

FY 2015 Final Budget Review

Staff Contact: Kristen Michael, assistant superintendent, Department of Financial Services

Other Staff Present: Carol Hurley, director, Office of Budget Services

Meeting Category: July 23, 2015 – Regular Meeting No. 2

Subject: FY 2015 Final Budget Review

School Board Action Required: Decision

Key Points:

All of the FY 2015 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 2015 Third Quarter Budget Review.

In the School Operating Fund, after accounting for the revenue variance and the FY 2016 budgeted beginning balance, the flexibility reserve, and other commitments, the FY 2015 funds available total \$33.2 million.

School Operating Fund Statement and Balance Available*			
(\$ in millions)			
	FY 2015 Third Quarter	FY 2015 Actual	Variance
Beginning Balance, July 1	\$122.9	\$122.9	\$0.0
Reserves (Flexibility, Textbook, FY 2016 Beg. Balance)	\$34.3	\$34.3	\$0.0
Receipts	\$690.5	\$685.5	(\$5.0)
Transfers In	\$1,769.1	\$1,769.1	\$0.0
Total Available	\$2,616.8	\$2,611.8	(\$5.0)
Expenditures	\$2,537.1	\$2,434.0	(\$103.1)
Transfers Out	\$33.6	\$33.6	\$0.0
Total Disbursements	\$2,570.7	\$2,467.7	(\$103.1)
Ending Balance, June 30	\$46.1	\$144.2	\$98.1
FY 2016 Beginning Balance Requirements	\$27.8	\$27.8	\$0.0
School Board Flexibility Reserve		\$8.0	\$8.0
Centralized Textbook Replacement Reserve	\$6.1	\$6.1	\$0.0
Transportation Public Safety Radios (approved by the SB on 12/18/14)	\$7.4	\$7.4	\$0.0
Staffing Reserve to Address Class Size (approved by the SB on 12/18/14)	\$0.8	\$0.8	\$0.0
Set Aside for FY 2017 Beginning Balance** (approved by the SB on 3/26/15)	\$4.0	\$4.0	\$0.0
Commitments and Carryover:			
Outstanding Encumbered Obligations		\$36.6	\$36.6
Schools and Projects Carryover		\$16.2	\$16.2
Department Critical Needs Carryover		\$4.1	\$4.1
Balance after Commitments	\$0.0	\$33.2	\$33.2
FY 2016 Administrative Adjustments (Investments/Identified Needs)			
Set Aside for FY 2017 Beginning Balance**		\$23.9	\$23.9
<i>Prior Committed Priorities and Requirements</i>			
Food and Nutrition Services Indirect Rate		\$0.9	\$0.9
Major Maintenance		\$3.6	\$3.6
Joint BOS/SB Synthetic Turf Initiative		\$1.5	\$1.5
Joint BOS/SB Infrastructure Sinking Reserve Fund		\$0.2	\$0.2
<i>Strategic Plan Investments</i>			
Compensation Study and Website Content Management System		\$1.5	\$1.5
World Languages		\$0.2	\$0.2
Bus and Equipment Replacement		\$1.5	\$1.5
Available Ending Balance	\$0.0	\$0.0	\$0.0

*Does not add due to rounding.

**At the FY 2015 Third Quarter Budget Review, \$4.0 million was set aside for the FY 2017 beginning balance. An additional \$23.9 million is identified for set aside at FY 2015 year-end for a total FY 2017 beginning balance of \$27.8 million.

Revenue variances begin on page 1 of the agenda attachment, and FY 2015 actual total funds available are \$5.0 million lower, or total 99.8 percent of the FY 2015 Third Quarter Budget Review projection. State Aid for FY 2015 totals \$399.8 million, which is \$1.6 million less than budgeted, and sales tax receipts total \$179.9 million, \$3.0 million more than budgeted. A decrease of \$9.4 million in federal revenue is due primarily to \$8.3 million in unspent multiyear grant awards that will be carried forward and reappropriated in FY 2016, combined with a net decrease in other federal funding. Other revenue receipts, including tuition, fees, other service charges, and miscellaneous revenue, are \$3.0 million more than the third quarter estimate.

Expenditure variances begin on page 2 of the agenda attachment, and FY 2015 actual expenditures are \$29.9 million less than projected after funding FY 2016 beginning balance adjustments, the School Flexibility Reserve, and accounting for other commitments and carryover, excluding grants. Of the \$29.9 million variance, \$18.9 million is from salaries, \$8.9 million from employee benefits, and \$2.1 million is from other accounts, primarily fuel. In addition, \$8.3 million in multiyear unspent federal grant funds is carried forward and reappropriated for FY 2016.

This agenda item also includes recommendations for FY 2016 expenditure adjustments. Committed priorities and requirements include a change in the indirect expenditures charged to Food and Nutrition Services of \$0.9 million based on the FY 2016 rate set by the Virginia Department of Education; \$3.6 million to continue FCPS' annual commitment to allocate funding from year-end for major maintenance; \$1.5 million for the joint Board of Supervisors/School Board Synthetic Turf Initiative; and \$0.2 million for the infrastructure sinking reserve fund in accordance with recommendations of the joint Board of Supervisors and School Board Infrastructure Financing Committee (IFC). Funding to support key strategic plan investments includes \$1.5 million for a systemwide compensation study and to implement a website content management system; \$0.2 million for the second year of the development of world language curriculum for elementary and secondary schools and to identify opportunities to develop global partnerships, and \$1.5 million for the replacement of buses and equipment.

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

Recommendation:

That the School Board approve the revenue and expenditure adjustments as detailed in the agenda item.

Attachment:

FY 2015 Final Budget Review

I. FY 2015 ACTUAL REVENUE

(as compared to the FY 2015 Third Quarter Budget Review)

A. Sales Tax

\$2,976,770

Revenue from sales tax is projected to be \$3.0 million higher than the FY 2015 Third Quarter Budget Review. The final sales tax payment for FY 2015 will not be received until July, after the fiscal year ends.

B. State Aid

(1,576,307)

As compared to the FY 2015 Third Quarter Budget Review, State Aid reflects a net \$1.6 million decrease. The State utilized actual average daily membership (ADM) as of March 31, 2015, in its final payment calculations, which is a lower ADM than the state's projection. Basic Aid, the primary component of State Aid, decreased \$1.1 million, and the remaining Standards of Quality (SOQ) funding decreased \$0.5 million due to the lower ADM. In addition, adjustments to Basic Aid include funding for programs such as Mental Health, Virginia Schools for Deaf and Blind, Adult and Community Education (ACE), and Food Services, which impact FCPS' other funds.

C. Federal Revenue

(9,387,429)

As compared to the FY 2015 Third Quarter Budget Review, federal revenue reflects a decrease of \$9.4 million due primarily to:

- Unspent, multiyear grant awards (item II.B) that will be carried forward and reappropriated in FY 2016 (items III.D. and IV. A.) totaling \$8.3 million, primarily from the Individuals with Disabilities Education Act (IDEA) grant
- Impact Aid shortfall of \$0.5 million
- E-Rate shortfall of \$0.6 million

D. Other

2,979,212

Based on actual receipts, other categories of revenue, including fees and miscellaneous revenue, exceed projections by \$2.6 million. In addition, Fairfax City tuition exceeds projections by \$0.4 million mainly due to increased enrollment driving higher tuition receipts.

TOTAL FY 2015 REVENUE VARIANCE

(\$5,007,754)

AMOUNT POSITIONS

II. FY 2015 ACTUAL EXPENDITURES

(as compared to the FY 2015 Third Quarter Budget Review)

A. Total Expenditures

(\$29,929,456) (0.0)

Expenditures, excluding unspent multiyear grant awards (item II.B.) are \$29.9 million less than projected after funding:

- Flexibility Reserve of \$8.0 million
- Outstanding encumbered obligations of \$36.6 million
- School and project carryover of \$16.2 million
- Department critical needs carryover of \$4.1 million

The expenditure variance totals 1.2 percent of the revised budget and is comprised of the following:

- Salaries \$18.9 million
- Benefits (primarily health) \$8.9 million
- Other (primarily fuel) \$2.1 million

B. Unspent Grant Funding

(8,295,529) (0.0)

The total expenditure variance also includes federal multiyear unspent grant award expenditures totaling \$8.3 million. As a result of lower expenditures in the FY 2015 grant year, the corresponding revenue decrease is reflected in item I.C. This multiyear available grant funding (items III.D. and IV. A.) is reappropriated and carried forward to FY 2016.

TOTAL FY 2015 ACTUAL EXPENDITURE VARIANCE

(\$38,224,985) (0.0)

FY 2015 TOTAL FUNDS AVAILABLE

\$33,217,231

AMOUNT

III. FY 2016 REVENUE AND BEGINNING BALANCE ADJUSTMENTS

X A. Beginning Balance **\$66,213,512**

As a result of Beginning Balance adjustments resulting from FY 2015, including the impact of commitments and carryover, the beginning balance for FY 2016 is increased by \$66.2 million due to:

- Outstanding encumbered obligations of \$36.6 million
- School and project carryover of \$16.2 million
- Department critical needs carryover of \$4.1 million
- Administrative Adjustments
 - **Prior Committed Priorities and Requirements \$6.2 million**
 - Food and Nutrition Indirect Rate
 - Major Maintenance
 - Joint BOS/SB Synthetic Turf Initiative
 - Joint BOS/SB Infrastructure Sinking Reserve Fund
 - **Strategic Plan Investments \$3.2 million**
 - Compensation Study & Website Content Mgmt. System
 - World Languages
 - Bus and Equipment Replacement

X B. Future Year Beginning Balance **23,862,007**

Available funding of \$23.9 million from FY 2015 year-end is recommended to be set aside as a beginning balance for FY 2017. This will maintain the FY 2017 beginning balance at the same level as FY 2016.

X C. Flexibility Reserve **8,000,000**

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 D. Federal Grants **8,295,529**

Unspent multiyear federal grant awards from FY 2015 are carried forward and are being reappropriated for FY 2016 (Item II.B.).

FY 2016 REVENUE AND BEGINNING BALANCE ADJUSTMENTS **\$106,371,048**

		<u>AMOUNT</u>	<u>POSITIONS</u>
IV.	FY 2016 EXPENDITURE ADJUSTMENTS		
X	A. Federal Grants	\$8,295,529	0.0
	Unspent multiyear federal grant awards from FY 2015 totaling \$8.3 million are carried forward and are being reappropriated for FY 2016.		
X	B. Commitments and Carryover	56,858,288	0.0
	Funding for outstanding encumbered obligations, multiyear projects, department critical needs, and school carryover is reappropriated in FY 2016. This represents a decrease of 17 percent below the 5 year average for commitments and carryover and is comprised of:		
	<ul style="list-style-type: none"> • Outstanding encumbered obligations of \$36.6 million • School and project carryover of \$16.2 million • Department critical needs carryover of \$4.1 million 		
X	C. 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	D. Food and Nutrition Services Indirect Rate	934,244	0.0
	Indirect cost recovery from the Food and Nutrition Services Fund is reduced by \$0.9 million. This reduction of the administrative indirect cost to the School Operating Fund is based on the FY 2016 Virginia Department of Education indirect cost recovery rate which is set by the state annually.		
X	E. Compensation Study and Website Content Management System	1,470,000	0.0
	Funding is requested for two strategic plan investments. In support of the Premier Workforce goal, funding is requested to complete an examination of compensation and classification, along with a comparison with other districts on how schools are staffed above classroom teacher allocations at each school level. The objectives are to identify a compensation structure that attracts and retains qualified employees through an optimal mix of salary and benefits, to ensure a competitive position among other local jurisdictions, to determine the appropriateness of our classification structure for benchmarked positions, and to ensure effective staffing at each school level. Second, in support of the Caring Culture goal, funding is requested to purchase a website content management system. The technological improvements planned for the school system website		

√-Recurring
X-Nonrecurring

	<u>AMOUNT</u>	<u>POSITIONS</u>
<p>and associated school websites are critical and have been identified as part of the FCPS strategic plan. Today FCPS.edu and related school websites are at the core of many of FCPS' communications and information sharing with parents, teachers, students, and the broader community. The sites receive more than 24 million visits annually – many of whom use mobile phones exclusively, and the technology underlying the websites, including the search function, has not been upgraded since they were first developed more than 15 years ago. Implementation of a modern open-source platform for the website will enhance efficiencies for the school system while better serving the entire FCPS community.</p>		
<p>X F. World Languages</p> <p>Funding of \$0.2 million is allocated for the second year to continue the development of the world languages curriculum for elementary and secondary schools, as well as for looking for opportunities to develop global partnerships.</p>	214,608	0.0
<p>X G. Bus/Equipment Replacement</p> <p>This recommendation utilizes one-time funding from transportation savings in FY 2015 to purchase buses and equipment in FY 2016. Purchasing buses will help reduce potential future costs for bus maintenance and will help address the significant number of buses that exceed FCPS' replacement guidelines. In addition, this funding will be used to address FCPS' significant underfunding of replacement computers and other equipment. While this funding represents only a small step towards addressing these significant infrastructure needs, it is an important step towards addressing these needs.</p>	1,516,861	0.0
	_____	_____
FY 2016 EXPENDITURE ADJUSTMENTS	\$77,289,530	0.0

both the County and School's Capital Improvement Program (CIP) and capital requirements. The final report of the committee included a recommendation to establish an Infrastructure Sinking Reserve Fund as a new budgetary mechanism for funding Infrastructure Replacement and Upgrade requirements. Principal funding for the Sinking Fund would come from a joint commitment to devote a designated amount or percentage of available carryover funds. This commitment was to begin with the FY 2014 carryover review, and the Committee suggested "ramping up" this commitment over three to five years until reaching a funding level of 20 percent of the unencumbered Carryover balances of both the County and Schools budget not needed for critical requirements. Both Boards agreed that the School Board may need additional time to reach this goal based on the need to address the School system's current structural budget imbalance. By allocating this funding, FCPS is contributing 50 percent of the five year implementation commitment in this initial year.

AMOUNT POSITIONS

FY 2016 TRANSFERS OUT ADJUSTMENTS	<u>\$5,219,510</u>	<u>0.0</u>
FY 2016 TOTAL DISBURSEMENT ADJUSTMENTS	<u>\$82,509,041</u>	<u>0.0</u>
FY 2016 TOTAL FUNDS AVAILABLE	<u>\$0</u>	

VI. AGENDA SUMMARY

FY 2015 ACTUAL REVENUE VARIANCE	(\$5,007,754)
FY 2015 ACTUAL EXPENDITURE VARIANCE (After beginning balance requirements, reserves, and commitments and carryover)	(38,224,985)
TOTAL FUNDS AVAILABLE	<u>\$33,217,231</u>
LESS FY 2017 BEGINNING BALANCE SET ASIDE	23,862,007
LESS PRIOR COMMITTED PRIORITIES AND REQUIREMENTS	
Food and Nutrition Indirect Rate	934,244
Major Maintenance	3,550,970
Joint BOS/SB Synthetic Turf Initiative	1,500,000
Joint BOS/SB Infrastructure Sinking Reserve Fund	168,540
LESS STRATEGIC PLAN INVESTMENTS	
Compensation Study & Website Content Mgmt. System	1,470,000
World Languages	214,608
Bus and Equipment Replacements	<u>1,516,861</u>
AVAILABLE ENDING BALANCE	<u>\$0</u>

VII. PRELIMINARY REQUIREMENTS FOR FY 2017

Fairfax County Public Schools expects the school year 2016-17 (FY 2017) budget to be a tremendous challenge with an anticipated deficit of more than \$100 million prior to any increase in the County transfer. With the county's budget guidance of a 3 percent increase in the transfer, the preliminary deficit is reduced to \$80 million.

It is important to note that the assumptions used will change and will be updated during the development of the multiyear fiscal forecast and for the FY 2017 budget development process. The forecast may also change in order to maintain a balanced budget and address School Board priorities.

The FY 2017 preliminary projections in the following chart are provided for planning purposes and do not represent a comprehensive list of requirements.

FY 2017 Preliminary Forecast Projections Estimates as of April 27, 2015		
(\$ in millions)	Change From FY 2016	Notes
Funds Available:		
Beginning Balance	\$ -	Assumes level funding with FY 2016
County Transfer (shown as level to project need)	-	Shown as level to project need
State Revenue - Impact of Enrollment Growth	4.1	Increase based on increasing enrollment
State Revenue - Reduction Placeholder	(19.5)	Placeholder for the possible impact of FCPS' LCI adjusting upward and loss of one-time compensation funding
Sales Tax	5.5	Increase of 3% projected
Federal Aid	-	No change projected
Fairfax City and Other Revenue	1.3	Reflects a 2% projected increase
Total Projected Funds Available	\$ (8.6)	
Expenditures:		
Enrollment and Demographic Changes	\$ 22.1	Projecting increasing enrollment and continued changes in student demographics
Base Savings (due to turnover)	(19.1)	Recurring turnover plus the estimated change in lapse
Salary Increases (Step + 1.5% MSA)	72.6	Step increase for eligible employees and a 1.5% MSA for all including hourly. General County 3.5% = performance + 1.5% MRA. Public Safety 3.5%-4% = Merit +1.5% MRA
Health Insurance Increase	14.2	Reflects a 6.5% increase
Retirement Rate Increases	31.4	Assumes an increase in VRS to 90% of the actuarial rate and an increase in FCERS
School Board Salaries	0.1	Funding for the portion of the salary increase not funded in FY 2016
Logistics	4.7	Assumes projected increase for contractual increases and buses
Transfers Out (Summer School, FECEP, Construction, and Adult ESOL)	0.2	Assumes reduced transfer to Construction Fund for equipment costs for new and renovated schools and 5% increase in FECEP transfer for compensation and VRS increases
Strategic Plan Identified Needs	???	
Total Projected Expenditures	\$ 126.2	
Projected Deficit Prior to County Transfer Increase	\$ (134.8)	

**All numbers are preliminary projections and will change throughout the process.
With the county's budget guidance of a 3 percent increase in the transfer,
totaling \$54.8 million, the preliminary deficit is reduced to \$80 million.**

VIII. OTHER FUNDS

SCHOOL CONSTRUCTION FUND

The FY 2015 actual funds available are \$14.6 million less than the budgeted amount when excluding the initiated projects but unissued bonds category. This is primarily due to \$22.8 million not yet received for the DOD federal grant for the new Fort Belvoir school building, offset by \$5.4 million in miscellaneous revenue received above the budgeted amount which includes County proffers; boosters, youth associations, and community support of turf fields; and funding received for schools' work orders. Transfers in reflect an increase of \$2.6 million from the Fairfax County Park Authority for the building of synthetic turf fields at South County Middle School. Funding of \$1.1 million is being recognized for turf field replacement, and this funding is being held in reserve pending future replacement needs. Organizations provide funds to FCPS annually as part of the terms that were specified when the fields were installed.

The available ending balance of \$38.1 million is 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 2016 Revised Budget reflects the reappropriation of unspent DOD federal grant funding of \$22.8 million. The federal grant funding is received on a cost reimbursement basis, so as construction expenses are incurred, revenue is then sought from the grant. In addition, the FY 2016 revised transfers in includes one-time funding of \$3.6 million for major infrastructure maintenance, \$1.5 million for the remaining commitment for the synthetic turf fields, and \$0.2 million for the Infrastructure Sinking Reserve Fund. The joint County-School Synthetic Turf initiative was part of the FY 2013 year-end process where both FCPS and the County agreed to support the funding of synthetic turf fields at the remaining eight high schools in the County.

As part of the County's FY 2016 Adopted Budget, the County's Budget Guidance includes the consideration of a one-time transfer to the School Construction Fund of \$13.1 million as part of the FY 2015 Carryover package. If approved, this additional funding would be recognized at the FY 2016 Midyear Budget Review.

FOOD AND NUTRITION SERVICES FUND

In FY 2015, expenditures in the Food and Nutrition Services (FNS) fund exceed revenue receipts by \$1.4 million, resulting in a decrease in the fund's reserve. Excluding the beginning balance, revenue in the FNS fund totals \$74.3 million and is \$2.7 million lower than the FY 2015 Third Quarter Budget Review primarily due to a 7.2 percent, or \$3.1 million, decrease in food sales, offset by an increase of \$0.4 million, or 1.2 percent, in federal aid. In FY 2015, lunch sales continued to decline due to mandated meal changes as part of the Federal Healthy Hunger-Free Kids Act, as well as the reduction of six serving days due to inclement weather. FCPS and schools nationwide continue to experience a decrease in the number of paid lunches served. FCPS served an average of 81,526 lunches daily in FY 2015 which is a 2.2 percent decrease compared to FY 2014.

Actual expenditures total \$75.8 million which is a decrease of \$6.0 million compared to the FY 2015 Third Quarter Budget Review primarily due to lower salary and employee benefits totaling \$2.0 million; a decrease of \$0.9 million paid in administrative indirect cost to the school operating fund based on the Virginia Department of Education (VDOE) indirect cost rate; lower expenditures of \$2.5 million in food costs; and a decrease of \$0.2 million in materials, equipment, other privatized services, and capital outlay.

The FY 2016 budget is adjusted to reflect an additional \$3.3 million available for beginning balance as compared to the projection in the FY 2014 Approved Budget. Additional reductions of \$1.2 million reflect the current downward trend in lunch sales offset by an increase in Federal Aid reimbursements for meals served during the summer. Expenditures are decreasing by \$32,438 due primarily to the decrease of \$0.9

million paid to the School Operating Fund for indirect cost based on the FY 2015 Virginia Department of Education (VDOE) indirect cost recovery rate which is set by the state annually, offset by an increase in expenditures of \$0.8 million in undelivered orders from FY 2015. In total, the revenue and expenditure adjustments result in an increase of \$2.1 million to the FNS' reserve, as compared to the projection included in the FY 2016 Approved Budget, bringing the reserve total to \$8.9 million in FY 2016. This reserve enables FNS to 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 has a FY 2015 balance of \$0.4 million. As of FY 2015 year-end, receipts and transfers total \$9.1 million, which is \$0.6 million, or 6.5 percent, lower than the \$9.7 million projected in the FY 2015 Third Quarter Budget Review. This variance is primarily due to lower tuition receipts than planned. Tuition is the primary revenue source for ACE, and course offerings are determined by community interest and demand. Actual tuition revenue of \$5.7 million is \$0.8 million, or 12.2 percent, lower than the estimate primarily due to harsh winter weather conditions that required class cancellations and the issuance of refunds. The lost tuition revenue is partially offset by favorable variances totaling \$0.2 million in federal, state, and other revenue.

Actual expenditures total \$9.0 million, a favorable variance of \$1.0 million, or 10.1 percent, as compared to the FY 2015 Third Quarter Budget Review. Expenditures are lower primarily due to less materials and supplies utilized and receipt of a larger expenditure credit for work performed for others (WPFO). The FY 2016 budget is revised to reflect the \$0.4 million available for the ACE Fund beginning balance including \$1,428 to fund expenditures related to outstanding encumbered obligations.

GRANTS AND SELF-SUPPORTING PROGRAMS FUND

The FY 2015 ending balance for the Grants and Self-Supporting Programs Fund totals \$12.9 million. The ending balance is comprised of \$7.4 million for summer school and \$5.5 million in grant revenues not yet expended. The FY 2016 budget is increasing by \$20.4 million and 7.0 positions due to new and revised grant awards and the reappropriation of the ending balance and multiyear grant awards.

Grants Subfund:

The FY 2015 ending balance for the Grants Subfund totals \$5.5 million and primarily represents grant revenues not yet expended for Cable Communications, Medicaid, State Technology Plan, Northrop Grumman STEM grant, Fairfax Network, College Night and Expanding Visions.

The FY 2016 budget for the Grants Subfund reflects a net increase of \$15.5 million due to revised grants awards and the reappropriation of the ending balance and multiyear grant awards. Of this amount, \$5.5 million represents ending balance; \$8.7 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; Project Aware; State Technology Plan; and \$1.3 million represents a new grant award for preschool expansion as listed below. Additionally, authorization is requested for a net increase of 7.0 positions.

Federal	Amount	Positions
Virginia Preschool Initiative Plus	\$1,314,397	5.5
Department of Defense Education Activity*	-	1.0
Title I, Part A	<u>-</u>	<u>0.5</u>
Total:	\$1,314,397	7.0

*Position authorization is requested; funding is reflected in the FY 2016 Revised Budget.

Summer School Subfund:

The FY 2015 ending balance in the Summer School Subfund is \$7.4 million, primarily due to lower than budgeted expenditures of \$3.8 million combined with \$2.6 million in reserve funding set aside at the FY 2015 Midyear Budget Review to fund the FY 2016 beginning balance. Lower than budgeted expenditures primarily include Summer Extended Learning Time and Extended School Year. Additionally, funding also was provided by the County to support the Bridges to Kindergarten Program. Revenue receipts were \$1.0 million higher than estimated due to additional state revenue for summer remediation programs and higher than projected tuition. After accounting for the FY 2016 beginning balance, \$2.9 million is carried forward to fund potential costs associated with increases in transportation services and the Summer Extended Learning Time Program, with the balance of \$2.0 million allocated to the reserve to be used if needed.

SCHOOL INSURANCE FUND

Total FY 2015 School Insurance Fund receipts of \$14.8 million are \$0.7 million, or 5.1 percent, higher than the FY 2015 Third Quarter Budget Review as a result of an increase in recovered costs (e.g., restitution and rebate payments). Total FY 2015 expenditures of \$12.8 million are \$5.1 million, or 28.5 percent, lower than the FY 2015 estimate of \$17.9 million (excluding the budget of \$9.4 million for the allocated reserve), primarily due to lower than projected liability claims experienced. FY 2015 year-end results reflect a \$1.5 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 2016 Approved Budget, the FY 2016 Revised Budget reflects a \$5.8 million increase in the beginning balance due to a combination of the additional revenue received from recovered costs and lower expenditures incurred as of FY 2015 year-end. In addition, as compared to the FY 2016 approved, the revised budget includes a \$4.2 million increase in the allocated reserve and a \$1.5 million increase in restricted reserves. The \$48,488 increase in FY 2016 projected expenditures is due to outstanding encumbered obligations at FY 2015 year-end related to property losses involving other vehicles.

SCHOOL HEALTH AND FLEXIBLE BENEFITS FUND

The Premium Stabilization Reserve (PSR) FY 2015 year-end balance totals \$37.7 million, which is a \$6.4 million, or 14.6 percent, decrease from the FY 2015 Third Quarter Budget Review. Total School Health and Flexible Benefits Fund FY 2015 revenue of \$350.7 million is \$13.7 million, or 3.8 percent, lower than the FY 2015 Third Quarter Budget Review primarily due to lower contributions. Actual contributions (employer, employee, and retiree contributions combined) total \$332.6 million, which is \$14.5 million, or 4.2 percent, lower than the FY 2015 estimate of \$347.0 million. The decrease in contribution revenue is slightly offset by an increase in revenue from federal and manufacturer drug subsidies and rebates, which reflects a net increase of \$0.8 million, or 8.3 percent. Effective August 2013, FCPS implemented an Employer Group Waiver Plan (EGWP), a new Medicare Part D prescription drug subsidy option that provides the fund with additional long-term savings for Medicare eligible retiree pharmacy claims.

School Health and Flexible Benefits Fund FY 2015 expenditures total \$358.1 million, which is a net decrease of \$7.3 million, or 2.0 percent, as compared to the FY 2015 Third Quarter Budget Review. The decrease is primarily due to lower actual FY 2015 health claims and premiums related expenditures totaling \$337.7 million, as compared to the FY 2015 estimate of \$343.6 million, which results in a favorable variance of \$5.9 million, or 1.7 percent. In addition, the fund's estimated claims incurred but not yet reported (IBNR) is lower than projected by \$0.9 million, or 3.7 percent, and Administrative Expenses are \$0.5 million, or 3.6 percent, less than the FY 2015 Third Quarter Estimate. A certified IBNR estimate will not be available until after FCPS' year-end close. Any required adjustments resulting from the certified IBNR will be incorporated in the FY 2016 Midyear Budget Review. Outstanding encumbered obligations totaling \$7,630 at FY 2015 year-end are reflected in projected expenditures in the FY 2016 Revised Budget.

SCHOOL CENTRAL PROCUREMENT FUND

In FY 2015, funds available totals \$5.3 million and expenditures total \$5.3 million. Beginning in FY 2016, financial activity previously reported in the Central Procurement Fund will be reported in the School Operating Fund. Enhancements in warehousing and purchasing have minimized the benefit of a stand-alone fund.

EDUCATIONAL EMPLOYEES' SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY FUND

The FY 2015 ending balance for the Educational Employees' Retirement System of Fairfax County (ERFC) Fund is \$2.2 billion, which is \$168.5 million, or 7.1 percent, lower than the FY 2015 Third Quarter Budget Review. FY 2015 receipts total \$176.7 million, a net decrease of \$179.9 million, or 50.5 percent, below the FY 2015 Third Quarter Budget Review. This decrease is primarily due to lower revenue from investments which total \$62.3 million; a decrease of \$179.5 million, or 74.2 percent, from the FY 2015 Third Quarter Budget Review. In addition, revenue from employer and employee contributions totals \$114.3 million, a decrease of \$0.4 million, or 0.4 percent.

ERFC expenditures total \$185.2 million, which is \$11.4 million, or 5.8 percent, lower than the FY 2015 Third Quarter Budget Review mainly due to lower than projected retirement benefits payments and refunds disbursements. Due to the timing of the FY 2015 Final Budget Review, final transactions from investment activities, including actual returns from June, and the impact of employee retirements occurring at year-end on expenditures will be incorporated in the FY 2016 Midyear Budget Review. The FY 2016 beginning balance includes a decrease of \$168.5 million as a result of the lower funding available at FY 2015 year-end. Outstanding encumbered obligations totaling \$3,166 at FY 2015 year-end are reflected in projected expenditures for the FY 2016 Revised Budget.

SCHOOL OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST FUND

The FY 2015 ending balance for the OPEB Trust Fund is \$96.2 million, which is \$3.6 million, or 3.6 percent, lower than the FY 2015 Third Quarter Budget Review estimate, due to lower investment returns as compared to the estimate. As a result of the timing of the FY 2015 Final Budget Review, final transactions from investment activities, including actual returns from June, will be incorporated in the FY 2016 Midyear Budget Review. Total revenue of \$28.5 million is \$14.7 million, or 34.0 percent, lower than the FY 2015 Third Quarter Budget Review estimate due to lower employer contributions. FY 2015 employer contributions of \$26.1 million reflect a decrease of \$11.1 million, or 29.9 percent, primarily due to less funding needed to cover implicit subsidies for retirees.

FY 2015 expenditures totaling \$16.2 million are lower than the FY 2015 Third Quarter Budget Review estimate by \$11.1 million, or 40.7 percent, mainly due to lower implicit subsidy expenses paid. Administrative expenses totaling \$78,412 are \$10,960, or 16.2 percent, higher than the estimate due to an increase in investment services expenditures in FY 2015. The FY 2016 Revised Budget includes a \$3.6 million decrease in the beginning balance as a result of the lower funding available at FY 2015 year-end.

SCHOOL CONSTRUCTION FUND STATEMENT

	<u>FY 2015 Third Quarter</u>	<u>FY 2015 Actual</u>	<u>Variance</u>	<u>FY 2016 Approved</u>	<u>FY 2016 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, July 1	\$ 74,804,908	\$ 74,804,908	\$ -	\$ -	\$ 38,148,659	\$ 38,148,659
RESERVES:						
Reserve For Turf Replacement	767,048	767,048	-	767,048	1,058,045	290,997
Total Reserve	\$ 767,048	\$ 767,048	\$ -	\$ 767,048	\$ 1,058,045	\$ 290,997
RECEIPTS:						
General Obligation Bonds	\$ 160,949,651	\$ 161,000,000	\$ 50,349	\$ 155,000,000	\$ 155,000,000	\$ -
Federal Grant - DOD Ft. Belvoir	23,798,603	1,045,882	(22,752,721)	-	22,752,721	22,752,721
City of Fairfax	20,000	-	(20,000)	20,000	20,000	-
TJHSST Tuition - Capital Costs	150,000	240,584	90,584	300,000	300,000	-
Miscellaneous Revenue	286,000	5,424,926	5,138,926	286,000	286,000	-
Turf Field Replacement Reserve	-	290,997	290,997	-	-	-
Total Receipts	\$ 185,204,254	\$ 168,002,388	\$ (17,201,866)	\$ 155,606,000	\$ 178,358,721	\$ 22,752,721
INITIATED PROJECTS BUT UNISSUED BONDS	\$ 247,921,217	\$ -	\$ (247,921,217)	\$ -	\$ 103,478,605	\$ 103,478,605
Total Referendums	\$ 247,921,217	\$ -	\$ (247,921,217)	\$ -	\$ 103,478,605	\$ 103,478,605
TRANSFERS IN:						
School Operating Fund						
Building Maintenance	\$ 10,000,000	\$ 10,000,000	\$ -	\$ 6,449,030	\$ 10,000,000	\$ 3,550,970
Classroom Equipment	369,898	369,898	-	397,756	397,756	-
Facility Modifications	600,000	600,000	-	600,000	600,000	-
Synthetic Turf Field Initiative	1,500,000	1,500,000	-	-	1,500,000	1,500,000
Joint BOS/SB Infrastructure Sinking Reserve Fund	-	-	-	-	168,540	168,540
County General Construction and Contributions Fund						
Synthetic Turf Field Initiative	1,500,000	4,063,700	2,563,700	-	-	-
Total Transfers In	\$ 13,969,898	\$ 16,533,598	\$ 2,563,700	\$ 7,446,786	\$ 12,666,296	\$ 5,219,510
Total Receipts and Transfers	\$ 447,095,369	\$ 184,535,986	\$ (262,559,383)	\$ 163,052,786	\$ 294,503,622	\$ 131,450,836
Total Funds Available	\$ 522,667,325	\$ 260,107,942	\$ (262,559,383)	\$ 163,819,834	\$ 333,710,326	\$ 169,599,495
EXPENDITURES AND COMMITMENTS:						
Expenditures	\$ 273,979,060	\$ 220,901,239	\$ (53,077,821)	\$ 163,052,786	\$ 229,173,676	\$ 66,120,890
Additional Contractual Commitments	247,921,217	-	(247,921,217)	-	103,478,605	103,478,605
Total Disbursements	\$ 521,900,277	\$ 220,901,239	\$ (300,999,038)	\$ 163,052,786	\$ 332,652,281	\$ 169,599,495
ENDING BALANCE, JUNE 30	\$ 767,048	\$ 39,206,704	\$ 38,439,656	\$ 767,048	\$ 1,058,045	\$ -
Less:						
Reserve For Turf Replacement	\$ 767,048	\$ 1,058,045	\$ 290,997	\$ 767,048	\$ 1,058,045	\$ 290,997
Available Ending Balance	\$ -	\$ 38,148,659	\$ 38,148,659	\$ -	\$ -	\$ -

FOOD AND NUTRITION SERVICES FUND STATEMENT

	<u>FY 2015 Third Quarter</u>	<u>FY 2015 Actual</u>	<u>Variance</u>	<u>FY 2016 Approved</u>	<u>FY 2016 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 13,755,425	\$ 13,755,425	\$ -	\$ 9,074,225	\$ 12,358,169	\$ 3,283,944
RECEIPTS:						
State Aid	\$ 1,041,326	\$ 1,041,978	\$ 652	\$ 1,149,874	\$ 1,149,874	\$ -
Federal Aid	33,288,517	33,674,483	385,966	35,750,825	35,987,618	236,792
Food Sales	42,691,664	39,600,140	(3,091,524)	42,445,758	40,978,124	(1,467,634)
Other Revenue	42,932	18,645	(24,287)	16,745	16,745	-
Total Receipts	\$ 77,064,439	\$ 74,335,246	\$ (2,729,193)	\$ 79,363,203	\$ 78,132,361	\$ (1,230,842)
Total Funds Available	\$ 90,819,864	\$ 88,090,671	\$ (2,729,193)	\$ 88,437,427	\$ 90,490,530	\$ 2,053,102
EXPENDITURES:						
Food and Nutrition Services General Reserve	\$ 81,745,639	\$ 75,775,565	\$ (5,970,074)	\$ 81,593,748	\$ 81,561,310	\$ (32,438)
	\$ 9,074,225	\$ -	\$ (9,074,225)	\$ 6,843,679	\$ 8,929,220	\$ 2,085,540
Total Disbursements	\$ 90,819,864	\$ 75,775,565	\$ (15,044,299)	\$ 88,437,427	\$ 90,490,530	\$ 2,053,102
Change in Inventory	\$ -	\$ (43,063)	\$ (43,063)	\$ -	\$ -	\$ -
ENDING BALANCE, JUNE 30	\$ -	\$ 12,358,169	\$ 12,358,169	\$ -	\$ -	\$ -
Less:						
Undelivered Orders	\$ -	\$ 785,324	\$ 785,324	\$ -	\$ -	\$ -
Inventory	-	1,825,116	1,825,116	-	-	-
Available Ending Balance	\$ -	\$ 9,747,729	\$ 9,747,729	\$ -	\$ -	\$ -

ADULT & COMMUNITY EDUCATION FUND STATEMENT

	<u>FY 2015 Third Quarter</u>	<u>FY 2015 Actual</u>	<u>Variance</u>	<u>FY 2016 Approved</u>	<u>FY 2016 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 366,524	\$ 366,524	\$ -	\$ -	\$ 380,260	\$ 380,260
RECEIPTS:						
State Aid	\$ 922,815	\$ 948,398	\$ 25,583	\$ 936,843	\$ 936,843	\$ -
Federal Aid	1,666,438	1,770,597	104,159	1,666,438	1,666,438	-
Tuition and Fees	6,469,475	5,682,604	(786,871)	6,367,913	6,367,913	-
Other	403,096	425,665	22,569	417,269	417,269	-
Total Receipts	\$ 9,461,824	\$ 8,827,263	\$ (634,561)	\$ 9,388,462	\$ 9,388,462	\$ -
TRANSFERS IN:						
School Operating Fund	\$ 235,000	\$ 235,000	\$ -	\$ 235,000	\$ 235,000	\$ -
Total Transfers In	\$ 235,000	\$ 235,000	\$ -	\$ 235,000	\$ 235,000	\$ -
Total Receipts and Transfers	\$ 9,696,824	\$ 9,062,263	\$ (634,561)	\$ 9,623,462	\$ 9,623,462	\$ -
Total Funds Available	\$ 10,063,348	\$ 9,428,787	\$ (634,561)	\$ 9,623,462	\$ 10,003,723	\$ 380,260
EXPENDITURES:	\$ 10,063,348	\$ 9,048,527	\$ (1,014,821)	\$ 9,623,462	\$ 10,003,723	\$ 380,260
ENDING BALANCE, JUNE 30	\$ -	\$ 380,260	\$ 380,260	\$ -	\$ -	\$ -
Less:						
Undelivered Orders	\$ -	\$ 1,428	\$ 1,428	\$ -	\$ -	\$ -
Available Ending Balance	\$ -	\$ 378,832	\$ 378,832	\$ -	\$ -	\$ -

GRANTS & SELF-SUPPORTING PROGRAMS FUND STATEMENT

	<u>FY 2015 Third Quarter</u>	<u>FY 2015 Actual</u>	<u>Variance</u>	<u>FY 2016 Approved</u>	<u>FY 2016 Revised</u>	<u>Variance</u>
BEGINNING BALANCE						
Grants	\$ 6,978,438	\$ 6,978,438	\$ -	\$ -	\$ 5,514,396	\$ 5,514,396
Summer School	10,039,351	10,039,351	-	2,550,968	7,383,439	4,832,471
BEGINNING BALANCE, JULY 1	\$ 17,017,789	\$ 17,017,789	\$ -	\$ 2,550,968	\$ 12,897,835	\$ 10,346,867
RECEIPTS:						
Grants						
State Aid	\$ 9,088,785	\$ 8,102,232	\$ (986,553)	\$ 7,915,737	\$ 8,681,255	\$ 765,518
Federal Aid	36,432,621	29,679,056	(6,753,565)	30,174,606	39,425,204	9,250,597
Industry, Foundation, Other	806,823	934,088	127,265	-	15,150	15,150
Unallocated Grants	6,000,000	-	(6,000,000)	6,000,000	6,000,000	-
Summer School						
State Aid	2,100,000	2,533,133	433,133	2,100,000	2,100,000	-
Tuition	2,010,330	2,546,543	536,213	2,639,441	2,639,441	-
Industry, Foundation, Other	-	34,717	34,717	-	-	-
Total Receipts	\$ 56,438,559	\$ 43,829,769	\$ (12,608,790)	\$ 48,829,785	\$ 58,861,050	\$ 10,031,265
TRANSFERS IN:						
School Operating Fund (Grants)	\$ 9,029,576	\$ 9,029,576	\$ -	\$ 9,029,576	\$ 9,029,576	\$ -
School Operating Fund (Summer School)	8,756,398	8,756,398	-	8,756,398	8,756,398	-
Cable Communications Fund (Grants)	2,607,314	2,607,314	-	3,282,217	3,282,217	-
Total Transfers In	\$ 20,393,288	\$ 20,393,288	\$ -	\$ 21,068,191	\$ 21,068,191	\$ -
Total Funds Available	\$ 93,849,636	\$ 81,240,846	\$ (12,608,790)	\$ 72,448,944	\$ 92,827,076	\$ 20,378,132
EXPENDITURES:						
Grants	\$ 64,943,557	\$ 51,816,309	\$ (13,127,249)	\$ 50,402,137	\$ 65,947,798	\$ 15,545,661
Unallocated Grants	6,000,000	-	(6,000,000)	6,000,000	6,000,000	-
Summer School	20,355,111	16,526,703	(3,828,408)	16,046,807	18,897,720	2,850,913
Total Expenditures	\$ 91,298,668	\$ 68,343,012	\$ (22,955,657)	\$ 72,448,944	\$ 90,845,518	\$ 18,396,574
RESERVES:						
General Summer School Reserve	\$ 2,550,968	\$ -	\$ (2,550,968)	\$ -	\$ 1,981,558	\$ 1,981,558
Total Disbursements	\$ 93,849,636	\$ 68,343,012	\$ (25,506,625)	\$ 72,448,944	\$ 92,827,076	\$ 20,378,132
ENDING BALANCE, JUNE 30	\$ -	\$ 12,897,835	\$ 12,897,835	\$ -	\$ -	\$ -
Less:						
Undelivered Orders	-	1,134,486	1,134,486	-	-	-
Available Ending Balance	\$ -	\$ 11,763,349	\$ 11,763,349	\$ -	\$ -	\$ -

SCHOOL INSURANCE FUND STATEMENT

	FY 2015 <u>Third Quarter</u>	FY 2015 <u>Actual</u>	<u>Variance</u>	FY 2016 <u>Approved</u>	FY 2016 <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 49,246,200	\$ 49,246,200	\$ -	\$ 45,452,485	\$ 51,268,417	\$ 5,815,932
RECEIPTS:						
Workers' Compensation						
School Operating Fund	\$ 9,238,928	\$ 9,238,928	\$ -	\$ 8,238,928	\$ 8,238,928	\$ -
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	769,520	719,520	50,000	50,000	-
Federal and State Revenue	-	-	-	-	-	-
Total Receipts	\$ 14,081,339	\$ 14,800,859	\$ 719,520	\$ 13,081,339	\$ 13,081,339	\$ -
Total Funds Available	\$ 63,327,539	\$ 64,047,059	\$ 719,520	\$ 58,533,824	\$ 64,349,756	\$ 5,815,932
EXPENDITURES:						
Workers' Compensation Administration	\$ 643,656	\$ 732,194	\$ 88,538	\$ 669,033	\$ 669,033	\$ -
Workers' Compensation Claims Paid	9,127,554	6,138,112	(2,989,442)	9,171,000	9,171,000	-
Workers' Compensation Claims Management	1,000,000	1,011,541	11,541	1,000,000	1,000,000	-
Other Insurance	7,103,844	4,896,795	(2,207,049)	6,464,211	6,512,699	48,488
General Reserves	9,446,932	-	(9,446,932)	5,224,027	9,466,164	4,242,137
Total Expenditures	\$ 27,321,986	\$ 12,778,642	\$ (14,543,344)	\$ 22,528,271	\$ 26,818,896	\$ 4,290,625
Net change in accrued liabilities-Workers' Comp	\$ -	\$ 1,559,823	\$ 1,559,823	\$ -	\$ -	\$ -
Net change in accrued liabilities-Other Insurance	-	(34,516)	(34,516)	-	-	-
Net Change in Accrued Liability	\$ -	\$ 1,525,307	\$ 1,525,307	\$ -	\$ -	\$ -
ENDING BALANCE, June 30	\$ 36,005,553	\$ 51,268,417	\$ 15,262,864	\$ 36,005,553	\$ 37,530,860	\$ 1,525,307
Less:						
Undelivered Orders	\$ -	\$ 48,488	\$ 48,488	\$ -	\$ -	\$ -
Available Ending Balance	\$ 36,005,553	\$ 51,219,929	\$ 15,214,376	\$ 36,005,553	\$ 37,530,860	\$ 1,525,307
Restricted Reserves						
Workers' Compensation Accrued Liability	\$ 31,263,388	\$ 32,823,211	\$ 1,559,823	\$ 31,263,388	\$ 32,823,211	\$ 1,559,823
Other Insurance Accrued Liability	4,742,165	4,707,649	(34,516)	4,742,165	4,707,649	(34,516)
Allocated Reserves	-	13,689,069	13,689,069	-	-	-
Total Reserves	\$ 36,005,553	\$ 51,219,929	\$ 15,214,376	\$ 36,005,553	\$ 37,530,860	\$ 1,525,307

SCHOOL CENTRAL PROCUREMENT FUND STATEMENT

	<u>FY 2015 Third Quarter</u>	<u>FY 2015 Actual</u>	<u>Variance</u>	<u>FY 2016 Approved</u>	<u>FY 2016 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 310,989	\$ 310,989	\$ -	\$ -	\$ -	\$ -
RECEIPTS:						
Sales to Schools/Departments	\$ 6,500,000	\$ 5,028,892	\$ (1,471,108)	\$ -	\$ -	\$ -
Total Funds Available	<u>\$ 6,810,989</u>	<u>\$ 5,339,881</u>	<u>\$ (1,471,108)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES	\$ 6,500,000	\$ 5,339,881	\$ (1,160,119)	\$ -	\$ -	\$ -
ENDING BALANCE, JUNE 30	<u>\$ 310,989</u>	<u>\$ -</u>	<u>\$ (310,989)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	<u>FY 2015 Third Quarter</u>	<u>FY 2015 Actual</u>	<u>Variance</u>	<u>FY 2016 Approved</u>	<u>FY 2016 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 2,204,909,399	\$ 2,204,909,399	\$ -	\$ 2,364,872,501	\$ 2,196,386,808	\$ (168,485,694)
RECEIPTS:						
Contributions	\$ 114,766,099	\$ 114,332,321	\$ (433,778)	\$ 116,194,107	\$ 116,194,107	\$ -
Investment Income	241,818,219	62,321,614	(179,496,604)	266,450,000	266,450,000	-
Total Receipts	<u>\$ 356,584,318</u>	<u>\$ 176,653,935</u>	<u>\$ (179,930,382)</u>	<u>\$ 382,644,107</u>	<u>\$ 382,644,107</u>	<u>\$ -</u>
Total Funds Available	\$ 2,561,493,716	\$ 2,381,563,334	\$ (179,930,382)	\$ 2,747,516,608	\$ 2,579,030,915	\$ (168,485,694)
EXPENDITURES	\$ 196,621,215	\$ 185,176,526	\$ (11,444,689)	\$ 207,876,796	\$ 207,879,962	\$ 3,166
ENDING BALANCE, JUNE 30	\$ 2,364,872,501	\$ 2,196,386,808	\$ (168,485,694)	\$ 2,539,639,812	\$ 2,371,150,953	\$ (168,488,859)
Less:						
Undelivered Orders	\$ -	\$ 3,166	\$ 3,166	\$ -	\$ -	\$ -
AVAILABLE BALANCE	<u>\$ 2,364,872,501</u>	<u>\$ 2,196,383,642</u>	<u>\$ (168,488,859)</u>	<u>\$ 2,539,639,812</u>	<u>\$ 2,371,150,953</u>	<u>\$ (168,488,859)</u>

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

	<u>FY 2015 Third Quarter</u>	<u>FY 2015 Actual</u>	<u>Variance</u>	<u>FY 2016 Approved</u>	<u>FY 2016 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 83,877,338	\$ 83,877,338	\$ -	\$ 99,789,843	\$ 96,204,494	\$ (3,585,349)
REVENUE:						
Employer Contributions	\$ 37,232,000	\$26,097,000	\$ (11,135,000)	\$21,689,000	\$21,689,000	\$ -
Net Investment Income	5,979,957	2,405,567	(3,574,390)	6,927,149	6,927,149	-
Total Revenue	\$ 43,211,957	\$ 28,502,567	\$ (14,709,390)	\$ 28,616,149	\$ 28,616,149	\$ -
TOTAL FUNDS AVAILABLE	\$ 127,089,295	\$ 112,379,906	\$ (14,709,390)	\$ 128,405,992	\$ 124,820,643	\$ (3,585,349)
EXPENDITURES:						
Benefits Paid	\$ 27,232,000	\$16,097,000	\$ (11,135,000)	\$16,689,000	\$16,689,000	\$ -
Administrative Expenses	67,452	78,412	10,960	70,500	70,500	-
Total Expenditures	\$ 27,299,452	\$ 16,175,412	\$ (11,124,041)	\$ 16,759,500	\$ 16,759,500	\$ -
ENDING BALANCE, JUNE 30	\$ 99,789,843	\$ 96,204,494	\$ (3,585,349)	\$ 111,646,492	\$ 108,061,143	\$ (3,585,349)

**SUPPLEMENTAL APPROPRIATION RESOLUTION
FY 2016**

BE IT RESOLVED that the Fairfax County School Board requests the County Board of Supervisors to amend the FY 2016 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	\$2,514,738,412	\$2,599,969,258	\$85,230,846
S31000	School Construction Operating Expenditures	\$163,052,786	\$332,652,281	\$169,599,495
S40000	School Food & Nutrition Services Operating Expenditures	\$88,437,427	\$90,490,530	\$2,053,102
S43000	School Adult & Community Education Operating Expenditures	\$9,638,432	\$10,003,723	\$365,291
S50000	School Grants & Self-Supporting Operating Expenditures	\$71,913,207	\$92,827,076	\$20,913,869
S60000	Public Schools Insurance Fund Operating Expenditures	\$22,528,271	\$26,818,896	\$4,290,625
S62000	School Health and Flexible Benefits Trust Fund Operating Expenditures	\$391,304,102	\$384,858,257	(\$6,445,845)
S71000	School Educational Employees' Supplementary Retirement System Trust Fund Operating Expenditures	\$207,876,796	\$207,879,962	\$3,166
S71100	School Other Post Employment Benefits Trust Fund Operating Expenditures	\$16,759,500	\$16,759,500	\$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 2015 Final Budget Review, at a regular meeting held on July 23, 2015, at Luther Jackson Middle School, Falls Church, Virginia.

Date

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

**FISCAL PLANNING RESOLUTION
FY 2016**

BE IT RESOLVED that the Fairfax County School Board requests the County Board of Supervisors to amend the FY 2016 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	\$7,446,786	\$12,666,296	\$5,219,510
		S43000	School Adult & Community Education	\$235,000	\$235,000	\$0
		S50000	School Grants & Self Supporting	\$17,785,974	\$17,785,974	\$0
		C20000	Consolidated Debt Service	\$3,468,575	\$3,468,575	\$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 2015 Final Budget Review, at a regular meeting held on July 23, 2015, 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 2015
Date: June 30, 2015**

Update for FY 2015 Grants

This report provides the status of competitive grants for FY 2015:

- Competitive grants submitted: \$30.5 million (71 grants)
- Competitive grants awarded: \$27.1 million (43 grants)
- Competitive grants pending: \$2.3 million (23 grants)
- Competitive grants denied: \$1.1 million (5 grants)

The status of FY 2015 entitlement grants* is as follows:

- Entitlement grants submitted: \$63.4 million (17 grants)
- Entitlement grants awarded: \$31.9 million (14 grants)
- Entitlement grants pending: \$34.4 million (3 grants)

**Totals are not equal as the amount awarded may differ from the amount requested.*