



## General Operating Fund

In this sub-section, the General Operating Fund is comprised of the General Fund, Indirect Cost Fund, Class Size Reduction Fund and Special Education Fund. This sub-section details the General Operating Fund revenue and expenditures expectations for the fiscal year 2017-18 through narratives and illustrations respectively.

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## General Operating Fund - Summary

The General Operating Fund consists of six funds: the General, Indirect Cost, Donations and Trusts, Donations and Trusts-Unrestricted, District Projects, and Special Education Funds. The General Operating Fund, in this context, is defined as a fund for measuring and recording regular District financial activity that is not designated for any other specific purpose. The funds maintained in the General Operating Fund are typically available for legally authorized purposes. Although the Special Education Fund technically resides within Special Revenue Funds within the financial management system, they are included in CCSD's General Operating Fund. On the District's government-wide financial statements, the Special Education Fund is deemed to be a Major Special Revenue Fund separate from the General Fund.



## General Operating Fund - Final Budget Analysis Fiscal Years 2016-17 through 2018-19

Description	Actual 2016-17	Estimated 2017-18	Final Budget 2018-19	FY 2017-18 \$ Change	vs. 2018-19 % Change
<b>Revenues:</b>					
Local sources	\$1,483,448,378	\$1,549,847,935	\$1,587,588,000	\$37,740,065	2.4%
State sources	706,134,626	771,233,820	769,620,000	(1,613,820)	(0.2%)
Federal sources	4,072,320	1,310,435	1,600,000	289,565	22.1%
<b>Total revenues</b>	<b>2,193,655,324</b>	<b>2,322,392,190</b>	<b>2,358,808,000</b>	<b>36,415,810</b>	<b>1.6%</b>
<b>Expenditures:</b>					
Salaries	1399,543,454	1,451,190,480	1,476,242,941	(25,052,461)	(1.7%)
Fringe benefits	584,126,806	611,287,128	639,856,135	(28,569,007)	(4.7%)
Purchased services	93,032,938	90,525,201	89,922,281	602,920	0.7%
Supplies	130,362,655	132,062,061	144,490,710	(12,428,649)	(9.4%)
Property and equipment	13,050,625	40,690,817	57,105,813	(16,414,996)	(40.3%)
Other expenditures	5,856,429	5,386,461	3,971,431	1,415,030	26.3%
<b>Total expenditures</b>	<b>2,225,972,907</b>	<b>2,331,142,148</b>	<b>2,411,589,311</b>	<b>(80,447,163)</b>	<b>(3.5%)</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(32,317,583)</b>	<b>(8,749,958)</b>	<b>(57,781,311)</b>	<b>(44,031,353)</b>	<b>(503.2%)</b>
<b>Other financing sources (uses):</b>					
Proceeds from insurance	-	-	-	-	-
Gain on disposal of assets	-	1,085,778	-	(1,085,778)	(100.0%)
Sale of medium-term bonds	32,112,543	26,683,996	36,975,000	10,291,004	38.6%
Transfers from other funds	315,228,744	319,850,151	332,944,295	13,094,144	4.1%
Transfers to other funds	(344,543,408)	(319,850,151)	(332,944,295)	(13,094,144)	(4.1%)
<b>Total other financing sources (uses)</b>	<b>2,797,879</b>	<b>27,769,774</b>	<b>36,975,000</b>	<b>9,205,226</b>	<b>33.1%</b>
<b>Opening fund balance - July 1<sup>1</sup></b>	<b>71,835,199</b>	<b>42,315,495</b>	<b>61,335,311</b>	<b>19,019,816</b>	<b>44.9%</b>
<b>Ending fund balance - June 30</b>	<b>\$42,315,495</b>	<b>\$61,335,311</b>	<b>\$45,529,000</b>	<b>(\$15,806,311)</b>	<b>(25.8%)</b>

(1) The opening fund balance shown in budget fiscal year 2018-19 reflects the 2017-18 estimated ending fund balance.

Source: CCSD Budget and Accounting Departments

## General Operating Fund - Twenty Year History

### Fiscal Years 1999-00 through 2018-19

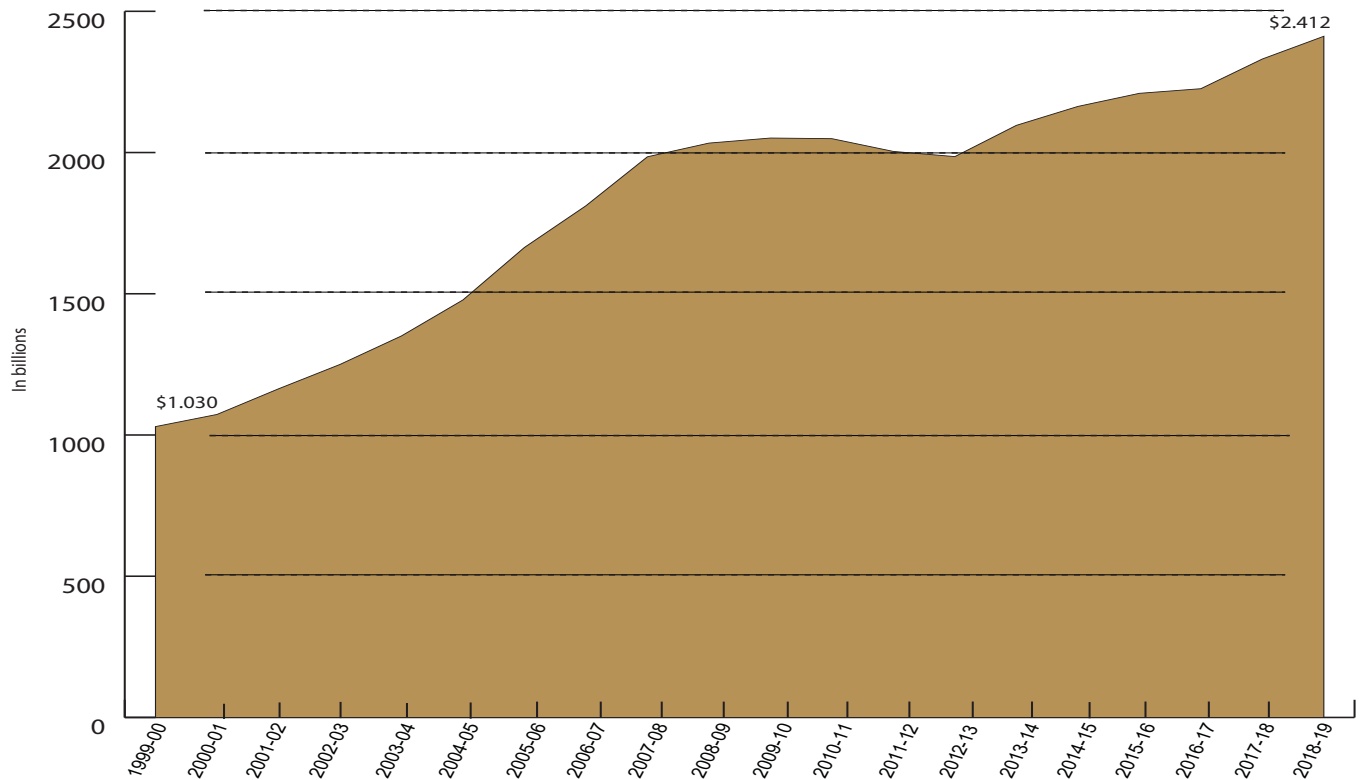
Year	Expenditure Appropriations	Dollar Increase (Decrease)	Percent Increase (Decrease)	4th Week Enrollment	Budget Per Student	Percent Increase (Decrease)
1999-00	1,029,652,551	98,444,508	10.6 %	217,139	4,742	3.8%
2000-01	1,072,657,733	43,005,182	4.2 %	231,125	4,641	(2.1%)
2001-02	1,163,403,949	90,746,216	8.5 %	244,684	4,755	2.5%
2002-03	1,249,699,204	86,295,255	7.4 %	255,328	4,894	2.9%
2003-04	1,350,739,123	101,039,919	8.1 %	268,357	5,033	2.8%
2004-05	1,478,079,958	127,340,835	9.4 %	280,796	5,264	4.6%
2005-06	1,663,853,336	185,773,378	12.6 %	291,329	5,711	8.5%
2006-07	1,811,462,847	147,609,511	8.9 %	302,547	5,987	4.8%
2007-08	1,984,894,552	173,431,705	9.6 %	308,745	6,429	7.4%
2008-09	2,033,407,975	48,513,423	2.4 %	311,221	6,534	1.6%
2009-10	2,051,324,159	17,916,184	0.9 %	309,442	6,629	1.5%
2010-11	2,049,062,278	(2,261,881)	(0.1%)	309,899	6,612	(0.3%)
2011-12	2,003,881,038	(45,181,240)	(2.2%)	308,377	6,498	(1.7%)
2012-13	1,985,619,734	(18,261,304)	(0.9%)	311,218	6,380	(1.8%)
2013-14	2,096,161,119	110,541,385	5.6%	314,598	6,663	4.4%
2014-15	2,163,171,891	67,010,772	3.2%	317,759	6,808	2.2%
2015-16	2,209,613,427	46,441,536	2.2%	319,203	6,922	1.7%
2016-17	2,225,972,907	16,359,480	0.7%	321,187 <sup>1</sup>	6,930	0.1%
2017-18 <sup>2</sup>	2,331,142,148	105,169,241	4.7%	320,637 <sup>1</sup>	7,270	4.9%
2018-19 <sup>3</sup>	2,411,589,311	80,447,163	3.5%	322,901 <sup>1</sup>	7,469	2.7%

(1) Average Daily Attendance  
(2) Estimate  
(3) Budgeted

Source: Budget, Accounting, and Demographics and Zoning Departments

## General Operating Budgeted Appropriations - Twenty Year Graphical History

### Fiscal Years 1999-00 through 2018-19



Source: CCSD Budget Department



## General Operating Fund - Ending Fund Balance History

For Fiscal Years 2009-10 through 2018-19

Fiscal Year	Total Operating Revenues <sup>1</sup>	Ending Fund Balance Components				Total Ending Fund Balances	Percentage of Total Revenues
		Nonspendable	Restricted	Assigned	Unassigned		
2010	2,021,008,006	3,832,495	40,308,480	80,703,202	20,211,517	145,055,694	7.2%
2011	1,922,655,869	4,006,893	31,396,735	41,989,300	19,227,824	96,620,752	5.0%
2012	1,938,740,239	3,943,290	10,975,344	42,674,151	19,389,936	76,982,721	4.0%
2013	1,961,743,945	14,329,960	464,209	58,180,804	19,617,514	92,592,487	4.7%
2014	2,068,012,697	5,260,902	202,114	88,589,394	25,850,159	119,902,569	5.8%
2015	2,114,818,164	5,227,043	198,492	68,476,662	31,722,272	105,624,469	5.0%
2016	2,141,910,929	4,792,828	10,645,907	18,913,023	37,483,441	71,835,199	3.4%
2017 <sup>1</sup>	2,193,655,324	4,500,000	29,800,000	7,200,000	38,500,000	42,315,495	1.9%
2018 <sup>2</sup>	2,322,392,190	4,500,000	-	1,800,000	40,817,000	61,335,311	2.6%
2019 <sup>3</sup>	2,358,808,000	4,500,000	-	1,800,000	40,817,000	45,529,000	1.9%

(1) - Total operating revenue excludes the beginning fund balance, transfers into the General Operating Fund, sale of fixed assets, the execution of capital leases, and bond proceeds.

(2) - These estimates were taken from the FY 2017-18 estimated actuals.

(3) - Final Budget FY 2018-19

Source: CCSD Budget and Accounting Departments

## General Operating Fund - Ending Fund Balance

The importance of an adequate General Operating Fund balance cannot be overstated. An adequate fund balance provides financial protection to the District to offset lower than budgeted revenues or higher than anticipated operating costs. There are many factors that can cause revenues to decrease and operating costs to increase, many of which are unpredictable. Major reasons for maintaining an ending fund balance include: a reserve for economic uncertainty and to maintain bond credit ratings.

The General Operating Fund's ending fund balance is anticipated to decrease by over \$15.8 million, or 25.8%. This is primarily a result of increased salary and benefit expenses related to a \$38.5 million FY 2018 arbitration decision in favor of the Clark County Education Association. On April 4, 2018, the Board approved a waiver to the District's 2.0% unassigned ending fund balance. This waiver will move the unassigned portion to 1.75% of total revenues. Regulation 3110 requires that an unassigned ending fund balance of not less than 2.0% of total General Operating Fund revenues be included in the budget. Unassigned ending fund balance is exclusive of inventories and amounts restricted or assigned for preexisting obligations.

## General Operating Fund Resources

The General Operating Fund utilizes many sources of financial support to maintain the operations of a district spanning 8,012 square miles across southern Nevada. The District obtains its revenue from the following sources: State aid, property taxes, local school support taxes, governmental services tax, franchise tax fees, investment income, federal aid, miscellaneous revenues, and ending fund balance from the previous year. Detailed in the General Operating Fund - Estimated Resources illustration are the major sources of revenues.



### State Aid

The District will receive 31.3% of its total resources from the State for General Operating Fund operations. The following outline explains the key features of the program for distributing State aid to school districts.

## The Nevada Plan for School Finance

The Nevada Legislature has declared that the proper objective of state financial aid to public education is to insure each Nevada child a reasonably equal educational opportunity. Recognizing wide local variations in wealth and costs per pupil, the State supplements local financial ability to whatever extent necessary in each district to provide programs of instruction in both compulsory and elective subjects that offer full opportunity for every Nevada child to receive the benefit of the purposes for which public schools are maintained. The Nevada Revised Statutes (NRS 387.121) set forth that "...the quintessence of the State's financial obligation for such programs can be expressed in a formula partially on a per pupil basis and partially on a per program basis as: State financial aid to school districts equals the difference between school district basic support guarantee and local available funds produced by mandatory taxes minus all the local funds attributable to pupils who reside in the county but attend a charter school. This formula is designated as the Nevada Plan."

The amount of funds provided under the Nevada Plan for Clark County students is computed by multiplying the basic support guarantee per pupil of \$5,779 by the sum of:

1. Sixth-tenths of the count of pupils enrolled in pre-kindergarten from the Average Daily Enrollment (ADE) of the first quarter of the fiscal year;
2. The count of pupils enrolled in grades K – 12 from the Average Daily Enrollment (ADE) of the first quarter of the fiscal year.

In addition to the basic support guarantee per pupil, the legislature also establishes funding for State supported special education program. Additional special education units, if necessary, may need to be locally supported.

The 1993 Legislature approved NRS 387.047, which requires all school districts in the State to separately account for all funding received for the instruction of, and the provision of, related services to students with disabilities. This revenue is reported to the State in a separate Special Education Fund but is combined with the regular instructional revenue of the General Fund throughout this document.



## General Operating Fund - Estimated Resources

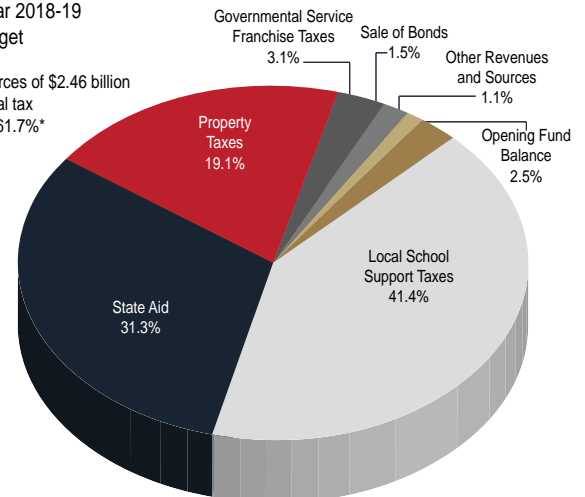
Fiscal Year 2018-19

Description		Percentage of Budget
State aid (Distributive School Account)	\$769,620,000	31.3%
Local School Support Taxes (LSST)	1,018,449,000	41.4%
Property taxes	468,536,000	19.1%
Governmental Services Tax (GST)	68,795,000	2.8%
Franchise tax fees	3,000,000	0.1%
Other county taxes	3,300,000	0.1%
Federal aid	1,600,000	0.1%
Investment income	1,408,000	0.1%
Miscellaneous income:		
District project contributions	\$5,665,000	0.2%
Indirect costs from categorical grants	4,000,000	0.2%
Indirect costs from Food Services Fund	3,000,000	0.1%
E-Rate reimbursements	3,000,000	0.1%
Rental of facilities	1,600,000	0.1%
School project contributions	1,900,000	0.1%
Income from athletics	1,300,000	0.1%
Tuitions from summer school	1,250,000	0.1%
Other miscellaneous income	1,490,000	0.1%
Charter school reimbursements	600,000	0.0%
Tuitions from out-of-state students	145,000	0.0%
Transportation fees	150,000	0.0%
Proceeds from insurance	0	0.0%
Sale of medium-term bonds	36,975,000	1.5%
Opening fund balance:		
Unassigned	61,335,311	2.5%
<b>Total estimated resources</b>	<b>\$2,457,118,311</b>	<b>100.0%</b>

Source: CCSD Budget Department

### General Operating Fund Resources Fiscal Year 2018-19 Final Budget

Total resources of \$2.46 billion  
County local tax resources 61.7%\*



\*County taxes include: Local School Support Taxes (Sales Tax), Property Taxes, Governmental Service Taxes, Franchise Taxes and other county taxes.

Source: CCSD Budget Department

## Estimated State Aid

In determining the amount to be distributed by the State to school districts, the amount of tax proceeds received from a 2.60 percent local school support sales taxes (LSST) plus the amount received from the one-third public schools operating property tax are deducted from the State's basic guarantee. When combining State aid, LSST, and one-third of the property tax collections, 79.0% of the District's General Operating Resources is accounted for. Since this is an enrollment-driven funding formula, it has the effect of cushioning the District somewhat from economic fluctuations. The computation shown below illustrates that, regardless of how much sales tax or public school operating property tax collections are received, the District should anticipate over \$1.9 billion, or 80.0% of the operations resources, to be provided through the Nevada Plan.

Computation of estimated State aid to be received by the District for the current year, based upon projected average daily enrollment (ADE), is as follows:

1. State basic support:		
For pre-kindergarten students (4,484 x .6 x \$5,779)		\$15,547,856
For kindergarten students (23,027 x \$5,779)		133,072,166
For elementary and secondary students (295,139 x \$5,726)		1,707,057,423
For special education funding		<u>129,894,000</u>
Distributive School Account (DSA) Support Level		<u>1,985,571,445</u>
2. Less: local contribution:		
Proceeds from 2.60 cents local school support (sales) tax	(1,018,449,000)	
Proceeds from 1/3 public schools operating property tax	<u>(156,178,667)</u>	
Total Local Contribution	<u>(1,174,627,667)</u>	
3. Adjustments to state share:		
Non-Traditional Student Allocation	126,222	
Charter School Revenue Adjustment	<u>(41,500,000)</u>	
Total Adjustment to State Share	<u>(41,373,778)</u>	
4. State general funds:		
Elementary Counselors	50,000	
Adult High School Diploma Program	11,800,000	
Class Size Reduction	<u>114,831,116</u>	
Total State General Funds	<u>126,681,116</u>	
5. State payments to be received in support of District programs		<u>\$896,251,116</u>

## Property Taxes

Over 19.0% of the District's general operations revenue will be generated from local property tax collections. Property tax collections are based upon the assessed valuations of real and personal property, as provided by the Clark County Assessor, after which reductions are granted for any legislative abatements.

Property tax collection projections are based on a conservative growth rate of 3.0% from the 2017-2018 Amended Final Budget. The 2005 Legislature enacted Assembly Bill 489 to provide partial relief abatement from escalating assessments created by previous escalations in the market values of real property. The cap limits each property's valuation increase to no more than 3% above that assessed in the prior tax year on all single-family, owner-occupied residences. All other real property categories are limited to a valuation increase of no more than 8% above that assessed in the prior tax year. All new properties, previously not on the tax rolls, are ineligible for relief abatement.

The total property tax levy, for operating purposes, is 75 cents per \$100 of net assessed value. Under Nevada statutes, school districts may not levy more than 50 cents (2/3) per \$100 of net assessed value of taxable property for the support of public schools, and not more than 25 cents (1/3) per \$100 of net assessed value to complement revenue from State aid funds (see State Aid). The necessary tax rate for repayment of school construction funds and public safety compliance programs (55.34 cents per \$100 of assessed value) is levied in addition to the tax rate for operating expenses (NRS 387.195) and is receipted into the Debt Service Fund.

Property taxes are received from two types of tax rolls:

1. Secured Roll – Real Property (land and any improvement built thereon) and other personal property (example: house furnishings) secured by the real property. Taxes on the Secured Roll are billed and collected by the County Treasurer.
2. Unsecured Roll – All property not assessed upon the Secured Roll (examples: mobile homes, airplanes, boats, and slide-in campers). Taxes on the Unsecured Roll are billed and collected by the County Assessor.

Of the public schools operating property tax, one-third is included and usually protected from fluctuation by the guarantee of the State Aid distribution formula. The remaining two-thirds is based upon assessed valuations that are determined prior to the inception of the fiscal year. Actual valuations are not realized until October 2018.

The computation of estimated property tax collections is as follows:

Assessed valuation at the time of Final Budget adoption (35% of market value) as of March 28, 2018	\$84,417,495,911
Estimated reduction due to legislative tax relief abatements and exemptions	<u>(22,334,750,000)</u>
Adjusted Net Valuation	<u>62,082,745,911</u>
Tax rate for general operating purposes per \$100 of net assessed valuation	0.75
Subtotal	<u>465,621,000</u>
Add: Net proceeds of mines	21,000
Estimated delinquent property tax collections	<u>2,894,000</u>
Estimated Total Property Tax Collections	<u>\$468,536,000</u>

Source: Clark County Assessor's Office

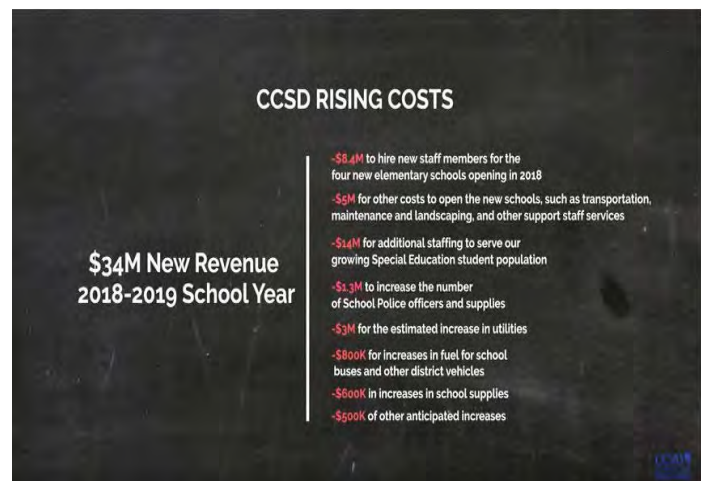


## Local School Support (Sales) Tax

The 1967 Legislature passed the Local School Support Tax (LSST) law (NRS 374.015). The law imposes, in addition to the sales and use taxes enacted in 1955, a separate tax rate upon the privilege of selling tangible personal property at retail in each county to provide revenues for the school district comprising such county. The current levy rate of 2.60% became effective July 1, 2009 and was continued by the 2017 Legislature to supplement State funding of K-12 public education.

As of April 1, 2017, Clark County residents (as well as tourists) will pay a total of 8.25% sales tax on all purchases except on food items for home preparation and prescribed medicines. This is an increase of 0.15 from the prior 8.1% rate. Revenues generated from the 2.6 cents portion (LSST) of the sales tax are earmarked for funding of the State Aid formula. The estimate of local sales taxes generated for school support for 2019 is \$1.02 billion. This amount has been determined from the latest available information on sales tax collections as provided by the Department of Taxation and is subject to fluctuation throughout the year based upon current economic activity.

It is estimated that over 40% of the District's operational resources for 2019 will be generated from the LSST. The entirety of the sales tax is included in the State Aid formula as previously described. As a result of this feature, any increases or decreases in collections generally do not have a direct impact upon the District's budget since the enrollment-driven State payments are adjusted inversely with local school support sales tax receipts. However, there have been previous significant fluctuations from preliminary estimates which impacted the State's capacity to distribute the full per student DSA "guarantees" and resulted in mid-year reductions of anticipated revenues.



## Governmental Services Tax

Motor vehicle license fees (Governmental Services Taxes) are collected by the State Department of Motor Vehicles based upon the age of the vehicle and returned to the counties from which they are collected (NRS 482.181). It is estimated that the District will receive \$68.8 million during the year. These revenues are volatile due to the instability of new vehicle purchase activity and the increasing age of vehicles currently on the tax rolls.

## Franchise Tax

The Franchise Tax is a county tax of 2% levied against the net proceeds of public utilities on that portion of their business operated outside incorporated cities (NRS 709.110). It is estimated that the District will receive \$3.0 million from this source, which has been subject to considerable fluctuation, based upon the profitability of the various utilities. Fortunately, it does not represent a material portion of the District's revenue base.

## General Operating Fund - History Of Resources

For Fiscal Years 2009-10 through 2018-19

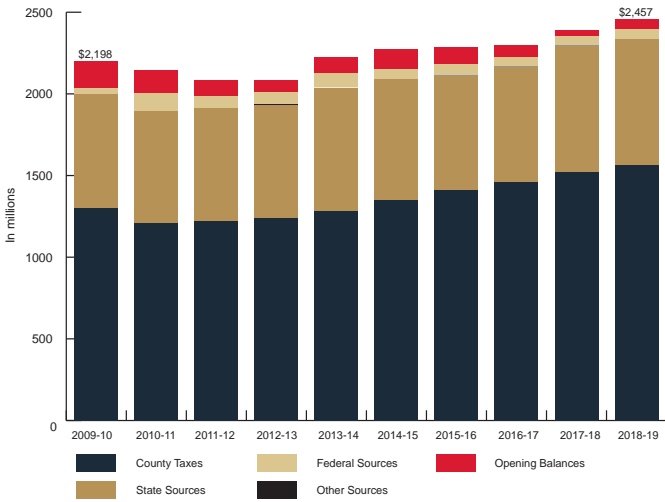
Year	County Taxes	% of Total	State Sources	% of Total	Federal Sources	% of Total	Other Sources <sup>3</sup>	% of Total	Opening Balances	% of Total	Total Resources
2009-10	1,300,965,604	59.2	692,694,166	31.5	303,570	-	37,188,412	1.7	167,310,793	7.6	2,198,462,545
2010-11	1,206,926,415	56.3	686,744,074	32.0	337,954	-	28,773,982	5.0	145,055,694	6.8	2,067,838,119
2011-12	1,222,078,785	58.7	688,533,420	33.1	839,281	-	27,542,101	3.6	96,620,752	4.6	2,035,614,339
2012-13	1,238,522,974	59.5	693,193,421	33.3	374,155	-	29,660,847	3.6	76,982,721	3.7	2,038,734,118
2013-14	1,284,847,936	57.9	752,389,804	33.9	237,429	-	64,969,165	4.1	92,596,487	4.2	2,195,040,821
2014-15	1,349,860,724	59.4	736,734,504	32.4	340,659	-	27,882,277	2.8	119,902,569	5.3	2,234,720,733
2015-16	1,409,496,515	61.6	700,582,079	30.6	157,399	-	71,405,217	3.1	105,624,469	4.6	2,287,265,679
2016-17	1,458,397,582	63.5	706,134,626	30.7	4072,320	0.2	57,163,339	2.5	71,835,199	3.1	2,297,603,066
2017-18 <sup>1</sup>	1,524,107,832	63.7	771,233,820	32.2	1,310,435	0.1	53,509,877	2.2	42,315,495	1.8	2,392,477,459
2018-19 <sup>1</sup>	1,562,080,000	63.6	769,620,000	31.3	1,600,000	0.1	62,483,000	2.5	61,335,311	2.5	2,457,118,311

<sup>1</sup> Projected amounts

Source: CCSD Budget and Accounting Departments



**General Operating Fund - Illustrated History of Resources**  
For Fiscal Years 2009-10 Through 2018-19



**Investment Income**

Investment income is earned by investing District funds until they are needed for payroll or accounts payable purposes. Funds are invested for various lengths of time based upon the need for safety, liquidity, and yield, in that order. It is estimated that the District will earn \$1.4 million for general operating purposes from its investment activities.

**Federal Aid**

Revenues from federal sources for the General Operating Fund are estimated to be \$1.6 million. Other federal sources are subject to substantial fluctuation, based upon the dates of payment from the federal government, therefore, a lump sum estimate process is used in lieu of trending or other techniques.

**Miscellaneous Revenue Sources**

The General Operating Fund serves as the record keeping and transactional foundation for District operations. Aside from major revenue sources, such as, State, Federal, and major local sources, the miscellaneous sources contains all other minor financial resources within the General Operating Fund. Examples of those resources include: tuition programs, school projects, facility rentals, athletic programs and other minor sources of revenues. Each source is accounted for separately and maintained within the General Operating Fund. Miscellaneous revenues represent approximately 1.0% of the resources for the General Operating Fund.

**Sale of Medium-Term Bonds**

The District anticipates issuing \$37.0 million in medium-term obligation bonds to be repaid within a ten year period. The proceeds will be used to purchase buses for growth, replacement of an ever-aging fleet of vehicles, and to support technology equipment replacement.

**Ending Fund Balance From Previous Year**

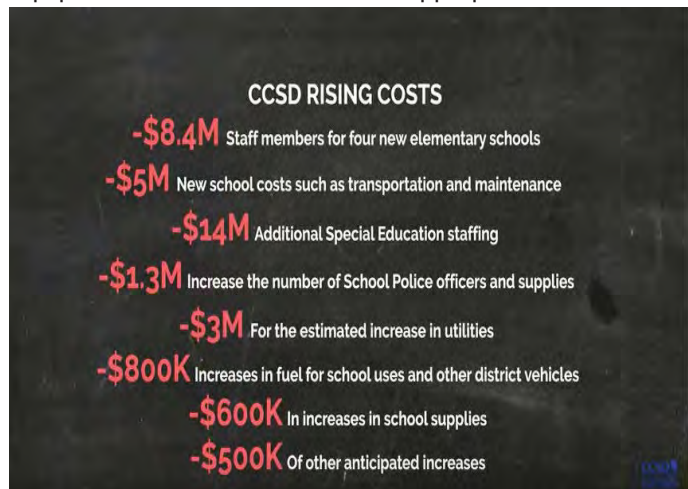
Each year, the unused portion of the District's operating budget reverts into the ending fund balance. This balance is then available as a resource in the subsequent year. The purpose of projecting an ending fund balance is to provide a margin against the effects of economic fluctuations and/or revenue collections, and to enable a smooth continuation of essential programs, even though unforeseen financial circumstances may occur. The ending fund balance is estimated to be \$61.3 million for fiscal year 2018 and reflects a \$19.0 million improvement over the ending fund balance for fiscal year 2017.

**General Operating Fund Expenditures**

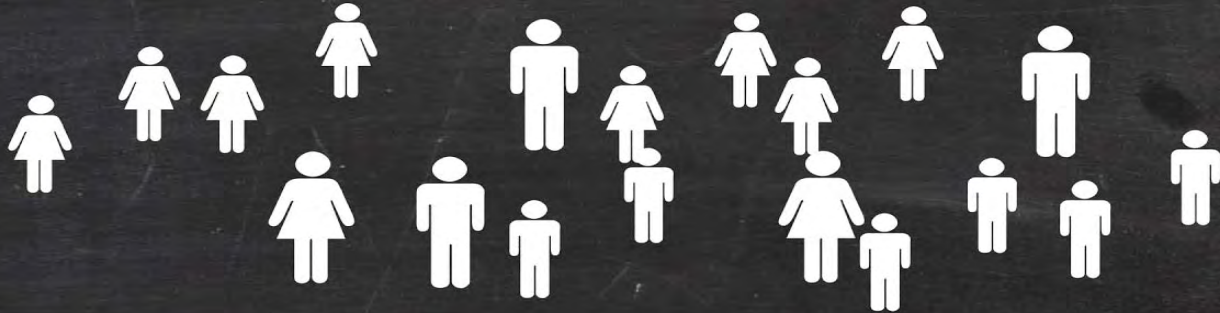
District expenditures must be reported to the Nevada Department of Education in accordance with accounting classifications outlined in the Nevada Financial Accounting Handbook for Local Education Agencies. However, the day-to-day administration of the budget is delegated to the operating administrators in charge of schools and departments. From an operating standpoint, control is typically provided by the operating unit.

Total fiscal year 2019 expenditures are projected to be \$2.4 billion, a \$80.4 or 3.5% increase over prior year. \$53.6 million of this increase is a result of a 2.6% increase in salaries and benefits which account for 87.7% of total expenditures. \$48.1 million of the salaries and benefits increase is reflected in licensed staff, a result of arbitration, and another \$8.4 million is a direct result of four new elementary schools opening. In addition, supplies increased \$12.4 million and property increased \$16.4 million.

Funds for the General Operating Fund capital equipment purchases have been removed from individual administrative department budgets. A separate account has been established in Unit 0059, and only high priority equipment requests will be authorized for purchase. With a few exceptions for purchases that had been authorized for inclusion in this budget, all other units' fiscal year 2019 equipment accounts will reflect no appropriations.



## 87 PERCENT OF CCSD'S BUDGET IS SALARY AND BENEFITS



### General Operating Fund - Appropriation Summary Fiscal Year 2018-19

Description	Amounts	Totals	% of Budget
Regular Programs:			
Instruction	\$1,035,418,948		
Other Direct Support	44,298,670	1,079,717,618	44.8%
Special Programs:			
Instruction	366,623,704		
Other Direct Support	37,356,857	403,980,561	16.8%
Vocational & Technical Programs:			
Instruction	8,942,960		
Other Direct Support	1,875,908	10,818,868	0.4%
Other Instructional Programs:			
Instruction	28,570,180		
Other Direct Support	23,379,573	51,949,753	2.2%
<b>Total Instructional Programs</b>		<b>1,546,466,800</b>	<b>64.2%</b>
Undistributed Expenditures:			
Student Support	88,776,734		3.7%
Instructional Staff Support	50,157,603		2.1%
General Administration	28,965,299		1.2%
School Administration	207,464,845		8.6%
Central Services	40,883,046		1.7%
Operation and Maintenance of Plant	269,745,895		11.2%
Student Transportation	177,167,089		7.3%
<b>Total Undistributed Expenditures</b>		<b>865,122,511</b>	<b>35.8%</b>
Interdistrict Payments		1,962,000	0.1%
Ending Fund Balance - Nonspendable		4,229,000	0.2%
Ending Fund Balance - Restricted		-	0.0%
Ending Fund Balance - Assigned		-	0.0%
Ending Fund Balance - Unassigned		41,300,000	1.6%
<b>Total Application of Funds</b>		<b>\$2,457,118,311</b>	<b>100.0%</b>

Source: CCSD Budget and Accounting Departments

**General Operating Fund - Major Expenditure Areas  
For Fiscal Years 2014-15 through 2018-19**

Description	Actual 2014-15	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Final Budget 2018-19	% Change
<b>Salaries and benefits:</b>						
Licensed salaries	\$883,714,713	\$905,396,983	\$919,200,687	\$967,353,868	\$980,755,050	1.4%
Licensed benefits	335,930,052	361,495,058	368,507,558	390,353,685	407,677,503	4.4%
Total licensed staff	1,219,644,765	1,266,892,041	1,287,708,244	1,357,707,552	1,388,432,553	2.3%
Support salaries	327,141,205	335,086,930	341,398,176	343,677,589	349,721,783	1.8%
Support benefits	147,441,750	158,662,348	163,790,050	164,672,493	177,797,300	8.0%
Total support staff	474,582,955	493,749,278	505,188,226	508,350,082	527,519,083	3.8%
Administrative salaries	117,264,356	117,185,358	127,784,778	128,729,482	133,379,548	3.6%
Administrative benefits	42,790,387	46,046,826	46,337,894	50,812,393	48,321,036	-4.9%
Total administrative staff	160,054,743	163,232,184	174,122,672	179,541,875	181,700,584	1.2%
Police salaries	10,046,439	11,141,484	11,159,814	11,429,541	12,386,560	8.4%
Police benefits	4,637,712	4,990,651	5,491,305	5,448,558	6,060,296	11.2%
Total police staff	14,684,151	16,132,135	16,651,119	16,878,099	18,446,856	9.3%
Total salaries and benefits	1,868,966,614	1,940,005,638	1,983,670,261	2,062,477,608	2,116,099,076	2.6%
<b>Services and materials:</b>						
Services	87,722,448	96,992,020	93,032,504	90,525,201	89,922,281	-0.7%
Supplies	170,118,097	134,370,922	130,363,090	132,062,061	144,490,710	9.4%
Property	32,700,282	33,360,747	13,050,624	40,690,817	57,105,813	40.3%
Other expenditures	3,664,451	4,884,100	5,856,428	5,386,461	3,971,431	-26.3%
<b>Total expenditures</b>	<b>\$2,163,171,891</b>	<b>\$2,209,613,427</b>	<b>\$2,225,972,907</b>	<b>\$2,331,142,148</b>	<b>\$2,411,589,311</b>	<b>3.5%</b>
Expenditures per student	\$7,050	\$7,175	\$7,181	\$7,312	\$7,510	2.7%

Source: CCSD Budget and Accounting Departments

Financial Section

**General Operating Fund - Full-Time Equivalent Employees  
Fiscal Year 2018-19**

Description	Licensed	Employees Support/Police <sup>1</sup>	Administration	Total FTE's	% of FTE's
<b>School Locations:</b>					
Instructional Classroom	14,647.30	1,729.79	-	16,377.09	64.50%
Media, Counseling, and Health Services	1,307.93	836.28	133.10	2,277.31	9.00%
School Administration	-	1,349.15	901.74	2,250.89	8.90%
Total School Locations	15,955.23	3,915.22	1,034.84	20,905.29	82.40%
<b>Classroom Support:</b>					
Driver and Bus Maintenance Personnel	-	1,599.36	7.00	1,606.36	6.3%
<b>Central Office Locations:</b>					
Maintenance, Personnel, and Business Services	1.00	2,590.84	146.32	2,738.16	10.8%
Superintendent and Staff	0.50	73.08	52.52	126.10	0.5%
Total Central Office Locations	1.50	2,663.92	198.84	2,864.26	11.3%
<b>Grand Total</b>	<b>15,956.73</b>	<b>8,178.50</b>	<b>1,240.68</b>	<b>25,375.91</b>	<b>100.0%</b>

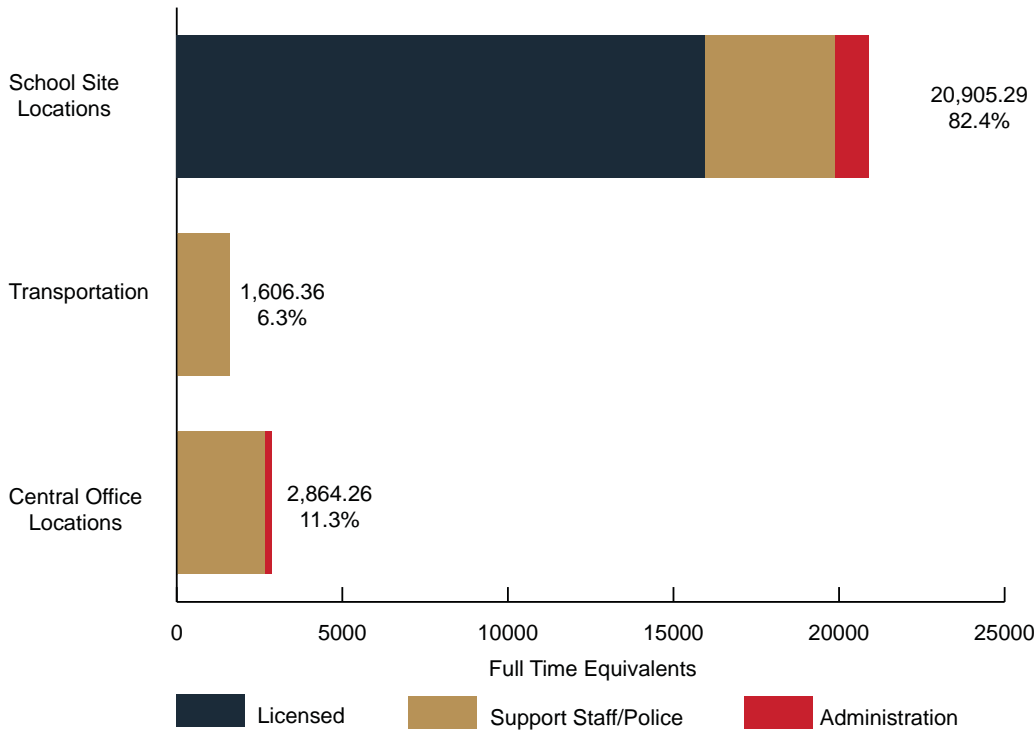
(1) FTE reflects 9-, 10-, 11-month support staff as percentages of full FTE's. See conversion table in the Information Section.

Source: CCSD Budget Departments



## General Operating Fund - Staffing Distribution

Fiscal Year 2018-19



## General Operating Fund - Costs per Pupil (Weighted Enrollment)

For Fiscal Years 2014-15 through 2018-19

Description	Actual	Actual	Actual	Estimated	Final Budget	2017-18 vs. 2018-19	
	2014-15	2015-16	2016-17	Actual 2017-18	2018-19	\$ Change	% Change
<b>Instructional expenditures:</b>							
Regular instructional	\$3,170.18	\$3,186.17	\$3,186.44	\$3,274.15	\$3,362.49	\$88.34	2.7%
Special instructional	1,107.60	1,151.51	1,212.06	1,215.85	1,258.09	42.24	3.5%
Vocational instructional	23.22	22.08	20.43	21.14	33.69	12.55	59.4%
Other instructional	139.09	157.15	148.05	136.69	161.78	25.09	18.4%
<b>Total instructional</b>	<b>4,440.09</b>	<b>4,516.91</b>	<b>4,566.98</b>	<b>4,647.83</b>	<b>4,816.05</b>	<b>168.22</b>	<b>3.6%</b>
<b>Undistributed expenditures:</b>							
Student Support	252.04	265.80	269.24	256.58	276.47	19.89	7.8%
Instructional Staff Support	189.08	180.08	146.59	140.13	156.20	16.07	11.5%
General Administration	78.78	98.15	105.10	91.49	90.20	(1.29)	(1.4%)
School Administration	617.26	631.92	664.00	652.63	646.09	(6.54)	(1.0%)
Business Support	184.83	180.16	195.29	174.44	127.32	(47.12)	(27.0%)
Operation & Maintenance of Plant	864.40	847.52	850.85	823.42	840.05	16.63	2.0%
Student Transportation	419.68	449.78	377.66	504.69	551.74	47.05	9.3%
Other Support	-	-	-	-	-	-	0.0%
Capital Outlay	-	-	0.45	8.48	-	(8.48)	(100.0%)
Interdistrict Payments	3.87	4.36	5.21	6.15	6.11	(0.04)	(0.7%)
<b>Total undistributed</b>	<b>2,609.94</b>	<b>2,657.77</b>	<b>2,614.39</b>	<b>2,658.01</b>	<b>2,694.18</b>	<b>36.17</b>	<b>1.4%</b>
<b>Total expenditures per student</b>	<b>\$7,050.03</b>	<b>\$7,174.68</b>	<b>\$7,181.37</b>	<b>\$7,305.84</b>	<b>\$7,510.23</b>	<b>\$204.39</b>	<b>2.8%</b>
<b>Total weighted enrollment <sup>1</sup></b>	<b>306,831.8</b>	<b>307,974.2</b>	<b>309,964.7</b>	<b>318,813.7</b>	<b>321,107.0</b>	<b>2,293.4</b>	<b>0.7%</b>
<b>Total expenditures</b>	<b>\$2,163,171,891</b>	<b>\$2,209,613,427</b>	<b>\$2,225,972,908</b>	<b>\$2,329,198,472</b>	<b>\$2,411,589,311</b>	<b>\$82,390,839</b>	<b>3.5%</b>

(1) Represents the 4th week enrollment with kindergarten and pre-kindergarten counts multiplied by 0.6 (and excludes out-of-state students transferred into Nevada. In FY18 kindergarten was multiplied by 1.0. Starting fiscal year 2016, the actual weighted enrollment is based on the Average Daily Enrollment (ADE) for the first quarter of the fiscal year.

Source: CCSD Budget and Accounting Departments

**General Operating Fund - Projected Budgets**  
**For Fiscal Years 2018-19 through 2021-22**  
**Fund Expenditure Appropriations by Major Object**

Description	2018-19 Budget	2019-20 Projected	2020-21 Projected	2021-22 Projected	CAGR <sup>1</sup>
<b>Revenues:</b>					
Property taxes	\$468,536,000	\$492,428,000	\$507,546,000	\$522,663,000	3.1%
Local school support taxes	1,018,449,000	1,076,230,000	1,116,619,000	1,157,009,000	4.0%
Other local revenues	100,603,000	108,210,932	113,202,932	118,652,932	4.8%
State sources	769,620,000	768,105,295	773,105,295	778,105,295	0.2%
Federal sources	1,600,000	1,600,000	1,600,000	1,600,000	5.1%
<b>Total Revenues</b>	<b>2,358,808,000</b>	<b>2,446,574,227</b>	<b>2,512,073,227</b>	<b>2,578,030,227</b>	<b>2.6%</b>
<b>Expenditures:</b>					
Salaries	1,476,242,941	1,526,318,965	1,557,607,198	1,591,571,829	2.3%
Employee benefits	639,856,135	655,385,377	680,346,666	703,134,090	3.6%
Purchased services	89,922,281	103,796,400	106,858,700	110,011,100	5.0%
Supplies	144,490,710	130,697,000	134,552,500	138,522,000	1.2%
Property and equipment	57,105,813	49,113,100	50,562,000	52,053,700	6.4%
Other expenditures	3,971,431	8,310,900	8,556,000	8,808,400	13.1%
<b>Total Expenditures</b>	<b>2,411,589,311</b>	<b>2,473,621,742</b>	<b>2,538,483,064</b>	<b>2,604,101,119</b>	<b>2.8%</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>(52,781,311)</b>	<b>(27,047,515)</b>	<b>(26,409,837)</b>	<b>(26,070,892)</b>	<b>31.4%</b>
<b>Other Sources and (Uses):</b>					
Gain on disposal of assets	-	-	-	-	(100.0%)
Sale of Medium-Term Bonds	36,975,000	34,000,000	34,000,000	34,000,000	6.2%
Transfers to Other Funds	-	-	-	-	-
<b>Total Other Sources and (Uses)</b>	<b>36,975,000</b>	<b>34,000,000</b>	<b>34,000,000</b>	<b>34,000,000</b>	<b>5.2%</b>
Opening Fund Balance - July 1	61,335,311	45,529,000	52,481,485	60,071,648	9.2%
<b>Ending Fund Balance - June 30</b>	<b>\$45,529,000</b>	<b>\$52,481,485</b>	<b>\$60,071,648</b>	<b>\$68,000,756</b>	<b>2.6%</b>
<b>Fund Balance:</b>					
Nonspendable	\$4,000,000	\$3,550,000	\$3,550,000	\$3,550,000	(2.9%)
Restricted	-	-	-	-	(100.0%)
Assigned	250,000	-	-	-	(100.0%)
Unassigned	41,279,000	48,931,485	56,521,648	64,450,756	58.7%
<b>Total Fund Balance</b>	<b>\$45,529,000</b>	<b>\$52,481,485</b>	<b>\$60,071,648</b>	<b>\$68,000,756</b>	<b>2.6%</b>

Source: Budget Department - <sup>1</sup> CAGR base year is FY 2017-18 Estimated Actual

**Underlying Assumptions and Significant Revenue Trends**

Distributive School Account (DSA) funding is a significant component (32.6%) of the General Operating Fund revenues and is mostly determined by the biennial Nevada State Legislature. Key funding elements involve LSST (sales) taxes and property tax collections based upon fluctuating local property valuations. Expenditures for salaries and benefits could fluctuate significantly based upon final agreements from the ongoing negotiations with each of the employee unions.

Future LSST and property tax collection projections are based upon a conservative vision for a local economy. Due to property tax cap rates, property tax projections have not returned to pre-2009 levels of growth. Expenditure projections were determined through a conservative historical trending that assumes no cost of living increases to employee salary schedules and contained expenditure appropriations to arrive at a nominal ending fund balance.

As previously discussed on pages Fin-14 and Fin-15, CCSD revenues are predicated on the Nevada Plan which limits revenues received, and in turn, expenditures spent on education. Please refer back to these pages regarding the Nevada Plan.

The following pages include an explanation for the functions and commitment items found in the General Operating Fund Budget and the General Operating Fund Budget by Operating Unit listed in Division order.

## Description of Functions

This dimension is used to describe the functional activity for which a service or material object is required. The functions are classified into five areas: Instruction, Support Services, Operation of Non-Instructional Services, Facilities Acquisition and Construction, and Debt Service. Functions are further classified into sub-functions.

Function	Description
<b>Instructional Services</b>	
1000	<b>Instructional Services.</b> This function includes the activities dealing directly with the interaction between teachers and students. These expenditures can be identified as being directly related to instruction of students in a learning situation. Teacher salaries, teacher assistant salaries, purchased services essential to the subject taught, and equipment, furniture, and supplies directly related to instruction are examples of the expenditures that are included.
<b>Support Services</b>	
2100	<b>Student Support Services.</b> This function accounts for activities designed to assess and improve the well-being of students and to supplement the teaching process. The costs necessary to manage and provide guidance, health, psychological, and nursing services, in addition to assessing and testing students with respect to career and educational opportunities, are recorded here. Salaries and benefits of personnel, purchased services, office supplies, and equipment are examples of included cost items.
2200	<b>Instructional Staff Support Services.</b> This function accounts for activities associated with assisting the instructional staff with the content and process of providing learning experiences for students. It includes responsibilities in such areas as curriculum supervision, in-service education for professional personnel, and supplies and equipment to support the instructional program. This function also embraces the preparation, maintenance, and distribution of library and media resources used to support instruction.



Function	Description
<b>Support Services - Continued</b>	
2300	<b>General Administration Support Services.</b> This function covers those activities concerned with establishing and administering policy essential for the operations of the entire District. It includes responsibilities in such areas as the Board of School Trustees and the offices of the superintendent and school associate superintendents. Costs include staff salaries and benefits, purchased services, supplies, and equipment to support general administration.
2400	<b>School Administration Support Services.</b> This function covers those activities which have the purpose of directing, managing, and supervising a school. It includes the principal, assistant principal, dean, and other administrative and clerical staff. Costs necessary to provide personnel, purchased services, supplies and equipment to manage and operate a school are classified in this function.
2500	<b>Central Administration Support Services.</b> This function covers those activities that support administrative and instructional functions, including fiscal services, human resources, planning, and administrative information technology. Costs include staff salaries, purchased services, supplies, and equipment to support these activities.
2600	<b>Operation and Maintenance of Plant Services.</b> This function accounts for those activities concerned with keeping the physical plant open, comfortable, and safe for use, and with keeping the grounds, buildings, and equipment in effective working condition and state of repair. These include the activities of maintaining safety in buildings, on the grounds, and in the vicinity of schools.
2700	<b>Student Transportation Services.</b> This function covers the costs of conveying students to and from school as directed by state and federal law. This includes transportation between home and school as well as trips to school-related activities. Costs related to the operation, service, and maintenance of vehicles used to transport students are classified in this function.
2900	<b>Other Student Support Services.</b> This function covers all other support services not classified elsewhere.
<b>Operation of Non-Instructional Services</b>	
3100	<b>Child Nutrition Services.</b> This function encompasses those activities which have as their purpose the management of the food services program of the school or school system, and serving of regular and incidental meals, lunches, breakfasts, or snacks in connection with school activities. It includes directing and managing food services, preparing and serving food, operating kitchen equipment, and storage of food and equipment.



## Description of Functions - Continued

Function	Description
3200	<b>Community Services.</b> This function records activities concerned with providing community services to students, staff, or other community participants. Examples of this function would be offering parental training such as Parent Literacy Night, or operating a community swimming pool, a recreation program for the elderly, or a childcare center for working parents.
	<b>Facilities Acquisition and Construction</b>
4100	<b>Land Acquisition Services.</b> This function records activities concerned with initially acquiring and improving land.
4200	<b>Land Improvement Services.</b> This function records activities concerned with making permanent improvements to land, such as grading, fill, and environmental remediation.
4300	<b>Architectural and Engineering Services.</b> This function records activities of architects and engineers related to acquiring and improving sites and improving buildings. Charges are made to this function only for those preliminary activities that may or may not result in additions to the district's property.
4500	<b>Building Acquisition and Construction Services.</b> This function records activities concerned with buying or constructing buildings.
4600	<b>Site Improvement Services.</b> This function records activities concerned with making non-permanent improvements or enhancements to building sites. These improvements include fencing, walkways, tunnels, and temporary landscaping.
4700	<b>Building Improvement Services.</b> This function records activities concerned with building additions and with installing or extending service systems and other built-in equipment.
4900	<b>Other Facilities Acquisition and Construction Services.</b> This function records activities that cannot be classified above.
	<b>Debt Service</b>
5000	<b>Debt Service.</b> This function records activities related to servicing the long-term debt of the District, including payments of principal, interest, and other debt issuance costs.
	<b>Miscellaneous</b>
6100	<b>Fund Transfers.</b> This function records transfers out of a fund, generally transfers from or to the general fund.

## Description of Commitment Items (Objects)

This dimension is used to describe the service or commodity obtained as the result of a specific expenditure. There are 11 major categories used by the District to identify objects.

Object	Description
5116	<b>Personnel Services Salaries - Licensed Staff -</b> Amounts paid to licensed employees of the District who are considered to be in positions of a permanent nature or hired temporarily, including personnel substituting for those in permanent positions.
5117	<b>Personnel Services Salaries - Support Staff -</b> Amounts paid to support staff employees of the District who are considered to be in positions of a permanent nature or hired temporarily, including personnel substituting for those in permanent positions.
5118	<b>Personnel Services Salaries - Administrative Staff -</b> Amounts paid to the administrative category of employees in the District who are considered to be in positions of a permanent nature or hired temporarily, including personnel substituting for those in permanent positions.
52--	<b>Employee Benefits -</b> Amounts paid by the District on behalf of employees. These amounts are not included in the gross salary but are in excess of that amount. Such payments are fringe benefit payments, and while not paid directly to employees, nevertheless are part of the cost of personnel services. These payments include those to the Public Employees' Retirement System (PERS), Federal Insurance Contributions Act (FICA), State Unemployment Insurance (SUI), Employee Group Insurance (EGI), Occupational Injury Management (OIM), and Medicare (MED).
5300	<b>Professional and Technical Services -</b> Services which by their nature can be performed only by persons or firms with specialized skills and knowledge. While a product may or may not result from the transaction, the primary reason for the purchase is the service provided. Included are the services of architects, engineers, auditors, dentists, medical doctors, lawyers, consultants, accountants, etc.
5400	<b>Purchased Property Services -</b> Services purchased to operate, repair, maintain, and rent property owned and/or used by the District. These services are performed by persons other than District employees. These include water, sewer, and disposal services.

**Description of Commitment Items (Objects) - Continued**

Object	Description
5500	<b>Other Purchased Services</b> - Amounts paid for services rendered by organizations or personnel not on the payroll of the District other than professional and technical services or property services. These include insurance (other than employee benefits), telephone, advertising, and tuition.
5600	<b>Supplies</b> - Amounts paid for material items of an expendable nature that are consumed, worn out, or deteriorated in use, or items that lose their identity through fabrication or incorporation into different or more complex units or substances. These include gas (heat), electricity, gasoline, books, periodicals, and audiovisual materials.
5700	<b>Property/Equipment</b> - Expenditures for the acquisition of fixed assets, including expenditures for land or existing buildings and improvements of grounds, initial equipment, and replacement of equipment.
5800	<b>Other Expenses</b> - Amounts paid for goods and services not otherwise classified in preceding categories.
5900	<b>Other Uses of Funds</b> - This series of codes is used to classify transactions which are not properly recorded as expenditures to the District but require budgetary or accounting control. These include redemption of principal on long-term debt or fund transfers.

