



Timothy S. Wyrosdick  
Superintendent of Schools

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September 19, 2013

Diane Coleman  
Chair, Santa Rosa County School Board  
5086 Canal Street  
Milton, Florida 32570

Mrs. Coleman,

In accordance with Florida Statute 1011.051 paragraph (1) and (2) (attached), I am notifying you of the status of our projected fund balance.

Paragraph one (1) of Florida Statute rest below:

(1) If at any time the portion of the general fund's ending fund balance not classified as restricted, committed, or nonspendable in the district's approved operating budget is projected to fall below 3 percent of projected general fund revenues during the current fiscal year, the superintendent shall provide written notification to the district school board and the Commissioner of Education.

Our current projected fund balance, (referred to by DOE as Financial Condition Ratio) as projected by the Department of Education is 2.17%. (Attached) If we included Capital dollars we have assigned to Operational funds, our calculation rest at 3.02%. However, for the purpose of fulfilling Florida law, we cannot use include these dollars in our fund balance calculation.

Paragraph two (2) rest below:

(2) If at any time the portion of the general fund's ending fund balance not classified as restricted, committed, or nonspendable in the district's approved operating budget is projected to fall below 2 percent of projected general fund revenues during the current fiscal year, the superintendent shall provide written notification to the district school board and the Commissioner of Education. Within 14 days after receiving such notification, if the commissioner determines that the district does not have a plan that is reasonably anticipated to avoid a financial emergency as determined pursuant to s. 218.503, the commissioner shall appoint a financial emergency board that shall operate under the requirements, powers, and duties specified in s. 218.503(3)(g).

As stated, our current projected fund balance ending fiscal 2013/14 as calculated by the Department of Education is 2.17%. Paragraph two (2) requires notification if the projected fund balance will fall below the 2% level. Considering the revenue flow this fiscal year and the projected expenses, I cannot guarantee the fund balance will remain above 2%. More importantly, without taking action this fiscal year I will project fund balance to fall well below the 2% during the early part of fiscal year 2014/15.

Anticipating fund balance will fall below the 2% level in early fiscal 2014/15, it is my recommendation we develop a cost reduction plan to present to the board for your approval at our board meeting on October 24, 2014 effective this fiscal year. Without intervention during this fiscal year, our projected fund balance will certainly fall into a critical level requiring intervention from the Department of Education.

Sincerely,

Timothy S. Wyrosdick  
Superintendent of Schools

DISTRICT 1  
Diane Scott

DISTRICT 2  
E. Hugh Winkles

DISTRICT 3  
Diane Coleman

DISTRICT 4  
Jennifer Granse

DISTRICT 5  
Scott Peden