

Financial Affairs
Edward Marquez, Chief Financial Officer

**SUBJECT: AUTHORIZATION TO ADVERTISE PROPOSED TENTATIVE
BUDGET AND MILLAGE LEVIES FOR 2004-05**

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, 2004.

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, 2004. 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, 2004.

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 14	Board authorizes Superintendent to advertise tentative budget and proposed millage levies.
24	Advertisement appears in newspaper of general circulation.
28	First Public Hearing. Board tentatively adopts millage levies and budget.
30	Proposed millage levies sent to property appraiser.

The budget cycle culminates with a second public hearing and final adoption on September 8, 2004.

**REVISED
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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.

	2003-04 Adopted Levy	2004-05 Recommended Levy *	Increase (Decrease)	
State Required Local Effort	5.760	5.657	(.103)	
Discretionary Operating	.510	.510	-	
Supplemental Discretionary	<u>.148</u>	<u>.135</u>	<u>(.013)</u>	
Sub-Total Operating Millage	6.418	6.302	(.116)	
Discretionary Capital	<u>2.000</u>	<u>2.000</u>	-	
Sub-Total Non Voted-Millage**	8.418	8.302	(.116)	
Debt Service (Voted)	<u>.682</u>	<u>.597</u>	<u>(.085)</u>	} Revised
Total Millage Levy	<u>9.100</u>	<u>8.899</u>	<u>(.201)</u>	

* 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. However, revenues from Discretionary Operating Millage will change proportionally to the change in the tax roll. Furthermore, the Debt Service Millage may be adjusted to generate the same level of funding.

** The recommended non-voted millage levy is .116 mills or 1.38% lower than 2003-04. However, the official increase/decrease calculation to be advertised pursuant to Florida Statutes cannot be calculated prior to receipt of the required local effort to be received on July 19, 2004. } Revised

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 28, 2004.

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 2004-05 Tentative Budget.

Attachment B - List of Capital Projects to be funded from the 2004-05 Capital Millage Levy.

Additionally, on July 15, 2004, Board Members will receive a copy of the 2004-05 Tentative Budget - Executive Summary and a copy of the detailed General Fund budget workpapers under separate cover. Copies of each will be placed on file in the Citizen Information Center and in the Office of the Recording Secretary to the Board.

Revised

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

- 1) advertise a proposed operating millage levy of 6.302 mills, a proposed capital outlay millage levy of 2.000 mills, and a proposed debt service levy of .597 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 the listing and description of capital projects to be funded from the 2004-05 Capital Millage Levy (Attachment B);
- 4) modify the advertised State Required Local Effort Millage Levy and the Supplemental Discretionary Millage Levy pursuant to official notification by the Commissioner of Education; and
- 5) 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.

Revised

SUMMARY OF REVENUES & APPROPRIATIONS - ALL FUNDS
2004-05 TENTATIVE BUDGET

D E M O D A

	GENERAL FUND	DEBT SERVICE FUNDS	CAPITAL OUTLAY FUNDS	SPECIAL REVENUE FUNDS	FIDUCIARY FUND	TOTAL ALL FUNDS
REVENUES						
Federal	\$ 13,187,400	\$ -	\$ -	\$ 385,601,450	\$ -	\$ 398,788,850
State	\$ 1,414,935,167	\$ 13,494,516	\$ 134,753,269	\$ 2,878,006	\$ -	\$ 1,566,060,958
Local	\$ 940,505,229	\$ 84,815,996	\$ 324,886,193	\$ 39,290,237	\$ 4,894,761	\$ 1,394,392,416
TOTAL REVENUES	\$ 2,368,627,796	\$ 98,310,512	\$ 459,639,462	\$ 427,769,693	\$ 4,894,761	\$ 3,359,242,224
Transfers In	\$ 118,505,643	\$ 86,960,708	\$ 4,287,000	\$ -	\$ -	\$ 209,753,351
Non Revenue Sources	\$ -	\$ -	\$ 246,111,363	\$ -	\$ -	\$ 246,111,363
Beginning Fund Balance	\$ 165,289,394	\$ 72,888,755	\$ 908,251,886	\$ 13,300,018	\$ 29,511,713	\$ 1,189,241,766
TOTALS	\$ 2,652,422,833	\$ 258,159,975	\$ 1,618,289,711	\$ 441,069,711	\$ 34,406,474	\$ 5,004,348,704
Less: Transfers						\$ 209,753,351
TOTAL ALL FUNDS						\$ 4,794,595,353
APPROPRIATIONS						
Instruction	\$ 1,702,208,840	\$ -	\$ -	\$ 200,454,550	\$ -	\$ 1,902,663,390
Pupil Personnel	122,318,353	-	-	21,614,870	-	143,933,223
Instructional Media Services	55,910,773	-	-	2,432,640	-	58,343,413
Instructional & Curriculum Dev.	24,141,405	-	-	21,644,680	-	45,786,085
Instructional Staff Training	6,306,422	-	-	29,839,384	-	36,145,806
Board of Education	7,205,603	-	-	-	-	7,205,603
General Administration	9,488,966	-	-	7,894,771	-	17,383,737
School Administration	150,091,598	-	1,359,455,392	8,351,177	-	150,091,598
Facilities - Other	-	-	-	-	-	1,367,806,569
Fiscal Services	14,535,137	-	-	-	-	14,535,137
Food Services	-	-	-	133,174,059	-	133,174,059
Central Services	56,619,939	-	-	776,986	-	57,396,925
Pupil Transportation Services	89,061,750	-	-	892,128	-	89,953,878
Operation of Plant	238,509,251	-	-	4,362,476	-	242,871,727
Maintenance of Plant	104,956,896	-	-	13,205	-	104,970,101
Community Services	31,067,900	-	-	2,142,739	4,154,264	37,364,903
Debt Services	-	181,637,419	-	-	-	181,637,419
TOTAL APPROPRIATIONS	\$ 2,612,422,833	\$ 181,637,419	\$ 1,359,455,392	\$ 433,593,665	\$ 4,154,264	\$ 4,591,263,573
Transfers to Other Funds	\$ -	\$ -	\$ 209,753,351	\$ -	\$ -	\$ 209,753,351
ENDING FUND BALANCE						
Undesignated Reserves	\$ 40,000,000	\$ -	\$ 49,080,968	\$ 7,476,046	\$ -	\$ 96,557,014
Designated Reserves	\$ -	\$ 76,522,556	\$ -	\$ -	\$ 30,252,210	\$ 106,774,766
TOTALS	\$ 40,000,000	\$ 76,522,556	\$ 49,080,968	\$ 7,476,046	\$ 30,252,210	\$ 203,331,780
TOTAL ALL FUNDS	\$ 2,652,422,833	\$ 258,159,975	\$ 1,618,289,711	\$ 441,069,711	\$ 34,406,474	\$ 5,004,348,704
Less: Transfers						209,753,351
TOTAL ALL FUNDS						\$ 4,794,595,353

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 6.302 mills for operating expenses and is proposed solely at the discretion of the school board.

The capital outlay tax will generate \$282,536,000 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

MOTOR VEHICLE PURCHASES:

- Lease Purchase Payments for 1,332 School Buses
- Annual Master Lease Payments for Drivers' Education Vehicles

MOTOR VEHICLE PURCHASES (cont)

- 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 28, 2004 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.