

Durango School District 9-R
Memorandum

TO: Board of Education
Durango School District 9-R

FROM: Laine Gibson, Chief Financial Officer

DATE: January 18, 2011

SUBJECT: 2010-11 Amended Budget

The proposed amended budget for 2010-11 reflects the board's commitment to utilizing its resources according to the district's strategic plan. Even though there continues to be a decrease in resources for the 2010-11 budget year, the goal of the budget is steadfast: use those resources to provide the best educational opportunities to students attending 9-R schools.

The adjustments from the approved budget to the amended budget for the general fund include adjusting salary budgets to match where staff are being charged (including additional staff at some locations for bubble classes), moving the carryover and additional student budgets to their locations, and the carrying over of unspent budget from the 2009-2010 year for summer school and strategic planning. The general fund budget also includes \$250,000 to jump start next years mill levy technology upgrades, and an additional transfer of \$250,000 from fund balance to the health insurance fund to help maintain its solvency into the future. \$60,230 revenue generated from a slightly higher funded student count (because of averaging) is to be transferred to the capital projects fund to assist with some projects which need to be completed.

Administration is recommending that any money collected in the current fiscal year from the 3A election be available in future years to offset any possible class size increases that would be needed due to the continuation of the State's inability to fund education at the prior levels. Any funds expended in the current year would be replaced by mill levy dollars from the 2011-2012 fiscal year.

Changes to the insurance reserve fund are to cover estimated actual costs. As the federal government continues to increase the length of time that previous employees can collect unemployment, the district's unemployment costs continue to rise. We received a bill from the state to pay them almost \$20,000 for prior extended benefits they had paid to the district's former employees. The district also had several property damage claims where the district had to pay the deductible.

The interscholastic activity fund had dollars left over at the end of last fiscal year. The budget for this fund is being amended so those dollars are available to support interscholastic activities.

The debt service fund was amended to include the bond refunding that happened in July. The board approved the refunding before it happened the budget and is being adjusted to reflect that approval. The property tax revenue is being adjusted to the amount approved by the board in December.

The capital project fund is being amended to include the additional transfer, the inclusion of the Miller Middle School bleacher project, and a project to change the traffic flow at Florida Mesa in connection with a CDOT project that will be done on the road in front of the school.

Food Service is looking at ways to increase student participation at the high school and may need to purchase some equipment to accomplish their vision. The budget is being amended to allow them access to \$10,000 of their fund balance.

The amended budget for the health insurance fund is to show the \$250,000 additional transfer from the general fund. The budget is not anticipating spending any of these funds in the current fiscal year.

Durango School District 9-R
 General Fund (Fund 10)
 Statement of Revenues
 Actual and Budget
 for the years ended 6/30/09, 6/30/10, 6/30/11 and 6/30/12

	2009 Actual	2010 Amended Budget	2011 Approved Budget	2011 Amended Budget	2012 Projected Budget
Student Full Time Equivalent Per Pupil Revenue	4,574.7	4,536.85	4,495.70	4,506.70	4,445.70
Per Pupil Revenue after Stabilization	6,789.77	7,120.38	7,148.52	6,691.89	6,558.05
Current Property Tax	13,258,887	14,515,550	10,208,563	10,827,444	10,500,000
Specific Ownership Tax	1,442,943	1,323,182	1,200,000	1,184,659	1,100,000
State Equalization	16,228,255	16,465,364	20,729,038	18,146,254	17,555,123
Stabiliation Factor Reduction			(2,039,474)		
Subtotal	30,930,085	32,304,096	30,098,127	30,158,357	29,155,123
Property Tax-Hold Harmless	2,621,262	2,621,262	2,621,262	2,621,262	2,621,262
Property Tax-Mill Levy Override	2,400,000	2,400,000	2,400,000	5,600,000	5,600,000
Delinquent Taxes	39,882	800,000			
Payment in Lieu of Taxes		195,000	195,000	195,000	195,000
Hold harmless Kindergarten funding			40,000	40,000	40,000
Additional Specific Ownership Tax	998,518	900,000	750,000	750,000	750,000
Small Attendance Center	78,044	75,000	75,000	75,000	75,000
Earning on Investment	248,816	130,000	80,000	80,000	80,000
Other Revenue	397,941	250,000	250,000	250,000	250,000
County Mineral Leases		34,499	30,000	30,000	30,000
Vocational Education		35,000			
Education of Handicapped	234,066	236,000			
Transportation	247,559	245,000	265,000	265,000	265,000
English Language Learners	12,294	5,000	10,000	10,000	10,000
Rental Income	50,000	50,000	50,000	50,000	50,000
Total General Fund Revenue	<u>38,258,467</u>	<u>40,280,857</u>	<u>36,864,389</u>	<u>40,124,619</u>	<u>39,121,385</u>

Durango School District 9-R
 General Fund (Fund 10)
 Actual and Budgeted Expenditures
 for the years ended 6/30/09, 6/30/10, 6/30/11 and 6/30/12

	2009 Actual	2010 Amended Budget	2011 Approved Budget	2011 Amended Budget	2012 Projected Budget
Elementary Schools					
Sunnyside	887,077	876,294	861,897	956,482	956,097
Florida Mesa	1,862,633	1,704,841	1,680,816	1,716,375	1,717,456
Ft. Lewis Mesa	930,141	925,103	883,068	935,647	935,548
Animas Valley	1,426,304	1,400,697	1,405,423	1,397,563	1,392,403
Needham	2,438,209	2,420,367	2,321,044	2,339,084	2,331,964
Park	2,083,329	2,219,558	2,175,889	2,087,651	2,084,749
Riverview	2,190,300	2,155,152	2,168,129	2,267,589	2,251,389
Subtotal Elementary	<u>11,817,993</u>	<u>11,702,012</u>	<u>11,496,266</u>	<u>11,700,391</u>	<u>11,669,606</u>
Middle Schools					
Miller	3,017,204	2,744,712	2,707,273	2,736,783	2,725,183
Escalante	3,007,859	3,009,171	2,924,227	3,072,280	3,061,289
High School					
Durango High School	7,339,687	6,343,551	5,820,813	5,859,884	6,140,012
Big Picture		457,463	553,717	476,542	467,542
Other Schools					
Other Instruction			301,000	141,000	301,000
Phoenix Program	65,155	84,372	85,035	85,035	85,035
Shared School			126,123	128,770	128,770
Detention Center	174,098	217,157	219,395	219,385	219,385
Summer School	17,292	100,000	25,000	43,336	25,000
Post Secondary	16,922	66,500	63,175	63,175	63,175
Gifted and Talented/504	12,567	13,600	12,950	12,950	12,950
Homebound	6,038	20,748	20,904	20,904	20,904
Adult Education	320,949	360,115	360,115	360,115	360,115
Subtotal all Schools	<u>25,795,764</u>	<u>25,119,401</u>	<u>24,715,993</u>	<u>24,920,550</u>	<u>25,279,966</u>
Central Office					
Board	211,143	255,834	243,589	243,589	243,589
Superintendent	314,918	326,495	326,836	326,836	326,836
Finance Office & Courier	514,575	531,898	482,194	482,194	482,194
Facilities & Custodial	4,597,658	4,598,625	4,589,434	4,367,995	4,367,995
Transportation	1,209,457	1,289,501	1,241,256	1,233,403	1,233,403
Educational Technology	832,064	825,226	735,962	803,014	803,014
Student Information System	197,822	238,275	239,869	152,401	152,401
Human Resources	282,785	287,702	287,124	287,124	287,124
Health Services	167,672	182,830	137,406	156,617	156,617
Student Achievement & Assessment	201,065	180,162	48,928	74,700	74,700
Student Support Services & Records Maint.	202,500	158,189	98,730	209,508	209,508
Assistant Superintendent	178,229	221,099	222,038	246,884	246,884
Professional Development and Grant	151,403	122,370	28,347	28,347	28,347
Communications	115,194	107,360	104,949	104,949	104,949
Strategic Planning		361,803	361,803	416,800	
Subtotal Central Office	<u>9,176,485</u>	<u>9,687,369</u>	<u>9,148,465</u>	<u>9,134,361</u>	<u>8,717,561</u>

Durango School District 9-R
 General Fund (Fund 10)
 Actual and Budgeted Expenditures
 for the years ended 6/30/09, 6/30/10, 6/30/11 and 6/30/12

	2009 Actual	2010 Amended Budget	2011 Approved Budget	2011 Amended Budget	2012 Projected Budget
Other					
Early Retirement Incentives	28,159	32,000	182,500	182,500	32,000
Textbook adoption	431,172	628,995	628,995	625,495	625,495
Textbook adoption-carryover		100,000			
Overtime, Temporary, Sick leave	238,392	26,472	240,000	240,000	240,000
BOCS and Out of District Funding	577,672	605,100	400,100	400,100	400,100
Insurance Holiday		(273,611)			
Copier Leases		105,000	105,000	105,000	105,000
NWEA testing		50,000	30,000	30,000	30,000
Mill levy override expenditures				250,000	2,950,000
School carryover funds		150,000	150,000	36,370	150,000
Total	36,247,644	36,230,726	35,601,053	35,924,376	38,530,122
Transfers					
Health Insurance (Fund 64)			273,611	523,611	
Kids Kamp (Fund 26)		72,100			
Child Nutrition Program (Fund 51)	120,000	175,000	95,000	95,000	95,000
Pre-School Program (Fund 19)	533,757	583,871	548,980	548,980	537,760
Student Activities (Fund 23)	704,000	744,000	673,000	673,000	673,000
Capital/Insurance Reserve (Funds 21 & 18)	1,363,261	1,301,128	846,928	907,158	1,301,928
Total Expenditure and Transfers	38,968,662	39,106,825	38,038,572	38,672,125	41,137,810
Total Revenue	38,258,467	40,280,857	36,864,389	40,124,619	39,121,385
Excess of Revenue over Expenditures	(710,195)	1,174,032	(1,174,183)	1,452,494	(2,016,425)
Reserved Fund Balance		(617,208)			
Fund Balance, Beginning of Year	4,497,835	3,787,638	4,894,462	5,735,564	7,188,058
Fund Balance, End of Year	3,787,640	4,344,462	3,720,279	7,188,058	5,171,633
Percent of General Fund Revenue	9.90%	10.79%	10.09%	17.91%	13.22%
Ten Percent of General Fund Revenue	3,825,847	4,028,086	3,686,439	4,012,462	3,912,139

Durango School District 9-R
Insurance Reserve Fund (Fund 18)
Actual and Budget
for the years ended 6/30/09, 6/30/10, 6/30/11 and 6/30/12

	2009 Actual	2010 Approved Budget	2011 Approved Budget	2011 Amended Budget	2012 Projected Budget
Revenue					
Transfer in from General Fund	690,000	690,000	690,800	690,800	690,800
Other Income	142,226				
Total Revenue	832,226	690,000	690,800	690,800	690,800
Expenditures					
Property and Casualty	209,947	210,000	210,000	220,000	220,000
Property and Casualty-Repairs		118,000	10,000	30,000	15,000
Worker's Comp	344,717	365,000	325,000	345,000	345,000
Salaries and Benefits	52,111	65,000	65,000	65,000	65,000
Purchased Services	14,580		15,000	15,000	15,000
Supplies	27,224	29,400	10,000	10,000	10,000
Unemployment	29,147	20,000	80,000	120,000	85,000
Safety training		22,000			
Total Expenditures	677,726	829,400	715,000	805,000	755,000
Excess of Transfer over Expenditures	154,500	(139,400)	(24,200)	(114,200)	(64,200)
Fund Balance, Beginning of Year	25,576	150,576	36,176	199,586	85,386
Fund Balance, End of Year	180,076	11,176	11,976	85,386	21,186

Durango School District 9-R
 Preschool Fund (Fund 19)
 Actual and Budget
 for the years ended 6/30/09, 6/30/10, 6/30/11 and 6/30/12

	2009 Actual	2010 Amended Budget	2011 Approved Budget	2012 Projected Budget
Transfer from General Fund	<u>533,757</u>	<u>583,871</u>	<u>548,980</u>	<u>537,760</u>
Total Revenue	<u>533,757</u>	<u>583,871</u>	<u>548,980</u>	<u>537,760</u>
Expenditures				
Salaries & Benefits	256,380	309,026	327,183	327,183
Purchased Services	352,591	289,635	197,000	197,000
Overhead	38,864	28,620	27,400	27,000
Equipment			1,000	
Dues & fees			3,050	3,050
Instructional supplies	<u>15,023</u>	<u>16,400</u>	<u>20,000</u>	<u>15,000</u>
Expenditures	<u>662,858</u>	<u>643,681</u>	<u>575,633</u>	<u>569,233</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(129,101)	(59,810)	(26,653)	(31,473)
Reserved Fund Balance		(11,269)		
Fund Balance, Beginning of Year	<u>227,844</u>	<u>98,743</u>	<u>27,664</u>	<u>33,334</u>
Fund Balance, End of Year	<u><u>98,743</u></u>	<u><u>27,664</u></u>	<u><u>1,011</u></u>	<u><u>1,861</u></u>

Durango School District 9-R
 Capital Reserve Fund (Fund 21)
 Actual and Budget
 for the years ended 6/30/09, 6/30/10, 6/30/11 and 6/30/12

	2009 Actual	2010 Approved Budget	2011 Approved Budget	2012 Projected Budget
Revenue				
Fee in Lieu of Land Dedication	28,435	50,000		
Transfer from General Fund	673,261	611,128		
Total Revenue	<u>701,696</u>	<u>661,128</u>	0	0
Expenditures-prior year carryover	205,161	785,000		
Expenditures-current year	1,737,125	908,530		
Total Expenditures	<u>1,942,286</u>	<u>1,693,530</u>	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,240,590)	(1,032,402)	0	0
Transfer to Capital Projects Fund			(700,000)	
Fund Balance, Beginning of Year	<u>2,303,687</u>	<u>1,455,155</u>	<u>700,000</u>	0
Fund Balance, End of Year	<u><u>1,063,097</u></u>	<u><u>422,753</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

Durango School District 9-R
Grant Fund (Fund 22)
Actual and Budget
for the years ended 6/30/09, 6/30/10, 6/30/11 and 6/30/12

	2009 Actual	2010 Approved Budget	2011 Approved Budget	2011 Projected Budget
Revenue	1,578,897	2,300,000	2,300,000	2,300,000
Expenditures				
Labor and Benefits	505,363	1,350,000	950,000	950,000
Other	1,073,534	950,000	1,350,000	1,350,000
Total Expenditures	1,578,897	2,300,000	2,300,000	2,300,000
Excess of Revenue Over Expenditures	0	0	0	0
Fund Balance, Beginning of Year	0	0	0	0
Fund Balance, End of Year	0	0	0	0

Durango School District 9-R
 Interscholastic Activity Fund (Fund 23)
 Actual and Budget
 for the years ended 6/30/09, 6/30/10, 6/30/11 and 6/30/12

	2009 Actual	2010 Amended Budget	2011 Approved Budget	2011 Amended Budget	2012 Projected Budget
Fees			39,000	39,000	39,000
Gate Receipts			33,000	33,000	33,000
Transfer from General Fund	704,000	744,000	673,000	673,000	673,000
Total Revenue	704,000	744,000	745,000	745,000	745,000
Expenditures					
Miller	77,114	90,500	86,640	86,640	86,640
Escalante	77,921	90,500	86,640	86,640	86,640
High School	548,675	563,000	572,420	605,420	572,420
Total Expenditures	703,710	744,000	745,700	778,700	745,700
Excess of Revenue Over Expenditures	290	0	(700)	(33,700)	(700)
Fund Balance, Beginning of Year	423	714	714	34,991	1,291
Fund Balance, End of Year	<u>713</u>	<u>714</u>	<u>14</u>	<u>1,291</u>	<u>591</u>

Durango School District 9-R
 After School Enrichment Program Fund (Fund 26)
 Actual and Budget
 for the years ended 6/30/09, 6/30/10, 6/30/11 and 6/30/12

	2009 Actual	2010 Amended Budget	2011 Approved Budget	2012 Projected Budget
Revenue				
Tuition	229,285	330,000	250,000	250,000
Transfer in from General Fund		72,100		
Total Revenue	<u>229,285</u>	<u>402,100</u>	<u>250,000</u>	<u>250,000</u>
Expenditures				
Labor and Benefits	268,974	300,000	220,000	220,000
Other	<u>32,819</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>
Total Expenditures	<u>301,793</u>	<u>330,000</u>	<u>250,000</u>	<u>250,000</u>
Excess of Revenue Over Expenditures	(72,508)	72,100	0	0
Fund Balance, Beginning of Year	<u>480</u>	<u>(72,029)</u>	<u>71</u>	<u>71</u>
Fund Balance, End of Year	<u><u>(72,028)</u></u>	<u><u>71</u></u>	<u><u>71</u></u>	<u><u>71</u></u>

Durango School District 9-R
Debt Service Fund (Fund 31)
Actual and Budget
for the years ended 6/30/09, 6/30/10, 6/30/11 and 6/30/12

	2009 Actual	2010 Approved Budget	2011 Approved Budget	2011 Amended Budget	2012 Projected Budget
Revenue					
Property Tax Revenue	11,028,905	11,277,896	8,295,409	7,592,825	7,592,825
Refunded Bond Proceeds/Prem.				29,826,260	
Other Revenue	3,290				
Payment in Lieu of Taxes				400,000	
Total Revenue	11,032,195	11,277,896	8,295,409	37,819,085	7,592,825
Expenditures					
Bond Refunding Payment				29,635,000	
Principal	7,115,000	7,385,000	4,650,000	5,045,000	5,045,000
Interest	4,093,859	3,868,909	3,630,409	3,169,637	3,169,637
Other	10,151	15,000	15,000	210,000	15,000
Total Expenditures	11,219,010	11,268,909	8,295,409	38,059,637	8,229,637
Excess of Revenue Over Expenditures	(186,815)	8,987	-	(240,552)	(636,812)
Fund Balance, Beginning of Year	11,967,630	11,957,630	11,966,617	12,309,134	12,068,582
Fund Balance, End of Year	<u>11,780,815</u>	<u>11,966,617</u>	<u>11,966,617</u>	<u>12,068,582</u>	<u>11,431,770</u>

Durango School District 9-R
 Capital Projects Fund (Fund 43)
 Actual and Budget
 for the years ended 6/30/09, 6/30/10, 6/30/11 and 6/30/12

	2009 Actual	2010 Approved Budget	2011 Approved Budget	2011 Amended Budget	2012 Projected Budget
Revenue					
Fee in Lieu of Land Dedication			40,000	40,000	20,000
Transfer from General Fund			156,128	216,358	611,128
Total Revenue	0	0	196,128	256,358	631,128
Expenditures-prior year carryover			326,059	320,900	
Expenditures-current year			360,816	468,816	681,128
Total Expenditures	0	0	686,875	789,716	681,128
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	(490,747)	(533,358)	(50,000)
Equity transfer from Capital Res Fund Fund Balance, Beginning of Year			700,000	700,000	166,642
Fund Balance, End of Year	0	0	209,253	166,642	116,642
Location			Project Budget	Project Budget	Project Budget
District	Roof repairs		156,128	156,128	
Arts and Science	Phone System		25,000	25,000	
Sunnyside	Fire Sprinkler Repair		20,000	20,000	
District	Miscellaneous projects		55,000	55,000	681,128
Sunnyside Easement	Land improvements		104,688	104,688	
Bleachers	Miller			60,000	
Access Road	Florida Mesa			48,000	
09-10 Projects not completed by June 30			326,059	320,900	
			686,875	789,716	681,128

Durango School District 9-R
 Child Nutrition Program Fund (Fund 51)
 Actual and Budget
 for the years ended 6/30/09, 6/30/10, 6/30/11 and 6/30/12

	2009 Actual	2010 Amended Budget	2011 Approved Budget	2011 Amended Budget	2012 Projected Budget
Revenue					
Food Sales	524,663	596,000	722,000	722,000	722,000
Federal Reimbursement	692,532	601,000	601,000	601,000	601,000
State Reimbursement	9,921	21,000	21,000	21,000	21,000
Other Revenue	83				
Transfer from General Fund	120,000	175,000	95,000	95,000	95,000
Total	<u>1,347,199</u>	<u>1,393,000</u>	<u>1,439,000</u>	<u>1,439,000</u>	<u>1,439,000</u>
Expenditures					
Labor and Benefits	602,396	694,880	701,880	701,880	701,880
Purchased Service	36,461	13,670	13,670	13,670	13,670
Food	634,567	624,000	663,000	663,000	663,000
Depreciation	20,364	20,000	20,000	20,000	20,000
Other	46,660	45,450	40,450	50,450	40,450
Total Expenditures	<u>1,340,448</u>	<u>1,398,000</u>	<u>1,439,000</u>	<u>1,449,000</u>	<u>1,439,000</u>
Deficit of Revenue Over Expenditures	6,751	(5,000)	0	(10,000)	0
Fund Balance, Beginning of Year	<u>8,531</u>	<u>15,282</u>	<u>10,282</u>	<u>17,014</u>	<u>7,014</u>
Fund Balance, End of Year	<u><u>15,282</u></u>	<u><u>10,282</u></u>	<u><u>10,282</u></u>	<u><u>7,014</u></u>	<u><u>7,014</u></u>

Durango School District 9-R
Health Insurance Fund (Fund 64)
Actual and Budget
for the years ended 6/30/09, 6/30/10, 6/30/11 and 6/30/12

	2009 Actual	2010 Approved Budget	2011 Approved Budget	2011 Amended Budget	2012 Projected Budget
Revenue					
Premium Payments			3,700,000	3,700,000	3,700,000
Transfer from General Fund			273,611	523,611	
Total Revenue	<u>0</u>	<u>0</u>	<u>3,973,611</u>	<u>4,223,611</u>	<u>3,700,000</u>
Expenditures					
Claims			3,290,000	3,290,000	3,290,000
Administrative fees			410,000	410,000	410,000
Other Costs					
Contingency			273,611	273,611	250,000
Total Expenditures	<u>0</u>	<u>0</u>	<u>3,973,611</u>	<u>3,973,611</u>	<u>3,950,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	250,000	(250,000)
Fund Balance, Beginning of Year					250,000
Fund Balance, End of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>250,000</u>	<u>0</u>