



School Board Workshop – April 17, 2018

Planning for the FY 18-19 Budget

Prepared by Financial Management

Workshop Agenda

- FY 2018-19 Expected Revenue
- FY 2018-19 known cost increases
- FY 2018-19 known cost decreases
- Gap to balance
- Summary of where resources are allocated – General Fund
- Initial Discussion on Capital Fund Budget
- Questions



FY 2018-19 Expected Revenue

Funding	\$ In Millions
Florida Education Finance Program Funding - Total Potential	\$18.8
Estimated Student Growth (600 students)	(4.7)
Net of Student Growth	\$14.1
Restricted – New, Additional, and other Restricted Funding:	
Mental Health Funding (New) (charter schools \$1.0)	\$6.1
Additional Safe Schools Funding (charter schools \$1.4)	8.4
Digital Classroom Allocation (charter schools -\$0.1)	(.8)
Other Restricted Funding (charter schools \$0.2)	1.1
Total Restricted Funds	(14.8)
FY 2018-19 Revenue Deficit *	(\$0.7)



* Includes \$0.8M Compression Allocation funding

FY 2018-19 Known Cost Increases

Cost Category	\$ In Millions
FRS Increase	(\$5.0)
Health Insurance Increase <ul style="list-style-type: none">• \$5M July-Dec 2018• \$12.5M Jan-June 2019	(17.5)
18 New ESE Classrooms	(3.6)
Total	(\$26.1)



FY 2018-19 Budget Gap

Cost Category	\$ In Millions
Revenue Deficit	(\$0.7)
Known Cost Increases	(26.1)
Budget Gap	(\$26.8)



Known Cost Decreases Savings & Non-recurring Costs

Savings/Non-recurring Costs	Projected \$
Professional/Technical Contract Staffing (I&T)	\$0.5
FPL - Surcharge Hurricane Recovery (Matthew)	1.4
Salary Lapse (Increase over existing lapse)	4.0
Settlement Appropriation Reduction	6.0
Total	\$11.9



FY 2018-19 Deficit to Resolve

Cost Category	\$ In Millions
Budget Gap	(\$26.8)
Savings & Non-recurring Costs	11.9
Total	(\$14.9)



Guiding Principles

1. Protect our classrooms/programs
2. Protect our workforce
3. Ensure continued fiscal stability of the district
4. Be strategic about how we fill the budget gaps



Next Steps

1. Complete review of current budget projections
2. Review underlying assumptions from major cost increases for next year
3. Compare budget to actuals for all non school spending
4. Present the Board with a budget balancing plan at the next workshop
5. Explore options for revenue enhancements



General Fund Major Appropriations FY 2017-18

Category	\$ In Millions	%
Salaries	\$1,220.1	55.4%
Benefits	369.0	16.8%
Charter Schools	331.1	15.0%
Maintenance of Schools	57.2	2.6%
Utilities	80.5	3.6%
State Categoricals – Restricted	30.7	1.4%
Property Insurance/Premiums/Other Insurance	21.0	1.0%
Fuel	11.0	0.5%
ESE Contracts/Contracted Speech/OT-PT/DOP Contracts	10.6	0.4%
SRO's	7.7	0.3%
Debt Service	4.0	0.2%
Broward Virtual	1.6	0.1%
Athletic Transportation & Equipment	1.3	0.1%
Other Appropriations	56.4	2.6%
2017-18 Major Appropriations	\$2,202.2	100%



Capital Budget Revenue Update 2018-19

(in thousands)

Revenue & Financing Source	From ADEFP FY18	Changes	Total for DEFP FY19
Local Capital Millage	\$ 296,653	0	\$ 296,653
Local Revenue	14,155	2,000	16,155
Local General Obligation Bond	145,392	0	145,392
State / School Safety HB 7026			
▪ MSD Memorial	0	1,000	1,000
▪ MSD Bldg. 12 Replacement	0	25,263	25,263
State PECO Maintenance	2,200	2,400	4,600
State PECO Charter Schools (flow-thru)	8,319	13,681	22,000
State Capital Outlay & Debt Service (CO&DS - motor vehicle license revenue)	2,293	5,907	8,200
Federal BABs Tax Subsidies	4,367	0	4,367
Total Revenue	\$ 473,379	\$ 50,251	\$ 523,630



Capital Budget Appropriations Update 2018-19

(in thousands)

Appropriations Category	From ADEFP FY18	Changes	Total for DEFP FY19
COPs Debt	\$ 160,078	\$ 0	\$ 160,078
Equipment & Bldg. Leases	14,513	0	14,513
Facilities Capital Salaries	15,200	1,500	16,700
Quality Assurance	170	0	170
Capital Transfer to General Fund (Maintenance)*	64,000	15,903	79,903
SMART Program	178,882	0	178,882
SMART Program Reserve	18,354	0	18,354
Charter Schools – State PECO	8,319	13,681	22,000
Charter Schools – Local Millage	13,863	(13,863)	0
MSD Memorial & Bldg. 12 (HB 7026)	0	26,263	26,263
Total Appropriations	\$ 473,379	\$ 43,484	\$ 516,863
Unallocated (Revenue – Appropriations)			6,767



* Capital Transfer to the General Funds includes maintenance funding and property & casualty insurance premiums

Capital Budget Reserves Update 2018-19

(in thousands)

Description	FY18		FY19	Projected Total at FY19 Budget Adoption (Current Balance + FY19)
	Beginning Balance	Current Balance *		
SMART Program Reserve	\$ 71,700	\$ 67,246	\$ 18,354	\$ 85,600
<u>Other Capital Reserve</u>				
- Unallocated	4,071	10,698	6,767	17,465
- Hurricane Irma Funding	18,000	7,472		7,472
Sub-Total	22,071	18,170	6,767	24,937
Total Capital Budget Reserves	\$ 93,771	\$ 85,416	\$ 25,121	\$ 110,537



* FY 18 Current Balance is through March 31, 2018

** Does not include impacts of additional board items or invoices through June 30, 2018

Questions



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