



BUDGET WORKSHOP

MAY 21, 2019



LEGISLATIVE UPDATE SB 7070

- Private School Vouchers- Creates Family Empowerment Scholarships funded through general revenue. Students with a family income below 300% of the federal poverty rate will be eligible, which is \$77,250 for 2019. Districts must promote the program on their website homepages and notify all households receiving free and reduce lunch assistance.
- Schools of Hope- Removes the Schools of Hope award eligibility for traditional public schools. Allows Hope Operators to open additional schools to serve students enrolled in or zoned for a persistently low-performing school and students residing in a Florida Opportunity Zone.
- Turnaround Supplement- Creates a new categorical program, the Turnaround School Supplemental Allocation, within the FEFP. Provides an additional \$500 per student at persistently low performing schools which can be used for extended day, tutoring etc. Schools may receive funding from the allocation for a maximum of four fiscal years and schools exiting turnaround status will remain eligible to receive the allocation for an additional two fiscal years.
- Best & Brightest Teachers and Principals Program- Removes SAT/ACT requirement from program eligibility, and creates three pathways for teachers to receive the bonus.
 - Teachers who are content experts based on criteria established by DOE in mathematics, science, computer science, reading, or civics.
 - Teachers who are rated as “highly effective” or “effective” the preceding year and currently teaching in a school that has demonstrated academic improvement.
 - Teachers and instructional personnel rated as “highly effective” or “effective” and selected by the school principal based on performance criteria and policies adopted by the district school board.
- School Construction- Removes requirements for new construction and remodeling to be included in the educational plant survey. Eliminates the requirement to have a survey recommendation when building a new school out 1.5 mills and referendum funds. Eliminates sanctions for districts that violate the Cost Per Student Station, and requires the EDR to conduct an annual study to adjust for the cost of construction and market conditions.
- Includes funds for litigating lawsuits as a result of the bill.

LEGISLATIVE UPDATE

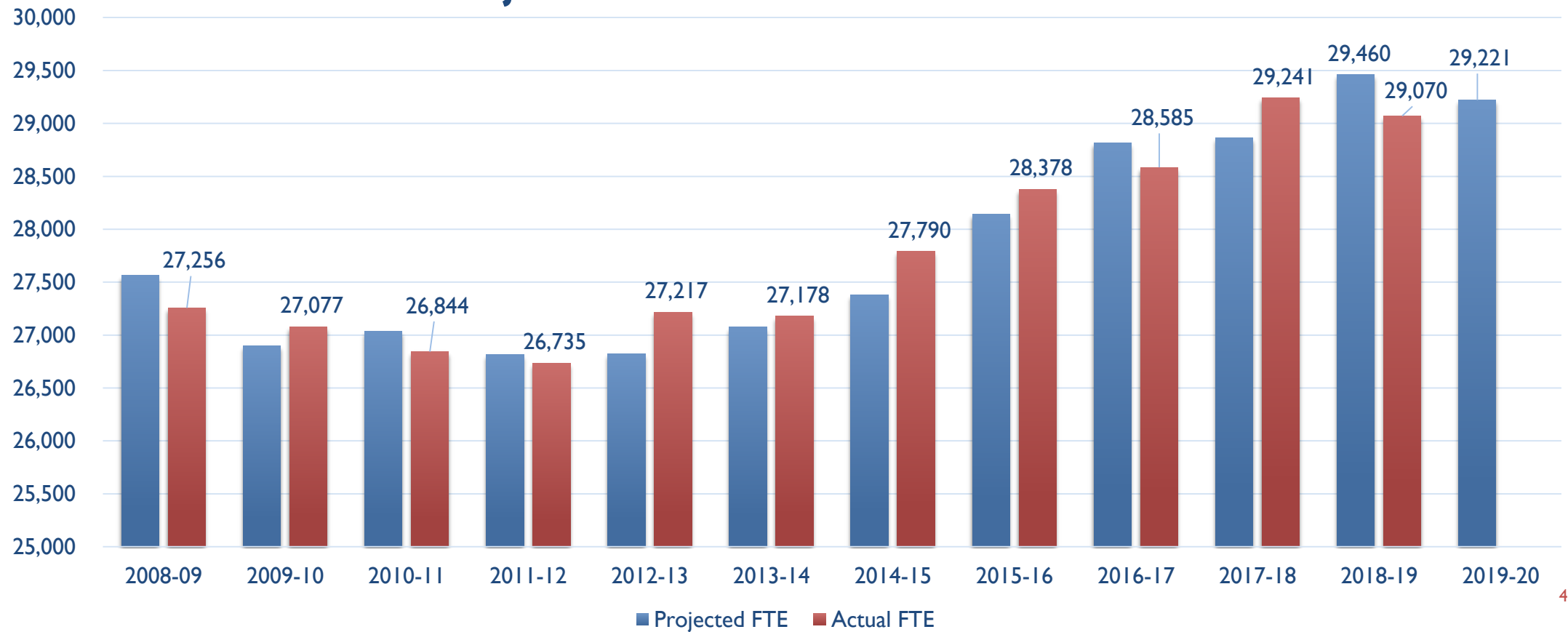
- HB 7123- Requires districts to share voter approved operating millage funds with charters schools for all referendums passed after July 2019. Funds must be distributed on a per-student basis and used in a manner consistent with the referendum language. Estimated loss of 1 Mill funds to SBAC is 4 million dollars for the next referendum cycle.
- SB 7030- Provides 50 million for School Hardening Grant Program, approximately 500k for SBAC.
- PECO- Charter schools were allocated 158 million for PECO Maintenance and traditional schools zero for 19-20. However, the charter school funding is sufficient to cover their allocation so no districts will have to share 1.5 millage funds.

SCHOOL DISTRICT ACCOUNTABILITY HB 1279 (2018 SESSION)

- Requires school districts to publish financial efficiency data and fiscal trend information for each district school.
- Mandates districts with low fund balances reduce administrative costs.
- Prohibits out of state travel for districts with a financial emergency.
- Requires districts to withhold salary payments for superintendent and board if the district is unable to meet financial obligations.
- Requires all school board member travel over \$500 be approved in advance by the board.

FTE TRENDS

Projected vs Actual FTE – Historical



FEFP FUNDING

	(1) 2019-20 CONF REPORT	(2) 2018-19 CALC 4	(3) 2019-2020 CONF OVER (UNDER) 2018-2019 CALC 4	Percent Increase
BASE STUDENT ALLOCATION	\$4,279.49	\$4,204.42	\$75.07	1.79%
DISTRICT COST DIFFERENTIAL	0.9770	0.9726	0.0044	0.45%
UNWEIGHTED FTE	29,220.80	29,069.84	150.96	0.52%
WEIGHTED FTE	31,721.19	31,374.77	346.42	1.10%
SCHOOL TAXABLE VALUE	\$16,893,622,554	\$16,177,777,569	715,844,985	4.42%
REQUIRED LOCAL EFFORT MILLAGE	3.915	4.016	(0.101)	
DISCRETIONARY MILLAGE	0.748	0.748	-	
TOTAL MILLAGE	4.663	4.764	(0.101)	-2.12%

DESCRIPTION	(1) 2019-20 CONF REPORT	(2) 2018-19 CALC 4	(3) 2019-2020 CONF OVER (UNDER) 2018-2019 CALC 4 (1) - (2)
FEFP DETAIL:			
WFTE XBSA DCD	132,628,253	128,619,633	4,008,620
DIGITAL CLASSROOMS ALLOCATION	269,459	865,669	(596,210)
SAFE SCHOOLS	2,164,706	1,903,287	261,419
MENTAL HEALTH	803,869	743,879	59,990
FUNDING COMPRESSION	1,727,911	1,869,747	(141,836)
COMPRESSION ADJUSTMENT .748 MILLS	3,935,457	3,595,507	339,950
SUPPL. ACAD. INSTRUCTION ALLOCATION	8,352,658	8,321,671	30,987
ESE GUARANTEED ALLOCATION	11,853,115	11,813,884	39,231
BEST AND BRIGHTEST	2,847,411	-	2,847,411
READING INSTRUCTION	1,319,558	1,316,063	3,495
DJJ SUPPLEMENTAL ALLOCATION	250,588	254,317	(3,729)
INSTRUCTIONAL MATERIALS	2,428,750	2,403,449	25,301
STUDENT TRANSPORTATION	3,830,804	3,789,706	41,098
TEACHER LEAD PROGRAM	562,922	567,005	(4,083)
VIRTUAL EDUCATION CONTRIBUTION	-	53,225	(53,225)
TRUNAROUND SUPPLEMENT	500,980	-	500,980
TOTAL FEFP	173,476,441	166,117,042	7,359,399

Categorical

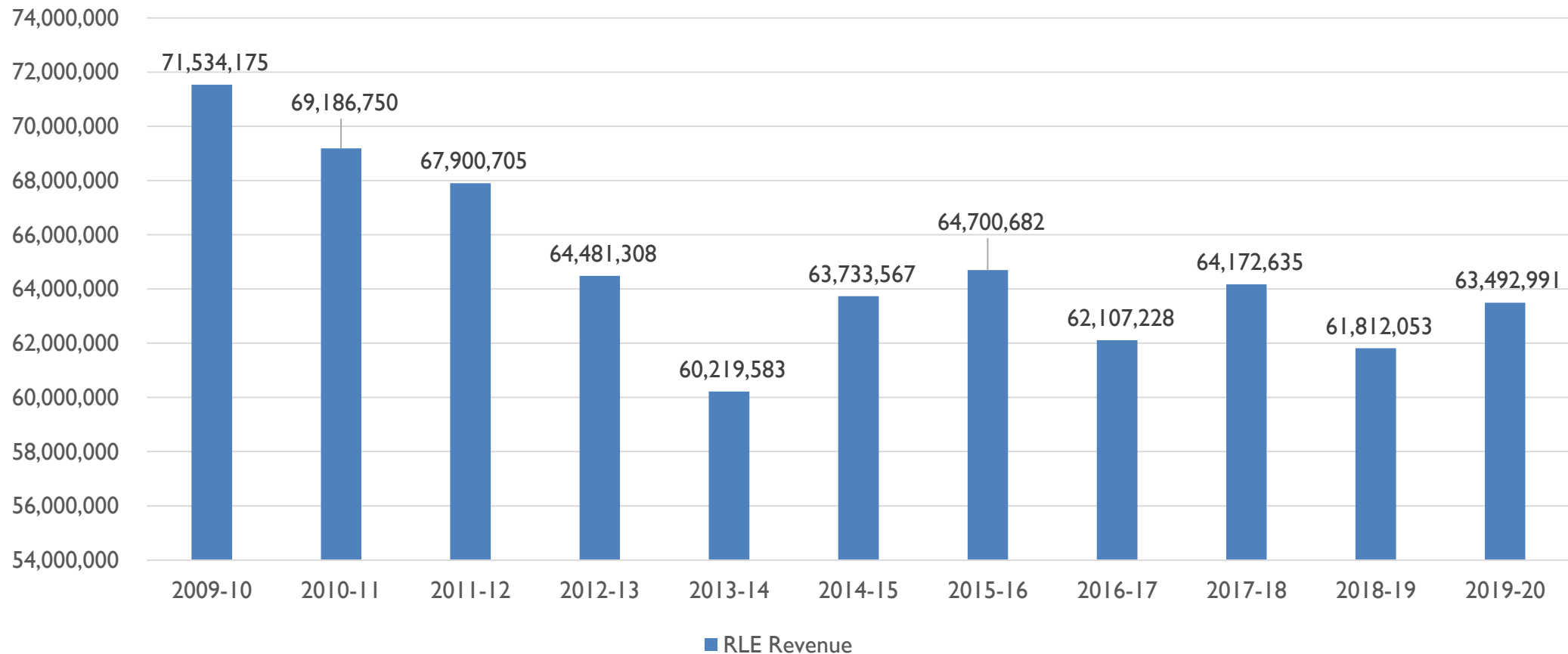
DESCRIPTION	(1)	(2)	(3)	Percent Increase -Decrease
	2019-20 CONF REPORT	2018-19 CALC 4	2019-2020 CONF OVER (UNDER) 2018-2019 CALC 4 (1) - (2)	
TOTAL FEFP	\$173,476,441	\$166,117,042	\$7,359,399	
LESS LOCAL FEFP FUNDS:				
REQUIRED LOCAL EFFORT	\$63,492,991	\$61,812,053	\$1,680,938	
STATE NET FEFP FUNDS	\$109,983,450	\$104,304,989	\$5,678,461	
CATEGORICALS:				
CLASS SIZE	\$30,908,984	\$30,652,781	\$256,203	
SCHOOL LOTTERY & RECOGNITION	988,202	987,918	284	
TOTAL MAJOR CATEGORICALS	\$31,897,186	\$31,640,699	\$256,487	
TOTAL STATE FUNDING	141,880,636	135,945,688	5,934,948	
POTENTIAL DISCRETIONARY	\$12,130,972	\$11,616,939	\$514,033	
POTENTIAL REQUIRED LOCAL EFFORT	63,492,991	61,812,053	1,680,938	
TOTAL LOCAL FUNDING	\$75,623,963	\$73,428,992	\$2,194,971	
TOTAL POTENTIAL FUNDING	\$217,504,599	\$209,374,680	\$8,129,919	3.88%
Dollars Per UWFTE	\$7,443.49	\$7,202.47	\$241.01	3.35%

ADDITIONAL FUNDS PER FTE

2019-20 Potential Additional Funds	\$	8,129,919
Best & Brightest		(2,847,411)
Safe Schools		(261,419)
Mental Health		(59,990)
Turnaround Supplement		(500,980)
Total Other Categoricals		571,497
Estimated FRS Rate Increase		(380,000)
Net Additional Funds	\$	4,651,616
Additional Funds Per Student	\$	157.90

HISTORICAL RLE REVENUE

RLE Revenue

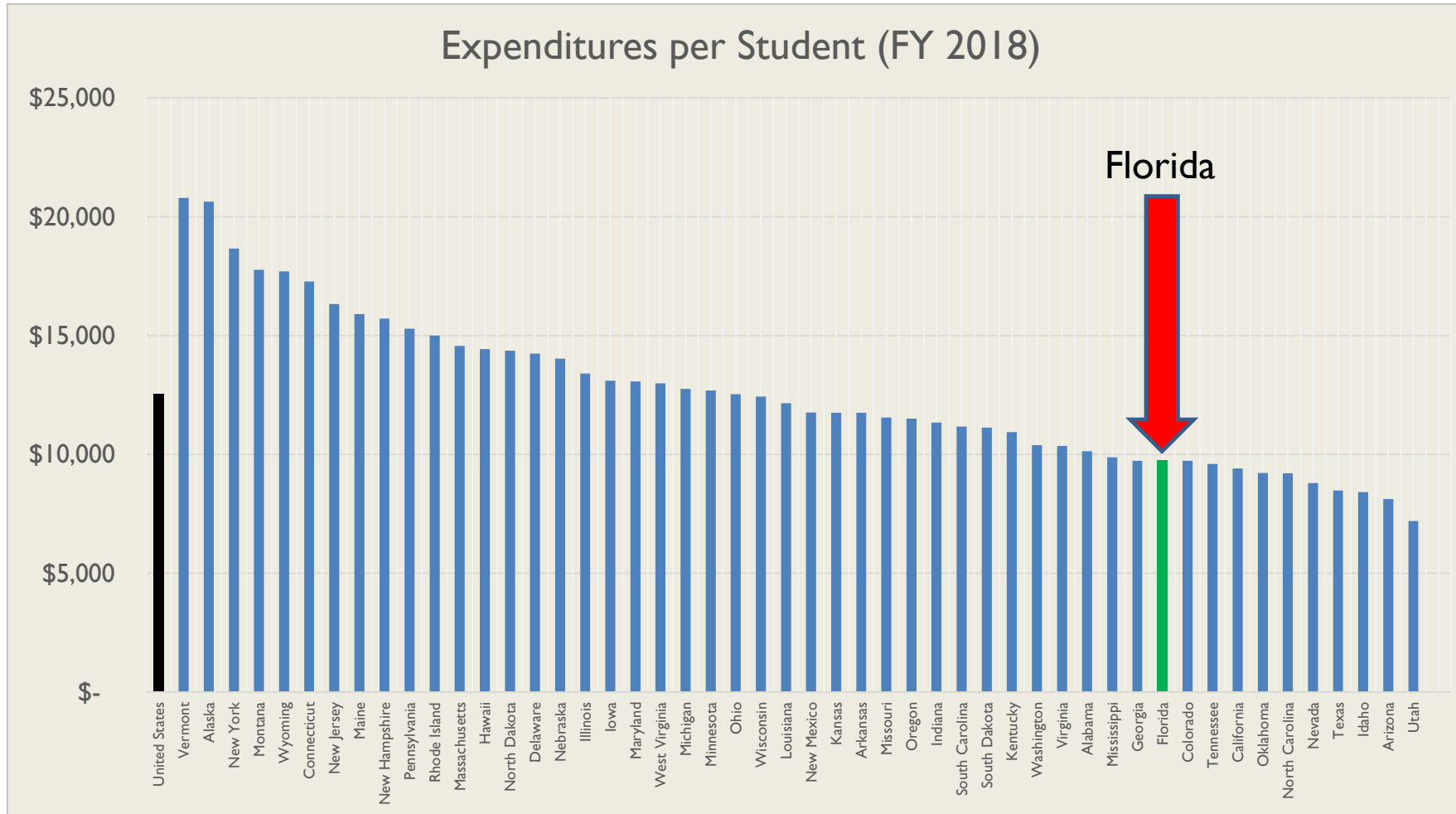


REQUIRED LOCAL EFFORT

<u>Fiscal Year</u>	<u>Actual RLE Millage</u>	<u>Actual RLE Revenue</u>	<u>RLE Revenue @ 5.162 Mills</u>	<u>Additional Revenue @ 5.162 Mills</u>
2014-15	5.162			
2015-16	5.094	64,700,682	65,628,791	928,109
2016-17	4.688	62,107,228	68,606,358	6,499,130
2017-18	4.377	64,172,635	75,803,007	11,630,372
2018-19	4.016	61,812,053	80,169,300	18,357,247
2019-20	3.915	63,492,991	83,716,684	20,223,693
				57,638,552

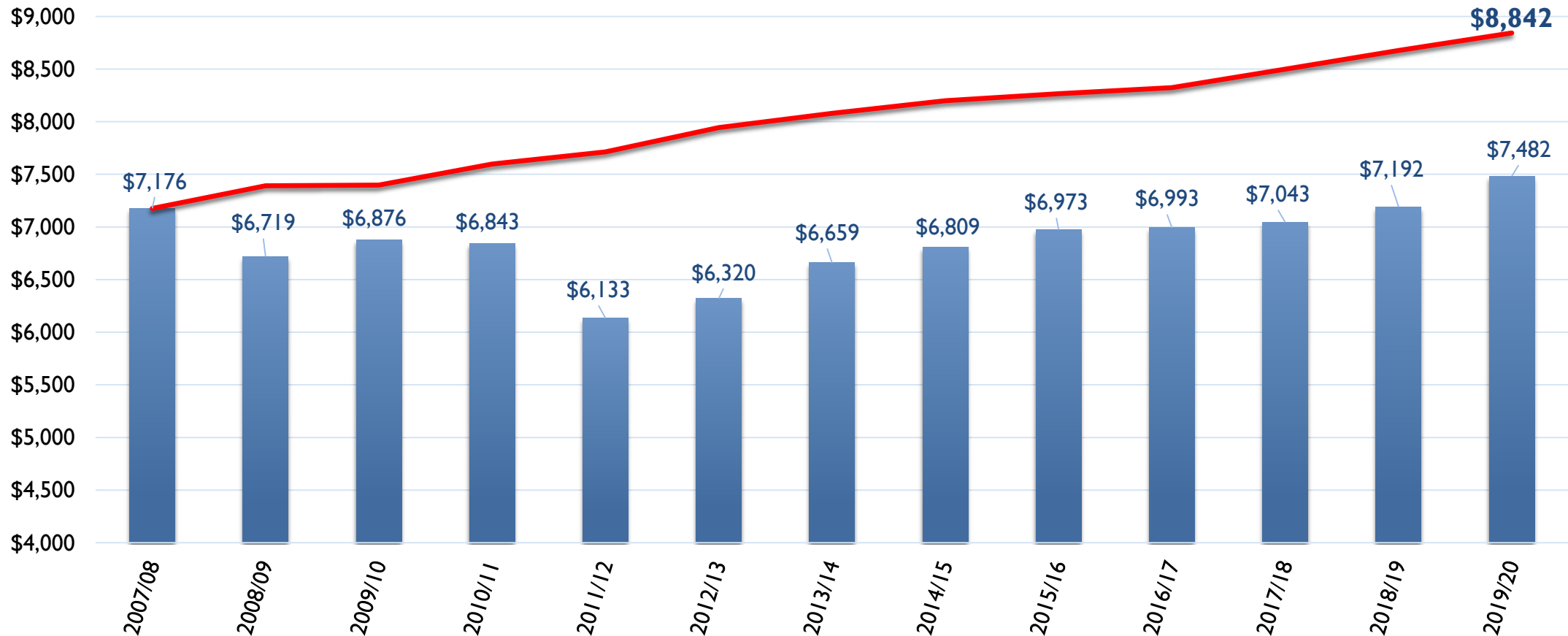
FLORIDA'S K-12 EDUCATION SPENDING RANKS

40TH IN THE U.S.



- Based on the *Quality Counts 2018* analysis which looked at per-pupil spending for operations adjusted for regional cost differences across states. Excludes construction costs.
- Florida's K-12 spending of \$9,737 trails the national average of \$12,526 by 29% or \$2,789 per student.
- With 29,220 public school students in Alachua County, **this equates to over \$81 million below national average in annual operating revenue.**

INFLATION HAS SIGNIFICANTLY ERODED FLORIDA SCHOOL FUNDING



- Funding would need to be increased an additional \$1,360 or 18% to \$8,842 per student just to offset inflation (CPI). Total loss of purchasing power due to inflation and underfunding is over 39 million.

STUDENT RATIO STAFFING PROJECTIONS

<u>Grade Level</u>	<u>Projected FTE 2018-19</u>	<u>Projected FTE 2019-20</u>	<u>Change in Student Projection</u>	<u>Staffing Ratio</u>	<u>Base Instructional</u>
Elementary Pre K-3	9,120	8,820	(300)	18.00	(13.00)
Elementary 4-5	4,376	4,262	(114)	22.00	(9.00)
Middle 6-8	6,201	6,186	(15)	21.50	(0.60)
High 9-12	7,388	7,589	201	24.50	11.80
Charters	1,817	1,865	48		
Other	558	499	(59)		
	29,460	29,221	(239)		(10.80)

GENERAL FUND INSTRUCTIONAL CHANGES

Position	Location	FTE
Student Ratio	Districtwide	(10.80)
ESE	School Based	0.90
ESE	ESE Departmental	(1.00)
Art, Music, PE	Rawlings Elementary	1.50
Guidance	Elementary	2.00
Behavior Resource	Wiles Elementary	1.00
ESOL Program	GHS and Westwood	1.00
TSA Magnet	Curriculum	1.00
Psychologist	ESE Department	0.75

GENERAL FUND INSTRUCTIONAL CHANGES

Position	Location	FTE
AVID Program Expansion	GHS, Westwood, Mebane, SFHS, Bishop	1.00
Elementary Planning Time	Districtwide	4.00
Middle School Art Program	Middle Schools	1.53
Differentiated Accountability	LF, Metcalfe, Terwilliger, Alachua, Idywild, Rawlings	6.00
African American Studies	High Schools	1.66
Instructional Reserve	Districtwide	(10.00)
	Total	(2.43)

GENERAL FUND INSTRUCTIONAL STAFFING

	2018-19 <u>Budgeted</u>	2019-20 <u>Proposed</u>	Increase <u>(Decrease)</u>
Instructional Units (Elementary)	939.60	937.70	(1.90)
Instructional Units (Middle)	366.70	365.43	(1.27)
Instructional Units (High)	383.29	396.23	12.94
Instructional Units (Special Center)	130.60	130.40	(0.20)
Instructional Units (District Level)	67.37	65.37	(2.00)
Reserve	23.00	13.00	(10.00)
Total	<u>1,910.56</u>	<u>1,908.13</u>	<u>(2.43)</u>

GENERAL FUND ADMINISTRATIVE CHANGES

Administrative Position	Location	FTE
Chief Technology Officer	Information Resources	(1.00)
Supervisor II Information Support	Payroll/Benefits	1.00
Supervisor I	CTE	1.00
Supervisor I Personnel	HR	1.00
Supervisor II Research	Research	(1.00)
IDEA Funding Changes	ESE	(1.00)
Tech Project Leaders (reclassification)	Information Resources/FTE	(3.00)
Chief Accountants (reclassification)	Finance	(2.00)
Manager Distribution (reclassification)	Warehouse	(1.00)
	Total	(6.00)

GENERAL FUND SUPPORT STAFF CHANGES

Professional & Technical	Location	FTE
Tech Project Leaders (reclassification)	Information Resources/FTE	3.00
Chief Accountants (reclassification)	Finance	2.00
Manager Distribution (reclassification)	Warehouse	1.00
Analyst Instructional Tech	FTE	2.00
Senior Buyer	Purchasing	1.00
Programmer	Information Resources	1.00
Manager Personnel Services	Human Resources	(1.00)
Data Communications Specialist	Information Resources	(1.00)
Systems Analyst	Information Resources	(1.00)
	Total	7.00

GENERAL FUND SUPPORT STAFF CHANGES

Educational Support Personnel	Location	FTE
EDEP Activity Leaders	District-Wide	5.40
Miscellaneous School	District-Wide	1.00
ESE Bus Aides Funding IDEA	Transportation	(6.38)
Vehicle Service Specialist	Transportation	(1.00)
Accounting Clerk	Transportation	(1.00)
Senior Clerical	Transportation	(1.00)
	Total	(2.98)

GENERAL FUND BUDGETED STAFFING

	2018-19	2019-20	Increase
	<u>Budgeted</u>	<u>Proposed</u>	<u>(Decrease)</u>
Instructional	1,910.56	1,908.13	(2.43)
Educational Support	1,183.62	1,180.64	(2.98)
Professional & Technical	134.56	141.68	7.12
Administrative	148.58	142.45	(6.13)
Board & Superintendent	6.00	6.00	
Total	<u>3,383.32</u>	<u>3,378.90</u>	<u>(4.42)</u>

**Estimated 2019-2020 General Fund Revenue
Based on Conference Report**

REVENUE ACCT. #	DESCRIPTION	APPROVED 2018-2019 BUDGET	ESTIMATED 2019-2020 BUDGET	2019-2020 OVER(UNDER) 2018-2019
3191	ROTC	190,000	190,000	-
3202	MEDICAID	1,000,000	1,300,000	300,000
3310	FEFP	106,319,932	109,983,450	3,663,518
3315	WORKFORCE DEVELOPMENT	493,947	530,690	36,743
3323	CO&DS WITHHELD	15,943	15,943	-
3343	STATE LICENSE TAX	100,000	100,000	-
3355	CLASS SIZE REDUCTION	30,903,724	30,908,984	5,260
3361	SCHOOL RECOGNITION/LOTTERY	1,384,730	988,202	(396,528)
3371	VOLUNTARY PRE-K PROGRAM	910,000	1,000,000	90,000
3390	MISC. STATE	200,000	200,000	-
3397	CHARTER SCHOOL CAPITAL	750,000	750,000	-
3411	TAXES RLE	62,371,157	63,492,991	1,121,834
3412	TAXES 1 MILL	15,530,666	16,217,878	687,211
3413	TAXES DISCRETIONARY	11,616,939	12,130,972	514,033
3421	TAX REDEMPTION	150,000	225,000	75,000
3431	INTEREST	600,000	600,000	-
3473	SCHOOL AGE CHILD CARE FEES	4,048,678	4,724,775	676,097
3490	MISC LOCAL	250,000	250,000	-
3491	BUS FEES	100,000	100,000	-
3492	TRANS. SCHOOL ACTIVITIES	250,000	250,000	-
3494	FEDERAL INDIRECT COSTS	1,400,000	1,400,000	-
3497	REFUND PRIOR YEAR EXP	170,000	170,000	-
3499	FOOD SERVICE INDIRECT COSTS	420,000	420,000	-
3630	TRANSFERS FROM CAPITAL	5,000,000	5,000,000	-
TOTAL EST. REVENUE		\$ 244,175,716	\$ 250,948,884	\$ 6,773,168

Total Funds Available

\$ 250,948,884

2020 INSURANCE RENEWAL

	<u>Claims Paid</u>	<u>Increase (Decrease)</u>
2015 Plan Year	\$ 22,258,164	
2016 Plan Year	\$ 21,216,904	\$ (1,041,260)
2017 Plan Year	\$ 24,394,819	\$ 3,177,915
2018 Plan Year	\$ 27,410,082	\$ 3,015,263
	1 Year Trend	15%
	Average 3 Year Trend	8%
	Historical Trend	6%
Estimated Insurance Renewal 2020		7.0%

Insurance Committee Considerations

- Target Fund Balance 12 Million.
- Current Fund Balance 10.4 Million.
- Added \$100 copay for Emergency Room Visits.
- Contracting with RX Saving Solutions to help with prescription costs.
- Included interest income in renewal calculation.

HISTORICAL RATE RENEWALS

Plan Year	Premium Increase
2000-2012 Average	11.0%
2013*	5.0%
2014	5.0%
2015	6.0%
2016	3.0%
2017 (Board Portion Only)	3.0%
2018	0.0%
2019	6.8%
2020 Estimated	7.0%

* Self-Funded 2013 Forward

COST OF STEP INCREASE NET OF STAFF ATTRITION – ALL FUNDS

<u>Salary Schedule</u>	<u>Step</u>	<u>Fringe</u>	<u>Total Cost of Step Increase</u>	<u>Staff Attrition</u>	<u>Net Cost</u>
District Level Administrative	41,034	7,337	48,371	(83,473)	(35,102)
School Based Administrative	72,787	13,014	85,801	(38,942)	46,860
Professional & Technical	126,854	22,682	149,536	(59,364)	90,172
Education Support Professionals	464,277	83,013	547,290	(46,012)	501,278
Grandfathered Instructional	438,232	78,356	516,588	(638,041)	(121,453)
Performance Pay Instructional	670,574	119,899	790,472	(609,748)	180,724
	<u>1,813,758</u>	<u>324,300</u>	<u>2,138,058</u>	<u>(1,475,579)</u>	<u>662,479</u>

BUDGET HIGHLIGHTS- APPROPRIATIONS

	<u>2019-20 Proposed</u>
Salaries & Benefits	3,786,040
FRS Rate Increase	380,000
Health Insurance Rate Increase	996,965
Property Casualty Insurance	(140,000)
1 Mill Technology	(500,000)
Substitute Payroll	(1,614,750)
Substitute Contracted Services	1,955,000
Utilities	643,839
Charter Schools	672,740
Categorical Allocations	2,587,874
Miscellaneous	(438,070)
Total	<u>8,329,638</u>

2019-20 TENTATIVE GENERAL FUND BUDGET

Description	2018-2019 Approved Budget	2019-2020 Projected Budget	Projected Over (Under) 2018-2019 Approved	% Change
OBJECTS:				
100 Salaries	\$ 143,234,670	\$ 148,361,098	\$ 5,126,428	3.58%
200 Employee Benefits	44,843,282	46,791,444	1,948,162	4.34%
300 Purchased Services	29,967,997	32,905,679	2,937,681	9.80%
400 Energy Service	8,621,022	9,196,346	575,324	6.67%
500 Materials and Supplies	8,030,165	8,511,283	481,118	5.99%
600 Capital Outlay	4,903,956	3,589,064	(1,314,892)	-26.81%
700 Other Expenses	2,569,860	1,145,676	(1,424,184)	-55.42%
Total Appropriations	\$ 242,170,952	\$ 250,500,590	\$ 8,329,638	3.44%