

Revised July 20, 2001

SCHOOL BOARD AGENDA ITEM

Agenda Item No. _____

Prepared July 11, 2001

New Business: July 12, 2001

ACTION: July 26, 2001

Staff Contact: Charles Woodruff, Chief Financial Officer, Financial Services

SUBJECT: FY 2001 Final Budget Review

RECOMMENDATION:

That the School Board approve revenue and expenditure adjustments included in this agenda.

EXPLANATION:

All FY 2001 accounts have been closed, subject to the annual independent audit. A summary of revenue and expenditure variances is provided for each of the funds under the control of the School Board. All comparisons are against the FY 2001 estimate.

If the School Board approves the FY 2002 recommended expenditure adjustments totaling \$4.9 million, \$3.5 million will be allocated as beginning balance for FY 2003 or used to offset any potential shortfall in FY 2002.

The description for item D in expenditure section III, Federal Class Size Reduction Grant, was revised. The agenda also includes attachment 8, Grants Development Summary for FY 2000 and FY 2001.

Attachments

	<u>AMOUNT</u>
I. FY 2001 ACTUAL	
A. Revenue	
1. State Aid	(\$540,557)
<p>This reduction is primarily from a loss of \$608,450 in basic aid due to the sales tax estimate used in the basic aid calculation being frozen when a revised FY 2001 budget was not passed by the General Assembly during the 2001 session.</p>	
2. Federal Aid	(927,053)
<p>A net decrease in federal receipts is due to \$3.2 million in unspent grant awards being carried forward and re-appropriated in FY 2002.</p>	
3. Tuition, Fees, and Other	2,704,619
<p>Other additional receipts are primarily due to out-of-county tuition, miscellaneous revenue, and facilities use receipts.</p>	
TOTAL REVENUE	<u>\$1,237,009</u>
B. Expenditures	\$6,649,842
<p>Expenditures were \$6.6 million less than projected for an overall accuracy rate of 99.53 percent. The accounts with remaining balances primarily include salaries, benefits, and funding for grants.</p>	
FY 2001 BALANCE	<u>\$7,886,851</u>

	<u>AMOUNT</u>
II. FY 2002 REVENUE ADJUSTMENTS	
A. Federal Class Size Reduction Grant	\$482,369
<p>Increased revenue has been received from the federal Class Size Reduction grant in the amount of \$482,369. These funds will provide six additional schools with a teacher to lower class size during language arts or math. An offsetting expenditure increase is included in expenditure section III, item D.</p>	
TOTAL FY 2002 REVENUE ADJUSTMENTS	<u>\$482,369</u>

	<u>AMOUNT</u>	<u>POSITIONS</u>
III. FY 2002 EXPENDITURE ADJUSTMENTS		
A. Reimburse Flexibility Reserve	\$1,303,669	
<p>At the FY 2001 Third-Quarter Budget Review, the School Board authorized the use of \$1.3 million from the flexibility reserve to primarily offset a \$1.7 million reduction in state aid and to provide \$2.0 million for higher utility expenditures related to natural gas price increases. This item will restore the flexibility reserve to its original \$8.0 million balance.</p>		
B. Substitutes for Sick and Personal Leave	1,400,000	
<p>Actual FY 2001 expenditures for teacher sick and personal leave totaled \$8.9 million and exceeded the budget by approximately \$1.6 million. An additional \$1.4 million is required to realign the FY 2002 budget. These additional funds will increase the FY 2002 budget from \$8.0 to \$9.4 million.</p>		
C. Virginia High School League (VHSL) Travel	500,000	
<p>The shortage of bus drivers has forced schools to rely more on commercial carriers to transport students to VHSL activities. Transportation costs for VHSL activities have more than doubled since FY 1999. In FY 2001, VHSL transportation costs were \$1.8 million, exceeding the budget by \$.5 million. An additional \$.5 million is required to realign the FY 2002 budget to fund expenditures of \$1.8 million. In FY 2002 cost containment efforts such as training school personnel to drive FCPS buses to transport students to VHSL activities will be expanded.</p>		

	<u>AMOUNT</u>	<u>POSITIONS</u>
D. Federal Class Size Reduction Grant	482,369	6.0
<p>This item has a corresponding revenue increase narrated in section II, item A. Increased revenue has been received from the Federal Class Size Reduction grant in the amount of \$482,369. These funds will provide six additional schools with a teacher to lower class size during language arts or math. Hutchison, Fort Belvoir, and Halley Elementary Schools, Excel schools that also chose their instructional model will receive an extra teacher. The remaining three positions are for schools with low SAI scores, McNair, Mosby Woods, and Centre Ridge Elementary Schools.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>Increased revenue has been received from the federal Class Size Reduction grant in the amount of \$482,369. These funds will supply six additional schools with a teacher to lower class size during language arts or math. Hutchison, Fort Belvoir, and Halley Elementary Schools, have chosen their Excel instructional model and will receive an extra teacher. Two schools with low SAI scores, Mosby Woods and Centre Ridge Elementary Schools, will each receive an additional teacher. The sixth position will go to McNair Elementary School.</p> </div>		
E. Heat and Smoke Detectors	422,357	
<p>Funding is required to install smoke and heat detectors at 10 elementary schools and Lake Braddock Secondary School. The cost to install the detectors is \$32,489 at each elementary school and \$97,467 at Lake Braddock Secondary School.</p>		
F. Property Insurance Premium	400,000	
<p>In a July 12, 2001, memo from the Superintendent, the School Board was informed of an increase to the property insurance premium from \$.4 million to \$.9 million. This additional cost is attributable to an increase in the rate and an increase in the FCPS property valuation. An additional \$.4 million is required to offset the higher premium costs.</p>		
G. County Computer Center Charges	140,457	
<p>FCPS' financial data resides on the county's mainframe as a result of consolidating the financial systems with the county. Accordingly, the county charges a fee to FCPS based on the number of transactions processed and stored. This fee has increased from \$1 million to \$1.1 million.</p>		

	<u>AMOUNT</u>	<u>POSITIONS</u>
H. Mileage Reimbursement	134,836	
<p>The county Board of Supervisors approved an increase in the mileage reimbursement rate, approximately 12 percent, from 29 cents to 32.5 cents. This increase will be effective August 1, 2001, for FCPS employees. An additional \$134,836 is needed for FCPS to match the new county rate.</p>		
I. Student Activities	67,840	
<p>The following adjustments to student activity accounts are required:</p>		
<p>a. Police Security \$15,840 FCPS was notified by the police department that the hourly rate will increase from \$45 per hour to \$50 per hour.</p>		
<p>b. Post Season Travel \$20,000 Additional funding for post season VHSL travel is required due to the overall success of FCPS' athletic teams earning opportunities for state championship competition and the addition of statewide VHSL programs.</p>		
<p>c. Officials Fees \$32,000 As a result of new negotiated contracts with the various officials associations that provide services to FCPS' athletic program, additional funding is needed to cover an increase in officials' fees. Contracts were not finalized by the FY 2002 budget deadline.</p>		
J. Time-Out Rooms	0	20.0
<p>When the School Board adopted the FY 2002 budget, funding and positions for the Time-Out Room program were eliminated. However, \$500,000 in placeholder funds was allocated to allow the Superintendent to develop plans to transition from centrally mandated time-out rooms to other means of dealing with disruptive students. Position authorization is required to add 20.0 instructional assistants for the revised program.</p>		
K. Excel Instructional Model	0	3.0
<p>Position authorization is required for 3.0 teachers in order for three Excel schools (Annandale Terrace, Glen Forest, and Graham Road Elementary Schools) to implement their selected instructional model. Existing Focus and Excel schools funds will be used to offset the cost of these positions.</p>		

	<u>AMOUNT</u>	<u>POSITIONS</u>
L. International Baccalaureate Middle Years Programme (IBMYP)	0	1.5
<p>Position authorization is required for a 0.5 teacher position at Glasgow, Whitman, and Hughes Middle Schools. With this addition, each school will have a 1.0 IB coordinator to coordinate the IBMYP. The cost of these positions will be offset from existing Focus funds.</p>		
M. Administrative Reductions	0	(19.5)
<p>When the School Board adopted the FY 2002 budget, an item to reduce administrative costs by \$1.0 million was approved. Authorization is required to eliminate the 19.5 positions included in this reduction.</p>		
N. FY 2003 Beginning Balance	3,517,692	
<p>Approximately \$3.5 million has been identified after all FY 2001 year-end and FY 2002 adjustments. It is recommended that these funds be designated as beginning balance for FY 2003 or used to offset any potential shortfalls in FY 2002.</p>		
TOTAL FY 2002 RECOMMENDED EXPENDITURE ITEMS	<u>\$8,369,220</u>	<u>11.0</u>

FOOD AND NUTRITION SERVICES FUND

The Food and Nutrition Services Fund ending balance for FY 2001 was \$10.6 million, which is reduced to \$7.7 million when undelivered orders of \$1.4 million and inventory of \$1.5 million are deducted.

An additional 1.5 positions for one payroll and a 0.5 accounting position are recommended for FY 2002. The total cost for salaries and benefits is \$63,098.

GRANTS AND SELF-SUPPORTING FUND

Grants Subfund:

Appropriations in the grants subfund are increasing \$5.2 million due to the carryover of FY 2001 unspent grant awards to FY 2002 of \$4.7 million and additional increases of \$484,173 due to revised awards for the Virginia Satellite Education Network of \$13,000 and for continuation of the Goals 2000 grant of \$471,173. Position changes include a reduction of 1.0 position due to a revision of the Glasgow Gear-Up grant; an addition of 0.4 position for the Virginia Preschool Initiative revised contract; and the restoration of 1.75 positions to continue the Glasgow Community Center grant funded by carryover balances through the end of the grant year.

Summer School Subfund:

The FY 2001 ending balance of the Summer School Subfund is \$3.3 million. After deducting the budgeted ending balance of \$2.9 million and undelivered orders of \$0.2 million, the available balance is \$0.2 million.

ADULT AND COMMUNITY EDUCATION FUND

The FY 2001 ending balance of the Adult and Community Education (ACE) Fund is \$3.8 million. Of this amount, \$2.6 million is designated for the ACE registration system project and \$0.2 million is for undelivered orders. FY 2002 revenue and expenditures are increased by \$0.3 million due to continuing grant awards.

SCHOOL CONSTRUCTION FUND

An increase of \$241.9 million in the School Construction Fund is due to project balances being carried forward and reallocated in FY 2002 and to an increase in the facility modification transfer from the School Operating Fund. Total project costs for multiyear construction projects are allocated when the jobs are contracted and unspent balances are carried forward into future fiscal years until the projects are completed.

SCHOOL INSURANCE FUND

The School Insurance Fund has been revised to reflect FY 2001 actual cost experience in workers' compensation and general liability insurance accounts. Total fund expenditures were \$1.4 million below the FY 2001 estimate. This was due primarily to a \$1.0 million savings in workers' compensation prior medical and indemnity claims costs and a reduction in the workers' compensation accrued liability. An additional \$0.4 million in savings in other insurance was due to lower than anticipated costs for legal and other professional services. This additional \$1.4 million to the School Insurance Fund balance will substantially reduce the budgeted fund deficit in FY 2002.

For FY 2002, the workers' compensation and administration expenses have been adjusted to recognize anticipated costs in the fund. In addition, the FY 2002 cost of other insurance is expected to increase by \$0.4 million due to a property insurance rate increase.

HEALTH AND FLEXIBLE BENEFITS FUND

The Health and Flexible Benefits Fund has been revised to reflect actual FY 2001 revenue and expenditures. Actual receipts were \$3.9 million above FY 2001 estimates primarily due to increased enrollment in the HealthChoice and Aetna plans. Total expenditures were \$9.3 million above estimates due to increased claims experience in all health plans, an increase in Claims Incurred But Not Reported (IBNR), and costs associated with the health and dental RFPs coordinated by Towers Perrin. These and other minor adjustments decreased the claims stabilization reserve to \$4.5 million.

The FY 2002 Approved Budget has been revised to account for these changes. Due to anticipated growth in enrollment in all health plans, combined with significant rate increases, receipts are expected to increase by \$11.2 million. These changes are projected to account for an additional \$9.4 million in health benefits paid and other administrative costs. These adjustments result in a claims stabilization reserve final balance of \$3.5 million.

Changes in enrollment for both active employees and retirees, will be monitored closely during FY 2002. An update will be provided to the School Board during the next quarterly review.

CENTRAL PROCUREMENT FUND

The ending balance on June 30, 2001, was \$1.2 million. This amount includes undelivered orders totaling \$1.1 million, resulting in an available balance of \$0.1 million. The ending balance represents inventory that has been charged to schools and items available for sale.

EDUCATIONAL EMPLOYEES OF FAIRFAX COUNTY DEFINED BENEFIT PLAN

The FY 2001 ending balance for the Educational Employees of Fairfax County Defined Benefit Plan is \$1.52 billion. This reflects the fund's market value and includes realized and unrealized gains and losses through May 31, 2001, and estimated earnings for June 2001.

FY 2001 revenues from contributions totaled \$47.2 million. This was slightly under the fiscal year estimate. Investment income is projected at an assumed rate of return equal to 7.5 percent or \$119.4 million. Due to the volatility of the equity markets, actual investment income was \$38.0 million for FY 2001. Expenditures for FY 2001 totaled \$95.8 million, approximately \$8.2 million less than the FY 2001 estimate. Expenses for benefit payments, investment manager fees, and security lending expenses were less than projected.

SCHOOL OPERATING FUND STATEMENT

	FY 2001 <u>Estimate</u>	FY 2001 <u>Actual</u>	<u>Variance</u>	FY 2002 <u>Approved</u>	FY 2002 <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, July 1:						
Budgeted Beginning Balance	\$15,382,090	\$15,382,090	\$0	\$7,000,000	\$5,000,000	(\$2,000,000)
Flexibility Reserve	8,000,000	8,000,000	-	-	6,396,331	6,396,331
Undelivered Orders	17,637,163	17,637,163	-	-	19,123,496	19,123,496
Automatic Carryover	4,206,673	4,206,673	-	-	6,890,004	6,890,004
Unencumbered Carryover	5,260,546	5,260,546	-	-	5,782,818	5,782,818
Grants Carryover	148,452	148,452	-	-	198,617	198,617
Available Balance	<u>6,133,921</u>	<u>6,133,921</u>	<u>-</u>	<u>-</u>	<u>7,886,851</u>	<u>7,886,851</u>
Total Beginning Balance	\$56,768,845	\$56,768,845	\$0	\$7,000,000	\$51,278,117	\$44,278,117
RECEIPTS:						
Sales Tax	\$104,417,513	\$104,417,513	\$0	\$110,160,476	\$110,160,476	\$0
State Aid	213,560,820	213,020,263	(540,557)	213,331,089	213,331,089	-
Federal Aid	29,128,070	28,201,017	(927,053)	26,715,245	30,429,295	3,714,050
City of Fairfax Tuition	23,903,048	23,903,048	-	25,800,000	25,800,000	-
Tuition, Fees, and Other	9,976,332	12,680,951	2,704,619	8,541,372	8,541,372	-
Total Receipts	\$380,985,783	\$382,222,792	\$1,237,009	\$384,548,182	\$388,262,232	\$3,714,050
TRANSFERS IN:						
County General Fund:						
Approved Operating Transfer	\$986,379,544	\$986,379,544	\$0	\$1,076,468,650	\$1,076,468,650	\$0
Anticipated FY 2001 Carryover	-	-	-	-	2,000,000	2,000,000
Teacher Liability Payment	1,621,364	1,621,364	-	1,621,364	1,621,364	-
School Insurance Fund	-	-	-	1,516,947	1,516,947	-
Total Transfers In	\$988,000,908	\$988,000,908	\$0	\$1,079,606,961	\$1,081,606,961	\$2,000,000
Total Receipts & Transfers	\$1,368,986,691	\$1,370,223,700	\$1,237,009	\$1,464,155,143	\$1,469,869,193	\$5,714,050
Total Funds Available	\$1,425,755,536	\$1,426,992,545	\$1,237,009	\$1,471,155,143	\$1,521,147,310	\$49,992,167
EXPENDITURES						
School Board Reserve	\$1,388,373,292	\$1,351,728,515	(\$36,644,777)	\$1,443,986,371	\$1,485,355,344	\$41,368,973
School Board Reserve	6,396,331	-	(6,396,331)	-	8,000,000	8,000,000
Teacher Liability Payment	1,621,364	1,621,364	-	1,621,364	1,621,364	-
Total Expenditures	\$1,396,390,987	\$1,353,349,879	(\$43,041,108)	\$1,445,607,735	\$1,494,976,708	\$49,368,973
TRANSFERS OUT:						
School Construction Fund	\$9,179,856	\$9,179,856	\$0	\$13,106,550	\$13,729,744	\$623,194
Grants & Self-Supporting Fund	8,413,428	8,413,428	-	11,071,821	11,071,821	-
Adult & Community Education Fund	3,683,218	3,683,218	-	1,100,131	1,100,131	-
School Debt Service Fund	833,926	833,926	-	-	-	-
Health and Flexible Benefits Fund	254,121	254,121	-	268,906	268,906	-
Total Transfers Out	\$22,364,549	\$22,364,549	\$0	\$25,547,408	\$26,170,602	\$623,194
Total Disbursements	\$1,418,755,536	\$1,375,714,428	(\$43,041,108)	\$1,471,155,143	\$1,521,147,310	\$49,992,167
ENDING BALANCE, June 30:	\$7,000,000	\$51,278,117	\$44,278,117	\$0	\$0	\$0
Less:						
Budgeted Ending Balance	\$7,000,000	\$5,000,000	(\$2,000,000)	\$0	\$0	\$0
Flexibility Reserve	-	6,396,331	6,396,331	-	-	-
Other Commitments	-	31,994,935	31,994,935	-	-	-
Available Ending Balance	\$0	\$7,886,851	\$7,886,851	\$0	\$0	\$0

FOOD AND NUTRITION SERVICES FUND STATEMENT

	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2001</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2002</u> <u>Approved</u>	<u>FY 2002</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$12,438,224	\$12,438,224	\$0	\$6,719,517	\$10,589,848	\$3,870,331
RECEIPTS:						
Food Sales	\$32,363,741	\$33,499,535	\$1,135,794	\$33,872,592	\$33,872,592	\$0
Federal Aid	13,047,824	13,927,630	879,806	13,351,175	13,351,175	0
State Aid	738,047	763,948	25,901	781,476	781,476	0
Other Revenue	510,000	610,822	100,822	510,000	510,000	0
Total Receipts	\$46,659,612	\$48,801,935	\$2,142,323	\$48,515,243	\$48,515,243	\$0
Total Funds Available	\$59,097,836	\$61,240,159	\$2,142,323	\$55,234,760	\$59,105,091	\$3,870,331
EXPENDITURES	\$52,378,319	\$51,031,141	(\$1,347,178)	\$50,215,181	\$51,637,974	\$1,422,793
Change in Inventory	\$0	\$380,830	\$380,830	\$0	\$0	\$0
ENDING BALANCE, JUNE 30	\$6,719,517	\$10,589,848	\$3,870,331	\$5,019,579	\$7,467,117	\$2,447,538
Less:						
Undelivered Orders	0	1,359,695	1,359,695	0	0	0
Inventory	0	1,503,115	1,503,115	0	0	0
Available Ending Balance	\$6,719,517	\$7,727,038	\$1,007,521	\$5,019,579	\$7,467,117	\$2,447,538

GRANTS & SELF-SUPPORTING PROGRAMS FUND STATEMENT

	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2001</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2002</u> <u>Approved</u>	<u>FY 2002</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$4,828,878	\$4,828,878	\$0	\$2,878,350	\$4,301,281	\$1,422,931
RECEIPTS:						
State Aid	\$11,022,432	\$8,908,285	(\$2,114,147)	\$9,314,572	\$10,279,011	\$964,439
Federal Aid	17,429,964	11,017,040	(6,412,924)	12,781,498	15,817,396	3,035,898
Tuition	2,627,115	2,628,638	1,523	2,518,623	2,518,623	0
Industry, Foundation, Other	1,076,719	410,470	(666,249)	394,642	643,487	248,845
Total Receipts	\$32,156,230	\$22,964,433	(\$9,191,797)	\$25,009,335	\$29,258,517	\$4,249,182
TRANSFERS IN:						
School Operating Fund (Grants)	\$16,757	\$16,757	\$0	\$0	\$0	\$0
School Operating Fund (Summer School)	8,396,671	8,396,673	2	11,071,821	11,071,821	0
Cable Communications Fund	1,793,500	1,793,500	0	1,640,935	1,640,935	0
Total Transfers In	\$10,206,928	\$10,206,930	\$2	\$12,712,756	\$12,712,756	\$0
Total Funds Available	\$47,192,036	\$38,000,241	(\$9,191,795)	\$40,600,441	\$46,272,554	\$5,672,113
EXPENDITURES	\$47,192,036	\$33,698,960	(\$13,493,076)	\$40,600,441	\$46,272,554	\$5,672,113
ENDING BALANCE, JUNE 30	\$0	\$4,301,281	\$4,301,281	\$0	\$0	\$0
Less:						
Undelivered Orders	0	1,547,211	1,547,211	0	0	0
Available Ending Balance	\$0	\$2,754,070	\$2,754,070	\$0	\$0	\$0

ADULT & COMMUNITY EDUCATION FUND STATEMENT

	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2001</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2002</u> <u>Approved</u>	<u>FY 2002</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$1,703,109	\$1,703,109	\$0	\$0	\$3,783,258	\$3,783,258
RECEIPTS:						
State Aid	\$1,218,067	\$1,290,301	\$72,234	\$1,241,125	\$1,377,599	\$136,474
Federal Aid	356,162	210,039	(146,123)	284,000	372,365	88,365
Tuition	7,259,292	6,118,382	(1,140,910)	7,034,374	7,071,444	37,070
Industry, Foundation, Other	0	204,808	204,808	0	0	0
Total Receipts	\$8,833,521	\$7,823,530	(\$1,009,991)	\$8,559,499	\$8,821,408	\$261,909
TRANSFERS IN:						
School Operating Fund	\$3,683,218	\$3,683,218	\$0	\$1,100,131	\$1,100,131	\$0
Total Transfers In	\$3,683,218	\$3,683,218	\$0	\$1,100,131	\$1,100,131	\$0
Total Funds Available	\$14,219,848	\$13,209,857	(\$1,009,991)	\$9,659,630	\$13,704,797	\$4,045,167
EXPENDITURES	\$14,219,848	\$9,426,599	(\$4,793,249)	\$9,659,630	\$13,704,797	\$4,045,167
ENDING BALANCE, JUNE 30	\$0	\$3,783,258	\$3,783,258	\$0	\$0	\$0
Less:						
Undelivered Orders	0	183,586	183,586	0	0	0
Available Ending Balance	\$0	\$3,599,672	\$3,599,672	\$0	\$0	\$0

SCHOOL CONSTRUCTION FUND STATEMENT

	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2001</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2002</u> <u>Approved</u>	<u>FY 2002</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$18,689,387	\$18,689,387	\$0	\$0	\$47,498,585	\$47,498,58
RECEIPTS:						
Bond Sales	\$130,000,000	\$130,022,301	\$22,301	\$130,000,000	\$130,000,000	\$
State Construction Grant	2,059,984	2,062,134	2,150	2,099,552	2,099,552	\$
Federal D.O.E.	0	780,000	780,000	0	0	\$
PTA/PTO Receipts	150,000	3,212,216	3,062,216	150,000	150,000	\$
City of Fairfax	150,000	321,668	171,668	150,000	150,000	\$
Other Revenue	5,136,000	4,000,000	(1,136,000)	136,000	136,000	\$
Total Receipts	\$137,495,984	\$140,398,319	\$2,902,335	\$132,535,552	\$132,535,552	\$
AUTHORIZED BUT UNISSUED BONDS						
	\$193,580,311	\$0	(\$193,580,311)		193,732,858	193,732,85
Total Referendums	\$193,580,311	\$0	(\$193,580,311)	\$0	\$193,732,858	\$193,732,85
TRANSFERS IN:						
School Operating Fund						
Building Maintenance	\$5,291,988	\$5,291,988	\$0	\$9,000,000	\$9,000,000	\$
Classroom Equipment	2,909,665	2,909,665	0	3,456,550	3,456,550	\$
Facility Modifications	778,203	778,203	0	650,000	1,273,194	623,19
Land Acquisition	200,000	200,000	0	0	0	\$
Total Transfers In	\$9,179,856	\$9,179,856	\$0	\$13,106,550	\$13,729,744	\$623,19
Total Receipts and Transfers	\$340,256,151	\$149,578,175	(\$190,677,976)	\$145,642,102	\$339,998,154	\$194,356,05
Total Funds Available	\$358,945,538	\$168,267,562	(\$190,677,976)	\$145,642,102	\$387,496,739	\$241,854,63
EXPENDITURES AND COMMITMENTS:						
Expenditures	\$165,365,227	\$120,768,977	(\$44,596,250)	\$145,642,102	\$193,763,881	\$48,121,77
Additional Contractual Commitments	193,580,311	0	(193,580,311)	0	193,732,858	193,732,85
Total Disbursements	\$358,945,538	\$120,768,977	(\$238,176,561)	\$145,642,102	\$387,496,739	\$241,854,63
ENDING BALANCE, JUNE 30	\$0	\$47,498,585	\$47,498,585	\$0	\$0	\$

SCHOOL INSURANCE FUND STATEMENT

	<u>FY 2001</u>	<u>FY 2001</u>	<u>Variance</u>	<u>FY 2002</u>	<u>FY 2002</u>	<u>Variance</u>
	<u>Estimate</u>	<u>Actual</u>		<u>Approved</u>	<u>Revised</u>	
BEGINNING BALANCE, JULY 1	\$6,067,342	\$6,067,342	\$0	\$3,929,386	\$5,345,848	\$1,416,462
RECEIPTS:						
Workers' Compensation						
School Operating Fund	\$3,275,116	\$3,275,116	\$0	\$2,975,116	\$2,975,116	\$0
School Food & Nutrition Serv. Fund	218,124	218,124	0	218,124	218,124	0
Other Insurance	1,920,624	1,920,624	0	0	400,000	400,000
Total Receipts	\$5,413,864	\$5,413,864	\$0	\$3,193,240	\$3,593,240	\$400,000
Total Funds Available	\$11,481,206	\$11,481,206	\$0	\$7,122,626	\$8,939,088	\$1,816,462
EXPENDITURES:						
Workers' Compensation						
Workers' Compensation	\$3,000,000	\$2,943,126	(\$56,874)	\$3,150,000	\$3,224,600	\$74,600
Administration	331,362	310,586	(20,776)	327,122	378,695	51,573
Claims Management	758,949	723,799	(35,150)	542,896	542,896	0
Net Change in Accrued Liability 1/	211,264	(718,218)	(929,482)	336,717	336,717	0
Other Insurance	3,250,245	2,876,065	(374,180)	3,319,111	4,207,919	888,808
Total Expenditures	\$7,551,820	\$6,135,358	(\$1,416,462)	\$7,675,846	\$8,690,827	\$1,014,981
TRANSFERS OUT:						
School Operating Fund	\$0	\$0	\$0	\$1,516,947	\$1,516,947	0
Total Disbursements	\$7,551,820	\$6,135,358	(\$1,416,462)	\$9,192,793	\$10,207,774	\$1,014,981
 ENDING BALANCE, JUNE 30	 <u>\$3,929,386</u>	 <u>\$5,345,848</u>	 <u>\$1,416,462</u>	 <u>(\$2,070,167)</u>	 <u>(\$1,268,686)</u>	 <u>\$801,481</u>

SCHOOL HEALTH AND FLEXIBLE BENEFITS FUND STATEMENT

	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2001</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2002</u> <u>Approved</u>	<u>FY 2002</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$11,362,077	\$11,362,077	\$0	\$9,709,045	\$4,457,714	(\$5,251,331)
RECEIPTS:						
Employer Contributions	\$54,512,577	\$60,330,564	\$5,817,987	\$56,843,914	\$71,576,928	\$14,733,014
Employee Contributions	18,281,038	16,656,836	(1,624,202)	18,947,971	20,604,146	1,656,175
Retiree/Other Contributions	11,855,418	11,963,508	108,090	19,210,906	14,041,817	(5,169,089)
Aetna Stop-Loss Refund	3,500,000	2,997,637	(502,363)	0	0	0
Interest Income	1,199,957	1,261,126	61,169	1,120,677	1,120,677	0
Subtotal	\$89,348,990	\$93,209,671	\$3,860,681	\$96,123,468	\$107,343,568	\$11,220,100
Flexible Accounts Withholdings	\$3,321,843	\$3,351,947	\$30,104	\$3,515,115	\$3,515,115	\$0
Total Receipts	\$92,670,833	\$96,561,618	\$3,890,785	\$99,638,583	\$110,858,683	\$11,220,100
TRANSFERS IN:						
School Operating Fund	254,121	254,121	0	268,906	268,906	0
Total Receipts and Transfers	\$92,924,954	\$96,815,739	\$3,890,785	\$99,907,489	\$111,127,589	\$11,220,100
Total Funds Available	\$104,287,031	\$108,177,816	\$3,890,785	\$109,616,534	\$115,585,303	\$5,968,769
EXPENDITURES/PAYMENTS:						
Health Benefits Paid	\$58,750,968	\$64,519,820	\$5,768,852	\$65,120,096	\$72,745,710	\$7,625,614
Premiums Paid	24,233,512	26,722,799	2,489,287	27,656,661	27,301,469	(355,192)
Claims Incurred but not Reported (IBNR)	8,800,000	9,000,000	200,000	9,600,000	10,700,000	1,100,000
IBNR Prior Year Credit	(6,600,000)	(6,600,000)	0	(8,800,000)	(9,000,000)	(200,000)
Health Administrative Expenses	5,940,279	6,690,092	749,813	5,736,720	6,953,132	1,216,412
Subtotal	\$91,124,759	\$100,332,711	\$9,207,952	\$99,313,477	\$108,700,311	\$9,386,834
Flexible Accounts Reimbursement	\$3,362,277	\$3,315,075	(\$47,202)	\$3,245,721	\$3,245,721	\$0
FSA Administrative Expenses	90,950	72,316	(18,634)	95,498	95,498	0
Subtotal	\$3,453,227	\$3,387,391	(\$65,836)	\$3,341,219	\$3,341,219	\$0
Claims Stabilization Reserve	\$9,709,045	\$0	(\$9,709,045)	\$6,961,838	\$3,543,773	(\$3,418,065)
Total Disbursements	\$104,287,031	\$103,720,102	(\$566,929)	\$109,616,534	\$115,585,303	\$5,968,769
ENDING BALANCE, JUNE 30	\$0	\$4,457,714	\$4,457,714	\$0	\$0	\$0

SCHOOL CENTRAL PROCUREMENT FUND STATEMENT

	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2001</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2002</u> <u>Approved</u>	<u>FY 2002</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$1,823,367	\$1,823,367	\$0	\$1,823,367	\$1,519,507	(\$303,860)
RECEIPTS:						
Sales to Schools/Departments	15,957,400	10,218,843	(5,738,557)	14,000,000	14,000,000	-
Total Funds Available	\$17,780,767	\$12,042,210	(5,738,557)	\$15,823,367	\$15,519,507	(\$303,860)
EXPENDITURES:						
Purchase for Resale	15,957,400	11,105,400	(4,852,000)	14,000,000	14,000,000	0
Total Disbursements	\$15,957,400	\$11,105,400	(4,852,000)	\$14,000,000	\$14,000,000	\$0
Change in Inventory	\$0	\$582,697	\$582,697	\$0	\$0	\$0
ENDING BALANCE, JUNE 30	\$1,823,367	\$1,519,507	(\$303,860)	\$1,823,367	\$1,519,507	(\$303,860)
Less:						
Undelivered Orders	0	1,075,326	1,075,326	0	0	0
Available Ending Balance	\$1,823,367	\$444,181	(\$1,379,186)	\$1,823,367	\$1,519,507	(\$303,860)

EDUCATIONAL EMPLOYEES OF FAIRFAX COUNTY DEFINED BENEFIT PLAN FUND STATEMENT

	<u>FY 2001</u> <u>Estimate</u>	<u>FY 2001</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2002</u> <u>Approved</u>	<u>FY 2002</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$1,534,986,934	\$1,534,986,934	\$0	\$1,599,757,957	\$1,524,412,941	(\$75,345,016)
RECEIPTS:						
Contributions	\$49,332,324	\$47,151,855	(\$2,180,469)	\$52,230,095	\$52,230,095	\$0
Investment Income	119,412,576	38,036,646	(81,375,930)	132,103,034	132,103,034	0
Total Receipts	<u>\$168,744,900</u>	<u>\$85,188,501</u>	<u>(\$83,556,399)</u>	<u>\$184,333,129</u>	<u>\$184,333,129</u>	<u>\$0</u>
Total Funds Available	\$1,703,731,834	\$1,620,175,435	(\$83,556,399)	\$1,784,091,086	\$1,708,746,070	(\$75,345,016)
EXPENDITURES	\$103,973,877	\$95,762,494	(\$8,211,383)	\$114,661,082	\$114,661,082	\$0
ENDING BALANCE, JUNE 30	<u>\$1,599,757,957</u>	<u>\$1,524,412,941</u>	<u>(\$75,345,016)</u>	<u>\$1,669,430,004</u>	<u>\$1,594,084,988</u>	<u>(\$75,345,016)</u>

**RESOLUTION REQUESTING THE COUNTY BOARD OF SUPERVISORS TO INCREASE THE
FY 2002 APPROPRIATION RESOLUTION FOR THE SCHOOL OPERATING FUND BY \$51,330,267
AND TO ADJUST THE FY 2002 FISCAL PLANNING RESOLUTION TO REFLECT A DECREASE OF
\$376,806 IN THE TRANSFER FROM THE SCHOOL OPERATING FUND TO THE SCHOOL
CONSTRUCTION FUND**

WHEREAS, the School Board approved the FY 2002 budget on May 24, 2001, to reflect the county Board of Supervisors' action of April 30, 2001; and

WHEREAS, funding is available for items approved by the School Board on May 24, 2001, and July 26, 2001, totaling \$28,776,473; and

WHEREAS, appropriation authority must be available to cover all undelivered orders as of June 30, 2001; and

WHEREAS, the state Auditor of Public Accounts requires that the undelivered portion of the FY 2001 purchase orders and other contracts, as of June 30, 2001, be treated as undelivered orders outstanding and reobligated in FY 2002; and

WHEREAS, the FY 2001 undelivered orders outstanding as of June 30, 2001, totaled \$19,123,496 for the School Operating Fund; and

WHEREAS, the School Operating Fund has available balances to cover undelivered orders; and

WHEREAS, the School Board has authorized a net decrease of \$376,806 in transfers out to the School Construction Fund; and

WHEREAS, \$3,430,298 in authorized grants were not expended and reimbursed in FY 2001 and need to be carried over to FY 2002; and

WHEREAS, these actions will not require an increase in the County General Fund transfer;

NOW, THEREFORE, BE IT RESOLVED that the Fairfax County School Board requests the county Board of Supervisors to increase the FY 2002 Appropriation Resolution for the School Operating Fund by \$51,330,266, and to adjust the FY 2002 Fiscal Planning Resolution to reflect a decrease of \$376,806 in the transfer from the School Operating Fund to the School Construction Fund.

I hereby certify the above is a true and correct copy of a resolution adopted by the county School Board of Fairfax County, Virginia, as part of the FY 2001 Final Budget Review at a regular meeting held on July 26, 2001, at Luther Jackson Middle School, Falls Church, Virginia.

Date

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

**RESOLUTION REQUESTING THE COUNTY BOARD OF SUPERVISORS
TO INCREASE THE FY 2002 APPROPRIATION RESOLUTIONS
FOR THE FOOD AND NUTRITION SERVICES FUND BY \$1,609,666**

WHEREAS, FY 2002 funding is available for items approved by the School Board for the Food and Nutrition Services Fund on May 24, 2001 and July 26, 2001, totaling \$249,971 in expenditures; and

WHEREAS, appropriation authority must be available to cover all undelivered orders as of June 30, 2001; and

WHEREAS, the State Auditor of Public Accounts requires that the undelivered portion of the FY 2001 purchase orders as of June 30, 2001, be treated as undelivered orders outstanding and reobligated in FY 2002; and

WHEREAS, the FY 2001 undelivered orders outstanding as of June 30, 2001, totaled \$1,359,695 for the Food and Nutrition Services Fund; and

WHEREAS, the Food and Nutrition Services Fund has available ending balances to cover undelivered orders; and

WHEREAS, these requests will not require support from the County General Fund;

NOW, THEREFORE, BE IT RESOLVED that the Fairfax County School Board requests the county Board of Supervisors to increase the FY 2002 Appropriation Resolutions for the School Food and Nutrition Services Fund by \$1,609,666.

I hereby certify the above is a true and correct copy of a resolution adopted by the county School Board of Fairfax County, Virginia, as part of the FY 2001 Final Budget Review at a regular meeting held on July 26, 2001, at Luther Jackson Middle School, Falls Church, Virginia.

Date

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

RESOLUTION REQUESTING THE COUNTY BOARD OF SUPERVISORS TO INCREASE THE FY 2002 APPROPRIATION RESOLUTION FOR THE SCHOOL GRANT AND SELF-SUPPORTING PROGRAMS FUND BY \$6,648,516

WHEREAS, funding is available for items approved by the School Board on May 24, 2001, and July 26, 2001, totaling \$1,333,793; and

WHEREAS, the State Auditor of Public Accounts requires that the undelivered portion of the FY 2001 purchase orders as of June 30, 2001, be treated as undelivered orders outstanding and reobligated in FY 2002; and

WHEREAS, the undelivered orders outstanding as of June 30, 2001, totaled \$1,547,211; and

WHEREAS, \$3,767,512 in authorized grants/summer school not expended in FY 2001 needs to be carried over to FY 2002;

NOW, THEREFORE, BE IT RESOLVED that the Fairfax County School Board requests the county Board of Supervisors to increase the FY 2002 Appropriation Resolution for the Grant and Self-Supporting Programs Fund by \$6,648,516.

I hereby certify the above is a true and correct copy of a resolution adopted by the county School Board of Fairfax County, Virginia, as part of the FY 2001 Final Budget Review at a regular meeting held on July 26, 2001, at Luther Jackson Middle School, Falls Church, Virginia.

Date

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

**RESOLUTION REQUESTING THE COUNTY BOARD OF SUPERVISORS
TO INCREASE THE FY 2002 APPROPRIATION RESOLUTION FOR THE ADULT AND COMMUNITY
EDUCATION FUND BY \$4,130,756**

WHEREAS, the School Board approved the FY 2002 budget for the Adult and Community Education Fund on May 24, 2001, resulting in an increase of \$85,589 in expenditures; and

WHEREAS, the State Auditor of Public Accounts requires that the undelivered portion of the FY 2001 purchase orders as of June 30, 2001, be treated as undelivered orders outstanding and reobligated in FY 2002; and

WHEREAS, the undelivered orders outstanding as of June 30, 2001, totaled \$183,586; and

WHEREAS, the Adult and Community Education Fund has available ending balances to cover undelivered orders; and

WHEREAS, \$261,909 in authorized grants were not expended and reimbursed in FY 2001 and need to be carried over to FY 2002; and

WHEREAS, \$3,599,672 not expended in FY 2001 needs to be carried over to FY 2002;

NOW, THEREFORE, BE IT RESOLVED that the Fairfax County School Board requests the county Board of Supervisors to increase the FY 2002 Appropriation Resolution for the School Adult and Community Education Fund by \$4,130,756.

I hereby certify the above is a true and correct copy of a resolution adopted by the county School Board of Fairfax County, Virginia, as part of the FY 2001 Final Budget Review at a regular meeting held on July 26, 2001, at Luther Jackson Middle School, Falls Church, Virginia.

Date

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

**RESOLUTION REQUESTING THE COUNTY BOARD OF SUPERVISORS
TO INCREASE THE FY 2002 APPROPRIATION RESOLUTION
FOR THE SCHOOL CONSTRUCTION FUND BY \$240,865,662**

WHEREAS, appropriation authority must be available to cover all construction projects; and

WHEREAS, the School Board approved the FY 2002 budget for the School Construction Fund on May 24, 2001, resulting in a decrease of \$988,975 in expenditures; and

WHEREAS, funding is available in the School Construction Fund for carryover items approved by the School Board on July 26, 2001, totaling \$241,854,637; and

WHEREAS, this request will not require support from the County General Fund;

NOW, THEREFORE, BE IT RESOLVED that the Fairfax County School Board requests the county Board of Supervisors to increase the FY 2002 Appropriation Resolution for the School Construction Fund by \$240,865,662.

I hereby certify the above is a true and correct copy of a resolution adopted by the county School Board of Fairfax County, Virginia, as part of the FY 2001 Final Budget Review at a regular meeting held on July 26, 2001, at Luther Jackson Middle School, Falls Church, Virginia.

Date

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

**RESOLUTION REQUESTING THE COUNTY BOARD OF SUPERVISORS
TO INCREASE THE FY 2002 APPROPRIATION RESOLUTION FOR THE SCHOOL INSURANCE
FUND BY \$714,981, AND TO ADJUST THE FY 2002 FISCAL PLANNING RESOLUTION TO REFLECT
AN INCREASE OF \$1,516,947 IN THE TRANSFER FROM THE SCHOOL INSURANCE FUND TO THE
SCHOOL OPERATING FUND**

WHEREAS, the School Board approved the FY 2002 budget for the School Insurance Fund on May 24, 2001, resulting in a decrease of \$300,000 in expenditures; and

WHEREAS, the State Auditor of Public Accounts requires that the undelivered portion of the FY 2001 purchase orders as of June 30, 2001, be treated as undelivered orders outstanding and reobligated in FY 2002; and

WHEREAS, the undelivered orders outstanding as of June 30, 2001, totaled \$488,808; and

WHEREAS, the School Insurance Fund has available ending balances to cover undelivered orders; and

WHEREAS, funding is available in the School Insurance Fund for carryover items approved by the School Board on July 26, 2001, totaling \$526,173; and

WHEREAS, the School Board has authorized an increase of \$1,516,947 in transfers out to the School Operating Fund;

NOW, THEREFORE, BE IT RESOLVED that the Fairfax County School Board requests the county Board of Supervisors to increase the FY 2002 Appropriation Resolution for the School Insurance Fund by \$714,981, and to adjust the FY 2002 Fiscal Planning Resolution to reflect an increase of \$1,516,947 in the transfer from the School Insurance Fund to the School Operating Fund.

I hereby certify the above is a true and correct copy of a resolution adopted by the county School Board of Fairfax County, Virginia, as part of the FY 2001 Final Budget Review at a regular meeting held on July 26, 2001, at Luther Jackson Middle School, Falls Church, Virginia.

Date

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

**RESOLUTION REQUESTING THE COUNTY BOARD OF SUPERVISORS
TO INCREASE THE FY 2002 APPROPRIATION RESOLUTION FOR THE
SCHOOL HEALTH AND FLEXIBLE BENEFITS FUND BY \$4,516,634**

WHEREAS, the School Board approved the FY 2002 budget for the School Health and Flexible Benefits Fund on May 24, 2001, resulting in an decrease of \$1,452,135 in expenditures; and

WHEREAS, funding is available in the School Health and Flexible Benefits Fund for carryover items approved by the School Board on July 26, 2001, totaling \$5,968,769; and

NOW, THEREFORE, BE IT RESOLVED that the Fairfax County School Board requests the county Board of Supervisors to increase the FY 2002 Appropriation Resolution for the School Health and Flexible Benefits Fund by \$4,516,634.

I hereby certify the above is a true and correct copy of a resolution adopted by the county School Board of Fairfax County, Virginia, as part of the FY 2001 Final Budget Review at a regular meeting held on July 26, 2001, at Luther Jackson Middle School, Falls Church, Virginia.

Date

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