



SCHOOL BOARD OF POLK COUNTY

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GAIL F. MCKINZIE, PH.D.
Superintendent of Schools

April 16, 2009

Dear Staff Members,

As the final weeks of the Legislative Session hopefully come to a close on May 1, the proposed budgets from the House and Senate significantly reduce the 15% (\$92.9 million) budget reduction for which we were advised to plan. Your letters, e-mails and phone calls to our legislators and Governor have had an impact.

However, there are still budget concerns that we have. Statewide sales tax collections continue to decline due to the slumping economy. Property tax collections throughout the State have been down and are predicted to be short by almost \$1 billion dollars. Polk County property tax collections are off by less than 0.5% from last year, but there remains a concern that the tax certificate sale that occurs in June may not be as robust as in previous years.

We have proposed three budget scenarios that represent the Preliminary Senate budget, the Preliminary House budget and District budget reflecting a 6% reduction in per pupil funding. The budget presentation can be found by clicking on the homepage under **District Budget Info**. The information contained in these budgets is very fluid as the details of the budget plans along with the Federal Stimulus and Stabilization funds are being shared with the districts. It is important to note that the State has not yet been granted a waiver from the Federal Government for the Federal Stabilization money.

The District revenue projections show a reduction in the interest earnings for next year because of significantly lower rates on government issued investments. The District is predicting a slight decline in student enrollment (700 students) which will also result in less State funding. Our Federal Indirect Reimbursement rate is estimated to increase but the Supplemental Educational Services paid for from federal funds are no longer eligible for indirect cost reimbursement and this will result in a loss of revenue to the District.

The District is expecting the rates for utilities to decrease but with a new school and additional classroom space being added, the total costs should remain the same. Property insurance will increase as the insured values are brought into line with the correct replacement cost. The contingency account is recommended to be funded at 1.5% of the general fund revenues for a total of \$7.5 million. This is vital given DOE regulations regarding an unreserved fund balance and having funds available should there be another reduction after school begins for the 2009-2010 school year.

We have compiled several recommended savings that have come from suggestions received via our website. Suggestions being recommended are separated from those which would not be considered at this time if the House or Senate Proposed budgets are adopted but may need consideration if the Legislature does not reach an agreed upon budget. District Office operating budgets are being reduced further, but remember these budgets have already been reduced by 4.7% in 2007-08 and approximately 10% in 2008-09. The majority of the reduction is from savings in our fuel accounts.

*Polk County Schools-
an equal opportunity
institution for education
and employment*

The mission of Polk County Public Schools is to ensure rigorous, relevant learning experiences for our students that result in high achievement.

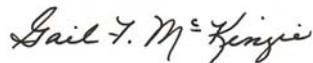
While the preliminary budgets from the Senate and House may appear to support education there are some concerns. Flexibility has been strongly considered in both budgets, however, some of the flexibility may not be meaningful. The Transportation Categorical has been rolled into the base FEFP (Florida Education Finance Program) funding, but considering that these funds currently do not fully pay for our transportation program, the flexibility is not of much value.

Student weighting is a major concern with the Senate budget. As you will see in the comparisons, the Senate has reduced the weighted FTE (Full Time Equivalent) by more than 11,000 students Statewide. In addition, there are recommendations to significantly reduce the weighting given for Advanced Placement and International Baccalaureate classes. This will provide even less funding for these programs which were already reduced in this year's budget.

It is most important to point out that we are not recommending releasing annual contract teachers except through the district's regular evaluation process.

We will continue to monitor the actions of the Legislature over the next two critical weeks. Please keep sending your e-mails, letters and phone calls to our Legislators. Your efforts are certainly appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Gail F. McKinzie".

Gail F. McKinzie, Ph.D.
Superintendent