

Financial Services
Richard H. Hinds, Chief Financial Officer

**SUBJECT: RESOLUTION NO. 2, FY2010-11 GENERAL FUND SPRING
BUDGET REVIEW**

**COMMITTEE: INNOVATION, EFFICIENCY AND GOVERNMENTAL
RELATIONS**

**LINK TO STRATEGIC
FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY**

This resolution recommends budgetary adjustments for the General Fund including: 1) the impact of the Florida Education Finance Program (FEFP) Fourth Calculation which is a net increase of \$4.6 million and 2) an increase related to the Florida Excellent Teaching Program of \$2.5 million. Major FEFP adjustments are summarized below.

Major Revenue Adjustments In FEFP

Revenue adjustments include the following items reflected in the Fourth Calculation of the FEFP, received from the Department of Education in late April:

- Increase of 1,120.94 **weighted** full-time equivalent (FTE) students reported resulting in a \$4.1 million increase.
- Increase in the Instructional Materials allocation of \$0.2 million
- Increase in the Discretionary Lottery allocation of \$0.4 million.
- Decrease in School Recognition allocation of \$(0.4) million.
- Increase revenues in other FEFP programs by \$0.3 million.

Major Appropriation Changes

Based on projections, salaries/fringes are increased due primarily to the following: 1) establish stipends in the Florida Excellent Teaching Program based on notification from the State of the funding level, 2) transfer of temporary instructors to the Education Jobs Fund, 3) increase Terminal Sick Leave/Terminal Vacation/Sick Leave Cash-In/HMO Insurance Incentives for an increase in retirements and 4) increase in health benefit costs.

Major changes to non-salary accounts are: 1) slight increase in appropriations for FEFP program (offsetting revenue), 2) net increase in appropriations required for Charter Schools, 3) decrease in school discretionary accounts based on available balances and 4) an increase in non-salary projections.

The total Contingency Reserve will be \$85.7 million or 3.5% of revenue. It will be necessary to continue the strict hiring freeze on all open positions and continue to curtail expenditures in the remaining months of the year to maintain or further increase this fund balance in preparation for the steep revenue decline that will occur in FY2011-12. Achieving additional efficiencies is critical to protecting the workforce in FY2011-12.

This resolution increases both revenues and appropriations by \$7.2 million.

<u>REVENUE CHANGES</u>	<u>INCREASE (DECREASE)</u>
1. Increase in Federal Sources due to an increase in Impact Fee revenue collections.	\$ 3,367
2. Increase State revenues due to the following:	5,979,814
a. Increase Florida Education Finance Program (FEFP) as follows:	
Increase of 1,120.94 weighted FTE	\$ 4,105,480
Safe Schools	2,932
Reading Allocation*	14,403
DJJ Supplemental Allocation*	7,655
Instructional Materials	195,540
Instructional Materials-McKay Program	1,394
Transportation	53,082
McKay Scholarship Adjustment	174,896
Total	<u>\$ 4,555,382</u>
b. Increase (Decrease) Categorical Programs based on confirmation of state reports as follows:	
Excellent Teaching*	\$ 2,535,051
School Recognition Awards*	(384,320)
Discretionary Lottery Funds	350,882
Total	<u>\$ 2,501,613</u>
c. Decrease Miscellaneous State revenue by \$(1,077,181), programs are identified on page 8 in the section for Miscellaneous State Sources.	
*Offsetting appropriation increase/(decrease).	
3. Increase Local revenues due to the reclassification of After-School All-Stars Reimbursement revenue from State to Local revenues.	1,105,783

NET REVENUE INCREASE \$ 7,168,783

APPROPRIATION CHANGES

**INCREASE
(DECREASE)**

1. **Salaries** are projected to increase due primarily to the following: \$ 1,762,885
 - a. Reduce hourly/overtime/temporary instructor accounts by \$(2,332,909) based on latest projection. This includes the transfer of temporary instructors in basic teaching programs to the Jobs Bill (\$1.2 million).
 - b. Reduce stipends \$(324,773) plus related fringes in the School Recognition Program, offset by a reduction in revenue.
 - c. Increase Terminal Sick Leave/Terminal Vacation/Sick Leave Cash-In/HMO Insurance Incentives by \$2,000,000 based on latest projection. Significantly higher volume of staff is retiring due mostly to anticipated changes to FRS.
 - d. Establish stipends in the amount of \$2,354,900, plus related fringes, in the Excellent Teaching Program. The District received notification of the allocation in April. This program was funded under ARRA in 2009-10 and moved back to General Revenue.
 - e. Increase salaries by \$65,667 based on projections.

2. **Employee benefits** are increased due to the following: 2,770,115
 - a. Decrease in FICA/Retirement/Workers Compensation by \$(1,923,841) due to the decrease in salaries noted above.
 - b. Increase health benefit costs by \$4,926,546 based on latest projections.
 - c. Decrease Unemployment Compensation costs by \$(212,754) based on projections.
 - d. Decrease Tuition Reimbursement by \$(19,836).

3. **Energy Services** are reduced to reflect latest projection due to the great success of the District's Green Initiative. The expected additional payout to schools has been netted against the savings. However, diesel fuel costs are projected to increase by \$1 million due to rising fuel costs. (4,717,328)

APPROPRIATION CHANGES (continued)

**INCREASE
(DECREASE)**

4. **Non-Salary** accounts will decrease due primarily to the following: \$ (1,395,119)
- a. Increase appropriations \$100,000 for the School Board Redistricting Project to analyze census information from outside sources. Appropriation will be made to Board Attorney's Budget.
 - b. Increase DJJ Supplement by \$7,655, offset by an increase in revenue.
 - c. Decrease appropriations \$(2,590,607) for Charter School payments based on updated projections.
 - d. Increase appropriations by \$3,500,000 for Charter School payments in lieu of payments in the Education Jobs Fund.
 - e. Reduce appropriations in schools by \$(4,109,722) to increase fund balance which will reduce budget layoffs in FY2011-12.
 - f. Increase non-salary by \$1,697,555 based on latest projections.

TOTAL APPROPRIATION CHANGES \$ (1,579,447)

TRANSFERS/RESERVES

Increase contingency from \$76,905,267 to \$85,653,496 to balance. \$ 8,748,229
Total reserves are 3.5% of revenue.

TOTAL INCREASE IN TRANSFERS/RESERVES \$ 8,748,229

**TOTAL INCREASE IN
APPROPRIATIONS, TRANSFERS & RESERVES** \$ 7,168,782

RECOMMENDED: That The School Board of Miami-Dade County, Florida:

1. adopt Resolution No. 2, FY2010-11 General Fund Spring Budget Review, increasing revenues, appropriations and reserves by \$7,168,782; and
2. adopt the Summary of Revenues and Appropriations (page 5) and the Summary of Appropriations by Function (page 10).

**MIAMI-DADE COUNTY PUBLIC SCHOOLS
SUMMARY OF REVENUES AND APPROPRIATIONS
GENERAL FUND
FY2010-11
RESOLUTION NO. 2**

	<u>AMENDED BUDGET 2/9/11</u>	<u>RESOLUTION NO. 2</u>	<u>AMENDED BUDGET 5/11/11</u>
REVENUES & BEGINNING BALANCES			
REVENUES			
Federal	\$ 17,457,087	\$ 3,367	\$ 17,460,454
State	1,104,458,715	5,979,814	1,110,438,529
Local	1,322,680,986	1,185,601	1,323,866,587
TOTAL REVENUES	<u>\$ 2,444,596,788</u>	<u>\$ 7,168,782</u>	<u>\$ 2,451,765,570</u>
TRANSFERS FROM CAPITAL OUTLAY	\$ 140,139,692	\$ -	\$ 140,139,692
BEGINNING FUND BALANCE	131,732,326	-	131,732,326
SUBTOTAL REVENUES & BEGINNING BALANCES	<u>\$ 2,716,468,806</u>	<u>\$ 7,168,782</u>	<u>\$ 2,723,637,588</u>
NON-REVENUE SOURCES - Other	-	-	-
TOTAL REVENUES & BEGINNING BALANCES	<u>\$ 2,716,468,806</u>	<u>\$ 7,168,782</u>	<u>\$ 2,723,637,588</u>
APPROPRIATIONS & RESERVES			
APPROPRIATIONS			
Salaries	\$ 1,522,154,986	\$ 1,762,885	\$ 1,523,917,871
Employee Benefits	531,129,567	2,770,115	533,899,682
Liability Insurance	5,487,954	-	5,487,954
Purchased Services	368,620,677	6,501,725	375,122,402
Energy Services	72,675,018	(4,717,328)	67,957,690
Other Non-Salary	99,766,553	(7,896,844)	91,869,709
TOTAL APPROPRIATIONS	<u>\$ 2,599,834,755</u>	<u>\$ (1,579,447)</u>	<u>\$ 2,598,255,308</u>
RESERVES & ENDING FUND BALANCE			
Unreserved - Contingency	\$ 76,905,267	\$ 8,748,229	\$ 85,653,496
Designated Reserve - Tax Roll Yield	12,000,000	-	12,000,000
Designated Reserve - Health Premium Stabilization	-	-	-
Designated Reserve - Prog/Pers Protection Plan	27,728,784	-	27,728,784
TOTAL RESERVES & ENDING FUND BALANCE	<u>\$ 116,634,051</u>	<u>\$ 8,748,229</u>	<u>\$ 125,382,280</u>
TOTAL APPROPRIATIONS, RESERVES & & ENDING FUND BALANCE	<u>\$ 2,716,468,806</u>	<u>\$ 7,168,782</u>	<u>\$ 2,723,637,588</u>

MIAMI-DADE COUNTY PUBLIC SCHOOLS
SUMMARY OF REVENUES AND OTHER SOURCES
General Fund
FY2010-11

Resolution No. 2

	AMENDED BUDGET 2/9/2011	RESOLUTION NO. 2	AMENDED BUDGET 5/11/2011
FEDERAL SOURCES			
Impact Aid	\$ 10,000	\$ 3,367	\$ 13,367
R.O.T.C.	2,145,515	-	2,145,515
Medicaid Reimbursement	13,350,000	-	13,350,000
Federal Through State Community Schools	1,951,572	-	1,951,572
Total Federal	\$ 17,457,087	\$ 3,367	\$ 17,460,454
STATE SOURCES			
FLORIDA EDUCATION FINANCE PROGRAM:			
Base Funding less FEFP Required Local Effort	\$ 297,134,329	\$ 4,105,480	\$ 301,239,809
Safe Schools(B)	10,004,883	2,932	10,007,815
Supplemental Academic Instruction	117,656,882	-	117,656,882
ESE Guarantee	132,328,374	-	132,328,374
Reading Allocation (A)	12,649,138	14,403	12,663,541
Merit Award Allocation (MAP)	1,049,261	-	1,049,261
DJJ Supplemental Allocation	450,278	7,655	457,933
Instructional Material	27,561,088	195,540	27,756,628
Instructional Materials - Adjustments	(322,650)	1,394	(321,256)
Transportation	25,325,072	53,082	25,378,154
Teachers Lead Program	4,406,827	-	4,406,827
Prior Year Adjustment	2,229,524	-	2,229,524
Prior Year Scholarship Adjustment	121,345	-	121,345
McKay Scholarship Adjustment	(31,369,806)	174,896	(31,194,910)
Sub-Total FEFP	\$ 599,224,545	\$ 4,555,382	\$ 603,779,927
OTHER STATE:			
Workforce Development	\$ 85,801,318	\$ -	\$ 85,801,318
Adults with Disabilities (A)	1,668,132	-	1,668,132
Performance Based Incentives	945,149	-	945,149
Voluntary Pre-K (A)	10,007,172	-	10,007,172
Full Service Schools (A)	768,000	-	768,000
Excellent Teaching (A)	-	2,535,051	2,535,051
Discretionary Lottery Funds	977,503	350,882	1,328,385
Prior Year Adjustment-Lottery	767	-	767
School Recognition/Merit (A)	16,335,199	(384,320)	15,950,879
Class Size Reduction	387,528,948	-	387,528,948
Class Size Reduction-Est. Penalty	(1,657,374)	-	(1,657,374)
Miscellaneous State	2,859,356	(1,077,181)	1,782,175
Total State	\$ 1,104,458,715	\$ 5,979,814	\$ 1,110,438,529

(A) Revenue for which appropriations equal revenue.

(B) Revenue for which appropriations exceed revenue.

**MIAMI-DADE COUNTY PUBLIC SCHOOLS
SUMMARY OF REVENUES AND OTHER SOURCES**

General Fund
FY2010-11

Resolution No. 2

	AMENDED BUDGET 2/9/2011	RESOLUTION NO. 2	AMENDED BUDGET 5/11/2011
LOCAL SOURCES			
FEFP Required Local Effort	\$ 1,102,320,806	\$ -	\$ 1,102,320,806
Local Discretionary Millage	137,004,972	-	137,004,972
Sub - Total	\$ 1,239,325,778	\$ -	\$ 1,239,325,778
Miscellaneous Local:			
Tax Redemptions	\$ 16,500,000	\$ -	\$ 16,500,000
Rent	6,190,000	-	6,190,000
Interest	1,261,000	-	1,261,000
Vocational Fees	561,502	-	561,502
Post Secondary Fees	3,954,726	-	3,954,726
Continuing Workforce Fees	163,772	-	163,772
Financial Aid Fees	468,000	-	468,000
Community Schools-Contributions (A)	48,540	-	48,540
Community Schools - Internal (A)	15,873,298	-	15,873,298
Community Schools - Internal (A)	1,895,373	-	1,895,373
Community Schools - Board Assessed Fees	-	-	-
Community Schools - Internal (A)	3,968,325	-	3,968,325
School Course Class Fees-Safe Sch Internal	-	-	-
School Course Class Fees-Safe Sch Board	-	-	-
Driver Education	700,000	-	700,000
Fed. Indirect Cost Reimbursement	13,929,475	-	13,929,475
Universal Services (E-Rate)	8,500,000	-	8,500,000
Misc. School Receipts (A)	3,000,000	-	3,000,000
Food Service Indirect Costs	3,208,953	-	3,208,953
Other Miscellaneous Local	3,132,244	1,185,601	4,317,845
Total Local	\$ 1,322,680,986	\$ 1,185,601	\$ 1,323,866,587
TOTAL REVENUES	\$ 2,444,596,788	\$ 7,168,782	\$ 2,451,765,570
TRANSFERS			
From Capital Outlay	\$ 140,139,692	\$ -	\$ 140,139,692
NON-REVENUE SOURCES			
Sale of Surplus Property	-	-	-
FUND BALANCE FROM PRIOR YEAR			
	131,732,326	-	131,732,326
TOTAL REVENUES & OTHER SOURCES	\$ 2,716,468,806	\$ 7,168,782	\$ 2,723,637,588

(A) Revenue for which appropriations equal revenue.
(B) Revenue for which appropriations exceed revenue.

**MIAMI-DADE COUNTY PUBLIC SCHOOLS
SUMMARY OF REVENUES AND OTHER SOURCES**

General Fund
FY2010-11

Resolution No. 2

	AMENDED BUDGET 2/9/2011	RESOLUTION NO. 2	AMENDED BUDGET 5/11/2011
MISCELLANEOUS STATE SOURCES			
CO & DS Withheld for Adm.	\$ 145,000	\$ -	\$ 145,000
State License Tax	140,000	108,420	248,420
Multiagency State General Revenue	16,279	-	16,279
Health Service (B)	72,960	-	72,960
SFW Individual Training Account	701,524	-	701,524
FDLRS - Gen Revenue	64,170	-	64,170
WLRN-TV Community	363,200	-	363,200
WLRN-FM Community	72,907	-	72,907
Collaborative Curriculum	35,000	-	35,000
After-School All-Stars Reimbursement (A)	1,185,601	(1,185,601)	-
Summer Pre-K	62,715	-	62,715
TOTAL MISCELLANEOUS STATE	\$ 2,859,356	\$ (1,077,181)	\$ 1,782,175

(A) Revenue for which appropriations equal revenue.

(B) Revenue for which appropriations exceed revenue.

SUMMARY OF REVENUES AND OTHER SOURCES

**General Fund
FY2010-11**

Resolution No. 2

	AMENDED BUDGET 2/9/2011	RESOLUTION NO. 2	AMENDED BUDGET 5/11/2011
OTHER MISCELLANEOUS LOCAL SOURCES			
Fee Supported Pre-K (B)	\$ 2,733,588	\$ -	\$ 2,733,588
MDCPS Police Reimbursable OT	160,656	-	160,656
After-School All-Stars Reimbursement (A)	-	1,185,601	1,185,601
Fingerprinting	238,000	-	238,000
TOTAL OTHER MISC LOCAL	\$ 3,132,244	\$ 1,185,601	\$ 4,317,845

(A) Revenue for which appropriations equal revenue.

(B) Revenue for which appropriations exceed revenue.

MIAMI-DADE COUNTY PUBLIC SCHOOLS
2010-11 GENERAL FUND BUDGET
SUMMARY OF APPROPRIATIONS BY FUNCTION
RESOLUTION NO. 2
May 11, 2011

FUNCTION		TOTAL BUDGET	SALARIES (61XX)	EMPLOYEE BENEFITS (62XX)	PURCHASED SERVICES (63XX)	ENERGY SERVICES (64XX)	MATERIALS AND SUPPLIES (65XX)	CAPITAL OUTLAY (66XX)	OTHER EXPENSES (67XX)
INSTRUCTIONAL SERVICES	5000	\$1,792,070,750	\$1,070,458,535	\$ 361,637,989	\$ 288,395,747	\$ 16,776	\$ 61,258,665	\$ 4,351,494	\$ 5,951,544
SUPPORT SERVICES:									
Pupil Personnel Services	6100	60,752,931	39,168,123	15,357,497	6,134,086	-	67,472	20,753	5,000
Instructional Media Services	6200	6,987,259	4,822,876	1,892,763	87,651	-	55,643	128,326	-
Instruction & Curriculum Development	6300	21,113,218	14,810,098	4,666,444	840,238	-	206,207	332,334	257,897
Instructional Staff Training	6400	3,390,947	1,501,520	1,857,313	20,481	-	11,633	-	-
Instructional Support	6500	28,637,434	19,083,983	7,636,904	1,606,516	27,420	281,488	1,123	-
Board of Education	7100	6,357,019	3,949,705	1,346,740	658,631	3,203	101,277	122,639	174,824
General Administration	7200	6,051,527	4,473,849	1,287,652	166,107	24,766	82,659	14,375	2,119
School Administration	7300	165,732,894	120,510,011	41,222,771	1,130,518	43,539	1,981,057	733,029	111,969
Facilities Acquisition & Construction	7410	-	-	-	-	-	-	-	-
Fiscal Services	7500	12,846,581	7,765,131	2,652,277	476,218	-	35,865	-	1,917,090
Central Services	7700	46,830,091	29,233,011	2,011,956	15,368,280	110,966	1,000	3,025	101,853
Transportation Services	7800	82,796,047	41,930,980	21,631,911	10,192,848	6,856,390	2,183,918	-	-
Operation of Plant	7900	248,967,175	101,607,635	49,024,430	37,902,910	59,486,161	706,146	239,893	-
Maintenance of Plant	8100	82,781,280	41,512,909	15,792,043	15,682,569	1,388,469	8,310,641	50,289	44,360
General Support	8200	2,856,107	808,151	258,946	1,767,211	-	21,799	-	-
Budget Clearing	8300	-	-	-	-	-	-	-	-
Community Services	9100	29,466,750	22,281,354	5,622,046	180,345	-	908,009	79,850	395,146
Debt Services	9200	617,298	-	-	-	-	-	-	617,298
Total Instruction & Support Services		\$2,598,255,308	\$1,523,917,871	\$ 533,899,682	\$ 380,610,356	\$ 67,957,690	\$ 76,213,479	\$ 6,077,130	\$ 9,579,100
Transfers to Other Funds									
Debt Service	9792								
Capital Outlay	9793								
Special Revenue	9794								
Internal Service	9798								
Trust & Agency	9799								
Total Appropriations & Transfers		2,598,255,308							
Fund Balance:									
Reserved Fund Balance		39,728,784							
Unreserved Fund Balance		85,653,496							
Total Fund Balance		125,382,280							
Total Appropriations, Transfers and Fund Balance		\$2,723,637,588							