

I. Overview Fund 11

Total Revenue	\$3,998,741
Total expenses	<u>\$4,135,694</u>
Operating deficit	< \$136,953 >

II. Calculating our 15% reserve including TABOR

Total expenses	\$4135,694	x .15	=	\$620,354
Less TABOR				<\$116,040>
Less BEST reserve				<u><\$ 30,000></u>
Amount to reserve above BEST/TABOR				\$504,284

III. Calculating unallocated reserves remaining

Beginning fund balance	\$787,661	We anticipate an increase
Less reserves (15%)	<u><\$504,284></u>	
Less TABOR	< \$116,040>	
Less BEST	<\$ 30,000>	
Unallocated surplus	\$137,337	Used to fund FY19 salary increases

IV. Recommended reserves range from 15% including TABOR to 10% including TABOR

A 12% reserve would be an additional \$124,071 in unallocated funds

A 10% reserve would be an additional \$206,785 in unallocated funds

Finance review is recommending 15% at this time

V. Expected increases not yet received:

Change in beginning fund balance - at least 15K

Capital reserves increase

Possible SpEd increase

Already adjusted for student FTE- PPR and CDE Cap Construction calculated with kinders at .58 FTE; all else kinders at .5 We lose 1.0 FTE or about \$10K for Hillside attendees.

VI. Of note Salaries

3.5% COLA increase for all employees including hourly

Recommendation by FRC using COL index for Colorado

BVSD = 3.45%; Summit = 2%

2 short term subs (Stacey & Shannon for FMLA during FY19)

Includes 4 new hires

5.5% increase to hourly employees in addition to 3.5% COLA

Cost of benefit increase and PERA increase are included

VII. Of note Services/supplies

- Line 159 -- FRCAP - not available this year; reduced to \$200 for Feather Berkower
- Line 164 -- Jeremy Dion independent contractor fees moved to Salary vs. services (line 36)
- Line 166 -- Cap construction- looks like we've included the 21K rollover amount in the expenses, but not in revenues. **Does this need to be corrected?**
- Line 169 -- Music and movement. Adjusted to reflect actual funds available to teams @7500 each team x 4.5= 33,750
- Line 173 -- copier rental downn by 3K
- Line 172 -- Textbooks reduced to 4K. Planning on 2 year cycle for purchases FY20 s/b 9K
- Line 195 -- Learning materials for FY19 = 5K; funds remaining for each team from 40K of FY18 will be rolled over and reserved for teams
- Line 200 -- Paddle raiser funds to be spent 18.1K; **Does revenue actually show 17.9K? Correction?**
- Line 209 -- Eighth grade trip. Anticipating that there will be a parent donation of \$2000 and that Fund 11 costs will be \$3000 including charter bus transportation
- Line 218 -- \$5K credit for BEST grant. **Is this correct since we have also listed \$5K in revenue for BEST grant?**
- Line 238 -- Total operating deficit \$127,387

VIII. Of note Council Budget

Line 19 -- Revenues	\$211,550
Line 34 -- Expenses	<u>\$109,350</u>
Line 35 -- Net	\$102,000

Line 41 --Arts, Movement, Music reduced to reflect actual budget @ 7500 x 4.5 teams; 1,250 for K-8 expenses. Actual budget is \$35000

Line 43 -- This is the 400K reserve for salary increases for FY20-21. **Establish a revolving acct.**

Line 46 -- Paddle raiser transfer 17.9K **adjust 18.1k in expenditures**

Line 59 -- Ending balance \$276,800

Less 1 year operating reserve of 100K & Longview and Tech reserve

Line 70 -- Non-earmarked 127K

This budget was approved by Horizons K-8 Board on June 14th, with the changes noted in red. Final change is to adjust Fund 11 reserve amount of 15% to incorporate 100K in reserve in (supplemental) Council budget. The amount required to be reserved from Fund 11 reserve is thereby reduced by 100K as follows:

Total expenses	\$4,135,694	x .15	=	\$620,354
Less TABOR				<\$116,040>
Less BEST reserve				<\$ 30,000>
Less council reserves				<u><\$100,000></u>
Amount to reserve above BEST/TABOR				\$404,284