

ATTACHMENT C:

**FCPS FY 2008 FINAL BUDGET REVIEW AND
APPROPRIATION RESOLUTIONS**



THE FAIRFAX COUNTY SCHOOL BOARD

8115 GATEHOUSE ROAD, SUITE 5400, FALLS CHURCH, VA 22042

Fairfax County
Public Schools

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DATE: August 21, 2008

TO: Gerald E. Connolly, Chairman
Fairfax County Board of Supervisors

FROM: Daniel G. Storck, Chairman 
Fairfax County School Board

SUBJECT: Replacement of August 18, 2008, memo and attachment

By memo dated August 18, 2008, a previous draft of the agenda item was attached rather than the approved agenda item. Please accept this as the formal transmittal of the FY 2008 Final Budget Review and Appropriation Resolutions. The final approved agenda item is attached. **Please discard the August 18, 2008, memo and attachment.**

On July 24, 2008, the School Board approved the attached FY 2008 Final Budget Review and Appropriation Resolutions. Please include this budget review with the county's final budget review.

If any questions arise when the Board of Supervisors reviews the year-end agenda, please do not hesitate to contact Susan Quinn, acting chief financial officer, at 571-423-3750, or myself, at 571-423-1086.

Of course, I would always welcome your call on this or any other matter.

Thank you.

DS/pm
Attachment—Final Approved Agenda Item

cc: School Board
Leadership Team
Anthony H. Griffin
Edward L. Long
Pam Goddard

Staff Contact: Susan Quinn, Acting Chief Financial Officer

Meeting Type: July 24, 2008, Regular Meeting No. 2

SUBJECT: FY 2008 Final Budget Review

TYPE: Action

BACKGROUND:

All of the FY 2008 accounts have been closed, subject to the annual independent audit. A summary of the revenue and expenditure variances is provided for each of the funds under the control of the School Board. All comparisons are against the FY 2008 estimate.

KEY POINTS:

FY 2008 actual revenue was \$4.3 million lower than the estimate due to a \$3.8 million decrease in sales tax revenue, offset by a \$1.3 million increase in state aid; and a net reduction of \$8.9 million in federal funding primarily due to \$10.1 million in unspent federal grant funds that will be carried forward; and \$7.0 million in higher than projected revenue from tuition, fees, and rebates.

Recommended expenditure adjustments to FY 2009 include \$2.7 million for electricity rate increases, \$1.2 million for restoring the flexibility reserve, and reductions in central office support to schools to fund the one-time stipend for lower wage employees included in the FY 2009 Approved agenda.

Funding for energy-related items including fuel, electricity, and other transportation items continues to be a concern for FY 2009. These accounts will be monitored and, if necessary, addressed in the FY 2009 Mid-Year Budget Review.

RECOMMENDATION:

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

	<u>AMOUNT</u>
I. FY 2008 ACTUAL	
A. Revenue	
State Revenue	(\$2,537,400)
Actual state aid payments were \$1.3 million higher than the FY 2008 budget estimate; however, sales tax receipts were \$3.8 million lower than projected, resulting in an overall decrease in state revenue.	
Federal Revenue	(8,887,102)
The net decrease in federal aid is due primarily to \$10.1 million in unspent grant awards that will be carried forward and appropriated again in FY 2009; this amount is offset by a \$1.2 million increase in several federal programs.	
Other	7,138,527
Other categories of revenue such as tuition, fees, and rebates exceeded projections resulting in an increase of \$7.1 million.	
TOTAL REVENUE ADJUSTMENTS	<u>(\$4,285,975)</u>
B. Expenditures	(\$8,212,900)
After meeting the FY 2009 budgeted beginning balance and other commitments, expenditures were \$8.2 million less than projected. Accounts with remaining balances are primarily compensation accounts.	
FY 2008 TOTAL FUNDS AVAILABLE	<u>\$3,926,925</u>

	<u>AMOUNT</u>	<u>POSITIONS</u>
II. FY 2009 REVENUE ADJUSTMENTS		
Community Use	100,000	
<p>Community use rental fees will be increased by approximately 10 percent to partially fund the one-time stipend for lower wage employees. Increasing the rental fee will provide FCPS with additional estimated revenue of \$100,000 that, when combined with expenditure reductions of \$653,550, will fund the one-time stipend.</p>		
TOTAL FY 2009 REVENUE ADJUSTMENTS		<u>\$100,000</u>
III. FY 2009 EXPENDITURE ADJUSTMENTS		
√ A. Flexibility Reserve	\$1,181,353	0.0
<p>This fully restores the flexibility reserve that was used to fund adjustments in the FY 2008 Mid-Year and Third-Quarter Budget Reviews, bringing the reserve balance to \$8.0 million for FY 2009.</p>		
X B. One-time Stipend for Lower Wage Employees	753,550	0.0
<p>The FY 2009 Approved Budget included placeholder funding of \$0.8 million to fund a one-time stipend for lower wage employees. This stipend will be funded through reductions in central office support to schools. The placeholder will be eliminated, and the individual reductions that follow, as well as the increased community use fee, will be implemented.</p>		
1. Major Maintenance	(250,000)	0.0
<p>The Chief Operating Officer manages a major maintenance reserve that is used to address unanticipated facilities requests received during the year. For FY 2009, this reserve will be reduced by 50 percent.</p>		
2. Library Materials	(100,000)	0.0
<p>Funding for the purchase of library books and other library resources will be reduced by \$100,000. This is in addition to the 10 percent reduction, or \$440,466, included in the FY 2009 Approved Budget.</p>		
3. Copier Replacement	(100,000)	0.0
<p>Replacement of copiers will be deferred, lengthening the age of copiers by approximately one year.</p>		
4. Lost or Stolen Equipment Deductible	(50,000)	0.0
<p>Schools and departments will be charged a deductible for lost or stolen computers and equipment, equivalent to 50 percent of the replacement cost.</p>		

√ Recurring
X Nonrecurring

	<u>AMOUNT</u>	<u>POSITIONS</u>
<p>5. Professional Development Financial support from the Superintendent's reserve for principals' professional development will be eliminated for FY 2009.</p>	(80,000)	0.0
<p>6. Healthy and Safe Life Choices The Project Management Oversight Committee (PMOC) project to develop curriculum that provides students with current, accurate health information and delivers it through research-based instructional strategies will be deferred.</p>	(68,550)	0.0
<p>7. Special Functions The School Board Office's budget for funding for special functions will be reduced.</p>	(5,000)	0.0
<p>√ C. Blackberry Funding This funding will restore Blackberries used by school-based personnel that was included in the FY 2009 budget reductions. To fund this, a corresponding reduction will be made to Replacement Equipment.</p>	400,000	0.0
<p>√ D. Replacement Equipment Funding for replacement equipment will be reduced to fund Blackberries for school-based personnel.</p>	(400,000)	0.0
<p>√ E. Legacy System Replacement Project Manager Fairfax County government and FCPS have embarked on a multi-year, joint initiative that will modernize the County's legacy business systems that support finance, human resources, budget, and procurement. This position, fully funded by the County, will provide project management leadership and serve as the FCPS point of contact.</p>	0.0	1.0
<p>√ F. Reading Recovery Position Conversions Reading Recovery Teacher Leaders are devoting part of their time to non-Title I activities. Since Title I grant funds can only be used for the portion of time that is spent on Title I activities, position authorization is required to convert hourly funds to pay for 1.5 positions in the operating fund. The amount of hourly funds to be converted for the positions and benefits is \$114,086.</p>	0.0	1.5

√ Recurring
X Nonrecurring

	<u>AMOUNT</u>	<u>POSITIONS</u>
√ G. Utilities - Electricity	2,745,572	0.0
<p>Dominion Virginia Power's (DVP) recent rate increase will require an estimated \$4.1 million increase in the electricity budget. A component of the electricity cost per kWh is an adjustable pass-through identified as the fuel factor. This portion is estimated annually by DVP to cover its costs to generate electricity. Partial funding of \$2.7 million is recommended to cover the new fuel factor cost of \$0.01363 per kWh. Utility accounts will be monitored and, if necessary, included on the FY 2009 Mid-Year Budget review</p>		
TOTAL FY 2009 EXPENDITURE ADJUSTMENTS	<u>\$4,026,925</u>	<u>2.5</u>

SUMMARY

	<u>AMOUNT</u>	<u>POSITIONS</u>
FY 2008 AVAILABLE BALANCE	\$3,926,925	
FY 2009 REVENUE ADJUSTMENTS	100,000	
LESS FY 2009 EXPENDITURE ADJUSTMENTS	(4,026,925)	2.5
AVAILABLE BALANCE	<u>\$0</u>	<u>2.5</u>

√ Recurring
 X Nonrecurring

III. OTHER FUNDS

FOOD AND NUTRITION SERVICES FUND

The FY 2008 ending balance in the Food and Nutrition Fund is \$7.8 million, or \$1.2 million less than the estimate, primarily due to increasing food costs.

GRANTS AND SELF-SUPPORTING PROGRAMS FUND

Grants Subfund:

The FY 2009 appropriations in the Grants Subfund are increasing \$14.9 million due to carryover of FY 2008 unspent grant awards.

Additionally, position authorization for a 0.5 position is requested. Additional funding is not required; there is available funding in the grant to cover the costs of the position.

	Amount	Positions
Federal		
Juvenile Detention Center Remedial Teacher	\$0	0.50
Total:	\$0	0.50

Summer School Subfund:

The FY 2009 beginning balance in the summer school subfund is increased \$1.2 million to carry over the ending balance from FY 2008. Due to the early reductions for the FY 2009 budget that were set aside in FY 2008, the transfer from the Operating Fund is reduced by \$0.3 million. Expenditures will increase \$1.0 million to offset these adjustments to funds available.

ADULT AND COMMUNITY EDUCATION FUND

The beginning balance and expenditures for the Adult and Community Education Fund for FY 2009 are increased by \$0.3 million as a result of the ending balance in FY 2008. Revenue and expenditures also increased to recognize a grant of \$64,500 from the Consolidated Community Funding Pool (CCFP) for the Education for Independence Program.

SCHOOL CONSTRUCTION FUND

An increase of \$236.0 million in the School Construction Fund appropriation is due to project balances being carried forward and reallocated in FY 2009 and a decrease of \$0.3 million in transfers-in from the Operating Fund due to a one-time reduction to fund the stipend for lower wage employees from the Chief Operating Officer's major maintenance reserve. Total costs for multi-year construction projects are allocated when the jobs are contracted and unspent balances are carried forward into future years until the projects are completed.

SCHOOL INSURANCE FUND

The FY 2008 ending balance in the School Insurance Fund is \$27.9 million, or \$10.4 million more than estimated. Reserves of \$6.4 million and lower than anticipated claims of \$1.6 million primarily account for these funds.

SCHOOL HEALTH AND FLEXIBLE BENEFITS FUND

After deducting the premium stabilization and GASB 45 reserves, the FY 2008 ending balance in the Health and Flexible Benefits Fund is \$62.6 million or \$9.5 million more than estimated, primarily due to lower than anticipated medical claims expenditures and higher than anticipated interest income and rebates.

SCHOOL CENTRAL PROCUREMENT FUND

The FY 2008 ending balance in the Central Procurement Fund is \$0.7 million, \$0.3 million less than the estimate.

EDUCATIONAL EMPLOYEES' SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY FUND

The FY 2008 ending balance for the Educational Employees' Retirement System of Fairfax County is \$1.9 billion. This reflects the fund's total asset value through May 31, 2008, and estimated asset values for June 2008.

FY 2008 revenues from contributions totaled \$84.5 million, \$1.3 million less than the fiscal year's estimate of \$85.8 million. Investment income growth for the fund has historically been budgeted at the actuarially assumed rate of 7.5 percent. The value of investments declined by \$65.3 million, which is \$408.3 million less than the FY 2008 estimated gain of \$343.0 million. This loss results from the weakness of the capital markets.

Expenditures for FY 2008 totaled \$158.8 million, \$7.3 million less than the FY 2008 estimate.

SCHOOL OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST FUND

The FY 2008 ending balance of the School Other Post-Employment Benefits Trust Fund is \$8.0 million, which includes an administrative fee of \$5,000 paid in FY 2008..

SCHOOL OPERATING FUND STATEMENT

	<u>FY 2008 Revised</u>	<u>FY 2008 Actual</u>	<u>Variance</u>	<u>FY 2009 Approved</u>	<u>FY 2009 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, July 1:						
Budgeted Beginning Balance	\$76,651,183	\$76,651,183	\$0	\$50,000,000	\$50,000,000	\$0
Flexibility Reserve	8,000,000	8,000,000	0	0	8,000,000	8,000,000
Undelivered Orders	32,653,043	32,653,043	0	0	33,127,855	33,127,855
Automatic Carryover	3,000,444	3,000,444	0	0	5,931,778	5,931,778
Unencumbered Carryover	2,527,130	2,527,130	0	0	4,216,873	4,216,873
Grants Carryover	96,380	96,380	0	0	1,840,599	1,840,599
Available Balance	5,947,213	5,947,213	0	0	2,745,572	2,745,572
Total Beginning Balance	\$128,875,393	\$128,875,393	\$0	\$50,000,000	\$105,862,677	\$55,862,677
RECEIPTS:						
Sales Tax	\$156,414,944	\$152,583,132	(\$3,831,812)	\$160,640,333	\$160,640,333	\$0
State Aid	287,060,266	288,354,678	1,294,412	294,269,731	294,269,731	0
Federal Aid	48,437,171	39,550,069	(8,887,102)	39,661,053	49,769,343	10,088,290
City of Fairfax Tuition	36,129,470	36,129,470	0	37,704,623	37,704,623	0
Tuition, Fees, and Other	11,077,048	18,215,575	7,138,527	11,742,046	11,842,046	100,000
Total Receipts	\$539,118,899	\$534,832,924	(\$4,285,975)	\$544,037,785	\$554,226,075	\$10,188,290
TRANSFERS IN:						
County General Fund:						
Approved Operating Transfer	\$1,586,600,722	\$1,586,600,722	\$0	\$1,626,600,722	\$1,626,600,722	\$0
Total Transfers In	\$1,586,600,722	\$1,586,600,722	\$0	\$1,626,600,722	\$1,626,600,722	\$0
Total Receipts & Transfers	\$2,125,719,621	\$2,121,433,646	(\$4,285,975)	\$2,170,638,507	\$2,180,826,797	\$10,188,290
Total Funds Available	\$2,254,595,014	\$2,250,309,039	(\$4,285,975)	\$2,220,638,507	\$2,286,689,474	\$66,050,967
EXPENDITURES						
	\$2,179,994,196	\$2,101,672,757	(\$78,321,439)	\$2,181,538,008	\$2,240,106,300	\$58,568,292
Flexibility Reserve	6,818,647	0	(6,818,647)	0	6,818,647	6,818,647
FY 2008 Agenda - Flexibility Reserve	0	0	0	0	1,181,353	1,181,353
	\$2,186,812,843	\$2,101,672,757	(\$85,140,086)	\$2,181,538,008	\$2,248,106,300	\$66,568,292
TRANSFERS OUT:						
School Construction Fund	\$12,776,868	\$12,776,868	\$0	\$11,532,989	\$11,265,664	(\$267,325)
Grants & Self-Supporting Fund	24,525,697	24,525,697	0	22,095,970	21,845,970	(250,000)
Adult & Community Education Fund	1,695,667	1,695,667	0	1,695,667	1,695,667	0
Consolidated County & Schools Debt	3,775,373	3,775,373	0	3,775,873	3,775,873	0
Total Transfers Out	\$42,773,605	\$42,773,605	\$0	\$39,100,499	\$38,583,174	(\$517,325)
Total Disbursements	\$2,229,586,448	\$2,144,446,362	(\$85,140,086)	\$2,220,638,507	\$2,286,689,474	\$66,050,967
ENDING BALANCE, June 30	\$25,008,566	\$105,862,677	\$80,854,111	\$0	\$0	\$0
Less:						
Flexibility Reserve	\$0	\$8,000,000	\$8,000,000	\$0	\$0	\$0
Budgeted Beginning Balance	0	50,000,000	50,000,000	0	0	0
Other Commitments	0	45,117,105	45,117,105	0	0	0
Available Ending Balance	\$25,008,566	\$2,745,572	(\$22,262,994)	\$0	\$0	\$0

FOOD AND NUTRITION SERVICES FUND STATEMENT

	<u>FY 2008 Estimate</u>	<u>FY 2008 Actual</u>	<u>Variance</u>	<u>FY 2009 Approved</u>	<u>FY 2009 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$8,675,659	\$8,675,659	\$0	\$9,024,636	\$7,775,492	(\$1,249,144)
RECEIPTS:						
Food Sales	\$45,088,278	\$44,718,905	(\$369,373)	\$45,910,899	\$45,910,899	\$0
Federal Aid	18,395,762	19,407,391	1,011,629	18,712,771	18,712,771	0
State Aid	799,958	788,758	(11,200)	815,112	815,112	0
Other Revenue	343,000	298,512	(44,488)	390,000	390,000	0
Total Receipts	<u>\$64,626,998</u>	<u>\$65,213,566</u>	<u>\$586,568</u>	<u>\$65,828,782</u>	<u>\$65,828,782</u>	<u>\$0</u>
Total Funds Available	\$73,302,657	\$73,889,225	\$586,568	\$74,853,418	\$73,604,274	(\$1,249,144)
EXPENDITURES:	\$64,278,021	\$65,761,077	\$1,483,056	\$66,834,760	\$66,856,048	\$21,288
Change in Inventory	0	(352,656)	(352,656)	0	0	0
Subtotal	<u>\$64,278,021</u>	<u>\$66,113,733</u>	<u>\$1,835,712</u>	<u>\$66,834,760</u>	<u>\$66,856,048</u>	<u>\$21,288</u>
Food and Nutrition Services General Reserve	\$9,024,636	\$0	(\$9,024,636)	\$8,018,658	\$6,748,226	(\$1,270,432)
Total Disbursements	\$73,302,657	\$66,113,733	(\$7,188,924)	\$74,853,418	\$73,604,274	(\$1,249,144)
ENDING BALANCE, JUNE 30	\$0	\$7,775,492	\$7,775,492	\$0	\$0	\$0
Less:						
Undelivered Orders	\$0	\$21,288	\$21,288	\$0	\$0	\$0
Inventory	0	1,483,418	1,483,418	0	0	0
Available Ending Balance	<u>\$0</u>	<u>\$6,270,786</u>	<u>\$6,270,786</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

GRANTS & SELF-SUPPORTING PROGRAMS FUND

	<u>FY 2008</u> <u>Estimate</u>	<u>FY 2008</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2009</u> <u>Approved</u>	<u>FY 2009</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$6,938,208	\$6,938,208	\$0	\$833,514	\$10,297,215	\$9,463,701
RECEIPTS:						
State Aid	\$11,115,429	\$11,405,057	\$289,628	\$10,515,356	\$10,722,073	\$206,717
Federal Aid	40,923,155	30,491,700	(10,431,455)	30,696,995	37,122,958	6,425,963
Tuition	3,190,102	3,282,928	92,826	2,913,643	2,913,643	0
Industry, Foundation, Other	437,435	791,921	354,486	111,421	147,935	36,514
Total Receipts	\$55,666,121	\$45,971,606	(\$9,694,515)	\$44,237,415	\$50,906,609	\$6,669,194
TRANSFERS IN:						
School Operating Fund (Grants)	\$8,874,217	\$8,874,217	\$0	\$8,759,034	\$8,759,034	\$0
County General Fund	0	0	0	0	0	0
School Operating Fund (Summer School)	15,651,481	15,651,481	0	13,336,936	13,086,936	(250,000)
Cable Communications Fund	2,905,459	2,905,459	0	2,922,800	2,922,800	0
Total Transfers In	\$27,431,157	\$27,431,157	\$0	\$25,018,770	\$24,768,770	(\$250,000)
Total Funds Available	\$90,035,486	\$80,340,971	(\$9,694,515)	\$70,089,699	\$85,972,594	\$15,882,895
EXPENDITURES	\$90,035,486	\$70,043,756	(\$19,991,730)	\$70,089,699	\$85,972,594	\$15,882,895
ENDING BALANCE, JUNE 30	\$0	\$10,297,215	\$10,297,215	\$0	\$0	\$0
Less:						
Undelivered Orders	\$0	\$1,707,000	\$1,707,000	\$0	\$0	\$0
Available Ending Balance	\$0	\$8,590,215	\$8,590,215	\$0	\$0	\$0

ADULT & COMMUNITY EDUCATION FUND STATEMENT

	<u>FY 2008 Estimate</u>	<u>FY 2008 Actual</u>	<u>Variance</u>	<u>FY 2009 Approved</u>	<u>FY 2009 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$1,289,700	\$1,289,700	\$0	\$866,740	\$1,185,590	\$318,850
RECEIPTS:						
State Aid	\$866,168	\$786,880	(\$79,288)	\$696,791	\$696,791	\$0
Federal Aid	998,139	991,693	(6,446)	726,896	726,896	0
Tuition and Fees	7,827,275	6,754,757	(1,072,518)	8,017,086	8,017,086	0
Other	348,208	513,024	164,816	359,821	424,321	64,500
Total Receipts	<u>\$10,039,790</u>	<u>\$9,046,354</u>	<u>(\$993,436)</u>	<u>\$9,800,594</u>	<u>\$9,865,094</u>	<u>\$64,500</u>
TRANSFERS IN:						
School Operating Fund	\$1,695,667	\$1,695,667	\$0	\$1,695,667	\$1,695,667	\$0
Total Transfers In	<u>\$1,695,667</u>	<u>\$1,695,667</u>	<u>\$0</u>	<u>\$1,695,667</u>	<u>\$1,695,667</u>	<u>\$0</u>
Total Receipts and Transfers	\$11,735,457	\$10,742,021	(\$993,436)	\$11,496,261	\$11,560,761	\$64,500
Total Funds Available	\$13,025,157	\$12,031,721	(\$993,436)	\$12,363,001	\$12,746,351	\$383,350
EXPENDITURES	\$13,025,157	\$10,846,130	(\$2,179,027)	\$12,363,001	\$12,746,351	\$383,350
ENDING BALANCE, JUNE 30	\$0	\$1,185,590	\$1,185,590	\$0	\$0	\$0
Less:						
Undelivered Orders	<u>\$0</u>	<u>\$252,585</u>	<u>\$252,585</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Available Ending Balance	<u>\$0</u>	<u>\$933,005</u>	<u>\$933,005</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

SCHOOL CONSTRUCTION FUND STATEMENT

	<u>FY 2008 Estimate</u>	<u>FY 2008 Actual</u>	<u>Variance</u>	<u>FY 2009 Approved</u>	<u>FY 2009 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	(\$3,656,649)	(\$3,656,649)	\$0	\$0	\$12,848,680	\$12,848,680
RECEIPTS:						
Bond Sales	\$144,280,000	\$144,280,000	\$0	\$155,000,000	\$155,000,000	\$0
State Construction Grant	928,016	928,016	0	871,810	871,810	0
PTA/PTO Receipts	150,000	5,896,767	5,746,767	150,000	150,000	0
City of Fairfax	150,000	342,386	192,386	150,000	150,000	0
Other Revenue	136,000	199,362	63,362	136,000	136,000	0
Lacey Center Insurance Proceeds	1,760,440	1,760,440	0	0	0	0
Total Receipts	\$147,404,456	\$153,406,971	\$6,002,515	\$156,307,810	\$156,307,810	\$0
AUTHORIZED BUT UNISSUED BONDS	\$333,169,292	\$0	(\$333,169,292)	\$0	\$223,444,103	\$223,444,103
Total Referendums	\$333,169,292	\$0	(\$333,169,292)	\$0	\$223,444,103	\$223,444,103
TRANSFERS IN:						
School Operating Fund						
Building Maintenance	\$9,400,000	\$9,400,000	\$0	\$9,300,000	\$9,300,000	\$0
Classroom Equipment	2,880,000	2,880,000	0	1,632,989	1,632,989	0
Facility Modifications	496,868	496,868	0	600,000	332,675	(267,325)
Total Transfers In	\$12,776,868	\$12,776,868	\$0	\$11,532,989	\$11,265,664	(\$267,325)
Total Receipts and Transfers	\$493,350,616	\$166,183,839	(\$327,166,777)	\$167,840,799	\$391,017,577	\$223,176,778
Total Funds Available	\$489,693,967	\$162,527,190	(\$327,166,777)	\$167,840,799	\$403,866,257	\$236,025,458
EXPENDITURES AND COMMITMENTS:						
Expenditures	\$156,524,675	\$149,678,510	(\$6,846,165)	\$167,840,799	\$180,422,154	\$12,581,355
Additional Contractual Commitments	333,169,292	0	(333,169,292)	0	223,444,103	223,444,103
Total Disbursements	\$489,693,967	\$149,678,510	(\$340,015,457)	\$167,840,799	\$403,866,257	\$236,025,458
ENDING BALANCE, JUNE 30	\$0	\$12,848,680	\$12,848,680	\$0	\$0	\$0

SCHOOL INSURANCE FUND STATEMENT

	<u>FY 2008 Estimate</u>	<u>FY 2008 Actual</u>	<u>Variance</u>	<u>FY 2009 Approved</u>	<u>FY 2009 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$25,171,637	\$25,171,637	\$0	\$23,964,746	\$27,921,647	\$3,956,901
RECEIPTS:						
Workers' Compensation						
School Operating Fund	\$6,771,502	\$6,771,502	\$0	\$5,771,502	\$5,771,502	\$0
School Food & Nutrition Serv. Fund	277,166	277,166	0	277,166	277,166	0
Other Insurance						
School Operating Fund	5,468,127	5,468,127	0	3,468,127	3,418,127	(\$50,000)
Insurance Proceeds/ Rebates	50,000	570,518	520,518	50,000	50,000	0
Total Receipts	\$12,566,795	\$13,087,313	\$520,518	\$9,566,795	\$9,516,795	(\$50,000)
Total Funds Available	\$37,738,432	\$38,258,950	\$520,518	\$33,531,541	\$37,438,442	\$3,906,901
EXPENDITURES:						
Workers' Compensation						
Claims Paid	\$5,636,717	\$4,062,492	(\$1,574,225)	\$5,636,717	\$6,267,617	\$630,900
Administration	1,095,365	598,506	(496,859)	736,951	736,951	0
Claims Management	675,000	587,903	(87,097)	675,000	675,000	0
Other Insurance	6,366,604	5,088,402	(1,278,202)	6,041,500	6,158,392	116,892
Allocated Reserves	6,418,091	0	(6,418,091)	2,894,718	4,639,402	1,744,684
Subtotal Expenditures	\$20,191,777	\$10,337,303	(\$9,854,474)	\$15,984,886	\$18,477,362	\$2,492,476
Net change in accrued liabilities-Worker's Comp	\$0	\$1,279,000	\$1,279,000	\$0	\$0	\$0
Net change in accrued liabilities-Other Insurance	0	135,425	135,425	0	0	0
Total Expenditures	\$20,191,777	\$11,751,728	(\$8,440,049)	\$15,984,886	\$18,477,362	\$2,492,476
ENDING BALANCE, JUNE 30	\$17,546,655	\$27,921,647	\$10,374,992	\$17,546,655	\$18,961,080	\$1,414,425
Restricted Reserves						
Workers Comp Accrued Liability	\$15,068,000	\$16,347,000	\$1,279,000	\$15,068,000	\$16,347,000	\$1,279,000
Other Insurance Accrued Liability	2,478,655	2,614,080	135,425	2,478,655	2,614,080	135,425
Reserve for Catastrophic Occurrences	0	8,960,567	8,960,567	0	0	0
Total Reserves	\$17,546,655	\$27,921,647	\$10,374,992	\$17,546,655	\$18,961,080	\$1,414,425

SCHOOL HEALTH AND FLEXIBLE BENEFITS FUND STATEMENT

	<u>FY 2008 Estimate</u>	<u>FY 2008 Actual</u>	<u>Variance</u>	<u>FY 2009 Approved</u>	<u>FY 2009 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$55,228,456	\$55,228,456	\$0	\$53,093,782	\$62,635,406	\$9,541,624
RECEIPTS:						
Employer Contributions	\$144,579,192	\$145,774,691	\$1,195,499	\$154,580,442	\$154,580,442	\$0
Employee Contributions	42,279,154	42,669,959	390,805	44,900,461	44,900,461	0
Retiree/Other Contributions	31,048,000	32,031,462	983,462	32,241,000	32,241,000	0
Medicare Part D	2,000,000	2,240,564	240,564	2,000,000	2,000,000	0
Interest Income/ Rebates	4,000,000	5,848,739	1,848,739	4,000,000	4,000,000	0
Subtotal	\$223,906,346	\$228,565,415	\$4,659,069	\$237,721,903	\$237,721,903	\$0
Flexible Accounts Withholdings	\$6,000,000	\$6,214,758	\$214,758	\$6,000,000	\$6,000,000	\$0
Total Receipts	\$229,906,346	\$234,780,173	\$4,873,827	\$243,721,903	\$243,721,903	\$0
TRANSFERS IN:						
School Operating Fund	\$0	\$0	\$0	\$0	\$0	\$0
Total Receipts and Transfers	\$229,906,346	\$234,780,173	\$4,873,827	\$243,721,903	\$243,721,903	\$0
Total Funds Available	\$285,134,802	\$290,008,629	\$4,873,827	\$296,815,685	\$306,357,309	\$9,541,624
EXPENDITURES/PAYMENTS:						
Health Benefits Paid	\$160,859,000	\$162,293,216	\$1,434,216	\$169,691,000	\$169,691,000	\$0
Premiums Paid	52,603,352	49,352,991	(3,250,361)	54,102,000	54,102,000	0
Claims Incurred but not Reported (IBNR)	16,704,000	16,400,000	(304,000)	17,861,000	17,861,000	0
IBNR Prior Year Credit	(15,621,000)	(15,621,000)	0	(16,704,000)	(16,704,000)	0
Health Administrative Expenses	11,375,668	8,623,190	(2,752,478)	11,375,668	12,726,184	1,350,516
Subtotal	\$225,921,020	\$221,048,397	(\$4,872,623)	\$236,325,668	\$237,676,184	\$1,350,516
Flexible Accounts Reimbursement	\$6,000,000	\$6,208,117	\$208,117	\$6,000,000	\$6,000,000	\$0
FSA Administrative Expenses	120,000	116,709	(3,291)	120,000	120,000	0
Subtotal	\$6,120,000	\$6,324,826	\$204,826	\$6,120,000	\$6,120,000	\$0
Premium Stabilization Reserve	\$43,093,782	\$0	(\$43,093,782)	\$43,670,017	\$51,861,125	\$8,191,108
Reserve for GASB 45	10,000,000	0	(10,000,000)	10,700,000	10,700,000	0
Subtotal	\$53,093,782	\$0	(\$53,093,782)	\$54,370,017	\$62,561,125	\$8,191,108
Total Disbursements	\$285,134,802	\$227,373,223	(\$57,761,579)	\$296,815,685	\$306,357,309	\$9,541,624
ENDING BALANCE, JUNE 30	\$0	\$62,635,406	\$62,635,406	\$0	\$0	\$0

SCHOOL CENTRAL PROCUREMENT FUND STATEMENT

	<u>FY 2008 Estimate</u>	<u>FY 2008 Actual</u>	<u>Variance</u>	<u>FY 2009 Approved</u>	<u>FY 2009 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$1,043,156	\$1,043,156	\$0	\$1,043,156	\$717,183	(\$325,973)
RECEIPTS:						
Sales to Schools/Departments	<u>\$14,000,000</u>	<u>\$11,975,716</u>	<u>(\$2,024,284)</u>	<u>\$14,000,000</u>	<u>\$14,000,000</u>	<u>\$0</u>
Total Funds Available	<u>\$15,043,156</u>	<u>\$13,018,872</u>	<u>(\$2,024,284)</u>	<u>\$15,043,156</u>	<u>\$14,717,183</u>	<u>(\$325,973)</u>
EXPENDITURES:						
Purchase for Resale	<u>\$14,000,000</u>	<u>\$12,301,689</u>	<u>(\$1,698,311)</u>	<u>\$14,000,000</u>	<u>\$14,000,000</u>	<u>\$0</u>
Total Disbursements	<u>\$14,000,000</u>	<u>\$12,301,689</u>	<u>(\$1,698,311)</u>	<u>\$14,000,000</u>	<u>\$14,000,000</u>	<u>\$0</u>
ENDING BALANCE, JUNE 30	<u>\$1,043,156</u>	<u>\$717,183</u>	<u>(\$325,973)</u>	<u>\$1,043,156</u>	<u>\$717,183</u>	<u>(\$325,973)</u>

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

	<u>FY 2008 Estimate</u>	<u>FY 2008 Actual</u>	<u>Variance</u>	<u>FY 2009 Approved</u>	<u>FY 2009 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$2,015,657,689	\$2,015,657,689	\$0	\$2,278,407,998	\$1,876,107,484	(\$402,300,514)
RECEIPTS:						
Contributions	\$85,832,492	\$84,533,124	(\$1,299,368)	\$90,674,832	\$90,674,832	\$0
Investment Income	<u>343,026,707</u>	<u>(65,255,322)</u>	<u>(408,282,029)</u>	<u>368,833,210</u>	<u>368,833,210</u>	<u>0</u>
Total Receipts	<u>\$428,859,199</u>	<u>\$19,277,802</u>	<u>(\$409,581,397)</u>	<u>\$459,508,042</u>	<u>\$459,508,042</u>	<u>\$0</u>
Total Funds Available	\$2,444,516,888	\$2,034,935,491	(\$409,581,397)	\$2,737,916,040	\$2,335,615,526	(\$402,300,514)
EXPENDITURES	\$166,108,890	\$158,828,007	(\$7,280,883)	\$177,049,927	\$177,052,177	\$2,250
ENDING BALANCE, JUNE 30	<u>\$2,278,407,998</u>	<u>\$1,876,107,484</u>	<u>(\$402,300,514)</u>	<u>\$2,560,866,113</u>	<u>\$2,158,563,349</u>	<u>(\$402,302,764)</u>

SCHOOL OPEB TRUST FUND STATEMENT

	<u>FY 2008 Estimate</u>	<u>FY 2008 Actual</u>	<u>Variance</u>	<u>FY 2009 Approved</u>	<u>FY 2009 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$0	\$0	\$0	\$8,000,000	\$7,995,000	(\$5,000)
REVENUE:						
Employer Contribution	\$25,300,000	\$26,113,058	\$813,058	\$0	\$0	\$0
Interest on Investment Income	0	0	0	0	0	0
Total Revenue	<u>\$25,300,000</u>	<u>\$26,113,058</u>	<u>\$813,058</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL FUNDS AVAILABLE	\$25,300,000	\$26,113,058	\$813,058	\$8,000,000	\$7,995,000	(\$5,000)
EXPENDITURES:						
Benefits Paid	\$17,300,000	\$18,113,058	\$813,058	\$0	\$0	\$0
Administrative Expenses	0	5,000	5,000	0	0	0
Total Disbursements	<u>\$17,300,000</u>	<u>\$18,118,058</u>	<u>\$818,058</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
ENDING BALANCE, JUNE 30	<u><u>\$8,000,000</u></u>	<u><u>\$7,995,000</u></u>	<u><u>(\$5,000)</u></u>	<u><u>\$8,000,000</u></u>	<u><u>\$7,995,000</u></u>	<u><u>(\$5,000)</u></u>

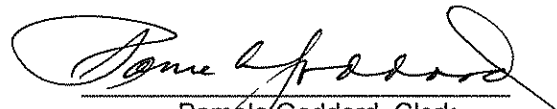
**SUPPLEMENTAL APPROPRIATION RESOLUTION
FY 2009**

BE IT RESOLVED that the Fairfax County School Board requests the county Board of Supervisors to amend the FY 2009 Appropriation Resolution for the following School Board funds:

<u>Fund</u>	<u>Fund Name</u>	<u>From</u>	<u>To</u>	<u>Change</u>
090	Public School Operating Expenditures	\$2,163,045,220	\$2,248,006,300	\$84,961,080
191	School Food & Nutrition Services Operating Expenditures	\$74,853,418	\$73,604,274	(\$1,249,144)
192	School Grants & Self Supporting Programs Operating Expenditures	\$57,635,065	\$85,972,594	\$28,337,529
193	School Adult & Community Education Operating Expenditures	\$11,746,176	\$12,746,351	\$1,000,175
390	School Construction Operating Expenditures	\$167,997,005	\$403,866,257	\$235,869,252
590	School Insurance Fund Operating Expenditures	\$15,984,886	\$18,477,362	\$2,492,476
591	School Health & Flexible Benefits Operating Expenditures	\$312,815,685	\$306,357,309	(\$6,458,376)
691	Educational Employees' Supplementary Retirement System of Fairfax County Operating Expenditures	\$177,049,927	\$177,052,177	\$2,250
692	School OPEB Trust Fund	\$ 0	\$7,995,000	\$7,995,000

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 2008 Final Budget Review, at a regular meeting held on July 24, 2008, at Luther Jackson Middle School, Falls Church, Virginia.

7/24/08
Date


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

**FISCAL PLANNING RESOLUTION
FY 2009**

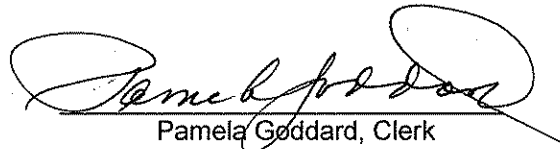
BE IT RESOLVED that the Fairfax County School Board requests the county Board of Supervisors to amend the FY 2009 Fiscal Planning Resolution for the following School Board funds:

<u>Fund</u>	<u>Fund Name</u>	<u>Transfer To</u>	<u>From</u>	<u>To</u>	<u>Change</u>
090	Public School Operating				
		192 School Grants & Self Supporting Programs	\$13,602,404	\$21,845,970	\$8,243,566
		390 School Construction	\$11,632,989	\$11,265,664	(\$367,325)
		591 Health & Flexible Benefits	\$8,000,000	\$ 0	(\$8,000,000)

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 2008 Final Budget Review, at a regular meeting held on July 24, 2008, at Luther Jackson Middle School, Falls Church, Virginia.

7/24/08

Date



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

**Grants Development Section
Office of Budget Services**

**Quarterly Report – FY 2008
Date: June 30, 2008**

Update for FY 2008 Grants

This report provides the status of competitive grants for FY 2008:

- Competitive grants submitted: \$5.6 million (65 grants)
- Competitive grants awarded: \$1.8 million (34 grants)
- Competitive grants denied: \$1.3 million (7 grants)
- Competitive grants pending: \$2.5 million (24 grants)

The status of FY 2008 entitlement grants is as follows:

- Entitlement grants submitted: \$59.4 million (21 grants)
- Entitlement grants awarded: \$59.4 million (21 grants)
- Entitlement grants pending: \$0 million (0 grants)

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 2008 to date:

- FCPS has won \$3.22 out of every \$10 submitted – or 32%
- FCPS has won 5.2 awards out of every 10 applications submitted – or 52%