



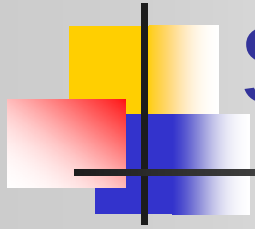
Budget 2011-2012

Adrian H. Cline, Superintendent
School District of DeSoto County
July 12, 2011

Slide 1

AL1

Albritton, Laurie, 6/1/2010



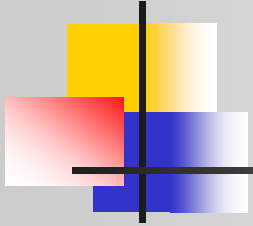
School District of DeSoto County

Approve Tentative Millages and Budget
for Advertisement

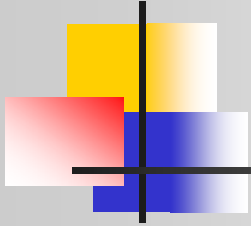


Topics

- Budget Overview
- Millages
- Legislative Update
- Budget Fund Sources/Revenues
- Budget Appropriations/Expenses
- Fund Balances



Budget Overview



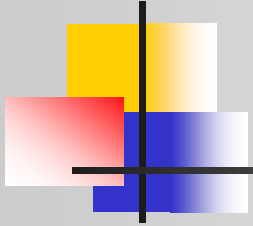
Budget Goals

- Maintain fiscal stability
- Maintain highly qualified personnel
- Maintain integrity and quality of our educational programs



Actions to Meet Budget Goals

- Review available and potential fund sources
- Review existing positions, expected vacancies, and program changes with various administrators
- Review on an ongoing basis our class size requirement
- Review impact of legislative changes



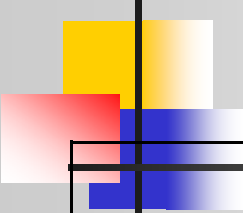
◆ Millages



The School District's Proposed Millage Is Comprised Of:

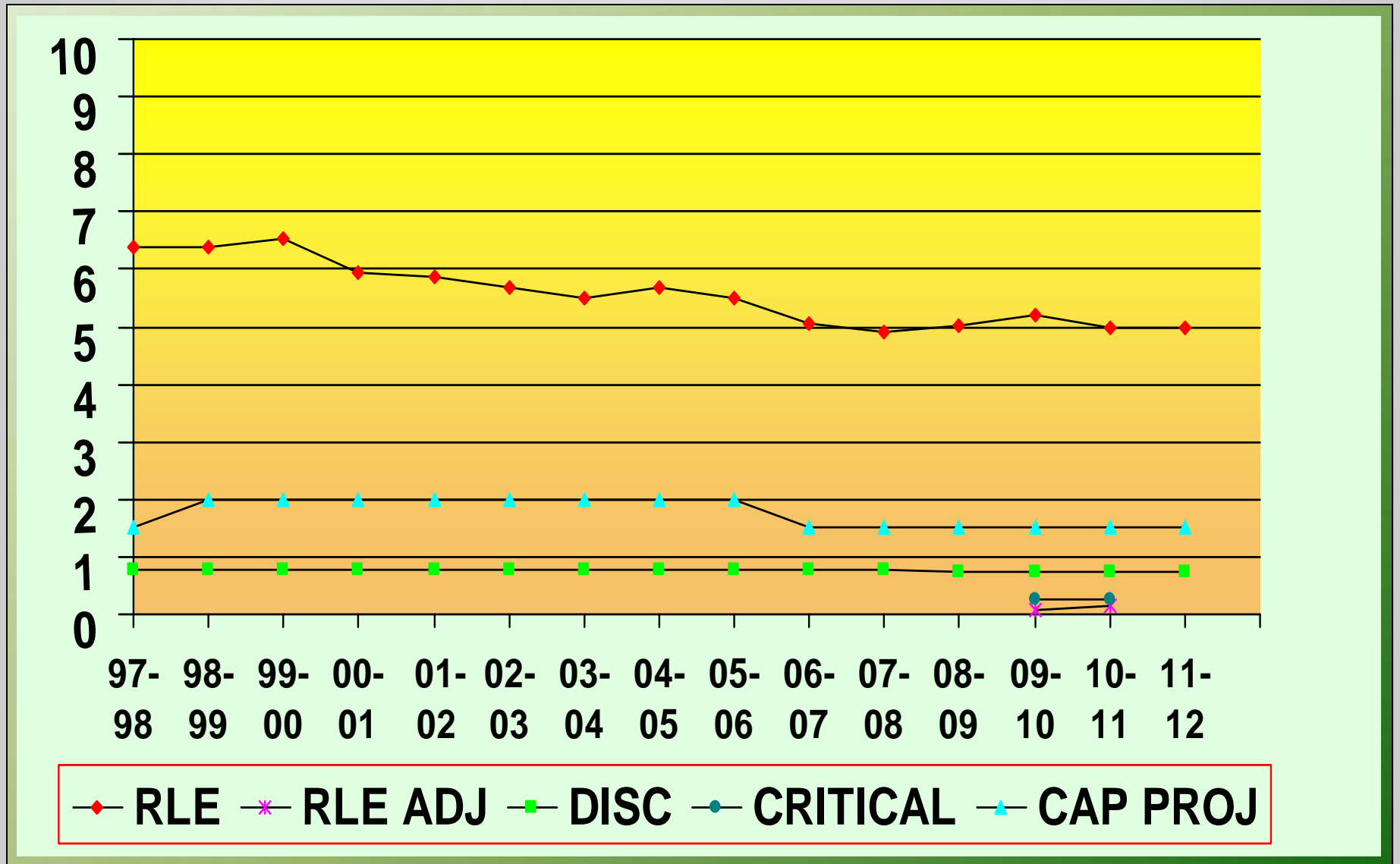
- General (Operating)
 - Required Local Effort (RLE)
 - Proposed tax rate must be levied to receive state funding (no district option)
 - Discretionary Operating
 - To be eligible for the Discretionary Millage Compression Supplement, districts must levy between 0.498 mills and 0.748 mills.
- Discretionary Capital Outlay

Millage Rate Comparisons:

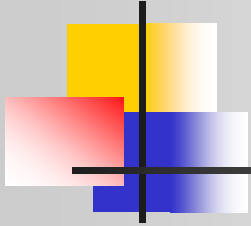


Proposed 2010-11 Rates vs. Actual 2009-10 Millage Rates	2010-2011 Actual	2011-2012 Proposed	Increase/ (Decrease)
Required Local Effort	5.0630	5.178	0.1150
Required Local Effort Prior Period Adjustment	0.1400	0.0000	(0.1400)
Discretionary Operating	0.7480	0.7480	0.0000
Critical Operating	0.2500	0.0000	(0.2500)
Subtotal, Operating	6.2010	5.9260	(0.2750)
Discretionary Capital Outlay	1.5000	1.5000	0.0000
Total Mills	7.7010	7.4260	(0.2750)

FIFTEEN YEAR MILLAGE HISTORY

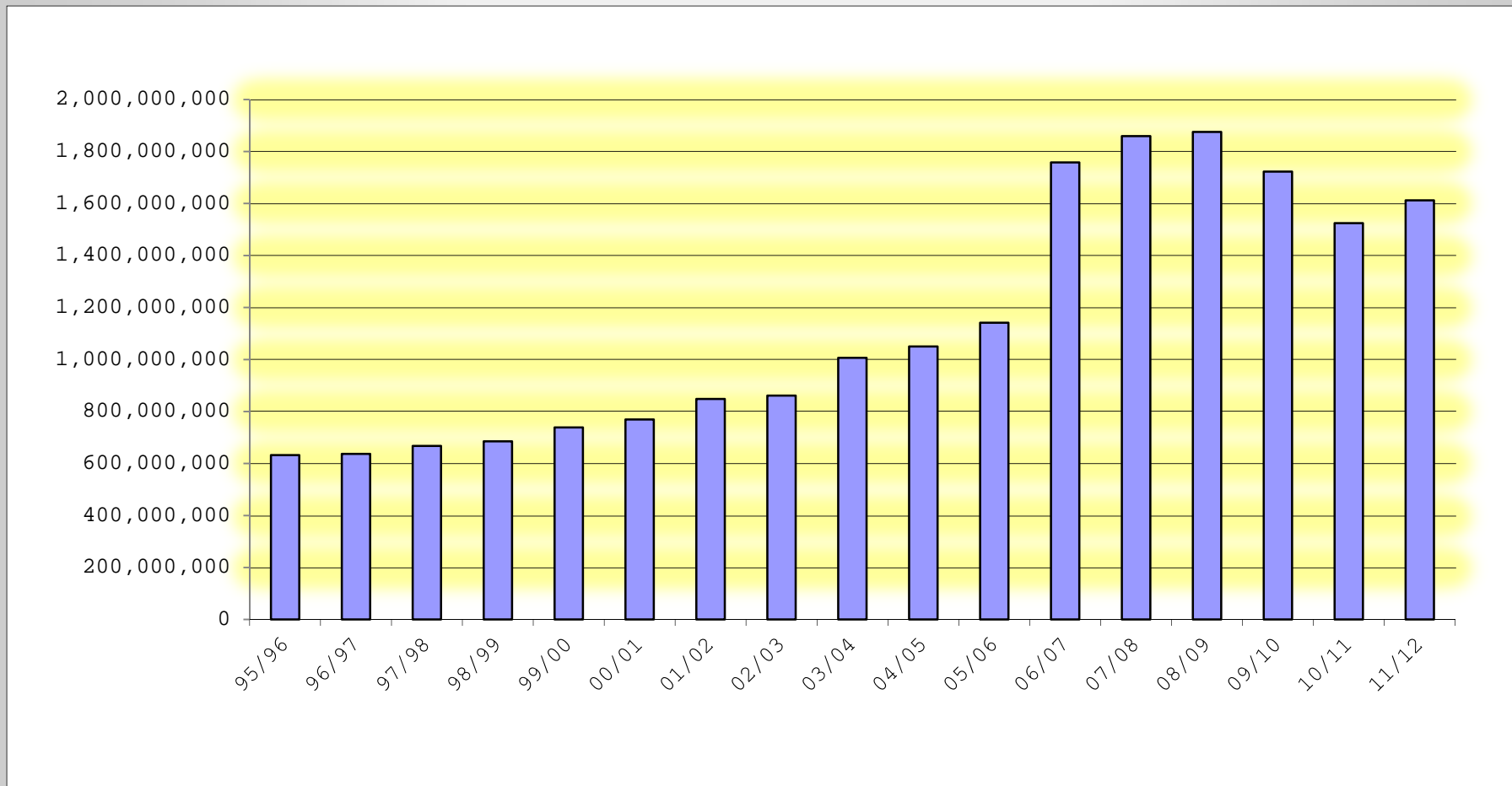
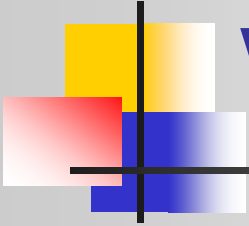


Non Exempt Assessed Tax Values



■ 2005-06	■ 1,141,425,064
■ 2006-07	■ 1,758,121,481
■ 2007-08	■ 1,859,314,406
■ 2008-09	■ 1,875,414,640
■ 2009-10	■ 1,722,920,149
■ 2010-11	■ 1,524,191,705
■ 2011-12	■ 1,611,987,026
■ July 1 st	■ 1,500,669,597

Non Exempt Assessed Tax Values





Proposed Millage Proceeds by Type

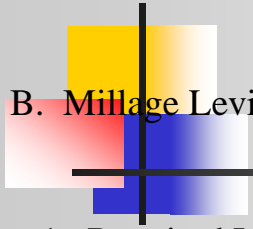
Type	Millage	Proceeds
Operating		
Required	5.1780	\$ 8,012,994
Discretionary	<u>.7480</u>	<u>1,157,536</u>
Total Operating	5.9260	\$ 9,170,530
Capital Outlay	<u>1.5000</u>	<u>\$ 2,321,261</u>
Total Millage	<u>7.4260</u>	<u>\$11,491,791</u>

SECTION I. ASSESSMENT AND MILLAGE LEVIES

A. Certification of Taxable Value of Property in County by Property Appraiser

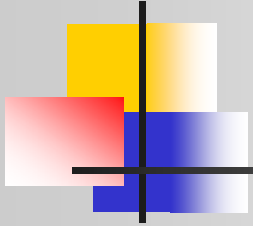
1,611,987,026.00

B. Millage Levies on Nonexempt Property:

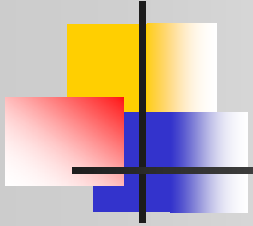


DISTRICT MILLAGE
LEVIES

	Nonvoted	Voted	Total
1. Required Local Effort	5.1780		5.1780
2. Required Local Effort Prior Period Adjustment			
3. Discretionary Operating	0.7480		0.7480
4. Critical Operating Needs			
5. Additional Operating			
6. Additional Local Capital Improvement			
7. Discretionary Local Capital Improvement	1.5000		1.5000
8. Discretionary Capital Outlay			
9. Critical Capital Outlay Needs			
10. Debt Service			
TOTAL MILLS	7.4260		7.4260



Millage Questions



Legislative Update

Legislative Session 2011-2012

K-12 State Budget Highlights

- \$18.1 billion appropriated from all funds for Florida K-20 educational operating budgets.
- Enrollment increase in K-12 students of 12,362.45 or 0.47% to 2.654 million. (DeSoto increase of 42.07 or .84%)
- Enrollment increase in Voluntary Prekindergarten (VPK) students of 6,322.
- Per student funding decrease of **\$542.03** from \$6,810.00 to \$6,267.97 or -7.96%. DeSoto decrease of **\$587.12** or -8.60%.
- Overall decrease of \$1.354 billion or -7.53%. DeSoto \$2.6 million decrease or -7.83%. Class size reduction funding increase of \$13.6 million or 0.47%.

K-12 State Budget Highlights (Continued)



- Required Local Effort (RLE) decrease of \$261 million or (3.63%). Discretionary Local Effort (DLE) decrease of \$26.5 million or (2.60%) based on the actual 2010-11 0.748 discretionary millage levies.
- State funds decrease of \$194.3 million or (2.18%).
- Virtual Education Contribution has been added providing \$4,800 per FTE for promotions or successful completion of virtual programs.
- School Recognition Program funding per FTE decreased to \$70 from \$75.



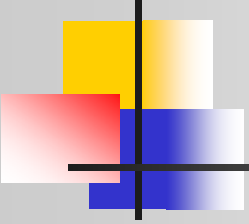
2011-2012 Conforming Bill (HB 1255) Education Accountability

- The bill amends several provisions of law relating to education accountability
 - School District Budgets
 - Amends s. 1011.03 to remove the requirement that DOE approves the school board adopted budget
 - Creates s 1011.035 relating to school district budget transparency
 - Requires school board to post each proposed, tentative, and official budget
 - Encourages school board to post when a budget hearing will be conducted, contract with unions, contracts exceeding \$35,000, contracts exceeding \$35,000 that is an emergency procurement or single source



2011-2012 Conforming Bill (SB 1292) Chief Financial Officer

- The bill requires the Florida Chief Financial Officer to conduct workshops with state agencies, local governments, educational entities, and entities of higher education to gather information pertaining to uniform reporting requirements.
 - The bill creates s. 215.89 relating to charts of account with the intent of providing uniform reporting of government financial information for the general public. CFO provides a draft by July 1, 2013, review until November 1, 2013, submit to Governor and legislative leaders by January 1, 2014 with estimated cost of adopting and implementing a uniform enterprise-wide charts of account.



2011-2012 Conforming Bill (SB 2120) K-12 Education Funding

- The bill addresses a variety of education issues to conform statutes with budgetary and related policy decisions.
 - **Charter Schools** – amends to provide that a charter school shall be designated a local educational agency (LEA) for purpose of receiving federal funds.
 - **Voluntary Pre-K** – amends to increase the maximum number of students in a VPK class from 18 to 20 students. Also, amends classes composed of 12 or more students must have at least one instructor that holds a child development associate credential or equivalent (formerly 11 or more students).



(SB 2120) K-12 Education Funding Continued

- **Class Size Limitations** – bill amends 1003.01 definition of “core curricula courses” to mean:
 - PreK-3: courses in language arts/reading, math, social studies, and science
 - Grades 4-8: subjects that are measured by state assessment at any grade level and courses required for middle school promotion, excluding extracurricular courses
 - Grades 9-12: subjects that are measured by state assessment at any grade level and courses that are specifically identified by name in statutes as required for high school graduation and that are not measured by state assessments, excluding extracurricular courses
 - Exceptional student education courses; and
 - English for Speakers of Other Languages courses.
 - Extracurricula Courses – defined as courses that are not defined as “core-curricula courses” such as PE, fine arts, performing fine arts, career education, and courses that may result in college credit.



(SB 2120) Continued

- **Class Size Limitations:**

The bill provides that a student who enrolls in a school after the October student membership survey may be assigned to an existing class that temporarily exceeds the maximum number of students if the school board determines it to be impractical, educationally unsound, or disruptive to student learning to not assign the student to the class.

If the board makes this determination:

- K-3, up to 3 students above the maximum may be assigned to a teacher
- 4-12, up to 5 students above the maximum may be assigned to a teacher
- Develop a plan for the school to be in full compliance with class size maximums by the next October student membership survey.



Conforming Bill 2011-2012 (SB 2100) Retirement

- The bill makes changes to the FRS with respect to:
 - **Employee Contribution:** Effective July 1, 2011, required to contribute 3% toward their retirement
 - **Employer Contribution:** Effective July 1, 2011, reduces the contribution to 4.91% (from 10.77%)
 - **Average Final Compensation:** Effective July 1, 2011, calculated on the 8 highest fiscal years of compensation (formerly 5 highest)
 - **Deferred Retirement Option Program (DROP):** Entering DROP on or after July 1, 2011, the interest accrual rate will be reduced to 1.3% (formerly 6.5%)
 - **Normal Retirement Date:** Initially enrolled on or after July 1, 2011, Retirement age increased from 62 to 65, retirement years increased from 30 to 33 years
 - **Vesting:** Effective July 1, 2011, member 100% vested after 8 years of creditable service (formerly 6 years)
 - **Cost of Living Adjustment (COLA):** 3% COLA eliminated for service earned on or after July 1, 2011. The bill contemplates reinstatement in 2016 (subject to available funds). A formula for calculating an alternate COLA would be in effect



2010-11 Class Size Penalty per FTE when not in compliance

- Class Size Allocation
 - K-3 Factor \$1,325.66
 - 4-8 Factor \$ 904.24
 - 9-12 Factor \$ 906.42
- Base Student Allocation
 - \$3,623.76 x DCD .9804 @ 50% \$1,776.37
- Class Size Reduction Over the Maximum
 - K-3 Factor (\$3,102.03)
 - 4-8 Factor (\$2,680.61)
 - 9-12 Factor (\$2,682.79)



2011-12 Class Size Penalty per FTE when not in compliance

- Class Size Allocation
 - K-3 Factor \$1,322.25
 - 4-8 Factor \$ 901.91
 - 9-12 Factor \$ 904.09
- Base Student Allocation
 - \$3,479.22 x DCD .9802 @ 100% \$3,410.33
- Class Size Reduction Over the Maximum
 - K-3 Factor (\$4,732.58)
 - 4-8 Factor (\$4,312.24)
 - 9-12 Factor (\$4,314.42)

Conference Report SB 2000

2011-2012

- Decrease in Base Student Allocation (BSA)

- 07-08 \$4,163.47 beginning of year to \$4,079.74 by end of year
- 08-09 \$3,971.74 beginning of year to \$3,886.14 by end of year
- 09-10 \$3,630.62
- 10-11 \$3,623.76
- 11-12 \$3,479.22 (decrease of \$144.54 over 10-11)

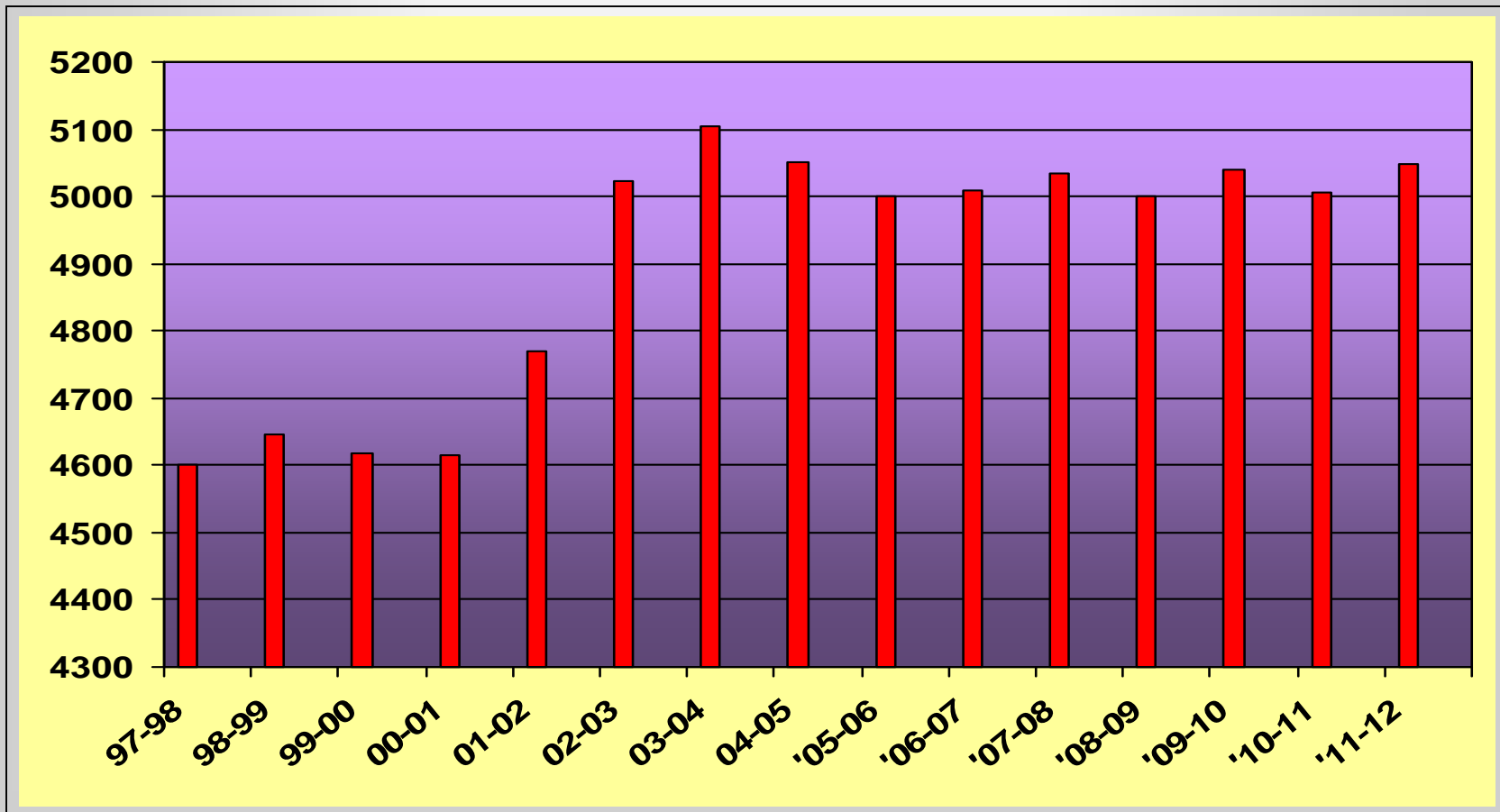
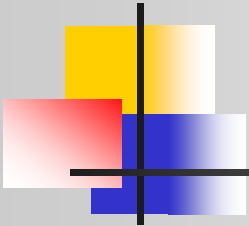
- Decrease in District Cost Differential (DCD)

- 10-11 - .9804 to 11-12 - .9802

- Program Cost Factors

■ Group 1 includes three programs:	<u>10-11</u>	<u>11-12</u>
■ <u>Basic Grades K-3</u>	1.089	1.102
■ Basic Grades 4-8	1.000	1.000
■ Basic Grades 9-12	1.031	1.019
■ Group 2 includes four programs:		
■ Exceptional Student Education		
■ Level IV	3.523	3.550
■ Level V	4.935	5.022
■ English for Speakers of Other Languages	1.147	1.161
■ Career Education, Grades 9-12	1.035	0.999

Unweighted FTE (Includes all FTE)





Dynamic FTE Changes for DeSoto Funding

- DJJ Facilities Closing
 - Joshua Creek Center (164.87 FTE)
 - Carlstrom Center (181.67 FTE)
 - Community Impact (Students) ??
- Charter School Opening
 - Community Green (226 FTE)

Final Conference Report 2011-12 Compared to 2010-11 Fourth Calculation

	<u>4th Calc 10-11</u>	<u>1st Calc 11-12</u>
■ UFTE x Program Cost Factors		
■ WFTE x BSA x DCD	■ \$ 18,742,805	\$ 18,179,488
■ (5,330.71 x 3,479.22 x .9802)		
■ Declining Enrollment	■ 29,978	0
■ Sparsity Supplement	■ 500,544	481,520
■ .25 Mill Disc Equalization	■ 298,716	0
■ .498/.748 Mill Compression	■ 893,796	788,409
■ Safe Schools	■ 178,387	169,659
■ ESE Guarantee	■ 2,120,206	2,051,327
■ SAI	■ 1,641,083	1,585,482
■ Reading Allocation	■ 259,768	250,176
■ DJJ Supplemental	■ 347,975	350,029
■ Teacher Lead	■ 64,214	61,260
■ Instructional Materials	■ 410,421	403,074
■ Student Transportation	■ 795,502	765,800
■ State Fiscal Stabilization	■ 1,583,469	0
■ Virtual Education Contribution	■ <u>0</u>	<u>3,786</u>
■ Gross State & Local FEFP	■ <u>\$ 27,866,864</u>	<u>\$ 25,090,010</u>

Final Conference Report Funding Comparison to 2010-11 Fourth Calculation

	<u>4th Calc 10-11</u>	<u>1st Calc 11-12</u>
■ Gross State and Local FEFP	\$ 27,866,864	\$ 25,090,010
■ Deduct: Required Local Effort	<u>(7,408,303)</u>	<u>(8,012,994)</u>
■ Sub Total	<u>20,458,561</u>	<u>17,077,016</u>
■ Disc Lottery & School Recognition	■ 101,277	91,585
■ Major State Categorical Programs	■	■
■ Class Size Reduction	■ <u>5,110,252</u>	<u>5,156,486</u>
■ Total State Funding	■ <u>25,670,090</u>	<u>22,325,087</u>
■ Required Local Effort (5.1780)	■ 7,408,303	8,012,994
■ Disc Local Effort Disc	■ <u>1,460,298</u>	<u>1,157,536</u>
■ Total Potential Local Funding	■ 8,868,601	9,170,530
■ Total State and Local Potential Funding	■ <u>\$34,538,691</u>	<u>\$31,495,617</u>
■ Potential Reduction in Funding		<u>(\$3,043,074)</u>

Tentative Budget Comparison (2010-11 to 2011-12) Federal, State and Local Revenue for All Funds





2011-2012 Budget Summary For All Funds

■ General Operating	\$ 42,372,085.48
■ Debt Service	\$ 3,331,017.13
■ Capital Outlay	\$ 9,684,538.43
■ Federal	\$ 3,895,209.98
■ Food Service	\$ 3,051,895.97
Total Expenditures, Transfers & Balances	\$ 62,334,746.99

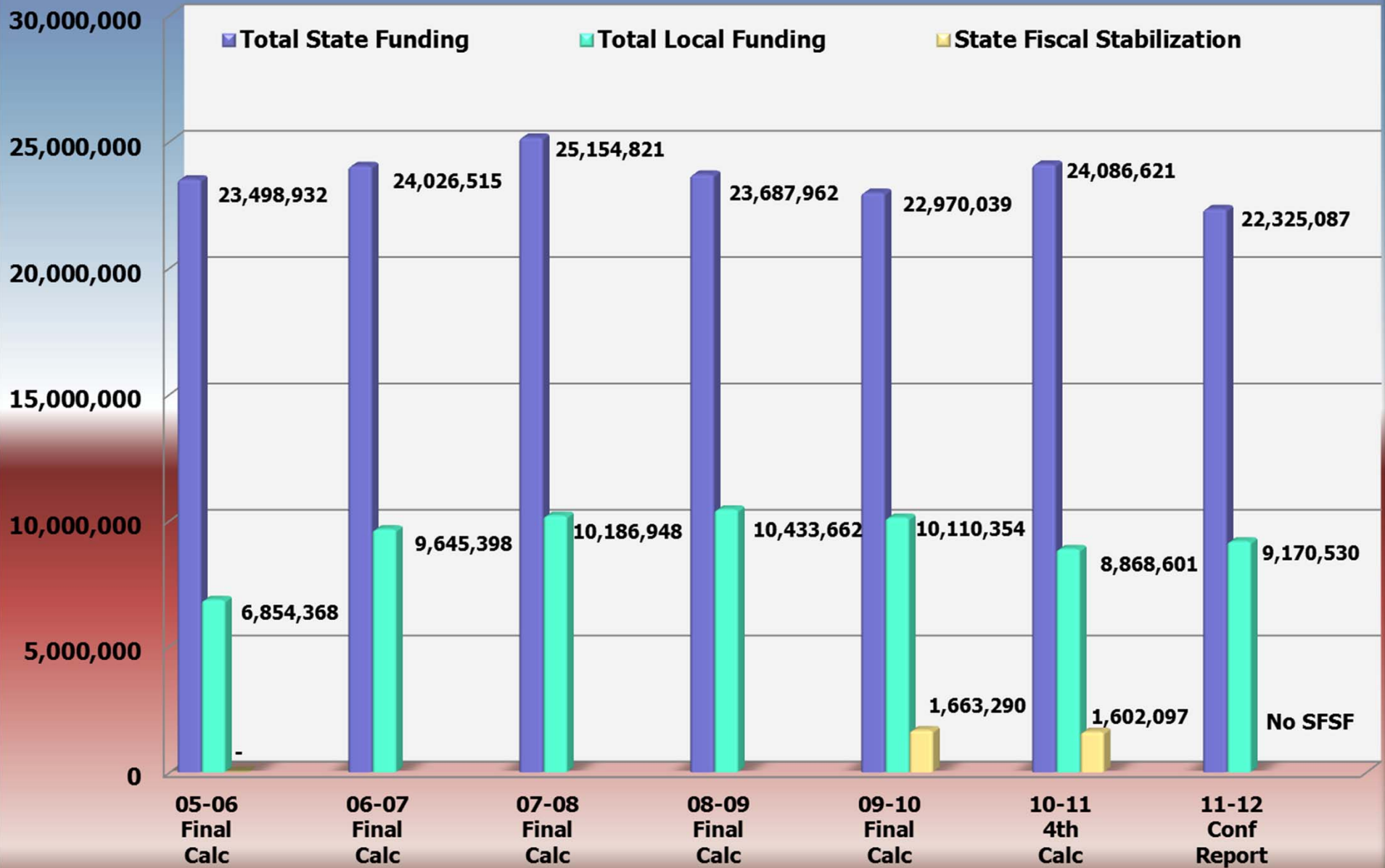


2010-2011

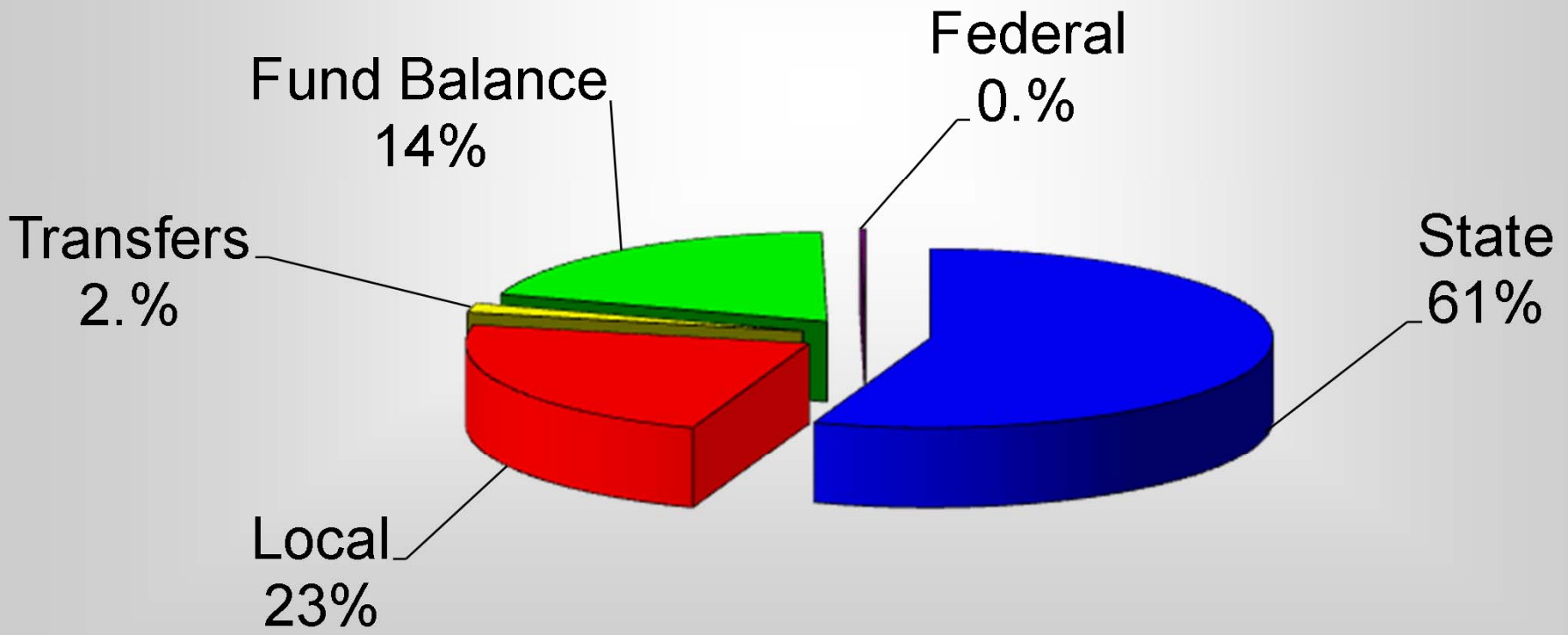
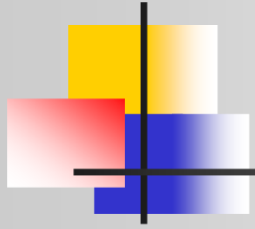
General Fund Budget

- Funds the Day to Day Operating Expenses of the School District
 - Salaries and Benefits
 - Supplies and Materials
 - Textbooks and Library Books
 - Student Transportation
 - Utilities
 - Maintenance and Repairs

GENERAL FUND REVENUES BY SOURCE



General Fund Budget Estimated Revenue Sources

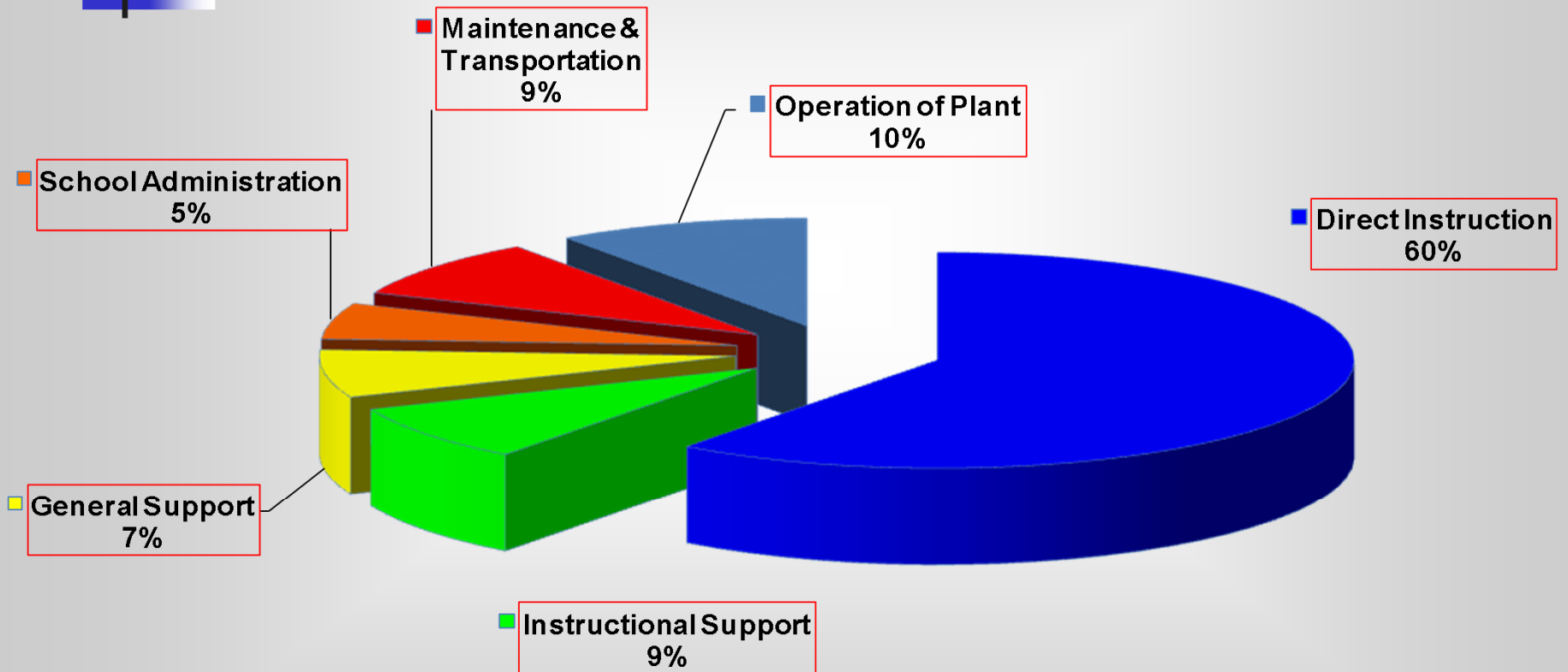
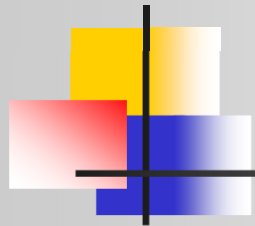




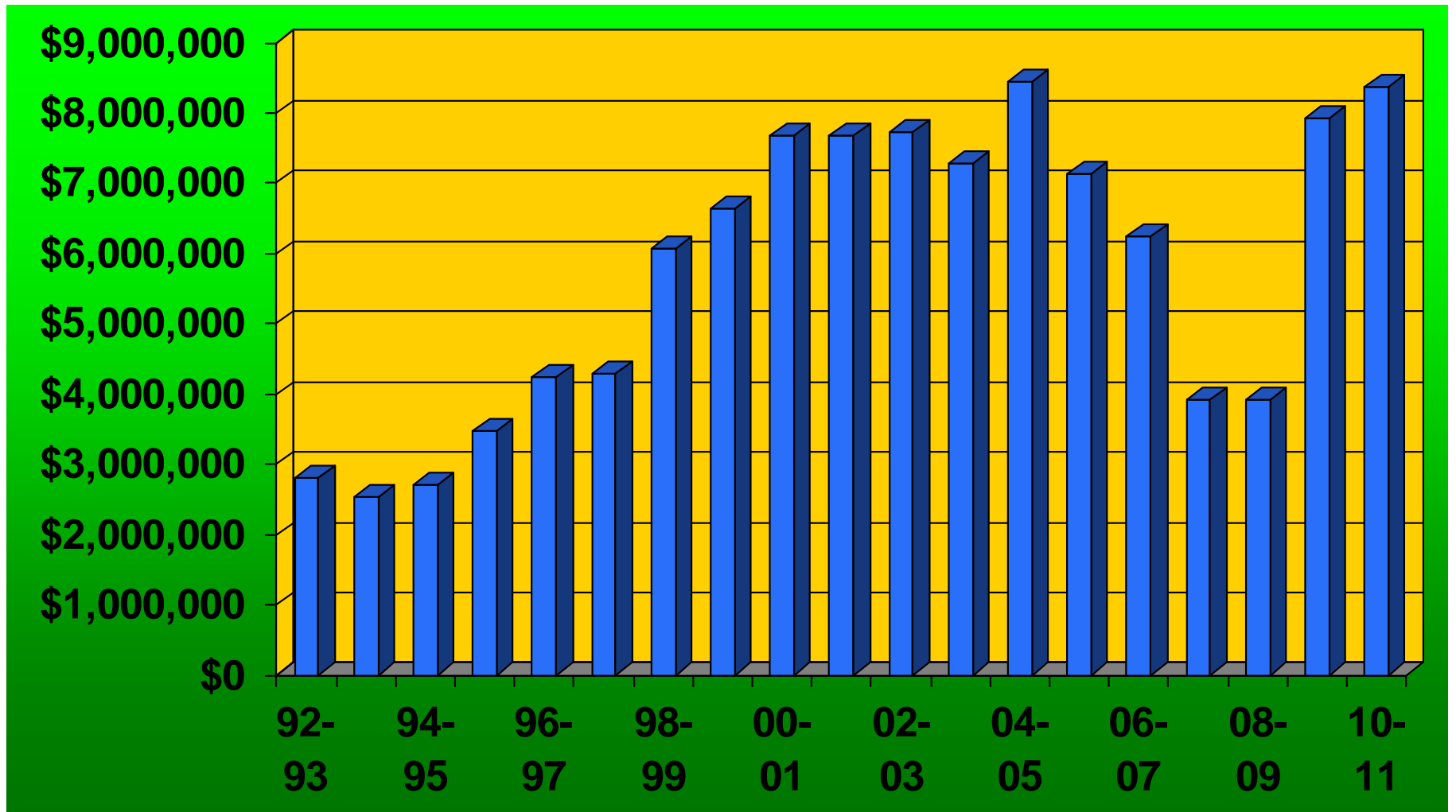
General Fund Budget Allocation by Object

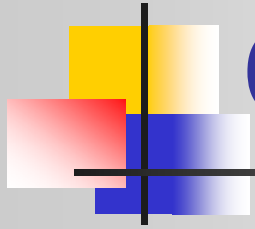
■ Salaries	■ 20,908,674.47	57%
■ Employee Benefits	■ 7,849,513.48	22%
■ Purchased Services	■ 4,502,744.93	12%
■ Energy Services	■ 1,624,381.58	4%
■ Materials & Supplies	■ 1,114,250.20	4%
■ Capital Outlay	■ 63,673.91	0%
■ Other Expenses	■ 246,429.00	1%
■ Total Appropriations	■ 36,309,667.57	

General Fund Budget Allocation by Function



General Fund Balance





General Fund Balance

- Est Beginning Fund Balance: 11-12 \$8,373,110

- Approp over Est Rev \$2,310,692
- 3% Fund Balance \$1,000,000
- CSR Requirement \$ 705,122
- Charter School \$1,027,159
- Education Jobs Bill \$1,014,494
- .25 Critical Need \$ 334,878
- Non Spendable \$ 22,490
- Restricted \$1,011,896
- Assigned \$ 179,621
- Unassigned \$ 756,758



2011-12 Proposed Special Revenue Budget

■ Special Revenue Funds-Food Service

- Total Budget \$3,051,896
 - Self-Supporting
 - Covers all food service activities, including employee salaries, employee benefits, and food costs

■ Special Revenue Funds-Other

- Total Budget (Grants Federal Programs) \$2,867,660
- Total Budget (Stimulus) \$ 13,056
- Total Budget (Stabilization) \$ 0
- Total Budget (Education Jobs) \$1,014,494
 - Is used to account for grants funded by the Federal Government.
 - Budget will be added as grants are approved.



2011-12 Proposed Debt Service Funds Budget

- Purpose
 - To pay the principal and interest on bonds or other long-term debt
- Outstanding Bond Issues
 - SBE Series 2009 Series A (Principal & Interest \$18,750)
 - 1999A Refunded
 - SBE Series 2005B (Principal & Interest \$136,250)
 - Racetrack Revenue Refunding Certificates, Series 1996 (Principal & Interest \$122,056)
 - QZAB, Series 2001 (Principal Only \$124,402)
 - QZAB, Series 2006 (Principal Only \$132,287)



2011-12 Capital Outlay Revenue Projections

- State Sources

- Public Education Capital Outlay (PECO)

- Special Maintenance (\$0)
- Classroom For Kids (\$0)
- New Construction (\$0)

- Capital Outlay & Debt Service (CO&DS)

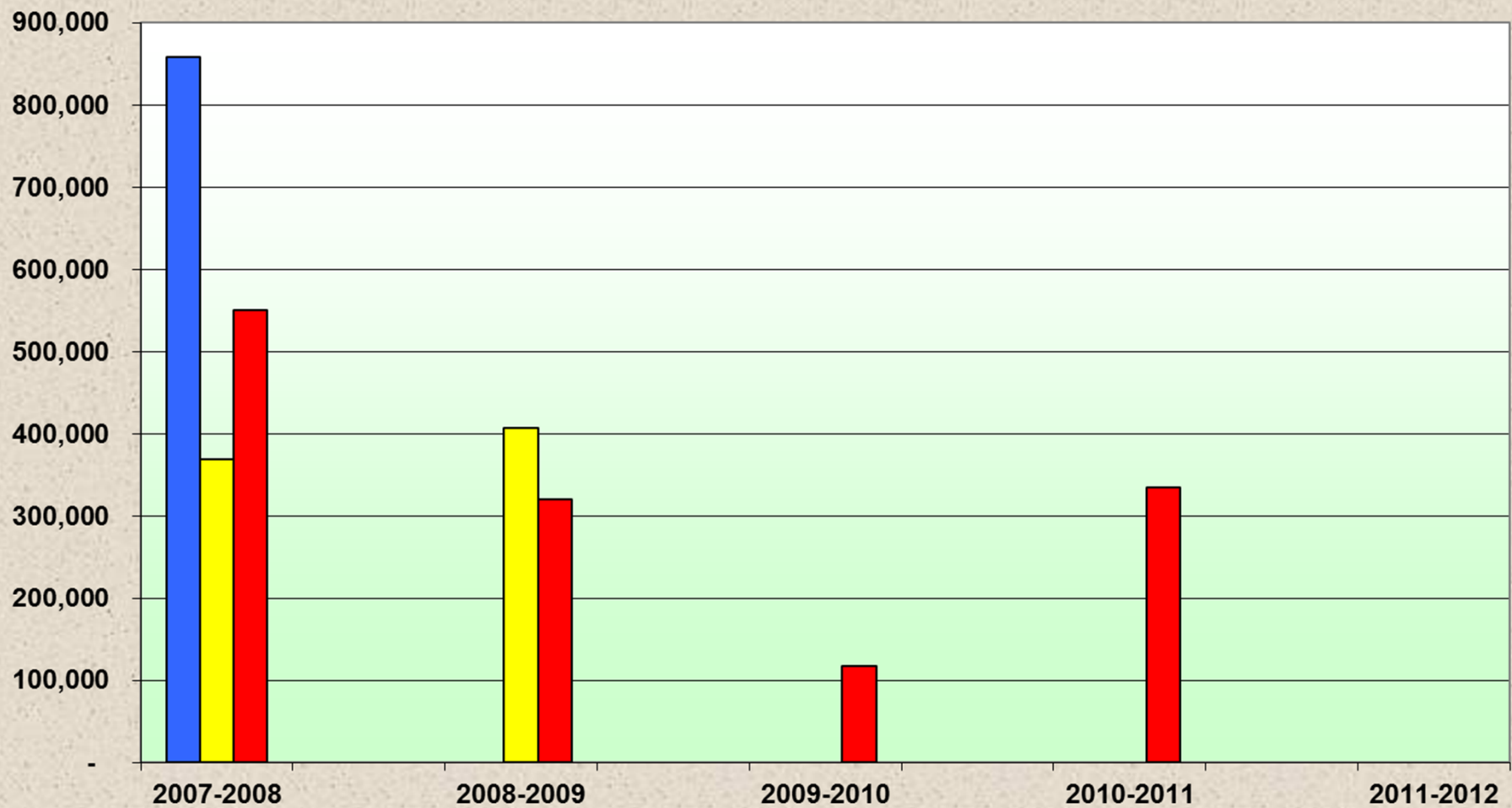
- Flow-through revenue has been bonded by state (\$29,802)

- Local Sources

- Property Taxes – 1.500 mills (\$2,321,261)

PECO COMPARISON

■ Classroom for Kids ■ New Construction ■ Special Maintenance





2011-12 Proposed Capital Project Fund Budget

- Authorized expenditures for funds raised by the 1.5 mill capital outlay levy are limited to:
 - New Construction and remodeling projects (Ed Plant)
 - Maintenance, renovation, and repairs
 - School buses
 - New and replacement equipment and enterprise software applications to support districtwide administrative or state-mandated reporting requirements.
 - Payments for educational facilities and sites due under a lease-purchase agreement.
 - Payment of loans approved pursuant to Florida Statute.
 - Payment of costs directly related to complying with state and federal environmental statutes.



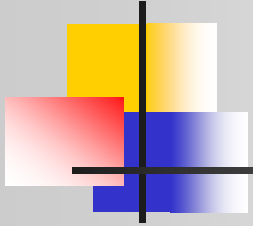
2011-12 Proposed Capital Project Fund Budget (continued)

- Payment of costs of leasing relocatable educational facilities
- Payment of the cost of the opening day collection for the library media center of a new school.
- Expend up to \$100 per unweighted full-time student from the revenue generated may be expended on:
 - The purchase of driver's education vehicles, motor vehicles used for the maintenance or operation of plants and equipment, security vehicles, or vehicles used in storing or distributing materials and equipment.
 - Payment for the cost of premiums for property and casualty insurance

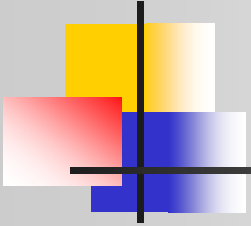


Proposed Capital Outlay Local Source Projects

■ New Construction	
■ DeSoto High School Auditorium	■ 500,000
■ District Technology Data Center	■ 275,000
■ Land Purchase	100,000
■ Furniture, Fixtures, and Equipment	■ 164,572
■ Improvements Other Than Buildings	■ 50,000
■ Motor Vehicles (Including Buses)	■ 225,000
■ Environmental Compliance	■ 50,000
■ Transfers and Debt Payment (QZAB)	■ 956,689
■ Total Capital Projects Fund Budget	■ \$2,321,261



◆ Questions



Request permission to advertise as presented
- changing the certified millage and assessed
values as received from DOE by July 19th.