

FY 2013 - 14 GENERAL OPERATING BUDGET WORKSHOP

June 11, 2013

DeLand Administrative Complex

Board Room

9:00 A.M.

AGENDA

Goal: Protect student instructional programs, services and activities and class size requirements from further cuts by selecting other budget item reductions to balance the 2013-2014 operating budget.

1. Overview of Workshop	Dr. Margaret A. Smith Superintendent
2. Financial Support to Improve Student Achievement	Dr. Margaret A. Smith Superintendent
3. Proposal for Preliminary 2013-2014 Operating (General Fund) Budget	Dr. Robert Moll Deputy Superintendent
4. FY 14 Capital Budget and Five-Year Work Program	Dr. Robert Moll Deputy Superintendent Ms. Saralee Morrissey Director for Planning

Tentative Budget Adoption: July 23, 2013

BUDGET CALENDAR

August 2012	• Florida Board of Education Budget Request for 2013-14
December 2012	• 2013-14 FTE Projections finalized and transmitted to DOE
January 31, 2013	• Governor's Budget for 2013-14
February 26, 2013*	• Budget Workshop
March 5, 2013	• Legislative Session Begins
March 12, 2013*	• Budget Workshop - Department Presentations
April 2013	• Calculate Preliminary 2013-14 School Staffing and review with Area Superintendents and identified District staff
April 2013	• School Discretionary Budgets Prepared

BUDGET CALENDAR

April 9, 2013*	• Budget Workshop - Department Presentations
April 23, 2013*	• Budget Workshop - Department Presentations
May 3, 2013	• Legislative Session ends
May 7, 2013*	• Budget Workshop - Department Presentations
May 8, 2013	• Staffing Sheets Distributed to Principals
May 14, 2013*	• Budget Workshop - Board Direction and Florida Education Finance Program (FEFP) Final Conference Report
➔ June 11, 2013*	• Budget Workshop - Preliminary Budget ←
June 25, 2013	• Approval to Advertise the Tentative Budget and Millage Rates for 2013-14
June 25, 2013	• Approval to expend between July 1 and the adoption of the tentative budget

BUDGET CALENDAR

July 1, 2013	• Property Appraiser Certifies the Tax Roll
July 16, 2013	• Dept. of Revenue Certifies Taxable Value to the Commissioner
July 19, 2013	• DOE computes required local effort millage and certifies rate to each district
July 20, 2013	• First Public Hearing advertised in the local newspaper per Truth in Millage (TRIM) requirements
July 23, 2013	• Public Hearing and Adoption of Tentative Millage Rates and Tentative District Budget
By August 4, 2013	• Superintendent advises Property Appraiser of the proposed millage, rolled-back rate, time, date and place of the final hearing
By August 24, 2013	• Property Appraiser prepares Notice of Proposed Property Taxes and mails TRIM notice
Sept. 10, 2013	• Public Hearing and Adoption of Final Millage Rates and Final District Budget

**Budget Workshops*

CRITICAL TIMELINE

Staffing Process

- Projected Enrollments sent to schools for input in March
- Preliminary Staffing calculated in April
- Principals received Staffing Sheets on May 8

Preliminary Budget

- Legislative Session ends with Final FEFP Revenues on May 3, 2013
- Budget Reduction Options to be considered
- Preliminary Budget Presentation June 11, 2013

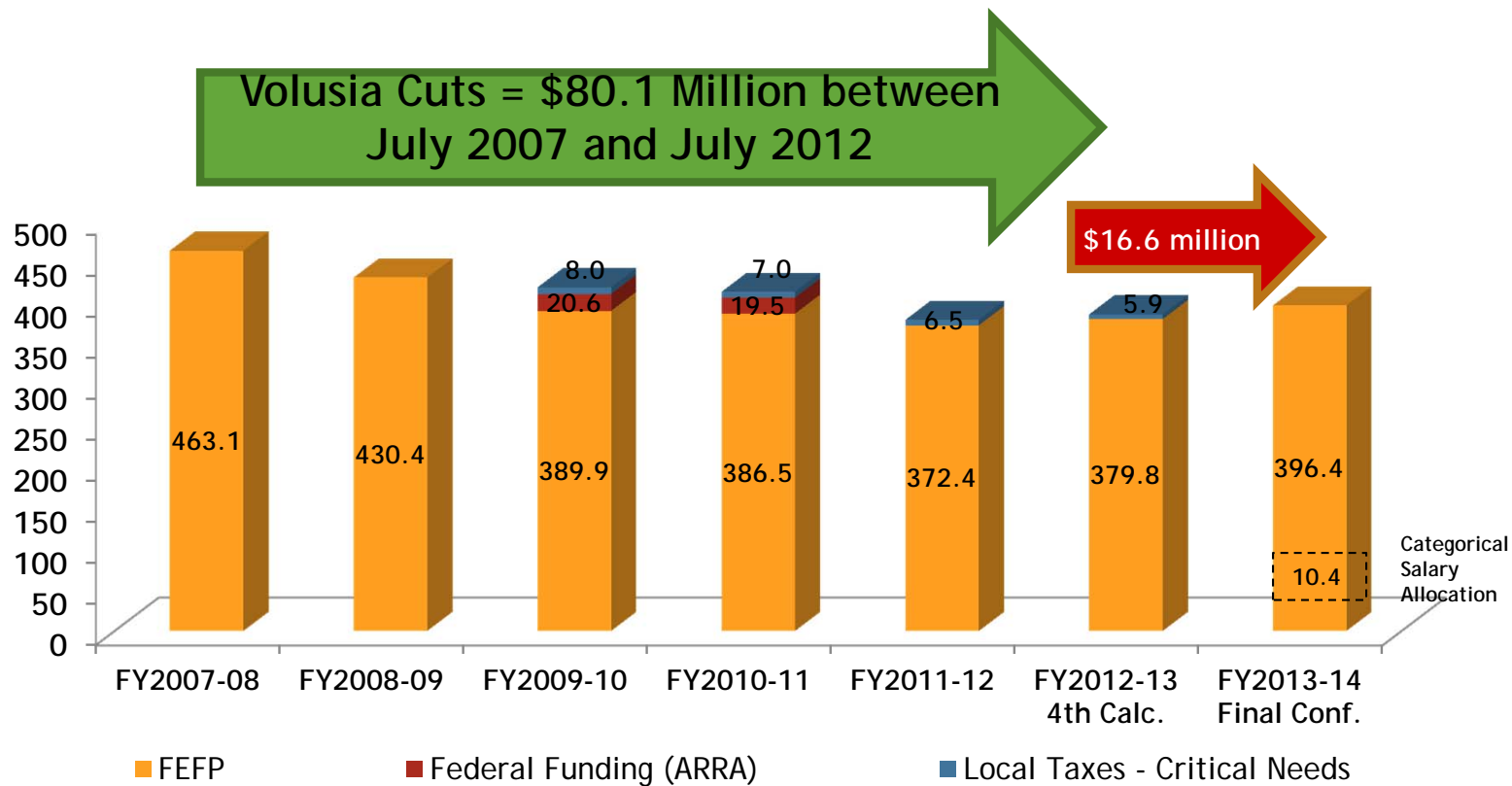
Tentative Budget

- Tax Roll Certified July 1, 2013
- Required Local Effort Certified July 19, 2013
- Public Hearing on Tentative Budget and Millage Rates July 23, 2013

Final Budget

- Approve 2012-13 Annual Financial Report & 2012-13 Final Budget Amendment Sept 10, 2013
- Public Hearing and Adoption of Final Budget Sept 10, 2013

VOLUSIA FLORIDA EDUCATION FINANCE PROGRAM (FEFP) REVENUE REDUCTIONS

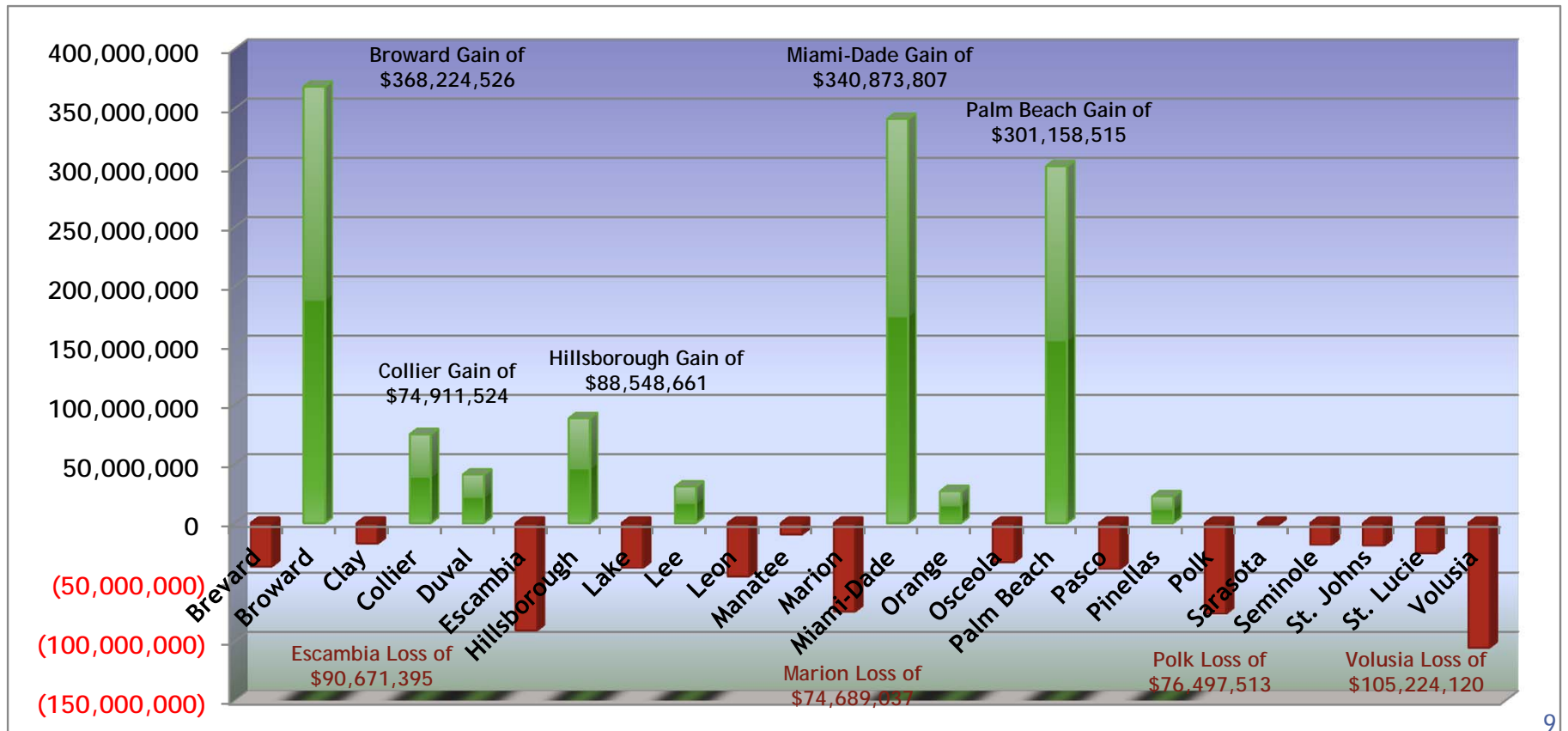


DISTRICT COST DIFFERENTIAL (DCD) GAIN/LOSS

County	Total Funding Gain or Loss FY04 - FY14	County	Total Funding Gain or Loss FY04 - FY14
Brevard	(36,666,100)	Miami-Dade	340,873,807
Broward	368,224,526	Orange	26,767,928
Clay	(17,216,943)	Osceola	(33,035,975)
Collier	74,911,524	Palm Beach	301,158,515
Duval	40,872,090	Pasco	(38,547,611)
Escambia	(90,671,395)	Pinellas	22,379,532
Hillsborough	88,548,661	Polk	(76,497,513)
Lake	(37,839,087)	Sarasota	(1,156,830)
Lee	30,639,221	Seminole	(18,218,160)
Leon	(45,039,441)	St. Johns	(18,890,660)
Manatee	(9,517,036)	St. Lucie	(25,442,247)
Marion	(74,689,037)	Volusia	(105,224,120)

(Based on the Conference Report for FY13-FY14 of Florida Education Finance Program (FEFP) dated April 29, 2013).

DISTRICT COST DIFFERENTIAL (DCD) GAIN/LOSS



BASE STUDENT ALLOCATION (BSA) HISTORY 2000-01 THRU 2013-14

Fiscal Year	BSA
2000-01	3,416.73
2001-02	3,298.48
2002-03	3,537.11
2003-04	3,630.03
2004-05	3,670.26
2005-06	3,742.42
2006-07	3,981.61
2007-08	4,079.74
2008-09	3,886.14
2009-10	3,630.62
2010-11	3,623.76
2011-12	3,479.22
2012-13	3,582.98
2013-14	3,752.30

RETIREMENT RATE

Year	Rate	Year	Rate
FY 99	16.45	FY 07	9.85
FY 00	10.15	FY 08	9.85
FY 01	9.15	FY 09	9.85
FY 02	7.30	FY 10	9.85
FY 03	5.76	FY 11	10.77
FY 04	7.39	FY 12	4.91
FY 05	7.39	FY 13	5.18
FY 06	7.83	FY 14	6.95

SUMMARY OF PROGRAM IMPACT

2013-14

- ◉ No reduction to instructional programs, services or activities for the 2013-14 school year by not reducing instructional positions
- ◉ Provide school staffing units at the level to meet class size requirements in core subjects for 2013-14
- ◉ Provide intervention staffing units to support Differentiated Accountability schools
- ◉ Move Advancement Via Individual Determination (AVID) program funding from federal funds to general funds

MAJOR BUDGET CONCERNS FOR FY 2013-14

- Florida Education Finance Program (FEFP) Funding
- Class Size Compliance Challenges
- Expiration of 0.25 Critical Needs Ad Valorem Assessment with defeat of 1 Mill Referendum
- Health Insurance
- Impact of Patient Affordability Health Care Act
- District Cost Differential (DCD) Adjustment Outcome

- Completed
- TBD
- Completed
- Completed
- TBD
- Completed

MAJOR BUDGET CONCERNS FOR FY 2013-14

- Unfunded Pension Liability
- Caution regarding a Weak State and Local Economic Forecast
- Outcome of Federal Sequestration and Potential Effects on Federal Programs
- Use of Non-recurring Revenues and Fund Balances for Recurring Budget Costs

- Completed
- TBD
- In Progress
- Artifact 1

2013-14 FEFP CONFERENCE REPORT ANALYSIS

	Millions
Projected Additional FEFP Revenue	\$ 16.6
Less Instructional Personnel Salary Increase	(10.4)
Less Instructional Materials Increase	(0.2)
Less Teacher Lead Increase	(0.3)
Discretionary FEFP Revenue	\$ 5.7*

* To be Applied to Retirement Rate Increases

2013-14 Projected General Fund Budget deficit

Projected Revenue Changes	Feb. 26 (In Millions)	May 14 (In Millions)	June 11 (In Millions)
Projected Additional FEFP Revenue-TBD	\$ (2.7)	\$ 5.7	\$ 5.7
Loss of 0.25 mill	(6.4)	(6.4)	(6.4)
Reduction in Capital Transfer to General	(2.0)	(2.0)	(2.0)
Projected Revenue Adjustments Total	\$ (11.1)	\$ (2.7)	\$ (2.7)
Projected Cost Increases			
Class size Compliance - 103 units (123 Units from 2/26/13)	6.3	5.3	5.3
Unit Interventions - 50 Units (126 Units from 2/26/13)	6.5	2.6	2.6
Health Insurance - 5.5 % (9.5% from 2/26/13)	4.3	2.5	2.5
Retirement Rate Increase for FY 14 Revenue (Change from 2/26/13)	5.1	5.9	5.9
AVID			0.8
Dual Enrollment			1.5
Projected Cost Adjustments Total	\$ 22.2	\$ 16.3	\$ 18.6
Projected Budget Deficit Total	\$ (33.3)	\$ (19.0)	\$ (21.3)

SUMMARY OF SCHOOL STAFFING CHANGES

	2012-13	2013-14	FTE CHANGE
Teachers*	3,668.3	3,753.10	84.80
Guidance Counselors	128.5	132	3.5
Media Specialists	65.5	66	0.5
Athletic Directors	5.5	5.5	-
TOAs (School Based Admin.)	23.0	23.0	-
Paraprofessionals	393.40	391.2	(2.20)
Campus Advisors	66.6	66.6	-
Clerical	422.50	417.20	(5.30)
Custodial	427.9	0	(427.90)
Farm Managers	2.6	2.6	-
Assistant Principals	123.0	123.0	-
Principals	64.0	64.0	-
Total FTE	5,390.8	5,043.2	(347.60)

* Teacher reductions are general fund formula driven

CENTRAL OFFICE POSITION REDUCTIONS (GENERAL FUND)

Bargaining Group	# FTE	Amount
AFSCME	7.0	\$ 205,683
VESA	11.5	446,789
VTO	2.6	205,531
Non-Bargaining	11.3	793,936
TOTAL	32.4	\$1,651,939

ADMINISTRATIVE ACCOUNTABILITY

- ◉ Review Artifact 2

TENTATIVE RECONCILIATION

	In Millions
BUDGET DEFICIT - 02/26/13	\$ 33.3
ADJUSTED DEFICIT - 05/14/13	19.0
TOTAL ADDITIONAL COST INCREASES:	
AVID	0.8
Dual Enrollment	1.5
ADJUSTED DEFICIT 06/11/13	21.3
REDUCTION MEASURES:	
Custodial Contract	6.1
Central Office 5% Goal (Facilities Additional Savings of \$0.3 million in Capital Funded Positions)	1.7
Utilities Savings	1.0
Retirement Savings	1.4
Salary Lapse Factor	2.0
Grounds Maintenance Contract	0.8
Boston Avenue Charter Closure	0.5
Assigned/Unassigned Fund Balances (Above 5%)	7.8
TOTAL REDUCTION MEASURES:	21.3
REMAINING DEFICIT - 06/11/13	\$ 0.0