

Financial Services
Mrs. Judith M. Marte, Chief Financial Officer

**SUBJECT: RESOLUTION NO. 2, FY 2014-15 GENERAL FUND SPRING
BUDGET REVIEW**

COMMITTEE: FISCAL ACCOUNTABILITY

**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; 2) recognizing adjustments subsequent to Resolution No. 1 to Miscellaneous State and Local Grants; and 3) reflecting the latest projections.

Major Revenue Adjustments in FEFP/Categorical Programs

Revenue adjustments include the following items reflected in the Fourth Calculation of the FEFP, received from the Department of Education on April 17, 2015;

- Increase of 1682.60 **weighted** full-time equivalent (FTE) students reported resulting in a \$6.9 million increase.
- Increase in School Recognition allocation of \$.9 million.
- Proration to funds available resulting in a decrease in State funding of \$5.4 million. Statewide weighted FTE students increased by 10,797 from the prior calculation resulting in proration of funding for all districts. The total proration for Miami-Dade in 2014-15 is now \$13.5 million.
- Decrease revenues in other FEFP programs by \$.9 million.
- Reduce Discretionary Lottery funding by \$2.2 million due to higher funds to School Recognition Statewide program.

Major Appropriation Changes

Based on projections, salaries increase in hourly/overtime/temporary instructor accounts, partially offset by a reduction in stipends shifting the charter school portion of the Florida School Recognition Program to non-salary. Employee benefits are lower primarily due to lower health benefit costs of \$3.2 million based on the latest actuarial report which reflects less lives covered.

Major changes to non-salary accounts are: 1) decrease in estimated Charter School payments, 2) shift of salary and fringes to non-salary and 3) an increase in non-salary projections.

Total Reserves will increase by \$1.3 million to \$104 million, and will be 3.92% 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 balancing of the FY 2015-16 budget for known increases and to be able to cover the current year's tax shortfall.

This resolution decreases both revenues and appropriations by \$1.38 million.

<u>REVENUE CHANGES</u>	<u>INCREASE (DECREASE)</u>
1. Decrease State revenues due to the following:	\$ (1,009,775)
a. Increase Florida Education Finance Program as follows:	
Increase of 1682.60 weighted FTE	\$ 6,884,936
Safe Schools	(496)
Declining Enrollment	(390,177)
Reading Allocation	12,405
McKay Scholarship Adjustment	(467,267)
DJJ Supplemental Allocation	69,216
Instructional Materials	(114,099)
Instructional Materials Adjustment	(4,234)
Transportation	19,505
Proration to Funds Available	(5,446,459)
Virtual Education Contribution	(747)
Digital Classroom Allocation	<u>(545)</u>
	\$ 562,038
b. Reduce Full Service Schools by \$7,680 based on latest available information (requires an offsetting decrease in appropriations).	
c. Reduce Discretionary Lottery program by \$2,215,906. This program was reduced due to an increase statewide in the School Recognition program.	
d. Increase School Recognition program by \$944,526 (requires an offsetting increase in appropriations).	
e. Decrease Miscellaneous State revenue by \$292,753. The estimated revenue for the South Florida Workforce Individual Training Account is being reduced by \$291,820 based upon collections year-to-date (requires an offsetting reduction in appropriations). Other revisions include a reduction of \$2,305 in Health Services and a new grant for Advancement Via Individual Determination for \$1,372.	

REVENUE CHANGES (Continued)

**INCREASE
(DECREASE)**

- 2. Increase **Local revenues** for interest income by \$25,000 and Food Service Indirect Costs by \$94,423 partially offset by eliminating the VPK Academy of \$89,727. VPK Academy has an offsetting appropriation decrease. \$ 29,696
- 3. Decrease **Transfer from Capital Outlay** to agree to the amended charter school capital outlay funding received from the Department of Education (DOE) based on actual FTE. (400,473)

NET REVENUE & OTHER FINANCING SOURCES DECREASE \$ (1,380,552)

APPROPRIATION CHANGES

**INCREASE
(DECREASE)**

- 1. **Salaries** are projected to increase primarily due to the following: \$ 190,360
 - a. Increase hourly/overtime/temporary instructor accounts by \$1,275,816 based primarily on school based decisions.
 - b. Decrease stipend budget for Florida School Recognition Program by \$1,721,977 which is being shifted to non-salary for the charter school portion. This decrease is partially offset by the increase in revenue as of the 4th calculation in the amount of \$469,233.
 - c. Increased salaries by \$167,288 based on latest projection.
- 2. **Employee benefits** are decreased due to the following: (5,216,205)
 - a. Decrease in FICA/Retirement by \$1,169,776 based on latest projections including a decrease of \$1,491,690 for Florida School Recognition and an increase of \$321,914 based on projections.
 - b. Decrease health benefits appropriations by \$3,205,667 based on the latest actuarial study received in April and fewer lives covered.
 - c. Decrease unemployment compensation by \$840,762 based on latest projections.
- 3. **Energy Services** are reduced to reflect latest projection due to the success of the District's Green Initiative. (1,400,893)
- 4. Decrease **Non-Salary for Charter Schools** as follows: (2,061,942)
 - a. Decrease appropriations by \$1,661,469 for charter school payments based on updated FTE projections and adjustments in the FEFP 4th calculation.

APPROPRIATION CHANGES (Continued)

**INCREASE
(DECREASE)**

b. Decrease appropriations by \$400,473 for charter school capital outlay payments based on updated information from the Department of Education (offset by a decrease in the Transfer from Capital Outlay.)	
5. Non-Salary accounts will increase primarily due to the following:	\$ 5,844,775
a. Decrease non-salary by \$1,275,816 to shift funds over to salary/fringes based on school based decisions.	
b. Increase School Recognition funds by \$3,688,960 to reflect the portion owed to charter schools.	
c. Increase non-salary by \$862,500 due to projected telecommunication expenses slightly offset by a decrease in Water and Sewer.	
d. Increase appropriations in miscellaneous categorical, state and local programs by \$331,819 offset by an increase in revenue.	
e. Increase non-salary by \$2,237,312 based on projections.	_____
TOTAL APPROPRIATION CHANGES	\$ <u>(2,643,905)</u>

APPROPRIATED RESERVE CHANGES

1. Increase Assigned Fund Balance (Tax Collection Shortfall Reserve) to balance.	\$ 1,263,353
TOTAL APPROPRIATED RESERVES CHANGES	\$ <u>1,263,353</u>
TOTAL DECREASE IN APPROPRIATIONS, TRANFERS & RESERVES	\$ <u>(1,380,552)</u>

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

1. adopt Resolution No. 2, FY 2014-15 General Fund Spring Budget Review, decreasing revenues, appropriations and reserves by \$1,380,552; 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
 FY 2014-15 GENERAL FUND
 SUMMARY OF REVENUES AND APPROPRIATIONS
 RESOLUTION NO. 2**

	AMENDED BUDGET 2/11/2015	INCREASE (DECREASE)	AMENDED BUDGET 5/13/2015
REVENUES & BEGINNING BALANCES			
REVENUES			
Federal	\$ 18,743,686	\$ -	\$ 18,743,686
State	1,175,273,386	(1,009,775)	1,174,263,611
Local	1,457,255,172	29,696	1,457,284,868
TOTAL REVENUES	\$ 2,651,272,244	\$ (980,079)	\$ 2,650,292,165
TRANSFERS FROM CAPITAL OUTLAY	\$ 161,422,829	\$ (400,473)	\$ 161,022,356
BEGINNING FUND BALANCE	56,532,323	-	56,532,323
TOTAL REVENUES & BEGINNING BALANCES	\$ 2,869,227,396	\$ (1,380,552)	\$ 2,867,846,844
APPROPRIATIONS & RESERVES			
APPROPRIATIONS			
Salaries	\$ 1,560,305,427	\$ 190,360	\$ 1,560,495,787
Employee Benefits	512,628,748	(5,216,205)	507,412,543
Liability Insurance	4,567,553	-	4,567,553
Energy Services	67,273,138	(1,400,893)	65,872,245
Charter Schools	370,765,576	(2,061,942)	368,703,634
Purchased Services	139,687,354	6,157,230	145,844,584
Other Non-Salary	101,562,797	(312,455)	101,250,342
TOTAL APPROPRIATIONS	\$ 2,756,790,593	\$ (2,643,905)	\$ 2,754,146,688
TRANSFERS TO OTHER FUNDS	\$ 9,730,720	\$ -	\$ 9,730,720
RESERVES & ENDING FUND BALANCE			
Assigned	\$ 21,496,441	\$ 1,263,353	\$ 22,759,794
Unassigned (Contingency)	81,209,642	-	81,209,642
TOTAL RESERVES & ENDING FUND BALANCE	\$ 102,706,083	\$ 1,263,353	\$ 103,969,436
TOTAL APPROPRIATIONS, RESERVES & & ENDING FUND BALANCE	\$ 2,869,227,396	\$ (1,380,552)	\$ 2,867,846,844

**MIAMI-DADE COUNTY PUBLIC SCHOOLS
FY 2014-15 GENERAL FUND
SUMMARY OF REVENUES AND OTHER SOURCES
RESOLUTION NO. 2**

	<u>AMENDED BUDGET 2/11/2015</u>	<u>INCREASE (DECREASE)</u>	<u>AMENDED BUDGET 5/13/2015</u>
FEDERAL SOURCES			
Impact Aid	\$ 15,000	\$ -	\$ 15,000
R.O.T.C.	2,000,000	-	2,000,000
Medicaid Reimbursement	15,500,000	-	15,500,000
Federal Through State Community Schools	1,228,686	-	1,228,686
Total Federal	\$ 18,743,686	\$ -	\$ 18,743,686
STATE SOURCES			
FLORIDA EDUCATION FINANCE PROGRAM (C):			
Base Funding less FEFP Required Local Effort	\$ 373,707,812	\$ 6,884,936	\$ 380,592,748
Safe Schools (B)	9,919,898	(496)	9,919,402
Supplemental Academic Instruction (B)	117,666,569	-	117,666,569
ESE Guarantee (B)	127,062,971	-	127,062,971
Declining Enrollment Supplement	390,177	(390,177)	-
Reading Allocation	15,873,719	12,405	15,886,124
Prior Year Adjustment	2,974,712	-	2,974,712
Prior Year Adjustment for Scholarship Deductions	47,026	-	47,026
McKay Scholarship Adjustment	(39,193,623)	(467,267)	(39,660,890)
DJJ Supplemental Allocation (A)	488,398	69,216	557,614
Instructional Materials	27,509,799	(114,099)	27,395,700
Instructional Materials - Adjustments	(369,490)	(4,234)	(373,724)
Transportation (B)	24,113,900	19,505	24,133,405
Teachers Supply Allocation (A)	5,935,630	-	5,935,630
Proration to Funds Available	(8,022,087)	(5,446,459)	(13,468,546)
Virtual Education Contribution	62,477	(747)	61,730
Digital Classrooms Allocation	3,069,547	(545)	3,069,002
Sub-Total FEFP	\$ 661,237,435	\$ 562,038	\$ 661,799,473
OTHER STATE/CATEGORICAL PROGRAMS:			
Workforce Development (A)	\$ 79,272,335	-	\$ 79,272,335
Adults with Disabilities (A)	1,125,208	-	1,125,208
Performance Based Incentives	931,355	-	931,355
Voluntary Pre-K (B)	14,493,596	-	14,493,596
Full Service Schools (A)	768,000	(7,680)	760,320
Discretionary Lottery Funds	3,508,042	(2,215,906)	1,292,136
Prior Year Adjustment-Discretionary Lottery Funds	6,478	-	6,478
School Recognition/Merit (A)	16,674,275	944,526	17,618,801
Class Size Reduction	394,272,616	-	394,272,616
Miscellaneous State (see A-3)	2,984,046	(292,753)	2,691,293
Sub-Total Other State	\$ 514,035,951	\$ (1,571,813)	\$ 512,464,138
Total State	\$ 1,175,273,386	\$ (1,009,775)	\$ 1,174,263,611

(A) Revenue for which appropriations equal revenue.

(B) Revenue for which appropriations exceed revenue.

(C) FEFP related revenue was updated to reflect the amounts per the FEFP 4th calculation.

**MIAMI-DADE COUNTY PUBLIC SCHOOLS
 FY 2014-15 GENERAL FUND
 SUMMARY OF REVENUES AND OTHER SOURCES
 RESOLUTION NO. 2**

	<u>AMENDED BUDGET 2/11/2015</u>	<u>INCREASE (DECREASE)</u>	<u>AMENDED BUDGET 5/13/2015</u>
LOCAL SOURCES			
FEFP Required Local Effort	\$ 1,245,846,033	\$ -	\$ 1,245,846,033
Local Discretionary Millage	154,857,287	-	154,857,287
Sub - Total Local	<u>\$ 1,400,703,320</u>	<u>\$ -</u>	<u>\$ 1,400,703,320</u>
MISCELLANEOUS LOCAL:			
Rent	\$ 7,035,504	\$ -	\$ 7,035,504
Interest	625,000	25,000	650,000
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 - Internal (A)	20,727,342	-	20,727,342
Driver Education	2,000,000	-	2,000,000
Fed. Indirect Cost Reimbursement	6,052,011	-	6,052,011
Universal Services (E-Rate)	6,500,000	-	6,500,000
Misc. School Receipts (A)	3,000,000	-	3,000,000
Food Service Indirect Costs	2,879,068	94,423	2,973,491
Other Miscellaneous Local (see A-4)	2,584,927	(89,727)	2,495,200
Sub-Total Miscellaneous Local	<u>\$ 56,551,852</u>	<u>\$ 29,696</u>	<u>\$ 56,581,548</u>
Total Local	<u>\$ 1,457,255,172</u>	<u>\$ 29,696</u>	<u>\$ 1,457,284,868</u>
TOTAL REVENUES	<u>\$ 2,651,272,244</u>	<u>\$ (980,079)</u>	<u>\$ 2,650,292,165</u>
OTHER FINANCING SOURCES			
Transfers From Capital Outlay	\$ 161,422,829	\$ (400,473)	\$ 161,022,356
FUND BALANCE FROM PRIOR YEAR	<u>56,532,323</u>	<u>-</u>	<u>56,532,323</u>
TOTAL REVENUES & OTHER SOURCES	<u>\$ 2,869,227,396</u>	<u>\$ (1,380,552)</u>	<u>\$ 2,867,846,844</u>

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

**MIAMI-DADE COUNTY PUBLIC SCHOOLS
 FY 2014-15 GENERAL FUND
 SUMMARY OF REVENUES AND OTHER SOURCES
 RESOLUTION NO. 2**

	AMENDED BUDGET 2/11/2015	INCREASE (DECREASE)	AMENDED BUDGET 5/13/2015
MISCELLANEOUS STATE SOURCES			
CO & DS Withheld for Adm.	\$ 145,000	\$ -	\$ 145,000
State License Tax	248,420	-	248,420
Postsecondary Education Readiness Test Assessment (PERT) (A)	95,477	-	95,477
Health Service (A)	72,960	(2,305)	70,655
SFW Individual Training Account (A)	349,432	(291,820)	57,612
FDLRS - Gen Revenue (A)	51,586	-	51,586
SEDNET IDEA State General (A)	16,279	-	16,279
HIPPY	135,000	-	135,000
District Instructional Leadership & Faculty Development Advancement Via Individual Determination	929,445	-	929,445
	-	1,372	1,372
WLRN - TV FL Community Svc. (A)	307,447	-	307,447
WLRN - FM Radio Community Svc. (A)	100,000	-	100,000
DA Summer Academy (A)	141,000	-	141,000
Learning for Life (A)	392,000	-	392,000
TOTAL MISCELLANEOUS STATE	\$ 2,984,046	\$ (292,753)	\$ 2,691,293

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

**MIAMI-DADE COUNTY PUBLIC SCHOOLS
 FY 2014-15 GENERAL FUND
 SUMMARY OF REVENUES AND OTHER SOURCES
 RESOLUTION NO. 2**

	<u>AMENDED BUDGET 2/11/2015</u>	<u>INCREASE (DECREASE)</u>	<u>AMENDED BUDGET 5/13/2015</u>
OTHER MISCELLANEOUS LOCAL SOURCES			
Fee Supported Pre-K (B)	\$ 2,257,200	\$ -	\$ 2,257,200
Fingerprinting (A)	238,000	-	238,000
VPK Academy (A)	89,727	(89,727)	-
TOTAL OTHER MISC LOCAL	<u>\$ 2,584,927</u>	<u>\$ (89,727)</u>	<u>\$ 2,495,200</u>

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

MIA MI-DADE COUNTY PUBLIC SCHOOLS
 2014-15 GENERAL FUND BUDGET
 SUMMARY OF APPROPRIATIONS BY FUNCTION
 RESOLUTION NO. 2
 MAY 13, 2016

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	\$ 1,845,294,224	\$ 1,047,703,621	\$ 335,630,201	\$ 393,740,521	\$ 2,634	\$ 61,987,619	\$ 2,710,612	\$ 3,519,016
SUPPORT SERVICES:								
5000								
6100 Pupil Personnel Services	109,793,994	77,575,384	25,092,398	6,689,531	-	436,681	-	-
6200 Instructional Media Services	21,479,842	15,719,929	4,739,652	606,837	-	210,021	203,403	-
6300 Instruction & Curriculum Development	26,541,394	15,116,970	4,102,890	4,276,815	-	140,912	231,334	2,672,373
6400 Instructional Staff Training	3,091,316	1,254,029	1,168,652	667,299	-	1,336	-	-
6500 Instructional Support	31,467,906	22,089,881	6,745,058	1,648,157	73,868	910,942	51,767	469,025
7100 Board of Education	8,716,393	4,544,681	1,426,075	914,477	3,057	1,307,311	370,785	-
7200 General Administration	5,186,610	3,554,049	1,073,881	127,875	21,701	38,319	467,370	18,351
7300 School Administration	160,743,938	122,008,635	35,772,350	807,289	14,357	2,347	714,027	-
7410 Facilities Acquisition & Construction	883,303	73,652	22,513	58,181	12,583	14,175	1,491	1,335,535
7500 Fiscal Services	11,004,958	7,094,305	2,158,357	401,095	-	14,175	150,088	-
7700 Central Services	53,207,515	31,131,145	4,306,198	17,532,387	87,697	-	-	-
7800 Transportation Services	78,216,978	38,203,011	18,565,148	9,449,834	7,558,061	4,440,924	275,738	1,683
7900 Operation of Plant	264,730,087	101,189,532	45,209,301	60,253,994	56,768,397	1,031,442	279,941	-
8100 Maintenance of Plant	99,119,525	49,288,952	16,268,395	20,416,379	1,329,890	11,535,968	-	-
8200 General Support	2,505,194	824,481	212,196	1,441,082	-	27,435	-	74,727
9100 Community Services	31,661,678	23,123,530	4,919,178	84,018	-	3,253,664	206,561	-
9200 Debt Services	501,833	-	-	-	-	-	-	501,833
Total Instruction & Support Services	\$ 2,754,146,688	\$ 1,560,495,787	\$ 507,412,543	\$ 519,115,771	\$ 65,872,245	\$ 86,994,682	\$ 5,663,117	\$ 8,592,543
Transfers to Other Funds								
9792 Debt Service	\$ 9,730,720	-	-	-	-	-	-	-
9793 Capital Outlay	-	-	-	-	-	-	-	-
9794 Special Revenue	-	-	-	-	-	-	-	-
9798 Internal Service	-	-	-	-	-	-	-	-
9799 Trust & Agency	-	-	-	-	-	-	-	-
Total Appropriations & Transfers	2,763,877,408							
Fund Balance:								
Non-Spendable:	\$							
Reserve for Pre-Paid Expenses	-							
Reserve for Inventory	-							
Restricted:								
Reserve for State Categoricals	-							
Assigned:								
Tax Reserve	22,759,794							
Other Rebudgets	-							
Commitments	-							
Unassigned:								
Total Fund Balance	81,209,642							
Total Appropriations, Transfers and Fund Balance	103,969,436							
	\$ 2,867,846,844							