

July 3, 2003

Financial Affairs
Eduardo A. Alfaro, Interim Chief Financial Officer

**SUBJECT: AUTHORIZATION TO ADVERTISE PROPOSED TENTATIVE
BUDGET AND MILLAGE LEVIES FOR 2003-04**

COMMITTEE: BUSINESS AND FINANCIAL SERVICES

Florida Statutes require that the Superintendent submit a tentative budget and millage levy recommendation to the Board no later than 24 days after certification of the tax roll or by July 24, 2003.

Statutes also prescribe that each school board shall advertise its intent to adopt a tentative budget and millage levy within 29 days of certification of the tax roll or by July 29, 2003. No less than 2 days or more than 5 days thereafter, the district shall hold a public hearing on the tentative budget and millage levy. The School Board must advise the property appraiser of its proposed millage rates within 35 days of certification of the roll or by August 4, 2003.

Due to these requirements, as well as the sequence of Board meeting dates, the following schedule has been developed:

<u>Date</u>	<u>Event</u>
July 9	Board authorizes Superintendent to advertise tentative budget and proposed millage levies.
19	Advertisement appears in newspaper of general circulation.
23	First Public Hearing. Board tentatively adopts millage levies and budget.
28	Proposed millage levies sent to property appraiser.

The budget cycle culminates with a second public hearing and final adoption on September 10, 2003.

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The following millage levies are the maximum permitted under current State law. A debt service levy is included which is required to service the district's outstanding bond series.

The levies permitted under current law are recommended for advertising.

	2002-03 Adopted Levy	2003-04 Recommended Levy *	Increase (Decrease)
State Required Local Effort	5.803	5.892	.089
Discretionary Operating	.510	.510	-
Supplemental Discretionary	<u>.169</u>	<u>.148</u>	<u>(.021)</u>
Sub-Total Operating Millage	6.482	6.550	.068
Discretionary Capital	<u>2.000</u>	<u>2.000</u>	-
Sub-Total Non Voted-Millage**	8.482	8.550	.068
Debt Service (Voted)	<u>.770</u>	<u>.682</u>	<u>(.088)</u>
Total Millage Levy	<u>9.252</u>	<u>9.232</u>	<u>(.020)</u>

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* The State Required Local Effort Levy and the Supplemental Discretionary Levy are estimated and are subject to modification by the Commissioner of Education based upon an analysis of actual county tax rolls in the state. The actual levies will be certified by the Commissioner no later than July 19. The changes in the tax roll and in the certified millage rates will not affect revenues generated by Required Local Effort or Supplemental Discretionary Millage. Revenues from Discretionary Operating and Capital Millages have been adjusted to reflect the July 1 tax roll. Furthermore, the Debt Service Millage has been adjusted to generate the same level of funding.

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** The recommended non-voted millage levy is .068 mills or .8% higher than 2002-03. However, due to increased assessed values, this represents an **increase** of 11.44% calculated pursuant to Florida Statutes.

Board authorization to advertise the tentative budget **does not** represent tentative adoption by the Board. This requested Board authorization only determines the information as to millage levy, tentative budget, and list of capital projects funded by the Capital Millage Levy which will be included in the advertisement. The official millage levies and the tentative budget will not be voted on by the Board **until** July 23, 2003.

Further, it is desirable that the Board advertise the maximum potential millage which it is considering levying. The Board, **by law**, may not authorize a millage levy higher than that which is advertised and/or tentatively adopted, unless it later informs every taxpayer by mailed notice of the higher rate. The only exception is that the Board may administratively adjust the millage without notifying each taxpayer only if the non-exempt property tax roll changes by 1% or more from the roll certified by the Property Appraiser on July 1.

The following materials are provided for Board review:

] **REVISED**

Attachment A - Summary of Revenues & Appropriations by Function – All Funds 2003-04 Tentative Budget.

Attachment B - Percentage of Total Operating Expenditures Used for K-12 Instruction and Instructional Staff Training.*]

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Attachment C - List of Capital Projects to be funded from the 2003-04 Capital Millage Levy.

Additionally, on July 7, 2003, Board Members will receive a copy of the 2003-04 Tentative Budget – Executive Summary and a copy of the detailed General Fund budget workpapers. Copies of each will be placed on file in the Citizen Information Center and in the Office of the Recording Secretary to the Board.]

* Information required to complete this analysis has not yet been received from the Department of Education (DOE). The DOE plans on releasing the data on July 9, 2003. The information will be provided to the Board as soon as it's available.]

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RECOMMENDED: That The School Board of Miami-Dade County, Florida authorize the Superintendent to:

- 1) advertise a proposed operating millage levy of 6.550 mills, a proposed capital outlay millage levy of 2.000 mills, and a proposed debt service levy of .682 mills, subject to certification of the State Required Local Effort Millage Levy and the Supplemental Discretionary Millage Levy;
- 2) advertise the Tentative Budget (Attachment A);
- 3) advertise language pursuant to F.S. 1011.03 which requires, under specified conditions, that a district increase the percentage of total operating expenditures used for K-12 instruction and instructional staff training (Attachment B);
- 4) advertise the listing and description of capital projects to be funded from the 2003-04 Capital Millage Levy (Attachment C);
- 5) modify the advertised State Required Local Effort Millage Levy and the Supplemental Discretionary Millage Levy pursuant to official notification by the Commissioner of Education;
- 6) amend for the purpose of advertisement the State portion of the Florida Education Finance Program (FEFP) pursuant to official notification by the Commissioner of Education.

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SUMMARY OF REVENUES & APPROPRIATIONS - ALL FUNDS
2003-04 TENTATIVE BUDGET

REVENUES	GENERAL FUND	DEBT SERVICE FUNDS	CAPITAL OUTLAY FUNDS	SPECIAL REVENUE FUNDS	FIDUCIARY FUND
Federal	\$ 12,249,050	-	\$ -	\$ 365,127,440	-
State	\$ 1,426,736,332	\$ 15,124,264	\$ 210,459,156	\$ 3,141,305	-
Local	\$ 869,750,088	\$ 85,474,704	\$ 306,303,068	\$ 40,032,518	\$ 2,890,113
TOTAL REVENUES	\$ 2,308,735,470	\$ 100,598,968	\$ 516,762,224	\$ 408,301,263	\$ 2,890,113
Transfers In	\$ 118,905,643	\$ 78,233,195	\$ 5,852,000	-	-
Non Revenue Sources	\$ -	\$ -	\$ 149,975,307	-	-
Beginning Fund Balance	\$ 126,176,848	\$ 67,298,342	\$ 798,015,151	\$ 11,888,018	\$ 27,497,434
TOTALS	\$ 2,553,817,961	\$ 246,130,505	\$ 1,470,604,682	\$ 420,189,281	\$ 30,387,547
Less: Transfers					
TOTAL ALL FUNDS					
APPROPRIATIONS					
Instruction	\$ 1,627,075,711	-	\$ -	\$ 190,074,009	-
Pupil Personnel	116,077,132	-	-	18,325,180	-
Instructional Media Services	52,259,658	-	-	16,283,395	-
Instructional & Curriculum Dev.	23,099,100	-	-	22,914,199	-
Instructional Staff Training	5,493,059	-	-	22,744,992	-
Board of Education	5,666,817	-	-	-	-
General Administration	9,866,558	-	-	4,368,717	-
School Administration	140,117,508	-	-	-	-
Facilities - Other	505,548	-	1,207,565,834	-	-
Fiscal Services	13,278,303	-	-	-	-
Food Services	-	-	-	137,411,095	-
Central Services	79,194,044	-	-	-	-
Pupil Transportation Services	86,288,975	-	-	-	-
Operation of Plant	221,586,365	-	-	19,858	-
Maintenance of Plant	105,203,248	-	-	479,779	-
Community Services	28,105,935	-	-	690,173	3,527,953
Debt Services	-	177,448,377	-	-	-
TOTAL APPROPRIATIONS	\$ 2,513,817,961	\$ 177,448,377	\$ 1,207,565,834	\$ 413,311,397	\$ 3,527,953
Transfers to Other Funds	\$ -	\$ -	\$ 202,990,838	\$ -	\$ -
ENDING FUND BALANCE					
Undesignated Reserves	\$ 40,000,000	-	\$ 60,048,010	\$ 6,877,884	\$ -
Designated Reserves	-	68,682,128	-	-	26,859,594
TOTALS	\$ 40,000,000	\$ 68,682,128	\$ 60,048,010	\$ 6,877,884	\$ 26,859,594
TOTALS	\$ 2,553,817,961	\$ 246,130,505	\$ 1,470,604,682	\$ 420,189,281	\$ 30,387,547

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WILL BE PROVIDED LATER

NOTICE OF TAX FOR SCHOOL CAPITAL OUTLAY

The School Board of Miami-Dade County, Florida will soon consider a measure to continue to impose a 2.0 mill property tax for the capital outlay projects listed herein.

This tax is in addition to the school board's proposed tax of 6.550 mills for operating expenses and is proposed solely at the discretion of the school board.

The capital outlay tax will generate \$249,128,163 to be used for the following projects:

CONSTRUCTION & REMODELING:

- Capital Outlay Administration
- New Instructional Facilities
- Additions/Remodeling of Instructional Facilities
- Sites/Site Improvements

MAINTENANCE, RENOVATION & REPAIR:

- Maintenance Services
- Instructional Facilities Renovations
- Roof Repair & Replacement
- Support Services Renovations
- Portable/Relocatable Moves
- Safety to Life Repairs
- Renovations for Handicapped

PAYMENT FOR EDUCATIONAL FACILITIES & SITES DUE UNDER A LEASE PURCHASE AGREEMENT:

- Annual Lease/Purchase Payment for Braddock Senior High
- Annual Master Lease Payments for Various Facilities/Renovations
- Annual Lease Payment for Qualified Zone Academy Bonds for Various Facilities Renovations and Technology
- Annual Master Lease Payments for Site Purchases

PAYMENTS OF LOANS APPROVED PURSUANT TO S.S. 1011.14 & 1011.15:

- Property Insurance Premium Increase

MOTOR VEHICLE PURCHASES:

- Annual Master Lease Purchase Payments for 1,247 School Buses
- Annual Master Lease Payments for Drivers' Education Vehicles
- Annual Master Lease Payments for Motor Vehicles Used for the Maintenance or Operations of Plant & Equipment
- Annual Master Lease Payments for Vehicles Used in Storing/Distributing Materials and Equipment
- Annual Master Lease payments for security vehicles

NEW AND REPLACEMENT EQUIPMENT:

- Annual Master Lease Payments for New/Replacement Equipment
- Instructional Program Equipment
- Support Services Equipment

PAYMENTS OF COSTS IN COMPLIANCE WITH ENVIRONMENTAL STATUTES AND REGULATIONS:

- Environmental Hazards/Asbestos Abatement
- Sewer Connections as Required by Miami-Dade County Environmental Resources Management (DERM)

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All concerned citizens are invited to a public hearing to be held on July 23, 2003 at 5:01 p.m. at the Board Auditorium, Miami-Dade County School Board Administration Building, 1450 N. E. Second Avenue, Miami, Florida.

A DECISION on the proposed CAPITAL OUTLAY TAXES will be made at this hearing.

