in 2013. Enrollment growth has moderated to an average annual rate of 3.7%, easing debt needs.

FISCAL PRESSURES PROVE MANAGEABLE

The District's financial profile is healthy as a result of prudent changes to financial management. Over the last few years, conservative revenue projections and spending cuts have helped the District increase reserves and reduce its dependence on ballot initiatives for budget balance. While voter support for incremental tax increases was historically strong, with four successful referenda since 1989, it appears to be cooling with failed referenda in both 2008 and 2011. As a result of this modified approach, Fitch expects the District to generally sustain the higher level of balance sheet cushion reflected in fiscals 2010 and 2011 than reported in the years prior.

SPENDING CUTS AND CONSERVATIVE BUDGETING RESULT IN SURPLUS

In fiscal 2010, management imposed District-wide budgeting reforms and cut almost \$33 million in expenses and planned increases, a meaningful 7% of the year's \$453 million in general fund spending. Due to an operating surplus, the District buoyed up general fund reserves to a strong \$46 million, or 10.6% of spending.

The District continued austerity measures in fiscal 2011 in light of significant state funding cuts amounting to \$26 million; a reduction of per pupil funding of \$250 per student. Despite the loss in revenues and the continued enrollment growth, the District recorded a surplus of \$20 million achieved primarily through controlling utility expenditures, Federal IDEA American Recovery and Reinvestment Act funds as well as moving from a traditional medical benefit offering to a Health Savings Account plan. The unassigned general fund balance for fiscal 2011 was a healthy \$26.8 million or 6.2% of spending.

Approximately three years ago, the Board of Education instituted a policy change which allowed schools and departments to carry over any discretionary monies that were not spent during a given fiscal period. Of the \$66 million in general fund reserves at the close of fiscal 2011, approximately \$22 million has been appropriated to the 2012 budget as 'carry forward' funds for use by individual schools and departments. These funds may be spent at the local administrator's discretion to mitigate any budget reductions. Management now estimates that at least 80% of these funds will be available to provide additional financial flexibility over the near term which Fitch views positively.

CONTINUED PRESSURE IN FISCAL 2012 AND 2013

Due to the loss of revenue associated with the decline in assessed values and the ongoing state education funding cuts, the fiscal 2012 adopted budget shows a large \$11.7 million fund balance drawdown. As a result of these funding pressures, the District's total general fund reserves are projected to decline to about \$56.7 million by conservative mid-year estimates, \$20.1 million (4.4%) of which is unassigned. Although preliminary estimates for the fiscal 2013 budget show another large budget gap of \$18 to \$24 million, depending on state legislative action, the District plans to bridge any budget gaps with spending cuts without further use of fund balance.

ADEQUATE FUND BALANCE POLICY

The District operates under a recently revised fund balance policy, increasing the required reserve amount to 7% of revenue from 5%, but allowing the 3% TABOR reserve to be provided through a letter of credit (LOC). The remaining reserves required under the policy consist of 3% cash reserve and a 1% contingency appropriation.

Fitch does not consider the LOC as a sufficient replacement for a balance sheet reserve, and views the policy change, in effect requiring a 4% reserve, a satisfactory but weakened level. Fitch notes that the LOC substitution is explicitly allowed under Colorado law and is done in response to the narrow circumstances under which the District could use the TABOR reserve.

MANAGEABLE DEBT PROFILE

The District's overall debt levels are approaching high, but are balanced by the area's high wealth. Debt amortization is above average, with 63% of principal retiring in 10 years. In November 2011, in addition to rejecting the mill levy override, voters also turned down a \$200 million bond authorization designed to add new classrooms, reinvest in existing facilities and provide technology improvements. As a result, the District is reassessing its capital needs and is contemplating its next bond election.

In the meantime, the District can accommodate enrollment growth by turning to four-track year-round schedules at up to 38 schools and also through a strategic alliance with new charter schools within the District. The current offering will refund outstanding debt and generate estimated net present value savings of \$1.6 million, equal to 3.1% of refunded bonds.

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Additional information is available at 'www.fitchratings.com'.

In addition to the sources of information identified in Fitch's Tax-Supported Rating Criteria, this action was additionally informed by information from Creditscope, University Financial Associates, S&P/Case-Shiller Home Price Index, IHS Global Insight, Zillow.com, National Association of Realtors, Underwriter, Bond Counsel, Underwriter Counsel, and the Trustee.

Applicable Criteria and Related Research:

--'Tax-Supported Rating Criteria' (Aug. 15, 2011);

--'U.S. Local Government Tax-Supported Rating Criteria' (Aug. 15, 2011).

Exhibit B: Moody's Press Release Regarding
DCSD's 2012 Bond Refunding

MOODY'S
INVESTORS SERVICE

**New Issue: MOODY'S ASSIGNS Aa1 UNDERLYING RATING TO
DOUGLAS COUNTY SCHOOL DISTRICT NO RE-1, COLORADO'S G.O.
BONDS; \$586.3 MILLION OF DEBT AFFECTED**

Global Credit Research - 10 Feb 2012

Aa2 Enhanced Rating Also Assigned

DOUGLAS COUNTY SCHOOL DISTRICT RE-1, CO
Public K-12 School Districts
CO

Moody's Rating

ISSUE	UNDERLYING RATING	
	Aa1	Aa2
Unlimited Tax General Obligation Refunding Bonds, Series 2012	Aa1	Aa2
Sale Amount	\$51,120,000	
Expected Sale Date	02/15/12	
Rating Description	General Obligation	

Moody's Outlook NOO

Opinion

NEW YORK, February 10, 2012 --Moody's Investors Service has assigned a Aa1 underlying rating to Douglas County School District No. RE-1, Colorado General Obligation Refunding Bonds, Series 2012, expected to be issued in the approximate amount of \$51.1 million. At this time, Moody's affirms the Aa1 underlying rating on the district's outstanding general obligation debt totaling \$508.5 million, as well as the Aa2 underlying rating on the district's outstanding certificates of participation (COPs) totaling \$26.7 million. The current issue will advance refund certain maturities of the district's General Obligation Bonds, Series 2005B, General Obligation Bonds, Series 2006B, and General Obligation Bonds, Series 2007A. The bonds are secured by the district's full faith, credit and unlimited property tax pledge.

The current offering will also receive the Aa2 enhanced rating of the Colorado School District Credit Enhancement Program (CSDCEP), which currently carries a stable outlook based on the state's rating.

RATING RATIONALE

The Aa1 underlying rating reflects the district's substantial tax base, an affluent population, sound financial operations, and manageable debt profile.

The Aa2 enhanced rating with a stable outlook for the CSDCEP is based on the state's liquidity, the program's strong district oversight, and guarantee of timely payment in the event of a shortfall. For additional information, please refer to Moody's credit comment dated February 29, 2008.

STRENGTHS

- Large and stable tax-base

- Strong financial performance

CHALLENGES

- Voter rejection of last two mill levy override requests
- Enrollment growth exceeding capacity

DETAILED CREDIT DISCUSSION

AFFLUENT SCHOOL DISTRICT SOUTH OF DENVER

The district serves an estimated 296,000 residents over an area of approximately 860 square miles just south of Denver (GO rated Aaa), primarily in Douglas County. For 2012, the large and diverse tax base declined for the first time in more than ten years. The district's full market value dropped 8.2% to \$39.6 billion from a 2011 peak of \$43.1 billion, resulting in a full value per capita of \$133,579. However, district officials anticipate a return to growth as early as next year based on recent economic activity. The district's unemployment levels throughout the recession were significantly lower than both the state and national levels, with the November 2011 rate of 6.1% easily besting Colorado's 7.8% and the national 8.2%. Correspondingly, the district's wealth measures are also strong, with per capita income and unemployment at 161.2% and 176.7% of the U.S., respectively. The district's top ten taxpayers represent just 6.9% of assessed value, a level of diversity that Moody's considers a credit positive.

DISTRICT ADAPTING TO CHALLENGING FISCAL OPERATING ENVIRONMENTS

Moody's expects the district to manage through the challenging fiscal operating environment it is currently facing. In 2008 and 2011, district voters rejected proposed mill levy overrides that in past years have provided a total of \$33.7 million annually since the 2006 successful election. In addition, the state's budget shortfalls in 2010, 2011, and 2012 resulted in rescissions for the district of \$9.0 million, \$20 million, and \$19 million, respectively. Despite these challenges, the district managed to generate large operating surpluses in 2010 and 2011 of \$25.5 million and \$20.3 million, respectively, which it achieved through a series of measures that included reductions in force, enacting early retirement, freezing pay, allowing schools to carry over unspent discretionary funds, shifting from a traditional medical insurance plan to a health savings account plan, and implementing energy management policies. The district also benefited in 2011 from approximately \$6 million in Recovery Act money that was used to cover special education teacher salaries for one year. The district is currently engaged in contract negotiations with the teachers' union and is seeking increased efficiencies, including possible further reductions in staff and shifting to a new pay-for-performance model for fiscal 2013. The district closed fiscal 2011 with a general fund balance of \$66.4 million (14.6% of general fund revenues). Although this is its highest general fund balance level in more than five years and significantly higher than the board's policy of 4% of revenues (exclusive of the 3% TABOR reserve requirement), it lags the national median for its peer-rated group (18.8%). The district also intends to spend down the general fund balance in fiscal 2012 to minimize current year reductions to schools. The district's 3% TABOR reserve requirement is satisfied by a letter of credit from JP Morgan Chase Bank, NA, which expires on June 30, 2012 with an option to extend through June 30, 2013. District management has stated that it is considering funding the TABOR reserve with cash.

Student enrollment in the district continues to grow at a significant rate. Since 2008, the number of students in the district has grown from 52,393 to 63,912 in fiscal 2012, with anticipated future growth of 1300-1500 students per year. In aggregate, the district's facilities as currently utilized can accommodate enrollment capacity of 60,711. District voters in 2008 and 2011 rejected a proposed debt authorization for capital improvements. In order to manage continued growth without building new facilities, the district is engaging charter schools to target growth areas, as well as considering plans to shift to a four-track (year-round) school schedule, which would allow for approximately 25% additional student capacity.

The district's pension plan is with Public Employees' Retirement Association of Colorado (PERA)'s School Division, which centrally calculates fund plan assets and liabilities and cannot provide the district's individual actuarial funding status. Overall, PERA's School Division was 64.8% funded in fiscal 2010. The district contributes 14.75% of annual covered salary for PERA (\$37.8 million in fiscal 2011), which includes 1.02% of annual covered salary for post employment benefits with PERA's Health Care Trust Fund (\$2.6 million in fiscal 2011). The district has no post-retirement benefit liabilities, however, it has a \$4.8 million liability incurred through early separation agreements that is payable over the next three years.

MANAGEABLE DEBT PROFILE

The district's 1.4% direct debt slightly exceeds the 1.0% Aa1 median for school districts in Colorado and nationally, but is easily afforded by the local tax base. Its ten-year principal amortization rate is a rapid 75.2%. The district's peak annual obligation on its outstanding COPs is \$2.9 million in fiscal 2015, a manageable 0.6% of 2011 revenues. Notably, the district's charter schools have approximately \$75.8 million in debt and an additional \$78.2 million in leases, of which approximately \$13.7 million are an obligation of the district through the aforementioned COPs. The district has no plans to seek voter approval for additional debt capacity or mill levy overrides for capital improvements this year.

WHAT COULD MOVE THE RATING-UP

- Additional years of strong financial performance resulting in larger fund balances
- Decline in the district's direct debt burden

WHAT COULD MOVE THE RATING-DOWN

- Protracted decline in the district's full valuation
- Significant deterioration in the district's financial position

KEY STATISTICS

Estimated population: 296,000

2012 full valuation: \$39.6 billion

2012 full value per capita: \$133,579

1999 Per capita income: \$34,803 (161.2% of U.S.)

1999 Median family income: \$88,430 (176.7% of U.S.)

Direct debt burden: 1.4%

Overall debt burden: 3.5%

Payout of principal (10 years): 75.2%

Fiscal 2011 general fund balance: \$66.4 million (14.6% of revenues)

Pension funding, 2010: 64.8% (PERA School Division Trust Fund)

The principal methodology used in this rating was General Obligation Bonds Issued by U.S. Local Governments published in October 2009. Please see the Credit Policy page on www.moody.com for a copy of this methodology.

REGULATORY DISCLOSURES

Although this credit rating has been issued in a non-EU country which has not been recognized as endorsable at this date, this credit rating is deemed "EU qualified by extension" and may still be used by financial institutions for regulatory purposes until 30 April 2012. Further information on the EU endorsement status and on the Moody's office that has issued a particular Credit Rating is available on www.moody's.com.

For ratings issued on a program, series or category/class of debt, this announcement provides relevant regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides relevant regulatory disclosures in relation to the rating action on the support provider and in relation to each particular rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides relevant regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on www.moody's.com.

Information sources used to prepare the rating are the following: parties involved in the ratings, parties not involved in the ratings, public information, confidential and proprietary Moody's Investors Service's information, and confidential and proprietary Moody's Analytics' information.

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Please see ratings tab on the issuer/entity page on www.moody's.com for the last rating action and the rating history.

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legal entity that has issued the rating.

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AUDITS

In accordance with state statutes, all financial records of the District shall be audited yearly, following the close of the fiscal year.

The Board shall engage an independent firm of certified public accountants licensed to practice in Colorado to conduct the audit, and to submit an audit report to the Board within five months after the end of the fiscal year, unless a request for an extension of time is granted by the state auditor. The District will send the audit report to the state auditor and the state commissioner of education within thirty days after receiving the audit.

The audit shall be conducted according to generally accepted auditing standards. The audit report shall contain the following among other information.

1. Financial statements prepared, to the extent possible, in accordance with generally accepted principles of governmental accounting.
2. Disclosures required in the Financial Policies and Procedures Handbook published by the State Board of Education and state law, including the auditor's report on Electronic Financial Data Exchange, a report of receipts and expenditures of each fund with designated program reports, and a report of supplemental schedules of receipts and expenditures for each fund in the format prescribed by the State Board of Education and in agreement with the District's audited financial statements.
3. A budget to actual comparison for each fund and activity.
4. The auditor's opinion on the financial statements. If the opinion is not unqualified, the reasons must be explained.
5. Full disclosure of violations of state or federal law which come to the auditor's attention.

In addition to the duties described above, the independent auditor appointed by the Board shall prepare statements for publication as may be requested by the Board or otherwise required by law; render an opinion, and make recommendations to the Board concerning its accounting records and procedures; and perform such other related services as the Board may request.

Current practice codified 1978

Adopted: date of manual adoption

Revised: December 13, 1994

Revised: December 3, 2002

LEGAL REFS.:

C.R.S. 22-32-109(1)(k)

C.R.S. 24-75-601.3

C.R.S. 29-1-601 et seq.

CROSS REF.:

EL 2.2, District Finances

Douglas County School District Re. 1, Castle Rock, Colorado

PURCHASING

Purchases of goods and services shall be made competitively - unless competitive buying is impossible, impractical, or otherwise inapplicable with the intent of obtaining optimum value for every dollar expended.

All qualified vendors shall be granted fair consideration, quality being equal, and each transaction shall be judged on its own merits. Competition by vendors will be encouraged. Competition is defined as the effort of two or more parties, acting independently, to secure the business of the District by offering the most favorable terms.

The District may request performance guarantees from vendors and establish administrative guidelines for implementing these guarantees.

Award of Contracts

In awarding contracts, first consideration shall be given to the interests, policies, and objectives of the District. Other factors, such as the quality, availability, and price of the goods and services, and the responsibility and responsiveness of the vendor will also be considered.

When all factors, including price, are equal, awards shall be made to vendors whose primary place of business is within the District. However, the District reserves the right to reject any and all bids, in whole or in part.

The purchasing power of the District shall not be used to obtain goods or services for the private use of any employee.

No District employee, either personally or on behalf of the District, may accept any benefits or services offered by vendors outside of or in addition to the bid specifications.

Contracts shall be processed in accordance with Colorado statutes.

Purchases of Goods and Services to be Paid for by Parents or Students

Fundraising and purchases of goods and services related to school activities paid for by parents, students and/or the community shall be controlled and administered by the building principal. Such purchases shall be made in a manner ensuring fair competition among vendors. Parents and/or students will be informed of their option to obtain goods and services from vendors other than those selected through the above process if they so choose.

The Director of Purchasing or designee may, where it is in the best interests of the District, bar any firm, vendor, or person from the use of District facilities for soliciting purchases from, or services to, students or District employees.

Emergency Purchasing

If a condition is likely to result in physical injury to persons, damage to District property, or significant financial loss to the District, limited emergency purchases may be made without following competitive bid procedures, provided the purchasing agent or designee authorizes such purchases.

The Purchasing Department shall be contacted immediately for assistance when such Department when such emergency arises.

If the emergency arises outside normal working hours, a purchase requisition and a letter of justification explaining the circumstances of the emergency must be delivered to the Purchasing Department during the first workday after the purchase.

Cooperative Purchasing

The Director of Purchasing or designee shall have the authority to join with other school districts, the State of Colorado, or other units of government in cooperative purchasing plans when such purchasing is in the best interest of this District. Competitive sealed bids or sealed proposals received by any other governmental agency or school district shall be the equivalent of bids or proposals received by this District and may be the basis for the purchase (of goods and services) by this District.

Adopted: October 3, 1978

Revised: November 15, 1994

Revised: December 3, 2002

Repealed by the Board and re-enacted and revised by the Superintendent: March 20, 2006

LEGAL REF.:

C.R.S. 22-32-109(1)(b)

CROSS REFS.:

EL 2.2, District Finances

DJ subcodes (all relate to purchasing)

DK, Payment Procedures

GBEA, Staff Conflicts of Interest

Douglas County School District Re. 1, Castle Rock, Colorado

APPENDIX C
ADOPTED RESOLUTIONS

DOUGLAS COUNTY SCHOOL DISTRICT Re. 1
FISCAL YEAR 2012-2013
APPROPRIATION RESOLUTION

BE IT RESOLVED by the Board of Education of the Douglas County School District, Douglas and Elbert Counties, State of Colorado, that the amounts set forth in the following schedule be appropriated to each fund as specified in the "Adopted Budget" for the fiscal year beginning July 1, 2012, and ending June 30, 2013:

Fund	Amount
General	\$ 452,271,789
Insurance Reserve	4,147,139
Full Day Kindergarten	7,783,309
Transportation	18,647,696
Capital Projects	6,542,000
Certificates of Participation (COP) Capital Projects	17,000,000
Government Purpose Grants	10,788,088
Athletics and Activities	12,320,552
Bond Redemption/Debt Service	70,321,574
Certificates of Participation (COP) Lease Payments	3,188,033
Bond Building	5,396,628
Nutrition Services	15,061,715
Child Care (B.A.S.E.)	9,149,932
Outdoor Education Enterprise	635,552
Medical Self Insurance*	40,102,444
Pupil Activity & School Discretionary	3,913,000
Private Purpose Trusts	60,000
TOTAL	\$ 677,329,451

BE IT FURTHER RESOLVED that amounts that were budgeted and appropriated for the 2011-2012 fiscal year, and have been authorized to be expended, transferred, reserved, encumbered or, in the case of the Capital Projects Fund and Building Fund, committed for various purposes and projects by Board action for the 2011-2012 fiscal year, and that are unspent or uncompleted during that year be, and hereby are, ratified and re-appropriated for the 2012-2013 fiscal year for such purposes and projects; and

BE IT FURTHER RESOLVED that any and all 2011-2012 fiscal year ending fund and account balances reported, maintained or held by or on behalf of the school district, that are not excluded from "fiscal year spending" under Article X, Section 20 of the Colorado Constitution, are hereby designated, budgeted, and appropriated as "reserves" in the 2011-2012 fiscal year and available for current and subsequent fiscal years' expenditures, but shall not be considered "emergency reserves" unless otherwise expressly provided in the 2012-2013 fiscal year budget; and

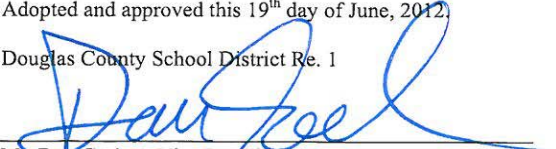
BE IT FURTHER RESOLVED that the adoption of this Appropriation Resolution shall be deemed to include the irrevocable pledging of present cash reserves as shown in the Adopted Budget for the 2012-2013 fiscal year's payments of the multiple-fiscal year financial obligations authorized or approved by the Board of Education subsequent to November 3, 1992; provided, however, that the Board is specifically not appropriating any amounts in this Appropriation Resolution nor in the Adopted Budget for fiscal year 2012-2013; and

BE IT FURTHER RESOLVED that the adoption of this Appropriation Resolution shall be deemed to include the exercise of the School District's rights, if any, to renew for the 2012-2013 fiscal year all leases, lease purchase agreements, lease agreements with an option to purchase, installment purchase agreements, and other agreements in accordance with their terms that have been authorized or approved by the Board of Education subsequent to November 3, 1992; provided, however, that the Board is specifically not renewing and has not appropriated any amounts in this Appropriation Resolution nor in the Adopted Budget for fiscal year 2012-2013; and


BE IT FURTHER RESOLVED that the designation "Adopted Budget," the name of the Douglas County School District, the date of adoption and the signature of the President of the Board of Education be entered upon the Adopted Budget and that the Adopted Budget, this Budget Resolution, and the Appropriation Resolution be placed on file at the principal administrative office of the School District, where they shall remain throughout the 2012-2013 fiscal year and be open for inspection during reasonable business hours.

Adopted and approved this 19th day of June, 2012

Douglas County School District Re. 1


 Mr. Dan Gerken, Vice President
 Board of Education

Attest:


 Ms. Nona Eichelberger, Secretary
 Board of Education

DOUGLAS COUNTY SCHOOL DISTRICT Re. 1
FISCAL YEAR 2012-2013
BUDGET RESOLUTION

BE IT RESOLVED by the Board of Education of the Douglas County School District Re.1, Douglas and Elbert Counties, State of Colorado, that the fiscal year 2012-2013 Proposed Budget for all funds, submitted to the Board by the Superintendent on May 15 and June 19, as amended by changes included within the budget document as approved by action of the Board at its meeting of June 19, 2012, be adopted as the Budget of Revenues and Expenditures for the school district for the fiscal year beginning July 1, 2012, and ending June 30, 2013, in the following amounts:

Fund	Amount
General	\$ 474,233,876
Insurance Reserve	4,147,139
Full Day Kindergarten	7,783,309
Transportation	18,647,696
Capital Projects	6,542,000
Certificates of Participation (COP) Capital Projects	17,000,000
Government Purpose Grants	10,788,088
Athletics and Activities	12,320,552
Bond Redemption/Debt Service	70,321,574
Certificates of Participation (COP) Lease Payments	3,188,033
Bond Building	5,396,628
Nutrition Services	15,061,715
Child Care (B.A.S.E.)	9,149,932
Outdoor Education Enterprise	635,552
Medical Self Insurance*	40,102,444
Pupil Activity & School Discretionary	3,913,000
Private Purpose Trusts	60,000

*Please note the attached schedule of transfers provided as support of the budgeted expenditures reflected above. A sum of all these budgeted expenditures is not provided as some of the budgeted expenditures represent duplication due to these transfers.

**The expenditures in the Medical Self Insurance Fund, an Internal Service Fund, are substantially supported by revenues received from all of the other funds represented above.

BE IT FURTHER RESOLVED that amounts that were budgeted and appropriated for the 2011-2012 fiscal year and have been authorized to be expended, transferred, reserved, encumbered or, in the case of the Capital Reserve Fund and Building Fund, committed for various purposes and projects by Board action for the 2011-2012 fiscal year, and that are unspent or uncompleted during that year be, and hereby are, ratified and re-appropriated for the 2012-2013 fiscal year for such purposes and projects; and

BE IT FURTHER RESOLVED that any and all 2011-2012 fiscal year ending fund and account balances reported, maintained or held by or on behalf of the school district, that are not excluded from "fiscal year spending" under Article X, Section 20 of the Colorado Constitution, are hereby designated, budgeted, and appropriated as "reserves" in the 2011-2012 fiscal year and available for current and subsequent fiscal years' expenditures, but shall not be considered "emergency reserves" unless otherwise expressly provided in the 2012-2013 fiscal year budget; and

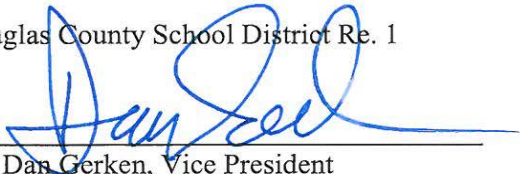
BE IT FURTHER RESOLVED that the adoption of this Budget Resolution shall be deemed to include the irrevocable pledging of present cash reserves as shown in the Adopted Budget for the 2012-2013 fiscal year's payments of the multiple-fiscal year financial obligations authorized or approved by the Board of Education subsequent to November 3, 1992; provided, however, that the Board has specifically not included any amounts in the Adopted Budget for fiscal year 2012-2013; and

BE IT FURTHER RESOLVED that the adoption of this Budget Resolution shall be deemed to include the exercise of the School District's rights, if any, to renew for the 2012-2013 fiscal year all leases, lease purchase agreements, lease agreements with an option to purchase, installment purchase agreements, and other agreements in accordance with their terms that have been authorized or approved by the Board of Education subsequent to November 3, 1992; provided, however, that the Board is specifically not renewing and has not included any amounts in the Adopted Budget for fiscal year 2012-2013; and

BE IT FURTHER RESOLVED that the designation "Adopted Budget," the name of the Douglas County School District Re.1, the date of adoption and the signature of the President of the Board of Education be entered upon the Adopted Budget and that the Adopted Budget, this Budget Resolution, and the Appropriation Resolution be placed on file at the principal administrative office of the School District, where they shall remain throughout the 2012-2013 fiscal year and be open for inspection during reasonable business hours.

Adopted and approved this 19th day of June, 2012.

Douglas County School District Re. 1



Mr. Dan Gerken, Vice President
Board of Education

Attest:



Ms. Nona Eichelberger, Secretary
Board of Education

Schedule of District Budgeted Transfers

FY 2012-2013 Adopted Budget

June 19, 2012

<u>Budget Transfer From</u>	<u>Budget Transfer To</u>	<u>Transferred Amount</u>
General Fund	Charter Schools	\$ 66,024,791
General Fund	Full Day Kindergarten Fund	\$ -
General Fund	Insurance Reserve Fund	\$ 3,754,644
General Fund	Transportation	\$ 12,324,204
General Fund	Capital Projects Fund	\$ -
General Fund	Athletics & Activities Fund	\$ 3,887,406
General Fund	Nutrition Services Fund	\$ -
General Fund	Outdoor Education - LIFE Center	\$ -
General Fund	Certificates of Participation Fund 39	\$ 1,995,833
	Total General Fund Transfers	<u>\$ 87,986,878</u>
Bond Redemption Fund	General Fund*	<u>\$ 80,000</u>

*Interest Earned in Bond Redemption Fund authorized pursuant to Colorado Revised Statutes

DOUGLAS COUNTY SCHOOL DISTRICT Re. 1
FISCAL YEAR 2012-2013
RESOLUTION AUTHORIZING THE CHIEF FINANCIAL OFFICER AND THE
SUPERINTENDENT TO BORROW UNENCUMBERED MONEY FROM OTHER
DISTRICT FUNDS AS AUTHORIZED BY COLORADO STATUTES

WHEREAS, CRS 22-44-113 authorizes the borrowing of unencumbered monies from any one fund, except the Bond Redemption Fund, and

WHEREAS, the District operates with a pooled cash process for the purpose of maximizing cash management efficiency, and

WHEREAS, in order to meet ongoing obligations of the General Fund it may be necessary to borrow from the District's pooled cash amounts up to \$8,000,000 and

WHEREAS, estimated pooled cash dollars available to be drawn during FY 2012-2013 by fund are:

Estimated Beginning Cash Balances July 1, 2012

Pupil Activity	\$7,000,000
Child Care	<u>3,000,000</u>
Total	\$10,000,000

NOW, THEREFORE, BE IT RESOLVED:

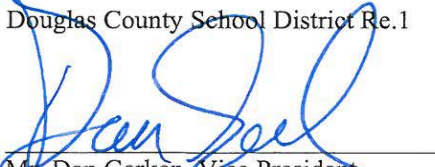
The Board authorizes from the funds below the borrowing of unencumbered monies in an amount up to, respectively:


Pupil Activity	\$6,000,000
Child Care	<u>2,000,000</u>
Total	\$8,000,000

for the benefit of the General Fund, effective July 1, 2012, and further that any monies so borrowed are to be repaid to said funds not later than June 30, 2013.

Adopted and approved this 19th day of June 2012.

Douglas County School District Re.1


Mr. Dan Gerken, Vice President
Board of Education


Ms. Nona Eichelberger, Secretary
Board of Education

**DOUGLAS COUNTY SCHOOL DISTRICT Re. 1
FOR FISCAL YEAR 2012-2013
RESOLUTION AUTHORIZING THE USE OF A PORTION OF BEGINNING FUND BALANCE
AS AUTHORIZED BY COLORADO STATUTES**

WHEREAS, C.R.S. 22-44-105(1.5)(a) states that a budget, duly adopted pursuant to this article, shall not provide for expenditures, interfund transfers, or reserves, in excess of available revenues and beginning fund balance; and

WHEREAS, C.R.S. 22-44-105(1.5)(a) states that if the budget includes the use of a beginning fund balance the Board of Education shall adopt a resolution specifically authorizing the use; and

WHEREAS, C.R.S. 22-44-105(1.5)(a) states such resolution shall specify the amount of beginning fund balance to be spent, the purpose for which the expenditure of beginning fund balance is needed, and the district's plan to ensure that the use of the beginning fund balance will not lead to an ongoing deficit; and

WHEREAS, the Board of Education has determined the beginning fund balances in all the fund designated below are sufficient to allow for the expenditures and such action will not lead to an ongoing deficit.

NOW, THEREFORE, BE IT RESOLVED:

In accordance with C.R.S. 22-44-105, the Board of Education authorizes the use of a portion of the FY 2012-2013 beginning fund balance from each respective fund for the purpose/s named.

<u>Fund</u>	<u>Amount</u>	<u>Purpose of Spending Beginning Fund Balance</u>
General	\$25,000,000	Intentional draw-down of accumulated FB for operational expenses
Insurance Reserve	500,000	Potential draw-down of accumulated FB due to unexpected property/liability or worker's compensation claims
Full Day Kindergarten	500,000	Intentional draw-down of accumulated FB for Full Day Kindergarten Program tuition for at risk students
Transportation	500,000	Potential draw-down of accumulated FB anticipating increases in fuel prices
Capital Projects	7,000,000	Intentional draw-down of accumulated FB for operational expenses in response to temporary suspension of transfer from General Fund
Athletics & Activities	500,000	Intentional draw-down of accumulated FB for operational expenses
Bond Redemption/Debt Service	1,000,000	Intentional draw-down of accumulated FB accounting for expected decrease in general obligation bond debt service payments

<u>Fund</u>	<u>Amount</u>	<u>Purpose of Spending Beginning Fund Balance</u>
Bond Building Fund	5,300,000	Intentional draw-down of accumulated FB completing Master Capital Plan projects identified in the 2006 voter approved bond authorization
Outdoor Education Enterprise	260,000	Intentional draw-down of accumulated FB for capital expenditures associated with the start-up of this new enterprise
Medical Self Insurance	2,000,000	Potential draw-down of accumulated FB due to unexpected medical insurance claims
Pupil Activity	5,000,000	Intentional draw-down of accumulated FB for operational expenses
Private Purpose Trusts	15,000	Intentional draw-down of accumulated FB to allow for college scholarships awarded to students graduating from Castle Rock high schools

BE IT FURTHER RESOLVED, the use of this portion of the beginning fund balance for the purpose/s set forth above will not lead to an ongoing deficit in any respective fund.

Adopted and approved this 19th day of June, 2012.

Douglas County School District Re.1

Mr. Dan Gerken, Vice President
Board of Education

Ms. Nona Eichelberger, Secretary
Board of Education



Douglas County School District
Learn today. Lead tomorrow.

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