

Agenda Item

5.01 FY 2005 Final Budget Review – Approve FY 2005 final budget review, as detailed in the agenda item (FS)

Meeting: 07/21/2005 Regular Meeting No. 2 Category: 5: Other Action Items -- 7:55pm

Agenda Type: Action

Agenda Item Content

REVISED JULY 20, 2005

Staff Contact: Deirdra McLaughlin, Chief Financial Officer, Financial Services

SUBJECT: FY 2005 Final Budget Review

RECOMMENDATION:

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

EXPLANATION:

All FY 2005 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 2005 estimate.

If the School Board approves the FY 2006 recommended expenditure adjustments totaling \$14.0 million, \$15.0 million will be allocated as the beginning balance for FY 2007.

Recommended expenditure adjustments include:

- \$0.1 million for 1.0 auditor position
- \$0.1 million for 1.5 SBTS positions
- \$0.1 million increase in the transfer to the Grants Fund to eliminate split FECEP classes
- \$0.9 million transfer increase for Summer School to fund beginning balance
- \$0.5 million for curriculum and assessments
- \$2.7 million to enhance 24/7 Learning
- \$0.2 million to meet HIPAA requirements
- \$7.4 million to restore funding to the replacement equipment, major maintenance, and replacement buses budgets that were reduced in the FY 2006 Approved Budget
- \$1.0 million for bus purchases
- \$0.5 million for Automatic External Defibrillators (AEDs)
- \$0.9 for South County Secondary School
- (\$0.4) million elimination of the transfer to the Health and Flexible Benefits Fund

A summary of the competitive grants activity is attached.

Attachment

AMOUNT

I. FY 2005 ACTUAL

A. Revenue

\$58,664

Actual FY 2005 revenue is \$58,664 above the projection. There was a decrease of \$4,330,586 in federal grant revenues due to unspent grant awards that will be carried forward and appropriated again in FY 2006. This decrease was offset by higher receipts for tuition, fees, facilities use, and state revenue.

B. Expenditures

29,005,977

The net variance in expenditure accounts was \$29.0 million. The compensation budget, including salaries, hourly and substitute accounts, and employee benefits ended the year with a \$23.8 million balance; logistics accounts ended with a \$5.2 million balance.

FY 2005 AVAILABLE BALANCE

\$29,064,641

AMOUNT

POSITIONS

II. FY 2006 EXPENDITURE ADJUSTMENTS

X A. FY 2007 Budgeted Beginning Balance

\$15,000,000

0.0

\$15.0 million has been identified after all FY 2005 year-end and FY 2006 adjustments. It is recommended that these funds be designated as beginning balance for FY 2007.

The FY 2007 fiscal forecast includes a \$15.0 million beginning balance.

	<u>AMOUNT</u>	<u>POSITIONS</u>
<p>√ B. Auditor Positions</p> <p>The Department of Accountability requests 1.0 auditor position as the audit function moves into this department. One full-time equivalent (FTE) audit position will also move to the Department of Accountability from the School Board Office which will result in an internal audit staff of 5.0 positions. The audit function will include planning, preparation, and analyses of a variety of internal audits as well as audits of school system financial activities, grant and credit card operations, capital construction, and procurement contracts for goods and services.</p>	93,641	1.0
<p>√ C. School-Based Technology Specialists (SBTS)</p> <p>Funding is requested to provide a 0.5 SBTS position at Woodson Adult High School, Key Center and Kilmer Center. This will increase SBTS staffing at these locations from 0.5 to 1.0.</p>	110,664	1.5
<p>√ D. FECEP</p> <p>The transfer to the Grant Fund will be increased to fund the cost to eliminate split FECEP classes at Providence Elementary School. The Superintendent advised the School Board of this action in his June 2, 2005, memorandum.</p>	131,314	0.0
<p>√ E. Transfer to Summer School</p> <p>Additional funding is required for the summer school transfer to meet the beginning balance projection of that fund. FY 2005 expenditures were higher than expected due primarily to the increase in nonpaying students. In addition, remediation funding is being reprogrammed to support the After-School Remediation Program (ASRP) in the Summer School and Remediation Subfund.</p>	938,974	0.0
<p>X F. Curriculum and Assessments</p> <p>As presented at the June 13, 2005, School Board work session, funding is needed to support replacement of TestPak for all elementary schools with the Princeton Review system; provide additional FCPS curriculum resources to review and edit questions for Grades 4, 6, and 7 end-of-course test creation; cover additional Princeton license fees to add grades 4, 6, and 7; and reformat grades 3, 5, and 8 tests based on the revised SOL standards.</p>	459,200	0.0

√ Recurring
X Nonrecurring

		<u>AMOUNT</u>	<u>POSITIONS</u>
√/X	<p>G. Enhance 24/7 Learning</p> <p>As presented at the June 13, 2005, School Board work session, this funding is required to support the enhancements needed for FCPS 24/7 Learning to begin adding curriculum and assessment functionality to the Blackboard product used by teachers throughout FCPS. Funding will support the infrastructure upgrade and application development for Blackboard, content/assessment repository development, training, support, and 5.0 positions.</p>	2,740,450	5.0
X	<p>H. Health Insurance Portability and Accountability Act</p> <p>Over the last year, FCPS conducted an internal review to ensure compliance with the federal Health Insurance Portability and Accountability Act (HIPAA). Based on new federal HIPAA security rules, any email containing protected health information must be encrypted when transmitted out of FCPS; this requires \$50,000 to implement. In addition, \$110,000 is required to implement additional disaster recovery capabilities for the HR systems required by HIPAA.</p>	160,000	0.0
X	<p>I. Replacement Equipment</p> <p>The FY 2006 approved budget reduced replacement equipment funding in order to balance the budget. This funding will restore the replacement equipment budget to \$6.2 million.</p>	3,826,225	0.0
X	<p>J. Major Maintenance</p> <p>The FY 2006 approved budget reduced major maintenance funding in order to balance the budget. This funding will restore the major maintenance budget to \$9.4 million.</p>	2,600,000	0.0
√	<p>K. Replacement Buses</p> <p>The FY 2006 approved budget reduced replacement buses funding in order to balance the budget. This funding will restore the replacement buses budget to \$2.2 million. In addition, it is recommended that \$1.0 million be allocated for bus purchases as part of a long-term plan to move to phase out bus leasing. The total replacement buses budget in FY 2006 will be \$3.2 million.</p>	2,000,000	0.0

√ Recurring
X Nonrecurring

	<u>AMOUNT</u>	<u>POSITIONS</u>
✓ L. Automated External Defibrillators (AED) Over the last year, FCPS staff has met with INOVA Health System to discuss partnering with INOVA to put AEDs in all FCPS facilities. As a result of these discussions, INOVA has tentatively agreed to support this effort subject to the INOVA foundation approval and final cost analysis. For planning purposes, FCPS will assume a net requirement of approximately \$500,000 after applying the county's partial funding. and a contribution from INOVA either in the form of services (training) and/or a cash donation. <u>At this point, INOVA is focusing on providing assistance with training.</u> When this program is in place, all FCPS facilities will be equipped with AEDs in accordance with the American Heart Association guidelines.	500,000	0.0
X M. South County Secondary School Due in part to adding a middle school with the associated curriculum requirements and labs, this funding is required to fully equip South County Secondary School.	909,842	0.0
✓ N. Transfer to Health and Flexible Benefits Fund Due to sufficient balances in the Health and Flexible Benefits Fund, this transfer can be eliminated.	(405,669)	0.0
TOTAL EXPENDITURES	<u>\$29,064,641</u>	<u>7.5</u>

✓ Recurring
 X Nonrecurring

III. OTHER FUNDS

FOOD AND NUTRITION SERVICES FUND

The FY 2005 ending balance in the Food and Nutrition Services Fund is \$10.3 million, or \$0.6 million more than projected, primarily due to lower than anticipated expenditures. This self-supporting fund ended FY 2005 with higher than anticipated receipts of \$0.4 million due to an increase in federal revenue received for school food programs.

GRANTS AND SELF-SUPPORTING PROGRAM FUND

Grants Subfund:

FY 2006 appropriations in the Grants Subfund are increasing \$15.0 million due to the following:

- \$14.9 million carryover of FY 2005 unspent grant awards
- A \$131,314 transfer from the Operating Fund to the FECEP program to eliminate the double session FECEP classes and implement a full-day class at Providence Elementary School. Funds will provide for 1.0 teacher, 1.0 instructional assistant, operating expenses, and one-time start-up costs.

Summer School Subfund:

The FY 2005 ending balance in the Summer School and Remediation Subfund is \$2.4 million which is \$0.9 million below the anticipated FY 2006 beginning balance resulting primarily from an increase in the number of nonpaying students. The transfer from the Operating Fund is increased \$1,214,807 which includes an increase of \$938,974 to fund the difference in the beginning balance, and \$275,833 of remediation funding in the Operating Fund that is being reprogrammed to support the After School Remediation Program in the Summer School and Remediation Subfund.

ADULT AND COMMUNITY EDUCATION FUND

The FY 2005 ending balance in the Adult and Community Education (ACE) Fund is \$1.0 million. Of this amount, \$0.4 million is for undelivered orders.

SCHOOL CONSTRUCTION FUND

This fund ended FY 2005 with higher than anticipated receipts of \$12.7 million, primarily due to the sale of real estate.

In FY 2006, transfers-in from the School Operating Fund will increase by \$526,490 for facility modifications, which include nonbond funds for minor improvements. Major maintenance is being increased by \$2.6 million to restore funding eliminated at the FY 2006 Approved Agenda.

In addition to the transfers-in narrated above, an increase of \$285,349,102 in the School Construction Fund appropriation is due to project balances being carried forward and reallocated in FY 2006. 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 complete.

SCHOOL INSURANCE FUND

The FY 2005 ending balance in the School Insurance Fund is \$17.7 million, or \$3.0 million more than projected, primarily due to lower than anticipated claims expenditures in the risk management subfund.

HEALTH & FLEXIBLE BENEFITS FUND

The FY 2005 ending balance in the Health and Flexible Benefits Fund is \$27.2 million, or \$3.7 million more than estimated, due to lower than anticipated medical claims expenditures and higher than anticipated interest income and flexible accounts withholding receipts. The transfer of \$0.4 million from the Operating Fund will be eliminated in FY 2006 due to sufficient balances in the fund.

CENTRAL PROCUREMENT FUND

The FY 2005 ending balance in the Central Procurement Fund is \$815,365.

EDUCATIONAL EMPLOYEES' SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY FUND

The FY 2005 ending balance for the Educational Employees' Retirement System of Fairfax County is \$1.7 billion. This reflects the fund's total asset value through May 31, 2005, and estimated asset values for June 2005.

FY 2005 revenues from contributions totaled \$72.0 million, or \$1.1 million less than the fiscal year's estimate of \$73.1 million. Investment income growth for the fund has historically been budgeted at the actuarially assumed rate of 7.5 percent. Investment income of \$186.6 million is \$69.2 million more than the FY 2005 estimate. Expenditures for FY 2005 totaled \$129.5 million, or approximately \$10.0 million less than the FY 2005 estimate.

SCHOOL OPERATING FUND STATEMENT

	<u>FY 2005 Revised</u>	<u>FY 2005 Actual</u>	<u>Variance</u>	<u>FY 2006 Approved</u>	<u>FY 2006 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, July 1:						
Budgeted Beginning Balance	\$41,895,437	\$41,895,437	\$0	\$30,000,000	\$30,000,000	\$0
Flexibility Reserve	8,000,000	8,000,000	-	-	8,000,000	8,000,000
Undelivered Orders	28,585,247	28,585,247	-	-	28,502,443	28,502,443
Automatic Carryover	6,404,526	6,404,526	-	-	8,738,786	8,738,786
Unencumbered Carryover	6,370,310	6,370,310	-	-	14,228,448	14,228,448
Grants Carryover	52,093	52,093	-	-	54,538	54,538
Available Balance	22,075,140	22,075,140	-	-	29,064,641	29,064,641
Total Beginning Balance	\$113,382,753	\$113,382,753	\$0	\$30,000,000	\$118,588,856	\$88,588,856
RECEIPTS:						
Sales Tax	\$141,483,579	\$141,595,638	\$112,059	\$154,162,657	\$154,162,657	\$0
State Aid	223,658,255	223,956,680	298,425	232,166,827	232,166,827	-
Federal Aid	45,400,588	41,432,472	(3,968,116)	42,235,577	46,566,163	4,330,586
City of Fairfax Tuition	28,544,499	28,544,499	-	31,104,363	31,104,363	-
Tuition, Fees, and Other	9,065,806	12,682,102	3,616,296	10,359,974	10,359,974	-
Total Receipts	\$448,152,727	\$448,211,391	\$58,664	\$470,029,398	\$474,359,984	\$4,330,586
TRANSFERS IN:						
County General Fund:						
Approved Operating Transfer	\$1,320,752,823	\$1,320,752,823	\$0	\$1,429,716,456	\$1,429,716,456	\$0
Teacher Liability Payment	1,621,364	1,621,364	-	1,621,364	1,621,364	-
Total Transfers In	\$1,322,374,187	\$1,322,374,187	\$0	\$1,431,337,820	\$1,431,337,820	\$0
Total Receipts & Transfers	\$1,770,526,914	\$1,770,585,578	\$58,664	\$1,901,367,218	\$1,905,697,804	\$4,330,586
Total Funds Available	\$1,883,909,667	\$1,883,968,331	\$58,664	\$1,931,367,218	\$2,024,286,660	\$92,919,442
EXPENDITURES						
School Board Reserve	\$1,813,510,555	\$1,732,980,363	(\$80,530,192)	\$1,894,598,736	\$1,975,451,236	\$80,852,500
School Board Reserve	8,000,000	-	(8,000,000)	-	8,000,000	8,000,000
Teacher Liability Payment	1,621,364	1,621,364	-	1,621,364	1,621,364	-
Total Expenditures	\$1,823,131,919	\$1,734,601,727	(\$88,530,192)	\$1,896,220,100	\$1,985,072,600	\$88,852,500
TRANSFERS OUT:						
School Construction Fund	\$13,412,549	\$13,412,549	\$0	\$10,791,022	\$13,917,512	\$3,126,490
Grants & Self-Supporting Fund	15,798,823	15,798,823	-	20,791,585	22,137,706	1,346,121
Adult & Community Education Fund	1,200,131	1,200,131	-	1,200,131	1,200,131	-
Consolidated County & Schools Debt Fund	0	0	-	1,958,711	1,958,711	-
Health and Flexible Benefits Fund	366,245	366,245	-	405,669	0	(405,669)
Total Transfers Out	\$30,777,748	\$30,777,748	\$0	\$35,147,118	\$39,214,060	\$4,066,942
Total Disbursements	\$1,853,909,667	\$1,765,379,475	(\$88,530,192)	\$1,931,367,218	\$2,024,286,660	\$92,919,442
ENDING BALANCE, June 30:	\$30,000,000	\$118,588,856	\$88,588,856	\$0	\$0	\$0
Less:						
Flexibility Reserve	\$0	\$8,000,000	\$8,000,000	\$0	\$0	\$0
Budgeted Beginning Balance	30,000,000	30,000,000	-	-	-	-
Other Commitments	0	51,524,215	51,524,215	-	-	-
Available Ending Balance	\$0	\$29,064,641	\$29,064,641	\$0	\$0	\$0

FOOD AND NUTRITION SERVICES FUND STATEMENT

	FY 2005 <u>Estimate</u>	FY 2005 <u>Actual</u>	<u>Variance</u>	FY 2006 <u>Approved</u>	FY 2006 <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$10,614,164	\$10,614,164	\$0	\$9,674,476	\$10,309,637	\$635,161
RECEIPTS:						
Food Sales	\$39,402,306	\$39,159,866	(\$242,440)	\$41,539,163	\$41,539,163	\$0
Federal Aid	16,113,383	16,581,922	468,539	17,444,399	17,444,399	0
State Aid	717,873	775,783	57,910	770,535	770,535	0
Other Revenue	72,610	151,159	78,549	65,464	65,464	0
Total Receipts	\$56,306,172	\$56,668,730	\$362,558	\$59,819,561	\$59,819,561	\$0
Total Funds Available	\$66,920,336	\$67,282,894	\$362,558	\$69,494,037	\$70,129,198	\$635,161
EXPENDITURES:						
Change in Inventory	\$0	(\$544)	(544)	\$59,819,561	\$59,819,561	\$0
Subtotal	\$57,245,860	\$56,973,257	(\$272,603)	\$59,819,561	\$59,819,561	\$0
Food and Nutrition Services General Reserve	\$9,674,476	\$0	(\$9,674,476)	\$9,674,476	\$10,309,637	\$635,161
Total Disbursements	\$66,920,336	\$56,973,257	(\$9,947,079)	\$69,494,037	\$70,129,198	\$635,161
ENDING BALANCE, JUNE 30	\$0	\$10,309,637	\$10,309,637	\$0	\$0	\$0
Less:						
Undelivered Orders	0	1,110,963	1,110,963	0	0	0
Inventory	0	1,647,695	1,647,695	0	0	0
Available Ending Balance	\$9,674,476	\$7,550,979	\$7,550,979	\$0	\$0	\$0

GRANTS AND SELF-SUPPORTING PROGRAMS FUND

	<u>FY 2005 Estimate</u>	<u>FY 2005 Actual</u>	<u>Variance</u>	<u>FY 2006 Approved</u>	<u>FY 2006 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$6,764,980	\$6,764,980	\$0	\$3,302,888	\$8,680,855	\$5,377,967
RECEIPTS:						
State Aid	\$10,636,631	\$7,892,006	(\$2,744,625)	\$9,394,728	\$10,918,950	\$1,524,222
Federal Aid	34,478,391	23,811,030	(10,667,361)	29,970,155	36,731,514	6,761,359
Tuition	3,298,577	2,992,700	(305,877)	3,020,513	3,020,513	0
Industry, Foundation, Other	1,611,294	1,612,830	1,536	183,600	474,214	290,614
Total Receipts	<u>\$50,024,893</u>	<u>\$36,308,566</u>	<u>(\$13,716,327)</u>	<u>\$42,568,996</u>	<u>\$51,145,191</u>	<u>\$8,576,195</u>
TRANSFERS IN:						
School Operating Fund (Grants)	\$5,220,768	\$5,220,768	\$0	\$7,037,684	\$7,168,998	\$131,314
County General Fund	5,000,000	5,000,000	0	0	0	0
School Operating Fund (Summer School)	10,578,055	10,578,055	0	13,753,901	14,968,708	1,214,807
Cable Communications Fund	1,784,140	1,784,140	0	2,118,159	2,118,159	0
Total Transfers In	<u>\$17,582,963</u>	<u>\$17,582,963</u>	<u>\$0</u>	<u>\$22,909,744</u>	<u>\$24,255,865</u>	<u>\$1,346,121</u>
	<u>\$22,582,963</u>	<u>\$22,582,963</u>				
Total Funds Available	<u>\$74,372,836</u>	<u>\$60,656,509</u>	<u>(\$13,716,327)</u>	<u>\$68,781,628</u>	<u>\$84,081,911</u>	<u>\$15,300,283</u>
	<u>\$79,372,836</u>	<u>\$65,656,509</u>				
EXPENDITURES	\$79,372,836	\$56,975,654	(\$22,397,182)	\$68,781,628	\$84,081,911	\$15,300,283
ENDING BALANCE, JUNE 30	(\$5,000,000)	\$3,680,855	\$8,680,855	\$0	\$0	\$0
	<u>\$0</u>	<u>\$8,680,855</u>				
Less:						
Undelivered Orders	0	\$4,742,659	4,742,659	0	0	0
Available Ending Balance	<u>(\$5,000,000)</u>	<u>(\$1,061,804)</u>	<u>\$3,938,196</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	<u>\$0</u>	<u>\$3,938,196</u>				

ADULT & COMMUNITY EDUCATION FUND STATEMENT

	<u>FY 2005</u> <u>Estimate</u>	<u>FY 2005</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2006</u> <u>Approved</u>	<u>FY 2006</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$1,660,148	\$1,660,148	\$0	\$635,709	\$1,031,268	\$395,559
RECEIPTS:						
State Aid	\$911,127	\$988,724	\$77,597	\$899,260	\$899,260	\$0
Federal Aid	1,138,921	994,033	(144,888)	765,803	765,803	0
Tuition and Fees	7,131,772	6,817,419	(314,353)	7,716,548	7,716,548	0
Other	98,729	52,955	(45,774)	200,536	200,536	0
Total Receipts	\$9,280,549	\$8,853,131	(\$427,418)	\$9,582,147	\$9,582,147	\$0
TRANSFERS IN:						
School Operating Fund	\$1,200,131	\$1,200,131	\$0	\$1,200,131	\$1,200,131	\$0
Total Transfers In	\$1,200,131	\$1,200,131	\$0	\$1,200,131	\$1,200,131	\$0
Total Receipts and Transfers	\$10,480,680	\$10,053,262	(\$427,418)	\$10,782,278	\$10,782,278	\$0
Total Funds Available	\$12,140,828	\$11,713,410	(\$427,418)	\$11,417,987	\$11,813,546	\$395,559
EXPENDITURES	\$12,140,828	\$10,682,142	(\$1,458,686)	\$11,417,987	\$11,813,546	\$395,559
ENDING BALANCE, JUNE 30	\$0	\$1,031,268	\$1,031,268	\$0	\$0	\$0
Less:						
Undelivered Orders	0	372,735	372,735	0	0	0
Available Ending Balance	\$0	\$658,533	\$658,533	\$0	\$0	\$0

SCHOOL CONSTRUCTION FUND STATEMENT

	FY 2005 <u>Estimate</u>	FY 2005 <u>Actual</u>	<u>Variance</u>	FY 2006 <u>Approved</u>	FY 2006 <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$1,971,457	\$1,971,457	\$0	\$0	\$12,859,299	\$12,859,299
RECEIPTS:						
Bond Sales	\$125,590,000	\$125,590,000	\$0	\$109,691,200	\$109,691,200	\$0
State Construction Grant	931,660	933,000	1,340	928,965	928,965	0
PTA/PTO Receipts	150,000	487,650	337,650	150,000	150,000	0
City of Fairfax	150,000	514,345	364,345	150,000	150,000	0
Insurance Proceeds - Floris	299,945	299,945	0	0	0	0
Other Revenue	136,000	12,152,699	12,016,699	136,000	136,000	0
Total Receipts	\$127,257,605	\$139,977,639	\$12,720,034	\$111,056,165	\$111,056,165	\$0
AUTHORIZED BUT UNISSUED BONDS	\$368,061,986	\$0	(\$368,061,986)	0	272,489,803	272,489,803
Total Referendums	\$368,061,986	\$0	(\$368,061,986)	\$0	\$272,489,803	\$272,489,803
TRANSFERS IN:						
School Operating Fund						
Building Maintenance	\$9,000,000	\$9,000,000	\$0	\$6,800,000	\$9,400,000	\$2,600,000
Classroom Equipment	3,258,000	3,258,000	0	3,391,022	3,391,022	0
Facility Modifications	1,154,549	1,154,549	0	600,000	1,126,490	526,490
Total Transfers In	\$13,412,549	\$13,412,549	\$0	\$10,791,022	\$13,917,512	\$3,126,490
Total Receipts and Transfers	\$508,732,140	\$153,390,188	(\$355,341,952)	\$121,847,187	\$397,463,480	\$275,616,293
Total Funds Available	\$510,703,597	\$155,361,645	(\$355,341,952)	\$121,847,187	\$410,322,779	\$288,475,592
EXPENDITURES AND COMMITMENTS:						
Expenditures	\$147,051,611	\$142,502,346	(\$4,549,265)	\$121,847,187	\$137,832,976	\$15,985,789
Additional Contractual Commitments	363,651,986	0	(363,651,986)	0	272,489,803	272,489,803
Total Disbursements	\$510,703,597	\$142,502,346	(\$368,201,251)	\$121,847,187	\$410,322,779	\$288,475,592
ENDING BALANCE, JUNE 30	\$0	\$12,859,299	\$12,859,299	\$0	\$0	\$0

SCHOOL INSURANCE FUND STATEMENT

	<u>FY 2005 Estimate</u>	<u>FY 2005 Actual</u>	<u>Variance</u>	<u>FY 2006 Approved</u>	<u>FY 2006 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$14,726,537	\$14,726,537	\$0	\$14,717,655	\$17,706,754	\$2,989,099
RECEIPTS:						
Workers' Compensation						
School Operating Fund	\$4,375,116	\$4,375,116	\$0	\$5,266,150	\$5,266,150	\$0
School Food & Nutrition Serv. Fund	218,124	218,124	0	277,166	277,166	0
Other Insurance						
School Operating Fund	6,700,000	6,700,000	0	6,700,000	6,700,000	
Insurance Proceeds	50,000	106,740	56,740	50,000	50,000	0
Total Receipts	\$11,343,240	\$11,399,980	\$56,740	\$12,293,316	\$12,293,316	\$0
Total Funds Available	\$26,069,777	\$26,126,517	\$56,740	\$27,010,971	\$30,000,070	\$2,989,099
EXPENDITURES:						
Workers' Compensation						
Claims Paid	\$4,221,455	\$4,201,340	(\$20,115)	\$4,380,000	\$4,380,000	\$0
Administration	644,274	500,375	(143,899)	538,616	538,616	0
Claims Management	600,000	804,897	204,897	625,000	625,000	0
Other Insurance	5,886,393	2,913,151	(2,973,242)	6,750,000	6,750,000	0
Subtotal Expenditures	\$11,352,122	\$8,419,763	(\$2,932,359)	\$12,293,616	\$12,293,616	\$0
Net change in accrued liabilities-Worker's Comp	\$0	\$2,419,000	\$2,419,000	\$0	\$0	\$0
Net change in accrued liabilities-Other Insurance	3,000	(1,114,718)	(1,117,718)	0	0	0
Total Expenditures	11,355,122	9,724,045	(1,631,077)	12,293,616	12,293,616	0
ENDING BALANCE, JUNE 30	\$14,717,655	\$17,706,754	\$2,989,099	\$14,717,355	\$17,706,454	\$2,989,099
Restricted Reserves						
Workers Comp Accrued Liability	10,954,000	13,373,000	2,419,000	10,954,000	13,373,000	2,419,000
Other Insurance Accrued Liability	3,763,655	2,645,937	(1,117,718)	3,763,655	2,645,937	(1,117,718)
Reserve for Catastrophic Occurrences	0	1,687,817	1,687,817	0	1,687,517	1,687,517
Total Reserves	\$14,717,655	\$17,706,754	\$2,989,099	\$14,717,655	\$17,706,454	\$2,988,799

SCHOOL HEALTH AND FLEXIBLE BENEFITS FUND STATEMENT

	<u>FY 2005 Estimate</u>	<u>FY 2005 Actual</u>	<u>Variance</u>	<u>FY 2006 Approved</u>	<u>FY 2006 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$23,648,990	\$23,648,990	\$0	\$23,462,659	\$27,200,121	\$3,737,462
RECEIPTS:						
Employer Contributions	\$121,973,293	\$125,123,836	\$3,150,543	\$143,553,256	\$143,553,256	\$0
Employee Contributions	34,517,077	34,570,096	53,019	38,794,000	38,794,000	0
Retiree/Other Contributions	21,400,316	18,272,632	(3,127,684)	21,668,000	21,668,000	0
Interest Income	560,000	890,840	330,840	575,000	575,000	0
Subtotal	\$178,450,686	\$178,857,404	\$406,718	\$204,590,256	\$204,590,256	\$0
Flexible Accounts Withholdings	\$4,787,515	\$5,285,334	\$497,819	\$5,302,859	\$5,302,859	\$0
Total Receipts	\$183,238,201	\$184,142,738	\$904,537	\$209,893,115	\$209,893,115	\$0
TRANSFERS IN:						
School Operating Fund	366,245	366,245	0	405,669	0	(405,669)
Total Receipts and Transfers	\$183,604,446	\$184,508,983	\$904,537	\$210,298,784	\$209,893,115	(\$405,669)
Total Funds Available	\$207,253,436	\$208,157,973	\$904,537	\$233,761,443	\$237,093,236	\$3,331,793
EXPENDITURES/PAYMENTS:						
Health Benefits Paid	\$122,663,420	\$121,586,552	(\$1,076,868)	\$145,812,386	\$145,812,386	\$0
Premiums Paid	45,009,985	41,218,315	(3,791,670)	49,137,870	49,137,870	0
Claims Incurred but not Reported (IBNR)	18,735,252	18,916,000	180,748	20,815,000	20,815,000	0
IBNR Prior Year Credit	(15,904,104)	(14,394,000)	1,510,104	(17,914,000)	(17,914,000)	0
Health Administrative Expenses	8,446,544	8,212,679	(233,865)	9,223,340	9,223,340	0
Subtotal	\$178,951,097	\$175,539,546	(\$3,411,551)	\$207,074,596	\$207,074,596	\$0
Flexible Accounts Reimbursement	\$4,723,669	\$5,305,074	\$581,405	\$4,909,725	\$4,909,725	\$0
FSA Administrative Expenses	116,011	113,232	(2,779)	108,943	108,943	0
Subtotal	\$4,839,680	\$5,418,306	\$578,626	\$5,018,668	\$5,018,668	\$0
Premium Stabilization Reserve	\$23,462,659	\$0	(\$23,462,659)	\$21,668,179	\$24,999,972	\$3,331,793
Total Disbursements	\$207,253,436	\$180,957,852	(\$26,295,584)	\$233,761,443	\$237,093,236	\$3,331,793
ENDING BALANCE, JUNE 30	\$0	\$27,200,121	\$27,200,121	\$0	\$0	\$0

SCHOOL CENTRAL PROCUREMENT FUND STATEMENT

	<u>FY 2005</u> <u>Estimate</u>	<u>FY 2005</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2006</u> <u>Approved</u>	<u>FY 2006</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$477,952	\$477,952	\$0	\$477,953	\$815,365	\$337,412
RECEIPTS:						
Sales to Schools/Departments	14,000,000	11,303,276	(2,696,724)	14,000,000	14,000,000	-
Total Funds Available	<u>\$14,477,952</u>	<u>\$11,781,228</u>	<u>(\$2,696,724)</u>	<u>\$14,477,953</u>	<u>\$14,815,365</u>	<u>\$337,412</u>
EXPENDITURES:						
Purchase for Resale	14,000,000	10,965,863	(3,034,137)	14,000,000	14,000,000	0
Total Disbursements	<u>\$14,000,000</u>	<u>\$10,965,863</u>	<u>(\$3,034,137)</u>	<u>\$14,000,000</u>	<u>\$14,000,000</u>	<u>\$0</u>
Change in Inventory *	\$0	\$0	\$0	\$0	\$0	\$0
ENDING BALANCE, JUNE 30	<u>\$477,952</u>	<u>\$815,365</u>	<u>\$337,413</u>	<u>\$477,953</u>	<u>\$815,365</u>	<u>\$337,412</u>

* Change in Inventory was not available at time statements were prepared.

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

	<u>FY 2005</u> <u>Estimate</u>	<u>FY 2005</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2006</u> <u>Approved</u>	<u>FY 2006</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$1,528,120,114	\$1,528,120,114	\$0	\$1,579,239,012	\$1,657,522,269	\$78,283,257
RECEIPTS:						
Contributions	\$73,154,572	\$72,017,181	(\$1,137,391)	\$77,140,920	\$77,140,920	\$0
Investment Income	117,450,000	186,639,272	69,189,272	120,500,000	120,500,000	0
Other	0	294,698	294,698			
Total Receipts	<u>\$190,604,572</u>	<u>\$258,951,151</u>	<u>\$68,346,579</u>	<u>\$197,640,920</u>	<u>\$197,640,920</u>	<u>\$0</u>
Total Funds Available	\$1,718,724,686	\$1,787,071,265	\$68,346,579	\$1,776,879,932	\$1,855,163,189	\$78,283,257
EXPENDITURES	\$139,499,507	\$129,548,996	(\$9,950,511)	\$151,825,260	\$151,863,644	\$38,384
ENDING BALANCE, JUNE 30	<u><u>\$1,579,225,179</u></u>	<u><u>\$1,657,522,269</u></u>	<u><u>\$78,297,090</u></u>	<u><u>\$1,625,054,672</u></u>	<u><u>\$1,703,299,545</u></u>	<u><u>\$78,244,873</u></u>

**SUPPLEMENTAL APPROPRIATIONS RESOLUTION
FY 2006**

BE IT RESOLVED that the Fairfax County School Board requests the county Board of Supervisors to amend the FY 2006 Appropriation Resolution for the following School Board funds:

<u>Fund</u>	<u>Fund Name Change</u>	<u>From</u>	<u>To</u>	
090	Public School Operating Expenditures	\$1,879,137,412	\$1,985,072,600	\$105,935,188
191	School Food & Nutrition Services Operating Expenditures	\$69,494,037	\$70,129,198	\$635,161
192	School Grants & Self Supporting Programs Operating Expenditures	\$61,395,660	\$84,081,911	\$22,686,251
193	School Adult & Community Education Operating Expenditures	\$11,085,684	\$11,813,546	\$727,862
390	School Construction Operating Expenditures	\$124,449,882	\$410,322,779	\$285,872,897
591	School Health & Flexible Benefits Operating Expenditures	\$233,761,443	\$237,093,236	\$3,331,793
691	School Education Employees' Supplementary Retirement Fund Operating Expenditures	\$151,825,260	\$151,863,644	\$38,384

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 2005 Final Budget Review, at a regular meeting held on July 21, 2005, at Luther Jackson Middle School, Falls Church, Virginia.

Date

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

**FISCAL PLANNING RESOLUTION
FY 2006**

BE IT RESOLVED that the Fairfax County School Board requests the county Board of Supervisors to amend the FY 2006 Fiscal Planning Resolution for the following School Board funds:

<u>Fund</u>	<u>Fund Name</u>	<u>Transfer To</u>	<u>From</u>	<u>To</u>	<u>Change</u>
90	Public School Operating	192 School Grants & Self Supporting Programs	\$20,359,490	\$22,137,706	\$1,778,216
		200/201 Consolidated Debt Service	\$0	\$1,958,711	\$1,958,711
		390 School Construction	\$13,391,022	\$13,917,512	\$526,490
		591 School Health & Flexible Benefits	\$405,669	\$0	(\$405,669)

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 2005 Final Budget Review, at a regular meeting held on July 21, 2005, 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 2005

Date: June 30, 2005

Update for FY 2005 Grants

This report provides the status of competitive grants for FY 2005:

- Competitive grants submitted: \$6.7 million (74 grants)
- Competitive grants awarded: \$2.8 million (44 grants)
- Competitive grants denied: \$1.4 million (11 grants)
- Competitive grants pending: \$2.4 million (19 grants)

The status of FY 2005 entitlement grants is as follows:

- Entitlement grants submitted: \$51.1 million (25 grants)
- Entitlement grants awarded: \$53.6 million (24 grants)
- Entitlement grants denied: \$0 million (0 grants)
- Entitlement grants pending: \$.7 million (1 grant)

Win Ratios for Competitive Grants

Win ratios are computed for competitive grants using two methods: (1) dollar wins, and (2) number-of-application wins. The dollar ratio reflects our ability to win large grants, while the number-of-application ratio reflects the frequency of awards. For FY 2005 to date:

- FCPS has won \$4.18 out of every \$10 submitted – or 42%
- FCPS has won 5.9 applications out of every 10 submitted – or 59%