

FY2012-13 Financial Plan

Executive Briefing for
The Board of
Education

August 13, 2012

UPDATE

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

Components

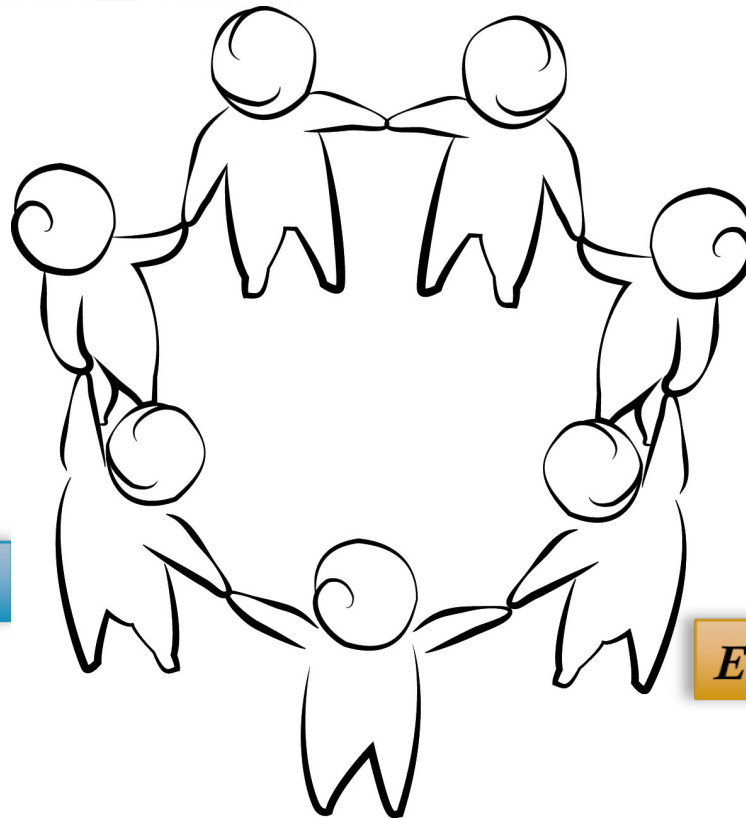
*SCHOOL
FINANCE*

REVENUE

ENROLLMENT

EXPENDITURES

RESERVES



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 and Figures

51,820 STUDENTS

- 6,005 students receiving Special Education services
- ELA program supports 3,998 students speaking over 100 languages
- Free and reduced lunch students represent 28.2% of population

FACILITIES

- 68 school facilities
- 2 stadiums
- 11 other student support facilities

DISTRICT COVERS 108 SQUARE MILES

BUSES TRAVEL OVER 3.2 MILLION MILES PER YEAR

4M LUNCHES & 700K BREAKFASTS SERVED YEARLY

Facts and Figures

- Fourteen 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	Dry Creek Elementary
Bellevue Elementary	Fox Hollow Elementary
Canyon Creek Elementary	Heritage Elementary
Challenge School	High Plains Elementary
Cherry Hills Village Elementary	Peakview Elementary
Cottonwood Creek Elementary	Pine Ridge Elementary
Creekside Elementary	Rolling Hills Elementary

Facts and Figures

- ◆ Fifteen 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	Dry Creek Elementary
Campus Middle School	Greenwood Elementary
Challenge School	Homestead Elementary
Cherry Creek Academy	Indian Ridge Elementary
Cherry Creek High School	Rolling Hills Elementary
Cherry Hills Village Elementary	West Middle School
Cottonwood Creek Elementary	Willow Creek Elementary
Coyote Hills Elementary	

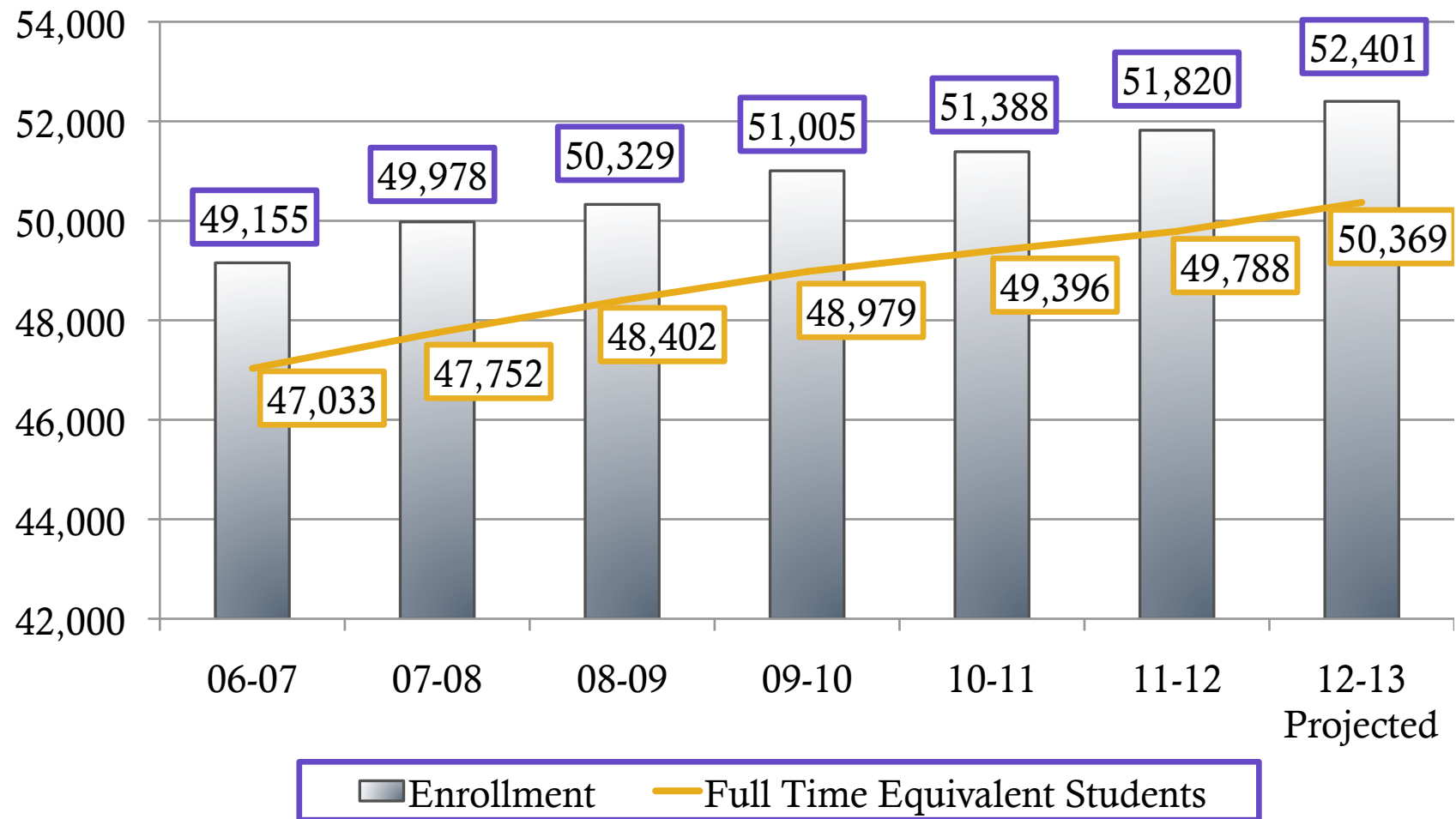
Facts and Figures

- ◆ District ACT/SAT results for 2011 graduating seniors

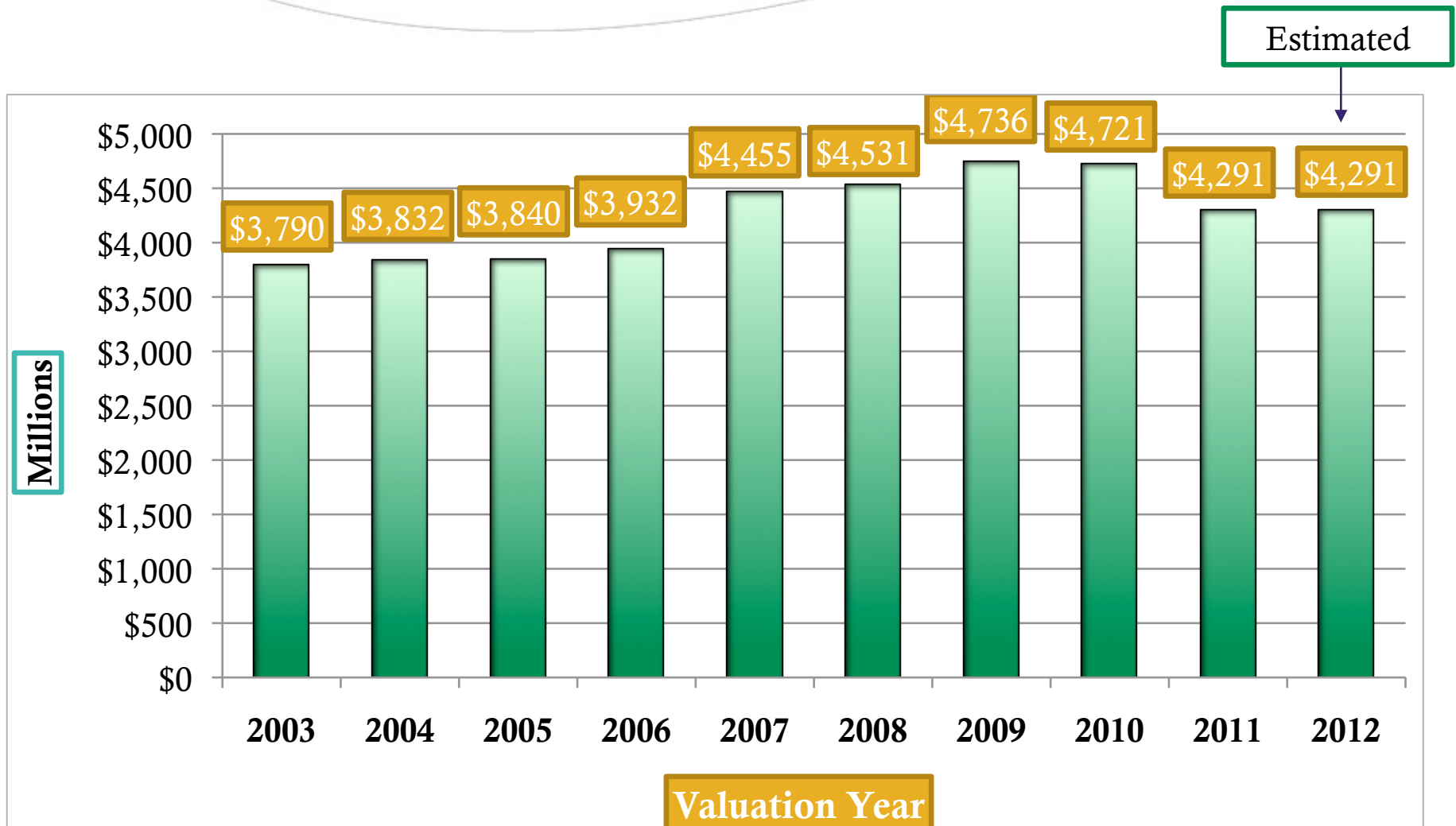
Averages	CCSD	State	National
ACT Composite Score	22.0	20.7	21.1
SAT combined Critical Reading/Math/Writing	1740	1699	1500

Enrollment Growth

5.9% Funded Enrollment Growth over Last 5 years



Assessed Valuation 2003-2012



Property Taxes

2011-12

Mill Levy	54.367
Assessment Ratio	7.96%

Residential Taxes on:

\$305,901 House	\$1,324
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2012-13 (Estimated)

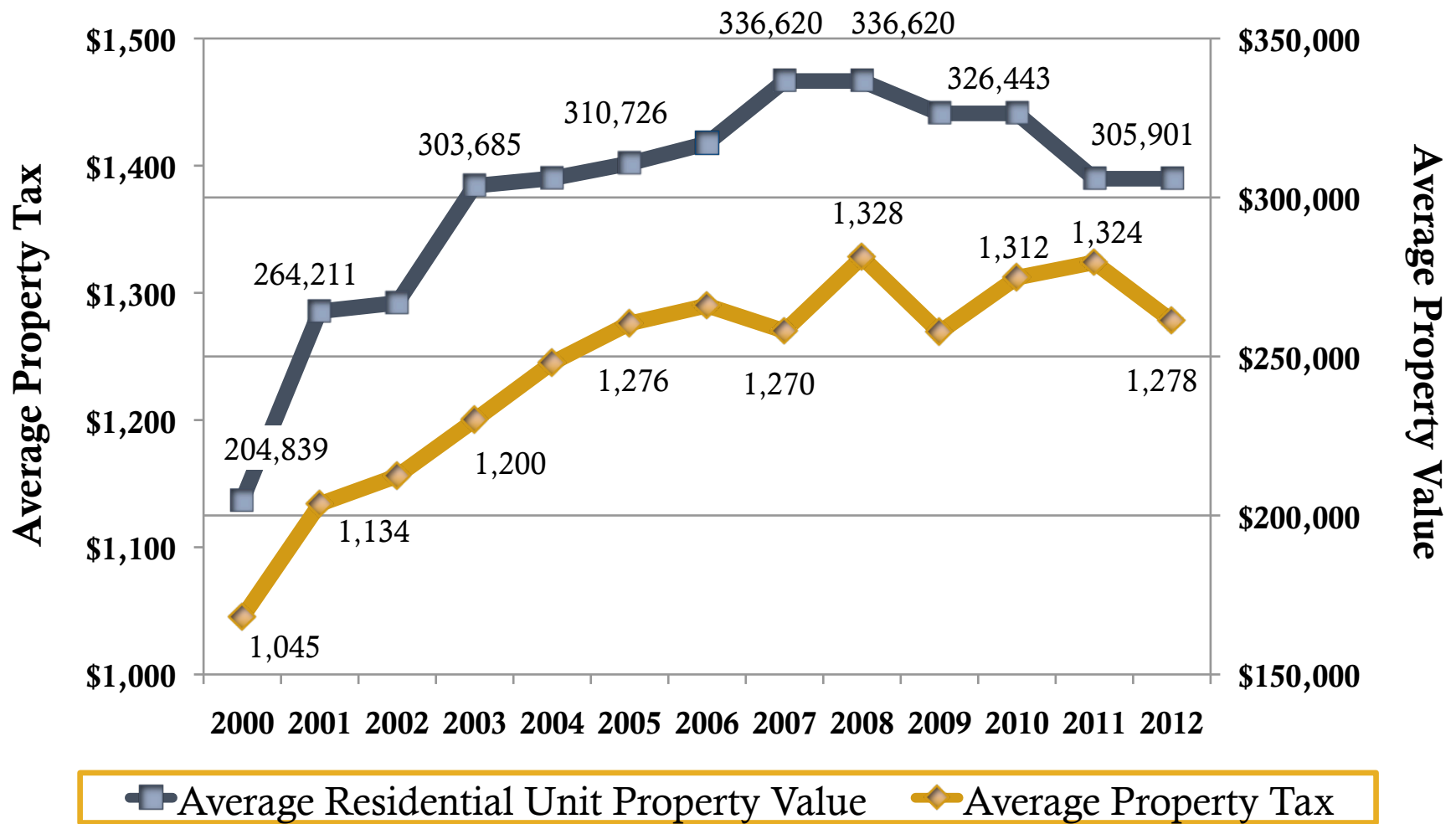
◆ Mill Levy	52.491
◆ Assessment Ratio	7.96%

Residential Taxes on:

◆ \$305,901 House	\$1,278
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Residential Property Value and Tax History



Employees

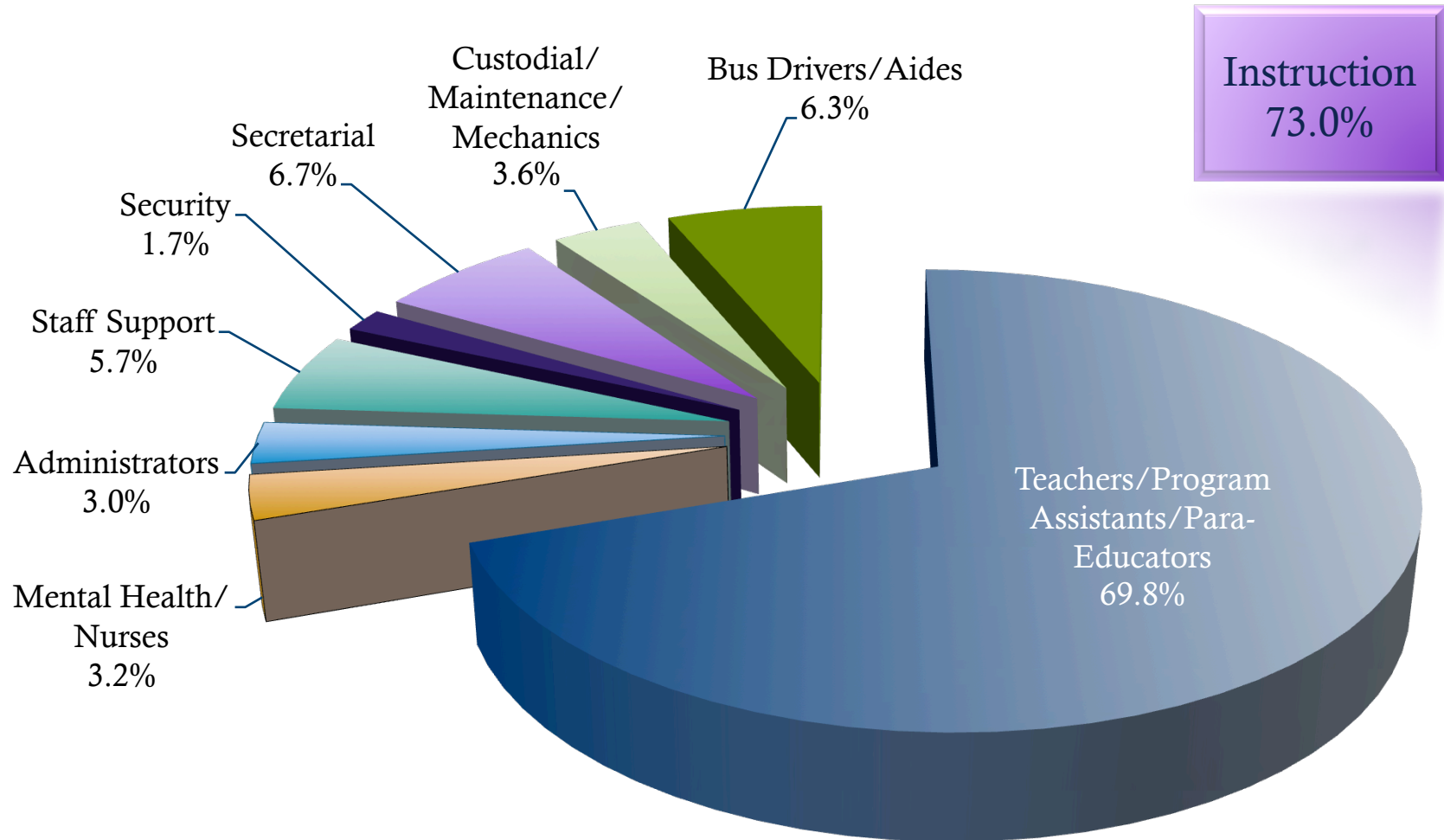
Our goal is to recruit, retain, and develop the finest licensed personnel and support staff



Valuing our Employees

- ◆ 89.1% of General Fund budget is salaries and benefits
- ◆ Salary and wages – FY2012-13
 - ◆ Teacher and Mental Health employee compensation
 - ◆ Negotiated agreement includes experience step advancement, maximum salary provision, and certain increases in longevity payments for teachers
 - ◆ No salary schedule or educational attainment increases
 - ◆ Classified and other employees
 - ◆ Compensation increase of 1%
- ◆ Monthly health insurance contributions by the District maintained at existing funding level.
 - ◆ Employees who participate in medical insurance plan as of July 1, 2012, were eligible for a one-month allowance for employee medical premium costs

General Fund Staffing



General Fund Staffing Summary

EMPLOYEE TYPE (FTE)	2011-12 BUDGET	2012-13 BUDGET	2012-13 % OF TOTAL
INSTRUCTION			
• Teachers	3,201	3,230	66.2%
• Para-Educators	176	173	3.6%
INSTRUCTIONAL SUPPORT			
• Mental Health	96	99	2.0%
• Nurses	59	61	1.2%
Administrators	144	146	3.0%
Staff Support	276	280	5.7%
Security	85	85	1.7%
Secretarial	325	327	6.7%
Custodial/Maintenance	157	158	3.2%
TRANSPORTATION			
• Mechanics	22	22	0.4%
• Bus Aides	88	88	1.8%
• Bus Drivers	222	222	4.5%
TOTAL	4,851	4,891	100.0%



Appropriations by Fund

Ensuring Financial Stability
and Fiscal Responsibility

Appropriation Summary

FUND (in Millions)	11-12 BUDGET	12-13 BUDGET	INC. (DEC.)	12-13 % CHANGE
GENERAL FUND	\$432.12	\$449.09	\$16.97	3.9%
DESIGNATED PURPOSE GRANTS	24.47	23.79	(0.68)	(2.8%)
EXTENDED CHILD SERVICES	16.40	16.29	(0.11)	(0.7%)
PUPIL ACTIVITIES	12.44	12.14	(0.30)	(2.4%)
TOTAL OPERATING/SPECIAL REVENUE FUNDS	\$485.43	\$501.31	\$15.88	3.3%
BUILDING FUND	33.36	17.36	(16.00)	(48.0%)
BOND REDEMPTION	52.77	47.19	(5.58)	(10.6%)
CAPITAL RESERVE	2.75	6.09	3.34	121.3%
CAPITAL FINANCE CORPORATION	0.04	0.93	0.89	-
FOOD SERVICES – ENTERPRISE FUND	17.26	18.27	1.01	5.9%
TOTAL	\$591.61	\$591.15	(\$0.46)	(0.1%)



General Fund

General Fund is spent primarily on *instruction*:

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

Funding Overview

- 💧 The School Finance Act (HB12-1345) was approved in the legislature on May 9, 2012 and signed by the Governor on May 19, 2012.
 - ❑ The Bill provides for average funding per pupil statewide of \$6,474, similar to FY2011-12.
 - ❑ Statewide K-12 funding is proposed at \$5.287 billion, a \$57 million increase over FY2011-12 funding of \$5.230 billion.
- 💧 The increase would provide funding for enrollment growth of 9,027 students statewide, and seeks to prevent statewide average funding per pupil from declining, by decreasing the negative factor from the proposed level of -17.60% to an adjusted level of -16.11%.

Funding Overview

- Cherry Creek Net Total Program Funding for FY2012-13 is projected to be \$322.26 million based on the anticipated funded pupil count in October 2012 of 50,369.
- This is an increase of \$3.46 million from the adjusted FY2011-12 funding of \$318.80 million.
 - The Net Total Program Funding per pupil is estimated to decrease by 0.1% or \$5 per pupil, from \$6,403 to \$6,398.

Funding per School Finance Act

HB12-1345 for FY2012-13

FUNDING PER ESTIMATE - STATEWIDE	
Total Program Funding (per Amendment 23)	\$6,302,403,884
Funding Reduction through Negative Factor	(1,015,505,502)
<i>Net Total Program Funding</i>	\$5,286,898,382

FUNDING PER ESTIMATE – CHERRY CREEK	
Total Program Funding (per Amendment 23)	\$384,287,142
Funding Reduction through Negative Factor	(62,023,659)
<i>* Net Total Program Funding</i>	\$322,263,483
* BASED ON 50,369 ESTIMATED FUNDED PUPILS FOR FY2012-13	

FUNDING PER ESTIMATE – CHERRY CREEK	
Total Program Funding per pupil (per Amendment 23)	\$7,629
Funding per Pupil Reduction through Negative Factor	(1,231)
<i>Net Total Program Funding per Pupil</i>	\$6,398

Funding per School Finance Act

HB12-1345 for FY2012-13

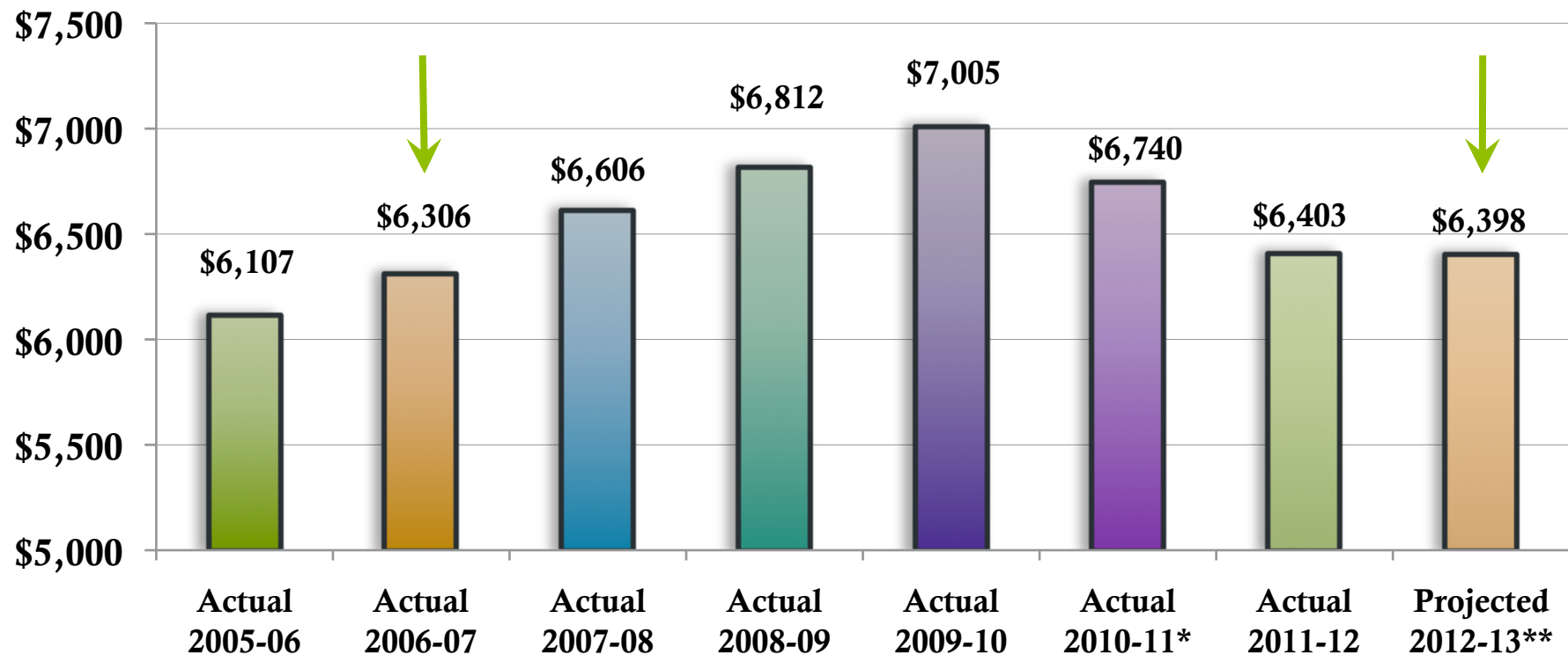
PER PUPIL FUNDING – CHERRY CREEK	
Funding per Pupil (FY2012-13 Estimate)	\$6,398
Funding per Pupil (FY2011-12 Actual)	6,403
Funding per Pupil (FY2006-07 Actual)	6,306

PER PUPIL FUNDING – CHERRY CREEK	
Funding per Pupil (FY2009-10 Actual)	\$7,005
Funding per Pupil (FY2012-13 Estimate)	6,398
<i>Funding per pupil Decrease Since FY2009-10</i>	(607)
	8.67% Decline

Funding per School Finance Act

HB12-1345 for FY2012-13

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.

** 2012-13 Funding level from the School Finance formula is projected to be slightly higher than that of 2006-07.

Financial Planning

Revenue Loss by Year & Cumulative

(\$ Millions)	Actual 2008-09	Actual 2009-10	Actual 2010-11	Actual 2011-12	Projected 2012-13	Rev.Loss (Cum.)
Total Program Funding – Amend. 23	\$331.4	\$351.2	\$356.6	\$366.3	\$384.3	
Less: Effect of Rescission on Cherry Creek (Revenue Loss)	(1.7)	(8.1)	(23.7)	(47.5)	(62.0)	(\$143.0)
Net Program Funding	\$329.7	\$343.1	\$332.9*	\$318.8	\$322.3	

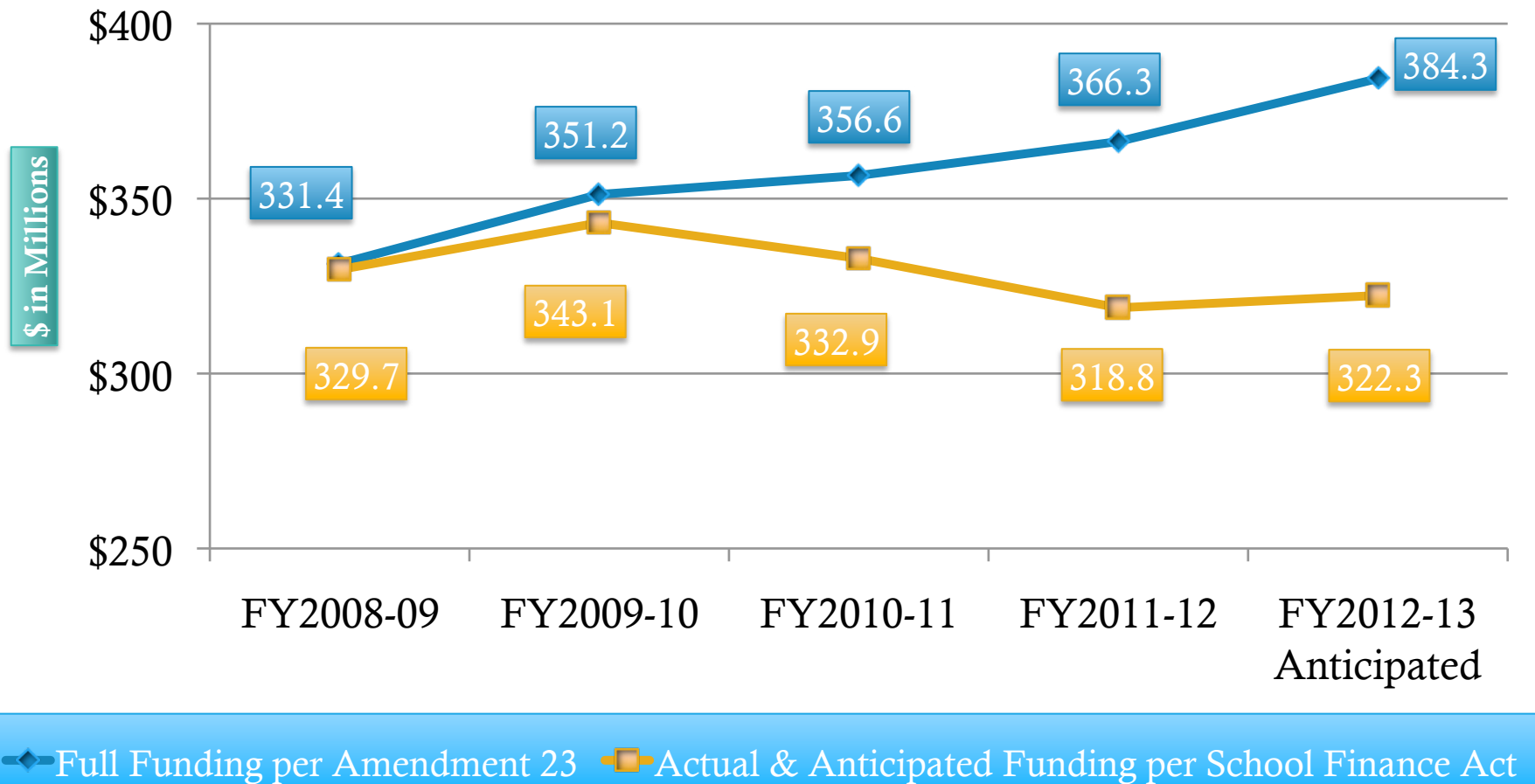
	Actual 2008-09	Actual 2009-10	Actual 2010-11	Actual 2011-12	Projected 2012-13
Funded Student Count	48,401.8	48,979.3	49,395.8	49,788.0	50,369.0
Total Program Funding per Pupil	\$6,847	\$7,170	\$7,219	\$7,357	\$7,629
Less: Funding per pupil Reduction	(35)	(165)	(479)	(954)	(1,231)
Net Program Funding per Pupil	\$6,812	\$7,005	\$6,740	\$6,403	\$6,398

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

HB12-1345: School Funding for 2012-13

- 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 authorized for 350 slots (175 FTE students)

● Categorical Programs Funding

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

School Finance Funding Per Pupil Estimate

DESCRIPTION	FY2011-12	DESCRIPTION	FY2012-13
TOTAL PROGRAM (Actual 49,788 FTE)	\$366,299,912	TOTAL PROGRAM (Projected 50,369 FTE - including Options)	\$384,287,142
LESS:		LESS:	
-12.94% "NEGATIVE FACTOR"	(47,400,043)	-16.11% Projected "NEGATIVE FACTOR"	(61,920,110)
LESS:		LESS:	
SCHOOL FINANCE ADMIN. RESCISSION	(103,549)	SCHOOL FINANCE ADMIN. RESCISSION	(103,549)
NET TOTAL PROGRAM*	\$318,796,320	NET TOTAL PROGRAM **	\$322,263,483
DIVIDED BY ACTUAL FUNDED PUPIL COUNT (FTE)	/ 49,788	DIVIDED BY PROJECTED FUNDED PUPIL COUNT (FTE)	/ 50,369
EQUALS FUNDING PER PUPIL ESTIMATE	\$6,403	EQUALS FUNDING PER PUPIL ESTIMATE	\$6,398

* Figures for FY2011-12 include \$1.2 million for supplemental funding request (HB12-1201) approved in February 2012.

** The effect of HB12-1345 on year-over-year funding is a \$2.9 million State funding increase to Cherry Creek Schools for FY2012-13, with \$600,000 in net funding anticipated from the Options Program resulting in a \$3.5 million addition to Net Total Program Funding.

Budget Development Factors

Financial Issues

- ◆ PERA rate increase of 0.9% to 16.55% effective January 1, 2013
 - ◆ Annual increases until rate reaches 20.15% in January 2018
 - ◆ FY2012-13 additional cost - \$3.8 million
 - ◆ \$47.4 million
 - ◆ 11.1% 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, 2012
- ◆ Unemployment insurance cost increase of \$270,000
- ◆ Utility costs stabilized; fuel costs increase over prior budget
 - ◆ \$14.46 million represents 3.4% of General Fund 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.

Budget Development Factors

Staffing and 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	Per Pupil Change from FY 2011-12	Total (in millions)
Elementary School	\$114.59	-	\$2.70
Middle School	\$148.70	-	\$1.74
High School	\$190.62	-	\$2.91

Budget Development Factors

Targeted Achievement Areas

STAFFING IN ADDITION TO 18.5:1 STAFFING RATIO	FTE	DOLLARS (THOUSANDS)
GRADES K-3	55.8	\$3,675
MIDDLE GRADES	12.3	808
READING	10.5	626
AT-RISK	8.9	586
4-TRACK YEAR ROUND	6.0	395
SAS TECHNOLOGY/INSTRUCTIONAL TECHNOLOGY	6.5	425
NORTH AREA	9.3	821
HIGH SCHOOL ACHIEVEMENT	2.8	184
AVID	-	303
PROGRAM ASSISTANTS	11.8	952
ADDITIONAL PROGRAMS AT PRAIRIE MS	3.0	198
TOTAL	126.9	\$8,973

Budget Development Factors

Targeted Achievement Areas

STAFFING IN ADDITION TO 18.5:1 STAFFING RATIO	HIGH SCHOOL	MIDDLE SCHOOL	ELEMENTARY SCHOOL
GRADES K-3	-	-	55.8
MIDDLE GRADES	-	6.1	6.2
READING	-	1.6	8.9
AT-RISK	2.7	2.0	4.2
4-TRACK YEAR ROUND	-	-	6.0
SAS & INSTRUCTIONAL TECHNOLOGY	6.0	0.5	-
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	13.9	27.4	85.6

Major General Fund Budget Changes

Between FY2011-12 & FY2012-13

(millions)	FTE	Increase (Decrease)
<u>SALARY AND BENEFITS</u>		
Experience Step Advancement – Teachers & Mental Health Staff	-	\$5.22
Maximum Salary Provision – Teachers & Mental Health Staff	-	0.30
Compensation Increase of 1% - Other Employee Groups	-	0.67
Benefit Premium Allowance – Medical Plan Participants	-	1.55
PERA Contribution Increase from 15.65% to 16.55%	-	3.40
Unemployment Insurance Increase	-	0.27
Post Retirement Employment (110-day) Option Savings & Savings for Replacement Positions	-	(1.78)
TOTAL SALARY AND BENEFIT INCREASES	-	\$9.63

Major General Fund Budget Changes

Between FY2011-12 & FY2012-13

(millions)	FTE	Increase (Decrease)
<u>ENROLLMENT AND GROWTH – TEACHER STAFFING INCREASES</u>		
Teacher staffing increases	25.3	\$1.39
✓ 11-12 Funded Pupil Count Growth - 392 FTE *		
(Staffing for 12-13 projected enrollment growth of 350 FTE is on a one-year lag for cost containment and budget purposes at a cost savings of \$1.52 million)		
TOTAL ENROLLMENT AND GROWTH	25.3	\$1.39

(millions)	FTE	Increase (Decrease)
<u>NEW POSITIONS</u>		
Assistant Principal – Red Hawk Ridge Elementary	1.0	\$0.09
Assistant Principal – Fox Ridge Middle School	1.0	\$0.09
TOTAL NEW POSITIONS	2.0	\$0.18

* 21.3 FTE for 18.5:1 staffing plus 2.0 FTE for Special Education and 2.0 FTE for ELL

Major General Fund Budget Changes

Between FY2011-12 & FY2012-13

(millions)	FTE	Increase (Decrease)
<u>INSTRUCTIONAL SUPPORT PROGRAM</u>		
Final Allocation of ARRA/EdJobs for Student Achievement Programs Funding	-	\$0.32
Options Program	4.0	0.83
Calendar Change – Rolling Hills Elem. (from 4-track to traditional)	(3.8)	(0.25)
Total Instructional Support Program	0.2	\$0.90

(millions)	FTE	Increase (Decrease)
<u>OPERATIONS AND MAINTENANCE COSTS:</u> <u>OPENING OF NEW FACILITIES:</u>		
Black Forest Hills Elementary	6.0	0.89
Total O & M Costs	6.0	\$0.89

Major General Fund Budget Changes

Between FY2011-12 & FY2012-13

(millions)	FTE	Increase (Decrease)
<u>OTHER CHANGES:</u>		
Staffing Realignments – Instructional Staff/Support	6.6	0.23
Transportation Fuel Cost Increases	-	0.17
Cost Increase to Replace one-time Cost Savings in FY2011-12 (Health Insurance)	-	0.74
Increase in General Fund Transfer to Capital Reserve	-	2.60
Total Other Changes	6.6	\$3.74
TOTAL GENERAL FUND BUDGET CHANGES	40.1	\$16.73

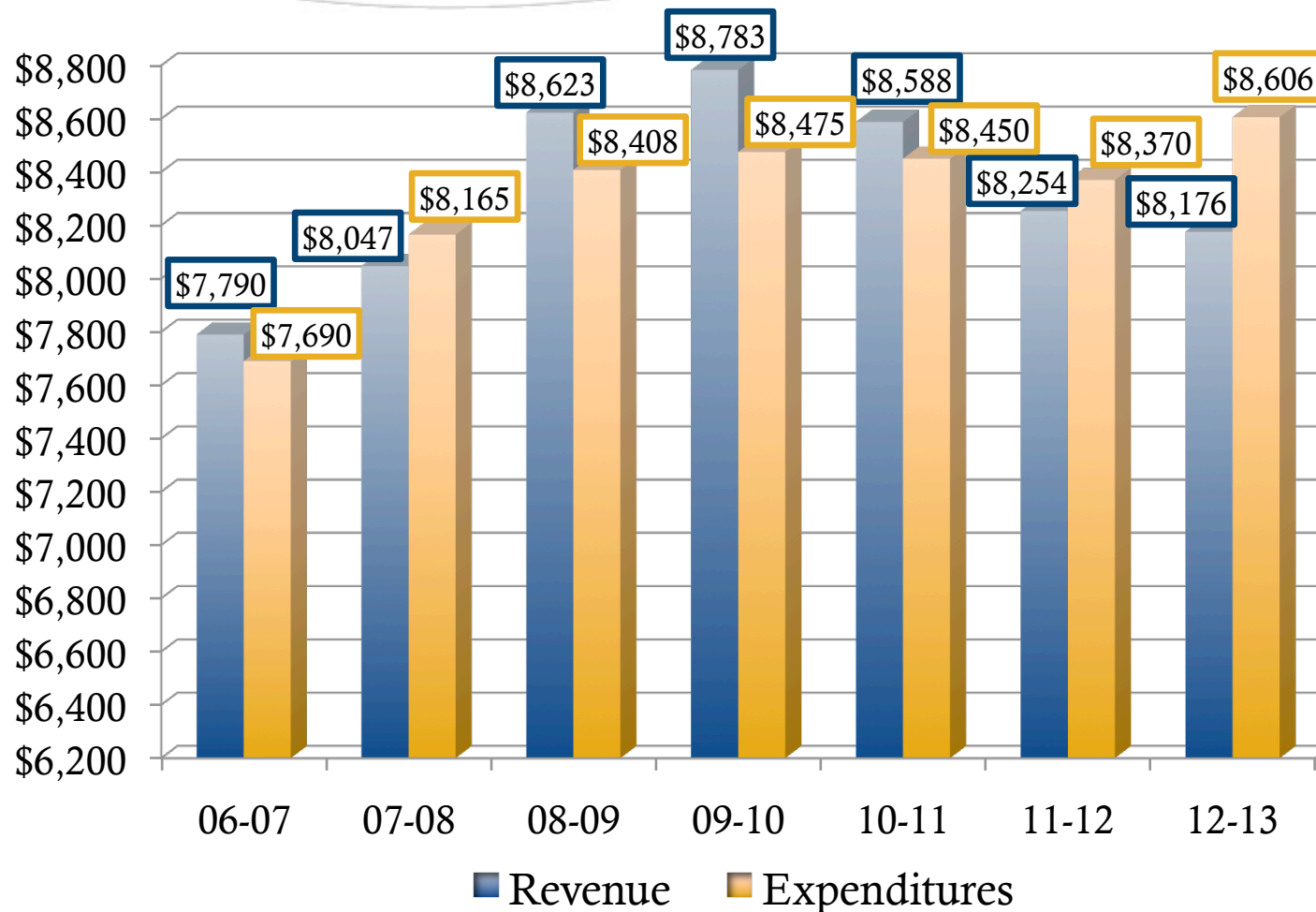
The General Fund Budget, including transfers, increased by \$16.73 million from \$416.75 million in FY2011-12 to \$433.48 million in FY2012-13, an increase of 4.0%.

General Fund

Revenues and Expenditures

Revenue Sources (in millions)	11-12 Budget	12-13 Budget	Inc (Dec)
Local Sources	\$192.58	\$188.84	(\$3.74)
State Sources	215.73	220.29	4.56
Federal Sources	1.57	1.57	-
TOTAL REVENUES	409.88	410.70	0.82
<u>Other Financing Sources</u>			
Extended Child Services Fund	1.08	1.12	0.04
TOTAL REVENUES/FINANCING SOURCES	\$410.96	\$411.82	\$0.86
TOTAL EXPENDITURES & TRANSFERS	416.75	433.48	16.73
REVENUES OVER (UNDER) EXPENDITURES	(\$5.79)	(\$21.66)	(\$15.87)

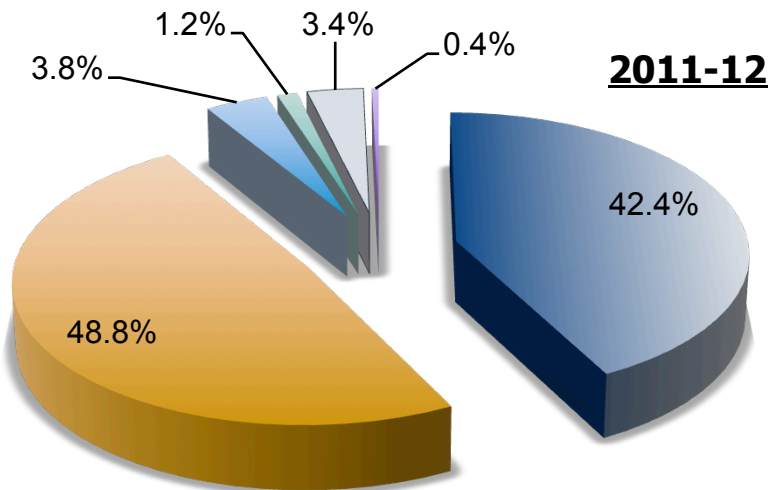
Per Pupil Revenue & Expenditures*



* Figures include transfers

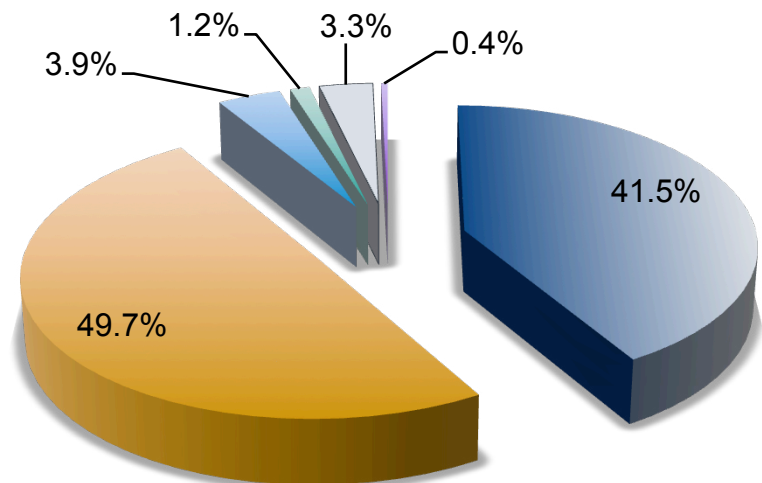
Funding Sources

	2011-12	2012-13
Local	47.0%	46.0%
State	52.6%	53.6%
Federal	0.4%	0.4%



■ Property Taxes
■ Other State Revenue
■ Specific Ownership Taxes

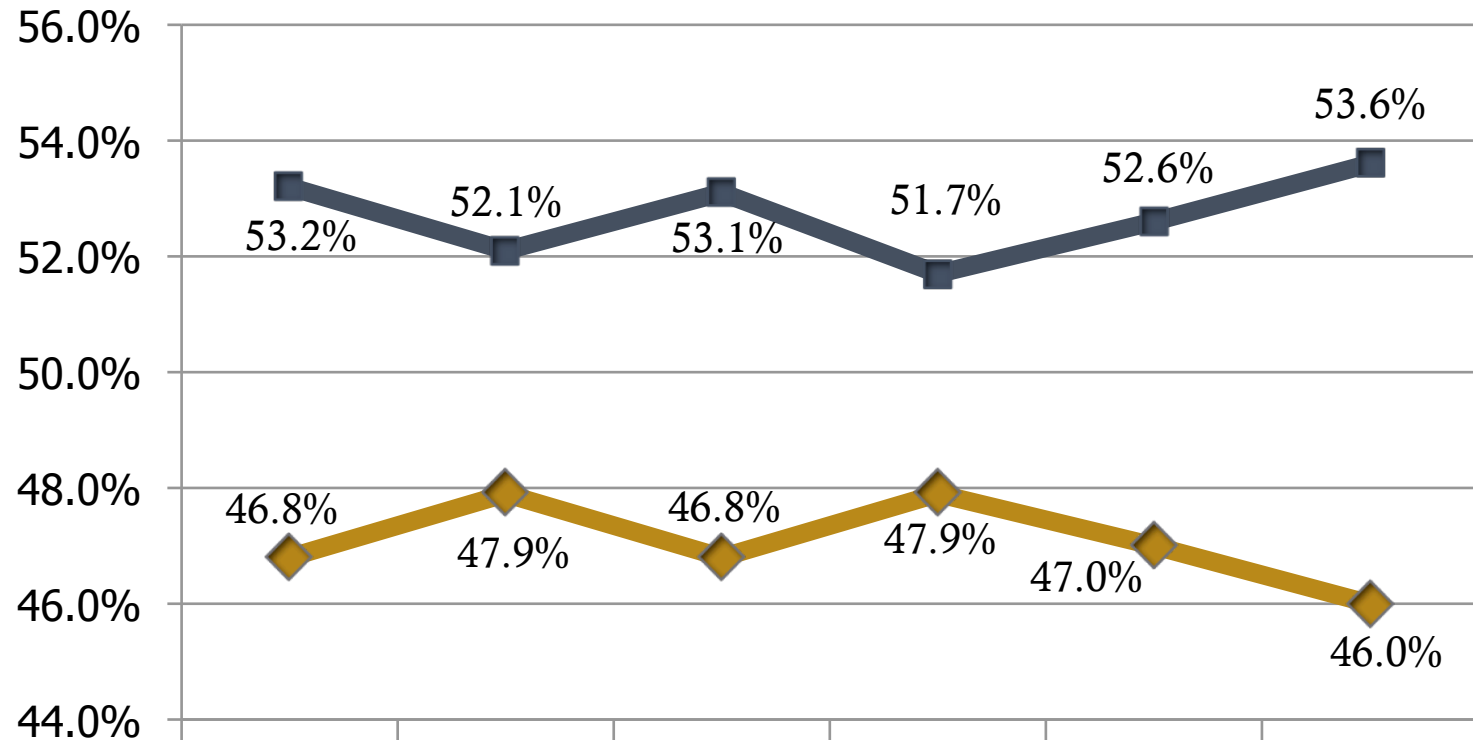
Estimated 2012-13 Distribution



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

Comparison State & Local Funding

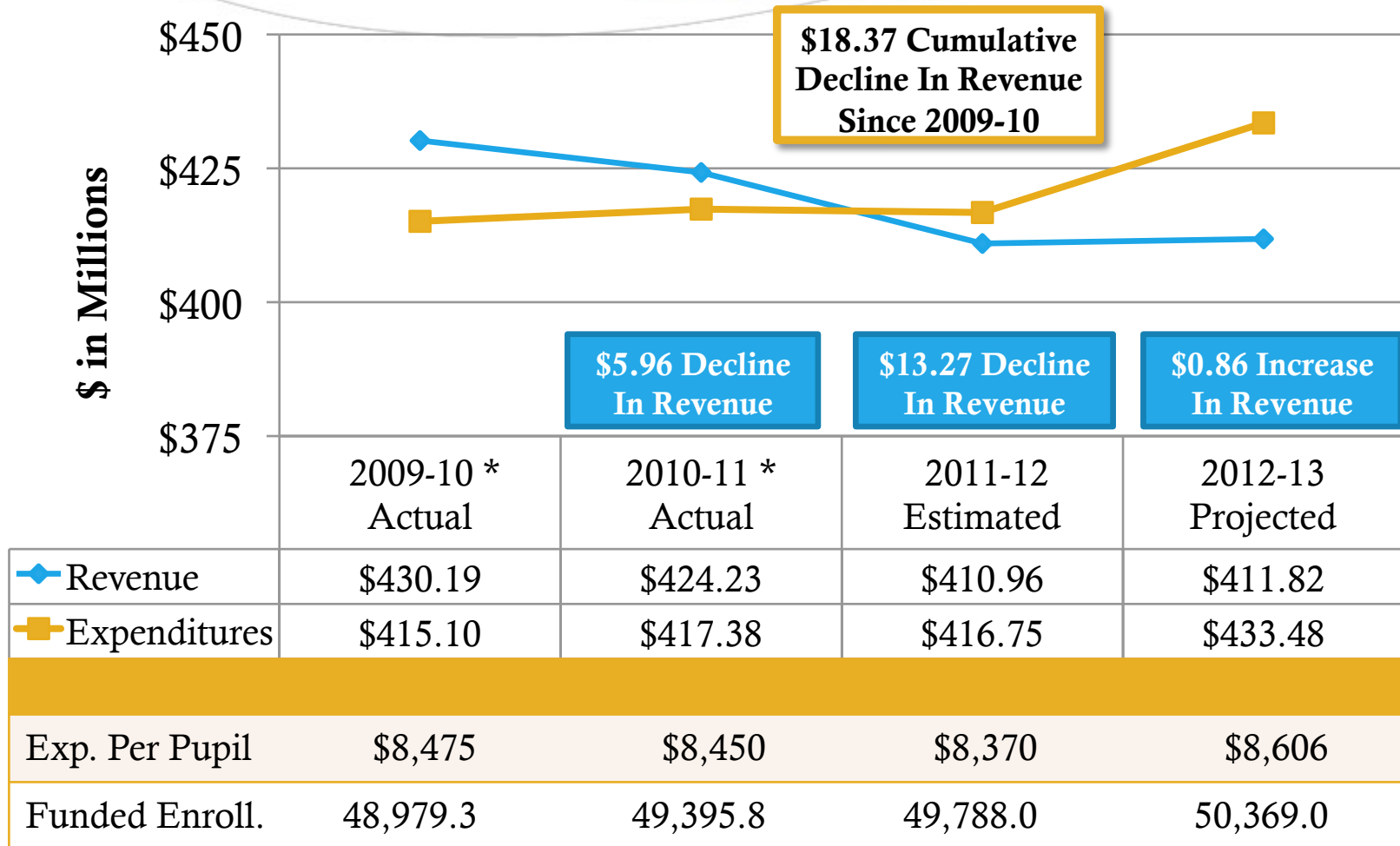
FY2007-08 through FY2012-13



	07-08	08-09	09-10	10-11	11-12	12-13
Local Sources	46.8%	47.9%	46.8%	47.9%	47.0%	46.0%
State Aid	53.2%	52.1%	53.1%	51.7%	52.6%	53.6%
Federal			0.1%	0.4%	0.4%	0.4%

A Look at Declining Revenue

2009-10 through 2012-13



* General Fund revenue and expenditure figures 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)	11-12 Budget	% of Revenue	12-13 Budget	% of Revenue
<u>Taxes</u>				
Property Taxes	\$173.54	42.4%	\$170.29	41.5 %
Specific Ownership Taxes	14.05	3.4%	13.60	3.3 %
Subtotal - Taxes	\$187.59	45.8%	\$183.89	44.8%
<u>Other Local</u>				
Indirect Cost Reimbursement	1.47		1.48	
Activity and Athletic Fees	0.82		0.83	
Tuition	0.74		0.79	
Investment Income	0.34		0.34	
Coca Cola Revenue Guarantee	0.13		0.13	
Rental of Facilities	0.77		0.78	
Other	0.72		0.60	
Subtotal - Other Local	4.99	1.2%	4.95	1.2%
TOTAL LOCAL SOURCES	\$192.58	47.0%	\$188.84	46.0%

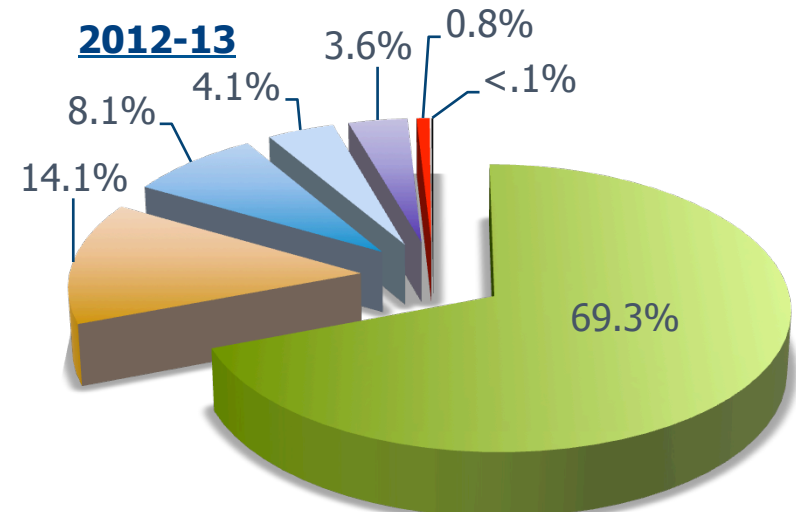
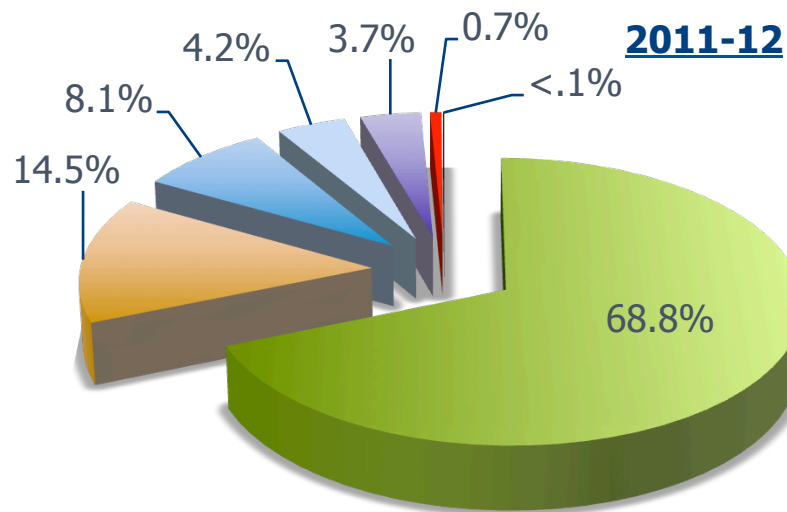
Revenue Sources & Transfers

Source (in millions)	11-12 Budget	% of Revenue	12-13 Budget	% of Revenue
<u>State Revenue Sources</u>				
State Equalization Aid	\$200.27	48.8%	\$204.33	49.7%
Special Education	8.71		9.03	
Pupil Transportation	3.80		3.95	
Vocational Education	2.00		2.00	
Gifted and Talented	0.48		0.49	
English Language Proficiency	0.44		0.46	
Other State	0.03		0.03	
Subtotal - Other State	15.46	3.8%	15.96	3.9%
TOTAL STATE SOURCES	\$215.73	52.6%	\$220.29	53.6%
<u>Federal Revenue Sources</u>				
American Recovery & Reinvestment Act	1.57	0.4%	1.57	0.4%
TOTAL REVENUE	\$409.88	100.0%	\$410.70	100.0%
<u>Transfers In</u>				
Extended Child Services	1.08	0.3%	1.12	0.3%
TOTAL REVENUE & TRANSFERS	\$410.96		\$411.82	

General Fund Budget Dollar

2011-12
Total Instruction
83.3%

2012-13
Total Instruction
83.4%



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

Expenditure Budget

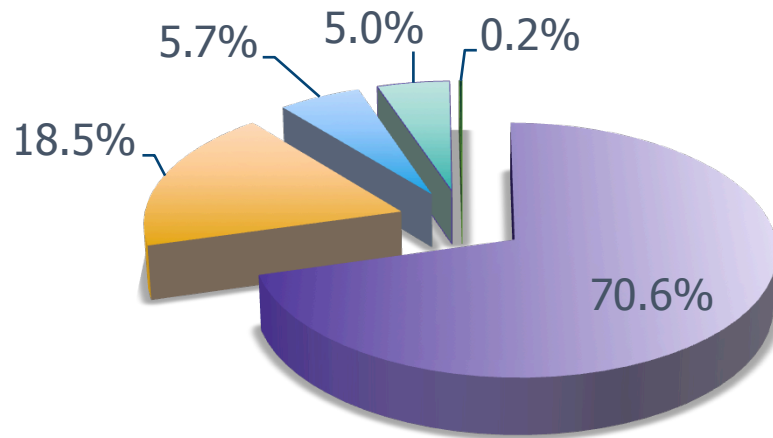
Activity (in millions)	11-12 Budget	% of Total	12-13 Budget	% of Total
<u>Direct Instruction</u>				
Elementary Education	\$106.11	25.6%	\$111.03	25.9%
Middle School Education	48.83	11.8%	51.50	12.0%
High School Education	68.08	16.4%	69.74	16.3%
Other Regular Education	19.28	4.6%	20.07	4.7%
Special Programs	43.05	10.4%	44.60	10.4%
Total Direct Instruction	285.35	68.8%	296.94	69.3%
<u>Indirect Instruction</u>				
Pupil Services	24.03	5.8%	24.58	5.7%
Instructional Staff Services	13.47	3.2%	12.84	3.0%
School Administration	22.61	5.5%	23.00	5.4%
Total Indirect Instruction	60.11	14.5%	60.42	14.1%
TOTAL INSTRUCTION	\$345.46	83.3%	\$357.36	83.4%

Expenditure Budget

Activity (in millions)	11-12 Budget	% of Total	12-13 Budget	% of Total
<u>Other Expenditures</u>				
General Administration	\$3.03	0.7%	\$3.32	0.7%
Business Services	3.39	0.8%	3.56	0.8%
Operations and Maintenance	33.62	8.1%	34.68	8.1%
Pupil Transportation	15.22	3.7%	15.56	3.6%
Central and Other Services	13.35	3.2%	13.62	3.2%
Community Services	0.30	0.1%	0.41	0.1%
Debt Services	0.30	0.1%	0.29	0.1%
Total Other Expenditures	69.21	16.7%	71.44	16.6%
TOTAL EXPENDITURES	\$414.67	100.0%	\$428.80	100.0%
Transfers	2.08	0.5%	4.68	1.1%
TOTAL EXPENDITURES & TRANSFERS	\$416.75		\$433.48	

Expenditures by Object

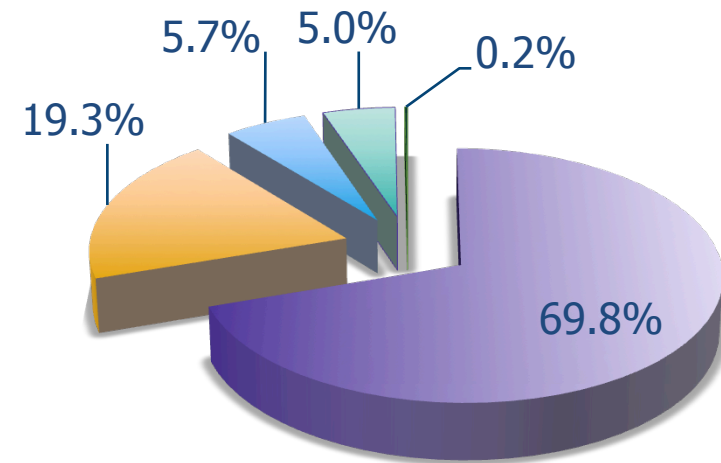
2011-12



■ Salaries
■ Purchased Services
■ Capital & Other

Salaries and Benefits
89.1%

2012-13



■ Employee Benefits
■ Supplies and Materials

Expenditures by Object

Object (in millions)	11-12 Budget	% of Total	12-13 Budget	% of Total
Salaries	\$292.71	70.6%	\$299.16	69.8%
Employee Benefits	76.86	18.5%	82.90	19.3%
Subtotal	\$369.57	89.1%	\$382.06	89.1%
Purchased Services	23.78	5.7%	24.36	5.7%
Supplies and Materials	20.54	5.0%	21.66	5.0%
Capital Outlay	0.66	0.2%	0.66	0.2%
Other	0.12	-	0.06	-
Subtotal	\$45.10	10.9%	\$46.74	10.9%
TOTAL EXPENDITURES	\$414.67	100.0%	\$428.80	100.0%
Transfers	2.08	0.5%	4.68	1.1%
TOTAL EXPENDITURES & TRANSFERS	\$416.75		\$433.48	

Budget Balancing Measures

The Cost and Resource Management Plan for FY2012-13 utilizes \$21.7 million of General Fund Reserves as a means to offset the budget shortfall for FY2012-13.

- ◆ The General Fund Budget includes \$411.8 million of revenue and \$433.5 million of expenditures, both including transfers
 - ◆ **Expenditures and transfers are budgeted to increase by \$16.7 million**
 - ◆ **Revenue and transfers are anticipated to increase \$0.8 million**
 - ◆ The combination of these, along with the utilization of \$5.8 million of General Fund reserves in the FY2011-12 budget year, creates a \$21.7 million budget gap
- ◆ Through the use of General Fund reserves, instructional programs are preserved from expenditure reductions for FY2012-13, although future year budgets will likely be negatively impacted without sustainable new revenue sources through the mill levy election

General Fund Reserves

The District General Fund Balance includes a District Emergency Reserve of at least 3% of General Fund expenditures, Designated Reserves for encumbrances and commitments, and unassigned reserves. 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 3.5% of General Fund budget. The following table illustrates the level of reserves and the estimated calculation.

Fiscal Year 2012-13 (Estimated at June 30, 2013)

DESCRIPTION	RESERVE AMOUNT	% OF GF BUDGET
District Emergency Reserve*	\$12,864,000	3.0%
Designated Reserve	1,930,000	0.4%
Encumbrance Reserve	820,000	0.2%
Unassigned Reserve (includes GAAP basis adjustments for salaries & benefits accrued but unpaid)	2,059,000	0.5%
TOTAL ESTIMATED GENERAL FUND RESERVES	\$17,673,000	4.1%
FY2012-13 GENERAL FUND BUDGET EXPENDITURES	\$428,801,482	

* The District has secured a Letter of Credit from an investment grade bank by Board Resolution dated June 14, 2010, which substitutes for the TABOR Reserve requirement effective July 1, 2010.



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

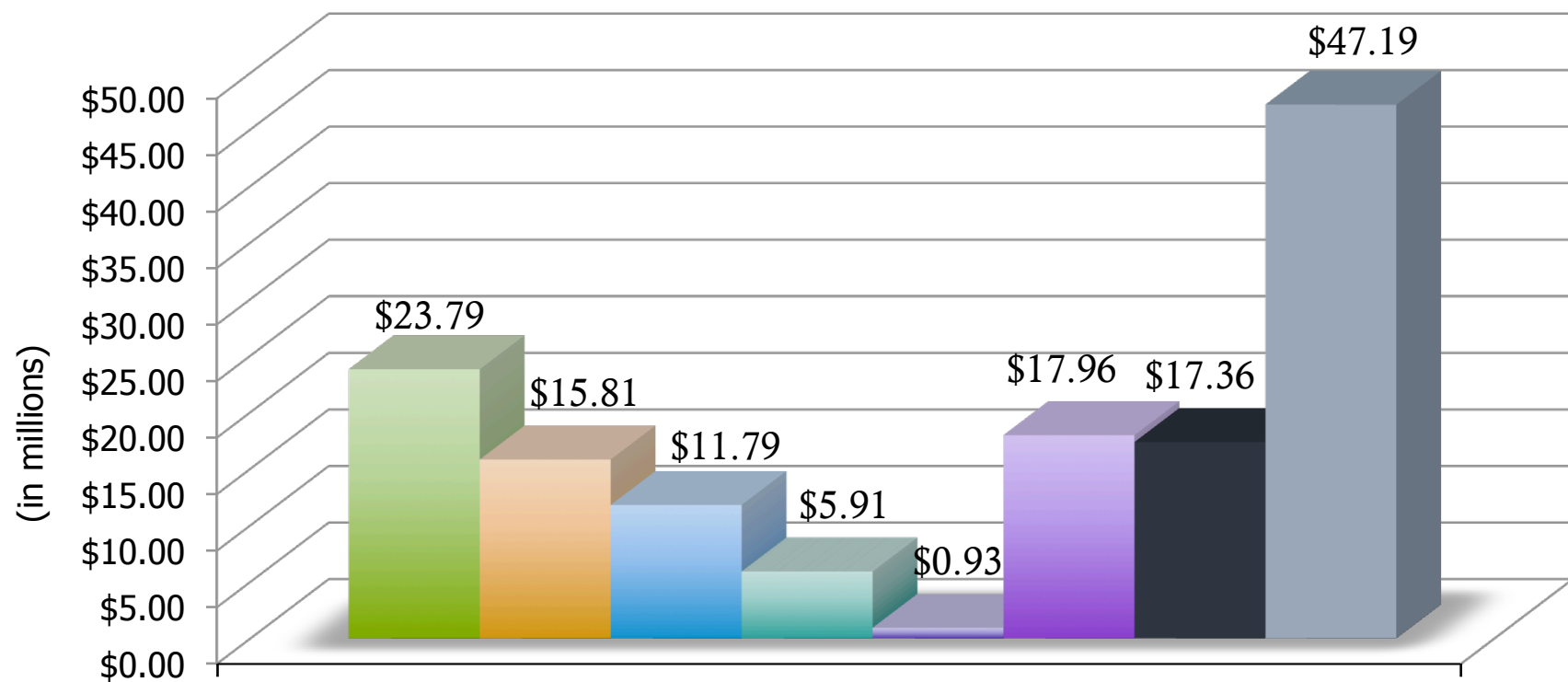
Other Funds

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 for student transportation
❖ 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

FY2012-13 Expenditures & Transfers



Other Funds

- Designated Purpose Grants
- Extended Child Services
- Pupil Activities
- Capital Reserve
- Capital Finance Corporation
- Food Services
- Building Fund
- Bond Redemption

Designated Purpose Grants Fund

(in millions)	11-12 Budget	12-13 Budget	Inc (Dec)
<u>Revenues and Expenditures</u>			
Local/Private Funds	\$2.66	\$2.74	\$0.08
State Funds	0.10	0.43	0.33
Total Local & State Grants	\$2.76	\$3.17	\$0.41

Designated Purpose Grants Fund

(in millions)	11-12 Budget	12-13 Budget	Inc (Dec)
<u>Revenues and Expenditures</u>			
Federal Funds			
Education of the Handicapped	\$13.00	\$11.92	(\$1.08)
No Child Left Behind Act			
- Title I – A	4.86	5.34	0.48
- Title I – D	0.19	0.23	0.04
- Title II – A	0.90	0.91	0.01
- Title III	0.46	0.60	0.14
Subtotal No Child Left Behind	6.41	7.08	0.67
Head Start	0.34	0.44	0.10
School to Work Alliance Program (SWAP)	0.18	0.20	0.02
Race to the Top – Phase 3 (RTT3)	-	0.29	0.29
Other Federal	0.47	0.69	0.22
Total Federal Grants (excluding ARRA)	\$20.40	\$20.62	\$0.22

Designated Purpose Grants Fund

(in millions)	11-12 Budget	12-13 Budget	Inc (Dec)
<u>Federal ARRA Grants</u>			
No Child Left Behind			
Title I-A	\$0.37	\$-	(\$0.37)
Title II-D	0.02	-	(0.02)
Education of the Handicapped			
IDEA - Part B	0.50	-	(0.50)
IDEA - Preschool	0.10	-	(0.10)
ARRA/EdJobs – Final Allocation	0.32	-	(0.32)
Total Federal ARRA Grants	\$1.31	\$-	(\$1.31)
TOTAL REVENUES/EXPENDITURES	\$24.47	\$23.79	(\$0.68)

Extended Child Services Fund

(in millions)	11-12 Budget	12-13 Budget	Inc (Dec)
BEGINNING FUND BALANCE	\$3.33	\$3.96	\$0.63
<u>Revenues</u>			
Tuition	15.88	15.86	(0.02)
Transfer from General Fund	0.08	0.08	-
Total Revenues	15.96	15.94	(0.02)
TOTAL FUNDS AVAILABLE	\$19.29	\$19.90	\$0.61
<u>Expenditures</u>			
Intersession - Year Round	1.85	1.43	(0.42)
Before and After School	5.64	6.22	0.58
Kindergarten Enrichment	2.58	3.02	0.44
Pre-School	1.44	1.53	0.09
Other Enterprise Programs	1.95	1.84	(0.11)
Other Costs	0.79	0.65	(0.14)
Transfer to General Fund	1.08	1.12	0.04
Total Expenditures and Transfers	15.33	15.81	0.48
ENDING FUND BALANCE	\$3.96	\$4.09	\$0.13

Pupil Activities Fund

(in millions)	11-12 Budget	12-13 Budget	Inc (Dec)
BEGINNING FUND BALANCE	\$4.98	\$4.98	\$-
Total Revenues	12.07	11.79	(0.28)
TOTAL FUNDS AVAILABLE	\$17.05	\$16.77	(\$0.28)
<u>Expenditures</u>			
High School Activities	8.44	8.19	(0.25)
Middle School Activities	1.32	1.26	(0.06)
Elementary School Activities	2.05	2.08	0.03
Other Expenditures	0.26	0.26	-
Total Expenditures	12.07	11.79	(0.28)
ENDING FUND BALANCE	\$4.98	\$4.98	\$-

Capital Reserve Fund

(in millions)	11-12 Budget	12-13 Budget	Inc (Dec)
BEGINNING FUND BALANCE	\$1.22	\$0.59	(\$0.63)
Transfer from General Fund	2.00	4.60	2.60
Transfer from Capital Finance Corp.	0.04	0.93	0.89
Total Revenues	2.04	5.53	3.49
TOTAL FUNDS AVAILABLE	\$3.26	\$6.12	\$2.86
<u>Expenditures</u>			
Building and Improvements	-	1.95	1.95
Equipment and Lease Purchases	1.68	2.10	0.42
Debt Service for Bus Purchases	0.99	1.86	0.87
Total Expenditures	2.67	5.91	3.24
ENDING FUND BALANCE	\$0.59	\$0.21	(\$0.38)

Capital Finance Corporation

(in millions)	11-12 Budget	12-13 Budget	Inc (Dec)
BEGINNING FUND BALANCE	\$0.91	\$0.91	\$-
Total Revenues	0.04	0.02	(0.02)
TOTAL FUNDS AVAILABLE	\$0.95	\$0.93	(\$0.02)
Total Transfers	0.04	0.93	0.89
ENDING FUND BALANCE	\$0.91	\$0.00	(\$0.91)

Food Services Fund

(in millions)	11-12 Budget	12-13 Budget	Inc (Dec)
BEGINNING RETAINED EARNINGS	\$7.33	\$6.70	(\$0.63)
<u>Revenues</u>			
Sales, Investment, Catering	9.01	9.20	0.19
Federal Meal Reimbursement	6.20	6.82	0.62
USDA Commodities	0.88	0.88	-
State Meal Reimbursement	0.24	0.24	-
Contributed Capital	-	0.28	0.28
Total Revenues	16.33	17.42	1.09
TOTAL FUNDS AVAILABLE	\$23.66	\$24.12	\$0.46
<u>Expenditures</u>			
Food and Supplies	9.26	9.78	0.52
Salaries and Benefits	6.15	6.64	0.49
Services, Capital, Other	1.55	1.54	(0.01)
Total Expenditures	16.96	17.96	1.00
ENDING RETAINED EARNINGS	\$6.70	\$6.16	(\$0.54)

Building Fund

(in millions)	11-12 Budget	12-13 Budget	Inc (Dec)
BEGINNING FUND BALANCE	\$47.29	\$18.99	(\$28.30)
<u>Revenues</u>			
Investment Income	0.06	0.01	(0.05)
Total Revenues	0.06	0.01	(0.05)
TOTAL FUNDS AVAILABLE	\$47.35	\$19.00	(\$28.35)
<u>Expenditures</u>			
Land, Building and Improvements	23.92	12.64	(11.28)
Equipment	2.24	1.28	(0.96)
Professional Services and Salaries	2.20	3.16	0.96
Transfers to Food Service	-	0.28	0.28
Total Expenditures and Transfers	28.36	17.36	(11.00)
ENDING FUND BALANCE	\$18.99	\$1.64	(\$17.35)

Bond Redemption Fund

(in millions)	11-12 Budget	12-13 Budget	Inc (Dec)
BEGINNING FUND BALANCE	\$44.59	\$46.26	\$1.67
<u>Revenues</u>			
Property Taxes	54.38	49.77	(4.61)
Investment Income	0.06	0.07	0.01
Total Revenues	54.44	49.84	(4.60)
TOTAL FUNDS AVAILABLE	\$99.03	\$96.10	(\$2.93)
<u>Expenditures</u>			
Bond Principal Retirement	30.46	27.13	(3.33)
Interest	22.31	20.06	(2.25)
Fiscal Charges	-	-	-
Total Expenditures	52.77	47.19	(5.58)
ENDING FUND BALANCE	\$46.26	\$48.91	\$2.65

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 developed in response to recent State funding declines of \$18.4 million since 2009-10
 - ◆ \$21.7 million of General Fund reserves to be utilized to offset budget gap resulting from State revenue decline
- ◆ Employees
 - ◆ Salary and benefits – experience step advancement for teachers & mental health staff; 1% compensation increase for other employee groups
 - ◆ 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*

Cherry Creek Schools



Dedicated to Excellence
Cherry Creek Schools

"To inspire every student to think, to learn, to achieve, to care."