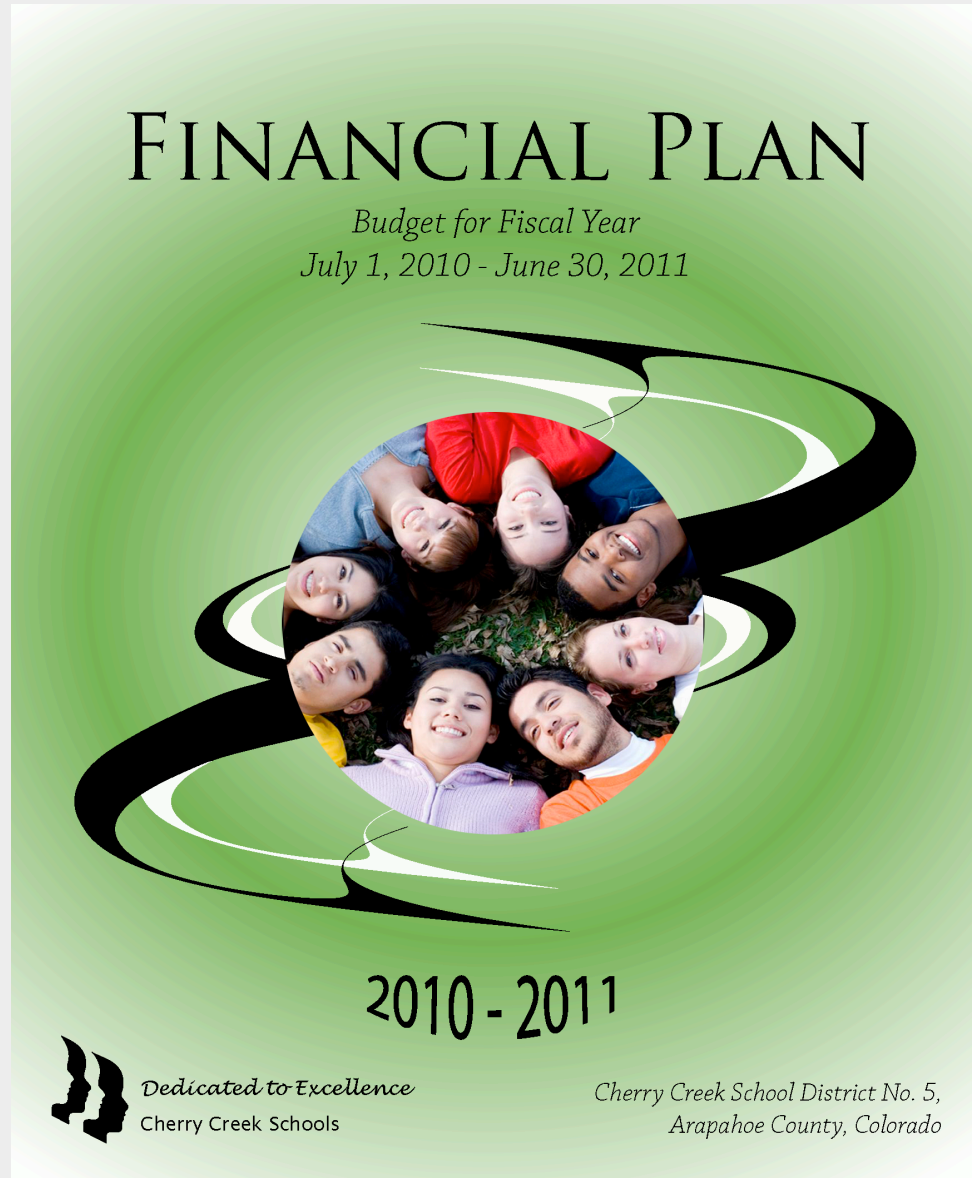


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# Executive Briefing for: Board of Education

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*June 14, 2010*



# Components

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# District Values

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- ▶ **Student achievement that shows continuous improvement**
  - ✓ Provide excellent and equitable education for all students
  - ✓ Prepare students with knowledge and skills in order to succeed in college and be workforce ready
- ▶ **Curriculum and instruction that is focused on the whole child**
- ▶ **Provide a safe and secure school and work environment**
- ▶ **Recruit and retain outstanding employees**
- ▶ **Planning that ensures financial stability**
  - ✓ Ongoing funding of educational programs
- ▶ **Local control is important to the quality of education**
  - ✓ Program
  - ✓ Curriculum
  - ✓ Finance

# Facts and Figures

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- ▶ 51,005 students
  - ✓ Over 5,600 students receiving Special Education services
  - ✓ ELA program serves 3,700 students speaking over 100 languages
  - ✓ Free and reduced lunch students represent 25.7% of population
- ▶ Facilities
  - ✓ 65 school facilities
  - ✓ 2 stadiums
  - ✓ 11 other facilities
- ▶ District covers 108 square miles
- ▶ Buses travel over 3.2 million miles per year
- ▶ Over 4 million lunches and over 700 thousand breakfasts served each year



# Facts and Figures

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- ▶ Eight schools were recognized by Colorado Department of Education in 2009 for demonstrating the highest sustained rates of student academic progress in one or more content areas over the past three years:
  - ✓ Belleview Elementary School
  - ✓ Challenge School
  - ✓ Cherry Hills Village Elementary School
  - ✓ Cottonwood Creek Elementary School
  - ✓ Coyote Hills Elementary School
  - ✓ Dry Creek Elementary School
  - ✓ Peakview Elementary School
  - ✓ Falcon Creek Middle School

# Facts and Figures

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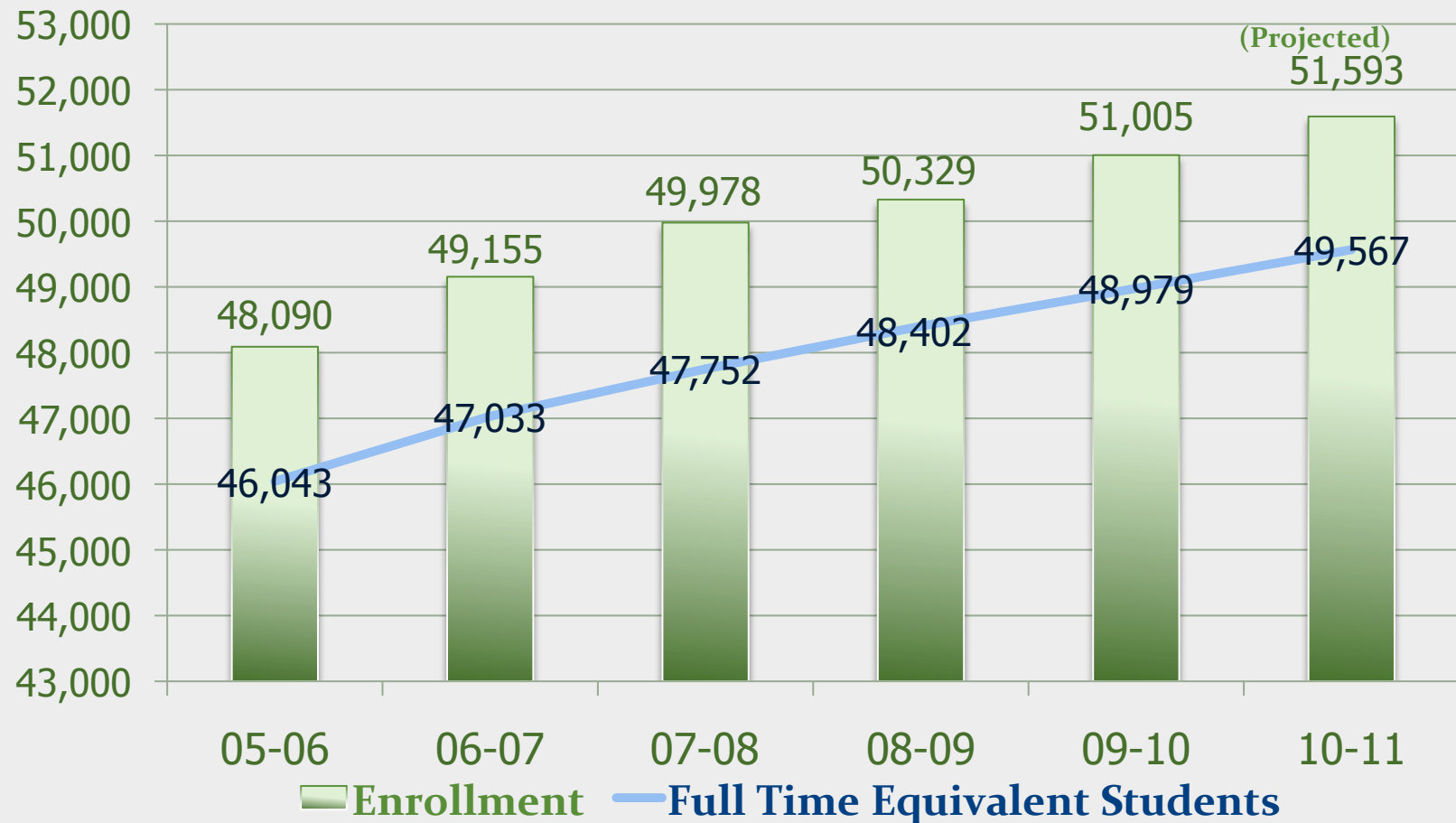
- ▶ District ACT/SAT results for 2009 graduating seniors

Averages	CCSD	State	National
ACT Composite Score	22.0	20.8	20.9
SAT combined Verbal/Math/Writing	1742	1698	1509

- ▶ District met 91.33% of AYP targets (137 of 150)

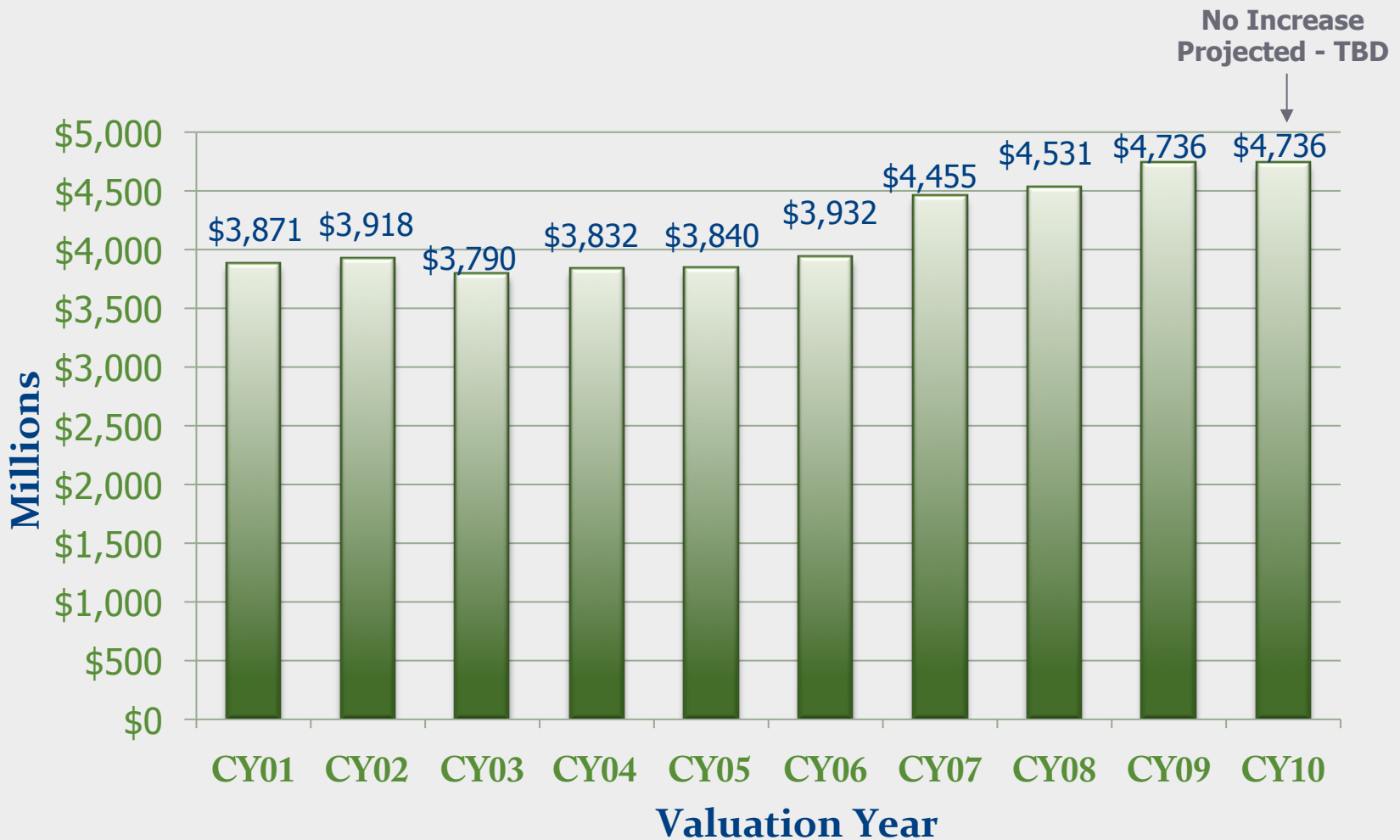
# Enrollment Growth

7.3% Enrollment Growth over 5 years



# Assessed Valuation

## 2001-2010



TBD – to be determined

# Property Taxes

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## 2009-10



- ▶ Mill Levy 48.825
- ▶ Assessment Ratio 7.96%

### Residential Taxes on:

- ▶ \$326,443 House \$1,269

## 2010-11

- ▶ Mill Levy 49.016\*
- ▶ Assessment Ratio 7.96%

### Residential Taxes on:

- ▶ \$326,443 House \$1,274\*

\* Estimated

# Residential Property Value and Tax History



# 2008 Bond Issue Projects

\$203.55 million

## Projects to be completed:

- ▶ **New School Construction - \$97.13 million**
  - ✓ 3 Elementary Schools
  - ✓ STEM Facility
  - ✓ Instructional Support Facility
  - ✓ Arapahoe Park Transportation/Maintenance Facility
  - ✓ High School #7 Design Work
- ▶ **Remodels and Renovations - \$77.90 million**
  - ✓ 18 schools
- ▶ **Mechanical Improvements - \$12.67 million**
  - ✓ 50 schools and buildings
- ▶ **Technology - \$14.72 million**
  - ✓ District Finance and Human Resources System
  - ✓ Network and Telephone System Upgrades
- ▶ **School Safety and Security - \$1.13 million**
  - ✓ Radio upgrades for security and GPS System for School Buses

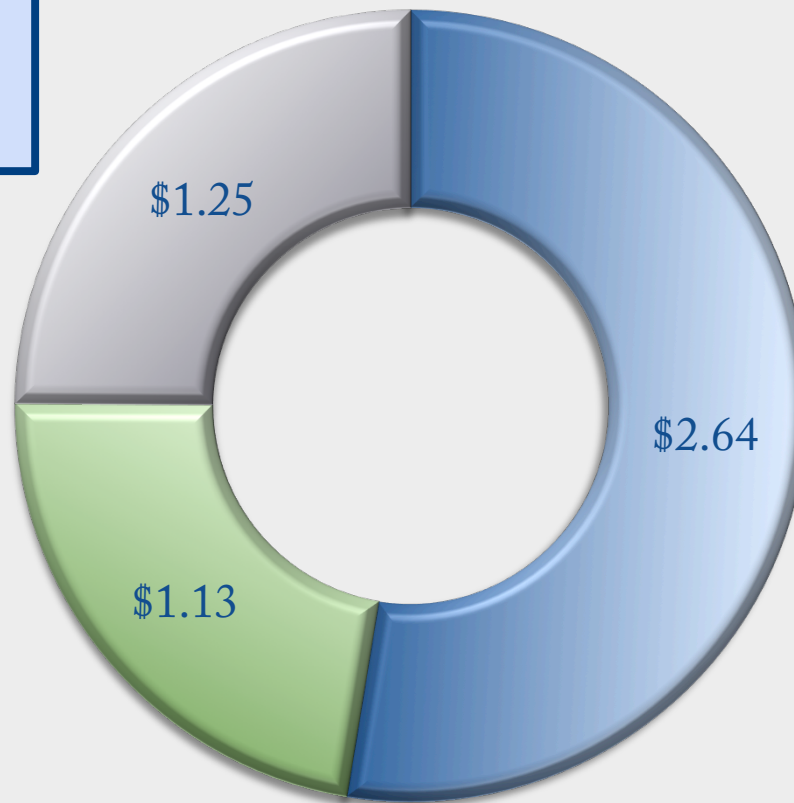




# Operations and Maintenance Costs

## 2008 Bond Issue (in millions)

Total Estimated  
Future Year Costs =  
\$5.02 million



■ Elementary   ■ STEM Facility   ■ Other Facilities



*Cherry Creek Schools*  
*Cherry Creek Schools*

*Employees*

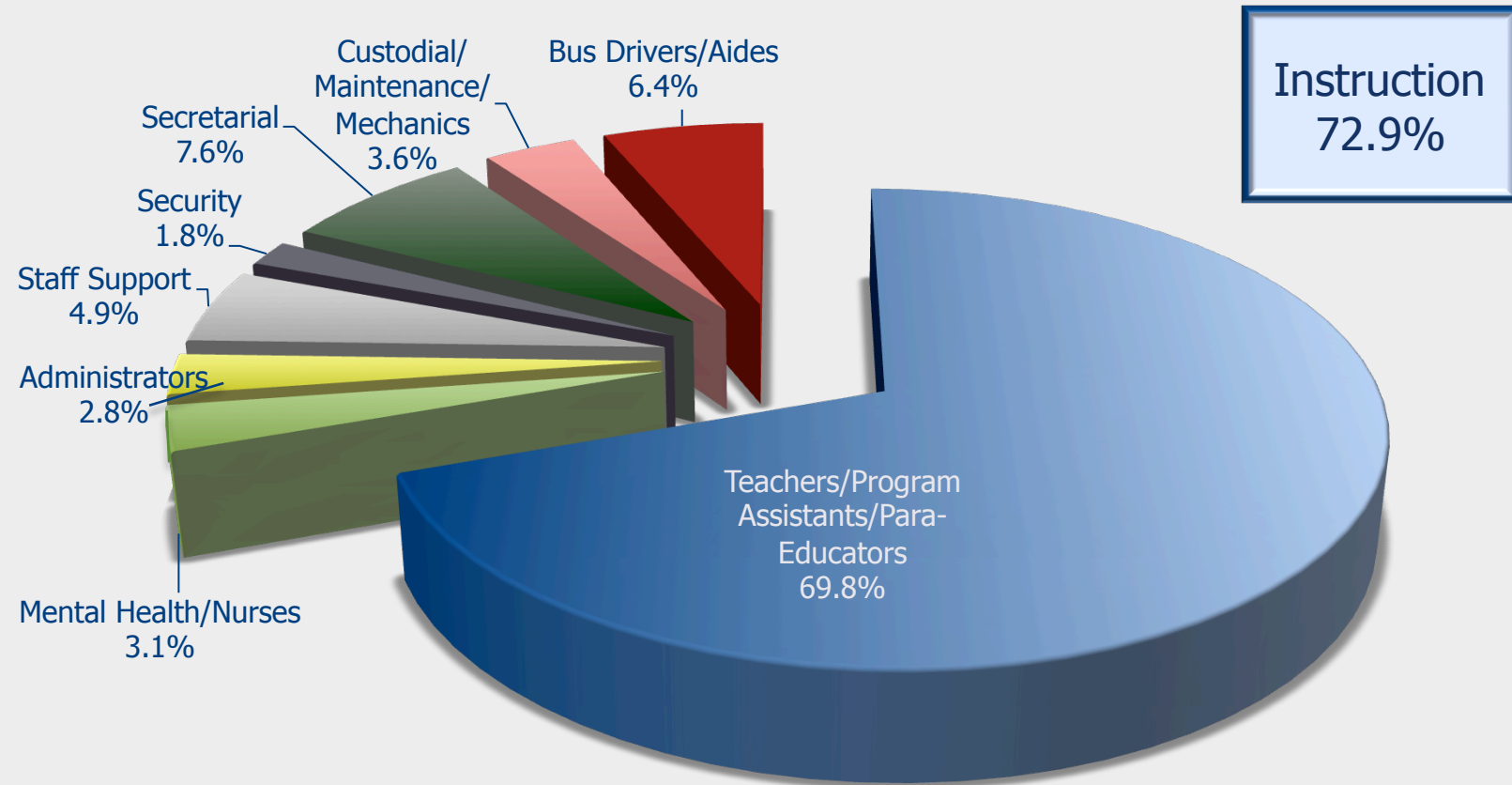
*To inspire every student to think, to learn, to achieve, to care*

# Valuing our Employees

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- ▶ 88.9% of General Fund budget is salaries and benefits
- ▶ Salary and wages -- FY 2010-11
  - ✓ Teacher and Mental Health employee compensation
    - ◇ No salary schedule increase
    - ◇ One-half of experience step increase – 1.38%
    - ◇ Educational Attainment – 0.83%
  - ✓ Classified and other employees
    - ◇ No salary schedule increases
- ▶ Health insurance contributions by the District maintained at existing funding level.

# General Fund Staffing



# General Fund Staffing Summary

Employee Type (FTE)	09-10 Budget	10-11 Budget	10-11 % of Total
<u>Instruction</u>			
Teachers	3,279	3,296	66.2%
Para-Educators	172	180	3.6%
<u>Instructional Support</u>			
Mental Health	95	96	1.9%
Nurses	60	59	1.2%
Administrators	139	141	2.8%
Staff Support	284	244	4.9%
Security	105	90	1.8%
Secretarial	379	380	7.6%
Custodial/Maintenance	164	159	3.2%
<u>Transportation</u>			
Mechanics	22	22	0.4%
Bus Aides	101	88	1.8%
Bus Drivers	<u>259</u>	<u>222</u>	<u>4.6%</u>
<b>TOTAL</b>	<b><u>5,059</u></b>	<b><u>4,977</u></b>	<b><u>100.0%</u></b>



*Cherry Creek Schools*  
*Cherry Creek Schools*

# *Appropriations by Fund*

# Appropriation Summary

Fund (in millions)	09-10 Budget	10-11 Budget	Inc (Dec)	10-11 % Change
General Fund	\$426.75	\$428.29	\$1.54	0.4%
Designated Purpose Grants	33.93	31.16	(2.77)	(8.2%)
Extended Child Services	17.26	17.64	0.38	2.2%
Pupil Activities	13.01	12.73	(0.28)	(2.2%)
Capital Reserve	9.14	7.15	(1.99)	(21.8%)
Capital Finance Corporation	<u>0.04</u>	<u>0.04</u>	-	-
<b>Total Operating / Special Revenue Funds</b>	<b><u>500.13</u></b>	<b><u>497.01</u></b>	<b><u>(3.12)</u></b>	<b><u>(0.6%)</u></b>
Food Services – Enterprise Fund	15.62	16.67	1.05	6.7%
Building Fund	86.02	124.08	38.06	44.2%
Bond Redemption	<u>48.43</u>	<u>52.03</u>	<u>3.60</u>	<u>7.4%</u>
<b>TOTAL APPROPRIATION</b>	<b><u>\$650.20</u></b>	<b><u>\$689.79</u></b>	<b><u>\$39.59</u></b>	<b><u>6.1%</u></b>





*Cherry Creek Schools*  
*Cherry Creek Schools*

*General Fund*

*To inspire every student to think, to learn, to achieve, to care*

# Budget Development Factors

SB09-215: School Funding for 2008-09  
and SB10-065: School Funding for 2009-10

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- ▶ Cherry Creek funding under the School Finance Act was rescinded in 2008-09 by \$1.7 million and in 2009-10 by \$8.1 million through a statewide reduction of per pupil funding caused by State revenue shortfalls
- ▶ State economic forecasts reflect declining income tax and retail sales tax revenue which affects the overall State budget
  - ✓ Cherry Creek projections are conservative to protect the District in the event that future State funding rescissions should occur in 2010 or 2011

# Budget Development Factors

## HB10-1369: School Funding for 2010-11

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- ▶ Deflation of -0.6% plus Amendment 23 funding of 1%, \$1.42 million
- ▶ Base per pupil funding increases by 0.4% from \$5,507.68 to \$5,529.71
- ▶ Funding for enrollment increase of 588 students, \$4.22 million
- ▶ Cherry Creek per pupil funding of \$6,740 -- reduction per pupil of \$459 or 6.35% below Amendment 23 statutory funding per pupil of \$7,199
- ▶ A “negative” **State Budget Stabilization Factor** has been enacted, which is now part of the School Finance Formula. The implementation of the factor results in a funding reduction of 6.35% (\$22.7 million) of total program funding under Amendment 23.

# Budget Development Factors

## HB10-1369: School Funding for 2010-11

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- ▶ Funding maintained at the same level for full-day kindergarten now being offered at six schools (approximately 700 students)
  - ✓ Future funding for full-day kindergarten expansion has been suspended due to State funding shortfall
- ▶ Colorado Preschool Program
  - ✓ Cherry Creek is authorized for 336 slots (168 FTE students)
- ▶ Categorical Programs Funding
  - ✓ 1% increase above deflation of -0.6%, \$56 thousand
  - ✓ Special Education
  - ✓ Pupil Transportation
  - ✓ English Language Acquisition
  - ✓ Career and Vocational Education
  - ✓ Gifted and Talented Education

# Current Fiscal Year Funding

## Impact on the Cherry Creek School District

### Public School Finance Act Total Program Funding Illustration

<b>FY2009-10</b>	<b>Amount</b>	<b>Funding Per Pupil</b>
<b>TOTAL PROGRAM FORMULA STATUTORY FUNDING (48,979.3 FTE)</b>	<b>\$351,205,021</b>	<b>\$7,170</b>
<b>FUNDING REDUCTIONS</b>		
LESS: State Fiscal Emergency Restricted Reserve	(6,787,106)	
Negative Supplemental – Senate Bill 10-065 (Funding Retracted for Statewide Enrollment & At-Risk Count Exceeding Projection)	(1,231,000)	
State Rescission for School Finance Administration	(93,302)	
State Rescission for Cost of Living Study	(13,484)	
<b>TOTAL FUNDING REDUCTIONS *</b>	<b>(8,124,892)</b>	<b>(166)</b>
<b>NET ESTIMATED FY2009-10 PROGRAM FORMULA FUNDING</b>	<b>\$343,080,129</b>	<b>\$7,004</b>

•Funding Reduction of 2.31% of Total Program Funding Formula,  
To Be Determined – minor funding adjustment from CDE

# School Finance Bill HB10-1369

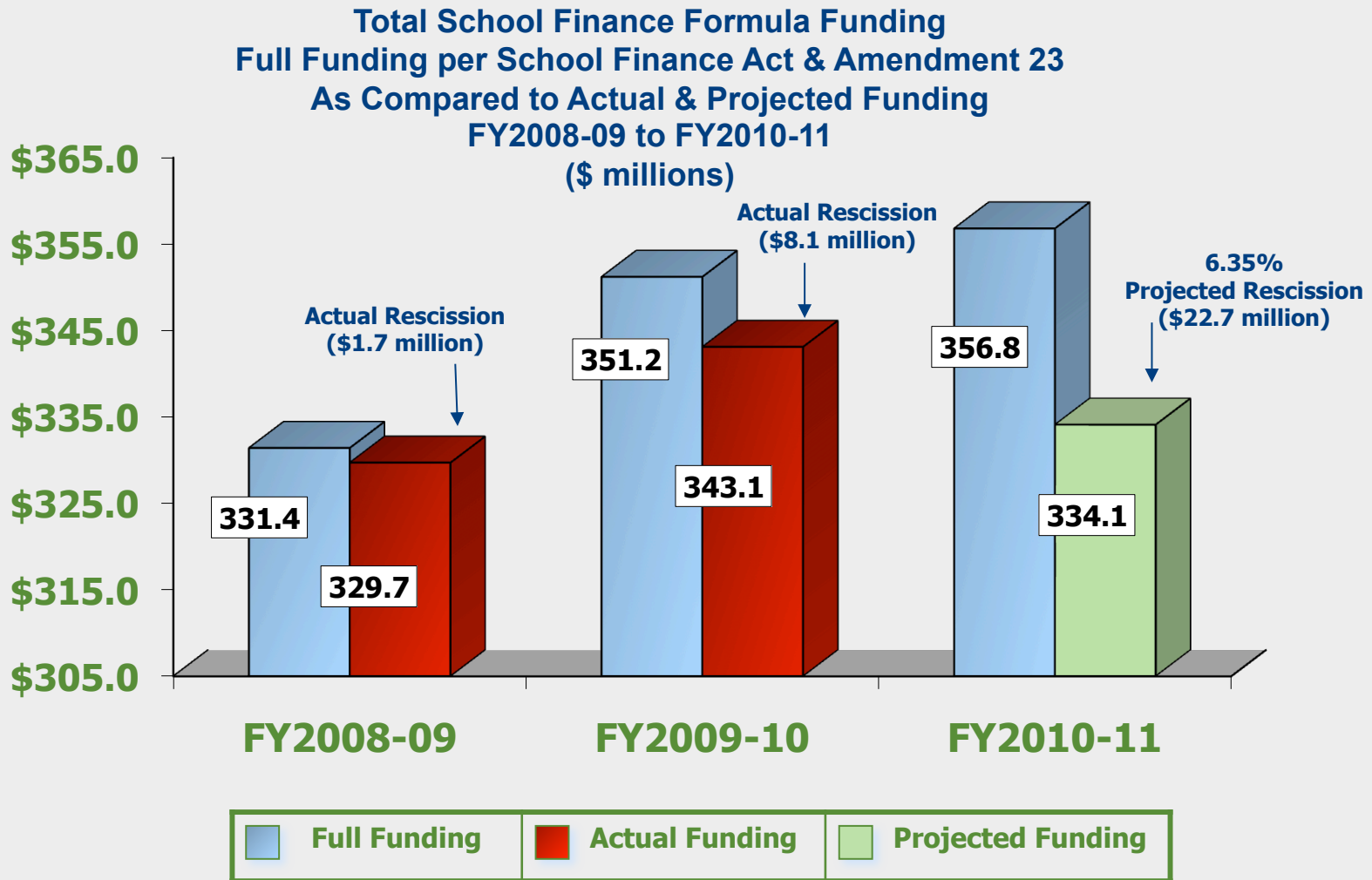
## Impact on the Cherry Creek School District

\$365.3M  
Statewide  
K-12  
Funding  
Reduction  
of 6.35%

### Public School Finance Act Total Program Funding Illustration

<b>FY2010-11</b>	<b>Amount</b>	<b>Funding Per Pupil</b>
<b>PRIOR YEAR TOTAL PROGRAM FORMULA FUNDING (48,979.3 FTE)</b>	<b>\$351,205,021</b>	<b>\$7,170</b>
PLUS: Anticipated Increase in Funding for Pupil Growth (588 FTE)	4,216,411	
Anticipated Increase in Funding (Amendment 23 – CPI plus 1% = -0.6% Deflation plus 1%)	1,421,519	
<b>ESTIMATED STATUTORY PROGRAM FORMULA FUNDING</b>	<b>\$356,842,951</b>	<b>\$7,199</b>
LESS: Effect of Reduction in Total Program Funding	(22,659,527)	
State Rescission for School Finance Administration	(93,333)	
<b>EQUALS: NET ESTIMATED TOTAL PROGRAM FORMULA FUNDING</b> (Projected 49,567.3 FTE)	<b>\$334,090,091</b>	<b>\$6,740</b>
<b>REVENUE DECLINE FROM PUBLIC SCHOOL FINANCE FUNDING</b> <b>FY2009-10 TO FY2010-11</b>	<b>(\$8,990,038)</b>	
<b>FY2009-10 TO FY2010-11 CUMULATIVE REDUCTION PER PUPIL</b>		<b>(\$459)</b>

# Full Funding vs. Actual Funding Comparison For Cherry Creek School District





# Budget Development Factors

## Financial Issues

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- ▶ PERA rate increase of 0.9% to 14.75% effective January 1, 2011
  - ✓ Annual increases until rate reaches 20.15% in January 2018
  - ✓ FY 2010-11 additional cost – \$2.7 million
  - ✓ \$40.8 million
    - ◇ 9.9% of General Fund budget
- ▶ Health insurance contributions by the District maintained at existing funding level.
- ▶ Unemployment insurance cost increase of \$300,000
- ▶ Utility and fuel costs stabilized
  - ✓ \$14.29 million represents 3.5% of General Fund budget
- ▶ Cost and Resource Management Plan was implemented for 2010-11 to manage resources in order to implement a budget solution that deals with State funding reductions and achieves a balanced budget.

# PERA Retirement Benefit Plan Contribution Rates (as amended by Senate Bill 10-001)

Start Date	Statutory Employer Contribution	AED	SAED*	Total Contribution % for Calendar Year
Jan 2010	10.15%	2.20%	1.50%	13.85%
Jan 2011	10.15%	2.60%	2.00%	14.75%
Jan 2012	10.15%	3.00%	2.50%	15.65%
Jan 2013	10.15%	3.40%	3.00%	16.55%
Jan 2014	10.15%	3.80%	3.50%	17.45%
Jan 2015	10.15%	4.20%	4.00%	18.35%
Jan 2016	10.15%	4.50%	4.50%	19.15%
Jan 2017	10.15%	4.50%	5.00%	19.65%
Jan 2018	10.15%	4.50%	5.50%	20.15%

\*The SAED is, to the extent permitted by law, to be funded by monies otherwise available for employee wage increases. The State Legislature has adopted the design changes to PERA's retirement benefit plans and contribution rates in order to achieve full funding of the unfunded accrued actuarial liability (UAAL) within the next 30 years. SB10-001 currently implements a cap on the annual cost of living adjustments for all members' benefits payments and makes changes in eligibility, calculation of highest average salary and calculation of other benefits for all active and inactive PERA members. SB10-001 also requires an annual increase to the amortization equalization disbursement (AED) and the supplemental amortization equalization disbursement (SAED). Both AED and SAED will continue to increase until funding targets are met.

# Cost & Resource Management Plan Profile

## Cost and Resource Management Plan Introduction

Due to adverse economic conditions and declining State revenue, statewide K-12 education funding reductions were adopted by the legislature for FY2010-11. A Cost and Resource Management Plan was developed for the purpose of:

- Properly dealing with the funding reductions in order to achieve a balanced budget
- Managing resources to support the educational values of the District
- Positioning the District to be successful in its mission

## EDUCATIONAL SUPPORT SERVICES

Departmental Area	Budget Reduction	FTE Reduction	FY2009-10 Budget	Reduction % of Program
Transportation *	\$1,600,000	50.0	\$16,586,916	9.6%
Security	361,425	14.5	3,063,591	11.8%
Maintenance & Facility Support	444,500	5.0	17,052,213	2.6%
<b>TOTAL EDUC. SUPPORT SERVICES</b>	<b>\$2,405,925</b>	<b>69.5</b>		

\* Modified from April 2010 Proposed Cost and Resource Management Plan

# Cost & Resource Management Plan Profile

## EDUCATIONAL OPERATIONS

Description	Budget Reduction	FTE Reduction	FY2009-10 Budget	Reduction % of Program
School Administrative Personnel	\$853,100	10.0	\$12,910,319	6.6%
School Support Personnel *	472,285	17.0	13,127,648	3.6%
Administrator Professional Growth	140,000	-	140,000	100.0%
Administrative Operational Budgets	156,183	-	3,152,517	5.0%
<b>CENTRAL OFFICE PERSONNEL</b>				
District Department Office Staff	92,300	2.0	1,282,572	7.2%
Special Educ. Department Support	345,000	2.0	2,646,317	13.0%
School Calendar Change	250,000	3.8	3,498,939	7.1%
School Supply Budgets	390,000	-	7,869,349	5.0%
School Equipment Budgets	221,645	-	4,333,035	5.1%
Teaching Positions	1,007,600	15.3	257,488,827	0.4%
Athletics & Activities	150,000	-	5,570,372	2.7%
<b>TOTAL EDUCATIONAL OPERATIONS</b>	<b>\$4,078,113</b>	<b>50.1</b>		

\* Modified from April 2010 Proposed Cost and Resource Management Plan

# Cost & Resource Management Plan Profile

## PERFORMANCE IMPROVEMENT

Departmental Area	Budget Reduction	FTE Reduction	FY2009-10 Budget	Reduction % of Program
Assessment & Evaluation	\$65,091	-	\$890,237	7.3%
Curriculum	225,200	2.4	1,888,294	11.9%
Excellence & Equity	166,000	2.0	6,858,319	2.4%
Information Systems	290,430	3.0	5,495,200	5.3%
Professional Learning	199,950	2.8	2,444,470	8.2%
Administrative Operational Budgets	177,689	-	2,792,193	6.4%
<b>TOTAL PERFORMANCE IMPROVEMENT</b>	<b>\$1,124,360</b>	<b>10.2</b>		

# Cost & Resource Management Plan Profile

## HUMAN RESOURCES - FISCAL SERVICES – SUPERINTENDENT - BOARD OF EDUCATION

Description	Budget Reduction	FTE Reduction	FY2009-10 Budget	Reduction % of Program
Administrative Operational Budget – HR	\$91,119	-	\$826,466	11.0%
S.T.A.R. Mentor Program	195,000	2.0	3,706,567	5.3%
Copier Budgets	100,000	-	1,958,346	5.1%
Insurance Budgets	358,000	-	3,719,516	9.6%
Admin. Operational Budgets – Fiscal Svc., Superintendent, & BOE	221,128	2.0	3,335,537	6.6%
<b>TOTAL HR/FISCAL SERVICES/ SUPERINTENDENT/BOE</b>	<b>\$965,247</b>	<b>4.0</b>		
<b>Negotiations *</b>				
½ experience step funded for teachers	\$2,500,000	-	\$268,428,578	0.9%
<b>TOTAL COST &amp; RESOURCE MANAGEMENT PLAN REDUCTIONS**</b>	<b>\$11,073,645</b>	<b>133.8</b>		

\* Modified from April 2010 Proposed Cost and Resource Management Plan

\*\*Total budget reduction represents 2.7% of the FY2009-10 General Fund budget amount of \$410,777,600.

# Cost & Resource Management Plan Profile

## ADDITIONAL RESOURCES

Description	Additional Funding Amount
ECS Transfer to General Fund	\$500,000
Rental Revenue Transfer from High Schools to General Fund	100,000
Decrease in General Fund Expenditure Allocation to Capital Reserve	1,900,000
Other Federal Revenue Available Under ARRA for Build America Bonds	1,572,500
General Fund Reserves (not recommended in FY 2010-11)	2,000,000
<b>TOTAL ADDITIONAL FUNDING RESOURCES</b>	<b>\$6,072,500</b>
<b>Plus: Total Cost &amp; Resource Management Plan Reductions (from previous pages)</b>	<b>11,073,645</b>
<b>TOTAL PROPOSED COST &amp; RESOURCE MANAGEMENT PLAN</b>	<b>\$17,146,145</b>



# Budget Development Factors

## Staffing and Supplies

### ▸ Staffing

- ✓ 1 certified staff member for every 18 student FTE
- ✓ Class size reduction – K-3
- ✓ Reading
- ✓ At-Risk
- ✓ Special Education staffed by formulas based on services provided
- ✓ English Language Acquisition

### ▸ School supply allocation per student to cover cost of materials\*

	<b>Per Pupil Allocation</b>	<b>Per Pupil Reduction from FY 2009-10</b>	<b>Total (in millions)</b>
Elementary	\$117.53	\$6.19	\$2.74
Middle School	\$152.51	\$8.03	\$1.75
High School	\$195.51	\$10.29	\$3.02

\* Allocation has been reduced 5.0% from 2009-10 levels.

# Budget Development Factors

## Targeted Achievement Areas

Staffing in addition to 18:1 Staffing Ratio	FTE	Dollars (thousands)
Grades K-3	55.0	\$3,212
Middle Grades	20.5	1,065
Reading	17.1	998
At-Risk	11.9	695
4-Track Year Round	8.7	508
SAS Technology/Instructional Technology	6.5	377
North Area	9.5	839
High School Achievement	4.8	280
AVID	-	329
Program Assistants	11.8	972
Additional Programs at Prairie MS	<u>3.0</u>	<u>175</u>
<b>TOTAL *</b>	<b><u>148.8</u></b>	<b><u>\$9,450</u></b>

\* Budget reduction of \$1.418 million from FY 2009-10  
FTE reduction of 21.6 FTE from FY 2009-10.

# Budget Development Factors

## Targeted Achievement Areas (cont'd)

Staffing in addition to 18:1 Staffing Ratio	High School	Middle School	Elementary School
Grades K-3	-	-	55.0
Middle Grades	-	13.1	7.4
Reading	1.8	2.4	12.9
At-Risk	2.7	3.0	6.2
4-Track Year Round	-	-	8.7
SAS Technology/Instructional Technology	6.0	0.5	-
North Area	2.4	2.4	4.7
High School Achievement	4.8	-	-
Program Assistants	1.0	10.8	-
Additional Programs at Prairie MS	-	3.0	-
<b>TOTAL *</b>	<b><u>18.7</u></b>	<b><u>35.2</u></b>	<b><u>94.9</u></b>

\* FTE reductions from FY 2009-10  
 High School – 2.0 FTE  
 Middle School – 4.5 FTE  
 Elementary – 15.1 FTE

# Budget Development Factors

## Continuing Programs

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### School Safety and Security - \$3.33 million

- ▶ General Fund - \$3.33 million
  - ✓ School Security Staff (90 FTE)
    - ◇ After hours security
    - ◇ Training
  - ✓ School Safety Team
    - ◇ Monitor building plan for psychological and physical safety
    - ◇ Assessment, prevention, intervention, and crisis response
    - ◇ Reduce intimidation, harassment, and uncivil behavior
  - ✓ \$360,000 Reduction from FY 2009-10 Budget
- ▶ Cherry Creek maintains a higher safety and security staffing level when compared to other school districts throughout the Denver Metro Area.

# Major General Fund Budget Changes

## Between FY2009-10 and FY2010-11

(millions)	FTE	Increase (Decrease)
<u>Salary and Benefits - Agreements</u>		
Teachers and Mental Health		
Compensation for one-half experience step	-	\$2.50
Compensation for additional credit hours and advanced degrees	-	1.50
PERA Increase from 13.85% to 14.75%	-	2.70
Unemployment Insurance Increase	-	0.30
Post Retirement Employment (110-day) Option Savings and Savings for Replacement Positions	-	(0.72)
Student Achievement Incentive Plan Costs (SAIP)		0.36
Change in Expenditure for Sick Leave	-	<u>(0.25)</u>
<b>Total Salary And Benefit Increases</b>	<b>-</b>	<b><u>\$6.39</u></b>

# Major General Fund Budget Changes

## Between FY2009-10 and FY2010-11

(millions)	FTE	Increase (Decrease)
<u>Enrollment and Growth</u>		
Teachers – Enrollment Increase of 588 students		
18:1 Staffing Ratio – classroom teachers	32.7	\$2.07
Special Education	2.5	0.19
English Language Acquisition	<u>2.5</u>	<u>0.19</u>
<b>Total Enrollment and Growth</b>	<b><u>37.7</u></b>	<b><u>\$2.45</u></b>

(millions)	FTE	Increase (Decrease)
<u>New Positions</u>		
Principal – Pine Ridge Elementary	1.0	\$0.09
Assistant Principal – Cherokee Trail HS	<u>1.0</u>	<u>0.09</u>
<b>Total New Positions</b>	<b><u>2.0</u></b>	<b><u>\$0.18</u></b>

# Major General Fund Budget Changes

## Between FY2009-10 and FY2010-11

(millions)	FTE	Increase (Decrease)
<u>Expenditure Budget Reductions:</u>		
Educational Support Services	(69.5)	(\$2.41)
Educational Operations	(50.1)	(4.08)
Performance Improvement	(10.2)	(1.12)
Human Resources/Fiscal Services Superintendent/Board of Education	(4.0)	(0.96)
Negotiations (cost savings of \$2.5 million reflected under Salary & Benefits)	-	-
<b>Total (excluding \$2.5 million for negotiations)</b>	<b><u>(133.8)</u></b>	<b><u>(\$8.57)</u></b>

# Major General Fund Budget Changes

## Between FY2009-10 and FY2010-11

(millions)	FTE	Increase (Decrease)
<u>Operations and Maintenance Costs:</u>		
<u>Opening of New Facilities:</u>		
Pine Ridge Elementary	4.0	\$0.86
Arapahoe Campus -- Transportation & Maintenance Facility		0.38
Instructional Support Facility		0.14
COMPASS System – Annual Maintenance Costs	_____	<u>0.20</u>
<b>Total O &amp; M Costs</b>	<b><u>4.0</u></b>	<b><u>\$1.58</u></b>



# Major General Fund Budget Changes

## Between FY2009-10 and FY2010-11

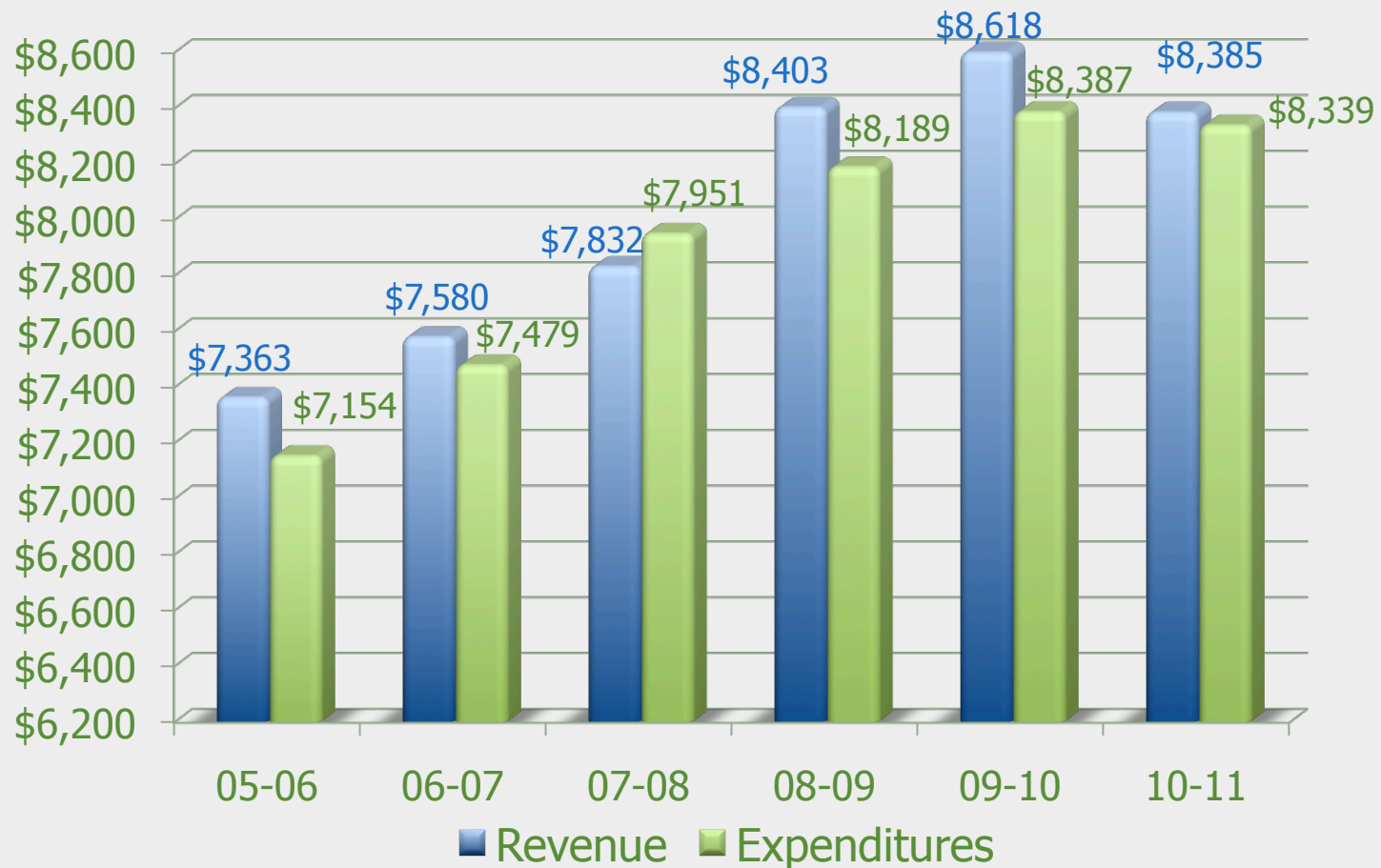
(millions)	FTE	Increase (Decrease)
<u>Other Changes:</u>		
Other Cost Increases	3.1	\$0.25
Staffing Formula Changes – Secondary EOP (enrollment related)	5.0	0.17
Letter of Credit Financing Fee		0.12
Reductions in Extended Contracts, Responsibility Factors, and Hourly Support Pending	-	-
<b>Total Other Changes</b>	<b><u>8.1</u></b>	<b><u>\$0.54</u></b>
<b>TOTAL GENERAL FUND BUDGET CHANGES</b>	<b><u>(82.0)</u></b>	<b><u>\$2.57</u></b>

The General Fund Budget increased by \$2.57 million from \$410.78 million in FY2009-10 to \$413.35 million in FY2010-11, an increase of 0.6%.

# General Fund Revenues and Expenditures

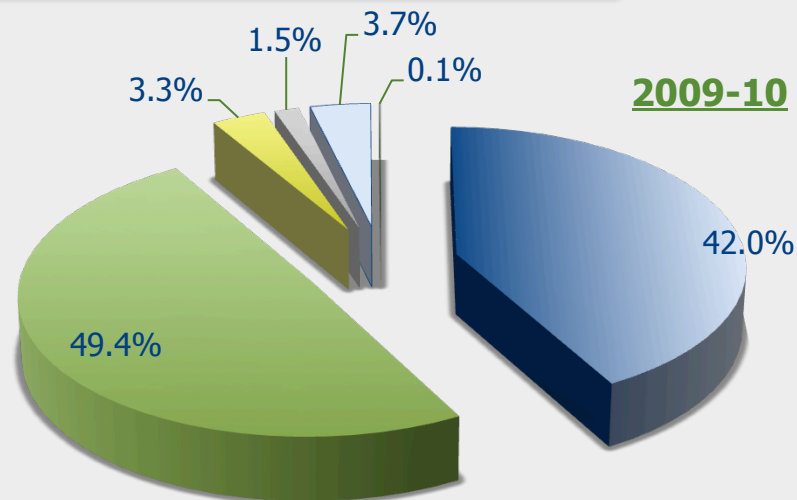
Revenue Sources (in millions)	09-10 Budget	10-11 Budget	Inc (Dec)
Local Sources	\$202.72	\$201.58	(\$1.14)
State Sources	226.37	217.65	(8.72)
Federal Sources	0.44	1.57	1.13
Less Transfer to Capital Reserve	<u>(8.79)</u>	<u>(6.94)</u>	<u>1.85</u>
<b>TOTAL REVENUES</b>	<b>420.74</b>	<b>413.86</b>	<b>(\$6.88)</b>
<u>Other Financing Sources</u>			
Extended Child Services Fund	<u>1.37</u>	<u>1.78</u>	<u>0.41</u>
<b>TOTAL REVENUES/FINANCING SOURCES</b>	<b>422.11</b>	<b>415.64</b>	<b>(6.47)</b>
<b>TOTAL EXPENDITURES</b>	<b><u>410.78</u></b>	<b><u>413.35</u></b>	<b><u>2.57</u></b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b><u>\$11.33</u></b>	<b><u>\$2.29</u></b>	<b><u>(\$9.04)</u></b>

# Per Pupil Revenue and Expenditures



# Funding Sources

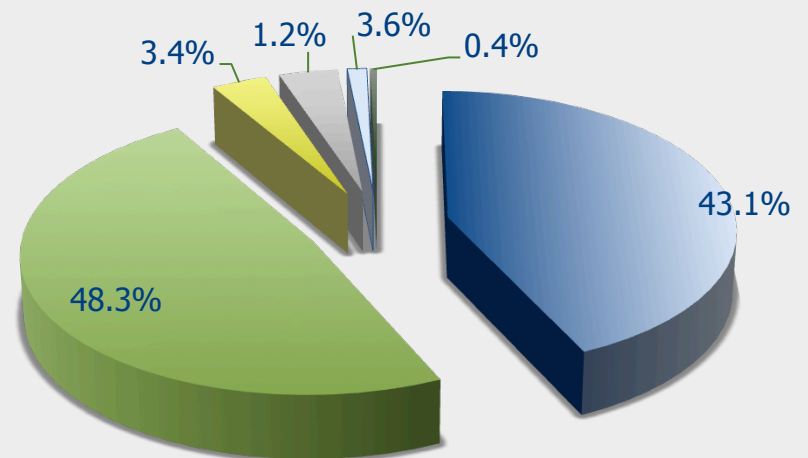
	2009-10	2010-11
Local	47.2%	47.9%
State	52.7%	51.7%
Federal	0.1%	0.4%



- Property Taxes
- Other State Revenue
- Specific Ownership Taxes

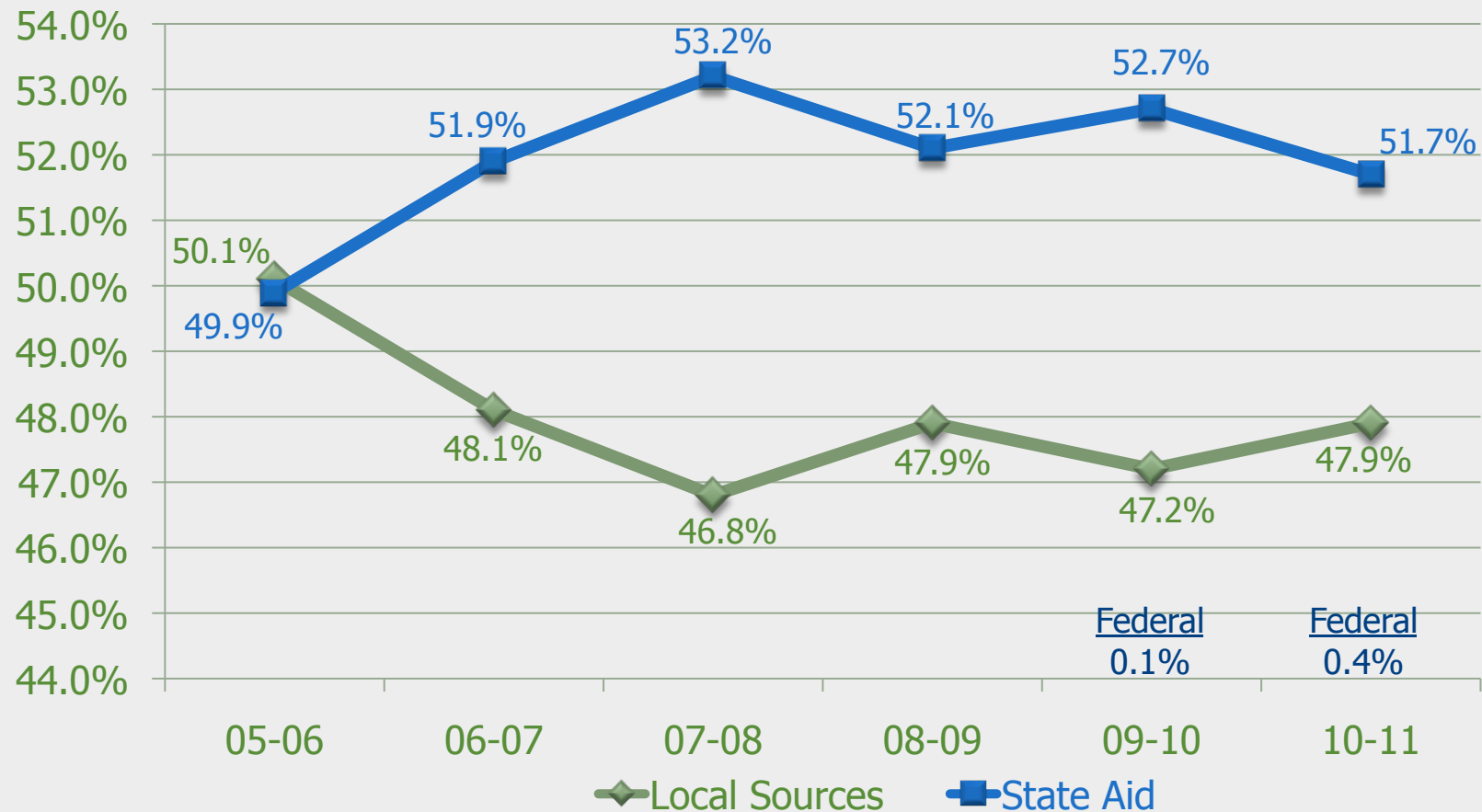
- State Equalization Aid
- Other Local Revenue
- Other Federal Revenue

## Estimated 2010-11 Distribution



# Comparison: State and Local Funding

FY2005-06 to FY2010-11



# Revenue Sources and Transfers

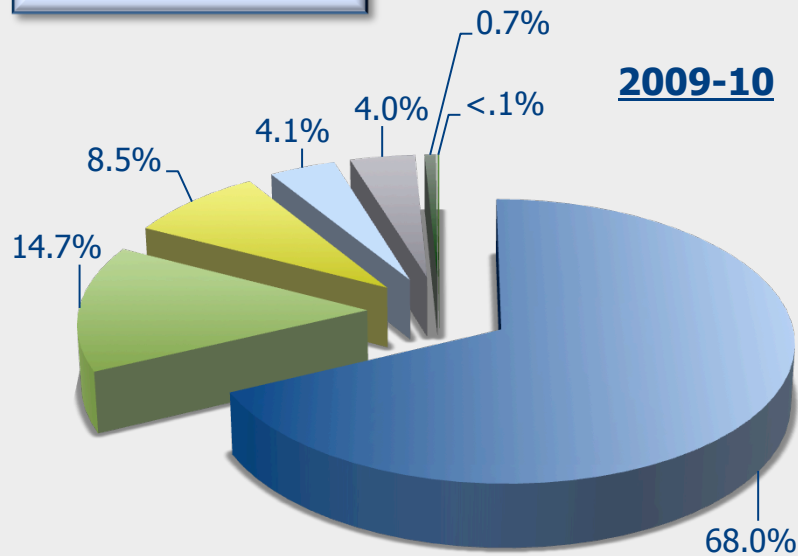
Source (in millions)	09-10 Budget	% of Revenue	10-11 Budget	% of Revenue
<u>Taxes</u>				
Property Taxes	\$180.49	42.0%	\$181.14	43.1%
Specific Ownership Taxes	<u>15.90</u>	<u>3.7%</u>	<u>15.32</u>	<u>3.6%</u>
<b>Subtotal - Taxes</b>	<b><u>\$196.39</u></b>	<b><u>45.7%</u></b>	<b><u>196.46</u></b>	<b><u>46.7%</u></b>
<u>Other Local</u>				
Indirect Cost Reimbursement	1.45		1.45	
Activity and Athletic Fees	0.97		0.98	
Tuition	0.93		0.75	
Investment Income	0.36		0.36	
Coca Cola Revenue Guarantee	0.06		0.06	
Rental of Facilities	0.59		0.58	
Other	<u>1.97</u>		<u>0.94</u>	
<b>Subtotal - Other Local</b>	<b><u>6.33</u></b>	<b><u>1.5%</u></b>	<b><u>5.12</u></b>	<b><u>1.2%</u></b>
<b>TOTAL LOCAL SOURCES</b>	<b><u>\$202.72</u></b>	<b><u>47.2%</u></b>	<b><u>\$201.58</u></b>	<b><u>47.9%</u></b>

# Revenue Sources and Transfers (cont'd)

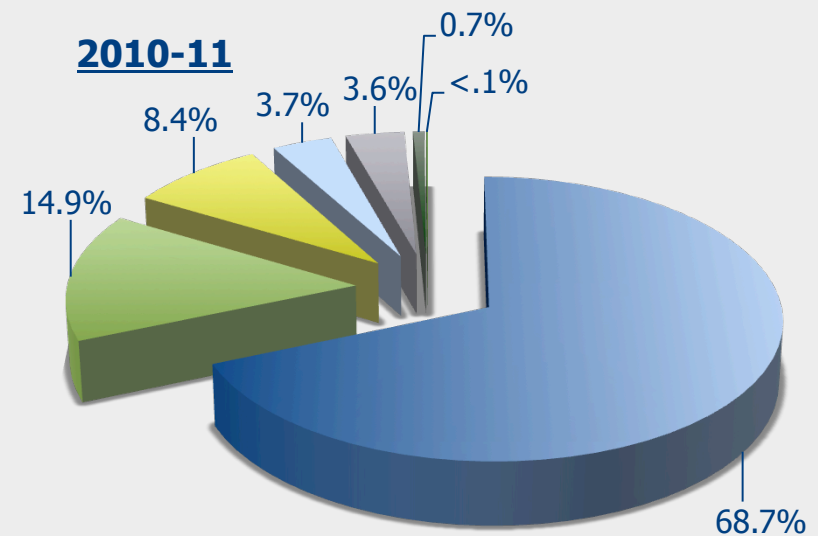
Source (in millions)	09-10 Budget	% of Revenue	10-11 Budget	% of Revenue
<u>State Revenue Sources</u>				
<b>State Equalization Aid</b>	<b><u>\$212.33</u></b>	<b><u>49.4%</u></b>	<b><u>\$203.27</u></b>	<b><u>48.3%</u></b>
Special Education	8.14		8.17	
Pupil Transportation	3.81		3.82	
Vocational Education	1.16		1.45	
Gifted and Talented	0.48		0.48	
English Language Proficiency	0.43		0.43	
Other State	<u>0.02</u>		<u>0.03</u>	
<b>Subtotal - Other State</b>	<b><u>14.04</u></b>	<b><u>3.3%</u></b>	<b><u>14.38</u></b>	<b><u>3.4%</u></b>
<b>TOTAL STATE SOURCES</b>	<b><u>\$226.37</u></b>	<b><u>52.7%</u></b>	<b><u>\$217.65</u></b>	<b><u>51.7%</u></b>
<u>Federal Revenue Sources</u>				
American Recovery & Reinvestment Act	<u>0.44</u>	<u>0.1%</u>	<u>1.57</u>	<u>0.4%</u>
<b>TOTAL REVENUE</b>	<b><u>\$429.53</u></b>	<b><u>100.0%</u></b>	<b><u>\$420.80</u></b>	<b><u>100.0%</u></b>
<u>Transfers</u>				
Capital Reserve Fund Allocation	(8.79)	(2.0%)	(6.94)	(1.6%)
Extended Child Services	<u>1.37</u>	<u>0.3%</u>	<u>1.78</u>	<u>0.4%</u>
<b>TOTAL REVENUE &amp; TRANSFERS</b>	<b><u>\$ 422.11</u></b>	<b><u>98.3%</u></b>	<b><u>\$415.64</u></b>	<b><u>98.8%</u></b>

# General Fund Budget Dollar

2009-10  
Total Instruction  
82.7%



2010-11  
Total Instruction  
83.6%



- Direct Instruction
- Indirect Instruction
- Operations, Maintenance, and Custodial Services
- Central, Fiscal, and Community Services
- Transportation
- General Administration
- District-wide, Interest, Transfers, and Contingency



# Expenditure Budget

Activity (in millions)	09-10 Budget	% of Total	10-11 Budget	% of Total
<u>Direct Instruction</u>				
Elementary Education	\$104.91	25.5%	\$106.08	25.7%
Middle School Education	48.49	11.8%	49.72	12.0%
High School Education	66.69	16.2%	67.23	16.3%
Other Regular Education	19.09	4.7%	19.22	4.6%
Special Programs	<u>40.07</u>	<u>9.8%</u>	<u>41.67</u>	<u>10.1%</u>
<b>Total Direct Instruction</b>	<b><u>279.25</u></b>	<b><u>68.0%</u></b>	<b><u>283.92</u></b>	<b><u>68.7%</u></b>
<u>Indirect Instruction</u>				
Pupil Services	23.18	5.6%	23.10	5.6%
Instructional Staff Services	13.99	3.4%	14.18	3.4%
School Administration	<u>23.42</u>	<u>5.7%</u>	<u>24.29</u>	<u>5.9%</u>
<b>Total Indirect Instruction</b>	<b><u>60.59</u></b>	<b><u>14.7%</u></b>	<b><u>61.57</u></b>	<b><u>14.9%</u></b>
<b>TOTAL INSTRUCTION</b>	<b><u>\$339.84</u></b>	<b><u>82.7%</u></b>	<b><u>\$345.49</u></b>	<b><u>83.6%</u></b>

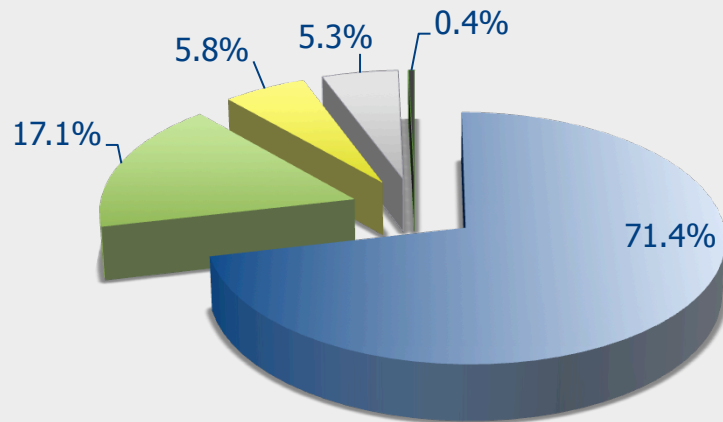
# Expenditure Budget

Activity (in millions)	09-10 Budget	% of Total	10-11 Budget	% of Total
<u>Other Expenditures</u>				
General Administration	\$2.94	0.7%	\$2.97	0.7%
Business Services	3.85	0.9%	3.76	0.9%
Operations and Maintenance	35.00	8.5%	34.58	8.4%
Pupil Transportation	16.39	4.0%	14.73	3.6%
Central and Other Services	11.55	2.9%	10.91	2.6%
Community Services	0.34	0.1%	0.32	0.1%
Debt Services	<u>0.30</u>	<u>0.1%</u>	<u>0.30</u>	<u>0.1%</u>
<b>Total Other Expenditures</b>	<b><u>70.37</u></b>	<b><u>17.2%</u></b>	<b><u>67.57</u></b>	<b><u>16.4%</u></b>
Transfers and Other	<u>0.57</u>	<u>0.1%</u>	<u>0.29</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$410.78</u></b>	<b><u>100.0%</u></b>	<b><u>\$413.35</u></b>	<b><u>100.0%</u></b>

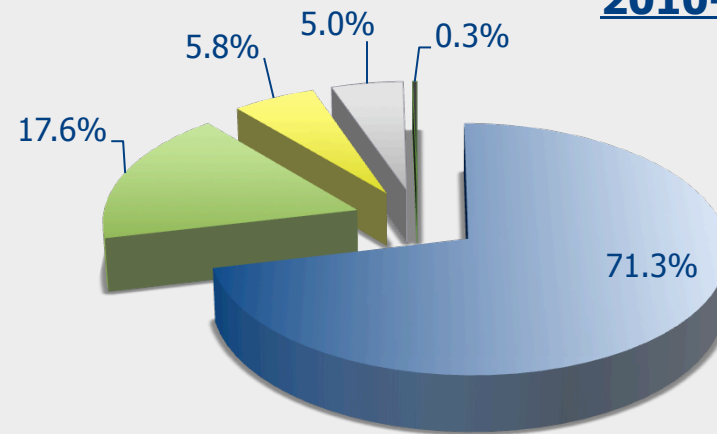
# Expenditures by Object

Salaries and Benefits  
88.9%

**2009-10**



**2010-11**



- Salaries
- Purchased Services
- Capital, Transfers, Other

- Employee Benefits
- Supplies and Materials

# Expenditures by Object

Object (in millions)	09-10 Budget	% of Total	10-11 Budget	% of Total
Salaries	\$ 293.25	71.4%	\$294.56	71.3%
Employee Benefits	<u>70.38</u>	<u>17.1%</u>	<u>72.81</u>	<u>17.6%</u>
<b>Subtotal</b>	<b><u>\$363.63</u></b>	<b><u>88.5%</u></b>	<b><u>\$367.37</u></b>	<b><u>88.9%</u></b>
Purchased Services	23.53	5.8%	24.18	5.8%
Supplies and Materials	21.81	5.3%	20.55	5.0%
Capital Outlay	0.89	0.2%	0.64	0.2%
Transfers and Other	<u>0.92</u>	<u>0.2%</u>	<u>0.61</u>	<u>0.1%</u>
<b>Subtotal</b>	<b><u>\$47.15</u></b>	<b><u>11.5%</u></b>	<b><u>\$45.98</u></b>	<b><u>11.1%</u></b>
<b>TOTAL EXPENDITURES</b>	<b><u>\$410.78</u></b>	<b><u>100.0%</u></b>	<b><u>\$413.35</u></b>	<b><u>100.0%</u></b>

# General Fund Reserves

The District General Fund Balance includes a 3% TABOR Reserve, a District Emergency Reserve of at least 3% of General Fund expenditures, and Designated Reserves for encumbrances and commitments. The General Fund Balance reserve levels are maintained according to Board Policy DB, adopted in April 2010.

## District Emergency Reserve

In accordance with provisions of SB09-256, Board Policy DB requires that the District maintain a District Emergency Reserve in the General Fund of at least 3% of General Fund (GF) Budget expenditures. This reserve is a safeguard to preserve resources and maintain financial stability for long-range planning purposes. This standard of fiscal protection is a key element of the District's focus on sound fiscal planning for expenditures at a level consistent with available revenues, while at the same time, maintaining adequate reserves.

The District meets this requirement with an approximate reserve equal to 4.2% of General Fund budget. The following table illustrates the level of reserves and the estimated calculation.

## **Fiscal Year 2010-11 Estimate \***

DESCRIPTION	RESERVE AMOUNT	% OF GF BUDGET
TABOR Reserve	\$12,400,000	3.0%
Designated Reserves	2,545,000	0.6%
Encumbrance Reserve	1,567,000	0.4%
District Emergency Reserve (includes GAAP basis adjustments for salaries & benefits accrued but unpaid)	17,444,000	4.2%
<b>TOTAL ESTIMATED GENERAL FUND RESERVES</b>	<b>\$33,956,000</b>	<b>8.2%</b>
<b>FY2010-11 GENERAL FUND BUDGET EXPENDITURES</b>	<b>\$413,345,400</b>	

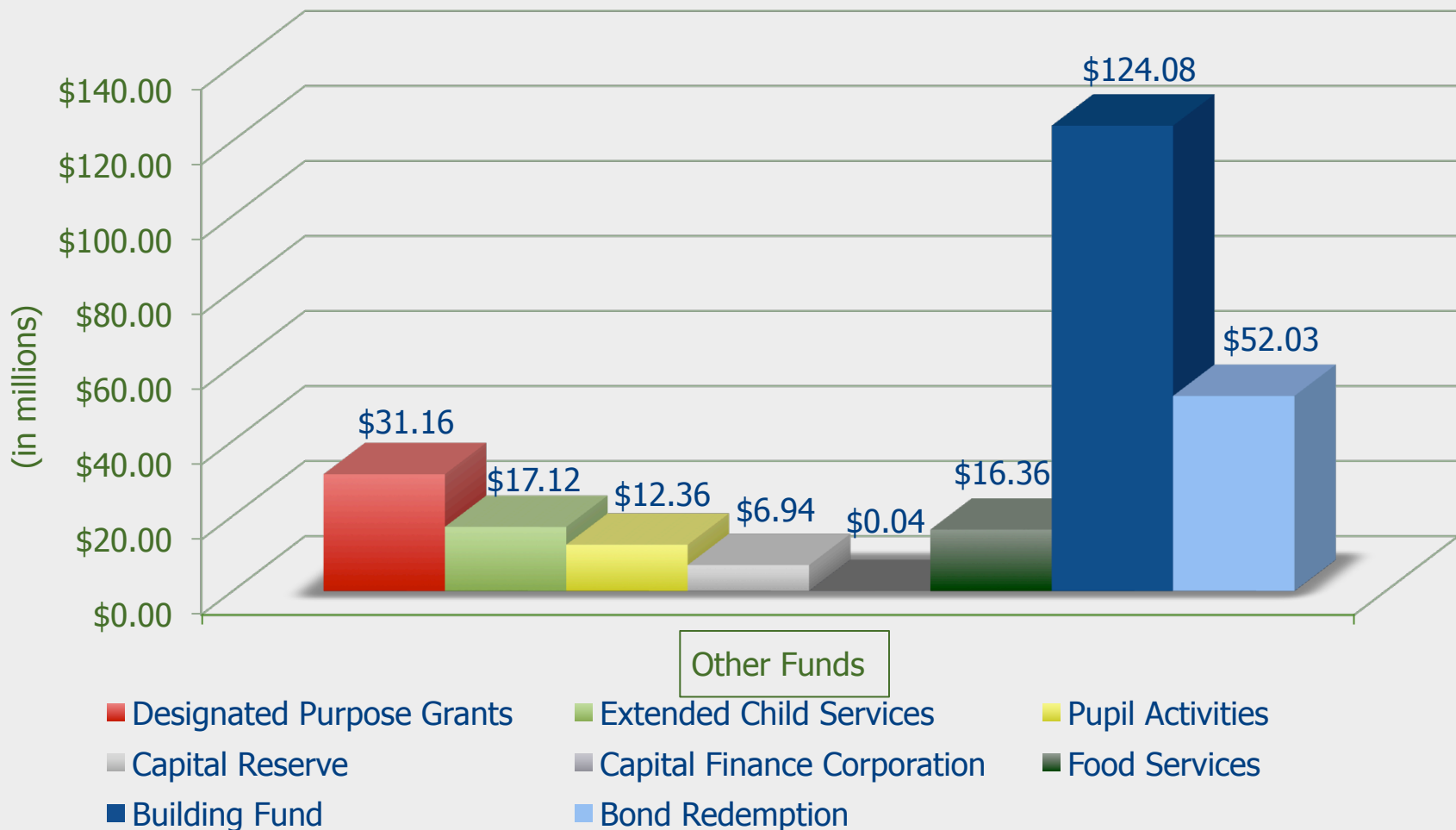


*Cherry Creek Schools*  
*Cherry Creek Schools*

*Other Funds*

# Summary of Other Funds

## FY2010-11 Expenditures and Transfers



# Designated Purpose Grants Fund

(in millions)	09-10 Budget	10-11 Budget	Inc (Dec)
<u>Revenues and Expenditures</u>			
Local/Private Funds	<u>\$2.53</u>	<u>\$2.33</u>	<u>(\$0.20)</u>
State Funds	<u>0.35</u>	<u>0.37</u>	<u>0.02</u>
Federal Funds			
Education of the Handicapped	8.67	8.84	0.17
No Child Left Behind Act	7.57	7.74	0.17
Head Start	0.24	0.24	-
School to Work Alliance Program (SWAP)	0.17	0.18	0.01
Other Federal	<u>0.66</u>	<u>0.77</u>	<u>0.11</u>
<b>Total Federal Grants (excluding ARRA)</b>	<b><u>17.31</u></b>	<b><u>17.77</u></b>	<b><u>0.46</u></b>



# Designated Purpose Grants Fund

(in millions)	09-10 Budget	10-11 Budget	Inc (Dec)
<u>Federal ARRA Grants</u>			
No Child Left Behind			
Title I-A	\$4.09	\$2.50	(\$1.59)
Title I-D	0.11	0.06	(0.05)
Title II-D	0.12	0.12	--
Education of the Handicapped			
IDEA - Part B	9.02	7.70	(1.32)
IDEA - Preschool	0.32	0.31	(0.01)
State Stabilization Funds			
National Board Certification	0.08	--	(0.08)
Total Federal ARRA Grants	<u>\$13.74</u>	<u>\$ 10.69</u>	<u>(\$3.05)</u>
<b>TOTAL REVENUES/EXPENDITURES</b>	<b><u>\$33.93</u></b>	<b><u>\$31.16</u></b>	<b><u>(\$2.77)</u></b>

# Extended Child Services Fund

(in millions)	09-10 Budget	10-11 Budget	Inc (Dec)
<b>BEGINNING FUND BALANCE</b>	<b><u>\$3.26</u></b>	<b><u>\$3.78</u></b>	<b><u>\$0.52</u></b>
<u>Revenues</u>			
Tuition	17.22	17.16	(0.06)
Transfer from General Fund	<u>0.05</u>	<u>0.08</u>	<u>0.03</u>
<b>Total Revenues</b>	<b><u>17.27</u></b>	<b><u>17.24</u></b>	<b><u>(0.03)</u></b>
<b>TOTAL FUNDS AVAILABLE</b>	<b><u>20.53</u></b>	<b><u>21.02</u></b>	<b><u>0.49</u></b>
<u>Expenditures</u>			
Intersession - Year Round	2.60	2.27	(0.33)
Before and After School	6.18	6.27	0.09
Kindergarten Enrichment	2.39	2.42	0.03
Pre-School	1.29	1.30	0.01
Other Enterprise Programs	2.08	2.27	0.19
Other Costs	0.83	0.81	(0.02)
Transfer to General Fund	<u>1.38</u>	<u>1.78</u>	<u>0.40</u>
<b>Total Expenditures and Transfers</b>	<b><u>16.75</u></b>	<b><u>17.12</u></b>	<b><u>0.37</u></b>
<b>ENDING FUND BALANCE</b>	<b><u>\$3.78</u></b>	<b><u>\$3.90</u></b>	<b><u>\$0.12</u></b>

# Pupil Activities Fund

(in millions)	09-10 Budget	10-11 Budget	Inc (Dec)
<b>BEGINNING FUND BALANCE</b>	<u><b>\$5.05</b></u>	<u><b>\$5.05</b></u>	<u><b>-</b></u>
Total Revenues	<u>12.64</u>	<u>12.36</u>	<u>(0.28)</u>
<b>TOTAL FUNDS AVAILABLE</b>	<u><b>17.69</b></u>	<u><b>17.41</b></u>	<u><b>(0.28)</b></u>
<u>Expenditures</u>			
High School Activities	8.80	8.53	(0.27)
Middle School Activities	1.52	1.49	(0.03)
Elementary School Activities	1.99	2.02	0.03
Other Expenditures	<u>0.33</u>	<u>0.32</u>	<u>(0.01)</u>
<b>Total Expenditures</b>	<u><b>12.64</b></u>	<u><b>12.36</b></u>	<u><b>(0.28)</b></u>
<b>ENDING FUND BALANCE</b>	<u><b>\$5.05</b></u>	<u><b>\$5.05</b></u>	<u><b>-</b></u>

# Capital Reserve Fund

(in millions)	09-10 Budget	10-11 Budget	Inc (Dec)
<b>BEGINNING FUND BALANCE</b>	<u><b>\$1.28</b></u>	<u><b>\$1.32</b></u>	<u><b>\$0.04</b></u>
Total Revenues	<u>8.83</u>	<u>6.99</u>	<u>(1.84)</u>
<b>TOTAL FUNDS AVAILABLE</b>	<u><b>10.11</b></u>	<u><b>8.31</b></u>	<u><b>(1.80)</b></u>
<u>Expenditures</u>			
Building and Improvements	4.67	2.28	(2.39)
Equipment and Lease Purchases	3.13	3.67	0.54
Debt Service for Bus Purchases	<u>0.99</u>	<u>0.99</u>	<u>-</u>
<b>Total Expenditures</b>	<u><b>8.79</b></u>	<u><b>6.94</b></u>	<u><b>(1.85)</b></u>
<b>ENDING FUND BALANCE</b>	<u><b>\$1.32</b></u>	<u><b>\$1.37</b></u>	<u><b>\$0.05</b></u>

# Capital Finance Corporation

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(in millions)	09-10 Budget	10-11 Budget	Inc (Dec)
<b>BEGINNING FUND BALANCE</b>	<u><b>\$0.90</b></u>	<u><b>\$0.90</b></u>	-
Total Revenues	<u>0.04</u>	<u>0.04</u>	-
<b>TOTAL FUNDS AVAILABLE</b>	<b>0.94</b>	<b>0.94</b>	-
Total Transfers	<u>0.04</u>	<u>0.04</u>	-
<b>ENDING FUND BALANCE</b>	<u><b>\$0.90</b></u>	<u><b>\$0.90</b></u>	-

# Food Services Fund

(in millions)	09-10 Budget	10-11 Budget	Inc (Dec)
<b>BEGINNING RETAINED EARNINGS</b>	<b><u>\$6.10</u></b>	<b><u>\$6.17</u></b>	<b><u>\$0.07</u></b>
<u>Revenues</u>			
Sales, Investment, Catering	8.79	9.74	0.95
Federal Meal Reimbursement	5.47	5.65	0.18
USDA Commodities	0.96	0.84	(0.12)
State Meal Reimbursement	0.21	0.24	0.03
Contributed Capital	<u>0.00</u>	<u>0.08</u>	<u>0.08</u>
<b>Total Revenues</b>	<b><u>15.43</u></b>	<b><u>16.55</u></b>	<b><u>1.12</u></b>
<b>TOTAL FUNDS AVAILABLE</b>	<b><u>21.53</u></b>	<b><u>22.72</u></b>	<b><u>1.19</u></b>
<u>Expenditures</u>			
Food and Supplies	8.44	9.33	0.89
Salaries and Benefits	5.28	5.38	0.10
Services, Capital, Other	<u>1.64</u>	<u>1.65</u>	<u>0.01</u>
<b>Total Expenditures</b>	<b><u>15.36</u></b>	<b><u>16.36</u></b>	<b><u>1.00</u></b>
<b>ENDING RETAINED EARNINGS</b>	<b><u>\$6.17</u></b>	<b><u>\$6.36</u></b>	<b><u>\$0.19</u></b>

# Building Fund

(in millions)	09-10 Budget	10-11 Budget	Inc (Dec)
<b>BEGINNING FUND BALANCE</b>	<b><u>\$ 113.93</u></b>	<b><u>\$151.33</u></b>	<b><u>\$37.40</u></b>
<u>Revenues</u>			
Investment Income	0.53	0.20	(0.33)
Bonds Sold	<u>103.06</u>	<u>-</u>	<u>(103.06)</u>
<b>Total Revenues</b>	<b><u>103.59</u></b>	<b><u>0.20</u></b>	<b><u>(103.39)</u></b>
<b>TOTAL FUNDS AVAILABLE</b>	<b><u>217.52</u></b>	<b><u>151.53</u></b>	<b><u>(65.99)</u></b>
<u>Expenditures</u>			
Land, Building and Improvements	46.27	93.81	47.54
Equipment	5.10	7.97	2.87
Professional Services and Salaries	14.65	22.22	7.57
Transfers to Food Service	-	0.08	0.08
Financing Costs	<u>0.17</u>	<u>-</u>	<u>(0.17)</u>
<b>Total Expenditures and Transfers</b>	<b><u>66.19</u></b>	<b><u>124.08</u></b>	<b><u>57.89</u></b>
<b>ENDING FUND BALANCE</b>	<b><u>\$151.33</u></b>	<b><u>\$27.45</u></b>	<b><u>(\$123.88)</u></b>

# Bond Redemption Fund

(in millions)	09-10 Budget	10-11 Budget	Inc (Dec)
<b>BEGINNING FUND BALANCE</b>	<b><u>\$45.92</u></b>	<b><u>\$45.51</u></b>	<b><u>(\$0.41)</u></b>
<u>Revenues</u>			
Property Taxes	46.89	46.89	-
Investment Income	0.02	0.11	0.09
Transfer from Other Funds	<u>1.11</u>	<u>4.65</u>	<u>3.54</u>
<b>Total Revenues</b>	<b><u>48.02</u></b>	<b><u>51.65</u></b>	<b><u>3.63</u></b>
<b>TOTAL FUNDS AVAILABLE</b>	<b><u>\$93.94</u></b>	<b><u>\$97.16</u></b>	<b><u>\$3.22</u></b>
<u>Expenditures</u>			
Bond Principal Retirement	26.78	28.20	1.42
Interest	21.62	23.83	2.21
Fiscal Charges	<u>0.03</u>	<u>-</u>	<u>(0.03)</u>
<b>Total Expenditures</b>	<b><u>48.43</u></b>	<b><u>52.03</u></b>	<b><u>3.60</u></b>
<b>ENDING FUND BALANCE</b>	<b><u>\$45.51</u></b>	<b><u>\$45.13</u></b>	<b><u>(\$0.38)</u></b>



# Summary

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- ▶ Above all else, students come first
  - ✓ Preserved instructional programs and class size ratio fully funded
  - ✓ Funding for K-3 class size soft cap of 23:1
  - ✓ Supplemental staffing resources for targeted achievement
  - ✓ Full-day kindergarten at 6 elementary schools
  - ✓ Transportation services reduced and start/end times modified
- ▶ Cost and Resource Management Plan developed consistent with District values
- ▶ Employees
  - ✓ Salary and benefits -- no increase in salary schedules
  - ✓ Health insurance contributions maintained at existing funding level
  - ✓ PERA rate changes impacting the District
- ▶ Additional operations and maintenance costs continue to impact the District for future years
- ▶ State economic conditions will provide for continued financial planning uncertainties

*To inspire every student  
to think,  
to learn,  
to achieve,  
to care*



**Cherry Creek Schools**

*To inspire every student to think, to learn, to achieve, to care*