

Jefferson County School District No. R-1
2006/2007 Fiscal Year Supplemental Budget Appropriation Resolution
REVENUE

Sources of Revenue	Original Revenue Budget	Increase (Decrease)	Revised Revenue Budget
GENERAL FUND			
Property Tax	251,123,000	(523,000)	250,600,000
State of Colorado	308,499,000	1,501,000	310,000,000
Specific Ownership Taxes	31,000,000	(1,000,000)	30,000,000
Interest Earnings	1,000,000	3,500,000	4,500,000
Tuition & Fees	8,466,900	-	8,466,900
Other Revenue	8,976,600	-	8,976,600
Other Source of Revenue Supplemental Retirement COPs	-	38,670,000	38,670,000
Total General Fund Revenue and Other Sources	\$ 609,065,500	\$ 42,148,000	\$ 651,213,500
BUILDING FUND - CAPITAL PROJECTS			
Interest Earnings	4,095,900	1,500,000	5,595,900
Other Source of Revenue Bond Sale	66,800,000	-	66,800,000
Other Source of Revenue Bond Premium	-	7,030,000	7,030,000
Carryforward	-	74,000,000	74,000,000
Total Building Fund-Capital Projects Other Sources & Available Fund Balance	\$ 70,895,900	\$ 82,530,000	\$ 153,425,900
CAPITAL RESERVE FUND			
Transfer from General Fund	19,208,000	-	19,208,000
Interest Earnings	585,000	615,000	1,200,000
Other Revenue	1,335,000	415,000	1,750,000
Total Capital Reserve Fund Revenue, Other Sources & Available Fund Balance	\$ 21,128,000	\$ 1,030,000	\$ 22,158,000
FOOD SERVICE FUND			
Food Sales	13,185,000	265,000	13,450,000
Service contracts	239,000	-	239,000
USDA Commodities	1,100,000	-	1,100,000
Federal/State Reimbursement	6,820,000	380,000	7,200,000
Interest	2,000	5,000	7,000
Total Food Service Fund Revenue, Other Sources & Available Fund Balance	\$ 21,346,000	\$ 650,000	\$ 21,996,000
CHILD CARE FUND			
Service contracts	1,386,200	-	1,386,200
Tuition	7,250,000	750,000	8,000,000
Interest	5,900	-	5,900
Transfer from the General Fund	2,397,200	319,900	2,717,100
Carryforward	-	600,000	600,000
Total Child Care Fund Revenue, Other Sources & Available Fund Balance	\$ 11,039,300	\$ 1,669,900	\$ 12,709,200

REVENUE CONTINUED

Sources of Revenue	Original Revenue Budget	Increase (Decrease)	Revised Revenue Budget
EMPLOYEE BENEFIT FUND			
Fees, Premiums, Charges for Service	\$ 62,792,000	(55,042,000)	\$ 7,750,000
Total Employee Benefit Revenue, Other Sources & Available Fund Balance	\$ 62,792,000	\$ (55,042,000)	\$ 7,750,000
RISK MANAGEMENT FUND			
Fees, Premiums, Charges for Service	\$ 1,515,000	-	\$ 1,515,000
Transfer from General Fund	5,884,300	-	5,884,300
Carryforward	-	500,000	500,000
Total Risk Management Fund Revenue, Other Sources & Available Fund Balance	\$ 7,399,300	\$ 500,000	\$ 7,899,300
CHARTER SCHOOL FUND			
Revenue	\$ 31,396,000	-	\$ 31,396,000
Proceeds from Bond Refunding	-	15,000,000	15,000,000
Total Charter School Fund Revenue, Other Sources & Available Fund Balance	\$ 31,396,000	\$ 15,000,000	\$ 46,396,000

EXPENDITURES & APPROPRIATIONS

Description of Expenditure	Original Budget (Appropriation)	Increase (Decrease)	Revised Budget (Appropriation)
GENERAL FUND			
Increased expenditures related to supplemental retirement lump sum payouts.	\$ 605,661,777	\$ 37,670,000	\$ 643,331,777
2005A BUILDING FUND - CAPITAL PROJECTS			
Increased expenditures related to capital improvement projects - spend down of carryforward & bond proceeds	\$ 117,715,920	\$ 35,000,000	\$ 152,715,920
CAPITAL RESERVE FUND			
Expenditures related capital improvement projects	\$ 7,696,245	\$ 303,755	\$ 8,000,000
FOOD SERVICE FUND			
Increased expenditures related to increased number of meals served and reimbursement guidelines	\$ 20,869,000	\$ 881,000	\$ 21,750,000
CHILD CARE FUND			
Increased expenditures related to increased funded slots for the Colorado Preschool Program	\$ 10,950,000	\$ 1,750,000	\$ 12,700,000
EMPLOYEE BENEFIT FUND			
Decreased expenditures related to employer portion of PERA & Medicare are not accounted for as a liability	\$ 62,709,000	\$ (55,709,000)	\$ 7,000,000
RISK MANAGEMENT FUND			
Premiums, Claims & Administration	\$ 7,383,800	\$ 500,000	\$ 7,883,800
CHARTER SCHOOL FUND			
Increased expenditures due to the refunding and reissuance of bonds. Original appropriation was \$33.0 million for all operating expenditures.	\$ 33,000,000	\$ 15,000,000	\$ 48,000,000

BE IT RESOLVED by the Board of Education of Jefferson County Public Schools that the above amounts are appropriated and revised organizational budgets adopted for the fiscal year beginning July 1, 2006 and ending June 30, 2007.

Adopted the 31st day of May, 2007.

BY: _____
Jane Barnes
President, Board of Education

(SEAL)

Attest: _____
Scott D. Benefield
Secretary, Board of Education



Financial Services
May 24, 2007

Memorandum

To: Board of Education
Dr. Cynthia Stevenson, Superintendent

From: Lorie Gillis, Chief Financial Officer
Leanne Emm, Budget Director

Subject: Supplemental Appropriation for 2006/2007 Budget

As we prepare the 2007/2008 proposed budget, all funds are reviewed for any adjustments that need to be made to the 2006/2007 budget appropriations. At the Board Workshop on March 2, 2007 and April 27, 2007 we indicated that we would bring forth a Supplemental Appropriation resolution for fiscal year 2006/2007 to adjust appropriations to include known changes. All appropriations require Board of Education approval. Included are adjustments to the General Fund, Building Fund - Capital Projects, Capital Reserve Fund, Food Service Fund, Child Care Fund, Employee Benefit Fund, Risk Management Fund and Charter School Fund.

The major reasons and assumptions for any changes are listed below:

REVENUE & EXPENDITURES

- **General Fund**

- Estimated revenue has increased from the original budget adoption. This is due to a slightly higher funded pupil count than was originally adopted therefore increasing the total program revenue generated from the state finance act. The change in state finance act revenue does include a shift in the sources of funds. Local share of property tax and specific ownership tax is slightly less than originally adopted, and the state share is slightly increased.
 - Interest earnings – this increase in revenue is due to higher than anticipated earnings related to investments and interest rates. In addition, since reserves were not spent down as quickly as expected in the prior year, more funds were available to invest. We also expect to recognize interest from the forward delivery agreement in 2006/2007 whereas we have not been able to recognize this interest in prior years due to interest rates. We adopt a conservative approach to this revenue source given the volatility of interest rates from year to year, however, it is anticipated that this source of income will be higher than originally projected.
 - Certificates of participation – with the issuance of COPs in December, a supplemental appropriation is necessary to record the revenue and associated expense of the proceeds.

- The appropriation of expenditures is increased to reflect the expenditure of the proceeds from the Certificates of Participation. We expect that \$37.67 million of the proceeds will be spent with the remaining \$1.0 million left in reserves to be spent in 2007/2008.
- Salary and other savings have occurred that eliminates the need to increase appropriations for anything other than the certificates of participation.
- **2005A Building Fund - Capital Projects**
 - The original budget adopted in June 2006 projected approximately \$117.7 million of projects would be completed in 2006/2007. Currently, the estimate is that over \$152.7 million will be completed this fiscal year. With the issuance of the final bonds, there are funds available to spend on these projects due to the timing of completion and the increase in these expenditures.
- **Capital Reserve Fund**
 - Due to a carryforward from the prior year of projects that were not completed, the project appropriation in the Capital Reserve Fund must be increased for 2006/2007. This increases in expenditures are funded with the prior year carryforward.
- **Food Service Fund**
 - This fund has experienced higher meal counts than originally projected which has created greater revenue and a corresponding increase in expenditures. The revenue offsets the increase in expenditures.
- **Child Care Fund**
 - The Child Care Fund had increased funded preschool slots therefore increasing the available revenue to fund additional expenditures related to increased numbers of students. This is funded with a transfer from the General Fund and also increased tuition due to higher enrollments. It is also anticipated that some carryforward from the prior year will be spent as Tools of the Mind was implemented in 2006/2007.
- **Employee Benefit Fund**
 - The appropriation for this fund is being significantly lowered from the prior years. This is due to the change in accounting for the employer portion of PERA and Medicare.
- **Risk Management/Insurance Reserve Fund**
 - The carryforward from 2005/2006 was higher than anticipated creating available resources that may be appropriated for any adjustments to the incurred but not reported claims (IBNR) calculation at year-end. It is anticipated that the fund will be within plan at this time, however we recommend that we increase the appropriation as a contingency to meet any unforeseen claims that may need to be recorded at year-end.
- **Charter School Fund**
 - In June 2006, the charter school fund was appropriated in the amount of \$33,000,000. Bond refundings have created both additional revenue and expense in the Charter School Fund therefore creating the need for an additional appropriation in the amount of \$15,000,000.

This is the only supplemental appropriation for the 2006/2007 budget year. If you have any questions, you may reach me at 303-982-6762 or Leanne Emm at 303-982-6798.