

ATTACHMENT C:

**FCPS FY 2014 FINAL BUDGET REVIEW AND
APPROPRIATION RESOLUTIONS**

**(This attachment reflects final School Board action
taken on July 24, 2014.)**

FY 2014 Final Budget Review – Updated July 25, 2014

Staff Contact: Susan Quinn, chief operating officer

Other Staff Present: Kristen Michael, director, Office of Budget Services

Meeting Category: July 24, 2014 – Regular Meeting No. 2

Subject: FY 2014 Final Budget Review

School Board Action Required: Decision

Key Points:

All of the FY 2014 accounts have been closed, subject to the annual audit. A summary of the revenue and expenditure variances is provided for each of the ten funds. All comparisons are against the FY 2014 Third Quarter Budget Review.

In the School Operating Fund, after accounting for the revenue variance and FY 2015 budgeted beginning balance, the flexibility reserve, and other commitments, the FY 2014 funds available total \$38.2 million.

School Operating Fund Statement and Balance Available (in millions of dollars)			
	FY 2014 Third Quarter	FY 2014 Actual	Variance
Beginning Balance, July 1	\$148.5	\$148.5	\$0.0
Reserves (VRS reserve & FY 2015 beginning balance)	\$65.4	\$65.4	\$0.0
Receipts	\$672.4	\$664.8	(\$7.5)
Transfers In	\$1,717.6	\$1,717.6	\$0.0
Total Funds Available	\$2,603.9	\$2,596.4	(\$7.5)
Expenditures	\$2,511.3	\$2,401.0	(\$110.3)
Transfers Out	\$40.7	\$40.7	\$0.0
Total Disbursements	\$2,551.9	\$2,441.6	(\$110.3)
Ending Balance, June 30	\$52.0	\$154.8	\$102.8
FY 2015 Beginning Balance Requirements	\$48.5	\$49.2	\$0.7
School Board Reserve		\$8.0	\$8.0
Textbook Replacement Fund	\$3.5	\$3.5	\$0.0
Commitments and Carryover:			
Undelivered Orders		\$34.3	\$34.3
Schools and Projects Carryover		\$17.6	\$17.6
Department Critical Needs Carryover		\$4.0	\$4.0
Balance after Commitments	\$0.0	\$38.2	\$38.2
FY 2015 Identified Needs			
Full-day Mondays		\$7.6	\$7.6
Joint SB/BOS Turf Initiative		\$1.5	\$1.5
Bus Purchase		\$2.4	\$2.4
Major Maintenance		\$3.6	\$3.6
Set Aside for FY 2016 Beginning Balance		\$23.1	\$23.1
Available Ending Balance	\$0.0	\$0.0	\$0.0

Revenue variances begin on page 1 of the agenda attachment, and FY 2014 actual total funds available were \$7.5 million lower, or totaled 99.7 percent, of the FY 2014 Third Quarter Budget Review. State aid for FY 2014 totaled \$387.6 million which is \$0.5 million more than budgeted, and sales tax receipts total \$169.7 million which is \$0.2 million less than budgeted. A decrease of \$10.1 million in federal revenue is due primarily to \$8.7 million in unspent multiyear grant awards that will be carried forward and reappropriated in FY 2015 combined with a net decrease in other federal funding. Other revenue received was \$2.3 million more than the FY 2014 Third Quarter Budget Review. Of this net increase, tuition from Fairfax City is projected to decrease by \$0.5 million based on estimated final year-end activity, while revenue from tuition, fees, and other was \$2.8 million more than budgeted.

Expenditure variances also begin on page 1 of the agenda attachment, and FY 2014 actual expenditures were \$37.0 million less than projected after funding the FY 2015 beginning balance adjustments, funding the School Board's Flexibility Reserve, and accounting for other commitments and carryover, excluding grants. A majority of this variance results from compensation accounts being \$30.5 million less than budgeted due primarily to higher compensation lapse than projected; utilities expenditures being \$2.5 million less than projected; and county charges for vehicle services, including fuel, being \$2.5 million less than projected. In addition, \$8.7 million in multiyear federal grant funds were unexpended. This funding will be carried forward and reappropriated in FY 2015.

This agenda item also includes recommendations for \$15.1 million in FY 2015 expenditure adjustments, including \$7.6 million for full-day Mondays, \$3.6 million for major maintenance, \$2.4 million for bus purchases, and \$1.5 for the joint Board of Supervisors/School Board Synthetic Turf Initiative; leaving \$23.1 million available for the FY 2016 budgeted beginning balance.

Changes to other School Board funds are detailed in the attachment.

Recommendation:

That the School Board approve the revenue and expenditure adjustments in the FY 2014 final budget review, as detailed in the agenda item.

Board members proposed amendment:

I move to amend the main motion by:

- a) Adding a placeholder for \$0.2 million to begin world language curriculum development for elementary and secondary schools as well as look for opportunities to develop global partnerships.
- b) Reducing the funding set aside for the FY 2016 beginning balance by \$0.2 million (Moon, McElveen) **(PASSED)**

Attachment:
FY 2014 Final Budget Review as amended

I. FY 2014 ACTUAL REVENUE

(as compared to the FY 2014 Third Quarter Budget Review)

A. Sales Tax

(\$189,852)

Revenue from sales tax is projected to be \$0.2 million lower than the FY 2014 Third Quarter Budget Review. The final sales tax payment for FY 2014 is received in July after the fiscal year ends.

B. State Aid

488,049

As compared to the FY 2014 Third Quarter Budget Review, state aid increased \$0.5 million due primarily to an increase in basic aid. This increase was offset by reductions in other Standards of Quality funding including a reduction in ESOL funding.

C. Federal Revenue

(10,139,625)

As compared to the FY 2014 Third Quarter Budget Review, federal revenue decreased by \$10.1 million due primarily to:

- Unspent, multiyear grant awards that will be carried forward and reappropriated in FY 2015 (items III.D. and IV.A.) totaling \$8.7 million primarily from the Individuals with Disabilities Education Act (IDEA)
- Impact Aid shortfall of \$1.3 million
- E-Rate shortfall of \$0.2 million

D. Other

2,292,949

Based on actual receipts, other categories of revenue, including fees and miscellaneous revenue, exceeded projections by \$2.8 million. This is offset by a reduction in projected tuition from Fairfax City of \$0.5 million.

TOTAL FY 2014 REVENUE VARIANCE

(\$7,548,479)

II. FY 2014 ACTUAL EXPENDITURES

(as compared to the FY 2014 Third Quarter Budget Review)

A. Total Expenditures

(\$37,027,538)

Expenditures, excluding unspent multiyear grant awards (item II.B.) were \$37.0 million less than projected after funding:

- FY 2015 Beginning Balance adjustments totaling \$0.7 million
- Flexibility Reserve of \$8.0 million
- Undelivered orders of \$34.3 million
- School and project carryover of \$17.6 million
- Department critical needs carryover of \$4.0 million

Updated to reflect School Board action on July 24, 2014

AMOUNT POSITIONS

√ **C. State Aid** **(\$4,390,896)**

When the State budget was adopted in late June, the final budget resulted in a reduction of \$4.4 million as compared to the projection included in FCPS' FY 2015 Approved Budget. The most significant reduction was the elimination of the Cost of Competing Adjustment (COCA) for support positions. The elimination of COCA has both a negative funding impact for FCPS and a long-term policy impact for the Northern Virginia region. The reduction in state revenue is offset by expenditure reductions related to the final rates for state mandated benefits which were reduced when the state finalized their budget (detailed in IV.E.).

X D. Federal Grants **8,684,414**

Unspent multiyear federal grant awards from FY 2014 were carried forward and are being reappropriated for FY 2015.

**FY 2015 REVENUE AND BEGINNING BALANCE
ADJUSTMENTS** **\$107,046,283**

IV. FY 2015 EXPENDITURE ADJUSTMENTS

X A. Federal Grants **8,684,414** **0.0**

Unspent multiyear federal grant awards from FY 2014 totaling \$8.7 million were carried forward and are being reappropriated for FY 2015.

X B. Commitments and Carryover **55,917,055** **0.0**

Funding for undelivered orders, multiyear projects, department critical needs, and school carryover is being reappropriated in FY 2015. This represents a decrease of \$7.3 million in commitments and carryover as compared to the prior year and is comprised of:

- Undelivered orders of \$34.3 million
- School and project carryover of \$17.6 million
- Department critical needs carryover of \$4.0 million

	<u>AMOUNT</u>	<u>POSITIONS</u>
<p>√ C. Elementary Full-Day Mondays</p> <p>The decision to lengthen Mondays at the elementary school level was approved by the School Board on June 26, 2014. This included providing additional resources and policy flexibility at the elementary level to increase teacher-directed planning time. Funding of \$7.6 million is included to establish a reserve to allocate additional teacher positions to elementary schools in order to increase teacher planning time at the elementary school level. The final number of positions allocated will be recognized at the FY 2015 Midyear Budget Review.</p>	7,639,300	TBD
<p>X D. Bus Purchase</p> <p>This recommendation utilizes one-time funding from transportation savings in FY 2014 to purchase outright approximately 20 buses in FY 2015. These funds were derived from year-end savings due to lower than expected transportation expenses in such areas as maintenance contracts and vehicle fuel. Purchasing these buses will help reduce potential future costs related to implementing later high school start times recommended in the Blueprint for Change.</p>	2,420,000	0.0
<p>√ E. Retiree Health Care Credit and State Group Life</p> <p>When the State budget was adopted in late June, the General Assembly reduced the employer rates for the Retiree Health Care Credit (RHCC) and group life insurance. The RHCC rate decreased from 1.18 percent to 1.06 percent, and the group life rate decreased from 1.32 percent to 1.19 percent reducing FCPS' share of the costs for both RHCC and group life by \$2.7 million for FY 2015.</p>	(2,716,482)	(0.0)
<p>√ F. Division Reorganization Savings</p> <p>FCPS implemented a new organizational structure to better align systems, improve decision making, and facilitate stronger and more differentiated support of schools. As a result of the divisionwide reorganization effective July 1, 2014, savings of \$0.6 million result from the elimination of 5.0 positions including: a 1.0 assistant superintendent, 3.0 directors, and a 1.0 coordinator. The new organization includes five regions, and the Department of Professional Learning and Accountability was dissolved, and the functions were reassigned to other departments.</p>	(637,352)	(5.0)

Updated to reflect School Board action on July 24, 2014

AMOUNT POSITIONS

√ **G. Special Education Program Adjustments** **(33,316)** **(2.2)**

As a result of an internal review of the Adult High School Program completed by the Department of Special Services, the conversion of teacher positions from alternative programs to fund intervention and prevention services, and the conversion of positions from Alternative Learning Centers to fund psychology and social work services, a net reduction of 2.2 full-time equivalent positions and \$33,316 can be recognized. Efficiencies identified through the reallocation of positions result in a net decrease of 7.7 teacher positions, 1.0 assistant principal position, and 1.5 office assistant positions, offset by a net increase of 8.0 psychologist/social worker positions.

X H. Flexibility Reserve **8,000,000** **0.0**

Funding of \$8.0 million is maintained for the Flexibility Reserve to meet unforeseen circumstances that occur during the fiscal year. Any unused portion is carried forward to the next fiscal year with School Board approval.

X I. World Languages **214,608** **0.0**

Funding of \$0.2 million will be allocated to a placeholder to begin world language curriculum development for elementary and secondary schools, as well as to look for opportunities to develop global partnerships.

FY 2015 EXPENDITURE ADJUSTMENTS	\$79,273,619	(7.2)
	\$79,488,227	

V. FY 2015 RECOMMENDED TRANSFERS OUT ADJUSTMENTS

X A. Joint BOS/SB Synthetic Turf Initiative **\$1,500,000** **0.0**

Funding of \$1.5 million is recommended to be transferred from the School Operating Fund to the School Construction Fund for a joint County-Schools initiative to fund synthetic high school turf fields, contingent upon the Board of Supervisors taking similar action with their FY 2014 Carryover. This is the second year of this commitment based on the recommendations from the Synthetic Turf Task Force (STTF) shared with both Boards last year for developing, maintaining, and replacing turf fields, including the construction of additional synthetic turf fields at the remaining high/secondary schools to resolve existing turf field inequities at FCPS schools. As a result of the funding last year, the application of proffer funding and funding raised by the community, it is anticipated that three of

√-Recurring
X-Nonrecurring

VI. AGENDA SUMMARY

FY 2014 ACTUAL REVENUE VARIANCE	(\$7,548,479)
FY 2014 ACTUAL EXPENDITURE VARIANCE (After beginning balance requirements, reserves, commitments, and carryover)	<u>(\$45,711,952)</u>
TOTAL FUNDS AVAILABLE	<u>\$38,163,473</u>
LESS FY 2015 RECOMMENDED IDENTIFIED NEEDS	<u>(15,110,270)</u> <u>(15,324,878)</u>
TOTAL AVAILABLE	<u>\$23,053,203</u> <u>\$22,838,595</u>
LESS FY 2016 BEGINNING BALANCE SET ASIDE	<u>23,053,203</u> <u>22,838,595</u>
AVAILABLE ENDING BALANCE	<u>\$0</u>

VII. PRELIMINARY REQUIREMENTS FOR FY 2016

The FY 2016 preliminary projections in the chart below are provided for planning purposes and do not represent a comprehensive list of requirements. A comprehensive fiscal forecast, including costs for initiatives like the Blueprint for Change and programmatic needs will be provided to the School Board in September, 2014.

Planning for FY 2016 (\$ change projected in millions)		
	Est. on 5/22/2014 As Compared to FY 2015 Approved	Est. on 7/10/2014 As Compared to FY 2015 Revised
<i>Revenue</i>		
County Transfer Guidance - 3 percent increase	\$53.1	\$53.1
State Funding (State Aid and Sales Tax)	10.0	5.0
Beginning Balance Shortfall (FY 2015 Revised was \$49.2 million)	(20.0)	(26.4)
Revenue - Projected Total	\$43.1	\$31.7
<i>Expenditures</i>		
Full-Day Mondays (recurring cost)	\$0.0	\$7.6
Membership Growth/Student Demographics	20.0	20.0
Step - Recurring Unfunded Portion from FY 2015	10.4	10.4
Compensation Base Savings	(20.0)	(20.0)
Benefit Rate Increases	10.0	10.0
Contractual Increases	3.0	3.0
Required Expenditure Subtotal	\$23.4	\$31.0
Step - Increases for FY 2016	40.0	40.0
Market Scale Adjustment - 1 percent	19.2	19.2
Equipment and Infrastructure Needs	?	?
Program Needs	?	?
Blueprint for Change	?	?
Recommended Expenditure Subtotal	\$59.2	\$59.2
Expenditures - Projected Total	\$82.6	\$90.2
Projected Shortfall	(\$39.5)	(\$58.5)

As a result of the projections for revenues and expenditures included above, a preliminary shortfall of \$58.3 million is projected for FY 2016. It is important to note that the assumptions contained above will be revalidated during the development of the multiyear fiscal forecast and for the FY 2016 budget development process. The assumptions may also change in order to maintain a balanced budget and address School Board priorities.

The County's multiyear budget planning information included in their FY 2015 Adopted Budget assumes a 3 percent increase in the transfer to the Fairfax County Public Schools. The County budget states, "This increase is included for planning purposes recognizing that school enrollment is anticipated to increase by approximately 2,500, that some level of compensation increase may be considered for FCPS employees and for anticipated increases in benefit costs which may also rise in future years."

VIII. OTHER FUNDS

SCHOOL CONSTRUCTION FUND

The FY 2014 actual funds available were \$4.1 million more than the budgeted amount when excluding the initiated projects but unissued bonds category. This was primarily due to \$2.6 million received from boosters, youth associations, and community in support of turf fields and funding received for schools' work orders. Transfers in reflect an increase of \$1.5 million from the County in support of the Joint County/School Synthetic Turf Field program. This joint County-School initiative was part of the FY 2013 year-end process, where both FCPS and County agreed to support the funding of synthetic turf fields at the remaining eight high schools in the County. Funding of \$0.8 million is being recognized for turf field replacement and this funding is being held in reserve pending future replacement needs. This funding is realized from having organizations provide funds to FCPS annually as specified when the field was installed.

The available ending balance of \$73.9 million was primarily due to the multiyear impact of how projects are budgeted. Total costs for multiyear construction projects are allocated when the jobs are contracted, actual project expenditures are recognized as incurred, and unspent balances are carried forward into future years until the projects are complete. The FY 2015 – 2019 CIP estimates that the balance will be depleted by FY 2016. An increase of \$13.1 million from the County starting in FY 2016 will assist with accelerating CIP projects.

The FY 2015 revised budget reflects \$3.0 million in one-time funding from the continued joint support of the Synthetic Turf Field program by both FCPS and the County. In addition, the FY 2015 revised transfers in includes a one-time funding of \$3.6 million in continued support for addressing the backlog within major infrastructure maintenance.

FOOD AND NUTRITION SERVICES FUND

In FY 2014, expenditures in the Food and Nutrition Services (FNS) Fund exceeded revenue receipts by \$2.2 million, resulting in a decrease in the fund's reserve. Excluding the beginning balance, revenue in the FNS fund totaled \$75.8 million and was \$1.2 million lower than the FY 2014 Third Quarter Budget Review primarily due to a \$2.4 million, or 5.5 percent, decrease in food sales offset by an increase of \$50,704, or 5.1 percent, in state aid and an increase of \$1.2 million, or 3.9 percent, in federal aid. With meal changes required as part of the Federal Healthy Hunger-Free Kids Act, FCPS and schools nationwide experienced a decrease in the number of paid lunches served. FCPS served an average of 83,355 lunches daily in FY 2014 which was a 1.9 percent decrease as compared to FY 2013.

Actual expenditures totaled \$78.0 million which is a decrease of \$4.5 million as compared to the FY 2014 Third Quarter Budget Review, due to lower food costs as a result of decreased food sales; a decrease of \$1.1 million paid in administrative indirect cost to the school operating fund based on a decrease in the FY 2014 Virginia Department of Education (VDOE) indirect cost rate, and lower expenditures for materials and equipment, other privatized services, and capital outlay.

The FY 2015 budget has been adjusted to reflect an additional \$3.7 million available for beginning balance as compared to the projection in the approved budget, with no other revenue changes. Expenditures are increasing by \$0.8 million due to undelivered orders from FY 2014. In total, the revenue and expenditure adjustments will result in an increase of \$2.9 million to the FNS' reserve as compared to the projection included in the FY 2015 Approved Budget, bringing the reserve total to \$10.1 million in FY 2015. This reserve enables FNS to address short-term gaps between revenue and expenditures, as well as fund equipment replacement, technology training, and initiate programs such as providing free breakfast and lunch to all students eligible for reduced-price meals.

ADULT AND COMMUNITY EDUCATION FUND

The Adult and Community Education (ACE) Fund will end the 2014 fiscal year with an ending balance of \$0.5 million. Tuition is the primary revenue source for ACE, and course offerings are determined by community interest and demand. In FY 2014, higher enrollment in career readiness courses is the primary driver for more tuition revenue than estimated. Federal grant reimbursements from the Region 8 Adult Education and Family Literacy Act (AEFLA) grant were \$68,129, or 3.5 percent, lower than budgeted due to jurisdictions, other than FCPS, being unable to utilize additional federal funds from the prior fiscal year that were redistributed by the State in FY 2014. State grant reimbursements were \$14,031, or 1.5 percent, higher than budgeted due to an increase in per-pupil allocations for driver education and adult career and technical education programs. As a result of the FY 2014 activities, the FY 2015 revised ACE Fund totals \$10.2 million.

The FY 2015 revised includes a realignment of \$0.3 million between state aid, which is projected to decrease, and tuition and fees anticipated to increase based on projected enrollment. Included in the expenditure increase is funding to meet the maintenance of effort requirements for adult English for Speakers of Other Languages.

GRANTS AND SELF-SUPPORTING PROGRAMS FUND

The FY 2014 ending balance for the Grants and Self-Supporting Programs Fund totals \$16.4 million. The ending balance is comprised of \$9.5 million in the Summer School Subfund and \$6.9 million in the Grant Subfund due to grant revenues not yet expended. The FY 2015 budget is increasing by \$22.4 million and 2.0 positions due to new and revised grant awards and the reappropriation of the ending balance and multiyear grant awards.

Grants Subfund:

The FY 2014 ending balance for the Grants Subfund totals \$6.9 million and primarily represents grant revenues not yet expended for Cable Communications, Apple Federal Credit Union teacher grant, Medicaid, Family Early and Childhood Education Program, State Technology Plan, Northrop Grumman Stem grant, and Expanding Visions.

The FY 2015 budget for the Grants Subfund reflects a net increase of \$12.9 million due to revised grant awards and available funding and multiyear grant awards. Of this amount, \$6.9 million represents available grant funding already received and \$6.1 million results from the reappropriation of multiyear grants awards primarily for entitlement grants such as Title I, Title II, and Title III; 21st Century Community Learning Center; Department of Defense Education Activity; and \$0.1 million represents revised grant awards as listed below. Additionally, authorization is requested for a net increase of 2.0 positions.

Federal	Amount	Positions
Title I Part A*	\$0	1.0
Private		
Armed Forces Foundation	<u>121,631</u>	<u>1.0</u>
Total:	\$121,631	2.0

*Position authorization is requested; funding was reflected in the FY 2015 Approved Budget.

Summer School Subfund:

The FY 2014 ending balance in the Summer School Subfund totals \$9.5 million, primarily due to \$1.4 million in additional state revenue resulting from expanded summer intervention programs; and from lower than budgeted expenditures of \$0.9 million combined with \$6.9 million in reserve funding that was not utilized in FY 2014. Lower than budgeted expenditures primarily include Summer Enrichment Intervention Remediation and Extended School Year. In addition, funding from the County was provided to support the upcoming Bridges to Kindergarten program.

The ending balance will be carried over to FY 2015 to mitigate the budget reduction of \$3.8 million in the transfer from the School Operating Fund for elementary and middle school summer intervention and allow FCPS to maintain the number of students served, as well as assist with funding limited credit recovery courses, SOL remediation for term graduates and online campus, with the balance allocated to the reserve to be used if needed.

SCHOOL INSURANCE FUND

Total FY 2014 School Insurance Fund receipts of \$14.8 million are \$0.7 million, or 5.3 percent, higher than the FY 2014 Third Quarter Budget Review as a result of recovered costs (e.g., restitution and rebate payments). Total FY 2014 expenditures of \$12.5 million are \$4.9 million, or 28.3 percent, lower than the FY 2014 Third Quarter Budget Review of \$17.4 million (excluding the budget of \$9.3 million for the general reserve), primarily as the result of lower than projected liability claims experienced and lower claims management costs incurred. FY 2014 year-end results reflect a \$1.7 million net increase in accrued liabilities based on projections included in the most recent actuarial valuation of the School Insurance Fund. This net change in accrued liabilities is accounted for in the fund's restricted reserves.

As compared to the FY 2015 Approved Budget, the FY 2015 Revised Budget reflects a \$5.7 million increase in the beginning balance due to a combination of additional revenue received from recovered costs and lower expenditures incurred as of FY 2014 year-end. In addition, as compared to the FY 2015 approved, the revised budget includes a \$3.6 million increase in the allocated reserve and a \$1.7 million increase in restricted reserves. The \$0.4 million increase in FY 2015 projected expenditures is due to undelivered orders at FY 2014 year-end related to property losses involving school buses and other vehicles.

SCHOOL HEALTH AND FLEXIBLE BENEFITS FUND

After accounting for FY 2014 actual revenue and expenditures, the Premium Stabilization Reserve (PSR) year-end balance totals \$46.1 million, which is a \$5.4 million, or 13.4 percent, increase over the FY 2014 Third Quarter Budget Review. Total FY 2014 revenue of \$340.1 million is \$1.7 million, or 0.5 percent, higher than the FY 2014 Budget Review. Of this amount, actual contributions (employer, employee, and retiree contributions combined) total \$322.1 million, which is \$0.9 million, or 0.3 percent, lower than the FY 2014 Budget Review of \$323.0 million. Flexible spending account withholdings totaling \$7.4 million are also \$0.1 million, or 1.8 percent, lower than projected. These decreases in actual revenue are offset by a net increase of \$2.8 million, or 35.4 percent, in federal and manufacturer prescription drug subsidies and rebates. Effective August 2013, FCPS implemented an Employer Group Waiver Plan (EGWP), a new Medicare Part D prescription drug subsidy option that provides additional long-term savings for Medicare eligible retiree pharmacy claims as compared to the previously used Retiree Drug Subsidy (RDS) option.

Expenditures total \$339.0 million, which is a net decrease of \$3.7 million, or 1.1 percent, as compared to the FY 2014 Third Quarter Budget Review. The decrease is primarily due to lower health claims and premiums related expenditures totaling \$315.1 million, as compared to the FY 2014 Third Quarter Budget Review of \$321.0 million, which results in a variance of \$5.9 million, or 1.8 percent. In addition, flexible spending account reimbursements and health administrative costs were \$0.7 million, or 3.7 percent, lower than the FY 2014 Third Quarter Budget Review. These decreases are partially offset by a \$3.0 million increase in the fund's estimated claims incurred but not yet reported (IBNR). Effective January 1, 2014, FCPS implemented two new medical plans, and the most recent actuarial projection contains only four months of data. A certified IBNR estimate will not be available until after FCPS' year-end close and any required adjustments resulting from the certified IBNR will be incorporated in the FY 2015 Midyear Budget Review.

The FY 2015 Revised Budget reflects an increase of \$5.4 million, or 13.4 percent, in the beginning balance as a result of the higher revenue and lower expenditures at FY 2014 year-end. The projected net IBNR for FY 2015 also reflects a \$3.0 million increase based on the preliminary IBNR estimate for FY 2014. Any required adjustments resulting from the certified IBNR will be incorporated in the FY 2015 Midyear Budget Review.

SCHOOL CENTRAL PROCUREMENT FUND

The FY 2014 ending balance totals \$0.3 million; actual revenue and expenditures each total \$4.4 million. The FY 2015 budget has been adjusted to reflect a decrease of \$50,111 available for the FY 2015 beginning balance.

EDUCATIONAL EMPLOYEES' SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY FUND

The FY 2014 ending balance for the Educational Employees' Retirement System of Fairfax County (ERFC) Fund is \$2.2 billion, which is \$86.2 million, or 4.1 percent, higher than the FY 2014 Third Quarter Budget Review. FY 2014 receipts total \$412.8 million, a net increase of \$76.0 million, or 22.6 percent, above the FY 2014 Third Quarter Budget Review. Revenue from employer and employee contributions totaled \$114.2 million, a decrease of \$1.9 million, or 1.6 percent, from the FY 2014 Third Quarter Budget Review; however, this decrease is offset by an increase in projected investment income. Revenue from investments totals \$298.6 million, which is an increase of \$77.8 million, or 35.3 percent, over the FY 2014 Third Quarter Budget Review. Due to the timing of the FY 2014 Final Budget Review, final adjustments from investment activities, including actual returns from June, will be incorporated in the FY 2015 Midyear Budget Review. ERFC expenditures total \$182.6 million, which is \$10.2 million, or 5.3 percent, lower than the FY 2014 Third Quarter Budget Review mainly due to lower than projected retirement benefits payments and refunds disbursements. Once June investment returns and the impact of employee retirements occurring at year-end are finalized, adjustments will be included in the FY 2015 Midyear Budget Review. The FY 2015 beginning balance includes an increase of \$86.2 million as a result of the additional funding available at FY 2014 year-end.

SCHOOL OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST FUND

The FY 2014 ending balance for the OPEB Trust Fund is \$82.5 million, which is \$2.1 million, or 2.6 percent, higher than the FY 2014 Third Quarter Budget Review, mainly due to favorable projected investment returns. Due to the timing of the FY 2014 Final Budget Review, final adjustments from investment activities, including actual returns from June, will be incorporated in the FY 2015 Midyear Budget Review. Total revenue of \$33.2 million is \$8.3 million, or 20.0 percent, lower than the FY 2014 Third Quarter Budget Review due to lower employer contributions. FY 2014 employer contributions of \$25.5 million reflect a decrease of \$10.3 million, or 28.8 percent, primarily due to less funding needed to cover implicit subsidies for retirees.

FY 2014 expenditures totaling \$15.6 million are lower than the FY 2014 Third Quarter Budget Review by \$10.4 million, or 40.0 percent, mainly due to lower implicit subsidy expenses paid. In addition, administrative expenses totaling \$49,305 are \$25,067, or 33.7 percent, lower than the FY 2014 Third Quarter Budget Review due to lower than projected actuarial services expenditures incurred in FY 2014. The FY 2015 Revised Budget includes a \$2.1 million increase in the beginning balance as a result of the additional funding available at FY 2014 year-end.

SCHOOL CONSTRUCTION FUND STATEMENT

	FY 2014 Third Quarter	FY 2014 Actual	Variance	FY 2015 Approved	FY 2015 Revised	Variance
BEGINNING BALANCE, JULY 1	\$ 108,682,709	\$ 108,682,709	\$ -	\$ -	\$ 74,651,947	\$ 74,651,947
RECEIPTS:						
General Obligation Bonds	\$ 155,000,000	\$ 155,000,000	\$ -	\$ 155,000,000	\$ 155,000,000	\$ -
City of Fairfax	20,000	155,000	135,000	20,000	20,000	-
TJHSST Tuition - Capital Costs	-	-	-	150,000	150,000	-
Miscellaneous Revenue	136,000	2,391,942	2,255,942	136,000	136,000	-
PTA/PTO Donations	150,000	405,773	255,773	150,000	150,000	-
Turf Field Replacement	-	767,048	767,048	-	-	-
Total Receipts	\$ 155,306,000	\$ 158,719,763	\$ 3,413,763	\$ 155,456,000	\$ 155,456,000	\$ -
INITIATED PROJECTS BUT UNISSUED BONDS	\$ 378,714,384	\$ -	\$ (378,714,384)	\$ -	\$ 247,921,217	\$ 247,921,217
Total Referendums	\$ 378,714,384	\$ -	\$ (378,714,384)	\$ -	\$ 247,921,217	\$ 247,921,217
TRANSFERS IN:						
School Operating Fund						
Building Maintenance	\$ 10,607,714	\$ 10,607,714	\$ -	\$ 6,449,030	\$ 10,000,000	\$ 3,550,970
Classroom Equipment	2,388,992	2,388,992	-	369,898	369,898	-
Facility Modifications	600,000	600,000	-	600,000	600,000	-
Synthetic Turf Field Initiative	1,500,000	3,000,000	1,500,000	-	3,000,000	3,000,000
Total Transfers In	\$ 15,096,706	\$ 16,596,706	\$ 1,500,000	\$ 7,418,928	\$ 13,969,898	\$ 6,550,970
Total Receipts and Transfers	\$ 549,117,090	\$ 175,316,469	\$ (373,800,621)	\$ 162,874,928	\$ 417,347,115	\$ 254,472,187
Total Funds Available	\$ 657,799,799	\$ 283,999,178	\$ (373,800,621)	\$ 162,874,928	\$ 491,999,062	\$ 329,124,134
EXPENDITURES AND COMMITMENTS:						
Expenditures	\$ 279,085,415	\$ 209,347,231	\$ (69,738,184)	\$ 162,874,928	\$ 243,310,797	\$ 80,435,869
Additional Contractual Commitments	378,714,384	-	(378,714,384)	-	247,921,217	247,921,217
Total Disbursements	\$ 657,799,799	\$ 209,347,231	\$ (448,452,568)	\$ 162,874,928	\$ 491,232,014	\$ 328,357,086
ENDING BALANCE, JUNE 30	\$ -	\$ 74,651,947	\$ 74,651,947	\$ -	\$ 767,048	\$ 767,048
Less:						
Reserve For Turf Replacement	\$ -	\$ 767,048	\$ 767,048	\$ -	\$ 767,048	\$ 767,048
Available Ending Balance	\$ -	\$ 73,884,899	\$ 73,884,899	\$ -	\$ -	\$ -

FOOD AND NUTRITION SERVICES FUND STATEMENT

	<u>FY 2014 Third Quarter</u>	<u>FY 2014 Actual</u>	<u>Variance</u>	<u>FY 2015 Approved</u>	<u>FY 2015 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 15,689,133	\$ 15,689,133	\$ -	\$ 10,104,060	\$ 13,825,769	\$ 3,721,709
RECEIPTS:						
State Aid	\$ 991,214	\$ 1,041,918	\$ 50,704	\$ 1,041,326	\$ 1,041,326	\$ -
Federal Aid	31,889,901	33,127,783	1,237,882	33,288,517	33,288,517	-
Food Sales	43,998,145	41,589,910	(2,408,235)	43,639,906	43,639,906	-
Other Revenue	54,950	16,537	(38,413)	42,932	42,932	-
Total Receipts	\$ 76,934,210	\$ 75,776,148	\$ (1,158,062)	\$ 78,012,681	\$ 78,012,681	\$ -
Total Funds Available	\$ 92,623,343	\$ 91,465,281	\$ (1,158,062)	\$ 88,116,741	\$ 91,838,450	\$ 3,721,709
EXPENDITURES:	\$ 82,519,283	\$ 77,982,085	\$ (4,537,198)	\$ 80,896,331	\$ 81,745,639	\$ 849,308
Food and Nutrition Services General Reserve	\$ 10,104,060	\$ -	\$(10,104,060)	\$ 7,220,410	\$ 10,092,811	\$ 2,872,401
Total Disbursements	\$ 92,623,343	\$ 77,982,085	\$(14,641,258)	\$ 88,116,741	\$ 91,838,450	\$ 3,721,709
Change in Inventory	\$ -	\$ (342,573)	\$ (342,573)	\$ -	\$ -	\$ -
ENDING BALANCE, JUNE 30	\$ -	\$ 13,825,769	\$ 13,825,769	\$ -	\$ -	\$ -
Less:						
Undelivered Orders	\$ -	\$ 849,308	\$ 849,308	\$ -	\$ -	\$ -
Inventory	-	1,782,053	1,782,053	-	-	-
Available Ending Balance	\$ -	\$ 11,194,408	\$ 11,194,408	\$ -	\$ -	\$ -

ADULT & COMMUNITY EDUCATION FUND STATEMENT

	<u>FY 2014</u> <u>Third Quarter</u>	<u>FY 2014</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2015</u> <u>Approved</u>	<u>FY 2015</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 584,155	\$ 584,155	\$ -	\$ -	\$ 481,171	\$ 481,171
RECEIPTS:						
State Aid	\$ 923,731	\$ 937,762	\$ 14,031	\$ 1,172,815	\$ 922,815	\$ (250,000)
Federal Aid	1,941,271	1,873,142	(68,129)	1,666,438	1,666,438	-
Tuition and Fees	5,464,965	5,624,882	159,918	6,219,475	6,469,475	250,000
Other	439,687	415,646	(24,041)	403,096	403,096	-
Total Receipts	\$ 8,769,653	\$ 8,851,431	\$ 81,778	\$ 9,461,824	\$ 9,461,824	\$ -
TRANSFERS IN:						
School Operating Fund	\$ 400,000	\$ 400,000	\$ -	\$ 235,000	\$ 235,000	\$ -
Total Transfers In	\$ 400,000	\$ 400,000	\$ -	\$ 235,000	\$ 235,000	\$ -
Total Receipts and Transfers	\$ 9,169,653	\$ 9,251,431	\$ 81,778	\$ 9,696,824	\$ 9,696,824	\$ -
Total Funds Available	\$ 9,753,809	\$ 9,835,587	\$ 81,778	\$ 9,696,824	\$ 10,177,995	\$ 481,171
EXPENDITURES:	\$ 9,753,809	\$ 9,354,415	\$ (399,393)	\$ 9,696,824	\$ 10,177,995	\$ 481,171
ENDING BALANCE, JUNE 30	\$ -	\$ 481,171	\$ 481,171	\$ -	\$ -	\$ -
Less:						
Budgeted Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Undelivered Orders	-	109,747	109,747	-	-	-
Available Ending Balance	\$ -	\$ 371,425	\$ 371,425	\$ -	\$ -	\$ -

GRANTS & SELF-SUPPORTING PROGRAMS FUND STATEMENT

	<u>FY 2014</u> <u>Third Quarter</u>	<u>FY 2014</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2015</u> <u>Approved</u>	<u>FY 2015</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE						
Grants	\$ 6,511,457	\$ 6,511,457	\$ -	\$ -	\$ 6,857,086	\$ 6,857,086
Summer School	8,261,977	8,261,977	-	-	9,526,326	9,526,326
BEGINNING BALANCE, JULY 1	\$ 14,773,434	\$ 14,773,434	\$ -	\$ -	\$ 16,383,412	\$ 16,383,412
RECEIPTS:						
Grants						
State Aid	\$ 8,743,328	\$ 8,108,046	\$ (635,283)	\$ 8,088,712	\$ 8,517,433	\$ 428,722
Federal Aid	35,678,124	30,916,179	(4,761,944)	26,481,292	31,916,627	5,435,335
Industry, Foundation, Other	848,778	1,170,240	321,462	-	186,365	186,365
Unallocated Grants	6,000,000	-	(6,000,000)	6,000,000	6,000,000	-
Summer School						
State Aid	800,000	2,232,944	1,432,944	2,100,000	2,100,000	-
Tuition	2,010,330	2,280,940	270,610	2,010,330	2,010,330	-
Industry, Foundation, Other	25,000	2,968	(22,032)	-	-	-
Total Receipts	\$ 54,105,560	\$ 44,711,317	\$ (9,394,242)	\$ 44,680,333	\$ 50,730,756	\$ 6,050,422
TRANSFERS IN:						
School Operating Fund (Grants)	\$ 8,865,952	\$ 8,865,952	\$ -	\$ 9,029,576	\$ 9,029,576	\$ -
School Operating Fund (Summer School)	12,511,040	12,511,040	-	8,756,398	8,756,398	-
Cable Communications Fund (Grants)	4,232,175	4,232,175	-	2,607,314	2,607,314	-
Total Transfers In	\$ 25,609,167	\$ 25,609,167	\$ -	\$ 20,393,288	\$ 20,393,288	\$ -
Total Funds Available	\$ 94,488,161	\$ 85,093,918	\$ (9,394,242)	\$ 65,073,621	\$ 87,507,455	\$ 22,433,834
EXPENDITURES:						
Grants	\$ 64,879,814	\$ 52,946,963	\$ (11,932,851)	\$ 46,206,894	\$ 59,114,402	\$ 12,907,508
Unallocated Grants	6,000,000	-	(6,000,000)	6,000,000	6,000,000	-
Summer School	16,693,580	15,763,543	(930,036)	11,229,708	17,595,909	6,366,200
Total Expenditures	\$ 87,573,394	\$ 68,710,506	\$ (18,862,888)	\$ 63,436,602	\$ 82,710,310	\$ 19,273,709
RESERVES:						
General Summer School Reserve	\$ 6,914,767	\$ -	\$ (6,914,767)	\$ 1,637,020	\$ 4,797,145	\$ 3,160,125
Total Disbursements	\$ 94,488,161	\$ 68,710,506	\$ (25,777,655)	\$ 65,073,621	\$ 87,507,455	\$ 22,433,834
ENDING BALANCE, JUNE 30	\$ -	\$ 16,383,412	\$ 16,383,412	\$ -	\$ -	\$ -
Less:						
Undelivered Orders	-	480,652	480,652	-	-	-
Available Ending Balance	\$ -	\$ 15,902,760	\$ 15,902,760	\$ -	\$ -	\$ -

SCHOOL INSURANCE FUND STATEMENT

	FY 2014 <u>Third Quarter</u>	FY 2014 <u>Actual</u>	<u>Variance</u>	FY 2015 <u>Approved</u>	FY 2015 <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 46,924,718	\$ 46,924,718	\$ -	\$ 43,579,867	\$ 49,249,997	\$ 5,670,130
RECEIPTS:						
Workers' Compensation						
School Operating Fund	\$ 9,238,928	\$ 9,238,928	\$ -	\$ 9,238,928	\$ 9,238,928	\$ -
School Food & Nutrition Serv. Fund	324,284	324,284	-	324,284	324,284	-
Other Insurance						
School Operating Fund	4,468,127	4,468,127	-	4,468,127	4,468,127	-
Insurance Proceeds/ Rebates	50,000	790,923	740,923	50,000	50,000	-
Federal and State Revenue	-	-	-	-	-	-
Total Receipts	\$ 14,081,339	\$ 14,822,262	\$ 740,923	\$ 14,081,339	\$ 14,081,339	\$ -
Total Funds Available	\$ 61,006,057	\$ 61,746,980	\$ 740,923	\$ 57,661,206	\$ 63,331,336	\$ 5,670,130
EXPENDITURES:						
Workers' Compensation Administration	\$ 899,973	\$ 891,240	\$ (8,734)	\$ 1,098,985	\$ 1,098,985	\$ -
Workers' Compensation Claims Paid	8,939,759	5,745,516	(3,194,243)	8,672,225	8,672,225	-
Workers' Compensation Claims Management	1,000,000	714,487	(285,513)	1,000,000	1,000,000	-
Other Insurance	6,586,458	5,145,740	(1,440,718)	6,720,684	7,103,844	383,161
General Reserves	9,288,547	-	(9,288,547)	5,877,993	9,450,730	3,572,737
Total Expenditures	\$ 26,714,737	\$ 12,496,983	\$ (14,217,754)	\$ 23,369,886	\$ 27,325,783	\$ 3,955,897
Net change in accrued liabilities-Workers' Comp	\$ -	\$ 1,361,235	\$ 1,361,235	\$ -	\$ -	\$ -
Net change in accrued liabilities-Other Insurance	-	352,998	352,998	-	-	-
Net Change in Accrued Liability	\$ -	\$ 1,714,233	\$ 1,714,233	\$ -	\$ -	\$ -
ENDING BALANCE, June 30	\$ 34,291,320	\$ 49,249,997	\$ 14,958,677	\$ 34,291,320	\$ 36,005,553	\$ 1,714,233
Less:						
Undelivered Orders	\$ -	\$ 383,161	\$ 383,161	\$ -	\$ -	\$ -
Available Ending Balance	\$ 34,291,320	\$ 48,866,837	\$ 14,575,517	\$ 34,291,320	\$ 36,005,553	\$ 1,714,233
Restricted Reserves						
Workers' Compensation Accrued Liability	\$ 29,902,153	\$ 31,263,388	\$ 1,361,235	\$ 29,902,153	\$ 31,263,388	\$ 1,361,235
Other Insurance Accrued Liability	4,389,167	4,742,165	352,998	4,389,167	4,742,165	352,998
Allocated Reserves	-	12,861,284	12,861,284	-	-	-
Total Reserves	\$ 34,291,320	\$ 48,866,837	\$ 14,575,517	\$ 34,291,320	\$ 36,005,553	\$ 1,714,233

SCHOOL HEALTH AND FLEXIBLE BENEFITS FUND STATEMENT

	<u>FY 2014</u> <u>Third Quarter</u>	<u>FY 2014</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2015</u> <u>Approved</u>	<u>FY 2015</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 45,081,559	\$ 45,081,559	\$ -	\$ 40,694,542	\$ 46,132,760	\$ 5,438,219
RECEIPTS:						
Employer Contributions	\$ 211,135,380	\$ 211,090,101	\$ (45,279)	\$ 231,242,630	\$ 231,242,630	\$ -
Employee Contributions	63,791,075	63,150,325	(640,750)	70,165,323	70,165,323	-
Retiree/Other Contributions	48,073,960	47,875,437	(198,523)	53,631,310	53,631,310	-
Medicare Part D	3,556,895	1,261,364	(2,295,531)	5,000,000	5,000,000	-
Interest Income/ Rebates	4,250,155	9,309,299	5,059,144	4,808,000	4,808,000	-
Subtotal	\$ 330,807,465	\$ 332,686,526	\$ 1,879,061	\$ 364,847,263	\$ 364,847,263	\$ -
Flexible Accounts Withholdings	\$ 7,529,000	\$ 7,390,872	\$ (138,128)	\$ 7,529,000	\$ 7,529,000	\$ -
Total Receipts	\$ 338,336,465	\$ 340,077,398	\$ 1,740,933	\$ 372,376,263	\$ 372,376,263	\$ -
Total Funds Available	\$ 383,418,024	\$ 385,158,957	\$ 1,740,933	\$ 413,070,805	\$ 418,509,023	\$ 5,438,219
EXPENDITURES/PAYMENTS:						
Health Benefits Paid	\$ 264,925,339	\$ 261,854,487	\$ (3,070,852)	\$ 287,689,563	\$ 287,689,563	\$ -
Premiums Paid	56,036,810	53,207,950	(2,828,861)	55,909,175	55,909,175	-
Claims Incurred but not Reported (IBNR)	20,312,000	23,264,000	2,952,000	21,730,000	27,634,000	5,904,000
IBNR Prior Year Credit	(18,894,000)	(18,894,000)	-	(20,312,000)	(23,264,000)	(2,952,000)
Health Administrative Expenses	12,814,333	12,521,942	(292,391)	13,309,133	13,320,793	11,660
Subtotal	\$ 335,194,482	\$ 331,954,379	\$ (3,240,103)	\$ 358,325,871	\$ 361,289,531	\$ 2,963,660
Flexible Accounts Reimbursement	\$ 7,400,000	\$ 6,943,908	\$ (456,092)	\$ 7,400,000	\$ 7,400,000	\$ -
FSA Administrative Expenses	129,000	127,909	(1,091)	129,000	129,000	-
Subtotal	\$ 7,529,000	\$ 7,071,817	\$ (457,183)	\$ 7,529,000	\$ 7,529,000	\$ -
Total Expenditures	\$ 342,723,482	\$ 339,026,196	\$ (3,697,286)	\$ 365,854,871	\$ 368,818,531	\$ 2,963,660
ENDING BALANCE, JUNE 30	\$ 40,694,542	\$ 46,132,760	\$ 5,438,219	\$ 47,215,933	\$ 49,690,492	\$ 2,474,559
Less:						
Undelivered Orders	\$ -	\$ 11,660	\$ 11,660	\$ -	\$ -	\$ -
Premium Stabilization Reserve	40,694,542	-	(40,694,542)	47,215,933	49,690,492	2,474,559
Available Ending Balance	\$ -	\$ 46,121,101	\$ 46,121,101	\$ -	\$ -	\$ -

SCHOOL CENTRAL PROCUREMENT FUND STATEMENT

	<u>FY 2014</u> <u>Third Quarter</u>	<u>FY 2014</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2015</u> <u>Approved</u>	<u>FY 2015</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 361,100	\$ 361,100	\$ -	\$ 361,100	\$ 310,989	\$ (50,111)
RECEIPTS:						
Sales to Schools/Departments	\$ 6,500,000	\$ 4,375,594	\$(2,124,406)	\$ 6,500,000	\$ 6,500,000	\$ -
Total Funds Available	<u>\$ 6,861,100</u>	<u>\$ 4,736,694</u>	<u>\$(2,124,406)</u>	<u>\$ 6,861,100</u>	<u>\$ 6,810,989</u>	<u>\$ (50,111)</u>
EXPENDITURES	\$ 6,500,000	\$ 4,425,705	\$(2,074,295)	\$ 6,500,000	\$ 6,500,000	\$ -
ENDING BALANCE, JUNE 30	<u>\$ 361,100</u>	<u>\$ 310,989</u>	<u>\$ (50,111)</u>	<u>\$ 361,100</u>	<u>\$ 310,989</u>	<u>\$ (50,111)</u>

**EDUCATIONAL EMPLOYEES' SUPPLEMENTARY
RETIREMENT SYSTEM OF FAIRFAX COUNTY FUND STATEMENT**

	<u>FY 2014</u> <u>Third Quarter</u>	<u>FY 2014</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2015</u> <u>Approved</u>	<u>FY 2015</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 1,956,759,182	\$ 1,956,759,182	\$ -	\$ 2,100,742,036	\$ 2,186,952,476	\$ 86,210,439
RECEIPTS:						
Contributions	\$ 116,066,099	\$ 114,205,680	\$ (1,860,419)	\$ 114,766,099	\$ 114,766,099	\$ -
Investment Income	220,751,584	298,580,781	77,829,197	241,818,219	241,818,219	-
Total Receipts	<u>\$ 336,817,683</u>	<u>\$ 412,786,461</u>	<u>\$ 75,968,778</u>	<u>\$ 356,584,317</u>	<u>\$ 356,584,317</u>	<u>\$ -</u>
Total Funds Available	\$ 2,293,576,865	\$ 2,369,545,644	\$ 75,968,778	\$ 2,457,326,354	\$ 2,543,536,793	\$ 86,210,439
EXPENDITURES	\$ 192,834,829	\$ 182,593,168	\$ (10,241,661)	\$ 203,081,017	\$ 203,081,440	\$ 423
ENDING BALANCE, JUNE 30	\$ 2,100,742,036	\$ 2,186,952,476	\$ 86,210,439	\$ 2,254,245,337	\$ 2,340,455,353	\$ 86,210,017
Less:						
Undelivered Orders	\$ -	\$ 423	\$ 423	\$ -	\$ -	\$ -
AVAILABLE BALANCE	<u>\$ 2,100,742,036</u>	<u>\$ 2,186,952,053</u>	<u>\$ 86,210,017</u>	<u>\$ 2,254,245,337</u>	<u>\$ 2,340,455,353</u>	<u>\$ 86,210,017</u>

SCHOOL OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST FUND STATEMENT

	<u>FY 2014</u> <u>Third Quarter</u>	<u>FY 2014</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2015</u> <u>Approved</u>	<u>FY 2015</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 64,924,690	\$ 64,924,690	\$ -	\$ 80,423,727	\$ 82,501,318	\$ 2,077,591
REVENUE:						
Employer Contributions	\$ 35,874,000	\$ 25,524,938	\$ (10,349,062)	\$ 37,232,000	\$ 37,232,000	\$ -
Net Investment Income	5,573,409	7,625,933	2,052,524	5,979,957	5,979,957	-
Total Revenue	\$ 41,447,409	\$ 33,150,871	\$ (8,296,538)	\$ 43,211,957	\$ 43,211,957	\$ -
TOTAL FUNDS AVAILABLE	\$ 106,372,099	\$ 98,075,561	\$ (8,296,538)	\$ 123,635,684	\$ 125,713,275	\$ 2,077,591
EXPENDITURES:						
Benefits Paid	\$ 25,874,000	\$ 15,524,938	\$ (10,349,062)	\$ 27,232,000	\$ 27,232,000	\$ -
Administrative Expenses	74,372	49,305	(25,067)	67,452	67,452	-
Total Expenditures	\$ 25,948,372	\$ 15,574,243	\$ (10,374,129)	\$ 27,299,452	\$ 27,299,452	\$ -
ENDING BALANCE, JUNE 30	\$ 80,423,727	\$ 82,501,318	\$ 2,077,591	\$ 96,336,232	\$ 98,413,823	\$ 2,077,591

**SUPPLEMENTAL APPROPRIATION RESOLUTION
FY 2015**

BE IT RESOLVED that the Fairfax County School Board requests the County Board of Supervisors to amend the FY 2015 Appropriation Resolution for the following School Board funds:

Appropriate to:

County Schools

<u>Fund</u>	<u>Fund Name</u>	<u>From</u>	<u>To</u>	<u>Change</u>
S10000	Public Schools Operating Operating Expenditures	\$2,441,529,288	\$2,548,289,698	\$106,760,410
S31000	School Construction Operating Expenditures	\$162,724,928	\$491,232,014	\$328,507,086
S40000	School Food & Nutrition Services Operating Expenditures	\$91,401,235	\$91,838,450	\$437,215
S43000	School Adult & Community Education Operating Expenditures	\$9,696,824	\$10,177,995	\$481,171
S50000	School Grants & Self-Supporting Operating Expenditures	\$64,954,989	\$87,507,455	\$22,552,466
S60000	Public Schools Insurance Fund Operating Expenditures	\$23,369,886	\$27,325,783	\$3,955,897
S62000	School Health and Flexible Benefits Trust Fund Operating Expenditures	\$418,370,805	\$418,509,023	\$138,218
S63000	Central Procurement Fund Operating Expenditures	\$6,500,000	\$6,500,000	\$0
S71000	School Educational Employees' Supplementary Retirement Trust Fund Operating Expenditures	\$203,081,017	\$203,081,440	\$423
S71100	School Other Post Employment Benefits Trust Fund Operating Expenditures	\$27,299,452	\$27,299,452	\$0

I certify the above is a true and correct copy of a resolution adopted by the School Board of Fairfax County, Virginia, as part of the FY 2014 Final Budget Review, at a regular meeting held on July 24, 2014, at Luther Jackson Middle School, Falls Church, Virginia.

Date

Pamela Goddard, Clerk
County School Board of
Fairfax County, Virginia

**FISCAL PLANNING RESOLUTION
FY 2015**

BE IT RESOLVED that the Fairfax County School Board requests the County Board of Supervisors to amend the FY 2015 Fiscal Planning Resolution for the following School Board funds:

<u>Fund</u>	<u>Fund Name</u>	<u>Fund</u>	<u>Transfer To</u>	<u>From</u>	<u>To</u>	<u>Change</u>
S10000	Public Schools Operating					
		S31000	School Construction	\$7,418,928	\$12,469,898	\$5,050,970
		S43000	School Adult & Community Education	\$235,000	\$235,000	\$0
		S50000	School Grants & Self Supporting	\$17,622,350	\$17,785,974	\$163,624
		C20000	Consolidated Debt Service	\$3,775,323	\$3,143,814	(\$631,509)

I certify the above is a true and correct copy of a resolution adopted by the School Board of Fairfax County, Virginia, as part of the FY 2014 Final Budget Review, at a regular meeting held on July 24, 2014, at Luther Jackson Middle School, Falls Church, Virginia.

Date

Pamela Goddard, Clerk
County School Board of
Fairfax County, Virginia

**Grants Development Section
Office of Budget Services
Quarterly Report – FY 2014
Date: June 30, 2014**

Update for FY 2014 Grants

This report provides the status of competitive grants for FY 2014:

- Competitive grants submitted: \$5.9 million (94 grants)
- Competitive grants awarded: \$2.8 million (46 grants)
- Competitive grants pending: \$2.9 million (39 grants)
- Competitive grants denied: \$0.2 million (9 grants)

The status of FY 2014 entitlement grants is as follows:

- Entitlement grants submitted: \$61.5 million (19 grants)
- Entitlement grants awarded: \$27.0 million (14 grants)
- Entitlement grants pending: \$34.5 million (5 grants)