

AGENDA

SCHOOL BOARD WORKSHOP

GADSDEN COUNTY SCHOOL BOARD
MAX D. WALKER ADMINISTRATION BUILDING
35 MARTIN LUTHER KING, JR. BLVD.
QUINCY, FLORIDA

August 25, 2009

4:00 P.M.

THIS WORKSHOP IS OPEN TO THE PUBLIC

1. CALL TO ORDER
2. FINANCIAL DATA REPORT
3. ITEMS BY THE SUPERINTENDENT
4. SCHOOL BOARD REQUESTS AND CONCERNS
5. ADJOURNMENT

FLORIDA DEPARTMENT OF EDUCATION



Dr. Eric J. Smith
Commissioner of Education

STATE BOARD OF EDUCATION

T. WILLARD FAIR, *Chairman*

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PETER BOULWARE

DR. AKSHAY DESAI

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KATHLEEN SILANAHAN


LINDA K. TAYLOR



August 14, 2009

MEMORANDUM

TO: District School Superintendents

FROM: Dr. Eric J. Smith 

SUBJECT: 2009-10 Budgets

As you move toward adopting your final budgets for the 2009-10 school year, I wanted to provide you with the latest official state forecasts for the primary cost drivers and revenues sources that directly impact PK-12 operations.

K-12 Enrollment:

On a statewide basis, K-12 enrollment has been declining for the past 3 years. The 2009-10 legislative appropriation contemplates a further decline of nearly 10,000 FTE. The latest official state forecast for K-12 enrollment, published on June 11, predicts a further decline in K-12 enrollment for the 2010-11 year of approximately 2,700 FTE.

General Revenue:

The General Revenue Forecast was last updated on August 11. The recent history and updated forecast of net General Revenue receipts is:

	<u>\$Billions</u>
FY 2006-07 Actual	26,404.1
FY 2007-08 Actual	24,112.1
FY 2008-09 Estimated	21,025.6
FY 2009-10 Estimated	20,693.2
FY 2010-11 Estimated	22,097.0
FY 2011-12 Estimated	23,914.8
FY 2012-13 Estimated	25,879.4

This new forecast reflects a reduction in previously estimated 2009-10 General Revenue receipts of \$147.1 million; however, it is anticipated that unbudgeted reserves are sufficient to absorb this decline. Consequently, we have not been advised to expect a holdback in General Revenue releases this year. Nevertheless, this is a situation we all need to closely monitor as actual monthly collections materialize.

Ad Valorem Assessments:

The Ad Valorem Forecast was last updated on July 30. The recent history and updated forecast for July 1 statewide certified school taxable values is:

	<u>\$Billions</u>
2006 Actual.....	1,648,441.7
2007 Actual.....	1,824,905.7
2008 Actual.....	1,818,991.3
2009 Actual (CY Budget).....	1,622,946.1
2010 Forecast.....	1,520,210.2
2011 Forecast.....	1,537,830.8
2012 Forecast.....	1,579,456.2

Note that next year's valuations are predicted to decline by 6.3 percent from the current year valuations.

Educational Enhancement (Lottery)Trust Fund (EETF):

This estimate was updated on July 16. Projected EETF available revenues are:

	<u>\$Millions</u>
FY 2008-09 Actual.....	1,548.3
FY 2009-10 Estimated.....	1,438.7
FY 2010-11 Estimated.....	1,390.1
FY 2011-12 Estimated.....	1,388.5
FY 2012-13 Estimated.....	1,411.4

Based on legislative appropriations, the EETF is projected to end FY 2009-10 with a surplus of \$14.8 million. This surplus is included in the estimate of funds available for FY 2010-11.

State School Trust Fund:

The estimate for the State School Trust Fund was updated on July 17 as follows:

	<u>\$Millions</u>
FY 2008-09 Actual.....	218.2
FY 2009-10 Estimated.....	121.4
FY 2010-11 Estimated.....	140.7
FY 2011-12 Estimated.....	147.9
FY 2012-13 Estimated.....	155.7

Based on legislative appropriations, the State School Trust Fund is projected to have a current year deficit of \$38.1 million.

Public Education Capital Outlay (PECO):

The PECO forecast was last updated on July 20 as reflected below:

	<u>\$Millions</u>
FY 2008-09 Actual.....	1,216.1
FY 2009-10 Estimated.....	359.3
FY 2010-11 Estimated.....	161.9
FY 2011-12 Estimated.....	464.3
FY 2012-13 Estimated.....	793.4

The FY 2009-10 estimate is the lowest on record going back to FY 1992-93, and the FY 2010-11 forecast is only 45 percent of the FY 2009-10 amount.

The above estimates need to be considered within the context of at least two additional facts to better understand the implications for public school budgets:

- While statewide public school enrollment is declining, community colleges are experiencing significant enrollment increases. In addition, other major workload forecasts that create additional demands on state general revenues are increasing:

Projected Increase in Caseload – 2010-11 over 2009-10

State Prison Population	3.0%
Voluntary Pre-Kindergarten (VPK) FTE.....	3.5%
Medicaid (Change from 09-10 Appropriated C/L).....	8.7%

- Non-recurring federal stimulus funding is being used to support current funding levels for education and Medicaid. While the level of federal stimulus funds supporting the current year education budget is expected to be available again in FY 2010-11, the stimulus funding associated with the increased federal matching rate for Medicaid is scheduled to expire in December 2010.

Based on this updated information, I wanted to reinforce my earlier recommendation for you to urge your boards to be fiscally prudent, maintain responsible levels of fund reserves for contingencies, and minimize decisions that will result in increases in recurring costs in this budget adoption cycle.

EJS/lc

Results of Survey of Small School Districts

Proposed Levels of Additional Local Millage

Capital Outlay Millage and the Additional "Super-Majority" Discretionary Millage

- The maximum rate for the Local Board Capital Outlay Millage is 1.5 mills.
- The maximum rate for the new Additional Local Board "Super-Majority" Discretionary Millage Rate is .25 mills.

Responses for Supermajority Discretionary Millage

- 32 of 41(78%) of the districts responding are proposing to levy the .25 Super Majority Discretionary Millage.

Responses for Capital Outlay Millage

- 28 of 41 (68.3%) of the districts are proposing to levy the full 1.5 Capital Outlay millage.
- 7 of 41 (17%) of the districts are proposing a Capital Outlay millage rate above 1mill but below 1.5 mills.
- 4 of 41 (9.8%) of the districts surveyed are proposing a Capital Outlay Millage rate below 1 mill.
- 2 of 41 (4.9%) of the districts surveyed are not proposing to levy any Capital Outlay millage.

<i>Name of District</i>	<i>Proposed Capital Outlay Millage Rate</i>	<i>Additional "Super-Majority" Discretionary Millage</i>
Baker	1.5	.25
Bradford	1.25	.25
Calhoun	1.05	.25
Charlotte	1.5	.25
Citrus	1.5	.25
Columbia	1.5	.25
DeSoto	1.5	.25
Dixie	1.5	.25
Flagler	1.5	.25
Franklin	1.0	.25
Gadsden	1.5	.25
Gilchrist	1.5	.25
Glades	.5	0
Gulf	.3	0
Hamilton	1.5	.25
Hardee	1.5	.25
Hendry	.75	0
Hernando	1.5	0
Highlands	1.447	.25
Holmes	0	.25
Indian River	1.5	0
Jackson	0	.25
Jefferson	1.5	.25
Lafayette	1.5	.25
Levy	1.5	.25
Liberty	1.5	.25
Madison	1.5	.25
Martin	1.5	0
Monroe	.5	0
Nassau	1.412	.25
Okeechobee	1.5	.25
Putnam	1.5	.25
Santa Rosa *	1.4	0
St. Lucie *	1.5	.25
Sumter	1.5	0
Suwannee	1.5	.25
Taylor	1.5	.25
Union	1.5	.25
Wakulla	1.5	.25
Walton	1.223	0
Washington	1.5	.25

Note – not a small district but responded to survey.

Survey Conducted by Chris Doolin
on behalf of the Small School District Council Consortium

Gadsden County School District Contracted Services							
Object			Purchase				
Fund	#	Vendor	Description	Amount	Date	Order #	Department
110	310	Robert D. Sullivan	Data Analysis Services for FCAT Scores	\$5,000.00	7/1/2009	176599	Assessment
420	390	Kecia Hills	Formulation/Preparation of Assessments	\$1,325.00	7/27/2009	176634	Head Start
110	390	Antonio Reese	Driving Parent Resources Mobile Unit	\$1,300.00	7/27/2009	176677	Parent Involve.
420	390	Evan Bridges	Preparation for 2009-2010 school term	\$160.00	7/27/2009	176675	Head Start
420	390	Brickler Gammon	Preparation for 2009-2010 school term	\$160.00	7/27/2009	176676	Head Start
420	310	Debra Harrett-Hayes	Presenter for Art Education Inservices	\$312.00	8/14/2009	176762	Staff Develop.
420	390	Dontavius Jackson	Preparation for 2009-2010 school term	\$160.00	8/14/2009	176763	Head Start

**GADSDEN COUNTY SCHOOL DISTRICT
STATEMENT OF NET ASSETS**

	<u>June 30, 2003</u>	<u>June 30, 2004</u>	<u>June 30, 2005</u>	<u>June 30, 2006</u>	<u>June 30, 2007</u>	<u>June 30, 2008</u>
Total Assets are comprised of the following elements:						
Current Assets	12,575,560.53	4,340,139.57	15,758,189.06	20,010,895.18	7,658,109.73	8,700,199.94
Capital Assets, Net	<u>55,648,764.88</u>	<u>58,594,189.79</u>	<u>57,261,373.66</u>	<u>57,738,057.08</u>	<u>73,895,546.00</u>	<u>74,182,617.56</u>
Total Assets	68,224,325.41	62,934,329.36	73,019,562.72	77,748,952.26	81,553,655.73	82,882,817.50
Total Liabilities are comprised of the following elements:						
Current Liabilities	6,350,953.12	2,264,251.23	11,372,413.52	13,622,677.93	5,364,249.89	5,156,310.28
NonCurrent Liabilities	<u>8,530,704.26</u>	<u>6,295,981.68</u>	<u>7,597,486.54</u>	<u>7,586,176.85</u>	<u>5,369,018.36</u>	<u>4,960,547.26</u>
Total Liabilities	14,881,657.38	8,560,232.91	18,969,900.06	21,208,854.78	10,733,268.25	10,116,857.54
Total Net Assets are comprised of the following elements:						
Invested in Capital Assets, Net of Related Debt	52,968,764.88	56,034,189.79	54,831,373.66	55,523,057.08	71,820,545.56	72,257,617.56
Restricted Assets	2,581,539.26	814,140.86	552,027.90	3,875,092.39	860,721.84	1,929,003.46
Unrestricted Assets	<u>-2,207,636.11</u>	<u>-2,474,234.20</u>	<u>-1,333,738.90</u>	<u>-2,858,051.99</u>	<u>-1,860,880.36</u>	<u>-1,420,661.06</u>
Total Net Assets	53,342,668.03	54,374,096.45	54,049,662.66	56,540,097.48	70,820,387.04	72,765,959.96