

K-12 Budget Development  
Process  
State Board of Education  
August 15, 2006



# 2007-08 K-12 Legislative Budget - Educational Priorities

- Middle and High School Reform – Implement A++
- Class Size Reduction
- Career Education Investment
- Student Financial Aid
- Access



# 2007-08 K-12 Legislative Budget – School Districts' Operational Priorities

- Property Insurance Premiums
- Increased Energy Costs
- Two Mill Funds Flexibility
- Classrooms for Kids Funding
- Policy Issues



# State Board of Education Budget Guidelines

– June 20, 2006

- Align funding with one or more of the Eight Strategic Imperatives of the State Board of Education and designated specific strategic projects
- Improve student achievement, especially in reading
- Student enrollment for Grades Pre K-12
- Improve access to higher education, including student financial aid
- Annual review of non-recurring and recurring line item appropriations
- Construct, restore, and renovate education facilities
- Provide client services for Vocational Rehabilitation and Blind Services
- Align funding with community needs and unique institutional missions



# 2007-08 BUDGET CALENDAR

- June 20, 2006: State Board of Education approval of Legislative Budget Request (LBR) Guidelines
- August 10, 2006: Board of Governors approve SUS Operating LBR
- September 19, 2006: State Board of Education approval of Operating and Fixed Capital Outlay LBR
- September 21, 2006: Board of Governors approval of Fixed Capital Outlay LBR
- October 16, 2006: State Board of Education Operating and Fixed Capital Outlay LBR is submitted
- October 16, 2006: Board of Governors Fixed Capital Outlay Budget is submitted

# 2007-08 Revenue Projections based on Spring 2006 Estimating Conferences

<b>STATE</b>	<b>2006-07 Appropriations (in millions)</b>	<b>2007-08 Estimated Available Funds (in millions)</b>	<b>\$ Change</b>	<b>% Change</b>
<b>General Revenue</b>	<b>\$27,648.70</b>	<b>\$28,623.30</b>	<b>\$974.60</b>	<b>3.52%</b>
<b>Lottery</b>	<b>\$1,439.10</b>	<b>\$1,283.40</b>	<b>(\$155.70)</b>	<b>(10.82%)</b>
<b>AD VALOREM TAX</b>	<b>2006-07</b>	<b>2007-08</b>	<b>\$ Change</b>	<b>% Change</b>
<b>Appropriated</b>	<b>\$1,567,813,698,936</b>	<b>\$1,779,227,209,771</b>	<b>\$211,413,510,835</b>	<b>13.5%</b>
<b>Certified - July 17, 2006</b>	<b>\$1,648,441,698,038</b>	<b>\$1,779,227,209,771</b>	<b>\$130,785,511,733</b>	<b>7.93%</b>
<b>Required Local Effort</b>	<b>\$7,358,364,845</b>	<b>\$7,877,135,901</b>	<b>\$518,771,056</b>	<b>7.05%</b>



## Florida Education Finance Program (FEFP)

- Workload and Inflation – increase of \$514 Million
  - 31,000 additional students
  - CPI adjustment – 1.8%
- Class Size Operating Funds – increase of \$600 Million



Fixed Capital Outlay  
State Board of Education  
August 15, 2006

# 2006-07 K-12 Fixed Capital Outlay

## State Revenue

<input type="checkbox"/> PECO (Maintenance & New Construction)	\$508 Million
<input type="checkbox"/> CAPITAL OUTLAY & DEBT SERVICE (CO & DS)	\$17 Million
<input type="checkbox"/> Classroom For Kids (CFK)	\$1,100 Million

2006-07

Historically

**Total**

**\$1.6 Billion = 32%**

**20-25%**

## Local Revenue (Estimated)

<input type="checkbox"/> 2 Mill Discretionary Tax Levy	\$2,400 Million
<input type="checkbox"/> Sales Surtax	\$573 Million
<input type="checkbox"/> Impact Fees	\$456 Million

**Total**

**\$3.4 Billion = 68%**

**75-80%**

**TOTAL OVERALL**


**\$5.0 Billion**



# 2006-07 PECO Revenue Estimates (in Millions)

	<b>March 2005 Built Initial <u>06-07 LBR</u></b>	<b>Revised Est. November 2005 for <u>06-07</u></b>	<b>FINAL Est. March 2006 for <u>06-07</u></b>
<b>Remodeling/ Renovation</b>	\$172.7	\$302.0	\$417.2
<b>Construction</b>	<u>\$347.3</u>	<u>\$1,097.3</u>	<u>\$1,462.8</u>
<b>Total</b>	<b>\$520.0</b>	<b>\$1,399.3</b>	<b>\$1,880.0</b>

The PECO Revenue Estimating Conference Revised the Revenue Estimates from \$520.0 Million to \$1,880.0 Million = 361% increase.



# PECO Revenue Projections

## March 6, 2006 Estimating Conference

	<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>
Remodeling/ Renovation	\$223.2	\$194.8	\$188.1
Construction	<u>\$860.5</u>	<u>\$295.0</u>	<u>\$316.0</u>
<b>Total</b>	<b>\$1,083.7</b>	<b>\$489.8</b>	<b>\$504.1</b>



# **Class Size - Estimated Cost of Construction \***

4 Years

Required Number of  
New Classrooms  
Needed

2007-08 thru 2010-11

6,918

Total Cost

\$ 2,876,352,301

\* No capacity assigned to Leased/Rented Relocatables



# Classrooms for Kids

- **Prior Appropriations**

□ 2003-2004	\$ 600,000,000
□ 2004-2005	\$ 100,000,000
□ 2005-2006	\$ 83,400,000
□ 2006-2007	\$1,100,000,000

- **2007-2008 Request**     \$2,876,352,301

- 2007-08 / 2010-11

\$2,876,352,301

- **Total 2003-04/2010-11**

**\$4,759,752,301**