



Douglas County School District Re. 1

Fiscal Year 2013 Budget Update and 2nd Quarter Financial Results

February 19, 2013



FY 2014 Budget Development

Good News!

- I. For Our Students - \$10.6 M:
\$200/student back to our school

- II. For Our Employees – \$9.7 M
 - A. 2% Average Salary Increase - \$6 M
 - B. PERA Increase Paid by District - \$2.2 M
 - C. Medical Benefit Increase Paid by District - \$1.5 M
(Full Time Employees)

- III. For Our Parents - \$1.2 M
Elimination of Technology Fee - \$25/student



Governor Hickenlooper's Budget Proposal for DCSD

Increase in PPR	\$220.00/student
- Teacher Quality Pipeline	- \$3.64/student
- At Risk dollars to Early	- <u>\$6.95/student</u>
Net Increase in PPR	= \$209.41/student

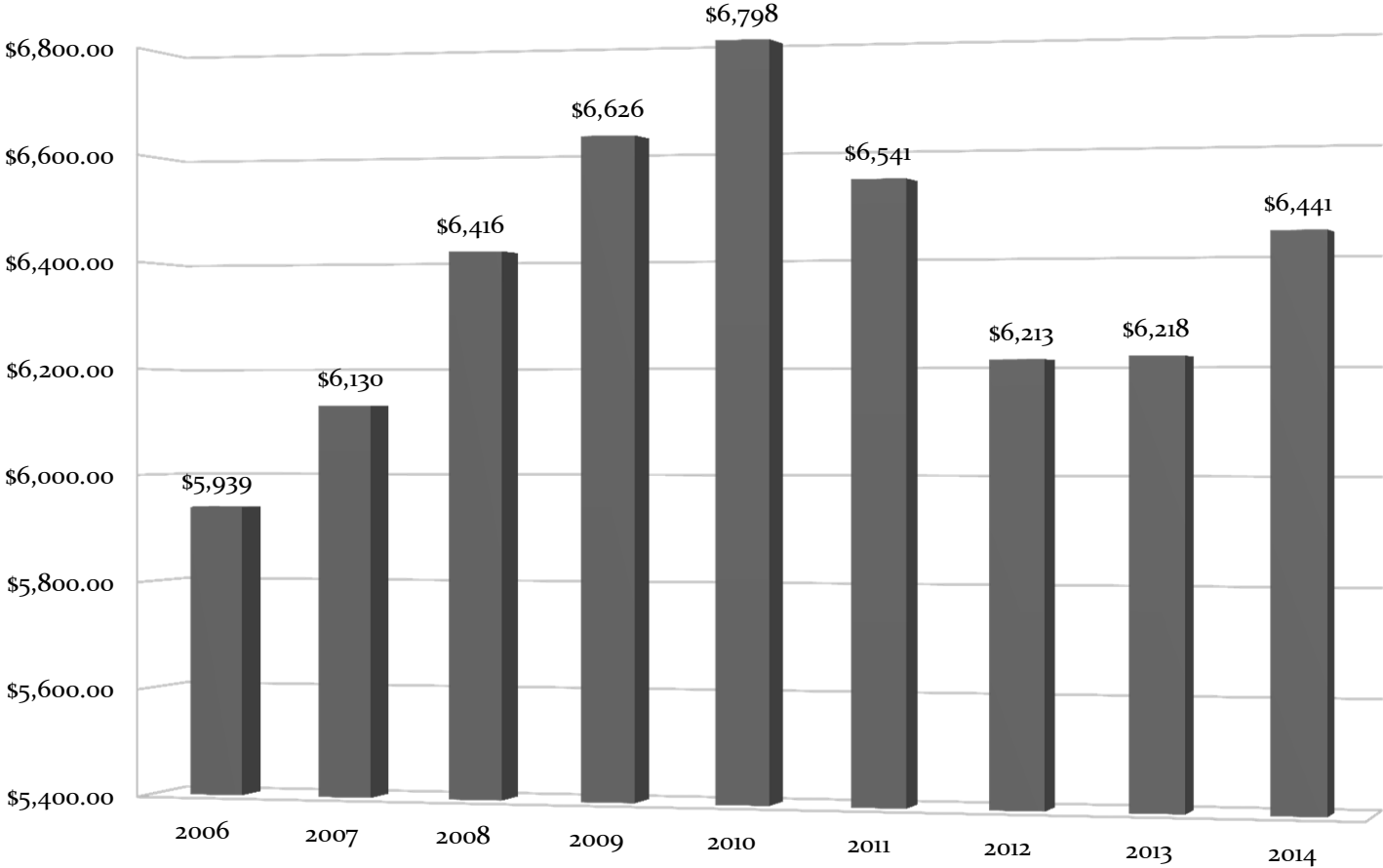
Total New Dollars to DCSD for 62,246 students - \$13 M

- DCSD Neighborhood Schools - \$11.2 M
- DCSD Charter Schools - \$1.8 M

Increase in Funded Pupil Count (FPC) – 1,357.6 students



School Finance Act DCSD PPR History



Spending the Money We Hope to Have

- Create expectations that can be fulfilled
- Spend available money where it matters most
- Create fiscal health through stability



DCSD Program Efficiencies

□ Operations

- Focus on Energy Management: Solar program, Energy Management Incentives, Energy Performance Contracting
- Charter School Partners providing needed classroom spaces – COP Policy

□ Human Resources

- Maximizing compensation resources through market based pay
- Eliminating compensation benefiting a few to increase pay for all: extended severance phase out, KLA phase out, longevity phase out
- Process efficiencies through Taleo and Aesop



DCSD Program Efficiencies (Cont)

❑ Health Benefits

- High Deductible Health Plan adjustments
 - RFP for Health Consultant – award resulted in over 60% in savings
 - Addition of Self Insured PPO Plan improving offering for employees
 - Decreasing net deductible for employees

❑ Budgeting Improvements

- Projecting Year End Actuals based on trends and prior year results
- Budgeting based on actuals

❑ Accounting

- Elimination of Letter of Credit
- Investigation of alternative investments
- Efficiencies driven with RevTrak Software implementation
- Instructional Fees 100% to schools



FY 2013-2014 Budget Development Unknowns

1. Federal Sequestration – 5% to 7%
Reduction in Federal Funding
2. Special Education Maintenance of Effort
3. *Projected* Student Counts
4. Legislative Action





FY 2012-2013

2nd Quarter Highlights



FY 2012 – 2013 Assigned GF Balances - Status

Item Description	FY 2012 Assigned	FY 2013 Actuals/ Allocations	FY 2014 Allocations
Early Separation Agreement (One more year left)	\$3.16 M	\$1.59 M	\$1.56 M
Extended Service Severance Phase Out – Multiple Years	6.00 M	2.99 M	\$3.7 M
School Discretionary One-Time Allocation	6.40 M	6.65 M	TBD
2% Retention Stipend	5.60 M	5.54 M	TBD



FY 2013 General Fund Year-End Projection

(As of December 31, 2012)

FY 2013 Revised Expenditure Budget	FY 2013 Projected Year-End Expenditures	Restricted & Assigned Fund Balances	Projected Unassigned Ending Fund Balance
\$481.4 M	\$474.4 M	\$36.9 M	\$15.0 M



General Fund Projection Assumptions

1. 100% of school and department carry-over dollars spent – if not spent, they become assigned balances allowing schools and departments to manage their budgets responsibly over time.
2. 100% of contingency budget line spent - if not spent, all remaining dollars to be transferred to the Capital Projects Fund for purposes of meeting unfunded facility and technology needs
3. 100% of Pay for Performance spent - all carry-over assigned to Pay for Performance in the next year



FY 2014 Budget Improvements

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DCSD Remains the Most Efficiently Operated School District in the Denver Metro Area

