

Financial Plan

*Budget For Fiscal Year
July 1, 2013 - June 30, 2014*



*Cherry Creek School District No. 5
Arapahoe County, Colorado
www.cherrycreekschools.org*

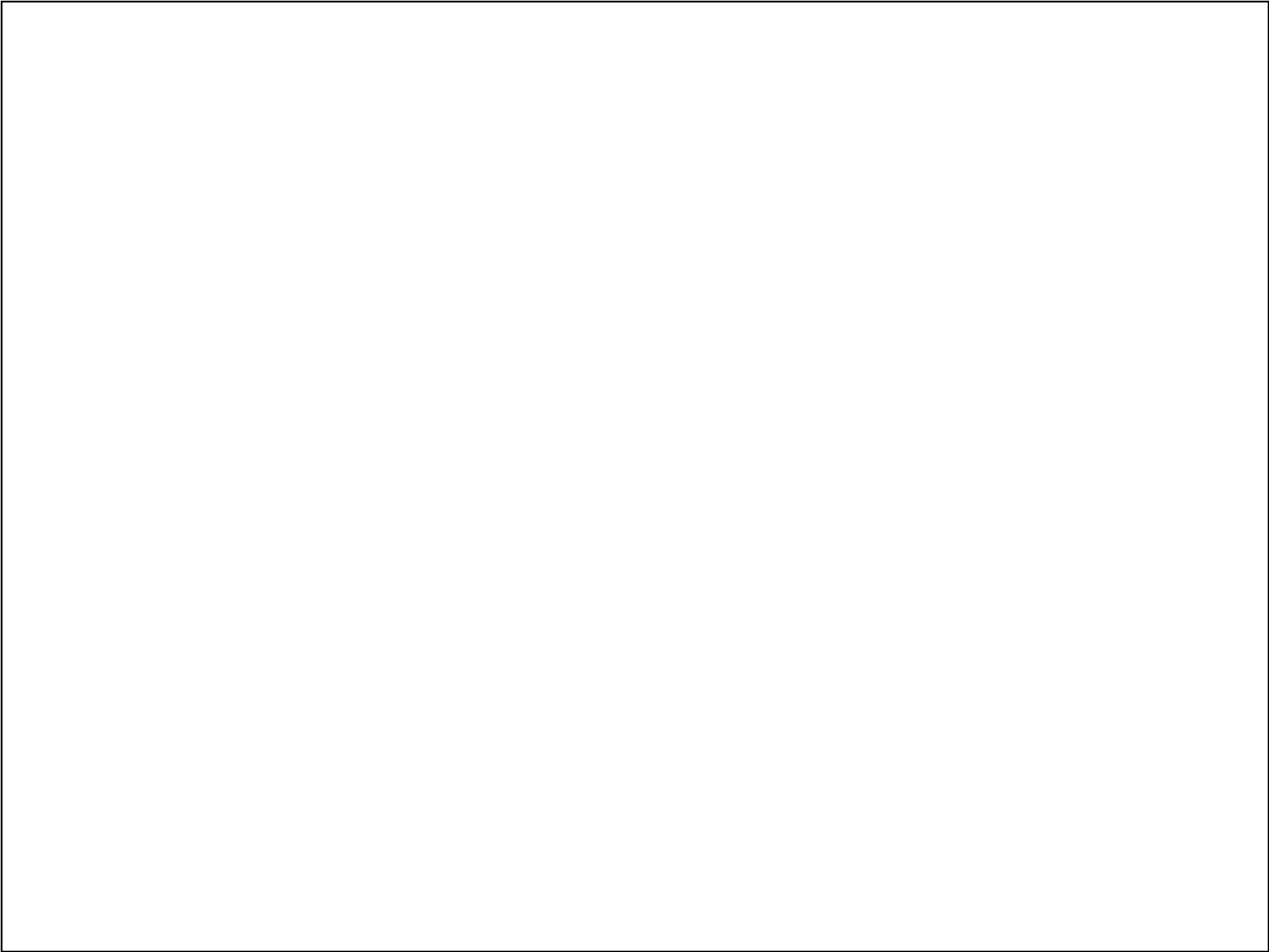
FY2013-14 FINANCIAL PLAN

Executive Briefing for
The Board of Education

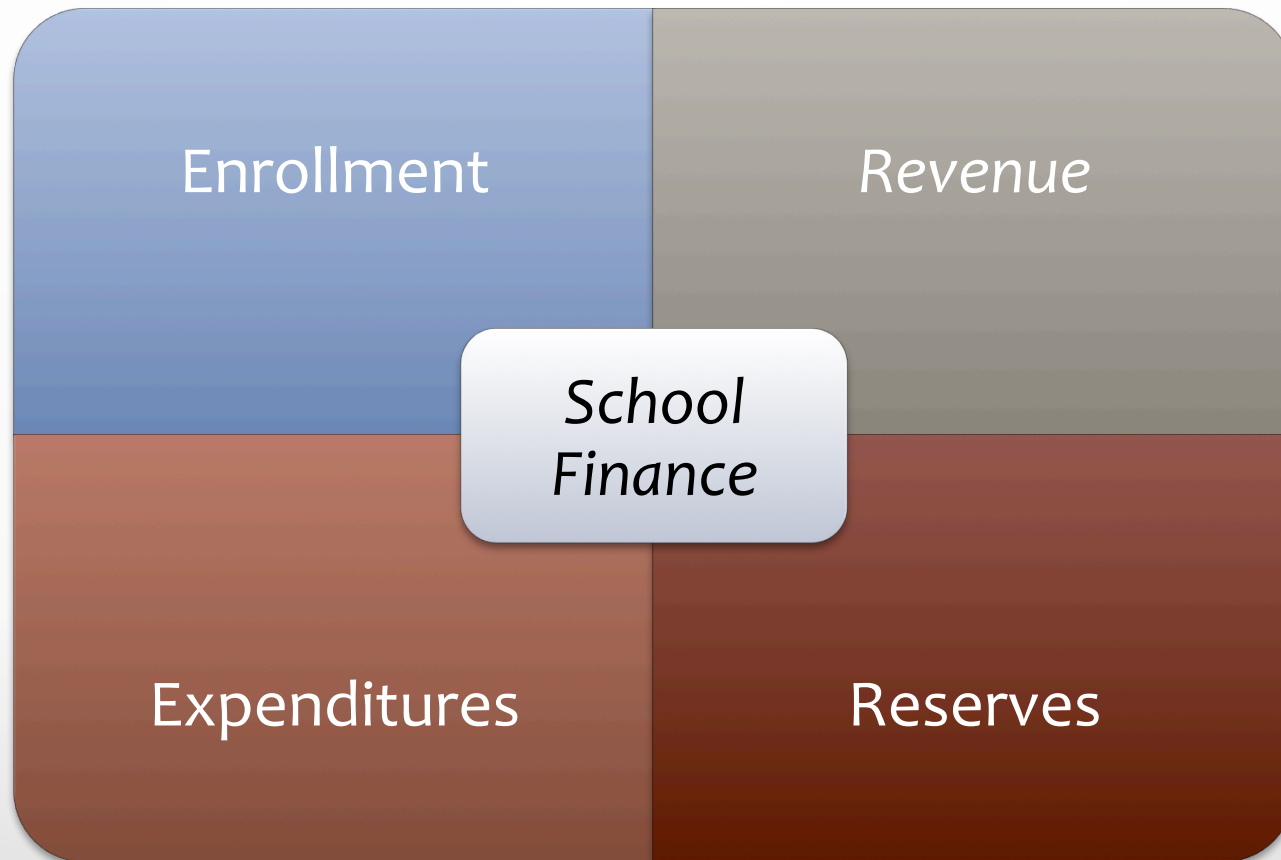
June 6, 2013 &
June 17, 2013



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COMPONENTS



DISTRICT VALUES



Student Achievement that shows continuous improvement



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



Local control is important to the quality of education

- ✧ Provide excellent instructional programs for all students
- ✧ Prepare students with knowledge and skills in order to succeed in college and be workforce ready



Dedicated to Excellence
Cherry Creek Schools

- ✧ Program
- ✧ Curriculum
- ✧ Finance

FACTS & FIGURES

52,681 STUDENTS

- 6,048 students receiving Special Education services
- ELA program supports 4,001 students speaking over 100 languages
- Free and reduced lunch students represent 28.7% of population

FACILITIES

- 58 schools (6 high, 10 middle, 40 elementary, 2 K-8)
- 2 stadiums
- 11 other student support facilities

DISTRICT COVERS 108 SQUARE MILES

BUSES TRAVEL OVER 3.2 MILLION MILES PER YEAR

3.7M LUNCHES & 700K BREAKFASTS SERVED YEARLY

FACTS & FIGURES

- Thirteen Cherry Creek schools received the “Governor’s Distinguished Improvement Award” in 2012 which recognizes the top 8 percent of public schools that demonstrate the highest rates of student longitudinal growth, as measured by the Colorado Growth Model:

GOVERNOR’S DISTINGUISHED IMPROVEMENT AWARD WINNERS

Antelope Ridge Elementary	Creekside Elementary
Bellevue Elementary	Dry Creek Elementary
Canyon Creek Elementary	High Plains Elementary
Challenge School	Homestead Elementary
Cherry Creek Academy	Indian Ridge Elementary
Cherry Hills Village Elementary	Peakview Elementary
Cottonwood Creek Elementary	

FACTS & FIGURES

- ❑ Fourteen Cherry Creek schools received the “John Irwin Schools of Excellence Award” in 2012 which recognizes the top 8 percent of public schools that demonstrate the highest achievement on statewide assessments:

JOHN IRWIN SCHOOLS OF EXCELLENCE AWARD WINNERS

Bellevue Elementary	Coyote Hills Elementary
Campus Middle School	Dry Creek Elementary
Challenge School	Greenwood Elementary
Cherry Creek Academy	Homestead Elementary
Cherry Creek High School	Rolling Hills Elementary
Cherry Hills Village Elementary	West Middle School
Cottonwood Creek Elementary	Willow Creek Elementary

FACTS & FIGURES

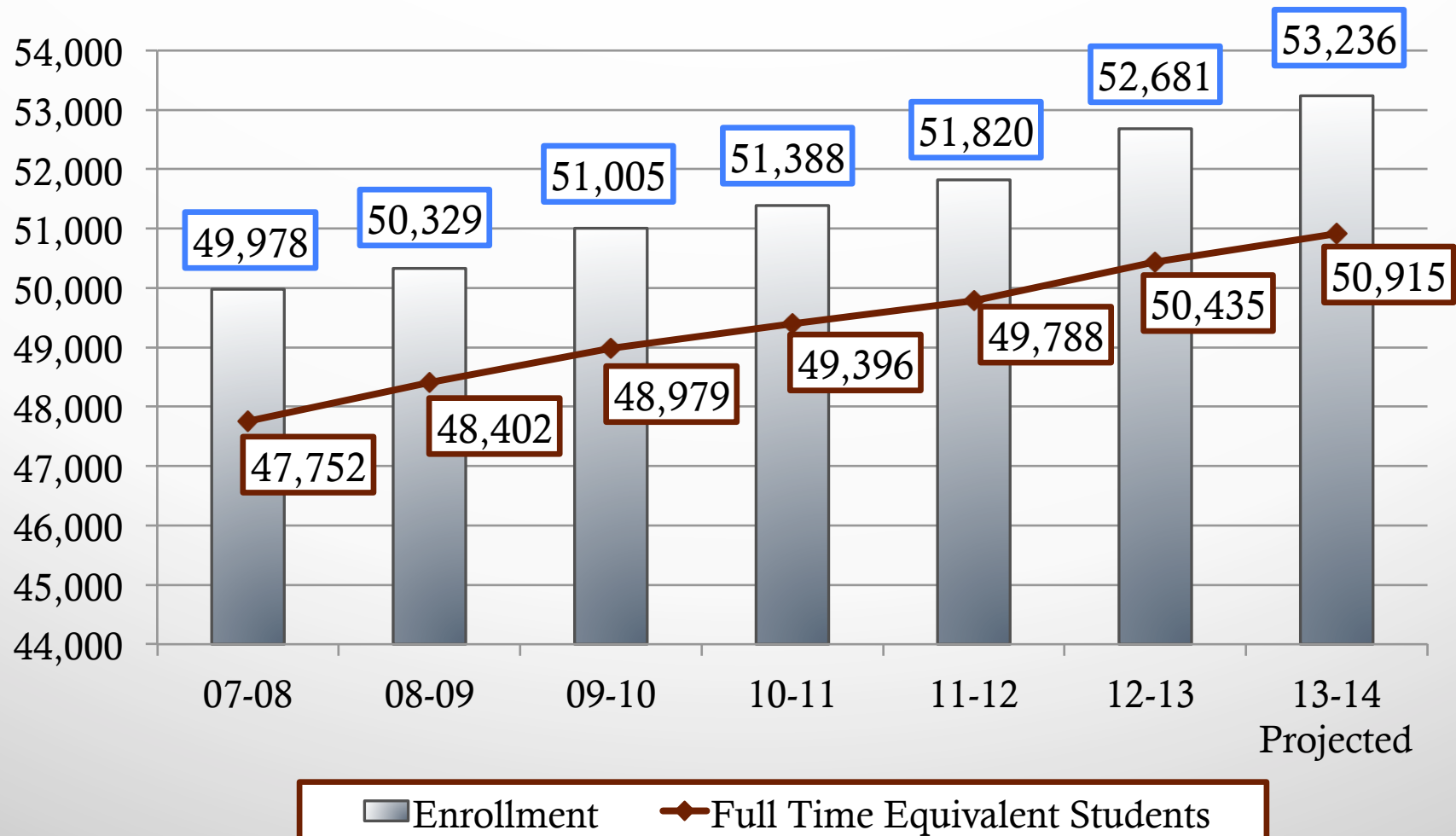
- ❑ District ACT/SAT results for 2012 graduating seniors

Averages	CCSD	State	National
ACT Composite Score	22.1	20.6	21.1
SAT combined Critical Reading/Math/Writing	1791	1718	1498

- ❑ TCAP
 - ✓ CCSD students consistently score higher than Colorado averages on the State-mandated tests

Enrollment Growth

5.6% Funded Enrollment Growth over Last 5 years



Assessed Valuation

2004-2013

Est. 2% Increase



PROPERTY TAXES



Average home in an Arapahoe
County residential area

2012-13

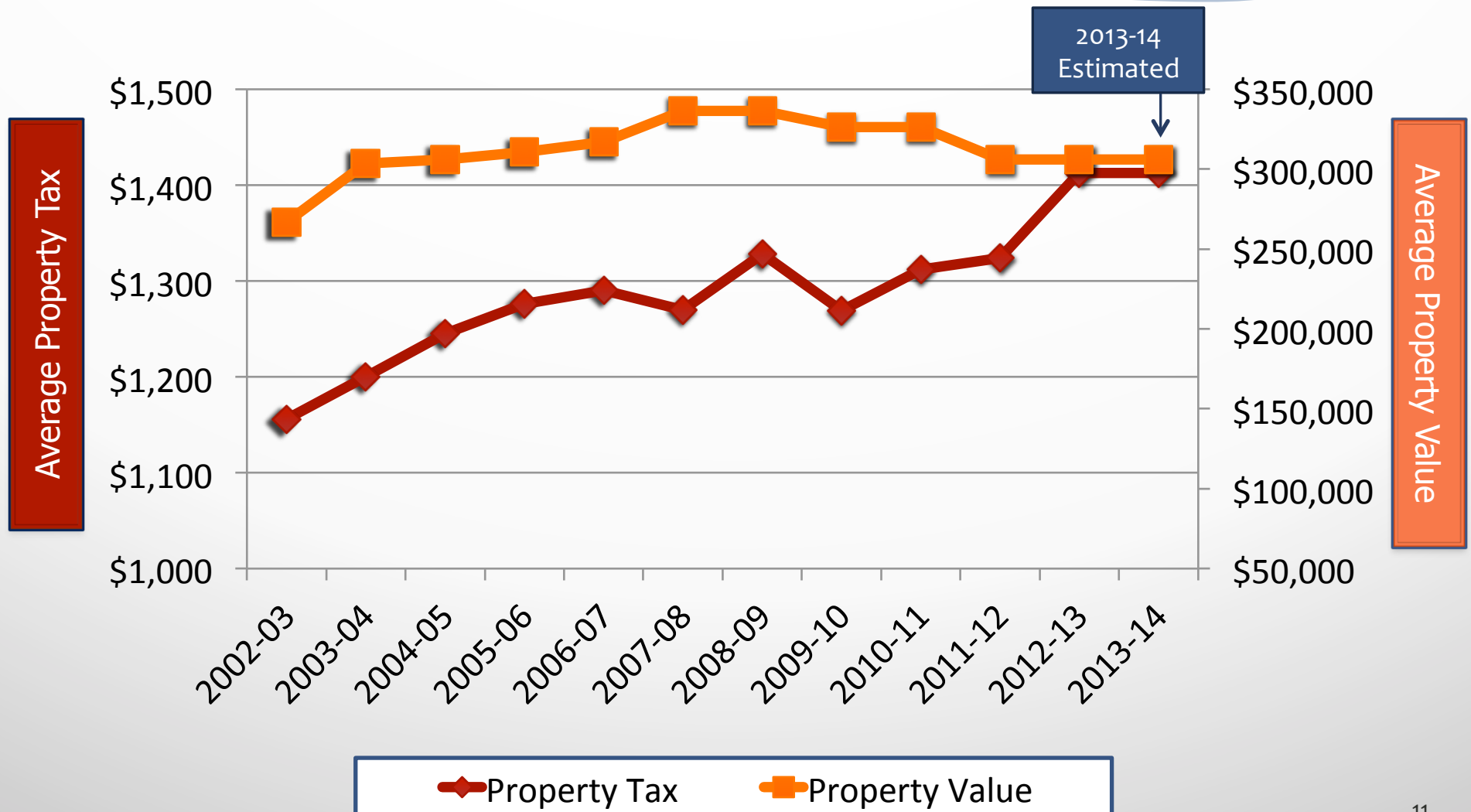
Mill Levy	58.037
Assessment Ratio	7.96%
<u>Residential Taxes on:</u>	
\$305,901 House	\$1,413

2013-14 (Estimated)

Mill Levy	58.022
Assessment Ratio	7.96%
<u>Residential Taxes on:</u>	
\$305,901 House	\$1,413

Residential Property Value & Tax History

2002-03 through 2013-14





Employees

Our goal is to recruit, retain,
and develop the finest
licensed personnel and
support staff

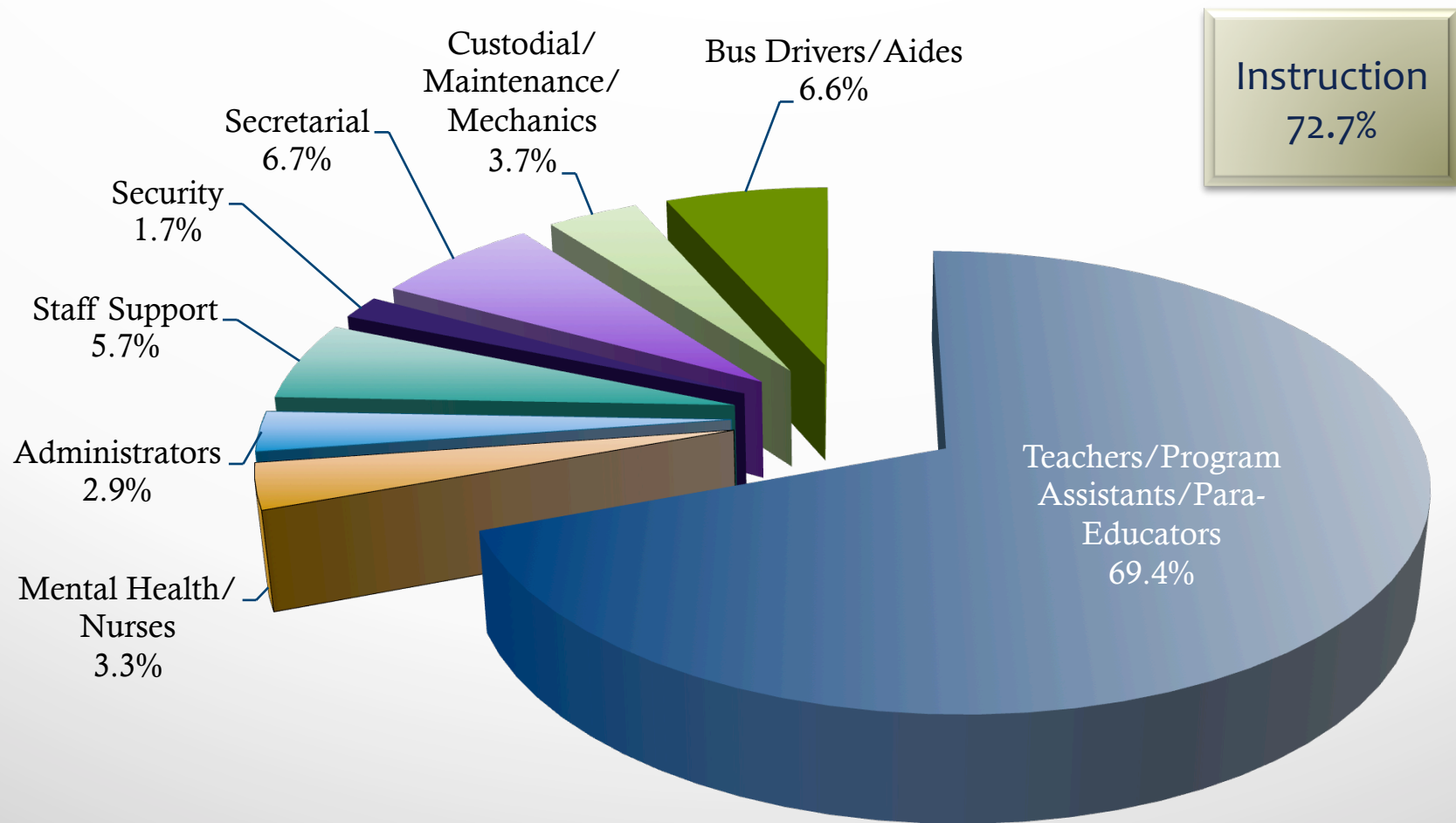


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Valuing our Employees

- ❑ 88.9% of General Fund budget is salaries and benefits
- ❑ Salary and wages – FY2013-14
 - ✓ Teacher and Mental Health employee compensation
 - Pending negotiated agreement for provisions regarding compensation increase
 - ✓ Classified and other employees
 - Pending negotiated agreement for provisions regarding compensation increase
- ❑ Monthly health insurance contributions by the District maintained at existing funding level.
 - ✓ Employees who participate in medical insurance plan as of July 1, 2013, are eligible for a one-month allowance for employee medical premium costs

General Fund Staffing



General Fund Staffing Summary

EMPLOYEE TYPE (FTE)	2012-13 BUDGET	2013-14 BUDGET	2013-14 % OF TOTAL
INSTRUCTION			
• TEACHERS	3,233	3,296	65.9%
• PARA-EDUCATORS	173	173	3.5%
INSTRUCTIONAL SUPPORT			
• MENTAL HEALTH	99	106	2.1%
• NURSES	61	62	1.2%
ADMINISTRATORS	146	148	2.9%
STAFF SUPPORT	280	283	5.7%
SECURITY	85	85	1.7%
SECRETARIAL	327	333	6.7%
CUSTODIAL/MAINTENANCE	158	163	3.3%
TRANSPORTATION			
• MECHANICS	22	22	0.4%
• BUS AIDES	101	89	1.8%
• BUS DRIVERS	254	242	4.8%
TOTAL	4,939	5,002	100.0%



Appropriations by Fund

Ensuring Financial Stability
and Fiscal Responsibility



CherryCreekSchools

Appropriation Summary

Funds (in Millions)

	2012-13 BUDGET	2013-14 BUDGET	INC. (DEC.)	2013-14 % CHANGE
GENERAL FUND	\$452.00	\$468.82	\$16.82	3.7%
DESIGNATED PURPOSE GRANTS	23.79	22.67	(1.12)	(4.7%)
EXTENDED CHILD SERVICES	17.76	15.77	(1.99)	(11.2%)
PUPIL ACTIVITIES	12.14	11.94	(0.20)	(1.7%)
TOTAL OPERATING/SPECIAL REVENUE FUNDS	\$505.69	\$519.20	\$13.51	2.7%
BUILDING FUND	25.58	51.01	25.43	99.4%
BOND REDEMPTION	48.85	50.65	1.80	3.7%
CAPITAL RESERVE	7.16	4.81	(2.35)	(32.8%)
CAPITAL FINANCE CORPORATION	0.93	-	(0.93)	-
FOOD SERVICES – ENTERPRISE FUND	18.27	18.09	(0.18)	(1.0%)
TOTAL	\$606.48	\$643.76	\$37.28	6.1%



General Fund

General Fund is spent primarily on instruction:

- ✧ Direct Instruction –
 - Teacher Salaries & Benefits
 - Supplies & Equipment for Educational programs
- ✧ Indirect Instruction –
 - Student Support
 - Instructional Staff & Staff Development
 - Curriculum
 - School-level Administration



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Funding Overview

Statewide

- 💧 The School Finance Act (SB13-260) was approved in the Senate and the House as of May 1, 2013. The Bill provides for average funding per pupil statewide of \$6,652, an increase of \$173 over \$6,479 in FY2012-13.
 - ❑ In addition to funding growth and inflation, \$40 million is applied to Total Program in order to “buy down” the Negative Factor percentage.
 - ❑ Statewide K-12 Net Total Program funding is proposed at \$5.508 billion, a \$210 million increase over FY2012-13 funding of \$5.298 billion.
- 💧 Total Program Funding takes into account inflation, growth in pupil counts including increased slots for preschool, at-risk counts, assessed valuation and specific ownership tax changes.

Funding Overview

Statewide

- 💧 The increase would provide funding for enrollment growth of 8,785 students statewide and an additional 1,600 FTE for Colorado Preschool Program (3,200 CPP slots).
- 💧 The Bill also decreases the Negative Factor from the FY2012-13 level of -16.09% to an estimated FY2013-14 level of -15.49%.



Funding Overview

Cherry Creek Schools

- Cherry Creek Net Total Program Funding for FY2013-14 is projected to be \$334.7 million based on the projected funded pupil count in October 2013 of 50,915.
- This is an increase of \$11.7 million from FY2012-13 funding of \$323.0 million.
 - The Net Total Program Funding per pupil is estimated to increase by 2.7% or \$170 per pupil, from \$6,404 to \$6,574.

Funding Overview

FY2013-14 School Finance Act

Summary of Certain Provisions – State Education Fund

- 💧 Changes the funding source for the implementation of the READ Act to be the State Education Fund.
- 💧 Funding for the Great Teachers and Leaders Fund - \$200,000 will be available for this fund from the State Education Fund.
 - 🔥 This is to support the work of the State Council for Educator Effectiveness.

Funding Overview

FY2013-14 School Finance Act

Summary of Certain Provisions – “Tier B” Special Education Funding

- 💧 Increases the statewide appropriation for “Tier B” special education funding by \$20 million.
 - 🔥 The additional funds will come from the State Education Fund.
 - 🔥 “Tier B” funding is set at a maximum of \$6,000 per child with one or more specific disabilities described in law:
 - 💧 The department determines the percentage of children for which a district receives such funding based on the amount remaining from the appropriation for special education funding after several other special education funding requirements have been met.
 - 💧 For the FY2013-14 budget year and each budget year thereafter, the appropriation for special education is increased by \$20 million and is required to be used for “Tier B” special education funding.

Funding Overview

FY2013-14 School Finance Act

Summary of Certain Provisions – “Tier B” Special Education Funding

- 💧 In FY2012-13, “Tier B” funding is \$19,477,040 for 19,478 students identified as “Tier B” across the State.
 - 🔥 “Tier B” funding is applicable to certain students reported in the December 1st special education student count with significant limited intellectual disability, significant identifiable emotional disability, hearing and vision disabilities, autism, traumatic brain injury, deaf-blind, and multiple disabilities.
 - 🔥 Cherry Creek’s estimated allocation under this provision would increase from \$1.4 million in FY2012-13 to \$2.9 million in FY2013-14 (based on 1,480 students identified on 12/01/2011).
 - 💧 The funding will offset a portion of existing General Fund expenditures for “Tier B” Special Education.

Funding per School Finance Act SB13-260

For FY2013-14

FUNDING PER ESTIMATE - STATEWIDE	
Total Program Funding (per Amendment 23)	\$6,514,240,501
Funding Reduction through Negative Factor	(1,005,854,377)
<i>Net Total Program Funding</i>	\$5,508,386,124

FUNDING PER ESTIMATE – CHERRY CREEK	
Total Program Funding (per Amendment 23)	\$396,109,076
Funding Reduction through Negative Factor	(61,369,472)
<i>* Net Total Program Funding</i>	\$334,739,604
* BASED ON 50,915 ESTIMATED FUNDED PUPILS FOR FY2013-14	

FUNDING PER ESTIMATE – CHERRY CREEK	
Total Program Funding per pupil (per Amendment 23)	\$7,780
Funding per Pupil Reduction through Negative Factor	(1,206)
<i>Net Total Program Funding per Pupil</i>	\$6,574

Funding per School Finance Act SB13-260

For FY2013-14

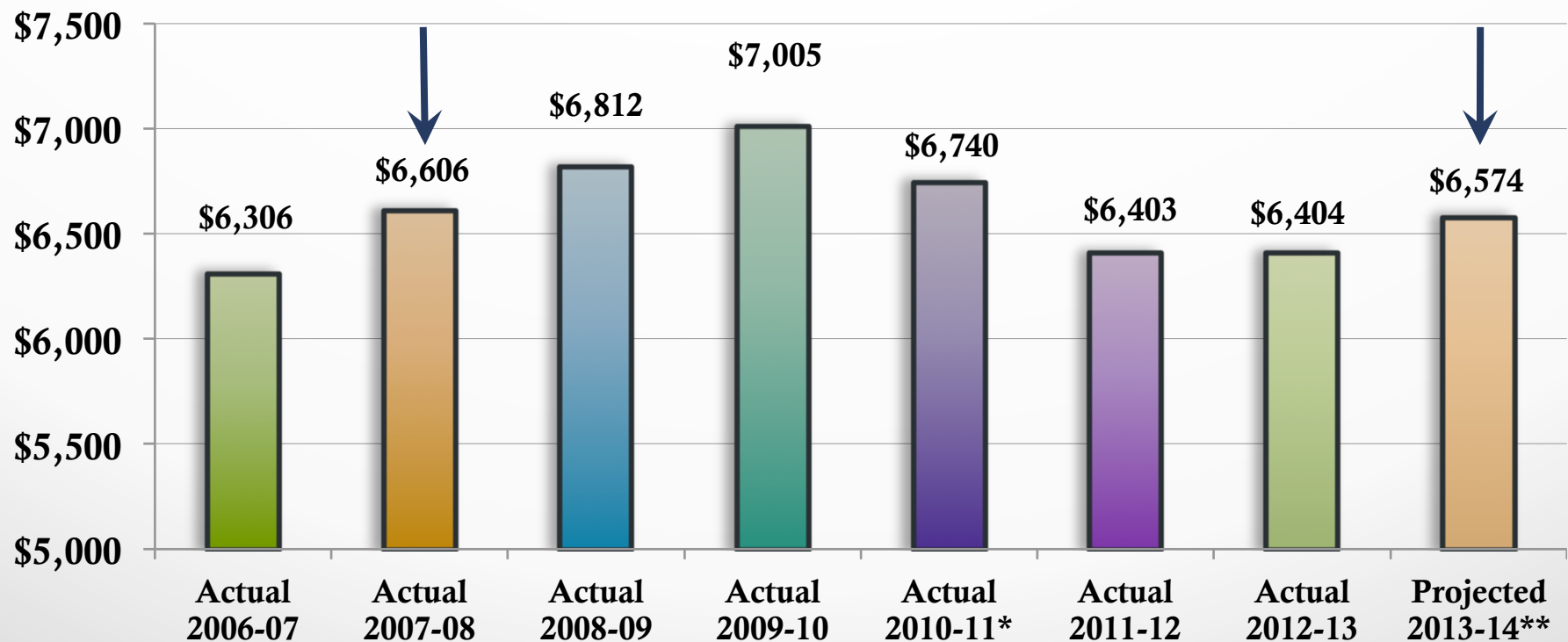
PER PUPIL FUNDING – CHERRY CREEK	
Funding per Pupil (FY2013-14 Estimate)	\$6,574
Funding per Pupil (FY2012-13 Actual)	6,404
Funding per Pupil (FY2007-08 Actual)	6,606

PER PUPIL FUNDING – CHERRY CREEK	
Funding per Pupil (FY2009-10 Actual)	\$7,005
Funding per Pupil (FY2013-14 Estimate)	6,574
<i>Funding per pupil Decrease Since FY2009-10</i>	(431)
	6.15% Decline

Funding per School Finance Act SB₁₃₋₂₆₀

For FY2013-14

Total Net Program Funding per Pupil Comparison



* Includes one-time Federal funding for EDJOBS of \$9.7 million and SFSF/ARRA of \$3.7 million, for a total of \$13.4 million.

** 2013-14 Funding level from the School Finance formula is projected to be slightly less than that of 2007-08.

Financial Planning

REVENUE LOSS BY YEAR & CUMULATIVE

(\$ Millions)	Actual 2009-10	Actual 2010-11	Actual 2011-12	Actual 2012-13	Budget 2013-14
Total Program Funding – Amend. 23	\$351.2	\$356.6	\$366.3	\$385.1	\$396.1
Less: Effect of Rescission on Cherry Creek (Revenue Loss)	(8.1)	(23.7)	(47.5)	(62.1)	(61.4)
Net Program Funding	\$343.1	*\$332.9	\$318.8	\$323.0	\$334.7

	Actual 2009-10	Actual 2010-11	Actual 2011-12	Actual 2012-13	Budget 2013-14
Funded Student Count	48,979.3	49,395.8	49,788.0	50,435.3	50,915.3
Total Program Funding per Pupil	\$7,170	\$7,219	\$7,357	\$7,635	\$7,780
Less: Funding per Pupil Reduction	(165)	(479)	(954)	(1,231)	(1,206)
Net Program Funding per Pupil	\$7,005	\$6,740	\$6,403	\$6,404	\$6,574

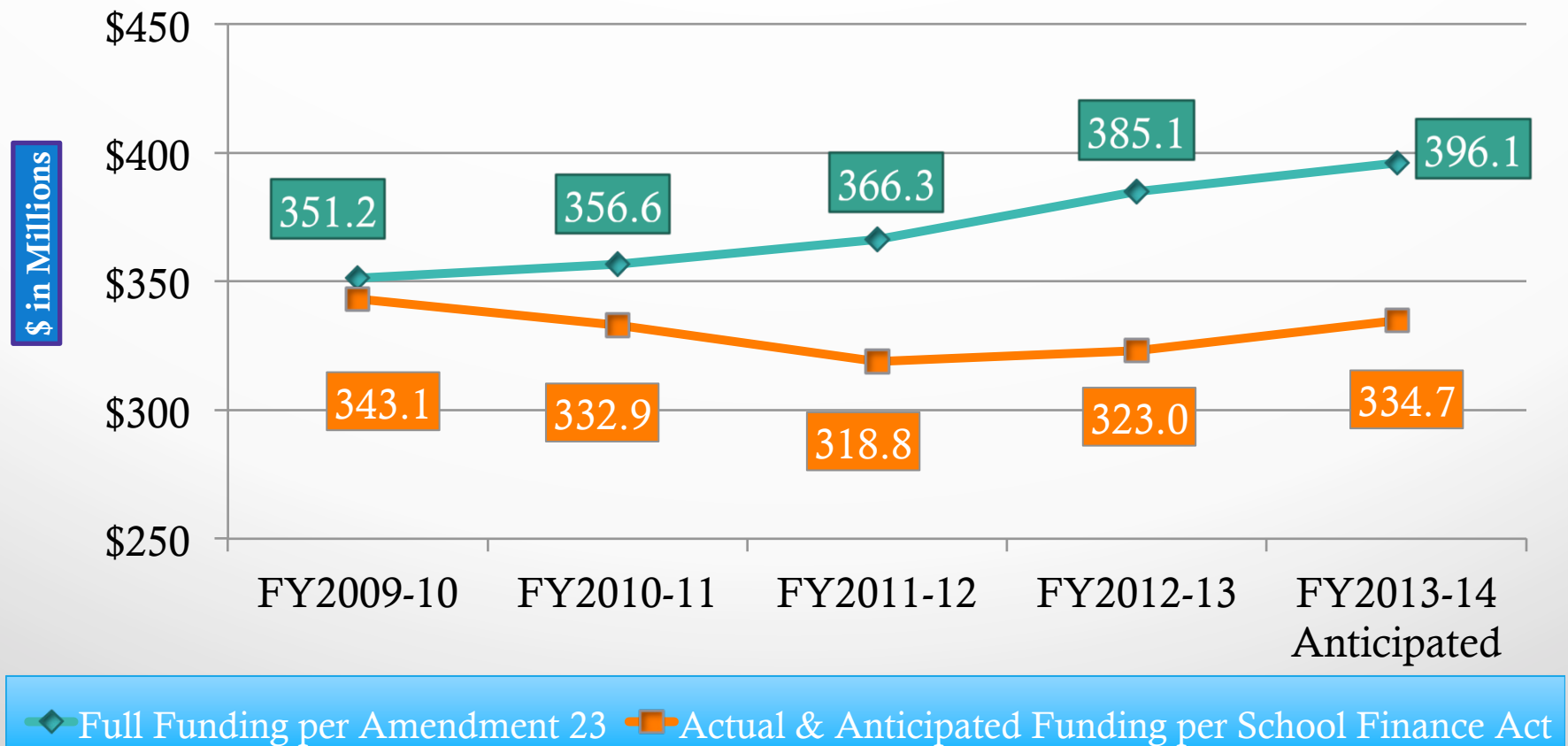
Revenue loss indicates disparity between Amendment 23 at full funding and actual reduced funding.

- Includes one-time Federal funding.

Full Funding vs. Actual Funding Comparison

FOR CHERRY CREEK SCHOOL DISTRICT

Total Public School Finance Formula Funding



Budget Development Factors

SB13-260: School Funding for 2013-14

- ❑ Funding maintained at the same level for full-day kindergarten 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 estimated to be eligible for 510 slots (255 FTE students)

- ❑ Categorical Programs Funding

- ✓ Special Education
- ✓ Pupil Transportation
- ✓ English Language Acquisition
- ✓ Career and Technical Education
- ✓ Gifted and Talented Education



School Finance Funding

PER PUPIL ESTIMATE

DESCRIPTION	FY2012-13	DESCRIPTION	FY2013-14
TOTAL PROGRAM (Actual 50,435 FTE)	\$385,059,051	TOTAL PROGRAM (Projected 50,915 FTE)	\$396,109,076
LESS:		LESS:	
-16.09% "NEGATIVE FACTOR"	(61,971,444)	-15.49% Projected "NEGATIVE FACTOR"	(61,267,176)
LESS:		LESS:	
SCHOOL FINANCE ADMIN. RESCISSION	(102,296)	SCHOOL FINANCE ADMIN. RESCISSION	(102,296)
NET TOTAL PROGRAM	\$322,985,311	NET TOTAL PROGRAM	\$334,739,604
DIVIDED BY ACTUAL FUNDED PUPIL COUNT (FTE)	/ 50,435	DIVIDED BY PROJECTED FUNDED PUPIL COUNT (FTE)	/ 50,915
EQUALS FUNDING PER PUPIL ESTIMATE	\$6,404	EQUALS FUNDING PER PUPIL ESTIMATE	\$6,574

The effect of SB13-260 on year-over-year funding is
an estimated \$11.75 million State funding increase to Cherry Creek Schools for FY2013-14.

Budget Development Factors

FINANCIAL ISSUES

- ☐ PERA rate increase of 0.9% to 17.45% effective January 1, 2014
 - ✓ Annual increases until rate reaches 20.15% in January 2018
 - ✓ FY2013-14 additional cost - \$3.4 million
 - ✓ \$52.6 million
 - 11.7% of General Fund budget
- ☐ Monthly health insurance contributions by the District maintained at existing funding level; negotiated agreement for benefit premium allowances of \$1.55 million for eligible employees who participate in medical plan as of July 1, 2013
- ☐ Utility and fuel costs
 - ✓ \$12.55 million for utilities and \$2.12 million for fuel
 - ✓ \$14.67 million represents 3.3% of General Fund budget

PERA Retirement Benefit Plan Contribution Rates

(As Amended By SB 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.

Budget Development Factors

STAFFING & SUPPLIES

- ❑ Staffing
 - ✓ 1 certified staff member for every 18.5 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

	Per Pupil Allocation	1.9% Increase in Per Pupil Allocation from FY 2012-13	Total (in Millions)
Elementary School	\$116.77	\$2.18	\$2.76
Middle School	\$151.53	\$2.83	\$1.83
High School	\$194.24	\$3.62	\$3.01

Budget Development Factors

TARGETED ACHIEVEMENT AREAS

STAFFING IN ADDITION TO 18.5:1 STAFFING RATIO	FTE	DOLLARS (THOUSANDS)
GRADES K-3	55.5	\$3,684
MIDDLE GRADES	12.2	807
READING	10.5	631
AT-RISK	8.9	591
4-TRACK YEAR ROUND	8.5	564
SAS TECHNOLOGY/INSTRUCTIONAL TECHNOLOGY	11.5	760
NORTH AREA	9.3	828
HIGH SCHOOL ACHIEVEMENT	2.8	186
AVID	-	303
PROGRAM ASSISTANTS	11.8	959
ADDITIONAL PROGRAMS AT PRAIRIE MS	3.0	199
TOTAL	134.0	\$9,512

Budget Development Factors

TARGETED ACHIEVEMENT AREAS

STAFFING IN ADDITION TO 18.5:1 STAFFING RATIO	HIGH SCHOOL	MIDDLE SCHOOL	ELEMENTARY SCHOOL
GRADES K-3	-	-	54.4
MIDDLE GRADES	1.0	6.1	6.2
READING	-	1.6	8.9
AT-RISK	2.7	2.0	4.2
4-TRACK YEAR ROUND	-	-	8.5
SAS & INSTRUCTIONAL TECHNOLOGY	6.0	5.5	-
NORTH AREA	2.4	2.4	4.5
HIGH SCHOOL ACHIEVEMENT	2.8	-	-
PROGRAM ASSISTANTS	-	11.8	-
ADDITIONAL PROGRAMS AT PRAIRIE MS	-	3.0	-
TOTAL	14.9	32.4	86.7

Budget Overview

Revenue & Expenditure Summary

DESCRIPTION	(\$ MILLIONS)	FY2012-13 MODIFIED BUDGET	FY2013-14 ESTIMATED BUDGET	CHANGES IN REVENUE & EXPENDITURES
PROPERTY TAXES		\$194.62	\$197.23	\$2.61
SPECIFIC OWNERSHIP TAXES		15.94	16.09	0.15
STATE EQUALIZATION REVENUE		204.88	214.40	9.52
OTHER LOCAL REVENUE		5.19	5.08	(0.11)
OTHER STATE REVENUE		15.78	17.60	1.82
OTHER FEDERAL REVENUE		1.50	1.43	(0.07)
TRANSFERS IN		2.60	1.20	(1.40)
TOTAL REVENUE & TRANSFERS		\$440.51	\$453.03	\$12.52
TOTAL EXPENDITURES		429.29	448.28	18.99
TRANSFERS OUT		5.72	4.75	(0.97)
TOTAL EXPENDITURES & TRANSFERS		\$435.01	\$453.03	\$18.02
REVENUE OVER(UNDER) EXPENDITURES		\$5.50	\$ -	(\$5.50)

FY2013-14 figures are based on the 2013-14 School Finance Act (SB13-260).

Budget Overview

Revenue Source Changes

BUDGETED REVENUE & TRANSFERS INCREASES (DECREASES)	AMOUNT (IN MILLIONS)
School Finance Formula Increases (Decreases)	
Projected Enrollment Increase – 405 FTE	\$2.66
Projected Funding Increase – CPP – 75 FTE	0.49
Inflation CPI of 1.9%	6.24
Change in Negative Factor from -16.09% to -15.49%	2.36
NET TOTAL PROGRAM FUNDING INCREASE	\$11.75
Increase in Categorical Revenue – 1.9%	0.32
Increase in “Tier B” Special Education Funding	1.50
Increase in Specific Ownership Taxes	0.15
Increase in Property Tax Abatements & Collections	0.38
Decrease in Other Local Revenue	(0.11)
Decrease in Transfers In	(1.40)
Sequestration Decrease in Federal Revenue Build America Bonds Subsidy	(0.07)
NET REVENUE & TRANSFERS INCREASE	\$12.52

Major General Fund Budget Changes

Between FY2012-13 & FY2013-14

(Millions)	FTE	Increase (Decrease)
<u>SALARY AND BENEFITS</u>		
Compensation & Benefits Cost Subject to Negotiations	-	\$13.28
PERA Contribution Increase from 16.55% to 17.45%	-	3.40
Post-retirement Employment (110-day) Option Savings & Savings for Replacement Positions	-	(1.90)
TOTAL SALARY AND BENEFIT INCREASES	-	\$14.78

Major General Fund Budget Changes

Between FY2012-13 & FY2013-14

(Millions)	FTE	Increase (Decrease)
<u>SCHOOLS ENROLLMENT AND GROWTH</u>		
12-13 Actual Funded Pupil Count Growth - 405 FTE *	21.9	\$1.34
13-14 Projected Funded Pupil Count Growth - 405 FTE *	21.9	1.34
Special Education Staffing *	4.0	0.25
English Language Learners Staffing *	4.0	0.25
Increase in School Instructional Materials Budget (1.9% increase in per pupil allocation based on proj. enroll.)	-	0.22
Increase in Out-of-District Placement Special Ed. Costs	-	0.40
Calendar Change – Red Hawk Ridge Elementary (from traditional to 4-track calendar)	3.8	0.25
Calendar Change – Antelope Ridge Elementary (from 4-track calendar to traditional calendar)	(3.8)	(0.25)
TOTAL ENROLLMENT AND GROWTH	51.8	\$3.80

* For FY2012-13 & FY2013-14: 21.9 FTE for 18.5:1 staffing, 2.0 for Special Ed. & 2.0 for ELL.

Major General Fund Budget Changes

Between FY2012-13 & FY2013-14

(Millions)	FTE	Increase (Decrease)
<u>INSTRUCTIONAL PROGRAM SUPPORT COSTS</u>		
Mental Health – Increase School Support	5.0	\$0.42
Options – Adjust Instructional Budget to Projected Enrollment	-	0.19
Mill Levy Share to Cherry Creek Academy	-	0.39
Increase to Activities Budget for Graduation	-	0.01
Curriculum & Instruction (Instructional Coach & STEM Support)	0.5	0.07
Assessment & Evaluation (Gifted & Talented Assessment Testing)	-	0.10
Instructional Technology (Instructional Technology Coordinators)	5.0	0.29
Educator Effectiveness (Admin. & Support Staff & Tchr. Training)	2.0	0.20
Human Resources (Office Support Staff)	1.0	0.05
TOTAL INSTRUCTIONAL PROGRAM SUPPORT COSTS	13.5	\$1.72

Major General Fund Budget Changes

Between FY2012-13 & FY2013-14

(Millions)	FTE	Increase (Decrease)
<u>EDUCATIONAL SUPPORT SERVICES</u>		
Custodial Increase for Contracted Services Budget	-	\$0.12
Security Increase for School Resource Officer Support	-	0.12
Warehouse Increase for FOSS Science Support-Elem. Schools	1.0	0.04
Wellness Increase for Program Services Support	1.0	0.03
Total Educational Support Services	2.0	\$0.31

(Millions)	FTE	Increase (Decrease)
<u>OPERATIONS AND MAINTENANCE COSTS:</u> <u>OPENING OF NEW FACILITIES:</u>		
Elementary #43 – Partial Opening (to establish Admin/Staff for transition including Utility & Operational Costs)	4.0	0.32
Total O & M Costs	4.0	\$0.32

Major General Fund Budget Changes

Between FY2012-13 & FY2013-14

(Millions)	FTE	Increase (Decrease)
<u>OTHER CHANGES:</u>		
Staffing Realignments – Instructional Staff/Support	3.7	\$0.28
ADA Accommodations Increase	-	0.05
Transportation Fuel Cost Increases	-	0.20
Transportation Staffing – Spec. Edu. Route Modifications*	(12.0)	*TBD
Workers Compensation Pool Increase	-	0.28
Items included in 12/13 Budget excluded from 13/14 Budget		
- K-5 Social Studies Materials	-	(1.44)
- FOSS Elementary Life Science Materials	-	(0.34)
Unemployment Cost Decrease	-	(0.59)
Decrease in Estimated Transfer for Capital Reserve Expend.	-	(1.35)
Total Other Changes	(8.3)	(\$2.91)
TOTAL GENERAL FUND BUDGET CHANGES	63.0	\$18.02

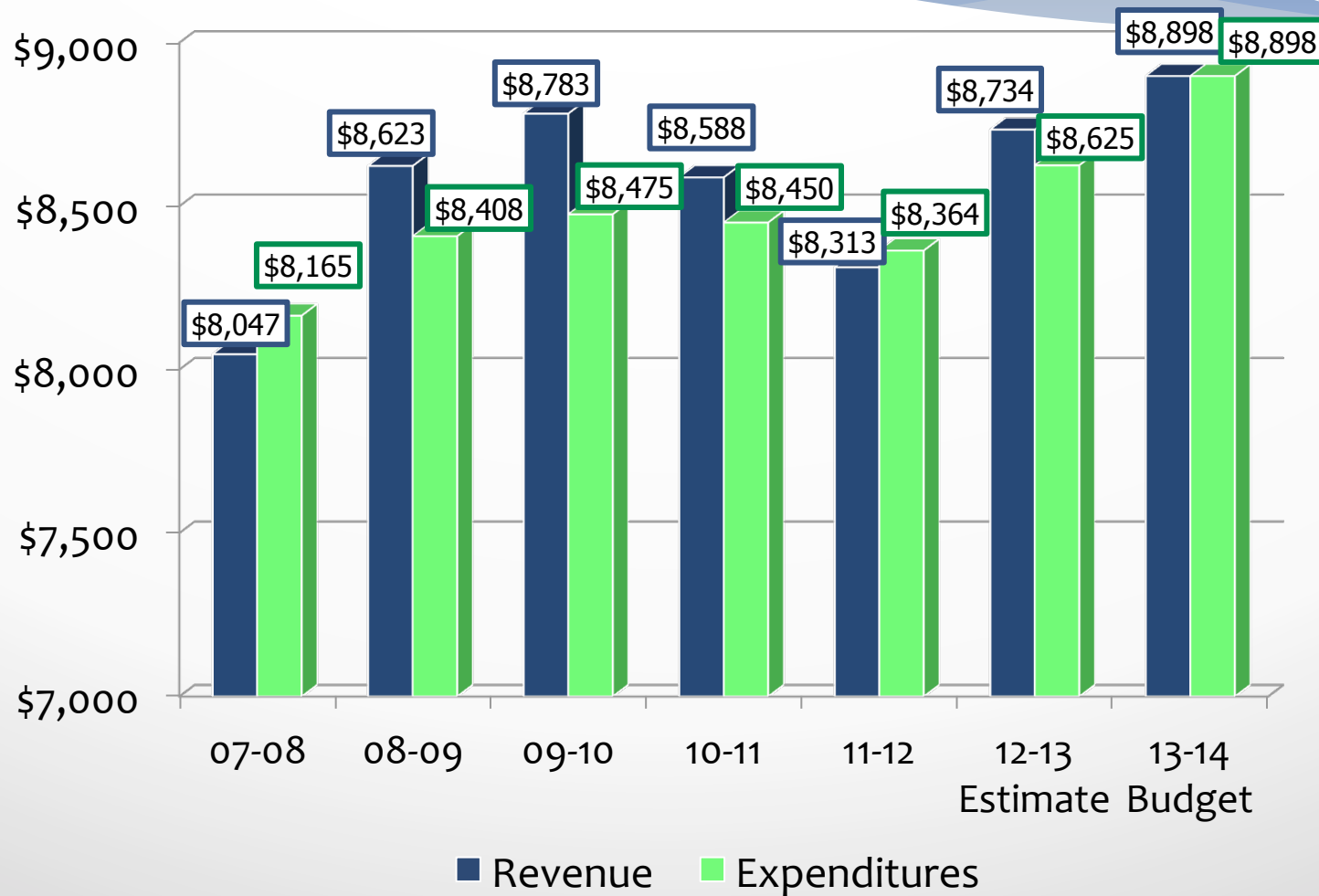
The General Fund Budget, including transfers, increased by \$18.02 million from \$435.01 million in FY2012-13 to \$453.03 million in FY2013-14, an increase of 4.1%.

General Fund

REVENUES & EXPENDITURES

Revenue Sources (in millions)	2012-13 Budget	2013-14 Budget	Inc (Dec)
Local Sources	\$215.75	\$218.40	\$2.65
State Sources	220.66	232.00	11.34
Federal Sources	1.50	1.43	(0.07)
TOTAL REVENUES	437.91	451.83	13.92
<u>Other Financing Sources</u>			
Extended Child Services Fund	2.60	1.20	(1.40)
TOTAL REVENUES/FINANCING SOURCES	\$440.51	\$453.03	\$12.52
TOTAL EXPENDITURES & TRANSFERS	435.01	453.03	18.02
REVENUES OVER (UNDER) EXPENDITURES	\$5.50	\$-	(\$5.50)

Per Pupil Revenue & Expenditures*

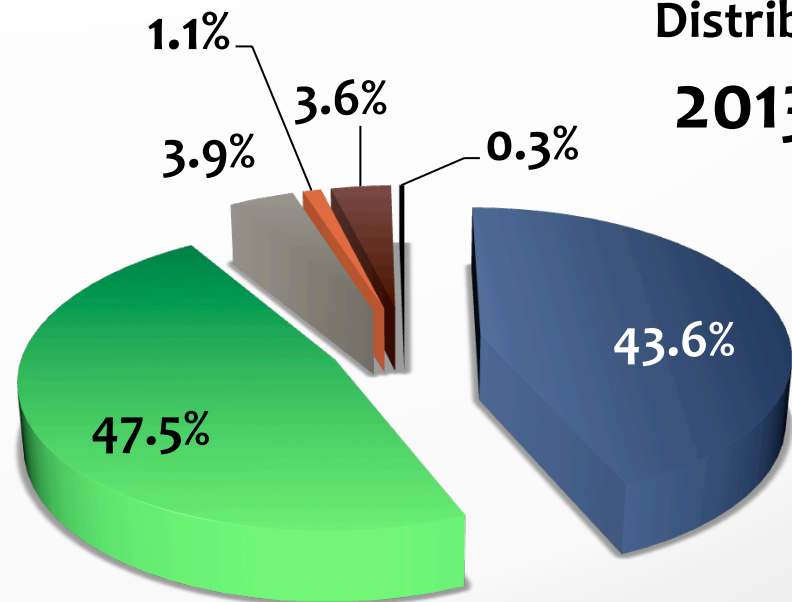
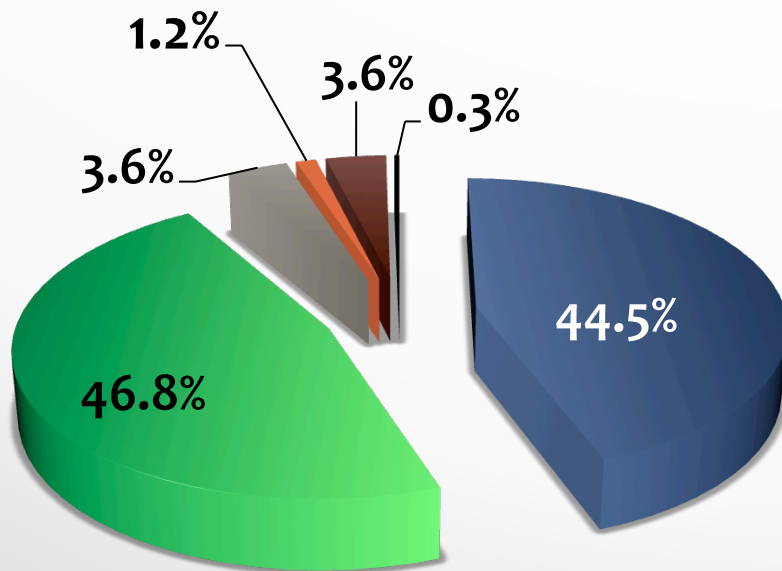


* Figures include transfers

Funding Sources

	2012-13	2013-14
Local	49.3%	48.3%
State	50.4%	51.4%
Federal	0.3%	0.3%

Estimated Distribution 2013-14

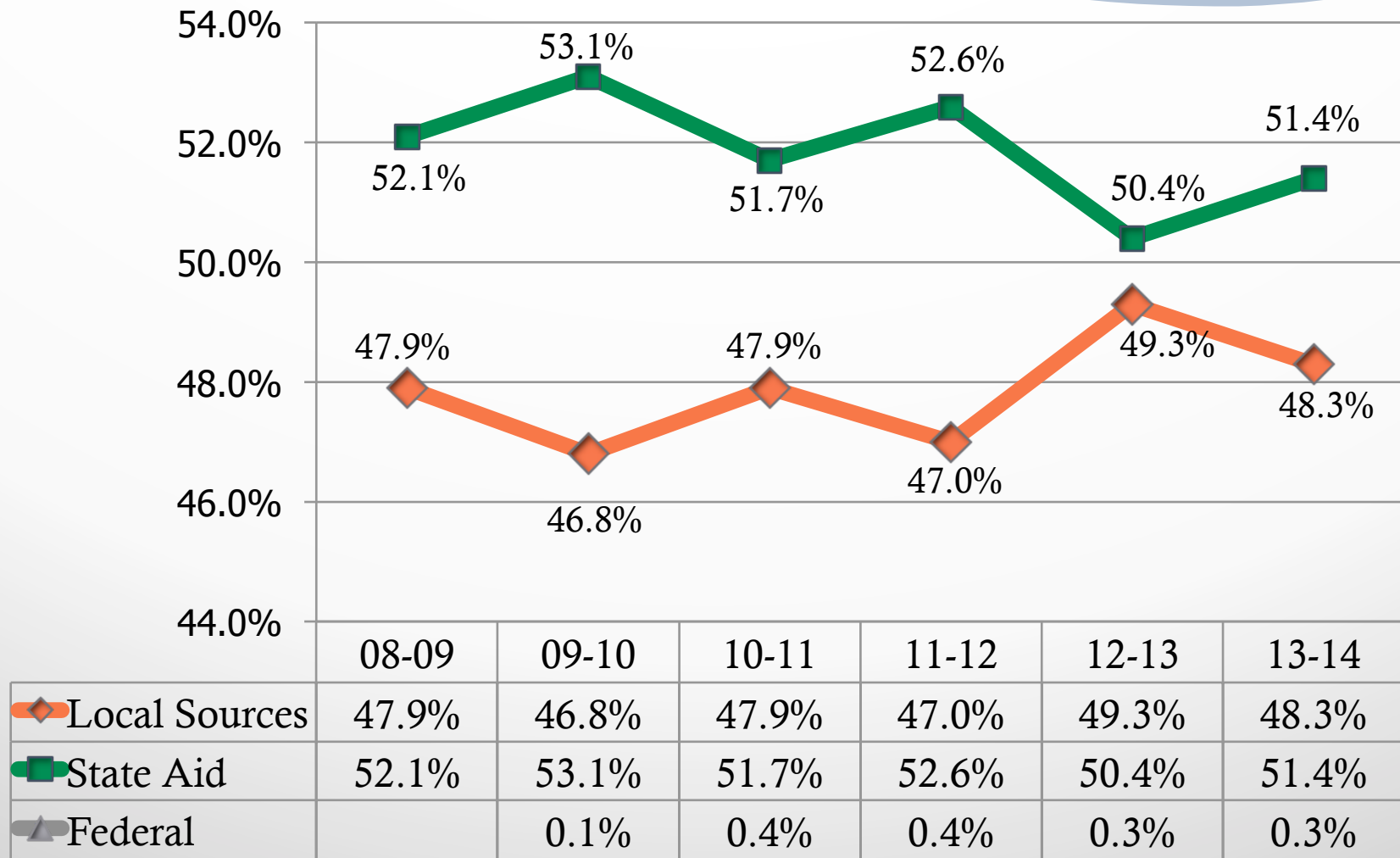


■ Property Taxes
■ Other State Revenue
■ Specific Ownership Taxes

■ State Equalization Aid
■ Other Local Revenue
■ Other Federal Revenue

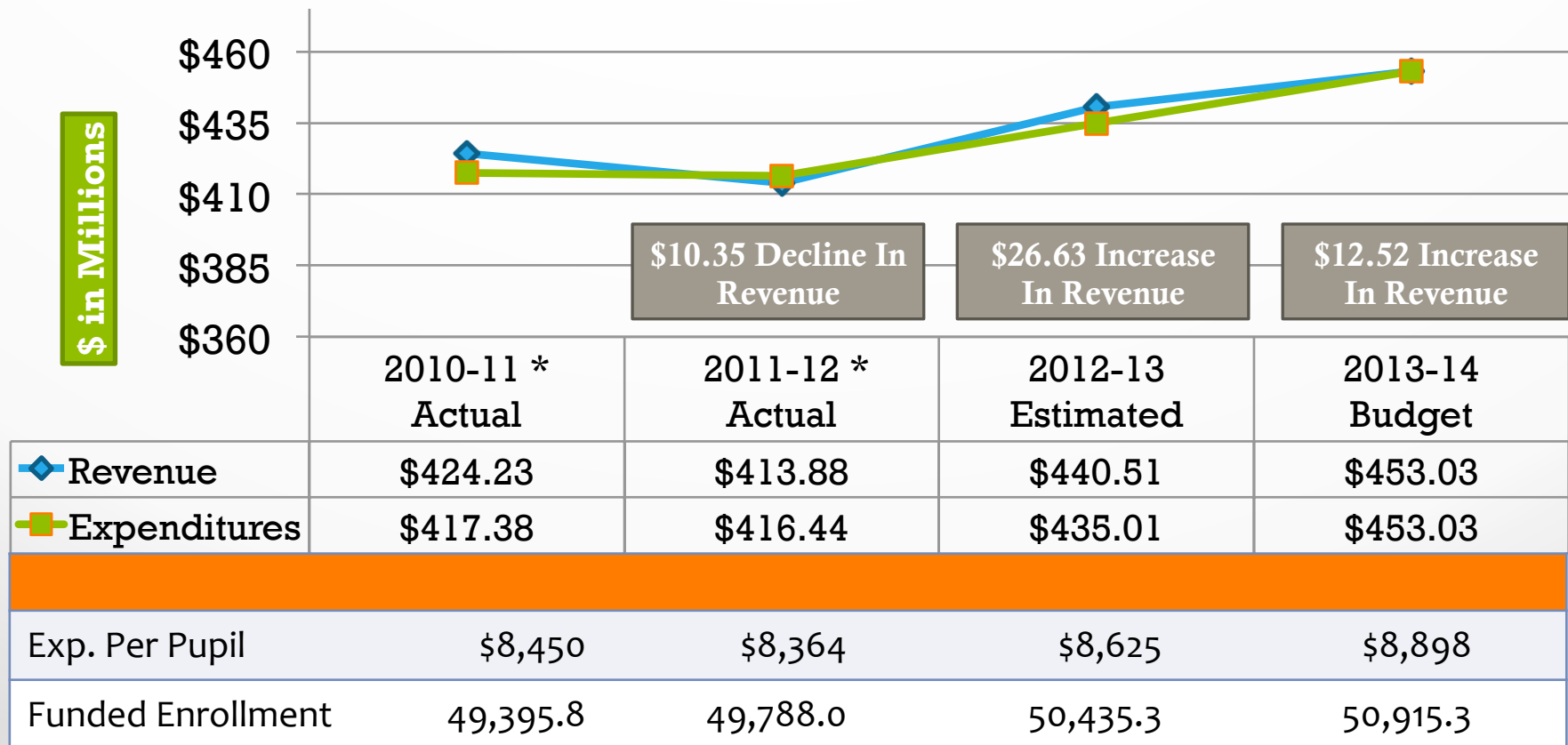
Comparison State & Local Funding

2008-09 through 2013-14



A Look at Revenue Trend

2010-11 through 2013-14



* General Fund revenue and expenditure figures on a GAAP basis are per audited financial statements. 2010-11 figures include \$13.4 million of one-time EDJOBS and SFSF/ARRA Federal funds to reduce State share of funding School Finance Act per SB11-157.

Revenue Sources & Transfers

Source in Millions

	2012-13 Budget	% of Revenue	2013-14 Budget	% of Revenue
<u>Taxes</u>				
Property Taxes	\$194.62	44.5%	\$197.23	43.6%
Specific Ownership Taxes	15.94	3.6%	16.09	3.6%
Subtotal - Taxes	\$210.56	48.1%	\$213.32	47.2%
<u>Other Local</u>				
Indirect Cost Reimbursement	1.35		1.36	
Activity and Athletic Fees	0.85		0.91	
Tuition	0.73		0.74	
Investment Income	0.29		0.30	
Coca Cola Revenue Guarantee	0.06		0.06	
Rental of Facilities	0.83		0.84	
Other	1.08		0.87	
Subtotal - Other Local	5.19	1.2%	5.08	1.1%
TOTAL LOCAL SOURCES	\$215.75	49.3%	\$218.40	48.3%

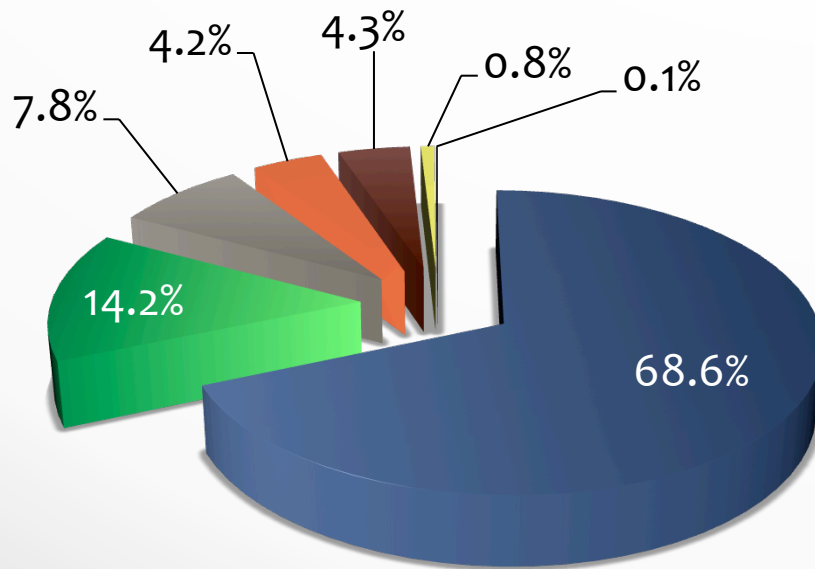
Revenue Sources & Transfers

Source in Millions

	2012-13 Budget	% of Revenue	2013-14 Budget	% of Revenue
<u>State Revenue Sources</u>				
State Equalization Aid	\$204.88	46.8%	\$214.40	47.5%
Special Education	8.72		10.40	
Pupil Transportation	4.11		4.19	
Vocational Education	2.00		2.04	
Gifted and Talented	0.48		0.49	
English Language Proficiency	0.43		0.44	
Other State	0.04		0.04	
Subtotal - Other State	15.78	3.6%	17.60	3.9%
TOTAL STATE SOURCES	\$220.66	50.4%	\$232.00	51.4%
<u>Federal Revenue Sources</u>				
American Recovery & Reinvestment Act	1.50	0.3%	1.43	0.3%
TOTAL REVENUE	\$437.91	100.0%	\$451.83	100.0%
<u>Transfers In</u>				
Extended Child Services	2.60	0.6%	1.20	0.3%
TOTAL REVENUE & TRANSFERS	\$440.51		\$453.03	

General Fund Budget Dollar

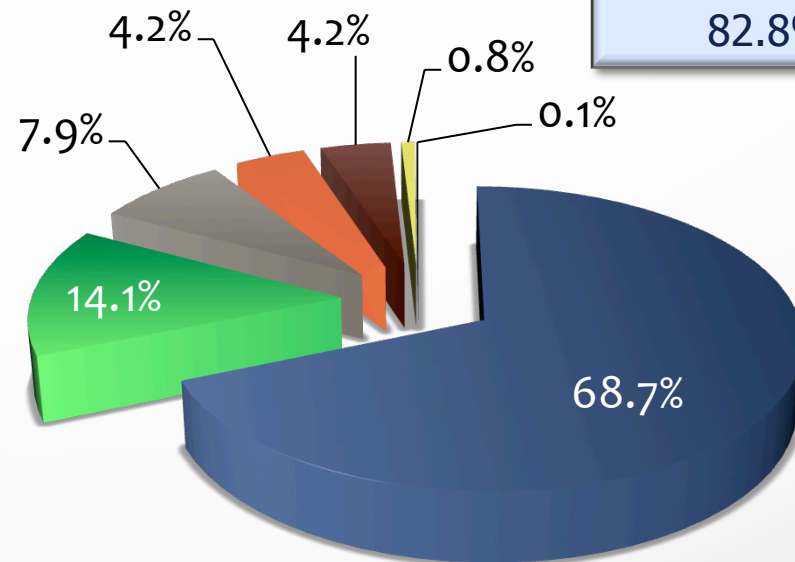
2012-13
Total Instruction
82.8%



2012-13

- Direct Instruction
- Operations, Maintenance, and Custodial Services
- Transportation
- District-wide, Interest, and Contingency

2013-14
Total Instruction
82.8%



2013-14

- Indirect Instruction
- Central, Fiscal, and Community Services
- General Administration

Expenditure Budget

Activity in Millions

	2012-13 Budget	% of Total	2013-14 Budget	% of Total
<u>Direct Instruction</u>				
Elementary Education	\$109.32	25.5%	\$112.02	25.0%
Middle School Education	50.78	11.8%	54.33	12.1%
High School Education	68.76	16.0%	71.25	15.9%
Other Regular Education	21.48	5.0%	22.99	5.1%
Special Programs	44.03	10.3%	47.33	10.6%
Total Direct Instruction	294.37	68.6%	307.92	68.7%
<u>Indirect Instruction</u>				
Pupil Services	24.83	5.8%	26.41	5.9%
Instructional Staff Services	13.06	3.0%	13.62	3.0%
School Administration	23.13	5.4%	23.26	5.2%
Total Indirect Instruction	61.02	14.2%	63.29	14.1%
TOTAL INSTRUCTION	\$355.39	82.8%	\$371.21	82.8%

Expenditure Budget

Activity in Millions

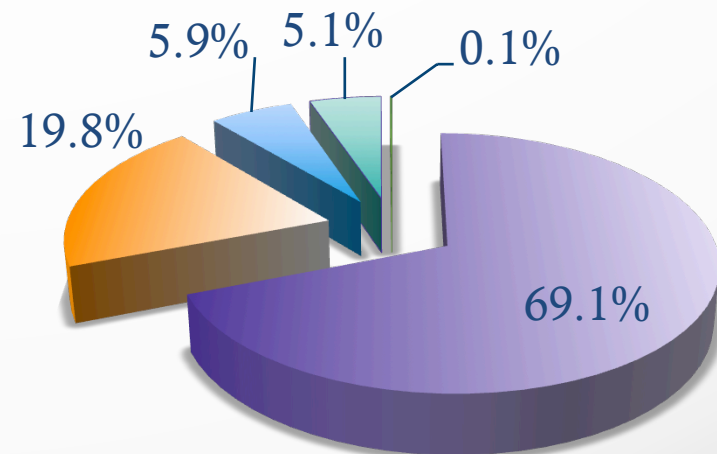
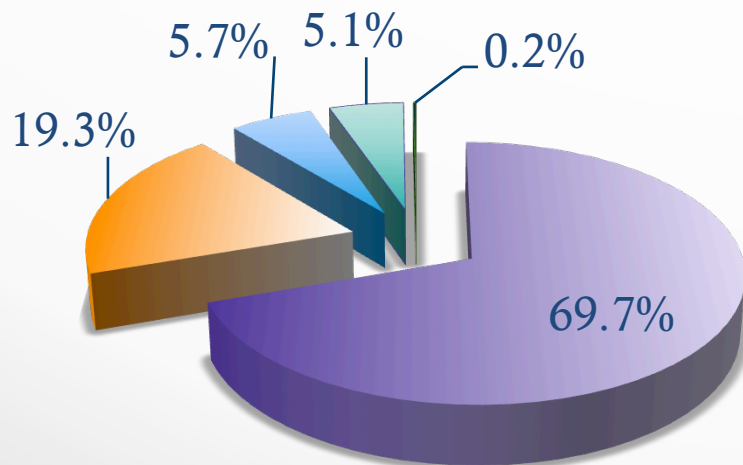
	2012-13 Budget	% of Total	2013-14 Budget	% of Total
<u>Other Expenditures</u>				
General Administration	\$3.57	0.8%	\$3.62	0.8%
Business Services	3.80	0.9%	3.83	0.8%
Operations and Maintenance	33.54	7.8%	35.23	7.9%
Pupil Transportation	18.40	4.3%	18.87	4.2%
Central and Other Services	13.90	3.2%	14.81	3.3%
Community Services	0.40	0.1%	0.41	0.1%
Debt Services	0.29	0.1%	0.30	0.1%
Total Other Expenditures	73.90	17.2%	77.07	17.2%
TOTAL EXPENDITURES	\$429.29	100.0%	\$448.28	100.0%
Transfers	5.72	1.3%	4.75	1.1%
TOTAL EXPENDITURES & TRANSFERS	\$435.01		\$453.03	

Expenditures by Object

2012-13

Salaries and Benefits
88.9%

2013-14



■ Salaries
■ Purchased Services
■ Capital & Other

■ Employee Benefits
■ Supplies and Materials

Expenditures by Object

Object in Millions

	2012-13 Budget	% of Total	2013-14 Budget	% of Total
Salaries	\$299.16	69.7%	\$309.88	69.1%
Employee Benefits	82.90	19.3%	88.66	19.8%
Subtotal	\$382.06	89.0%	\$398.54	88.9%
Purchased Services	24.36	5.7%	26.36	5.9%
Supplies and Materials	22.15	5.1%	22.76	5.1%
Capital Outlay	0.66	0.2%	0.69	0.1%
Other	0.06	-	(0.07)	-
Subtotal	\$47.23	11.0%	\$49.74	11.1%
TOTAL EXPENDITURES	\$429.29	100.0%	\$448.28	100.0%
Transfers Out	5.72	1.3%	4.75	1.1%
TOTAL EXPENDITURES & TRANSFERS	\$435.01		\$453.03	

Budget Balancing Measures

Cost & Resource Management Plan

A Cost and Resource Management Plan for FY2013-14 utilizes funds from the successful November 2012 override election to achieve a balanced budget that is consistent with the strategic mission and values of Cherry Creek Schools for FY2013-14.

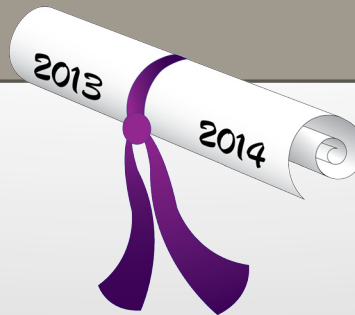
- ❑ The General Fund Budget includes \$453.0 million of revenue and \$453.0 million of expenditures, both including transfers.
 - ✓ **Expenditures and transfers are budgeted to increase by \$18.0 million.**
 - ✓ **Revenue and transfers are anticipated to increase \$12.5 million**
 - The combination of these, along with the utilization of \$5.5 million of operating margin from the FY2012-13 budget year achieves a balanced budget for FY2013-14.

Budget Balancing Measures

Cost & Resource Management Plan

The Cost and Resource Management Plan was developed with the intent of preserving instructional programs and limiting the effect of recent funding declines on the classroom.

- ✓ Future year budgets may require adjustments without sufficient ongoing increases from sustainable State revenue sources.



General Fund Reserves

The Cherry Creek School 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.

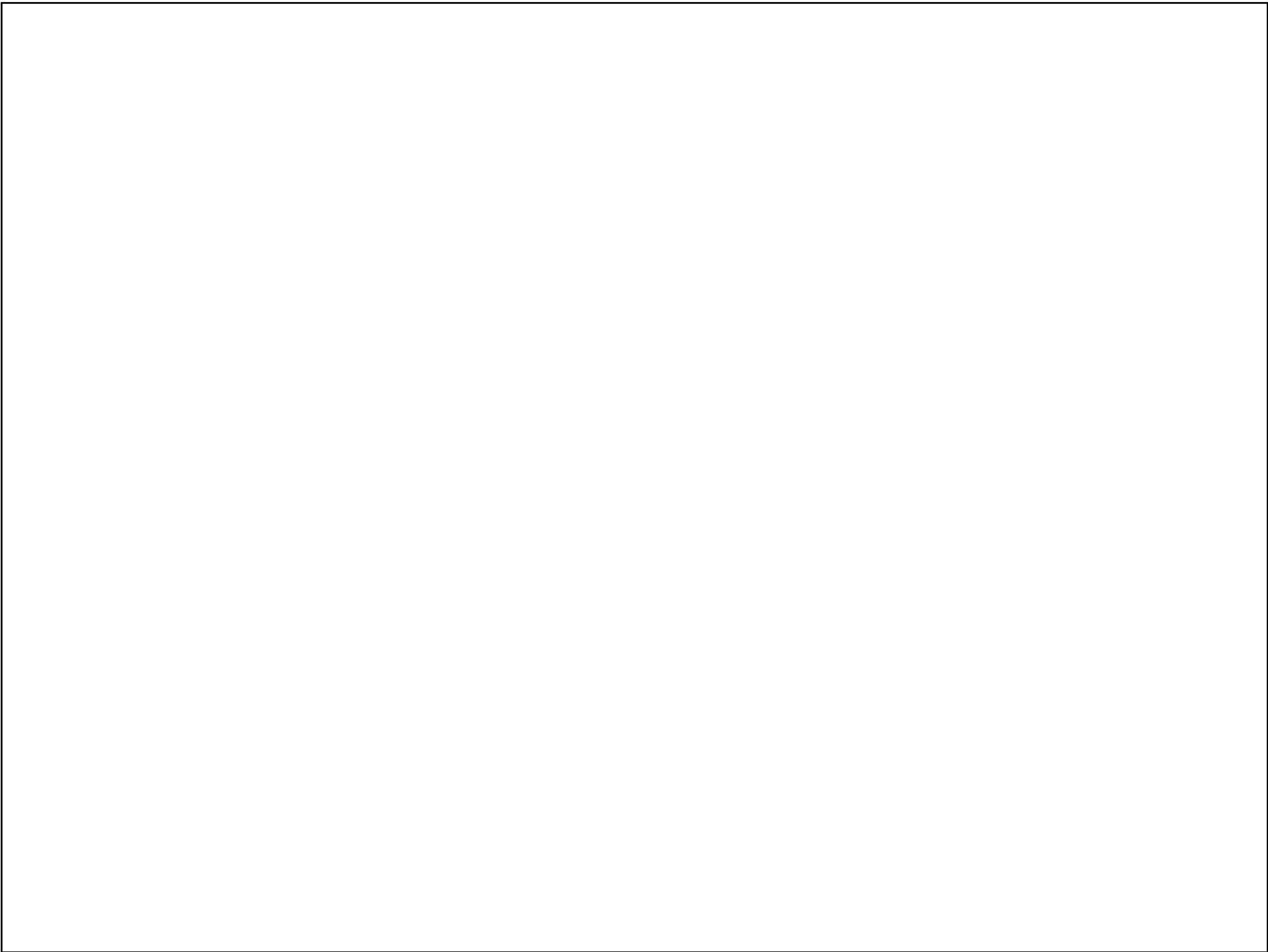
DISTRICT EMERGENCY RESERVE

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 7.3% of General Fund budget. The following table illustrates the level of reserves and the estimated calculation.

Fiscal Year 2013-14 (Estimated at June 30, 2014)

DESCRIPTION	RESERVE AMOUNT	% OF GF BUDGET
TABOR Reserve *	\$13,450,000	3.0%
Designated Reserve	1,963,000	0.4%
Encumbrance Reserve	370,000	0.1%
District Emergency Reserve (includes GAAP Basis adjustment for salaries & benefits accrued but unpaid)	32,604,000	7.3%
TOTAL ESTIMATED GENERAL FUND RESERVES	48,387,000	10.8%
FY2013-14 GENERAL FUND BUDGET EXPENDITURES	\$448,279,400	

* The District secured a Letter of Credit from an investment grade bank by Board Resolution dated June 14, 2010, which substituted for the TABOR Reserve requirement effective July 1, 2010. The District terminated this Letter of Credit effective April 1, 2013. The District will continue to reserve a portion of its fund balance to satisfy the TABOR requirements.





Other Funds

Other Funds consist of:

- ✧ Special Revenue
 - Designated Purpose Grants
 - Extended Child Services
 - Pupil Activities
- ✧ Capital Improvements
 - Building
 - Capital Reserve
- ✧ Debt Service
 - Bond Redemption
 - Capital Finance Corporation
- ✧ Enterprise
 - Food Services

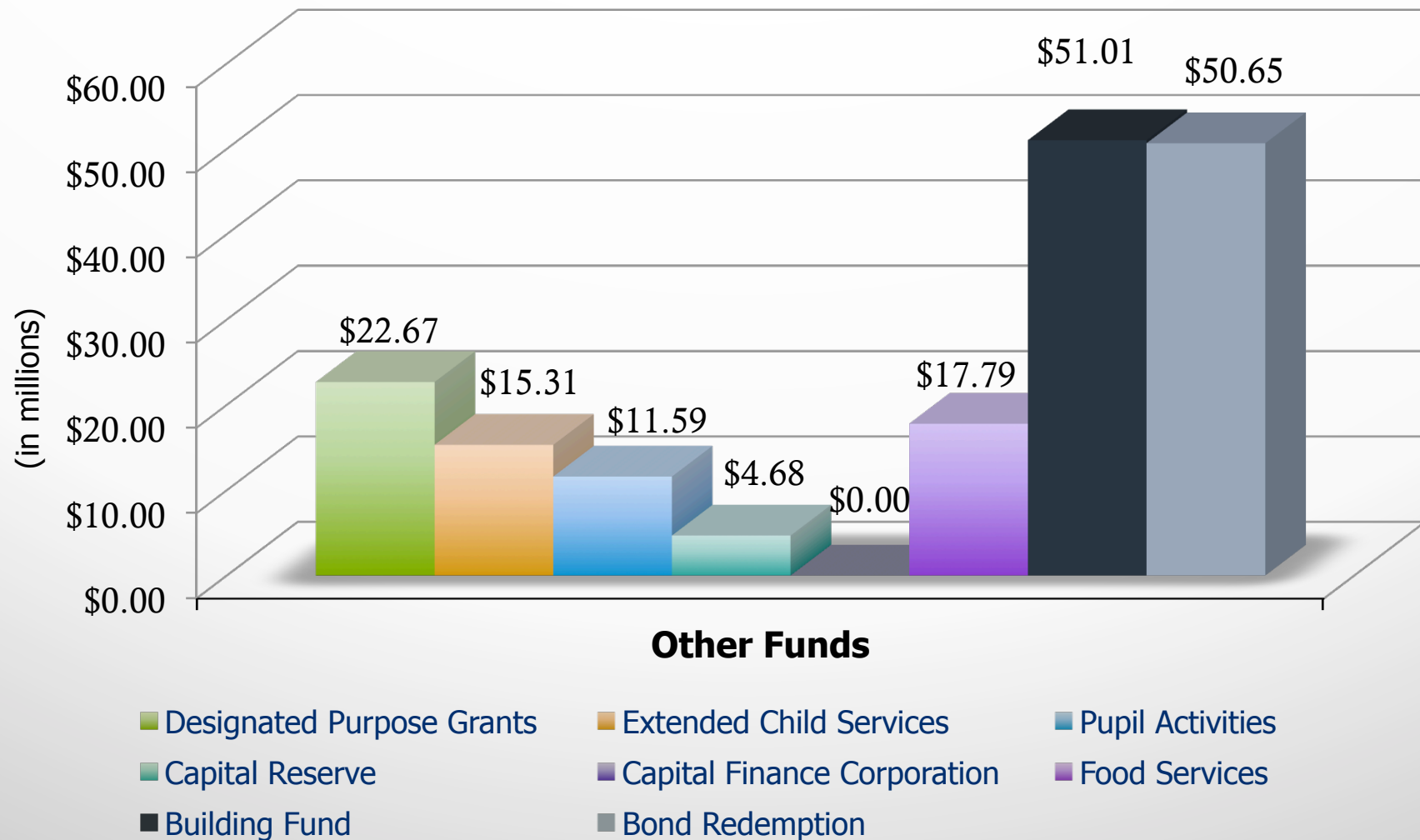
Other Funds

FUND DESCRIPTION & PURPOSE

FUND	DESCRIPTION & PURPOSE
❖ Designated Purpose Grants	Federal, State, and Local grants for educational achievement programs
❖ Extended Child Services	Childcare and Enrichment programs for before and after school and intersession
❖ Pupil Activities	Extracurricular activities and programs for the enhancement of the educational experience
❖ Capital Reserve	Facility improvement and educational services support for schools
❖ Capital Finance Corporation	Financing of capital costs as approved by Board Resolution
❖ Building Fund	Construction and associated costs for schools and support facilities funded by voter-approved bond issues
❖ Bond Redemption	Annual debt service costs on bonds payable
❖ Food Services	Student nutrition program for breakfasts and lunches

Summary of Other Funds

FY2013-14 Expenditures & Transfers



Designated Purpose Grants Fund

In Millions

	2012-13 Budget	2013-14 Budget	Inc (Dec)
<u>Revenues and Expenditures</u>			
Local/Private Funds	\$2.74	\$2.75	\$0.01
State Funds	0.43	0.29	(0.14)
Total Local & State Grants	\$3.17	\$3.04	(\$0.13)



Designated Purpose Grants Fund

In Millions

	2012-13 Budget	2013-14 Budget	Inc (Dec)
<u>Revenues and Expenditures</u>			
Federal Funds			
Education of the Handicapped	\$11.92	\$11.22	(\$0.70)
No Child Left Behind Act			
- Title I – A	5.34	5.22	(0.12)
- Title I – D	0.23	0.09	(0.14)
- Title II – A	0.91	0.88	(0.03)
- Title III	0.60	0.40	(0.20)
Subtotal No Child Left Behind	7.08	6.59	(0.49)
Head Start	0.44	0.24	(0.20)
School to Work Alliance Program (SWAP)	0.20	0.19	(0.01)
Race to the Top – Phase 3 (RTT3)	0.29	0.08	(0.21)
Other Federal	0.69	1.31	0.62
Total Federal Grants	\$20.62	\$19.63	(\$0.99)
TOTAL REVENUES/EXPENDITURES	\$23.79	\$22.67	(\$1.12)

Extended Child Services Fund

In Millions

	2012-13 Budget	2013-14 Budget	Inc (Dec)
BEGINNING FUND BALANCE	\$4.37	\$3.06	(\$1.31)
<u>Revenues</u>			
Tuition	15.86	16.44	0.58
Transfer from General Fund	0.08	0.08	-
Total Revenues	15.94	16.52	0.58
TOTAL FUNDS AVAILABLE	\$20.31	\$19.58	(\$0.73)
<u>Expenditures</u>			
Before and After School	7.65	7.30	(0.35)
Kindergarten Enrichment	3.02	3.03	0.01
Pre-School	1.53	1.65	0.12
Other Enterprise Programs	1.84	1.40	(0.44)
Other Costs	0.65	0.73	0.08
Transfer to General Fund	2.56	1.20	(1.36)
Total Expenditures and Transfers	17.25	15.31	(1.94)
ENDING FUND BALANCE	\$3.06	\$4.27	\$1.21

Pupil Activities Fund

In Millions

	2012-13 Budget	2013-14 Budget	Inc (Dec)
BEGINNING FUND BALANCE	\$5.18	\$5.18	\$-
Total Revenues	11.79	11.59	(0.20)
TOTAL FUNDS AVAILABLE	\$16.97	\$16.77	(\$0.20)
<u>Expenditures</u>			
High School Activities	8.19	8.13	(0.06)
Middle School Activities	1.26	1.18	(0.08)
Elementary School Activities	2.08	2.02	(0.06)
Other Expenditures	0.26	0.26	-
Total Expenditures	11.79	11.59	(0.20)
ENDING FUND BALANCE	\$5.18	\$5.18	\$-

Capital Reserve Fund

In Millions

	2012-13 Budget	2013-14 Budget	Inc (Dec)
BEGINNING FUND BALANCE	\$0.65	\$0.27	(\$0.38)
Transfer from General Fund	5.64	4.68	(0.96)
Transfer from Capital Finance Corp.	0.93	-	(0.93)
Total Revenues	6.57	4.68	(1.89)
TOTAL FUNDS AVAILABLE	\$7.22	\$4.95	(\$2.27)
<u>Expenditures</u>			
Building and Improvements	2.89	2.39	(0.50)
Equipment, Software and Internet	2.20	2.29	0.09
Debt Service for Bus Purchases	1.86	-	(1.86)
Total Expenditures	6.95	4.68	(2.27)
ENDING FUND BALANCE	\$0.27	\$0.27	\$-

Capital Finance Corporation

In Millions

	2012-13 Budget	2013-14 Budget	Inc (Dec)
BEGINNING FUND BALANCE	\$0.91	\$ -	(\$0.91)
Total Revenues	0.02	-	(0.02)
TOTAL FUNDS AVAILABLE	\$0.93	\$ -	(\$0.93)
Total Transfers	0.93	-	(0.93)
ENDING FUND BALANCE	\$ -	\$ -	\$ -

Food Services Fund

In Millions

	2012-13 Budget	2013-14 Budget	Inc (Dec)
BEGINNING RETAINED EARNINGS	\$6.41	\$5.87	(\$0.54)
<u>Revenues</u>			
Sales, Investment, Catering	9.20	9.56	0.36
Federal Meal Reimbursement	6.82	6.75	(0.07)
USDA Commodities	0.88	1.03	0.15
State Meal Reimbursement	0.24	0.22	(0.02)
Contributed Capital	0.28	0.32	0.04
Total Revenues	17.42	17.88	0.46
TOTAL FUNDS AVAILABLE	\$23.83	\$23.75	(\$0.08)

Food Services Fund

In Millions

	2012-13 Budget	2013-14 Budget	Inc (Dec)
<u>Expenditures</u>			
Food	6.69	6.78	0.09
Supplies	2.00	1.46	(0.54)
Salaries and Benefits	6.97	7.24	0.27
Services, Capital, Other	2.30	2.31	0.01
Total Expenditures	17.96	17.79	(0.17)
ENDING RETAINED EARNINGS	\$5.87	\$5.96	\$0.09

Building Fund

In Millions

	2012-13 Budget	2013-14 Budget	Inc (Dec)
BEGINNING FUND BALANCE	\$22.18	\$126.26	\$104.08
<u>Revenues</u>			
Investment Income	0.25	0.45	0.20
School Bonds	129.41	-	(129.41)
Total Revenues	129.66	0.45	(129.21)
TOTAL FUNDS AVAILABLE	\$151.84	\$126.71	(\$25.13)
<u>Expenditures</u>			
Land, Building and Improvements	20.16	38.25	18.09
Equipment	1.28	9.76	8.48
Professional Services and Salaries	3.56	2.67	(0.89)
Bond Issuance Costs	0.30	-	(0.30)
Transfers to Food Service	0.28	0.33	0.05
Total Expenditures and Transfers	25.58	51.01	25.43
ENDING FUND BALANCE	\$126.26	\$75.70	(\$50.56)

Bond Redemption Fund

In Millions

	2012-13 Budget	2013-14 Budget	Inc (Dec)
BEGINNING FUND BALANCE	\$47.83	\$47.34	(\$0.49)
<u>Revenues</u>			
Property Taxes	48.29	50.51	2.22
Investment Income	0.07	0.03	(0.04)
Total Revenues	48.36	50.54	2.18
TOTAL FUNDS AVAILABLE	\$96.19	\$97.88	\$1.69
<u>Expenditures</u>			
Bond Principal Retirement	27.13	28.41	1.28
Interest	21.72	22.24	0.52
Fiscal Charges	-	-	-
Total Expenditures	48.85	50.65	1.80
ENDING FUND BALANCE	\$47.34	\$47.23	(\$0.11)

Summary

The Cherry Creek Financial Plan was developed in accordance with policies and procedures adopted by the Board of Education focusing on the best interests of the strategic mission and values of the Cherry Creek School District.



CherryCreekSchools

- ❑ Above all else, students come first
 - ✓ Preserved instructional programs and maintained staffing ratio at 18.5:1
 - ✓ Funding for K-3 class size soft cap of 23:1
 - ✓ Supplemental staffing resources for targeted achievement
 - ✓ Full-day kindergarten at 6 elementary schools
- ❑ Cost and Resource Management Plan utilizes funds from successful November 2012 override election to achieve a balanced budget of \$453.0 million for both revenue and expenditures
 - ✓ Use of \$5.5 million of operating margin from the FY2012-13 budget year achieves balanced budget
- ❑ Employees
 - ✓ Salary and benefits – pending negotiations
 - ✓ Monthly health insurance contributions maintained at existing funding level
 - ✓ PERA rate changes impacting the District
- ❑ State economic conditions will provide for continued financial planning uncertainties

OUR MISSION

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



CherryCreekSchools

