

Business, Operations, Finance and Construction  
Ofelia San Pedro, Deputy Superintendent

**SUBJECT: FINAL ADOPTION OF THE 2004-05 BUDGET**

**COMMITTEE: BUSINESS AND FINANCIAL SERVICES**

On July 28, 2004, the Board tentatively adopted the 2004-05 budget following the first public hearing on the budget prescribed by Chapter 200, Florida Statutes. That tentative adopted budget included proposed millage rates, projected revenues and recommended appropriations for 2004-05 for the General Fund, Debt Service Funds, Capital Outlay Funds, Special Revenue Funds and Fiduciary Fund.

Changes to Revenues, Appropriations and Fund Balances from the budgets which were tentatively adopted on July 28, 2004 are attached for all funds.

The following document will be provided to the School Board under separate cover and will be placed on file in the Office of the Recording Secretary to the School Board and in the Citizen Information Center:

- 2004-05 State Budget Forms (All Funds)

**NOTE: This item is one of two items which are part of the 5:01 p.m. public budget hearing, which should only be discussed at that time and which should be approved after the Millage Levy Resolution for 2004-05. The Five-Year Facilities Work Program (Agenda Item A-2) must be approved prior to adoption of the budget.**

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida, adopt the 2004-05 Annual Budget by approving changes from the Tentative Adopted Budget enumerated on pages 2 through 12 and the revenues and appropriations delineated on the official state budget forms and including any amendments approved by the Board following the public hearing on September 8, 2004.

**REPLACEMENT  
E-71**

**CHANGES FROM THE 2004-05 TENTATIVE ADOPTED BUDGET  
RECOMMENDED FOR FINAL ADOPTION**

**GENERAL FUND**

<b>REVENUES</b>	<b>Increase (Decrease)</b>
1. Decrease State revenues to reflect a decrease in the School Recognition Program as notified by the Department of Education. This revenue is offset by an appropriation decrease.	\$ (4,238,062)
2. Increase Tax Redemptions due to the reduction in tax receipts in 2003-04.	1,300,000
3. Increase Interest due to latest available information.	1,050,000
4. Increase Federal Indirect Cost Reimbursement based upon latest available information.	3,500,000
5. Decrease Fee-Supported Pre-Kindergarten Program based on latest available information.	(21,936)
6. Increase Safe Schools to agree to final calculation provided by the Department of Education.	224
7. Increase the transfer from Capital Outlay to fund eligible maintenance charges by \$8,000,000 and rebudgets for security cameras/technology purchases by \$62,440.	8,062,440
8. Increase Beginning Fund Balance to conform to final year-end closing.	<u>38,843,791</u>
<b>Total Revenues Increase</b>	<b><u>\$ 48,496,457</u></b>

**APPROPRIATIONS**

1. Increase appropriations for rebudgets including encumbrances, commitments, selected school available balances, and state categorical available balances carried forward from the prior year. Estimate was \$100,949,946, actual results were \$122,273,237.	\$ 21,323,291
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**CHANGES FROM THE 2004-05 TENTATIVE ADOPTED BUDGET  
RECOMMENDED FOR FINAL ADOPTION**

**GENERAL FUND (continued)**

<b>APPROPRIATIONS</b>	<b>Increase (Decrease)</b>
2. Decrease appropriations for School Recognition Program offset by a revenue decrease. This program provides \$100 per FTE to K-12 schools that improve one letter grade or maintain an A status.	\$ (4,238,062)
3. Increase rebudgets for security cameras/technology purchases being funded through the Capital Outlay transfer.	62,440
4. Increase Tax Anticipation Note (TAN) interest expense. This was offset by an increase in interest revenue.	660,084
5. Reduce 2004 Summer School appropriations based upon actual summer school expenditures.	(3,458,139)
6. Increase appropriations by reducing the abatement in Bilingual Programs. The transfer of bilingual expenditures to the English Language Acquisition Enhancement and Achievement (Title III) grant will be reduced due to a reduction in the number of eligible students in the eligible bilingual programs.	1,079,676
7. Establish an appropriation to fund a contract with Holland and Knight to represent the district in the District Cost Differential (DCD) lawsuit.	700,000
8. Increase appropriations for Workman's Compensation/Liability insurance based on the 2004 actuarial report. The report reflected an increase in Workman's Compensation expense.	6,539,218
9. Reduce appropriations for health insurance. The Tentative Budget reflected a 12% increase. United Health Care agreed to continue the 2004 premium levels for 2005.	(8,893,000)
10. Establish an appropriation for Senior High Schools in the School Improvement Zone for \$5,240,202. This appropriation is offset by transferring additional bus aides (\$2,612,728), the Project Victory program (\$1,518,661) and 18 art therapists (\$1,108,813) to the Individuals with Disabilities Education Act (IDEA) program. Additional information will be provided to the Board regarding funds being provided to the School Improvement Zone schools under separate cover.	-0-

**CHANGES FROM THE 2004-05 TENTATIVE ADOPTED BUDGET  
RECOMMENDED FOR FINAL ADOPTION**

**GENERAL FUND (continued)**

<b>APPROPRIATIONS (continued)</b>	<b>Increase (Decrease)</b>
11. Establish nine (9) teaching positions for magnet programs. Title I funded the Montessori positions in 2003-04. These positions will be funded in the General Fund for 2004-05.	\$ 502,154
12. Establish Collective Bargaining Reserve to be negotiated.	42,331,559
13. Increase reduction for Operational/Programmatic cutbacks. These reductions will be provided to the Board at a future date. Total Operational/Programmatic cutbacks total \$8,575,175.	(8,112,764)
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<b>Total Appropriations Increase</b>	<b><u>\$ 48,496,457</u></b>

**CHANGES FROM THE 2004-05 TENTATIVE ADOPTED BUDGET  
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**DEBT SERVICE FUNDS**

<b>REVENUES AND OTHER SOURCES</b>	<b>Increase (Decrease)</b>
1. Decrease Beginning Fund Balance to reflect actual results for Fiscal Year 2003-04.	\$ (1,295,723)
2. Increase anticipated interest earnings on investments to reflect revised projections.	470,000
3. Increase Transfers from Capital Outlay Funds to reflect the remarketing of General Obligation Bonds (GOBs).	35,223,750
4. Decrease Transfers from Capital Outlay Funds to reflect the refunding of a portion of Impact Fee COPs series 2001A and 2001C.	( 2,047,592)
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<b>Total Revenues and Other Sources Increase</b>	<b><u>\$ 32,350,435</u></b>

**APPROPRIATIONS**

1. Increase Principal Payments on GOBs to reflect the remarketing transaction.	\$ 34,875,000
2. Increase Interest Payments on GOBs to reflect the remarketing transaction.	348,750
3. Decrease Interest Payments on Impact Fee COPs to reflect the refunding transaction.	(2,047,592)
4. Decrease projected ending fund balance.	<hr/> (825,723)
<b>Total Appropriations Increase</b>	<b><u>\$ 32,350,435</u></b>

**CHANGES FROM THE 2004-05 TENTATIVE ADOPTED BUDGET  
RECOMMENDED FOR FINAL ADOPTION**

**CAPITAL OUTLAY FUNDS**

<b>REVENUES</b>	<b>Increase (Decrease)</b>
1. Decrease Beginning Fund Balance to conform with final year-end closing.	\$(121,001,645)
2. Decrease Deferred Revenue to reflect amounts received and grant adjustments.	( 1,128,850)
3. Recognize a Pre-Disaster Mitigation grant awarded from the State of Florida Department of Community Affairs for 75% of the cost of providing wind/shutter retrofit for the Jefferson Annex and Garage. This grant requires a 25% local match of District funds in the amount of \$218,200.	654,599
4. Increase anticipated interest earnings on investments to reflect revised projections.	2,085,000
5. Increase revenue from the sale of State Board of Education/Capital Outlay Bond Issue (SBE/COBI) which was deferred from 2003-04.	5,115,000
6. Increase revenue from the remarketing of the General Obligation Bonds (GOBs) to reflect gross proceeds instead of net as required by GASB 34.	34,875,000
7. Increase premium from the remarketing of the GOBs.	2,320,933
8. Increase the interfund transfer to reflect the revised projected interest in the Certificates of Participation (COPs) funds.	791,000
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<b>Total Revenue Decrease</b>	<b><u>\$( 76,288,963)</u></b>

**CHANGES FROM THE 2004-05 TENTATIVE ADOPTED BUDGET  
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**CAPITAL OUTLAY FUNDS (continued)**

<b>APPROPRIATIONS</b>	<b>Increase (Decrease)</b>
1. Decrease program rebudgets from 2003-04 to reflect final results.	\$ (140,739,256)
2. Increase program 2813, Hurricane Shelters Retrofit to account for the State grant and local match.	872,799
3. Increase program 1507, Kiln Replacement.	527
4. Reinstate roofing projects deferred from 2003-04 due to the deferral of the state bond sale.	5,115,000
5. Increase the Maintenance Transfer to the General Fund to cover anticipated expenditures for the maintenance of school technology and infrastructure.	8,000,000
6. Increase the Transfer to the General Fund due to the rebudgets of Security Cameras and Technology.	62,440
7. Increase the Transfer to Debt Service to reflect the GOB remarketing transaction.	35,223,750
8. Decrease the Transfer to Debt Service due to the refunding of a portion of Impact Fee COPs series 2001A and 2001C.	(2,047,592)
9. Increase Reserves – Impact Fees due to increased 2003-04 collections and debt service savings from the refunding of a portion of Impact Fee COPs series 2001A and 2001C.	15,994,116
10. Increase the interfund transfer to reflect the revised projected interest in the Certificates of Participation (COPs) funds.	791,000
11. Increase Dues & Fees to reflect the remarketing of the GOB Bonds.	286,936
12. Decrease legal contingency to reflect the reclass into projects.	(317,988)

**CHANGES FROM THE 2004-05 TENTATIVE ADOPTED BUDGET  
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**CAPITAL OUTLAY FUNDS (continued)**

<b>APPROPRIATIONS (continued)</b>	<b>Increase (Decrease)</b>
13. Increase the following programs for legal fees:	\$ 317,988
Architect Planning Fund	\$ 149
Beckham, Ethel Elementary	13,242
Capital Improvement Committee	298
Caribbean Elem. Replacement	25,995
Carol City Elementary	276
Communication System Renov.	174
Earhart/Hialeah Middle AC	497
Edison Middle Replacement	165
Finlay, Dr. Carlos Elementary	125,405
Floyd, Gloria Elementary	165
Hialeah Elementary	21,618
Homestead Senior	132
Jefferson Middle	13,112
Jane Roberts K-8	22,328
Kennedy Middle	60
Maintenance Contracts	174
Mann Middle	5,642
Mays Middle	2,993
Meadowlane Elementary	149
Miami Jackson Senior	156
Miami Northwestern Sr Repl.	165
Ponce de Leon Middle	627
Safety to Life Renovations	323
South Miami Middle	165
Thomas, Eugenia Elementary	2,139
Varela, Felix Sr	25,169
Vocational Education Renov.	165
Westview Middle	12,188
Wheatley Elementary	13,117
WLRN Distance Learning Ctr	<u>31,200</u>
	<b>\$317,988</b>
14. Increase Undistributed Capital Contingency to balance.	<u>151,317</u>
<b>Total Appropriations Decrease</b>	<b><u>\$ (76,288,963)</u></b>



**CHANGES FROM THE 2004-05 TENTATIVE ADOPTED BUDGET  
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**SPECIAL REVENUE - FOOD SERVICE FUND**

<b>REVENUES</b>	<b>Increase (Decrease)</b>
Increase Fund Balance from prior year to reflect actual results for 2003-04.	<u>\$ 1,061,198</u>
<b>Total Revenues Increase</b>	<b><u>\$ 1,061,198</u></b>
<b>APPROPRIATIONS</b>	
Increase projected Ending Fund Balance.	<u>\$ 1,061,198</u>
<b>Total Appropriations Increase</b>	<b><u>\$ 1,061,198</u></b>

**CHANGES FROM THE 2004-05 TENTATIVE ADOPTED BUDGET  
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**SPECIAL REVENUE - OTHER FEDERAL PROGRAMS  
(CONTRACTED PROGRAM FUND)**

<b>REVENUES</b>	<b>Increase (Decrease)</b>
Increase revenue as follows:	
Federal Sources	\$ 1,552,485
Local Sources	<u>1,718,366</u>
 <b>Total Revenues Increase</b>	 <b><u>\$ 3,270,851</u></b>

**APPROPRIATIONS**

Increase (decrease) appropriations as follows:

Florida Diagnostic and Learning Resources System	\$ (113,083)
Reading Coaches Model Program	(3,188,906)
Project ACCESS	210,935
Project BLAST	271,782
Carl D. Perkins Vocational & Technical Education Act Title II, Part A	222,902
Title IV	2,196,673
Individuals with Disabilities Education Act (IDEA), Part B Title I	(385,976)
Adult Education & Family Literacy Act of 1998 Title V	123,613
21 <sup>st</sup> Century Community Learning Centers	(171,258)
Child Development Assessor	1,516,370
Prevent Violence	(7,567)
GEAR UP	877,000
FCAT Tutorial	1,020,508
P-SELL	65,000
CiviConnections	67,858
H-P Technology	60,000
NASA Explorer Schools	500,000
	<u>7,500</u>
 <b>Total Appropriations Increase</b>	 <b><u>\$ 3,270,851</u></b>

**CHANGES FROM THE 2004-05 TENTATIVE ADOPTED BUDGET  
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**SPECIAL REVENUE FUND – SPECIAL EVENTS**

<b>REVENUES</b>	<b>Increase (Decrease)</b>
Increase Beginning Fund Balance to reflect 2003-04 final results.	\$ <u>14,572</u>
<b>Total Revenues Increase</b>	<b>\$ <u>14,572</u></b>
<b>APPROPRIATIONS</b>	
Increase appropriations to balance.	\$ <u>14,572</u>
<b>Total Appropriations Increase</b>	<b>\$ <u>14,572</u></b>

**CHANGES FROM THE 2004-05 TENTATIVE ADOPTED BUDGET  
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**MISCELLANEOUS SPECIAL REVENUE - SCHOOL BOARD LAW ENFORCEMENT**

<b>REVENUES</b>	<b>Increase (Decrease)</b>
Decrease Beginning Fund Balance to reflect 2003-04 final results.	<u>(30,875)</u>
<b>Total Revenues Decrease</b>	<b><u>\$ (30,875)</u></b>
<b>APPROPRIATIONS</b>	
Decrease appropriations to balance.	<u>\$ (30,875)</u>
<b>Total Appropriations Decrease</b>	<b><u>\$ (30,875)</u></b>

**CHANGES FROM THE 2004-05 TENTATIVE ADOPTED BUDGET  
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**FIDUCIARY FUND – PENSION TRUST FUND**

<b>REVENUES</b>	<b>Increase (Decrease)</b>
Increase Beginning Fund Balance to reflect 2003-04 final results.	<u>1,440,740</u>
<b>Total Revenues Increase</b>	<b><u>\$ 1,440,740</u></b>

**APPROPRIATIONS**

1. Decrease in Payments to Retirees based on a 3% increase over prior year actual results.	\$ (226,001)
2. Increase projected Ending Fund Balance to balance.	<u>1,666,741</u>
<b>Total Appropriations Increase</b>	<b><u>\$ 1,440,740</u></b>

**NOTE:** The Pension Trust Fund is not reflected on the State Budget Forms pursuant to instructions from the Department of Education. These revisions reflect changes from the Tentative Adopted Budget and are recommended for final adoption.

