



Status: ORIGINAL

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

2024-02-21	Regular School Board Meeting
CATEGORY:	F. Financial Management
DEPARTMENT:	Budget

Agenda Item Number:	F-3.
Consent or Open Item:	Consent
Special Order:	NO
Time for Special Order:	

TITLE:	General Fund Amendment as of January 31, 2024
REQUESTED ACTION:	Approve the General Fund Amendment #1, as of January 31, 2024. The General Fund Amendment is submitted to the School Board pursuant to State Board Administrative Rule 6A-1.007. District-wide.

RATIONALE:

For the Requested Actions, Background/History, Alignment to the 2027 Goals and Guardrails, Measurable Outcome(s)/Return on Investment, Financial Impact, and Rationale, please see the Executive Summary.

EXHIBITS:

Executive Summary
General Fund Amendment #1

FINANCIAL IMPACT:

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STRATEGIC PLAN ALIGNMENT:**Student Focus Outcomes**

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OR • Business Operations**BOARD ACTION:**

(For Official School Board Records Only)

APPROVED**SOURCE OF ADDITIONAL INFORMATION**

Name: Judith M. Marte	Phone: 754-321-2611
Name:	Phone:

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

Senior Leader & Title

Judith M. Marte, Deputy Superintendent, Finance & Operations

Signature

Judith M. Marte, Deputy Superintendent, Finance & Operations

Electronic Signature

Form \$4189 Revised 7/23

PBL/VSF

Approved in
Open Board
Meeting On:

February 21, 2024

By:

School Board Chair



For more information, please contact:

Name: Judith M. Marte
Title: Deputy Superintendent,
Finance & Operations

EXECUTIVE SUMMARY

General Fund Amendment #1, as of January 31, 2024

Board Meeting Date: February 21, 2024

Requested Action

Approve the General Fund Amendment #1, as of December 31, 2023. The General Fund Amendment is submitted to the School Board pursuant to State Board Administrative Rule 6A-1.007.

Impact if the Board Voted Yes or No

If the Board votes “Yes”: The District will be following statutory requirements per State Board Administrative Rule 6A-1.007.

If the Board votes “No”: The District will be out of compliance with statutory requirements per State Board Administrative Rule 6A-1.007.

Background/History

The School Board shall approve amendments to the District school budget whenever the function amounts in the budget accounts are changed from the original budget approved by the School Board.

Alignment to 2027 Goals and Guardrails

Business Operations

Measurable Outcome(s)/Return on Investment

As of January 31, 2024, the Fund Balance Percentage, as a percentage of projected General Fund revenue, excluding charter schools' revenue less administrative fees, is 5.01%.

Financial Impact

The total financial impact is an increase of \$7.8 million to the General Fund's fund balance. This increase consists of the following changes:

- An increase of \$6.8 million for a prior year adjustment to the Family Empowerment Scholarship (FES).

- An increase of \$5.0 million for JUUL settlement proceeds, representing 54% of the settlement allocation from the JUUL defendants. The requirements for these funds are as follows:
 - Settlement funds are to be used for “compensatory restitution and remediation”.
 - Intended to provide maximum flexibility to address the problem of youth vaping and nicotine addiction.
 - Goal is to help the school districts and local governments combat this problem.
- A decrease of \$3.8 million for the required carryover of State Instructional Materials and Library Media funds from the Restricted Fund Balance.
- A decrease of \$0.2 million for School Board Policy Review Consulting Services (Board Item #OO-28, approved December 12, 2023).

The District continues to monitor the budgets on a regular basis for the remainder of the year.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
2023-24 General Fund Amendment #1
As of January 31, 2024

ESTIMATED REVENUES	PREVIOUS BUDGET	INCREASE/ (DECREASE)	REVISED BUDGET	
LOCAL SOURCES				
Ad valorem taxes - Current year	\$ 1,429,840,905	\$ -	1,429,840,905	
Interest on Investments	7,500,000		7,500,000	
Child Care Fees (Before & After Care)	16,023,641		16,023,641	
Course Fees	14,150,709		14,150,709	
Gifts, Grants, Bequests	-		-	
Indirect Cost (Grants & Food Service)	19,781,781		19,781,781	
Rental Income	1,953,863		1,953,863	
E-Rate Rebate	3,086,000		3,086,000	
Other	20,069,753	4,994,189	25,063,942	(A)
Total Local Sources	1,512,406,652	4,994,189	1,517,400,841	
STATE SOURCES				
Florida Education Finance Program (FEFP)				
FEFP	669,408,082	(172,781,720)	496,626,362	(B)
DJJ Supplemental Funding	220,360	9,162	229,522	(C)
ESE Guaranteed Allocation	105,567,857	4,081,088	109,648,945	(C)
Mental Health Assistance Allocation	13,292,890	60,212	13,353,102	(C)
Safe Schools	21,742,075	85,654	21,827,729	(C)
Educational Enrichment Alloc (fka SAI)	59,827,600	(553,541)	59,274,059	(C)
Transportation	34,956,025	(667,346)	34,288,679	(C)
Subtotal - FEFP	905,014,889	(169,766,491)	735,248,398	
Workforce Development Education	82,681,472		82,681,472	
Adults With Disabilities	800,000		800,000	
Discretionary Lottery Funds	-		-	
Class Size Reduction	249,316,473	(575,995)	248,740,478	(D)
State License Tax	308,368		308,368	
Sales Tax Distribution	446,500		446,500	
School Recognition Funds	-		-	
Other (VPK, CO&DS, etc.)	8,957,973		8,957,973	
Total State Sources	1,247,525,675	(170,342,486)	1,077,183,189	

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
2023-24 General Fund Amendment #1
As of January 31, 2024

ESTIMATED REVENUES	PREVIOUS BUDGET	INCREASE/ (DECREASE)	REVISED BUDGET
FEDERAL SOURCES			
Reserve Officer Training Corps (ROTC)	2,798,730		2,798,730
Medicaid Claims & Fees	11,010,000		11,010,000
Miscellaneous Federal	-		-
Total Federal Sources	13,808,730	-	13,808,730
OTHER FINANCING SOURCES			
Insurance Loss Recoveries	-	629,878	629,878 (E)
Transfer from Capital Project Funds	164,964,239		164,964,239
Total Other Financing Sources	164,964,239	629,878	165,594,117
ESTIMATED REVENUES & OTHER FINANCING SOURCES	2,938,705,296	(164,718,419)	2,773,986,877
BEGINNING FUND BALANCE	190,912,233	-	190,912,233
TOTAL ESTIMATED REVENUES, OTHER FINANCING SOURCES, & BEGINNING FUND BALANCE	\$ 3,129,617,529	\$ (164,718,419)	2,964,899,110

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
2023-24 General Fund Amendment #1
As of January 31, 2024

APPROPRIATIONS	PREVIOUS BUDGET	INCREASE/ (DECREASE)	REVISED BUDGET	
INSTRUCTIONAL SERVICES				
District Instructional Services	\$ 1,448,469,659	\$ (175,567,536)	1,272,902,123	(1)
Charter Schools Instructional Services	487,580,525	(10,475,629)	477,104,896	(2)
Total Instructional Services	1,936,050,184	(186,043,165)	1,750,007,019	
SUPPORT SERVICES				
Student Support Services	156,129,918	997,473	157,127,391	(3)
Instructional Media Services	26,205,998	3,818,856	30,024,854	(4)
Instruction & Curriculum Development	34,407,507	-	34,407,507	
Instructional Staff Training	6,895,841	-	6,895,841	
Instruction Related Technology	32,449,097	252,000	32,701,097	(5)
Board of Education	5,586,239	8,441,034	14,027,273	(6)
General Administration	11,290,711	405,014	11,695,725	(7)
School Administration	155,223,033	-	155,223,033	
Facilities Acquisition and Construction	15,170,000	-	15,170,000	
Fiscal Services	12,608,134	-	12,608,134	
Central Services	76,620,026	75,000	76,695,026	(8)
Transportation Services	100,478,936	(628,952)	99,849,984	(9)
Operation of Plant	249,734,369	154,642	249,889,011	(10)
Maintenance of Plant	85,904,921	-	85,904,921	
Administrative Technology Services	6,857,796	-	6,857,796	
Community Services	13,088,877	-	13,088,877	
Debt Service	4,510,000	-	4,510,000	
Total Support Services	993,161,403	13,515,067	1,006,676,470	
OTHER FINANCING USES				
To Debt Service	320,825	-	320,825	
To Special Revenue Funds	40,000	-	40,000	
Total Other Financing Uses	360,825	-	360,825	
TOTAL APPROPRIATIONS & OTHER FINANCING USES	\$ 2,929,572,412	\$ (172,528,098)	2,757,044,314	
ENDING FUND BALANCE	\$ 200,045,117	\$ 7,809,679	207,854,796	
TOTAL APPROPRIATIONS, OTHER FINANCING USES, & ENDING FUND BALANCE	\$ 3,129,617,529	\$ (164,718,419)	2,964,899,110	

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
2023-24 General Fund Amendment #1
As of January 31, 2024

FUND BALANCE CHANGES	INCREASE/ (DECREASE)	FUND BALANCE
Ending Fund Balance as of July 1, 2023		\$ 200,045,117
Impact of this Amendment on Fund Balance	\$ 7,809,679	
Ending Fund Balance as of January 31, 2024		<u>\$ 207,854,796</u>
Fund Balance Percentage		
As a percentage of projected General Fund revenue excluding charter schools revenue less administrative fees.		5.01%

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

2023-24 General Fund Amendment #1

As of January 31, 2024

Explanation Summary

Comparison of Adopted Budget information to the January 2024 Amendment

<u>CHANGES IN ESTIMATED REVENUES</u>	INCREASE/ (DECREASE)
(A) Other - Local Sources	\$ 4,994,189
The increase is due to revenue for the initial payment of the JUUL Settlement proceeds, representing 54% of the settlement allocation from the JUUL defendants. The settlement funds are: (1) to be used for compensatory restitution and remediation, (2) intended to provide maximum flexibility to address the problem of youth vaping and nicotine addiction, and (3) the goal is to help the school districts and local governments combat the problem. These funds are included in Fund Balance.	4,994,189
(B) Florida Education Finance Program (FEFP)	(172,781,720)
The District received adjustments to its funding from the Florida Department of Education (FDOE) resulting from the Florida Education Finance Program (FEFP) Third Calculation. The key adjustments are listed below:	
(I) The FDOE includes the Family Empowerment Scholarship (FES) Program in the total FEFP funding for the District at the beginning of the year. After the October full-time equivalent (FTE) count, FDOE adjusted the funding to the District projected FES of \$167.6 million was included in the adopted budget in anticipation of this reduction. Additionally, as of the October FTE count, the District's overall student enrollment, including Charter Schools and FES, decreased by 1,581.47 FTEs compared to forecasted enrollment.	(179,623,966)
(II) The FEFP Third Calculation included a prior year FES credit of \$6.8 million. These funds are returned to Fund Balance as it is a prior year adjustment.	6,842,246
(C) The following are remaining funding adjustments from the FDOE FEFP Third Calculation:	3,015,229
DJJ Supplemental Funding	9,162
ESE Guaranteed Allocation	
District Schools	3,530,718
Charter Schools	550,370
	4,081,088
Mental Health Assistance Allocation	
District Schools	997,473
Charter Schools	(937,261)
	60,212
Safe Schools	
District Schools	154,642
Charter Schools	(68,988)
	85,654
Educational Enrichment Allocation (SAI)	
District Schools	(260,391)
Charter Schools	(293,150)
	(553,541)
Transportation	
District Schools	(376,952)
Charter Schools	(290,394)
	(667,346)
(D) Class Size Reduction	(575,995)
District Schools	647,722
Charter Schools	(1,223,717)
	(575,995)
(E) Other Financing Sources - Insurance Loss Recoveries	629,878
Insurance loss recoveries revenue received for damages sustained during the April 2023 flood.	629,878

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

2023-24 General Fund Amendment #1

As of January 31, 2024

Explanation Summary

Comparison of Adopted Budget information to the January 2024 Amendment

<u>CHANGES IN APPROPRIATIONS</u>	<u>INCREASE/ (DECREASE)</u>
(1) District Instructional Services	\$ (175,567,536)
(i) The FDOE includes the Family Empowerment Scholarship (FES) Program in the total FEFP funding for the District at the beginning of the year. After the October full-time equivalent (FTE) count, FDOE reduces the funding to the District by the actual scholarship amount. For FY 2024 the amount is \$229.9 million. This amount is offset by the State Discretionary Supplement of \$48.1 million, and \$167.6 million in the adopted budget in anticipation of this reduction. (see Explanation of Changes in revenues).	(167,574,584)
(ii) The balance required is mitigated through the FTE not materialized (\$4.6 million), and district reserves (\$4.3 million) in the adopted budget in anticipation of this reduction and districtwide salary lapse (\$3.8 million).	(13,256,493)
(iii) Adjustments to Class Size Reduction funding from the FDOE FEFP Third Calculation.	647,722
(iv) Additional funding adjustments from the FDOE FEFP Third Calculation:	
ESE Guaranteed Allocation	3,530,718
DJJ Supplemental Funding	9,162
Educational Enrichment	(260,391)
(v) Driver's Ed revenue received in FY23 allocated to the Applied Learning department for the Driver's Ed Program.	761,361
(vi) Carryover of FY23 unspent Turnaround Schools Supplemental Services Allocation (TSSSA) funds added to schools.	534,851
(vii) Funds added to the Student Services department for graduation expenses for FY23.	40,118
(2) Charter Schools - Instructional Services	(10,475,629)
(i) Decrease in Charter Schools FEFP funding allocation resulting from the FEFP Third Calculation	(8,212,489)
(ii) Class Size Reduction	(1,223,717)
(iii) ESE Guaranteed Allocation	550,370
(iv) Mental Health Assistance Allocation	(937,261)
(v) Safe Schools Allocation	(68,988)
(vi) Educational Enrichment Allocation (SAI)	(293,150)
(vii) Transportation	(290,394)
(3) Student Support Services	997,473
Funding adjustment to the Mental Health Allocation resulting from FEFP Third Calculation.	997,473
(4) Instructional Media Services	3,818,856
Required carryover of State Instructional Materials and Library Media added to the Innovative Learning department budget. The funds were set aside in the Restricted Fund Balance at budget adoption.	3,818,856

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
2023-24 General Fund Amendment #1
As of January 31, 2024
Explanation Summary
(Continued)

CHANGES IN APPROPRIATIONS

	INCREASE/ (DECREASE)
(5) Instruction Related Technology	252,000
Realignment of funds for the Student Dismissal Management Software (CurbSmart). Board item will be presented to the Board on 2/21/24.	252,000
(6) Board of Education	8,441,034
(i) Third installment for Marjory Stoneman Douglas Settlement Agreement approved by the School Board on 12/14/21 (Board Item GG-2), set aside in Assigned Fund Balance at Budget adoption.	8,333,334
(ii) Funds added to the Office of the Treasurer for additional funding for the Broward County Value Adjustment Board.	107,700
(7) General Administration	405,014
(i) Funds added to the Economic Development & Diversity Compliance department for the Comprehensive Disparity Study Consultation Services.	187,114
(ii) Additional funds for Board item #OO-28, School Board Policy Review Consulting Services, approved by the Board on December 12, 2023.	207,900
(iii) Funds added to the Chief of Staff department for the Superintendent's interview expense package.	10,000
(8) Central Services	75,000
Funds added to the Chief Fire Official department for consultants to assist with annual Comprehensive Fire Safety Reports, due to vacancies in the department.	75,000
(9) Transportation Services	(628,952)
(i) Funding adjustment to Transportation Services resulting from FEFP Third Calculation.	(376,952)
(ii) Reduction in the fuel budget in transportation to fund the Student Dismissal Management Software (CurbSmart). Board item will be presented to the Board on 2/21/24.	(252,000)
(10) Operation of Plant	154,642
(i) Reduction in the utilities budget based upon projected costs through year end and set aside for the purchase of metal detectors for schools.	(540,000)
(ii) Funds for metal detectors for schools realigned from reducing the utilities budget.	540,000
(iii) Funding adjustment to the Safe Schools Allocation in the Safety, Security division resulting from the FEFP Third Calculation.	154,642