



# Draper Notes

November 12, 2015

## **The Tragedy of the DeSoto School District General Fund**

A one page summary of the DeSoto School District General Fund budget was released publically by the school board on November 10, 2015. Any family in DeSoto knows the importance of living within its means; you do not spend more than you make. This is a lesson that the superintendent (Gary) with the approval of the school board over the last three years has obviously not learned. The general fund summary is included on the next page for your review, but the following points need to be highlighted:

- The DeSoto School District General Fund balance equates to a savings account in a family. As with most savings accounts, it is used for emergencies and other unplanned expenditures that may occur during a school year.
- The fund balance at the end of the 2011.2012 school year was \$10,710.660
- The projected fund balance at the end of the 2015.2016 school year is \$1,144.462 (Total Decrease since 2011.2012 is \$9,566,198)
- Every Florida School District is required to maintain at least a 3% general fund balance for emergencies such as hurricanes and an unforeseen dip in state revenues. If we deduct this required 3% (\$1.141.931) from the 2015.2016 projected general fund balance, a balance of \$2,531 is left for other expenditures approved by the school board.
- Also, note that the revenues from the state increased from \$33,755,015 (2011.2012) to \$38,864,488 (2015.2016). That means the state dollars have increased by \$5,109,473. With this increase, the district still had to use \$9,566,198 from the general fund to balance the budget.

## 2015-2016 GENERAL FUND BALANCE

	2011-2012 Actual	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget
<b>REVENUES:</b>					
Total Federal Direct	56,168.22	56,313.63	57,910.24	59,158.00	59,158.00
Total Federal Through State and Local	180,620.58	164,336.65	132,326.27	140,396.71	163,048.09
Total State	22,612,678.32	23,413,393.88	25,250,408.69	25,937,463.94	27,195,431.33
Total Local	10,056,649.19	9,552,418.22	9,268,013.30	10,065,338.35	10,164,288.28
Transfers	843,232.76	905,926.85	948,255.10	1,074,130.59	1,282,463.00
Insurance Loss/Recovery	5,666.10	247.83	106.52	4,807.06	100.00
<b>Total Revenues</b>	<b>33,755,015.17</b>	<b>34,092,637.06</b>	<b>35,657,020.12</b>	<b>37,281,294.65</b>	<b>38,864,488.70</b>
<b>EXPENDITURES:</b>					
Expenditures	33,330,973.79	35,525,746.61	38,386,109.82	39,422,354.75	42,120,348.80
<b>Encumbrances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures/Encumbrances</b>	<b>33,330,973.79</b>	<b>35,525,746.61</b>	<b>38,386,109.82</b>	<b>39,422,354.75</b>	<b>42,120,348.80</b>
<b>Net Change in Fund Balance</b>	<b>424,041.38</b>	<b>(1,433,109.55)</b>	<b>(2,729,089.70)</b>	<b>(2,141,060.10)</b>	<b>(3,255,860.10)</b>
<b>Beginning Fund Balance</b>	<b>10,278,827.45</b>	<b>10,710,660.46</b>	<b>9,274,214.79</b>	<b>6,546,052.95</b>	<b>4,400,322.53</b>
<b>Adjustment to Fund Balance (Inventory)</b>	<b>7,791.63</b>	<b>(3,336.12)</b>	<b>927.86</b>	<b>(4,670.32)</b>	<b>-</b>
<b>Ending Fund Balance:</b>	<b>10,710,660.46</b>	<b>9,274,214.79</b>	<b>6,546,052.95</b>	<b>4,400,322.53</b>	<b>1,144,462.43</b>
Nonspendable Fund Balance (2710)	18,155.67	14,819.55	15,747.41	11,077.09	11,077.09
Restricted Fund Balance 3% (2720)				1,086,000.00	1,127,317.77
Restricted Fund Balance Fina Aid Fees (2720)				3,536.84	3,536.84
Restricted Fund Balance Categoricals (2720)				180,043.39	-
Restricted Fund Balance Designated WF (2720)				176,821.89	-
Restricted Fund Balance Designated Other (2720)				110,021.35	-
Restricted Fund Balance Enc (Less Cat) (2720)				43,937.07	-
Restricted Fund Balance Other Purposes (2720)				1,423,543.78	-
Committed Fund Balance (2730)				-	-
Assigned Fund Balance (2740)				-	-
Unassigned Fund Balance (2750)	10,692,504.79	9,259,395.24	6,530,305.54	1,365,341.12	2,530.73
<b>Total Fund Balance:</b>	<b>10,710,660.46</b>	<b>9,274,214.79</b>	<b>6,546,052.95</b>	<b>4,400,322.53</b>	<b>1,144,462.43</b>
<b>Fund Balance Percentage</b>				<b>6.77%</b>	<b>3.05%</b>
Terminal Pay Outs	319,445.75	418,492.54	246,143.49	180,632.57	-

As of 10/31/15