

# Orange County Public Schools



General Fund  
Budget Work Session

**WINNER**

the broad prize  
for urban education



**June 2, 2016**



**Budget**  
Orange County Public Schools

## Agenda

- Operating Budget
  - Estimated revenue
  - Appropriations
  - Future issues
- Next steps

# Operating Budget

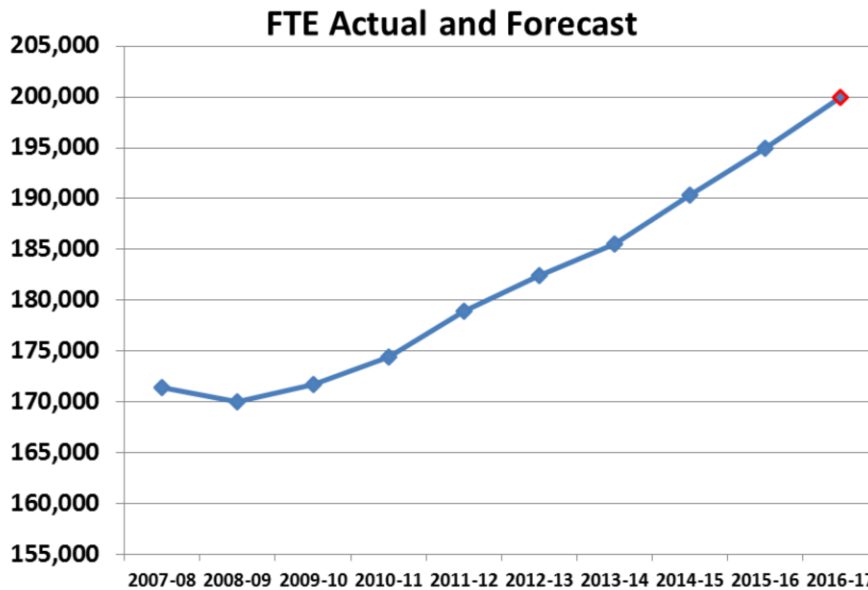


General Fund



# Estimated Revenue

## Orange County Public Schools

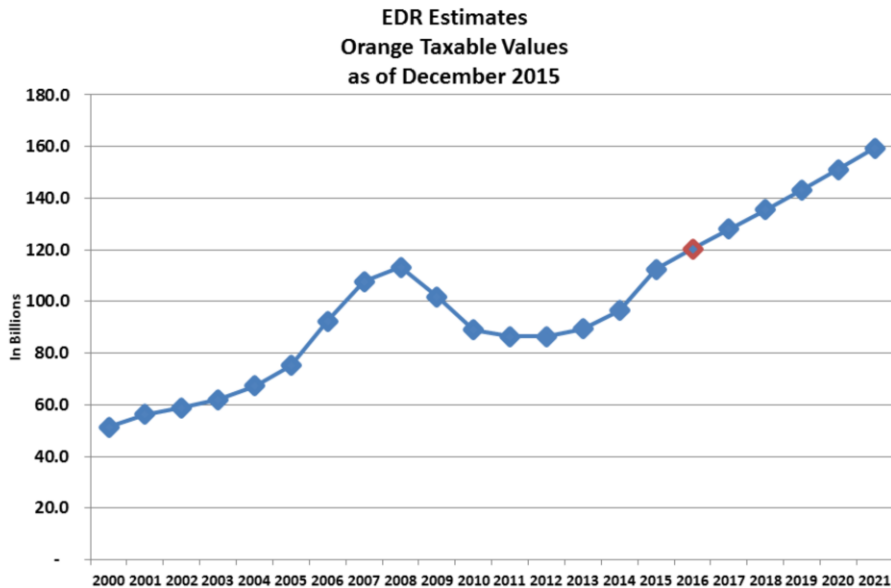


5

Here is the actual FTE for past years along with the projection for next year. Our current projection for FY17 is 199,986 FTE—an increase of 4,996 over the 4<sup>th</sup> Calculation of 194,991. This forecast includes all K-12 students including charter school students; however, it does not include VPK students.

Our overall Funding increase from the State FEFP in total dollars amounts to \$49.8m, but most of that increase will be used to pay for the growth in students (\$35m).

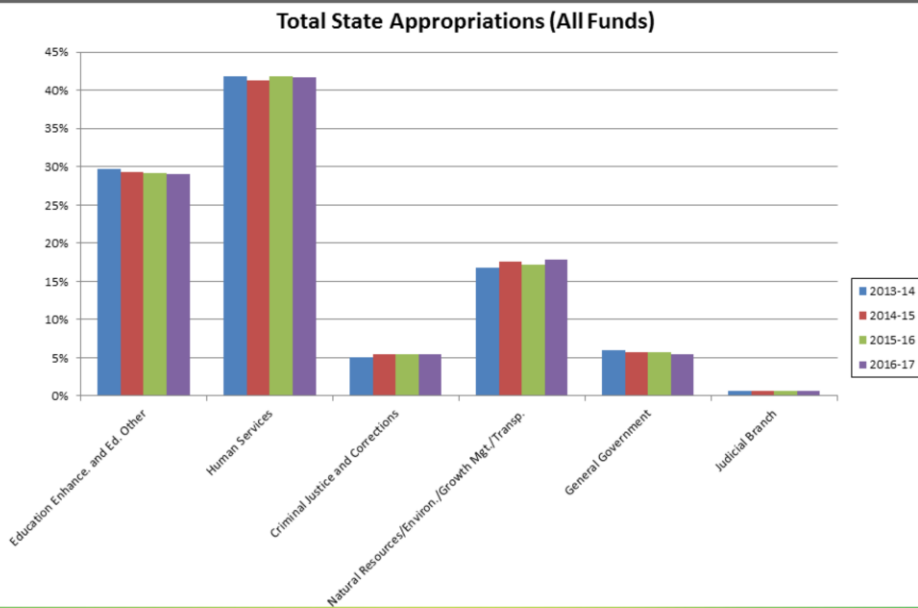
## Orange County Public Schools



6

Here is our estimated property tax values used to help fund the upcoming school year. Last year we had a 16.5% increase in taxable values. This year our taxable values are projected to increase by 7.2%. The large increase last year was primarily attributable to the new methodologies used by the Property Appraiser for valuing hotels. We are still waiting on the final outcome of any appeals via the Circuit Court. To date, the VAB adjustments we have seen amount to less than a 1/10<sup>th</sup> of a percent reduction. We should get our certified taxable value number by July 1st. The current projection as you can see is fairly steady growth of 6.3% to 5.5% over the next 4 years. We just received an early estimate for taxable property values and the estimate shows an increase of 6.9% over last year, just under the estimate used by the State in the budget process.

## Orange County Public Schools

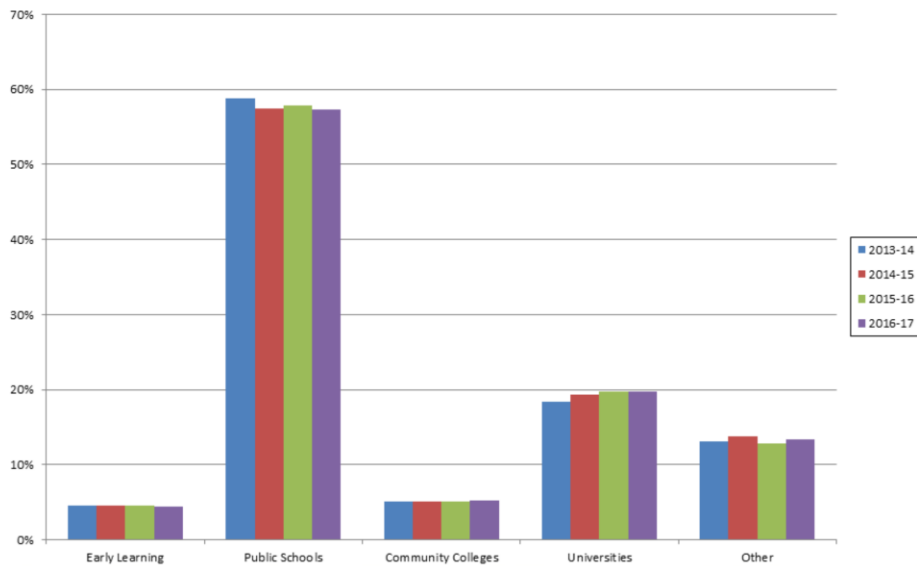


7

This graph represents the Total State Appropriations as a percentage of the total over the last 4 years. As you can see in the first grouping, Education, as a whole, has had small decreases in funding over the last 4 years as compared with the other areas of the State. The largest percentage increase has been in the area of the state budget that includes Natural Resources/Environment/Growth Mgmt./Transportation.

## Orange County Public Schools

Education Appropriations (All Funds)



8

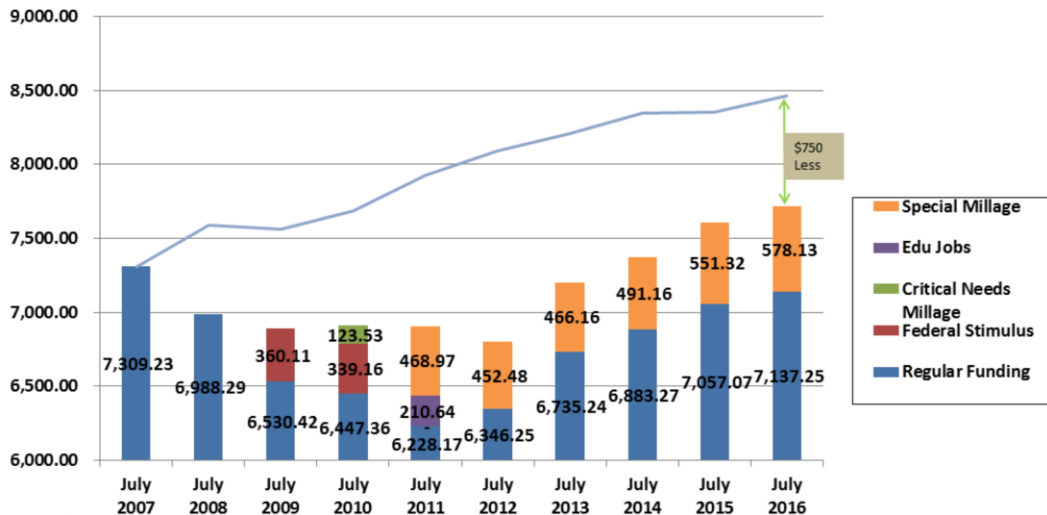
This graph represents just the Education Appropriations as a percentage of the total over the last 4 years. As you can see in the second grouping, Public Schools had a small decrease over the last year as did Early Learning. The Community Colleges had a slight gain this past year and the Universities have had gains over the last 4 years.

(Other category includes various appropriations such as: Bright Futures, State Bd. Of Ed., Vocational Rehab., Private Universities, Financial Aid,...)



# Orange County Public Schools

Budgeted Funding Per Student  
Second Calculation FEFP  
With CPI Comparison



Here we have a comparison of funding per student over the last 10 years. This graph is based upon the Second Calculation for all years with the exception of the July 2016 as we won't have the second calculation until mid-July. So the July 2016 is based upon the Legislative Conference Report or 1<sup>st</sup> Calculation. For the upcoming year our Regular per student funding is \$171.98 below July 2007 (FY08) 2<sup>nd</sup> Calc (shown in blue). The State has claimed historic funding levels, but they use the lowest point in the FY08 year for comparison (revised 3<sup>rd</sup> Calc). Even if we use the lowest point of funding in FY08 for our district which was \$7,161.67, we are still below that amount by \$24.42 without regard to inflation. For the upcoming year we have a 1.1% increase in Regular FEFP funding over the prior year.

Including our Special Millage (shown in Orange) our total per student increase is 1.4% over last year. Even with the Special Millage, you can see we are still have a reduction in purchasing power of about \$750/student over the July 2007 amount.

Based upon the Property Appraiser's early estimate, the per student amount of the Special Millage will slightly decline from the estimate shown in the graph from \$578.13 to \$576.38 for the upcoming year.

# Appropriations

## Priorities

- Compensation
- Summer guidance MS & K8, 1 CC Coach per HS
- Digital curriculum

Compensation is again the number one priority in the budget. With a very modest increase in per student funding, there is little room for adding many initiatives in the budget.

However, we have added additional summer days for guidance at middle and K8 schools. Increasing summer days from 8 days to 20 days. In addition, we are also adding 1 College and Career Coach to each of our high schools.

Digital Curriculum which includes professional development to prepare the staff is part of the planned budget as we achieve the one to one device ratio at all our traditional high schools this coming August.

Also, I wanted to mention a few items that are continuing in the budget. Specifically, dollars for Test Proctors, funds to support Travel for academic teams, and money to continue Professional development of staff.

\$335,412 MS/K8 Days; \$1.8m for CC Coaches; \$10m Digital Curriculum Operating Budget

## Other Budget Items

- Health insurance (no increase)
- Adding Tele-Med in October
- Additional period in reading for lowest 300 schools statewide (\$5m)
- Digital classroom supplemental allocation increase (\$.4m)
- Continue progress towards new SIS and LMS
- Decrease in diesel costs (\$2m)

12

There will be no increase in health insurance for the coming year. Both board contributions or employee premiums will remain the same.

In addition, we are adding the benefit of Tele-Medicine for our employees. Tele-Med allows members to call in for healthcare professionals to evaluate, diagnose, and treat patients using two-way voice and visual communications for minor health conditions (acne, allergy, asthma, bronchitis, cold/flu, diarrhea, ear aches, fever, headaches, infections, insect bites, joints aches, nausea, pink eye, rashes, respiratory infections, sinus infections, skin infections, sore throats, urinary tract infections, child medical conditions)

We are still waiting on test scores to identify the schools in the lowest 300 within the State. We should hear from the State around mid-July on the lowest 300. An additive amount to the SAI Categorical was funded by the Legislature to fund the additional hour of reading at these schools.

The Digital Classrooms categorical was increased from \$3.2m to \$3.6m.

The budget also include dollars for our new Student Information System (\$8.6m) as well as our Learning Management System (\$6m).

Lower oil prices are enabling the district to reduce the budget for diesel fuel.

LMS-17/18 School Year  
SIS-18/19 School Year

## Food Services

Meal Prices	FY 15-16	FY 16-17
	Price	Price
Breakfast, Elementary Paying Student	\$1.30	\$1.35
Breakfast, Secondary Paying Student	\$1.60	\$1.75
Breakfast, Adult	\$2.75	\$2.75
Lunch, Elementary Paying Student	\$1.85	\$1.90
Lunch, Secondary Paying Student	\$2.60	\$2.75
Lunch, Adult	\$3.75	\$3.75

I also wanted to remind you about the 2<sup>nd</sup> year increase in meal prices that was part of our plan from last year. As you recall, we were required by the Department of Agriculture to implement increases in our paid meals in order to remain in compliance with the Federal program that provides funding for Free and Reduced meals for our students.

ES breakfast is going up \$.05 and Secondary breakfast is going up \$.15, ES lunch is going up \$.05 and Secondary lunch is going up \$.15

The Adult Breakfast and Adult Lunch prices were both increased in the prior year by \$.75.

(In FY14-15, B'fast ES-\$1.25; B'fast Sec.-\$1.50; B'fast Adult-\$2.00; Lunch ES-\$1.80; Lunch Sec.-\$2.50; Lunch Adult-\$3.00)

## Future Issues

- Conclusion of special millage revenue after 2018-19 fiscal year
- Continued digital curriculum expansion
- Continued impact to FTE due to virtual and charter schools expansion
- Open enrollment (H.B. 7029)

Currently our Special Millage is expected to generate an estimated \$115m this next year. That millage will continue for two more years after this upcoming year. Before we get to the end of the 4-year period, the Board will need to decide whether to ask the citizens to extend the millage.

Digital curriculum impacts both the operating budget as well as our capital budget. As we continue to expand our one on one effort, dollars are needed to support ongoing operations as well as training. The capital budget is where we have the dollars for infrastructure needs and the initial purchase of devices.

Predicting how many students will take virtual classes from each of our schools is not easy. In addition, predicting the impact of a particular charter school on our traditional schools populations is often an unknown.

Out of county transfers begin July 1, 2017 based upon availability of capacity as provided in HB 7029. The district is currently meeting with other central Florida districts to determine how best to define available capacity and to work through what the transfer process will look like for our district.

## Next Steps

- Approval to advertise – June 28
- Public hearing – July 26
- Public hearing – September 13

## **Superintendent's Comments**

### **School Board Questions and Discussion**