



# **Martin County School Board**

**Budget Workshop**

**May 18, 2010**



The priority of the Martin County School District is to maintain the current standard of excellence in education.



# **FY 2010 BUDGET MEETINGS and INFORMATION PREVIOUSLY PROVIDED TO THE MCSB**

February 16	General Fund Budget Workshop
March 16	Capital Workshop
March 23	Board Request Capital Buy-Back Detail
March 31	Executive Board Session General Fund
April 20	Food Service Workshop
April 27	Board Attorney Request—Revenue Comparison
May 4	General Fund Workshop
May 11	General Fund Workshop
May 14	Response To Board Memo on General Fund
May 18	General Fund Workshop

Regular Board Meetings, Monthly Financial Reports, Budget Amendments, Salary Schedule Books, Program Efficiencies and Alternatives for Cost Savings, Class Size Reduction Mandate Analysis, DOE Staff Comparison, 2009-10 DOE Student Staff/Ratios , and Organizational Charts

# *Martin County Standard of Excellence*



**The Superintendent's Budget plan will enable the district to:**

- Sustain High Student Achievement**
- Preserve Programs and Personnel**
- Maintain Fiscal Responsibility**

*Martin County Standard of Excellence*



**Martin County consistently ranks as one of  
the highest performing districts in the  
State of Florida.**

*Martin County Standard of Excellence*



**Last week, the Martin County School  
District Finance Department was  
recognized for receiving the  
highest award in  
*Government Financial Reporting!***



The Government Finance Officers Association  
of the United States and Canada

*presents this*

## AWARD OF FINANCIAL REPORTING ACHIEVEMENT

*to*

**Finance Department**  
District School Board of Martin County, Florida



*The award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the individual(s) designated as instrumental in their government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.*

Executive Director

Date May 4, 2010

# *Martin County Standard of Excellence*



**These proposed budget recommendations strive to preserve our standards of excellence in the face of a declining economic environment and increased statutory responsibilities.**

# *Martin County Standard of Excellence*



## **Finance Department Recommendation**

**The Finance Department is recommending the funding reduction plan of \$3.1 million dollars in coordination with the .25 levy to sustain the**

*Martin County Standard of Excellence.*

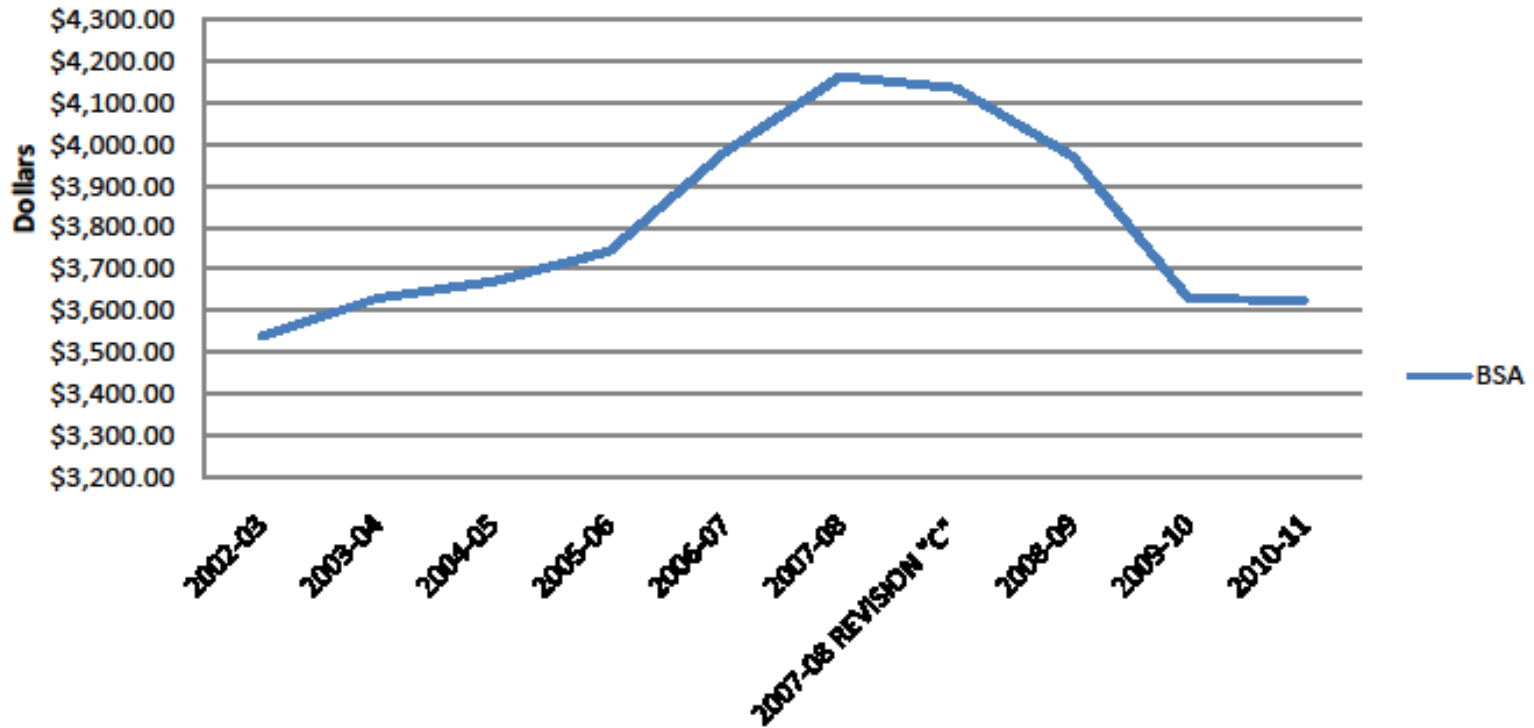
# Decline in Funding

State of Florida has reduced the  
funding for the  
Base Student Allocation (BSA)  
for the past three years.

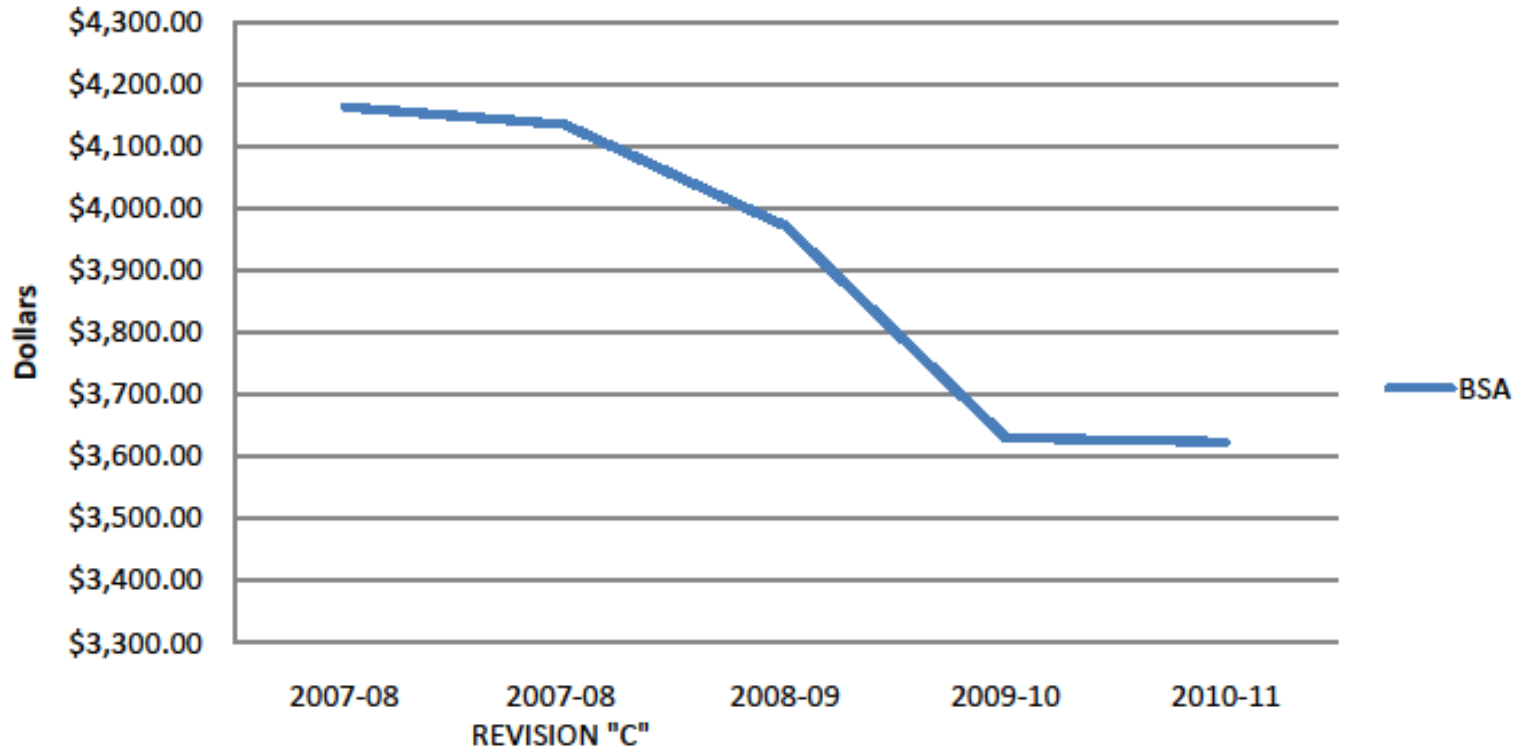
Approx. *\$500.00 per student, per year*



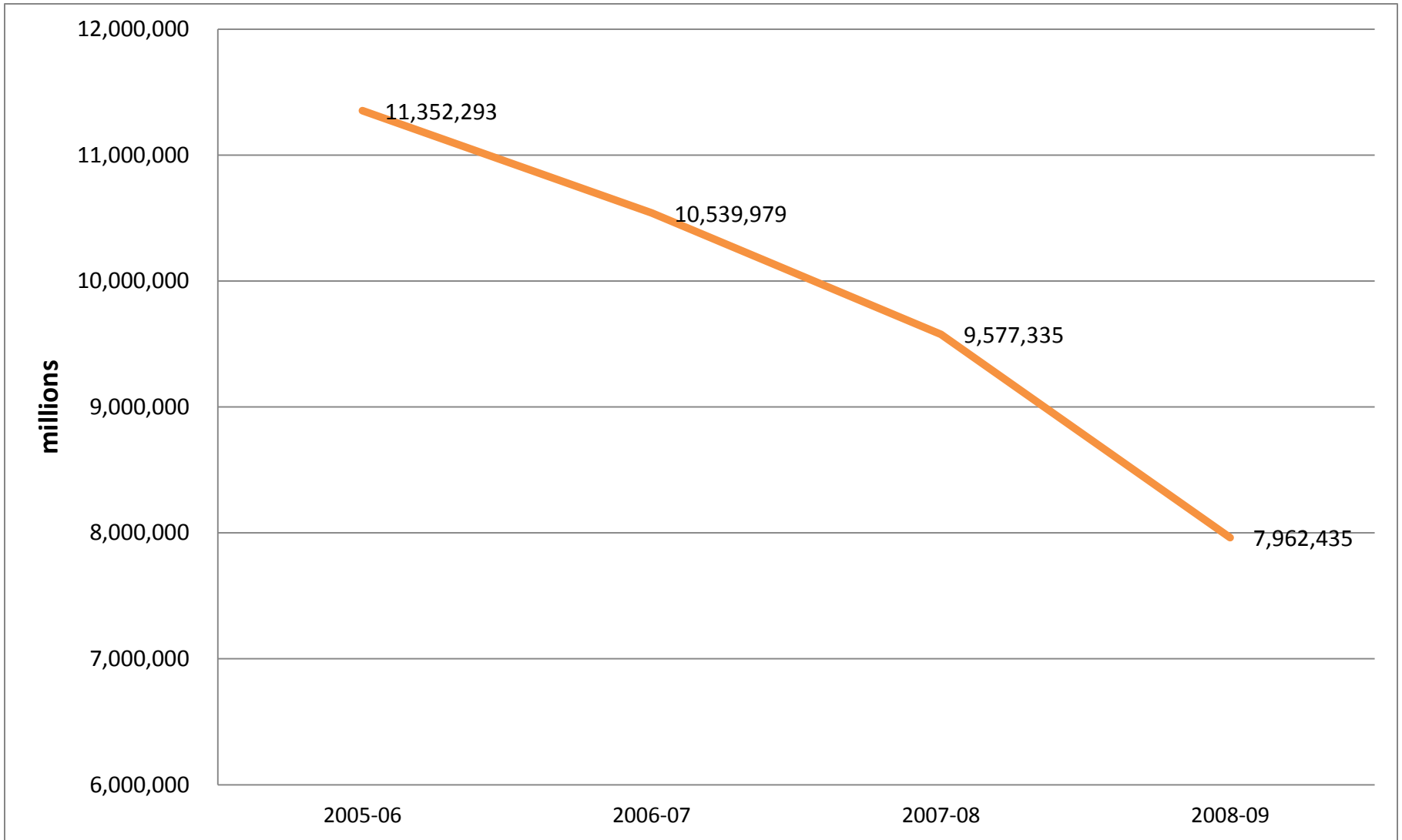
## Base Student Allocation History



## Base Student Allocation History



# General Fund Balance



# *Martin County Standard of Excellence*



**The District's goal  
is to always maintain a 5 %  
unreserved fund balance in compliance with  
School Board Policy.**

# Funding Gap

## Fiscal Year 2010 - 2011

**\$7.7 Million**



# Total Budget Impact

**Non-Negotiables** **\$5.6 million**

**Class Size Reduction** **\$2.1 million**

**Total Budget Impact** **\$7.7 million**



# Non Negotiable

Decrease in General Fund Revenue	<b>\$ 2,381,082</b>
Class Size Reduction (Reserve)	<b>\$ 780,000</b>
1.1% Increase in FRS Contribution	<b>\$ 1,200,000</b>
Establish an FTE Reserve	<b>\$ 500,000</b>
McKay Scholarship Project	<b>\$ 500,000</b>
Increase in Health Insurance Costs	<b><u>\$ 271,000</u></b>
	<b>\$ 5,632,082</b>



# Non Negotiable

## Funding Decrease Analysis:

- Decrease in District School Tax related to decrease in Property Values( estimated 7% ) **\$ 1,582,292**
- Decrease in Local Misc Funding (Program Fees, Interest, etc.) **\$ 1,007,042**
- Net Increase from FEFP, State & Federal **\$ 208,252**
- Total Decrease in Funding **\$ 2,381,082**



# How do we maintain *Martin County's Standard of Excellence ?*

In January, district staff began the evaluation of revenues and expenditures, staff allocations, core and statutory requirements, salary schedules, organizational charts and other program and business operation processes.

Based on this information, district staff is recommending the  
***Superintendent's Budget Plan.***





# The Plan

Through experience, knowledge, fiscal responsibility, and leadership, district staff is making a two part recommendation :

- I. **An efficiency plan to reduce \$3.1 million in operating costs that does not substantially impact programs and personnel.**
  
- II. A .25 levy that will provide funding to offset mandatory cost increases, statutory requirements, and a reduction in revenue.

# *Superintendent's Budget Reduction Plan*

**The following recommendations  
offset the **\$7.7** million gap  
while maintaining  
The Martin County Standard of Excellence**



# Superintendent's Budget Reduction Plan

## Recommendation I

### Superintendent's Budget Reduction Plan (DRAFT)

Date:5/14/2010 @4:35pm

#	Proposed Budget Reductions	Impact	Plan	Amount
1	Eliminate all non-essential professional travel from operating budget	Reduce 25%	Limit out of state travel and reduce number of personnel traveling to same destination	\$ 55,296.00
2	Eliminate 8 of 27 Mainstream Consultant positions	8 Migrate to open teacher positions	Realign responsibilities- some consultants will be able to serve more than one school based on the number of students with disabilities at each site	\$ 456,834.00
3	Eliminate 2 of 6 Psychologists	2 Reclassify	Reclassify to IDEA fund source	\$ 192,692.00
4	Reduce 4 Psychologists to 227 day contracts	Work calendar change	Realign responsibilities and schedules - Based on current year data, there has been a decline in referrals	\$ 30,225.00
5	Eliminate 5 Custodian positions	5 Attrition	Realign responsibilities and schedules at locations with vacant positions	\$ 156,549.00
6	Eliminate 2 Paraprofessional positions	2 Reclassify	Reclassify to IDEA fund source	\$ 49,714.00
7	Eliminate 1 Media Assistant at Spectrum	1 Reassignment	Shift in instructional approach (computer based instruction)	\$ 36,283.00
8	Eliminate 1 of 7 Program Specialists	1 Reclassify	Reclassify additional 60% to IDEA fund source	\$ 34,262.00



# Priorities

## *Martin County Standard of Excellence*

**The Superintendent's Budget plan will enable the district to:**

- **Sustain High Student Achievement**
- **Preserve Programs and Personnel**
- **Maintain Fiscal Responsibility**



# The Plan

Through experience, knowledge, fiscal responsibility, and leadership, district staff is making a two part recommendation :

- I. An efficiency plan to reduce \$3.1 million in operating costs that does not substantially impact programs and personnel.
  
- II. **A .25 levy that will provide funding to offset mandatory cost increases, statutory requirements, and a reduction in revenue.**

# .25 Mills - Explanation

A .25 Millage means that homeowners pay 25 cents for each \$1,000 of assessed property value.

\$50.00 per average household for Fiscal Year 2010-2011.  
This equates to approximately \$4.17 per month, if you escrow.



=

\$50 Per Year



This .25 Mills is a ONE time levy for 2010-2011 to preserve the *Martin County Standard of Excellence*.



# Class Size Reduction Requirements

## 2010-2011

### Recommendation II

- 36 additional teachers are needed to meet the Class Size Reduction (CSR) requirements, by ***October 2010***.
- A minimum reserve allocation for 13 teachers ensures against strict financial penalties.

Cost of 36 teachers	\$ 2.10 million
Cost of 13 teacher (reserve allocation)	\$ <u>.78 million</u>
<b>Possible Net Impact of CSR Teachers</b>	<b>\$ 2.88 million</b>





# Recommendation

This two part plan demonstrates the staff's best efforts to identify a solution that is fiscally responsible without a significant programmatic impact.

We seek the School Board's approval in order to continue to ensure appropriate staffing, and complete the budget process, with the purpose of remaining in compliance with the TRIM timetable.





# Fiscal Long and Short Term Planning Due to Expected Reduction in Revenues

- Reduced Property Tax Assessment Values  
2010-2011
- ARRA Stimulus  
Title Programs  
IDEA  
2011-2012
- ARRA Stabilization  
Florida Education Finance Program (FEFP)  
2011-2012

*Martin County Standard of Excellence*



**This recommendation will maintain  
the**

*Martin County Standard of Excellence*

**for the 2010-2011 school year**



The priority of the Martin County School District is to maintain the current standard of excellence in education.

