

Financial Affairs
Richard H. Hinds, Chief Financial Officer

SUBJECT: TENTATIVE ADOPTION OF THE 1999-2000 BUDGET

The Board received the Tentative Budget Recommendation for fiscal year 1999-2000 on July 8, 1999. That budget recommendation included proposed millage rates, projected revenues and recommended appropriations for the General Fund, Debt Service Funds, Capital Outlay Funds, Special Revenue Funds and Trust and Agency funds.

At the July 14, 1999 meeting, the Board authorized the Superintendent to advertise the tentative budget and property tax millage rates for these funds as well as all related public notices required by Chapter 200, Florida Statutes.

The Tentative Budget Recommendation consisted of the following documents:

- **1999-2000 Tentative Budget, Executive Summary**, which identifies policy issues and summarizes and analyzes projected revenues and proposed appropriations for all parts (funds) of the budget.
- **1999-2000 Tentative Budget Workpapers** (computer printout) which provides details of appropriations in the operating budget (General Fund).

As authorized by the Board, the budget advertisement was based upon the documents listed above, except that the millage rates for Required Local Effort and Supplemental Discretionary Operating were adjusted to the level certified by the Commissioner of Education on July 16, 1999, based upon statewide assessed values of taxable property.

The 1999-2000 budget consists of the documents listed above and the **School Allocation Plans** (for K-12 and Adult Centers) which identify the formulas used to develop personnel and materials, supplies and equipment allocations to the schools. For K-12 schools many of these allocations are consolidated into a single revenue line from which these schools develop their own unique line-item budget.

Final adoption of the 1999-2000 budget is scheduled for September 8, 1999. It is desirable, however, that minimal changes be made at final budget adoption, since schools and departments use the tentative adopted budget to hire personnel and complete ordering of materials for the opening of the 1999-2000 year.

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Attached are the following documents:

- **Recommended changes to the budget** approved for advertisement on July 14, 1999 (**Attachment A**)
- A **revised comparison of millage levies**, which reflects the proposed millage levies, including the revised millage for Required Local Effort and Supplemental Discretionary Operating as certified by the Commissioner of Education on July 16, 1999 (**Attachment B**)
- A **revised 1999-2000 Budget Summary**, similar to that advertised pursuant to the budget (**Attachment C**)

The ***School Allocation Plans for K-12 and Adult Centers for 1999-2000*** will be distributed to Board Members and placed on file in the Office of the Recording Secretary to the Board and in the Citizen Information Center no later than July 23, 1999.

RECOMMENDED: That The School Board of Miami-Dade County, Florida:

1. Tentatively adopt the 1999-2000 Annual Budget, which consists of the budget approved for advertising on July 14, 1999, as adjusted for recommended changes included in Attachment A, and including any amendments approved by the Board following the public hearing on July 26, 1999; and
2. Approve the ***School Allocation Plans for K-12 and Adult Centers for 1999-2000***.

**CHANGES INCORPORATED IN THE 1999-2000 TENTATIVE BUDGET
RECOMMENDED FOR ADOPTION
JULY 26, 1999**

GENERAL FUND

Revenue Changes

1. Increase Florida Education Finance Program (FEFP) revenues due to a decrease in the Required Local Effort millage levy rate certified by the Commissioner of Education.	\$ 4,646,043
2. Decrease Property Taxes due to a decrease in the Required Local Effort (RLE) millage levy (from 5.996 to 5.943) certified by the Commissioner of Education on July 16, 1999.	(4,646,043)
3. Decrease Supplemental Discretionary Operating Taxes due to a decrease in Supplemental Discretionary millage levy (from .203 to .201). Revenue is limited to a maximum of \$50 per student.	(175,323)
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Total Revenue Decrease	<u>\$ (175,323)</u>

Reserves

Decrease contingency reserve to balance. Contingency reserve is \$31.68 million including Administrative Deferment of \$5.47 million.	\$ (175,323)
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Total Appropriation and Reserves Decrease	<u>\$ (175,323)</u>

COMPARISON OF MILLAGE LEVIES

	ACTUAL 1997-98	ACTUAL 1998-99	PROPOSED 1999-2000	INCREASE (DECREASE)
State Required Operating	6.622	6.452	5.943	(.509)
Local Discretionary Operating:				
Basic	.510	.510	.510	--
Supplemental	<u>.228</u>	<u>.220</u>	<u>.201</u>	<u>(.019)</u>
Sub-Total Operating Millage	7.360	7.182	6.654	(.528)
Local Discretionary Capital	<u>1.996</u>	<u>2.000</u>	<u>2.000</u>	<u>--</u>
Total Non-Voted Millage	9.356	9.182	8.654	(.528)
Debt Services (Voter-Approved)	<u>1.106</u>	<u>.978</u>	<u>.990</u>	<u>.012</u>
Total Millage Levy	<u>10.462</u>	<u>10.160</u>	<u>9.644</u>	<u>(.516)</u>

TAX EFFECT ON TYPICAL HOMESTEAD

	1998-99	1999-2000	INCREASE (DECREASE)
Assessed Value-Typical Homestead *	\$ 100,400	\$ 104,440	\$ 4,040
Less: Homestead Exemption	<u>(25,000)</u>	<u>(25,000)</u>	<u>--</u>
Taxable Value	\$ 75,400	\$ 79,440	\$ 4,040
Total Non-Voted Millage Levy	<u>9.182</u>	<u>8.654</u>	<u>(.528)</u>
Non-Voted Taxes	692.32	687.47	\$ (4.85)
Voter Approved Taxes (Debt Service)	<u>73.74</u>	<u>78.65</u>	<u>4.91</u>
Total Taxes	<u>\$ 766.06</u>	<u>\$ 766.12</u>	<u>\$.06</u>

FACTORS CONTRIBUTING TO THE TAX INCREASE

	AMOUNT OF INCREASE (DECREASE)
Increased Assessment	\$ 41.05
Required Local Effort Millage	(40.43)
Basic Discretionary Operating Millage	--
Supplemental Discretionary Operating Millage	(1.51)
Capital Outlay Millage	--
Debt Service Millage	<u>.95</u>
TOTAL	<u>\$.06</u>

SUMMARY OF REVENUES & APPROPRIATIONS - ALL FUNDS
1999-2000 TENTATIVE BUDGET

	GENERAL FUND	DEBT SERVICE FUNDS	CAPITAL OUTLAY FUNDS	SPECIAL REVENUE FUNDS	TRUST & AGENCY FUNDS
REVENUES					
Federal	\$ 9,650,000	\$ -	\$ -	\$ 226,778,031	\$ -
State	\$ 1,324,149,585	\$ 13,110,472	\$ 123,735,923	\$ 3,333,204	\$ -
Local	\$ 640,815,589	\$ 88,580,578	\$ 213,060,381	\$ 27,972,152	\$ 3,304,887
TOTAL REVENUES	\$ 1,974,615,174	\$ 101,691,050	\$ 336,796,304	\$ 258,083,387	\$ 3,304,887
Transfers In	\$ 110,905,643	\$ 41,797,941	\$ 4,110,000	\$ 2,293,078	\$ -
Non Revenue Sources	\$ -	\$ -	\$ 72,723,344	\$ -	\$ -
Beginning Fund Balance	\$ 126,112,698	\$ 59,383,748	\$ 610,020,506	\$ 7,410,496	\$ 32,936,331
TOTALS	\$ 2,211,633,515	\$ 202,872,739	\$ 1,023,650,154	\$ 267,786,961	\$ 36,241,218
APPROPRIATIONS					
Instruction	\$ 1,406,865,741	\$ -	\$ -	\$ 93,767,918	\$ -
Pupil Personnel	105,495,555	-	-	12,270,722	-
Instructional Media Services	48,378,072	-	-	2,319,238	-
Instructional & Curriculum Dev.	19,165,030	-	-	14,434,417	-
Instructional Staff Training	8,106,517	-	-	15,678,942	-
Board of Education	4,254,881	-	-	-	-
General Administration	7,013,605	-	-	5,482,315	-
School Administration	121,113,781	-	-	-	-
Facilities - Other	477,770	-	862,661,101	88,899	-
Fiscal Services	13,880,601	-	-	-	-
Food Services	-	-	-	113,985,976	-
Central Services	70,150,348	-	-	-	-
Pupil Transportation Services	71,666,450	-	-	374,388	-
Operation of Plant	171,813,837	-	-	42,557	-
Maintenance of Plant	104,702,701	-	-	20,170	-
Community Services	22,350,603	-	-	894,965	4,343,615
Debt Services	-	141,324,508	-	-	-
TOTAL APPROPRIATIONS	\$ 2,175,435,492	\$ 141,324,508	\$ 862,661,101	\$ 259,360,507	\$ 4,343,615
Transfers Out	\$ 4,515,607	\$ -	\$ 156,813,584	\$ -	\$ -
ENDING FUND BALANCE					
Undesignated Reserves	\$ 31,682,416	\$ -	\$ 4,175,469	\$ 8,426,454	\$ -
Designated Reserves	\$ -	\$ 61,548,231	\$ -	\$ -	\$ 31,897,603
TOTALS	\$ 31,682,416	\$ 61,548,231	\$ 4,175,469	\$ 8,426,454	\$ 31,897,603
TOTALS	\$ 2,211,633,515	\$ 202,872,739	\$ 1,023,650,154	\$ 267,786,961	\$ 36,241,218