



Budget Priorities Workshop - General Fund

February 14, 2017

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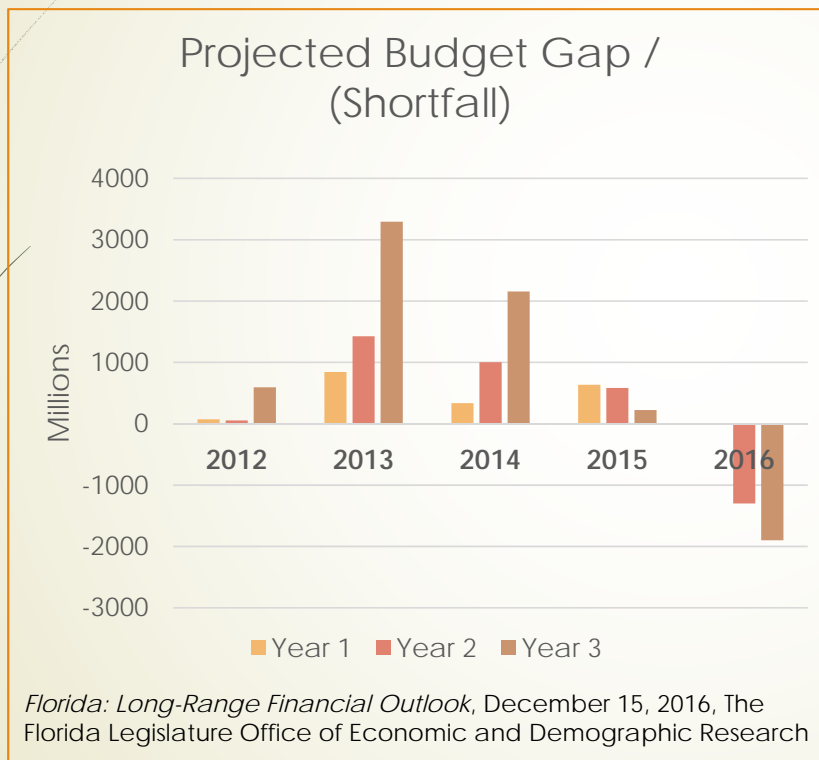
Chief Financial Officer



Agenda

- ▶ State Revenue Projections / Budgetary Legislative Update
- ▶ Long-range General Fund Projections
- ▶ Changes to Budget Process
- ▶ Review Budgetary Needs
 - ▶ Prior year Reductions
 - ▶ Prior Year Revenue Enhancements
 - ▶ New Requests
- ▶ Next Steps
- ▶ Board Discussion – Prioritizing Budgetary Needs

State Revenue Projections



- ▶ Growth in revenue collections
 - ▶ Recovery of construction industry
- ▶ State reserves remain strong
- ▶ Expenditures
 - ▶ Critical needs
 - ▶ Medicaid Needs
 - ▶ 69.9% 2018-19
 - ▶ 66.1% - 2019-20
 - ▶ Other High Priority Needs

Budgetary Legislative Action

As of February 3, 2017

- ▶ House of Representatives PreK-12 Appropriations Subcommittee

- ▶ Hypothetical Budget Exercise

- ▶ Target A Reduction (millions)

Recurring	Non-Rec	Total
(\$164.80)	(\$68.00)	(\$232.80)

- ▶ Target B Reduction (millions)

Recurring	Non-Rec	Total
(\$417.00)	(\$68.00)	(\$485.00)

Will update slide before workshop for subcommittee's Feb 9th meeting.



Budgetary Legislative Action

As of February 3, 2017

- ▶ Senate Appropriations Subcommittee on PreK-12 Educations
 - ▶ Allow Districts to retain increase in taxable property values

- ▶ Governor's Budget
 - ▶ 4.04% increase in total funding (state & Local)
 - ▶ Driven by increase in taxable property values
 - ▶ Decreases in
 - ▶ Declining enrollment supplement
 - ▶ Virtual education contribution
 - ▶ \$20.055 million increase to BPS



Long-Range General Fund Projections

- ▶ Three-year Projections – 2017-18, 2018-19 & 2019-20
 - ▶ Four Options
- ▶ Expenditure assumptions
 - ▶ Salary Increases – 3%
 - ▶ Benefit increases – 1%
 - ▶ Other Expenses – 2.4%



Long-Range General Fund Projections

- ▶ Revenue assumptions
 - ▶ Option 1 – All revenues remain flat
 - ▶ Option 2 – All revenues remain flat except projected taxable property value growth
 - ▶ Option 3 – State revenues remain flat with reductions in the next 2 years, projected property value growth and ad valorem rates do not change
 - ▶ Option 4 – State revenues remain flat with reductions in the next 2 years, projected property value growth and ad valorem rates are rolled back

Long-Range General Fund Projections

Net change, revenue net of expenditures (millions)

➤ Option 1

Bgt 2017	Bgt 2018	Bgt 2019	Bgt 2020
\$931	(\$12,796)	(\$26,900)	(\$41,393)

➤ Option 2

Bgt 2017	Bgt 2018	Bgt 2019	Bgt 2020
\$931	(\$560)	(\$3,335)	(\$6,630)

➤ Option 3


Bgt 2017	Bgt 2018	Bgt 2019	Bgt 2020
\$931	(\$560)	(\$17,169)	(\$40,671)

➤ Option 4

Bgt 2017	Bgt 2018	Bgt 2019	Bgt 2020
\$931	(\$11,572)	(\$38,440)	(\$72,134)



Changes to Budget Process

- ▶ Department Budget Matrices
 - ▶ Calculation of New & Lapse Recurring Funding
 - ▶ Calculation of Cost of Salary Increase
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Department Budget Matrix



SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Department Operating Budget



Assistant Superintendent:
Department:
Cost Center:

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Fiscal Year: 2017-18

FUND	COST CENTER	Project	Function	Object	Pgm. Cat.	2017-18 Proposed Budget	2016-17 Adopted Budget	YTD Expenditures as of		2015-16 Total Expenditures	2014-15 Total Expenditures	2013-14 Total Expenditures	2012-13 Total Expenditures	
								12/31/2017	Expenditures					
100	9300	Financial Services 001002	Non-Staffing Plan Exp	7200	332	Travel - Out County	000	2,500.00	200.00	0.00	424.00	0.00	162.00	
100	9300	Financial Services 001002	Non-Staffing Plan Exp	7200	333	Travel - Out Of State	000	750.00	0.00	0.00	701.92	44.54	752.27	
100	9300	Financial Services 001002	Non-Staffing Plan Exp	7200	391	Printing, Binding, & Reprod	000	100.00	0.00	122.80	104.05	93.30	17.50	
100	9300	Financial Services 001002	Non-Staffing Plan Exp	7200	511	Supplies	000	1,750.00	526.97	1,234.80	926.53	677.29	970.64	
100	9300	Financial Services 001002	Non-Staffing Plan Exp	7200	642	Furn, Fix & Equip Under \$1,000	000	500.00	2,493.50	1,380.01	0.00	0.00	545.00	
100	9300	Financial Services 001002	Non-Staffing Plan Exp	7200	644	Computer Hardware Over \$1,000	000	750.00	0.00	319.52	100.00	0.00	87.75	
100	9300	Financial Services 001002	Non-Staffing Plan Exp	7200	692	Computer Software Under \$1,000	000	250.00	0.00	0.00	0.00	0.00	0.00	
100	9300	Financial Services 001002	Non-Staffing Plan Exp	7200	737	Dues & Fees	000	1,200.00	0.00	1,543.00	1,857.44	915.00	1,126.00	
100	9300	Financial Services 001002	Non-Staffing Plan Exp	7731	332	Travel - Out County	000	1,500.00	253.38	1,925.81	2,267.27	684.08	1,709.50	
100	9300	Financial Services 001002	Non-Staffing Plan Exp	7731	333	Travel - Out Of State	000	500.00	0.00	0.00	97.93	98.74	0.00	
100	9300	Financial Services 001002	Non-Staffing Plan Exp	7731	737	Dues & Fees	000			0.00	569.00	200.00	350.00	
100	9300	Financial Services 001002	Non-Staffing Plan Exp	7900	376	Pda Data	000	100.00	16.00	88.98	115.42	135.09	70.00	
100	9300	Financial Services 001002	Non-Staffing Plan Exp	7900	377	Pda Voice/Cell	000	700.00	246.25	396.02	511.61	554.84	522.43	
		001002 Total						0.00	10,600.00	3,736.10	7,010.94	7,675.17	3,402.88	6,313.09
100	9300	Financial Services 001147	Copy Machines	7200	391	Printing, Binding, & Reprod	000	2,100.00	82.27	384.27	595.42	2,478.86	2,288.08	
		001147 Total						0.00	2,100.00	82.27	384.27	595.42	2,478.86	2,288.08
100	9300	Financial Services 001183	Impact Aid	7200	333	Travel - Out Of State	000			0.00	468.55	0.00	0.00	
100	9300	Financial Services 001183	Impact Aid	7200	737	Dues & Fees	000	1,800.00	850.00	994.00	1,093.00	0.00	2,756.00	
100	9300	Financial Services 001183	Impact Aid	7500	210	Retirement	000	90.00	0.00	0.00	0.00	0.00	0.00	
100	9300	Financial Services 001183	Impact Aid	7500	220	Fica (Social Security)	000	92.00	0.00	0.00	0.00	0.00	0.00	
100	9300	Financial Services 001183	Impact Aid	7731	333	Travel - Out Of State	000	2,300.00	0.00	520.10	4,281.42	2,481.80	2,164.10	
100	9300	Financial Services 001183	Impact Aid	7731	737	Dues & Fees	000	1,000.00	0.00	500.00	0.00	500.00	500.00	
		001183 Total						0.00	5,282.00	850.00	2,014.10	5,842.97	2,981.80	5,420.10
		Grand Total						\$0.00	\$17,982.00	\$4,668.37	\$9,409.31	\$14,113.56	\$8,863.54	\$14,021.27

Calculation of New & Lapse Recurring Funding – Example Only

	Conference Report 2016-2017	Fourth Calculation 2015-2016	YOY Change in Funding	%
Revenues				
Base Funding	\$327,787,270	\$327,294,632	\$492,638	0.15%
0.748 Discretionary Local Effort	25,327,940	23,829,415	1,498,525	6.29%
0.748 Mills Compression	7,501,864	7,081,383	420,481	5.94%
Safe Schools	1,606,031	1,606,439	(408)	-0.03%
ESE Guaranteed Allocation	29,782,995	27,020,967	2,762,028	10.22%
Supplemental Academic Instructions	19,687,062	19,020,386	666,676	3.51%
Reading Allocation	3,260,352	3,282,644	(22,292)	-0.68%
DJJ Supplemental Allocation	220,363	205,375	14,988	7.30%
Instructional Materials	6,177,077	6,030,453	146,624	2.43%
Transportation	10,625,525	10,601,913	23,612	0.22%
Teachers Classroom Supply Assistance	1,180,342	1,195,994	(15,652)	-1.31%
Virtual Education Contribution	47,276	38,627	8,649	22.39%
Digital Classrooms Allocation	1,633,773	1,339,024	294,749	22.01%
Federally Connected Supplement	2,510,475	2,594,616	(84,141)	-3.24%
Proration	0	(919,025)	919,025	-100.00%
Prior Year Adjustment		526,800	(526,800)	-100.00%
Gross FEFP Funding	437,348,345	430,749,643	6,598,702	1.53%
Lottery & School Recognition	4,129,478	4,099,770	29,708	0.72%
Class Size Reductions Allocation	80,406,970	79,755,036	651,934	0.82%
Total FEFP/Categorical Funding	\$521,884,793	\$514,604,449	7,280,344	1.41%

Calculation of New & Lapse Recurring Funding – Example Only

Total FEFP/Categorical Funding	<u>\$521,884,793</u>	<u>\$514,604,449</u>	7,280,344	1.41%
Recurring Budgetary Savings				
Winter Break Closure				
Departmental Budgets				
Lapse Salaries - Terms & Retirees				
Total Recurring Budgetary Savings			<u>0</u>	
Available Recurring Funding			7,280,344	
Mandated Usage				
Less: Committed Categoricals			448,125	
Less: Increase in FRS Contribution			920,000	
Less: Charter Schools Share of Additional Funding			2,596,927	
Total Mandated Usage			<u>3,965,052</u>	
Available Recurring After Mandates			3,315,292	
District Needs				
Less: Increased staffing due to growth	17.3 Teaching FTE	\$56k Salary & Fringe	971,699	
Total District Needs			<u>971,699</u>	
Net Available Recurring Funding			<u>\$2,343,593</u>	


Calculation of the Cost of Salary Increase

**Brevard Public Schools
Fiscal Year 2017 - 2018 Budget
Cost Calculation of Salary Increase**

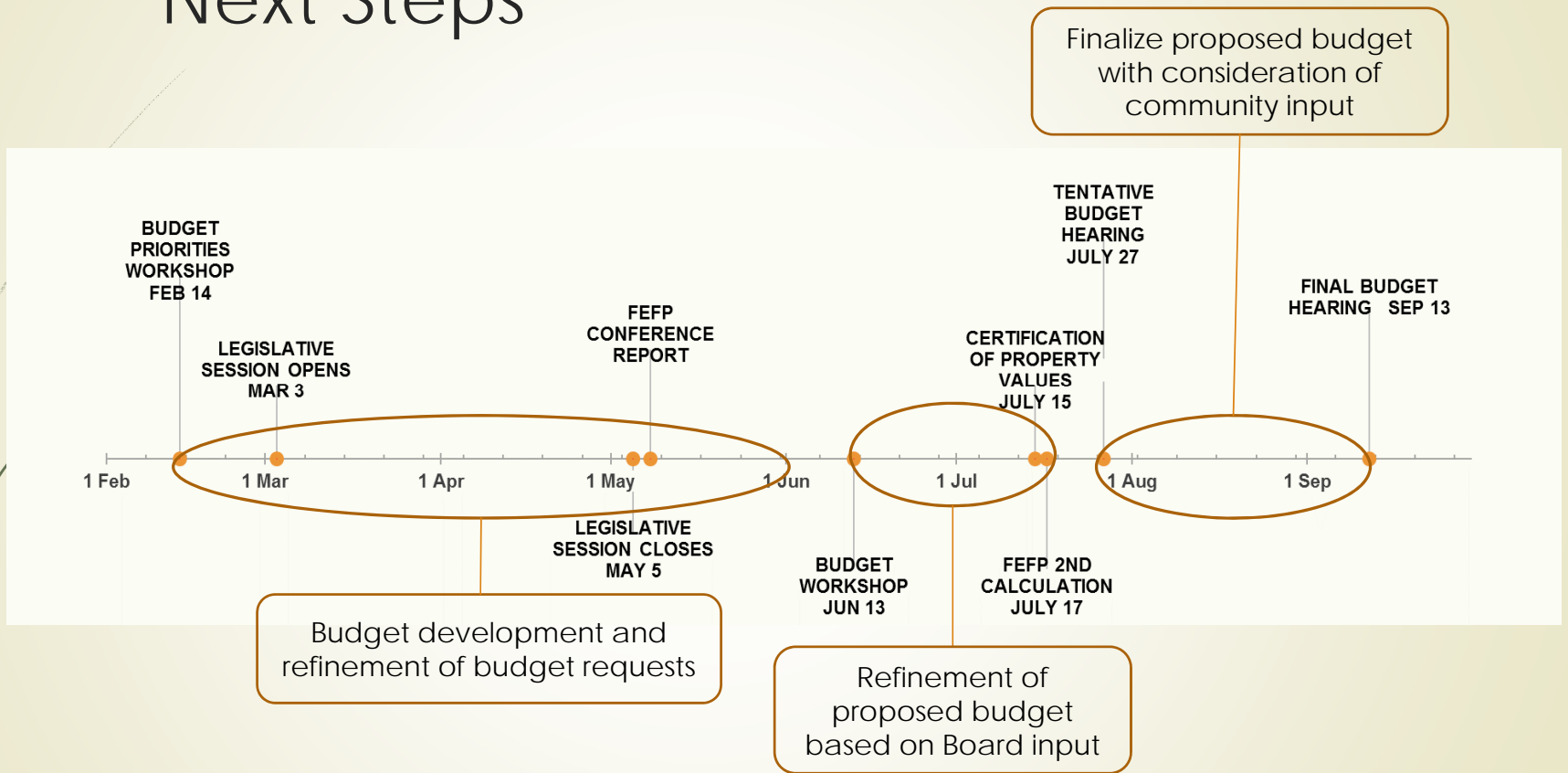
<u>Salaries/Wages</u>					
Current Total Annual Payroll	\$353,318,340				
Less: Expected/Known Retirements	8,422,380				
Rolling Employee Salaries	344,895,960				
Current Budgeted Vacancies	11,185,668				
Plus: Expected/Known Retirements	6,501,835				
Plus: Allocation for Growth	154,341				
Total Hiring Salaries for Vacancies	17,841,844				
Total Anticipated Salaries	\$362,737,804				
	<u>Salaries/Wages</u>	<u>Fringe Benefits</u>	<u>Total Cost</u>	<u>Proposed</u>	<u>Total Cost</u>
	<u>Cost of 1%</u>	<u>(FRS, FICA, Life, WC)</u>	<u>Of 1%</u>	<u>% Increase</u>	<u>of Proposal</u>
Cost of 1% for Rolling Employee Salaries	\$3,448,960	\$818,438	\$4,267,398	1.00	\$4,267,398
Cost of 1% for Entry-Level Salaries	\$178,418	\$42,339	\$220,757	1.00	\$220,757
Cost of 1% for Total Salaries	\$3,627,378	\$860,777	\$4,488,155	1.00	\$4,488,155



Budgetary Needs for 2017/2018

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- ▶ Prior year reductions – 2008/09 – 2013/14
 - ▶ Prior year revenue enhancements – 2008/09 – 2013/14
 - ▶ 2017/2018 budget requests – recurring / non-recurring
 - ▶ Review – Superintendent's recommendations
 - ▶ Additional requests
 - ▶ Provide Board opportunity to prioritize budget requests

Next Steps



Board Questions and Discussion

