

Financial Services
Richard H. Hinds, Chief Financial Officer

**SUBJECT: RESOLUTION NO. 2, FY2009-10 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 decrease in Medicaid funding, 2) the impact of the Florida Education Finance Program (FEFP) Fourth Calculation which includes a State funding proration; 3) elimination of the Florida Excellent Teaching Program in the General Fund; 4) the decrease in Driver's Education revenue; and 5) the reduction in sale of surplus property.

Total revenues are being decreased by \$(10.7 million) of which \$6.3 million is a decrease in revenue for the Florida Excellent Teaching Program (with an offsetting decrease in appropriations) and a decrease of \$7.0 million in the sale of surplus property. The Florida Excellent Teaching Program will be transferred to the American Recovery and Reinvestment Act (ARRA) fund per notification from the Department of Education. The actual dollar allocation is not yet known.

Other revenue changes include an increase in the FEFP and a decrease in drivers education funding based on actual expenditures from the prior year which is the basis for revenue from Miami-Dade County. 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 April 2010:

- Increase of 2,743 **weighted** full-time equivalent (FTE) students reported \$(10.0 million).
- Eliminate the Declining Enrollment Supplement of \$(1.6 million) due to the increase in unweighted FTE over the prior year.
- Decrease revenue in other FEFP programs by \$.2 million (requires an appropriation increase of \$.06 million).
- Decrease in revenue due to an increase in the proration to funds available \$(4.1 million).

Major Appropriation Changes

Based on projections, salaries/fringes are decreased, partially due to a shift of hourly/overtime appropriations to non-salary and the elimination of the Florida Excellent Teaching Program being recorded in the General Fund. Employee benefits are reduced due to lower salaries and the related lower cost for health benefits realized from continuing a strict hiring freeze. Changes to non-salary accounts are: 1) a shift from salary/fringes \$(4.7 million) based on school-site discretionary spending decisions, 2) slight increase in appropriations for FEFP programs (offsetting revenue) and 3) a decrease in non-salary projections.

The reserve for Tax Roll Yield is being decreased by \$(4.72 million) based on the latest estimate of tax collections. The total Contingency Reserve will be \$74.1 million or 3.1% 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.

This resolution reduces both revenues and appropriations by \$10.7 million.

<u>REVENUE CHANGES</u>	<u>INCREASE (DECREASE)</u>
1. Decrease Federal Sources due to a reduction in Medicaid \$ (1,000,000) Reimbursement.	
2. Decrease State revenues due to the following:	(2,171,799)
a. Increase (Decrease) Florida Education Finance Program (FEFP) as follows:	
Increase of 2,742.99 weighted FTE	\$ 10,078,259
Safe Schools	9,670
Declining Enrollment Supplement	(1,598,677)
Reading Allocation	49,519
DJJ Supplemental Allocation	14,776
Instructional Materials Adjustments	(3,686)
Transportation	(36,481)
Proration to State Funds Available	(4,135,092)
Proration to Veto in 3 rd calculation	(2,104)
McKay Scholarship Adjustment	(248,259)
Total	<u>\$ 4,127,925</u>
b. Increase (Decrease) Categorical Programs based on confirmation of state reports as follows:	
Excellent Teaching *	\$ (6,303,572)
Discretionary Lottery Funds	3,848
Total	<u>\$ (6,299,724)</u>

*Offsetting appropriation decrease.

REVENUE CHANGES (continued)

**INCREASE
(DECREASE)**

- 3. Decrease **Local revenues** in Driver Education program. This is \$ (529,270) based on estimated expenditures from the prior year.
 - 4. Decrease **Non-Revenue Sources** for sale of surplus property. (7,000,000)
- NET REVENUE DECREASE** **\$ (10,701,069)**

APPROPRIATION CHANGES

- 1. **Salaries** are projected to decrease below current budget due \$ (8,888,418) primarily to the following:
 - a. **Reclassification** of \$(3,795,356) from hourly/overtime/temporary instructor accounts to non-salary to reflect school-based decisions.
 - b. Eliminate the Florida Excellent Teaching Program \$(5,059,155) offset by a revenue decrease. This program will be funded under the American Recovery and Reinvestment Act (ARRA) in year-end resolutions.
 - c. Decrease salaries by \$(33,907) based on projections.
- 2. **Employee benefits** are decreased due to the following: (3,645,102)
 - a. Decrease in FICA/Retirement/Workers Compensation by \$(3,266,579) due to the decrease in salaries noted above.
 - b. Decrease health benefits by \$(799,390) based on latest projections.
 - c. Increase Unemployment Compensation costs by \$425,257 based on projections.
 - d. Decrease Tuition Reimbursement by \$(4,390).

APPROPRIATION CHANGES (continued)

**INCREASE
(DECREASE)**

3. Other non-salary accounts will increase due primarily to the following: \$ 3,980,169
- a. Reclassify \$4,690,234 from hourly/overtime/temporary instructors plus related fringe benefits to non-salary to primarily reflect school-based decisions.
 - b. Increase DJJ Supplement by \$14,776 offset by an increase in revenue.
 - c. Increase Reading Allocation by \$49,519 offset by an increase in revenue.
 - d. Decrease non-salary by \$(774,360) based on latest projections.

TOTAL APPROPRIATION CHANGES \$ (8,553,351)

TRANSFERS/RESERVES

- 1. Reduce the Reserve for Tax Roll Yield based on latest information. \$ (4,723,316)
- 2. Increase contingency from \$56,544,827 to \$59,120,425 to balance. Total reserves are 3.1% of revenue. 2,575,598

TOTAL DECREASE IN TRANSFERS/RESERVES \$ (2,147,718)

**TOTAL DECREASE IN
APPROPRIATIONS, TRANSFERS & RESERVES** \$ (10,701,069)

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

- 1. adopt Resolution No. 2, FY2009-10 General Fund Spring Budget Review, decreasing revenues, appropriations and reserves by \$(10,701,069); 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
FY2009-10
RESOLUTION NO. 2

	AMENDED BUDGET 2/10/10	RESOLUTION NO. 2	AMENDED BUDGET 5/12/10
REVENUES & BEGINNING BALANCES			
REVENUES			
Federal	\$ 17,349,657	\$ (1,000,000)	\$ 16,349,657
State	951,032,325	(2,171,799)	948,860,526
Local	1,422,690,004	(529,270)	1,422,160,734
TOTAL REVENUES	\$ 2,391,071,986	\$ (3,701,069)	\$ 2,387,370,917
TRANSFERS FROM CAPITAL OUTLAY	\$ 176,506,832	\$ -	\$ 176,506,832
BEGINNING FUND BALANCE	81,222,679	-	81,222,679
SUBTOTAL REVENUES & BEGINNING BALANCES	\$ 2,648,801,497	\$ (3,701,069)	\$ 2,645,100,428
NON-REVENUE SOURCES - Other	17,000,000	(7,000,000)	10,000,000
TOTAL REVENUES & BEGINNING BALANCES	\$ 2,665,801,497	\$ (10,701,069)	\$ 2,655,100,428
APPROPRIATIONS & RESERVES			
APPROPRIATIONS			
Salaries	\$ 1,546,557,975	\$ (8,888,418)	\$ 1,537,669,557
Employee Benefits	546,658,695	(3,645,102)	543,013,593
Liability Insurance	5,487,954	-	5,487,954
Purchased Services	341,470,866	10,819,336	352,290,202
Energy Services	74,542,021	-	74,542,021
Other Non-Salary	74,815,843	(6,839,167)	67,976,676
TOTAL APPROPRIATIONS	\$ 2,589,533,354	\$ (8,553,351)	\$ 2,580,980,003
RESERVES & ENDING FUND BALANCE			
Unreserved - Contingency	\$ 56,544,827	\$ 2,575,598	\$ 59,120,425
Designated Reserve - Tax Roll Yield	19,723,316	(4,723,316)	15,000,000
TOTAL RESERVES & ENDING FUND BALANCE	\$ 76,268,143	\$ (2,147,718)	\$ 74,120,425
TOTAL APPROPRIATIONS, RESERVES & ENDING FUND BALANCE	\$ 2,665,801,497	\$ (10,701,069)	\$ 2,655,100,428

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

General Fund
FY2009-10

Resolution No. 2

	AMENDED BUDGET 2/10/2010	RESOLUTION NO. 2	AMENDED BUDGET 5/12/2010
FEDERAL SOURCES			
Impact Aid	\$ 10,000	\$ -	\$ 10,000
R.O.T.C.	2,145,515	-	2,145,515
Medicaid Reimbursement	13,000,000	(1,000,000)	12,000,000
Federal Through State Community Schools	2,194,142	-	2,194,142
Total Federal	\$ 17,349,657	\$ (1,000,000)	\$ 16,349,657
STATE SOURCES			
FLORIDA EDUCATION FINANCE PROGRAM:			
Base Funding less FEFP Required Local Effort	\$ 150,355,810	\$ 10,078,259	\$ 160,434,069
Safe Schools(B)	10,019,444	9,670	10,029,114
Supplemental Academic Instruction	116,842,993	-	116,842,993
ESE Guarantee	133,052,781	-	133,052,781
Declining Enrollment Supplement	1,598,677	(1,598,677)	-
Reading Allocation (A)	12,619,150	49,519	12,668,669
Merit Award Allocation (MAP)	878,732	-	878,732
DJJ Supplemental Allocation	443,985	14,776	458,761
Instructional Material	27,430,705	-	27,430,705
Instructional Materials - Adjustments	(292,249)	(3,686)	(295,935)
Transportation	25,794,722	(36,481)	25,758,241
Transportation - Prior Year Adjustment	347,997	-	347,997
Teachers Lead Program	4,376,396	-	4,376,396
Proration to State Funds Available	(6,880,665)	(4,135,092)	(11,015,757)
Proration to Veto	(775,583)	(2,104)	(777,687)
Prior Year Adjustment	1,185,709	-	1,185,709
Prior Year Scholarship Adjustment	6,393	-	6,393
McKay Scholarship Adjustment	(29,244,031)	(248,259)	(29,492,290)
Sub-Total FEFP	\$ 447,760,966	\$ 4,127,925	\$ 451,888,891
OTHER STATE:			
Workforce Development	\$ 87,825,793	-	87,825,793
Adults with Disabilities (A)	1,755,584	-	1,755,584
Performance Based Incentives	1,025,027	-	1,025,027
Voluntary Pre-K (A)	7,951,622	-	7,951,622
CATEGORICAL PROGRAMS:			
Full Service Schools (A)	768,000	-	768,000
Excellent Teaching (A)	6,303,572	(6,303,572)	-
Discretionary Lottery Funds	978,438	3,848	982,286
School Recognition/Merit (A)	16,335,199	-	16,335,199
Class Size Reduction	377,282,734	-	377,282,734
Miscellaneous State	3,045,390	-	3,045,390
Total State	\$ 951,032,325	\$ (2,171,799)	\$ 948,860,526

(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
FY2009-10

Resolution No. 2

	AMENDED BUDGET 2/10/2010	RESOLUTION NO. 2	AMENDED BUDGET 5/12/2010
LOCAL SOURCES			
FEFP Required Local Effort	\$ 1,216,285,947	\$ -	\$ 1,216,285,947
Local Discretionary Millage	122,298,110	-	122,298,110
Sub - Total	\$ 1,338,584,057	\$ -	\$ 1,338,584,057
Miscellaneous Local:			
Tax Redemptions	\$ 13,500,000	\$ -	\$ 13,500,000
Rent	6,190,000	-	6,190,000
Interest	1,360,000	-	1,360,000
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)	16,975,771	-	16,975,771
Community Schools - Internal (A)	1,328,035	-	1,328,035
Community Schools - Internal (A)	4,551,555	-	4,551,555
Driver Education	1,229,270	(529,270)	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	3,532,883	-	3,532,883
Other Miscellaneous Local	4,812,418	-	4,812,418
Total Local	\$ 1,422,690,004	\$ (529,270)	\$ 1,422,160,734
TOTAL REVENUES	\$ 2,391,071,986	\$ (3,701,069)	\$ 2,387,370,917
TRANSFERS			
From Capital Outlay	\$ 176,506,832	\$ -	\$ 176,506,832
NON-REVENUE SOURCES			
Sale of Surplus Property	17,000,000	(7,000,000)	10,000,000
FUND BALANCE FROM PRIOR YEAR	81,222,679	-	81,222,679
TOTAL REVENUES & OTHER SOURCES	\$ 2,665,801,497	\$ (10,701,069)	\$ 2,655,100,428

(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
 FY2009-10

Resolution No. 2

	AMENDED BUDGET 2/10/2010	RESOLUTION NO. 2	AMENDED BUDGET 5/12/2010
MISCELLANEOUS STATE SOURCES			
CO & DS Withheld for Adm.	\$ 145,000	-	\$ 145,000
State License Tax	140,000	-	140,000
Health Service (B)	72,960	-	72,960
SFW Individual Training Account	701,524	-	701,524
FDLRS - Gen Revenue	67,036	-	67,036
SEDNET IDEA Gen Rev	18,018	-	18,018
WLRN-TV Community	363,200	-	363,200
WLRN-FM Community	72,907	-	72,907
WLRN Friends	100,000	-	100,000
Reduce Speeding	105,000	-	105,000
Collaborative Challenge EKB	10,000	-	10,000
MSE/SFSAS	1,185,601	-	1,185,601
Summer Pre-K	62,715	-	62,715
Section 504 Special Needs	1,429	-	1,429
TOTAL MISCELLANEOUS STATE	\$ 3,045,390	\$ -	\$ 3,045,390

- (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
FY2009-10

Resolution No. 2

	AMENDED BUDGET 2/10/2010	RESOLUTION NO. 2	AMENDED BUDGET 5/12/2010
OTHER MISCELLANEOUS LOCAL SOURCES			
Fee Supported Pre-K (B)	\$ 4,413,762	\$ -	4,413,762
MDCPS Police Reimbursable OT	160,656	-	160,656
Fingerprinting	238,000	-	238,000
TOTAL OTHER MISC LOCAL	\$ 4,812,418	\$ -	\$ 4,812,418

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

MIAMI-DADE COUNTY PUBLIC SCHOOLS
2008-09 GENERAL FUND BUDGET
SUMMARY OF APPROPRIATIONS BY FUNCTION
RESOLUTION NO. 2
February 12, 2010

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	\$ 1,697,769,559	\$ 1,042,232,766	\$ 369,644,355	\$ 240,643,904	\$ 54,170	\$ 41,818,677	\$ 1,605,774	\$ 1,759,913
SUPPORT SERVICES:								
Pupil Personnel Services	58,610,561	40,771,076	16,704,551	1,113,694	-	21,140	-	-
Instructional Media Services	7,726,620	4,921,264	2,595,056	63,643	-	120,221	26,436	-
Instruction & Curriculum Development	18,351,188	12,824,591	3,903,153	1,129,494	-	298,006	38,519	157,425
Instructional Staff Training	5,309,060	2,779,559	2,496,035	17,683	-	15,783	-	-
Instructional Support	28,965,138	19,904,391	7,835,401	998,438	51,842	174,834	232	-
Board of Education	6,462,169	3,914,920	1,239,587	993,230	2,572	104,796	7,169	199,895
General Administration	6,038,163	4,466,410	1,324,583	159,845	22,868	64,457	-	-
School Administration	164,012,738	119,892,032	41,098,708	869,831	9,222	1,519,153	555,675	68,117
Facilities Acquisition & Construction	45,095,212	30,779,514	10,359,991	2,802,431	18,647	87,656	1,027,580	19,393
Fiscal Services	12,369,412	8,006,260	2,746,313	280,394	-	31,369	1,485	1,303,591
Central Services	38,904,437	28,209,889	(6,656,164)	17,104,661	87,595	111,430	(17,257)	64,283
Transportation Services	82,546,077	43,609,824	22,278,738	6,658,861	7,969,295	1,658,857	376	370,136
Operation of Plant	283,906,551	100,681,623	48,378,912	68,926,773	65,076,708	738,658	103,877	-
Maintenance of Plant	93,682,337	51,325,055	18,803,728	10,311,002	1,249,102	10,959,462	1,024,046	9,942
General Support	999,041	699,302	228,146	59,782	-	11,811	-	-
Budget Clearing	-	-	-	-	-	-	-	-
Community Services	29,878,729	22,651,081	5,520,354	156,546	-	1,181,748	226,004	142,996
Debt Services	353,011	-	-	-	-	-	-	353,011
Total Instruction & Support Services	\$ 2,580,980,003	\$ 1,537,669,557	\$ 548,501,547	\$ 352,290,202	\$ 74,542,021	\$ 58,918,058	\$ 4,599,916	\$ 4,458,702
Transfers to Other Funds	\$ -	-	-	-	-	-	-	-
Debt Service	9792	-	-	-	-	-	-	-
Capital Outlay	9793	-	-	-	-	-	-	-
Special Revenue	9794	-	-	-	-	-	-	-
Internal Service	9798	-	-	-	-	-	-	-
Trust & Agency	9799	-	-	-	-	-	-	-
Total Appropriations & Transfers	2,580,980,003	-	-	-	-	-	-	-
Fund Balance:								
Reserved Fund Balance	59,120,425							
Unreserved Fund Balance	15,000,000							
Total Fund Balance	74,120,425							
Total Appropriations, Transfers and Fund Balance	\$ 2,655,100,428							