

Leading Through Budget Uncertainty

Florida School Finance Officers Association

Margaritaville Resort – Kissimmee, FL

June 17, 2026

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Retired Florida School District CFO

AGENDA

- Introductions
- Defining the Problem (History & Trends)
- Current Financial Impact on School Districts
- Key Considerations for the Future
- Strategies for Consideration
- Process and Timelines
- Communication Plan
- Leadership Traits for Tough Times
- Questions and Comments

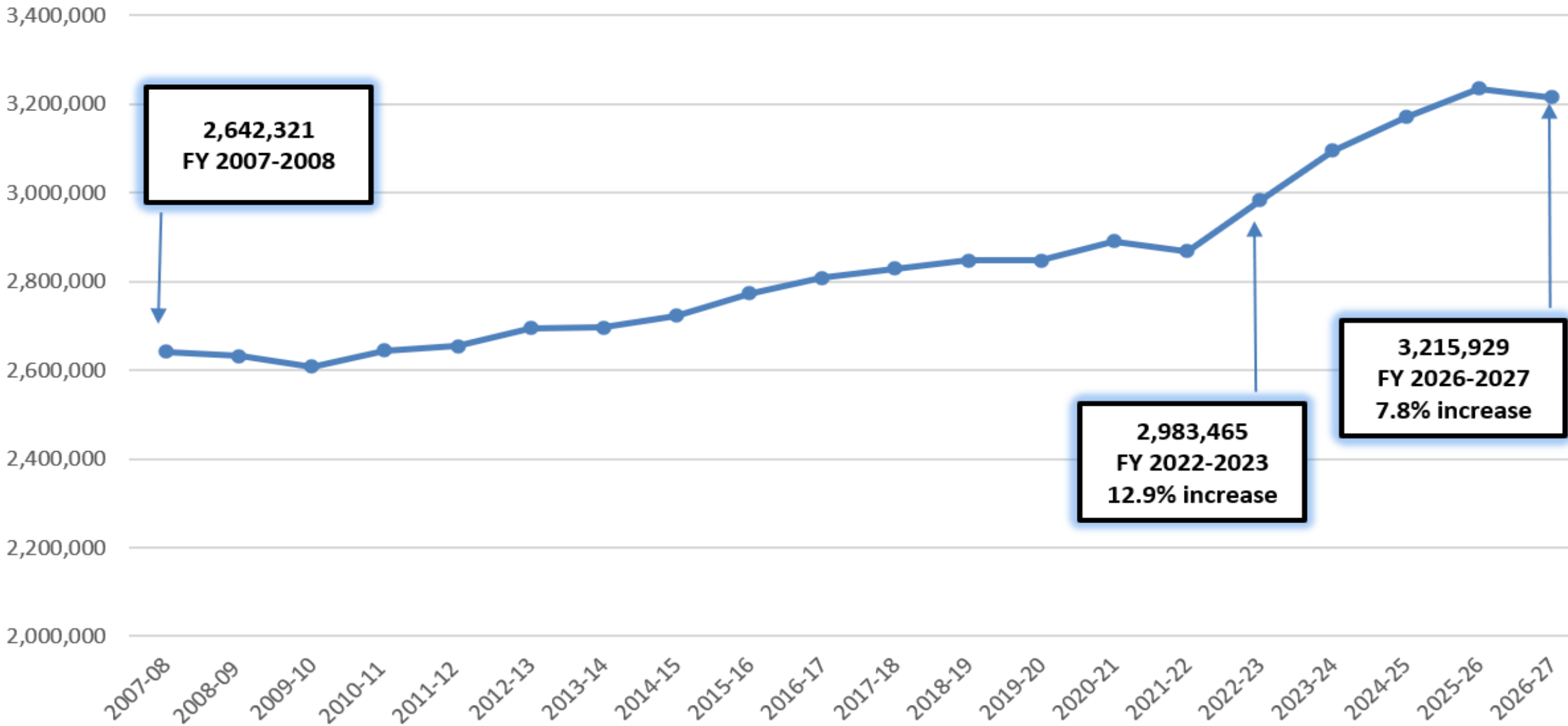
Introductions

- My Background
 - 34 years of experience in Florida K-12 finance and operations
 - Brevard (16 years), Indian River (5 years) and St. Johns (13 years)
 - Experienced in all facets of school district operations and the issues surrounding them
- Credit and Disclaimer on Material Presented
 - All data is from Legislative Final Conference Reports for years presented, unless otherwise noted
 - Based on my experience and opinion

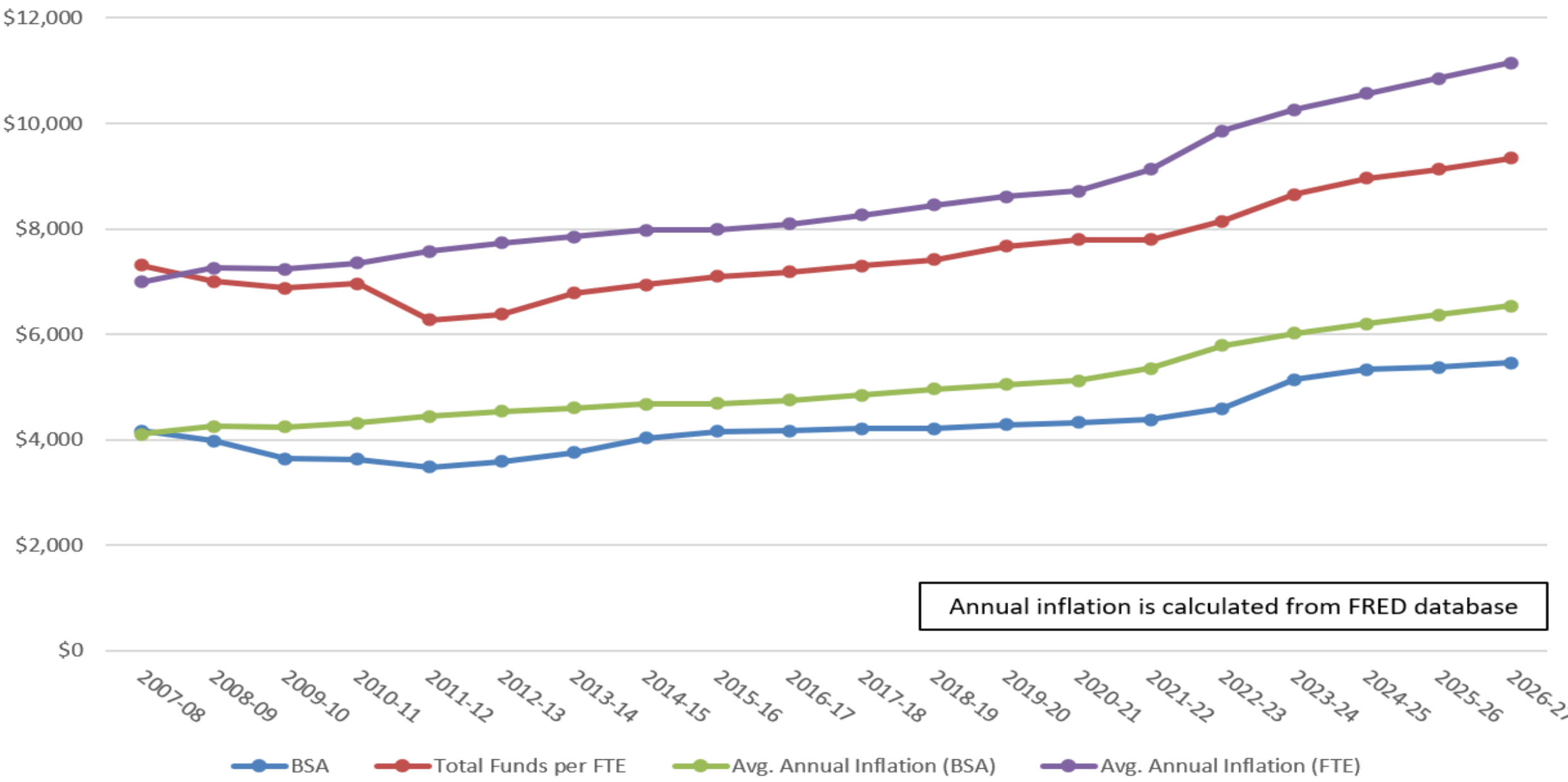
Defining the Problem (History & Trends)

- FTE Growth / Decline
- Funding per FTE
 - Base Student Allocation (BSA) and Total State & Local
- Required Local Effort (RLE)
- Taxable Assessed Valuation (TAV)
- State and Local Funds
- State Education Funding Review
 - 2016/17 vs. 2025/26

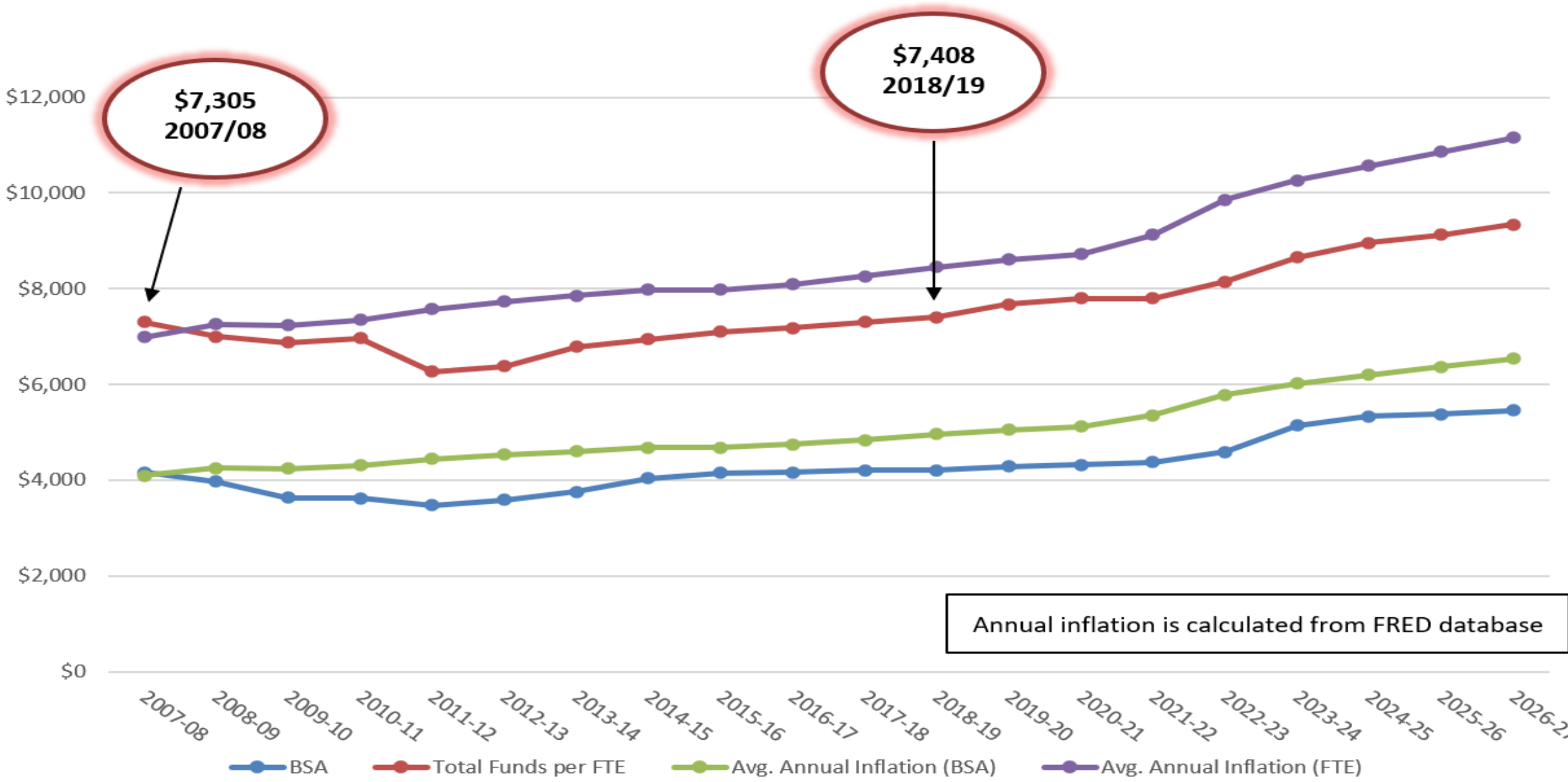
Full Time Equivalent Growth Last 20 Years



Base Student Allocation vs. Total Funds per Student 20 Year History

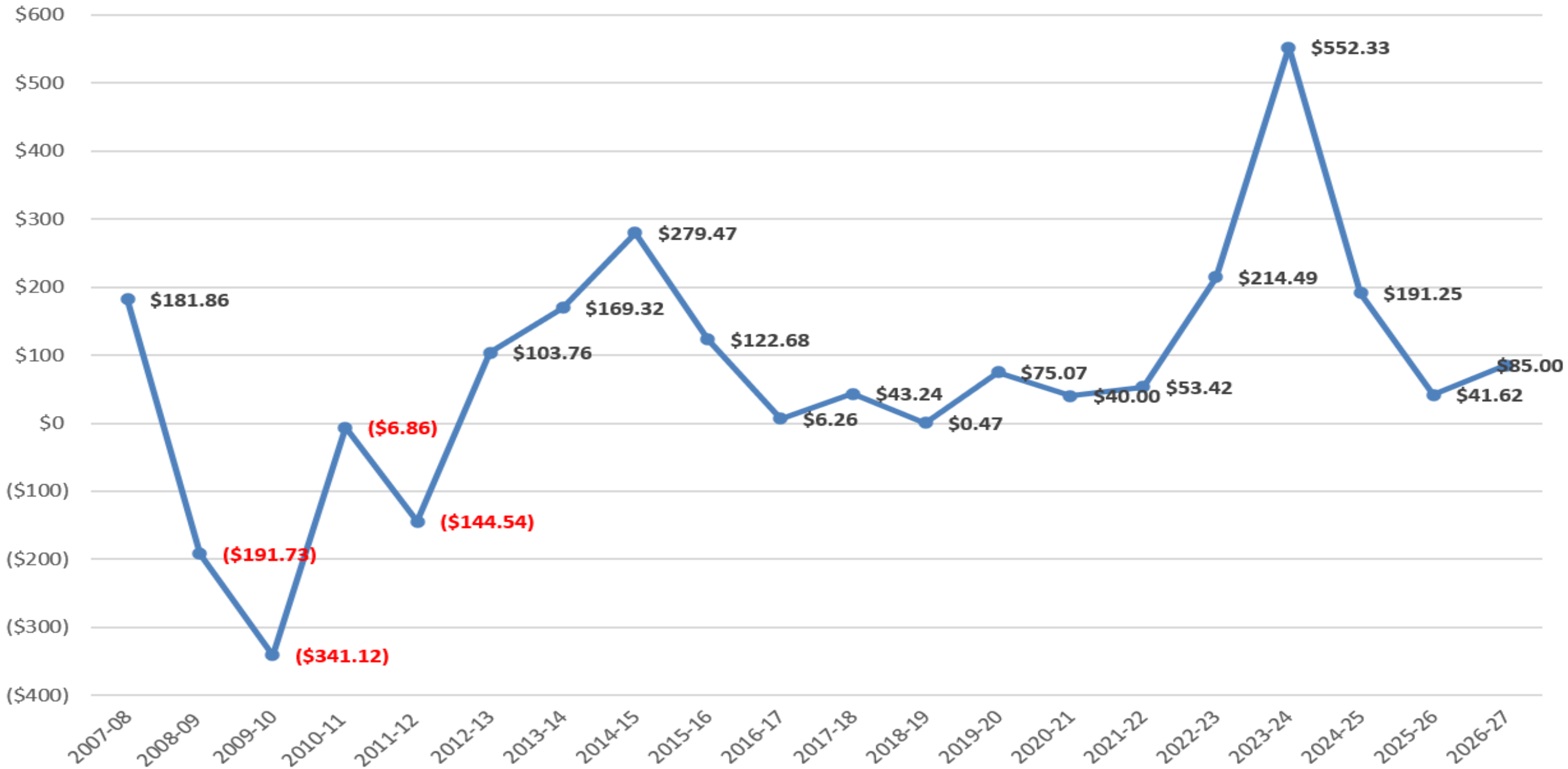


Base Student Allocation vs. Total Funds per Student 20 Year History

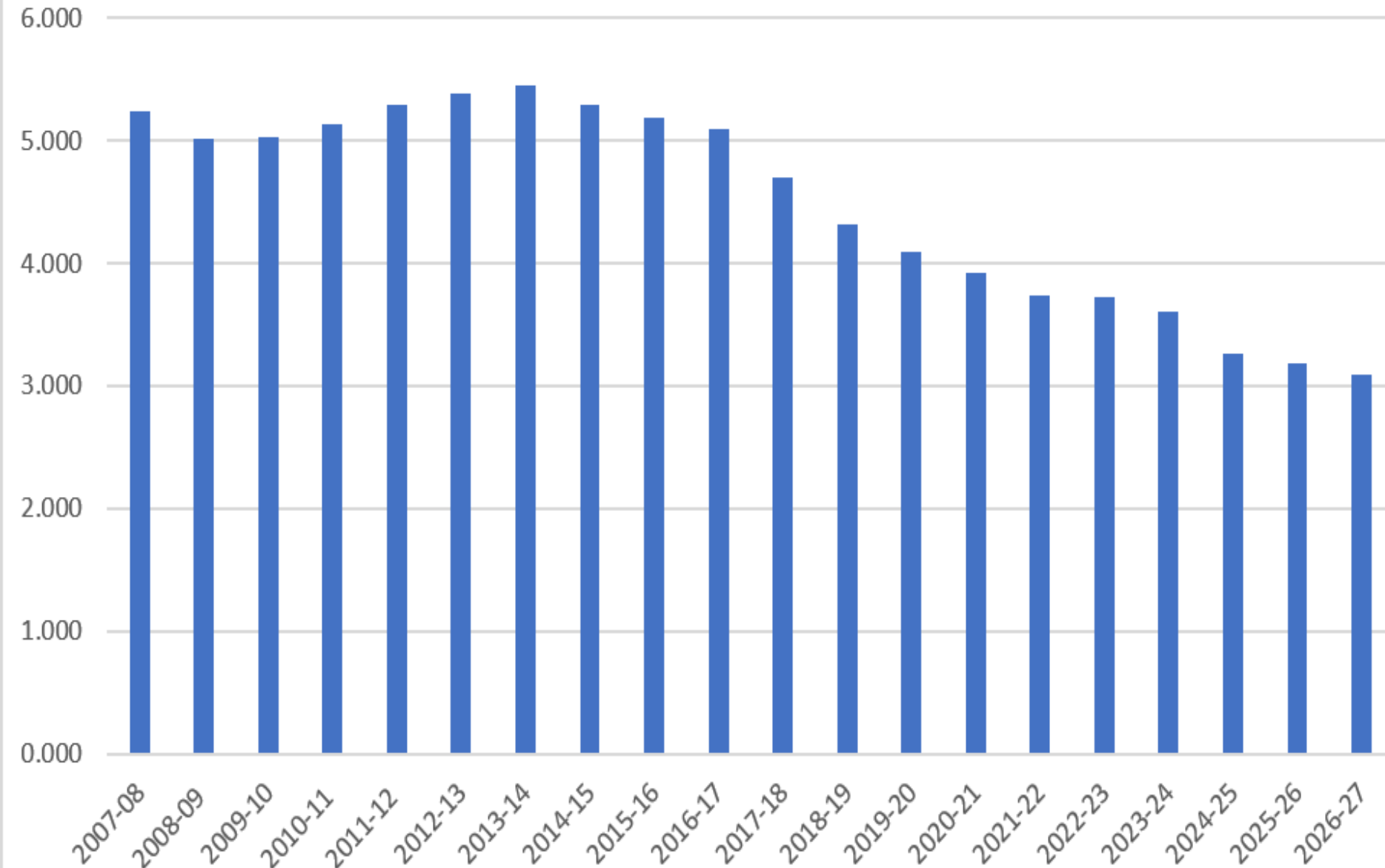


Annual inflation is calculated from FRED database

Base Student Allocation - Annual Net Change Last 20 Years

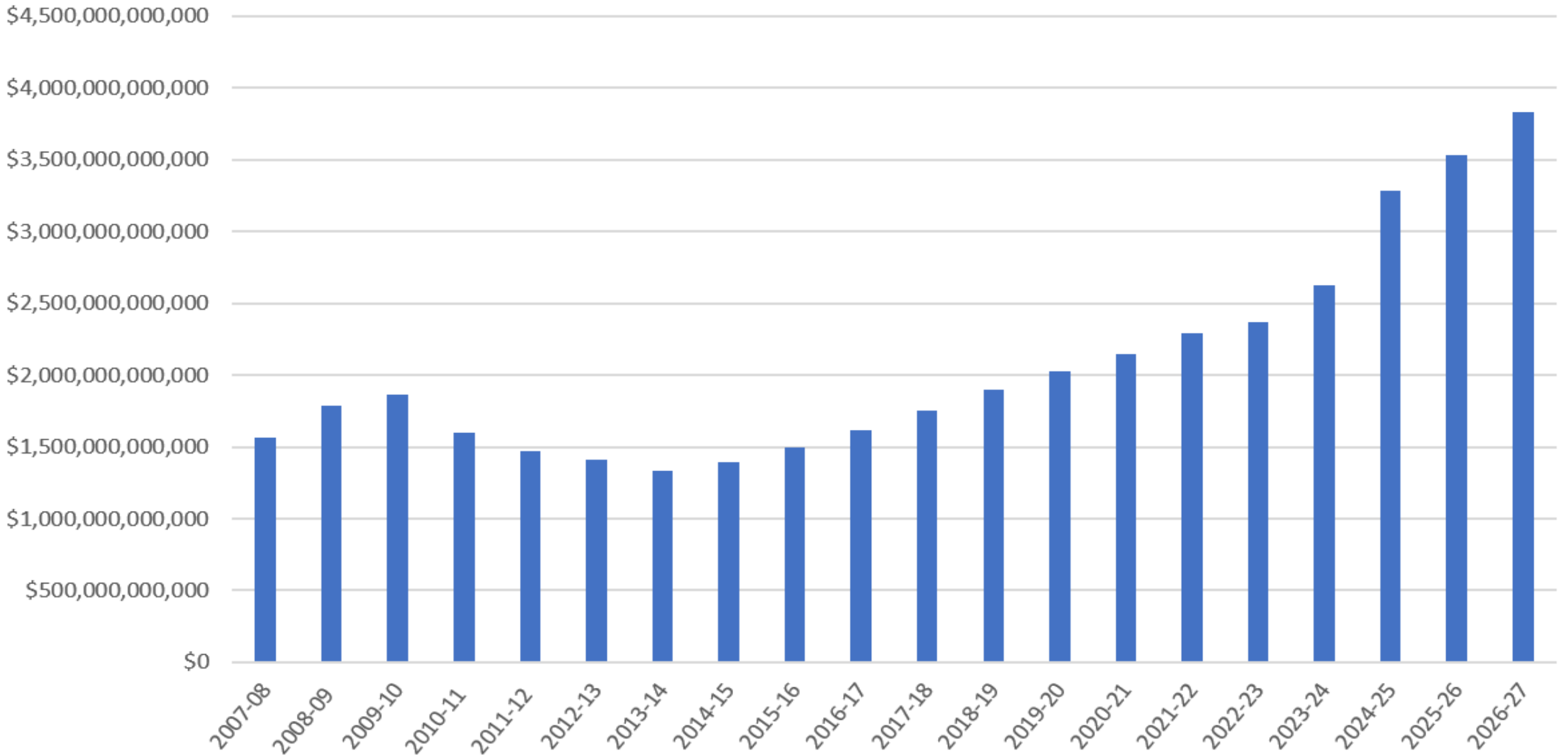


Required Local Effort 20 Year History

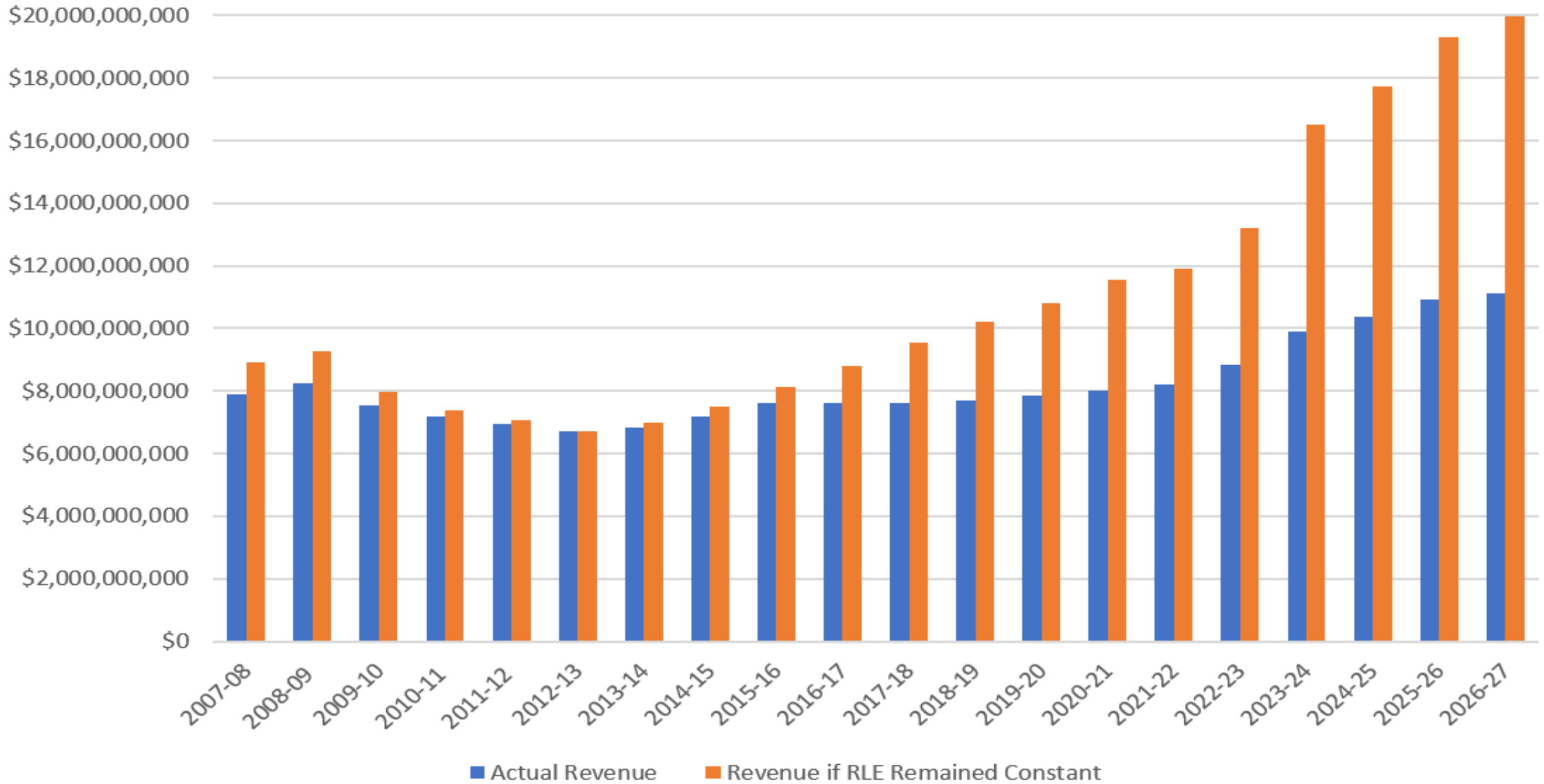


- In 2008/09 and 2009/10 Capital Outlay Millage of .25 mills was transferred from the Capital Fund to the Required Local Effort to help out the General Revenue Fund.
- Total Capital Outlay allowable by law decreased from 2.0 mills to 1.5 mills, where it has been ever since.

Taxable Assessed Valuation 20 Year History

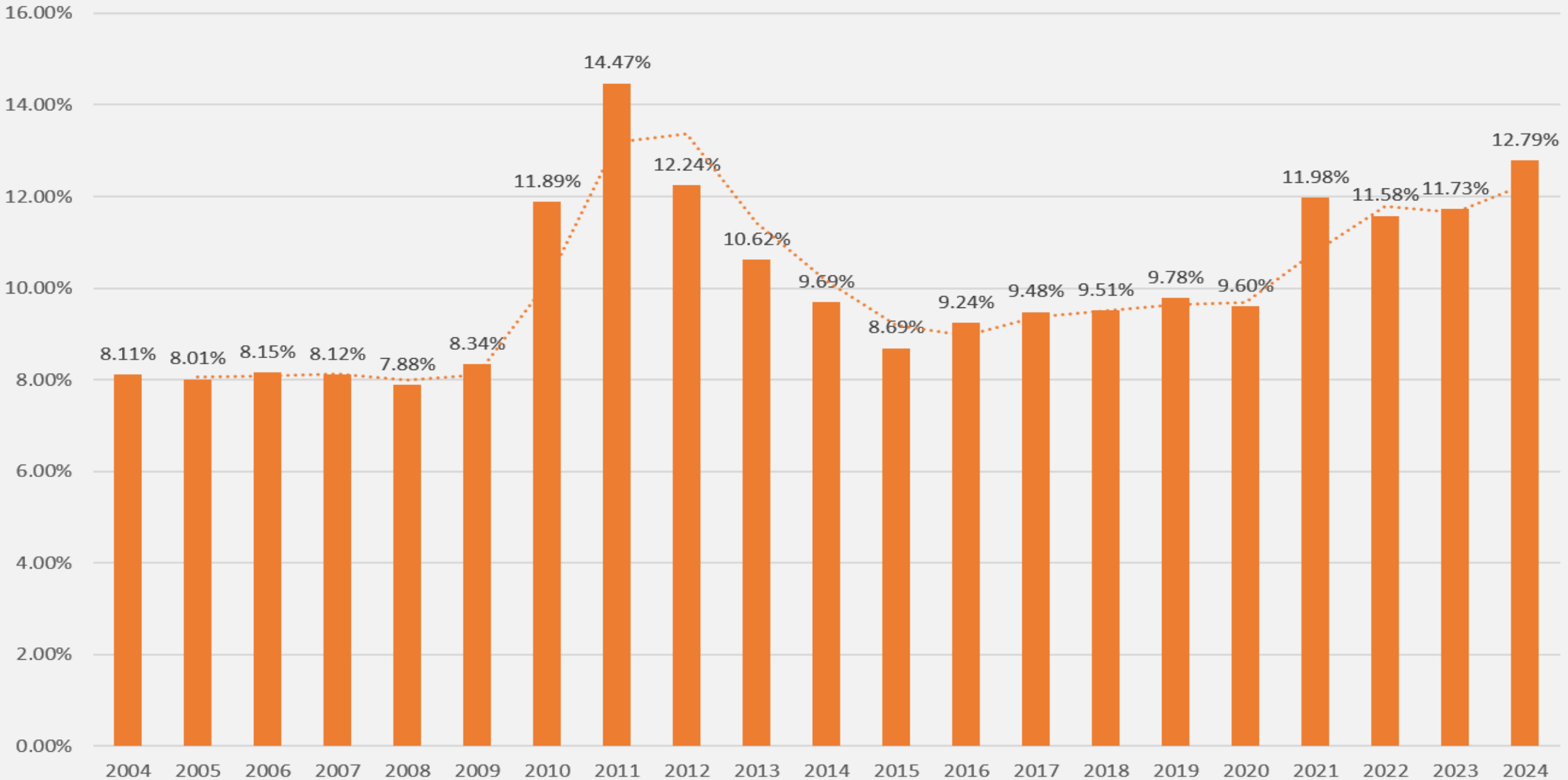


Revenue Generated if RLE Remained Constant Since 2007-08



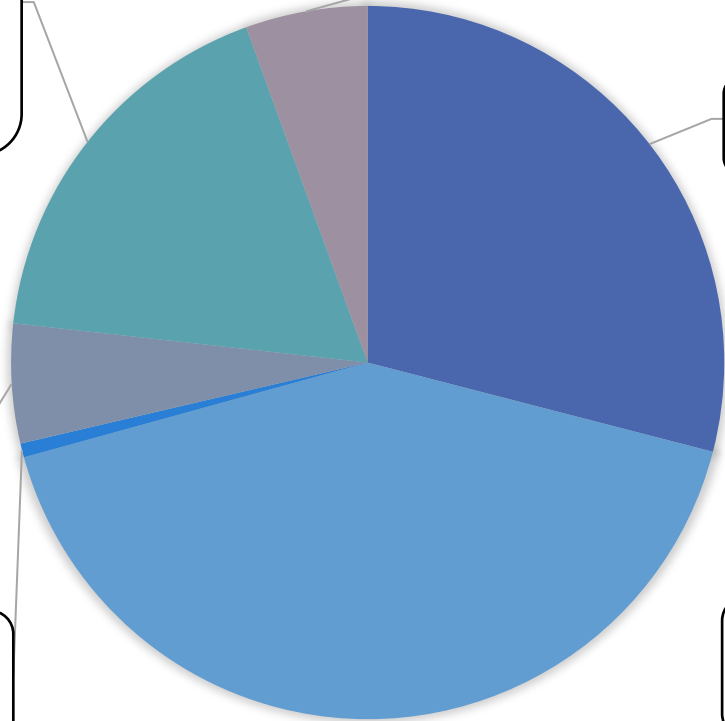
Average Financial Condition Ratio - All 67 School Districts

Fiscal Year Ended June 30

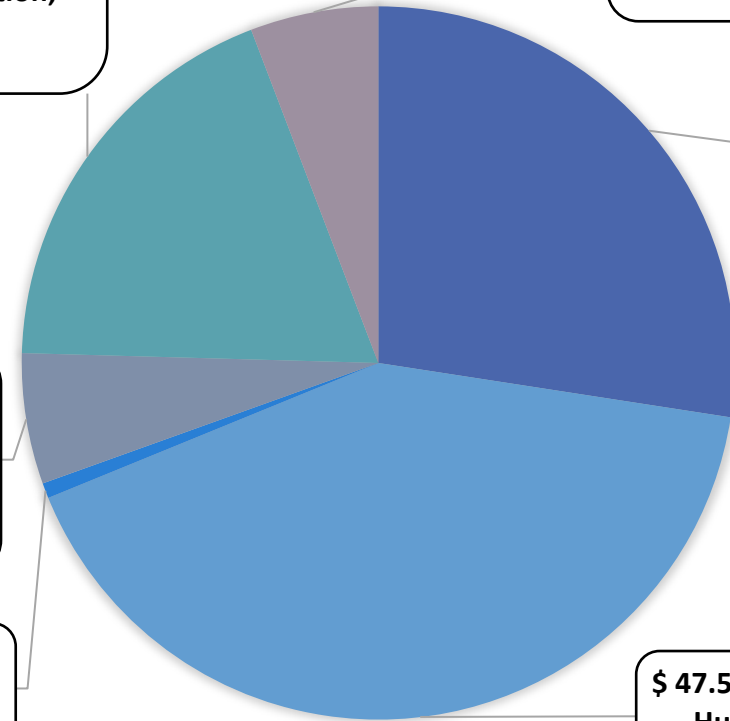


State Education Funding Trends

2016/17 BUDGET
\$82,348,890,492



2025/26 BUDGET
\$114,819,342,675



- Total state budget increased by \$32.5 billion, or 39%
- Education's portion increased by \$ 7.6 billion, or 32%

- Education's 2025-26 slice is only 27% when it used to be 29% in 2016-17
- Education is getting a **smaller** piece of a larger pie

Key Considerations for the Future

- We are no longer the “only game in town.”
- Realize that we need to “reinvent”, “reimagine”, “revision” or “reconfigure” ourselves.
- We need to become more competitive in the education marketplace.
- This is **not** a traditional budget reduction exercise – it is figuring out a new way of doing business.
- **Now** is the time to be creative and innovative.
- Our old way of being funded is gone and we are now in a new revenue allocation environment.

Key Considerations for the Future

- Family Empowerment Scholarships have opened up funding to students who have never been part of the formula before.
- We need to not only understand where we have been but also where we are headed.
- HB1 (2023) and revamping of the FEFP formula
 - Universal school choice
 - “Rolled” several line items into the BSA including Instructional Materials, TSIA, Teacher Classroom Supply, Compression, Sparsity Supplement and Reading Allocation
 - State-wide roughly \$1.4 billion

Example of Voucher Impact on Districts

	Pre Vouchers	Post Vouchers (2,000 outside vouchers)	Delta
Number of Students	50,000	52,000	2,000
Total Funds per Student	\$9,000	\$8,653.85	(\$346.15)
Total Available Funding (constant)	\$450,000,000	\$450,000,000	
Total Loss of District Funding			(\$17,307,500)

What about students who leave the system?

What happens to “their” funding?

What happens to those students?

Strategies to Consider

- Maximize / prioritize use of capital outlay funds (1.5 mills)
 - Maintenance costs at school sites and district facilities
 - Equipment purchases (new and replacement)
 - Computers, software systems (ERP), vehicles
 - Review refresh cycles
 - Infrastructure as a Service (IaaS)
 - Property insurance
 - Casualty insurance
 - Liability insurance
- Seven period day vs. Six period day
- MS/HS from 5 core & 2 electives to 4 core & 3 electives
- Transportation
 - Staffing constraints
 - Sign-on / recruiting bonuses
 - Equipment purchases (general fund vs. capital fund)

Strategies to Consider

- Create a slow-fill process for “non-critical” personnel
- Review your staffing models under the new way of being funded
 - Can we adjust our “tipping points”
 - What do our non-core / elective classes look like
 - What do our resource classes look like
 - Elementary level vs. middle & high school
- All Schools of Excellence shall utilize Class-size Averaging
- Consider moving to one 12-month AP per school and all others 11 month
- “We can no longer be everything to everybody”
- “We need to look at every position that is not covering a class roster”

Strategies to Consider

- Consider the “Associate Teacher” model
- Review programs that have a longevity to them
 - District-wide allocations for the same position in every school
 - Is it a Shall / Should / Would Like To?
 - Are resources still necessary on a 1:1 basis
 - School nurses (i.e. - high acuity students)
 - Tech Support Specialists
- Conference attendance
 - Consider instituting a “train the trainer” model
- Medical plans
 - Fully insured vs. self-insured
 - Plan design changes
 - Dependent eligibility audits
 - Hospital Indemnity Programs – do we still need them?

Strategies to Consider

- Consider asking the voters to support the additional operating millage under §1011.71(9), F.S. and §1011.73(2), F.S.
 - FY 2004 --- one district
 - FY 2014 --- 12 districts
 - FY 2024 --- 25 districts
- Review your collective bargaining agreements (CBA) for any reduction in force (RIF) language, just in case. §1012.33(5), F.S. outlines the procedures to be taken.
 - Notice requirements to union leaders as well as impacted employees.
 - There are rules relative to the selection criteria employed (seniority, teacher certifications, performance, etc.).
 - The Board, as management, must ensure compliance with all statutory requirements, CBA language and any/all procedures.

Strategies to Consider

- Be familiar with what the “financial urgency” law is all about - §447.4095, F.S. outlines the procedures to follow in such a situation.
- What is a “financial urgency”?
 - It is not defined in Florida Statutes.
 - It’s a **serious and immediate financial condition** that justifies expedited negotiations.
 - It must be **urgent, unforeseen, and substantial enough** to warrant bypassing normal bargaining timelines.
- How is it triggered?
 - When it is identified, the Board and the Union must meet to bargain its impact within 14 days of identification.
- What do we do?
 - Timeline is to bargain for 14 days
 - If no agreement after that time, an impasse is deemed to have occurred and either party may move under that section of law.

Process and Timelines

- Identify the problem and possible solutions as a team
 - Revenue shortfall
 - Over extension of appropriations
 - Both
- Use your school district's historical trends
 - 5 years of history should be sufficient
 - Current year projections without any changes vs. projections
- Produce a target amount (“how much”)

Process and Timelines

- Gather input
 - Staff knows your budget better than anyone else
 - Principals, SAC, PTO, Unions, etc. (use “role-a-likes” if that helps)
 - Community groups
 - School board workshops
 - Note of caution here...

Process and Timelines

- Review All New, Creative and Innovative Ideas
 - Who, What, Where, When and Why
 - How much it will save / redirect
 - “You never know where a good idea comes from”
 - Recap
- Never be afraid to prognosticate
 - “The FEFP for our schools included \$55 million for the FES program this current year, however, our projections for next year show a 5 percent increase to this year’s level”
 - Growth / declining enrollment
 - Charter schools / private schools / home school
 - Medical costs
 - FRS costs

Communication Plan

Two Main Points to Include in Your Plan

- “The Four Ts” (Point No. 1)
 - “Tell Them the Truth”
 - Economy vs. Legislature vs. FEFP Funding
 - Impact of vouchers on your district operations
 - Struggles with re-balancing the new vs. veteran teacher compensation
 - Struggles with the post-COVID employment market
 - Inflation and other cost increases
 - Non-academic side of a student's day
- **Always** be transparent – in the final analysis, it will never hurt you

Communication Plan

- Go Tell Everyone Who Will Listen (Point No. 2)
 - “No group too big or too small”
 - School Faculty meetings
 - SAC, PTO and other school related organizations
 - Civic Groups
 - Rotary, Moose, Elks, Kiwanis, etc.
 - Political Groups
 - County Commission
 - Chamber of Commerce
 - Realtor Groups
 - Contractor Groups
 - Executive committees
- Stay on Message, Keep the Faith and Never Give Up!



Leadership Traits

Tough Times Require Gutsy Leadership

Drs. Kevin & Jackie Freiberg

Let's Be a Game Changer!

Leadership Trait No. 1

What We Know

- Our financial world has been turned upside down and uncertainty can distract and derail us.

Be a Game Changer!

- Are we focusing on things we can control or are we obsessing over things we cannot?
- ***Let's have laser-like focus.***

Leadership Trait No. 2

What We Know

- Panic and fear will hinder critical and rational thinking.

Be a Game Changer!

- We need to step through the fear!
- ***Let's have the courage to lead with clear heads.***

Leadership Trait No. 3

What We Know

- In the absence of truth and valid data, people will make assumptions and draw their own conclusions.

Be a Game Changer!

- We need to communicate much more than we think we should!
- ***Let's communicate like we are changing the world... because we are!***

Leadership Trait No. 4

What We Know

- People are angry and hurt.

Be a Game Changer!

- We need to find something or someone for which to be grateful.
- ***Let's show people all around us just how truly grateful we all need to be!***

Leadership Trait No. 5

What We Know

- Attitudes are contagious.

Be a Game Changer!

- We need to make sure our attitudes are positive and worth catching!
- ***Let's show folks around us how positive attitudes can change their own attitudes for their benefit!***

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Questions and Discussions

Thank you!