

Financial Services
Richard H. Hinds, Chief Financial Officer

**SUBJECT: RESOLUTION NO. 3, 2008-09 GENERAL FUND SPRING
BUDGET REVIEW**

COMMITTEE: INNOVATION, EFFICIENCY AND GOVERNMENTAL RELATIONS

**LINK TO DISTRICT
STRATEGIC PLAN: IMPROVE FINANCIAL SERVICES**

The resolution recommends budgetary adjustments for the General Fund including:

- the impact of the Florida Education Finance Program (FEFP) fourth calculation
- the shift of the lease of WLRN Spectrum from Non-Revenue Source to Local Revenue Source
- the recognition of state and local grants that have been awarded since the mid-year resolution
- the recognition of the sale of surplus property and;
- the increase to beginning fund balance due to external audit adjustments in 2008-09.

Changes to specific revenue and appropriation items are described below.

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 2009.

- Increase of 1,245 **weighted** full-time equivalent (FTE) students reported (\$4.91 million).
- Decrease in the Declining Enrollment Supplement of \$2.65 million.
- Increase revenue in other FEFP programs by \$.43 million.
- Decrease revenue due to a statewide proration due to available revenue (\$2.43 million).

Other Revenue Adjustments

Non FEFP revenue adjustments include the following items:

- Increase in the Excellent Teaching Program (\$1.02 million) offset by an appropriation increase.
- Decrease Adults with Disabilities Program (\$.12 million) offset by an appropriation decrease.
- Increase in revenue for Categorical Programs by \$.16 million which requires an appropriation decrease of \$.70 million.
- Decrease miscellaneous state grants by (\$.06 million)

Other Revenue Adjustments (Continued)

- Shift the lease of WLRN Spectrum from a non-revenue source to a local revenue source.
- Increase miscellaneous local revenue (\$.37 million) offset by appropriation increases.
- Recognize revenue for sale of surplus property (\$.37 million)
- Increase beginning fund balance due to external audit adjustments in 2008-09 (\$.27 million)

Major Appropriation Changes

Based on projections, salaries/fringes are increased to reconcile the projected savings from the budget recovery plan days to the estimate savings included in General Fund Resolution No. 2, dated February 11, 2009 (Item E-13), the increase in terminal vacation pay (\$2.0 million) and an increase in funding for the Excellent Teaching Program (\$1.0 million) partially offset by a decrease in unemployment compensation costs.

In addition, costs are lower in energy service (\$4.9 million) due to the current fuel prices and the districts efforts to conserve electricity and non-salary accounts (\$5.7 million) as a result of the curtailment of non essential purchases district-wide.

Unreserved General Fund Balance

During the January 2009 Special Legislative Session, the legislature amended the law that provided guidelines for district school boards to follow regarding unreserved general fund balance that is sufficient to address normal contingencies.

The law now requires that if the District's unreserved balance is projected to fall below 2 percent of revenue and the commissioner determines that the district's plan does not reasonably anticipate the avoidance of a financial emergency, the commissioner shall appoint a financial emergency board pursuant to FS 218.503 (3) (g) to oversee activities of the District. The fund balance in this resolution is projected to be \$56.5 million (2.04%).

This resolution increases both revenues and appropriations by \$2.28 million.

The following details the necessary revenue and appropriation adjustments for your consideration:

<u>REVENUE CHANGES</u>	<u>INCREASE (DECREASE)</u>
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1. Increase State revenues due to the following:	\$ 1,268,194
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a. Increase Florida Education Finance Program (FEFP) as follows:

Increase of 1,245 weighted FTE	\$ 4,909,621
Safe Schools	5,180
Declining Enrollment Supplement	(2,645,261)
Reading Allocation	21,745
DJJ Supplemental Allocation	(27,313)
Prior Year Adjustment	(10,354)
Proration to Funds Available	(2,428,516)
McKay Scholarship Adjustment	444,256
Total	\$ 269,358

b. Decrease Adults with Disabilities by \$117,847 offset by an appropriation decrease.

c. Increase Categorical Programs based on confirmation of State reports as follows:

Instructional Materials*	\$ (704,756)
Transportation	849,712
Transportation – prior year adj.	232
Excellent Teaching*	1,019,464
Discretionary Lottery Funds	13,943
Total	\$ 1,178,595

*Offsetting appropriations.

d. Decrease Miscellaneous State revenue (\$61,912) (programs identified on page entitled Miscellaneous State Sources). These revenue revisions are offset by appropriation increases/decreases.

2. Increase Local revenues as follows:	14,092,543
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Rent	\$13,720,000
Other Miscellaneous Local*	372,543
Total	\$14,092,543

*Requires offsetting appropriations.

REVENUE CHANGES (continued)

**INCREASE
(DECREASE)**

3. Decrease Non-Revenue Sources as follows:		\$(13,353,669)
Sale of Surplus Property	\$ 366,331	
Lease of WLRN Spectrum	(13,720,000)	
Total	\$ (13,353,669)	
4. Increase beginning fund balance due to external audit adjustments in 2008-09.		269,444

NET REVENUE INCREASE \$ 2,276,512

APPROPRIATION CHANGES

**INCREASE
(DECREASE)**

1. Salaries are projected to increase above current budget due primarily to the following:		\$ 10,356,498
a. Increase salaries \$6,232,860 as a result of the projected savings from the Budget Recovery Plan when compared to the \$25.5 million decrease in salaries/fringe included in Resolution No. 2 dated February 11, 2009..		
b. Increase Terminal Vacation/Retiree Sick Leave by \$2 million. As a result of additional payouts of terminal vacation partially offset by a decrease in payouts for retiree's sick leave payments.		
c. Decrease salaries by (\$107,161) in Miscellaneous State and Local grants offset by a decrease in revenue.		
d. Increase salaries \$924,336 for Excellent Teaching Program offset by an increase in revenue.		
e. Increase salaries by \$1,306,463 based on projections.		
2. Employee benefits are increased due to the following:		2,542,586
a. Increase in FICA/Retirement/Workers Compensation by \$3,251,793 due to the increase in salaries noted above.		
b. Increase health benefit costs by \$2,352,797 based on latest projections.		
c. Decrease Unemployment Compensation costs by (\$2,777,043) based on projections.		
d. Decrease Tuition Reimbursement by (\$284,961).		

<u>APPROPRIATION CHANGES (continued)</u>	<u>INCREASE (DECREASE)</u>
3. Decrease energy services based on projections.	\$ (4,860,652)
4. Other non-salary accounts will decrease due primarily to the following:	(5,761,920)
a. Decrease in interest expense of (\$1,850,000)	
b. Decrease in Miscellaneous State/local programs by (\$52,260) which is offset by a decrease in revenue.	
c. Decrease Instructional Materials by (\$704,756) offset by a revenue decrease.	
d. Decrease DJJ Supplement by (\$27,313) offset by a decrease in revenue.	
e. Increase Reading Allocation by \$21,745 offset by an increase in revenue.	
f. Decrease appropriations for Charter Schools by (\$1,421,391) due to latest available information.	
g. Decrease non-salary by (\$1,727,945) based on latest projections.	

TOTAL APPROPRIATION CHANGES	<u>\$ 2,276,512</u>
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<u>TRANSFERS/RESERVES</u>	<u>INCREASE (DECREASE)</u>
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1. Maintain contingency at \$56,544,827.	\$ 0
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TOTAL CHANGES IN TRANSFERS/RESERVES	<u>\$ 0</u>
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TOTAL INCREASE IN APPROPRIATIONS, TRANSFERS & RESERVES	<u>\$ 2,276,512</u>
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RECOMMENDED: That The School Board of Miami-Dade County, Florida:

1. adopt Resolution No. 3, 2008-09 General Fund Spring Budget Review, increasing revenues, appropriations and reserves by \$2,276,512; and
2. adopt the Summary of Revenues and Appropriations (page 6) and the Summary of Appropriations by Function (page 11).

MIAMI-DADE COUNTY PUBLIC SCHOOLS
SUMMARY OF REVENUES AND APPROPRIATIONS
GENERAL FUND
2008-09
RESOLUTION NO. 3

	AMENDED BUDGET 2/11/09	RESOLUTION NO. 3	AMENDED BUDGET 6/17/09
REVENUES & BEGINNING BALANCES			
REVENUES			
Federal	\$ 12,334,142	\$ -	\$ 12,334,142
State	1,017,823,353	1,268,194	1,019,091,547
Local	1,495,964,705	14,092,543	1,510,057,248
TOTAL REVENUES	\$ 2,526,122,200	\$ 15,360,737	\$ 2,541,482,937
TRANSFERS FROM CAPITAL OUTLAY	\$ 194,297,163	\$ -	\$ 194,297,163
BEGINNING FUND BALANCE	32,360,190	269,444	32,629,634
ADJUSTMENT TO FUND BALANCE		-	
SUBTOTAL REVENUES & BEGINNING BALANCES	\$ 2,752,779,553	\$ 15,630,181	\$ 2,768,409,734
NON-REVENUE SOURCES - Other	13,720,000	(13,353,669)	366,331
TOTAL REVENUES & BEGINNING BALANCES	\$ 2,766,499,553	\$ 2,276,512	\$ 2,768,776,065
APPROPRIATIONS & RESERVES			
APPROPRIATIONS			
Salaries	\$ 1,659,528,849	\$ 10,356,498	\$ 1,669,885,347
Employee Benefits	567,628,938	2,542,586	570,171,524
Liability Insurance	6,236,751	-	6,236,751
Purchased Services	308,397,100	(1,274,841)	307,122,259
Energy Services	87,137,656	(4,860,652)	82,277,004
Other Non-Salary	81,025,432	(4,487,079)	76,538,353
TOTAL APPROPRIATIONS	\$ 2,709,954,726	\$ 2,276,512	\$ 2,712,231,238
RESERVES & ENDING FUND BALANCE			
Unreserved Fund Balance	\$ 56,544,827	\$ -	\$ 56,544,827
TOTAL RESERVES & ENDING FUND BALANCE	\$ 56,544,827	\$ -	\$ 56,544,827
TOTAL APPROPRIATIONS, RESERVES & ENDING FUND BALANCE	\$ 2,766,499,553	\$ 2,276,512	\$ 2,768,776,065

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

General Fund
2008-09

Resolution No. 3

	AMENDED BUDGET 2/11/2009	RESOLUTION NO. 3	AMENDED BUDGET 6/17/2009
FEDERAL SOURCES			
Impact Aid	\$ 10,000	\$ -	\$ 10,000
R.O.T.C.	2,480,000	-	2,480,000
Medicaid Reimbursement	7,600,000	-	7,600,000
Federal Through State Community Schools	2,194,142	-	2,194,142
Federal Through State Tobacco Prevention	50,000	-	50,000
Total Federal	\$ 12,334,142	\$ -	\$ 12,334,142
STATE SOURCES			
FLORIDA EDUCATION FINANCE PROGRAM:			
Base Funding less FEFP Required Local Effort	\$ 163,515,024	\$ 4,909,621	\$ 168,424,645
Safe Schools(B)	10,633,492	5,180	10,638,672
Supplemental Academic Instruction	125,973,811	-	125,973,811
ESE Guarantee	142,029,572	-	142,029,572
Declining Enrollment Supplement	7,277,876	(2,645,261)	4,632,615
Reading Allocation (A)	13,418,541	21,745	13,440,286
Merit Award Allocation (MAP)	989,686	-	989,686
DJJ Supplemental Allocation	670,372	(27,313)	643,059
Equal Percentage Adjustment	184,986	-	184,986
Prior Year Adjustment	3,568,652	(10,354)	3,558,298
Prior Year Scholarship Adjustment	83,534	-	83,534
Proration to Funds Available	-	(2,428,516)	(2,428,516)
McKay Scholarship Adjustment	(28,413,041)	444,256	(27,968,785)
Sub-Total FEFP	\$ 439,932,505	\$ 269,358	\$ 440,201,863
OTHER STATE:			
Non-Recurring DCD Transition Funding	\$ 7,500,000	\$ -	\$ 7,500,000
Workforce Development	95,587,705	-	95,587,705
Adults with Disabilities (A)	1,954,114	(117,847)	1,836,267
Performance Based Incentives	1,093,969	-	1,093,969
Voluntary Pre-K (A)	8,951,434	-	8,951,434
CATEGORICAL PROGRAMS:			
Instructional Materials (A)	32,600,259	-	32,600,259
Instructional Materials - Adjustments	380,010	(704,756)	(324,746)
Transportation (B)	25,145,781	849,712	25,995,493
Transportation - Prior Year Adjustment	(161,025)	232	(160,793)
Teachers Lead Program (A)	4,789,615	-	4,789,615
Full Service Schools (A)	768,000	-	768,000
Excellent Teaching (A)	5,079,852	1,019,464	6,099,316
Discretionary Lottery Funds	8,544,858	13,943	8,558,801
School Recognition/Merit (A)	20,866,216	-	20,866,216
Class Size Reduction	361,341,755	-	361,341,755
Miscellaneous State	3,448,305	(61,912)	3,386,393
Total State	\$ 1,017,823,353	\$ 1,268,194	\$ 1,019,091,547

(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
2008-09

Resolution No. 3

	<u>AMENDED BUDGET 2/11/2009</u>	<u>RESOLUTION NO. 3</u>	<u>AMENDED BUDGET 6/17/2009</u>
LOCAL SOURCES			
FEFP Required Local Effort	\$ 1,261,995,296	\$ -	\$ 1,261,995,296
Local Discretionary Millage	156,216,674	-	156,216,674
Tax Collection Shortfall Projection			
Sub - Total	\$ 1,418,211,970	\$ -	\$ 1,418,211,970
Miscellaneous Local:			
Tax Redemptions	\$ 13,500,000	\$ -	\$ 13,500,000
Rent	2,470,000	13,720,000	16,190,000
Interest	5,570,000	-	5,570,000
Vocational Fees	539,906	-	539,906
Post Secondary Fees	3,802,621	-	3,802,621
Continuing Workforce Fees	157,473	-	157,473
Financial Aid Fees	450,000	-	450,000
Community Schools-Contributions (A)	48,540	-	48,540
Community Schools - Internal (A)	12,975,771	-	12,975,771
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	-	1,229,270
Fed. Indirect Cost Reimbursement	8,500,000	-	8,500,000
Universal Services (E-Rate)	10,186,780	-	10,186,780
Misc. School Receipts (A)	3,000,000	-	3,000,000
Food Service Indirect Costs	3,384,000	-	3,384,000
Other Miscellaneous Local	6,058,784	372,543	6,431,327
Total Local	\$ 1,495,964,705	\$ 14,092,543	\$ 1,510,057,248
TOTAL REVENUES	\$ 2,526,122,200	\$ 15,360,737	\$ 2,541,482,937
TRANSFERS			
From Capital Outlay	\$ 194,297,163	\$ -	\$ 194,297,163
NON-REVENUE SOURCES			
Sale of Surplus Property	-	366,331	366,331
Lease of WLRN Spectrum	13,720,000	(13,720,000)	-
FUND BALANCE FROM PRIOR YEAR	32,360,190	269,444	32,629,634
TOTAL REVENUES & OTHER SOURCES	\$ 2,766,499,553	\$ 2,276,512	\$ 2,768,776,065

* Reclassified to State Source.

(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
2008-09

Resolution No. 3

	AMENDED BUDGET 2/11/2009	RESOLUTION NO. 3	AMENDED BUDGET 6/17/2009
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
Boys & Girls Club	76,512	(2,253)	74,259
FDLRS - Gen Revenue 06/30/09	107,085	(6,482)	100,603
Radio Reading Service (A)	41,291	(2,477)	38,814
SEDNET IDEA Gen Rev 06/09	28,782	(1,742)	27,040
WLRN-TV Community	508,064	(30,484)	477,580
WLRN-FM Community	101,986	(6,120)	95,866
Challenge Grant	10,000	(603)	9,397
Learning For Life	329,500	(13,180)	316,320
MSE/SFSAS	1,185,601	-	1,185,601
Section 504 Special Needs	-	1,429	1,429
TOTAL MISCELLANEOUS STATE	\$ 3,448,305	\$ (61,912)	\$ 3,386,393

- (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
2008-09

Resolution No. 3

	AMENDED BUDGET 2/11/2009	RESOLUTION NO. 3	AMENDED BUDGET 6/17/2009
OTHER MISCELLANEOUS LOCAL SOURCES			
FEMA	\$ 240,000	\$ -	\$ 240,000
Take One (NBPTS)	-	4,764	4,764
Fee Supported Pre-K (B)	5,588,784	-	5,588,784
Parent Academy	-	6,597	6,597
Fingerprinting	-	506,550	506,550
Credit card rebate	30,000	-	30,000
Safe Schools-Fees (A)	200,000	(200,000)	-
Lost/Damaged Text Books	-	54,632	54,632
TOTAL OTHER MISC LOCAL	\$ 6,058,784	\$ 372,543	\$ 6,431,327

(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. 3
 June 17, 2009

FUNCTION	TOTAL BUDGET	SALARIES (51XX)	EMPLOYEE BENEFITS (52XX)	PURCHASED SERVICES (53XX)	ENERGY SERVICES (54XX)	MATERIALS AND SUPPLIES (55XX)	CAPITAL OUTLAY (56XX)	OTHER EXPENSES (57XX)
INSTRUCTIONAL SERVICES	\$ 1,692,419,729	\$ 1,102,358,483	\$ 361,857,995	\$ 180,602,781	\$ 39,901	\$ 44,869,819	\$ 933,713	\$ 1,757,037
SUPPORT SERVICES:								
5000 Pupil Personnel Services	117,664,833	85,540,423	29,467,427	2,596,099	-	42,029	16,153	2,702
6100 Instructional Media Services	36,056,501	25,524,480	8,946,782	279,892	-	232,154	1,073,193	-
6200 Instruction & Curriculum Development	18,100,575	13,357,713	3,988,939	612,172	1,110	108,812	43,271	8,558
6300 Instructional Staff Training	11,101,275	7,653,719	3,354,756	51,790	-	36,257	4,753	-
6400 Instructional Support	29,501,249	20,616,853	7,678,426	646,822	21,331	495,214	42,603	-
6500 Board of Education	6,085,938	3,424,367	1,040,183	1,199,716	845	170,718	88,100	162,009
7100 General Administration	8,504,477	6,268,084	1,661,422	446,834	21,599	100,898	4,518	1,122
7200 School Administration	165,563,481	122,258,748	40,540,591	978,583	2,960	1,433,986	286,224	80,389
7300 Facilities Acquisition & Construction	43,235,999	31,059,253	10,216,094	1,056,475	61,716	213,073	605,392	23,996
7410 Fiscal Services	12,806,650	8,269,329	2,726,168	347,166	625	47,094	7,497	1,408,771
7500 Central Services	53,419,361	27,159,974	9,048,165	16,832,231	177,400	123,842	35,202	42,547
7700 Transportation Services	82,588,809	44,063,520	20,846,610	8,387,953	7,401,882	1,829,486	59,368	-
7800 Operation of Plant	305,745,156	98,131,141	45,073,394	88,103,304	72,911,043	911,618	609,129	5,527
7900 Maintenance of Plant	94,199,117	50,473,760	17,972,956	10,362,829	1,636,592	12,083,304	1,659,910	9,786
8100 General Support	977,353	664,883	210,660	97,109	-	4,640	61	-
8200 Budget Clearing								
8300 Community Services	31,188,943	23,060,617	5,560,956	757,254	-	1,458,078	135,046	216,992
9100 Debt Services	3,071,792							3,071,792
9200								
Total Instruction & Support Services	\$ 2,712,231,238	\$ 1,669,885,347	\$ 570,171,524	\$ 313,359,010	\$ 82,277,004	\$ 64,161,022	\$ 5,586,123	\$ 6,791,208
Transfers to Other Funds	\$							
9792 Debt Service								
9793 Capital Outlay								
9794 Special Revenue								
9798 Internal Service								
9799 Trust & Agency								
Total Appropriations & Transfers	2,712,231,238							
Fund Balance:								
Reserved Fund Balance								
Unreserved Fund Balance	56,544,827							
Total Fund Balance	56,544,827							
Total Appropriations, Transfers and Fund Balance	\$ 2,768,776,065							