

Business Operations
Ofelia San Pedro, Deputy Superintendent

SUBJECT: FINAL ADOPTION OF THE 2007-08 BUDGET

COMMITTEE: INNOVATION, EFFICIENCY AND GOVERNMENTAL RELATIONS

LINK TO DISTRICT STRATEGIC PLAN: IMPROVE FINANCIAL SERVICES

On August 1, 2007, the Board tentatively adopted the 2007-08 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 2007-08 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 August 1, 2007 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:

- 2007-08 State Budget Forms (All funds)

NOTE: This item is one of three items which are part of the 6:00 p.m. public budget hearing, which should only be discussed at that time and which should be approved after the Millage Levy Resolution for 2007-08 and after the Five-Year Facilities Work Program.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, adopt the 2007-08 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 5, 2007.

**CHANGES FROM THE 2007-08 TENTATIVE ADOPTED BUDGET
RECOMMENDED FOR FINAL ADOPTION**

GENERAL FUND

REVENUES/BEGINNING FUND BALANCE	Increase (Decrease)
1. Establish a Miscellaneous State Revenue account. Actual property taxes received in 2006-07 were lower than reflected in the FEFP calculation. This will result in a Prior Year Adjustment in 2007-08; however, 2007-08 FEFP revenue cannot be adjusted from the run. Appropriations will be reduced in the anticipation of this revenue. This appropriation will be eliminated in the mid-year resolution after receipt of the FEFP calculation.	\$ 10,000,000
2. Decrease Beginning Fund Balance to conform to final year-end closing.	<u>(43,701,995)</u>
Total Revenues Decrease	<u>\$ (33,701,995)</u>

APPROPRIATIONS	Increase (Decrease)
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 \$100,935,702, actual results were \$110,706,994. In addition, reduce rebudgets in all sites with the exception of overdrawn accounts and EESAC funds.	\$ 4,869,915
2. Reduce FCAT Enhancement program.	(4,000,000)
3. Reduce FCAT Enhancement program for ZONE schools. This program provides additional positions (i.e. teachers, vice principals and Teachers on Special Assignment) in ZONE schools.	(2,000,000)
4. Eliminate selected non-school site open positions.	(13,224,000)
5. Reduce appropriations for Summer Heat program from \$3.5 million to \$1.5 million.	(2,000,000)
6. Reduce temporary instructor budget to \$400,000. These temporary instructors support Endorsement Courses/certificate Renewal, etc.	(400,000)

**CHANGES FROM THE 2007-08 TENTATIVE ADOPTED BUDGET
RECOMMENDED FOR FINAL ADOPTION**

GENERAL FUND (Continued)

APPROPRIATIONS (Continued)	<u>Increase (Decrease)</u>
7. Reduce non-salary accounts in non-school sites by 15%.	\$ (8,697,789)
8. Revise Vocational ratios to agree to Basic Teacher ratio of 21.45 in Middle Schools and 25.0 in Senior High Schools.	(469,813)
9. Eliminate Non-Instructional Equipment program (\$349,000) and reduce Furniture/Fixture/Equipment Replacement account (\$200,000).	(549,000)
10. Reduce Highway to Success program to reflect estimated costs.	(900,000)
11. Reduce appropriations for Advanced Placement/International Baccalaureate program to senior high schools. The allocation to schools exceeds amount provided by FEFP.	(1,000,000)
12. Reduce appropriations for Charter School payments (\$5,517,600) partially offset by an increase in appropriations for basic teachers (\$2,186,292).	(3,331,308)
13. Reduce appropriations in ZONE program for the second half of the year. The three year program is scheduled to end in 2007-08.	(2,000,000)
Total Appropriations Decrease	<u>\$ (33,701,995)</u>

**CHANGES FROM THE 2007-08 TENTATIVE ADOPTED BUDGET
RECOMMENDED FOR FINAL ADOPTION**

DEBT SERVICE FUNDS

REVENUES AND OTHER SOURCES	Increase (Decrease)
Decrease Beginning Fund Balance to reflect actual results for Fiscal Year 2006-07.	\$ (767,044)
	<hr/>
Total Revenues and Other Sources Decrease	<u>\$ (767,044)</u>

APPROPRIATIONS

Decrease projected ending fund balance.	\$ (767,044)
	<hr/>
Total Appropriations Decrease	<u>\$ (767,044)</u>

**CHANGES FROM THE 2007-08 TENTATIVE ADOPTED BUDGET
RECOMMENDED FOR FINAL ADOPTION**

CAPITAL OUTLAY FUNDS

REVENUES AND NON-REVENUE SOURCES	Increase (Decrease)
1. Decrease Beginning Fund Balance to conform with final year-end closing.	\$ (383,712,896)
2. Increase Capital Outlay and Debt Service funds (CO & DS) to reflect current state estimates.	1,105,677
3. Increase the Line of Credit to fund additional District equipment and vehicle needs.	2,000,000
4. Decrease Master Equipment Lease proceeds to reflect the accrued revenue adjustment from 2006-07 year end.	(5,203,206)
5. Increase the interfund transfer to offset the prior adjustment in the hurricane shelter retrofit grant and to reflect the reclass of the QZAB interest.	1,167,396
	<hr/>
Total Revenue and Non-Revenue Decrease	<u>\$ (384,643,029)</u>

**CHANGES FROM THE 2007-08 TENTATIVE ADOPTED BUDGET
RECOMMENDED FOR FINAL ADOPTION**

CAPITAL OUTLAY FUNDS (continued)

APPROPRIATIONS	Increase (Decrease)
1. Decrease program rebudgets to reflect final results.	\$(627,873,372)
2. Increase Program 0110 – Copiers Replacement needed for schools.	500,000
3. Increase Program 0862 – 2007-08 Line of Credit Projects to reflect an increased allocation for Maintenance Vehicles/Equipment.	720,000
4. Increase Program 0862 – 2007-08 Line of Credit Projects to reflect an increased allocation for food service equipment.	578,400
5. Re-establish the various appropriations funded with the Line of Credit that were deferred in 2006-07 to reflect the appropriate internal accounting treatment.	220,000,000
6. Decrease Program 0996 Master Technology Lease projects proceeds to reflect the accrued revenue adjustment from 2006-07 year end.	(5,203,206)

**CHANGES FROM THE 2007-08 TENTATIVE ADOPTED BUDGET
RECOMMENDED FOR FINAL ADOPTION**

CAPITAL OUTLAY FUNDS (continued)

APPROPRIATIONS	Increase (Decrease)
7. Re-establish the following appropriations that were deferred in 2006-07 in order to fund the District's reserve for Prepaid Property Insurance.	26,598,121

PROJECT/PROGRAM DESCRIPTION	PROJECT NUMBER	AMOUNT DEFERRED
GENERAL ANCILLARY	00344900	1,228,460
NORTH MIAMI SR HS ("BBB1")	A01015	2,186,680
SOUTH DADE MIDDLE (SS1)	A01029	1,883,599
ROBERT MORGAN SR HS ("HHH")	A01083	3,353,206
MIAMI SPRINGS SR	A01085	1,474,760
MIAMI NORTHWESTERN S COMPREHENSIVE NEEDS-	A01096	2,480,118
NORLAND EL	A01098	4,979,000
MIAMI BEACH SR	A0795	7,373,195
WESTLAND HIALEAH SENIOR S/S ("WWW")-	A0811	1,639,103
	Total	<u><u>26,598,121</u></u>

8. Increase the Interfund Transfer to reflect better estimates.	1,167,396
9. Decrease Debt Service Reserves to reflect better estimates.	<u>(1,130,368)</u>
Total Appropriations Decrease	<u><u>\$(384,643,029)</u></u>

CHANGES FROM THE 2007-08 TENTATIVE ADOPTED BUDGET
RECOMMENDED FOR FINAL ADOPTION

SPECIAL REVENUE - FOOD SERVICE FUND

REVENUES	Increase (Decrease)
Increase Fund Balance from prior year to reflect actual results for 2006-07.	\$ <u>139,662</u>
Total Revenues Increase	\$ <u>139,662</u>
APPROPRIATIONS	
Increase projected Ending Fund Balance.	\$ <u>139,662</u>
Total Appropriations Increase	\$ <u>139,662</u>

CHANGES FROM THE 2007-08 TENTATIVE ADOPTED BUDGET
RECOMMENDED FOR FINAL ADOPTION

SPECIAL REVENUE - OTHER FEDERAL PROGRAMS
(CONTRACTED PROGRAM FUND)

REVENUES	Increase (Decrease)
Increase (decrease) revenues as follows:	
Federal Sources	\$ (6,244,897)
Local Sources	<u>-</u>
Total Revenues Increase	<u>\$ (6,244,897)</u>

APPROPRIATIONS

Increase (decrease) appropriations as follows:	
Title I	\$ (5,775,043)
Title II	(310,258)
Title V	(1,335)
IDEA, Part B Preschool	100,000
Carl D. Perkins	<u>(258,261)</u>
Total Appropriations Decrease	<u>\$ (6,244,897)</u>

CHANGES FROM THE 2007-08 TENTATIVE ADOPTED BUDGET
RECOMMENDED FOR FINAL ADOPTION

SPECIAL REVENUE FUND – SPECIAL EVENTS

REVENUES	Increase (Decrease)
Decrease Beginning Fund Balance to reflect 2006-07 final results.	\$ <u>(2,701)</u>
Total Revenues Decrease	\$ <u>(2,701)</u>
APPROPRIATIONS	
Decrease appropriations to balance.	\$ <u>(2,701)</u>
Total Appropriations Decrease	\$ <u>(2,701)</u>

CHANGES FROM THE 2007-08 TENTATIVE ADOPTED BUDGET
RECOMMENDED FOR FINAL ADOPTION

MISCELLANEOUS SPECIAL REVENUE - SCHOOL BOARD LAW ENFORCEMENT

REVENUES	Increase (Decrease)
Increase Beginning Fund Balance to reflect 2006-07 final results	\$ <u>6,114</u>
Total Revenues Increase	\$ <u>6,114</u>
APPROPRIATIONS	
Increase appropriations to balance.	\$ <u>6,114</u>
Total Appropriations Increase	\$ <u>6,114</u>

CHANGES FROM THE 2007-08 TENTATIVE ADOPTED BUDGET
RECOMMENDED FOR FINAL ADOPTION

FIDUCIARY FUND – PENSION TRUST FUND

REVENUES	Increase (Decrease)
Decrease Beginning Fund Balance to reflect 2006-07 final results.	\$ <u>(502,842)</u>
Total Revenues Decrease	\$ <u>(502,842)</u>
APPROPRIATIONS	
1. Decrease Ending Fund Balance to reflect projected 2007-08 results.	\$ <u>(502,842)</u>
Total Appropriations Decrease	\$ <u>(502,842)</u>

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.