

Business, Operations, Finance and Construction
Ofelia San Pedro, Deputy Superintendent

**SUBJECT: REPORT ON PROPOSED MILLAGE RATE AS A PERCENT CHANGE
OF THE ROLLED-BACK MILLAGE RATE**

COMMITTEE: BUSINESS AND FINANCIAL SERVICES

The 2004-05 budget advertisement reflected an 8.17% increase in the tax rate when calculated pursuant to law. At the July 28, 2004 Public Budget Hearing, the Board requested that a report be brought back describing the process of calculating the increased proposed tax rate since the typical homeowner would not have an increase in taxes. Attached is the Certification of School Taxable Value that was submitted to the Tax Collector and Property Appraiser. The percentage increase from this form is used in the budget advertisement. The actual formulas to calculate the percentage increase are also reflected on the form.

In an effort to eliminate automatic revenue growth due to increasing property values, the Florida Legislature enacted statutes known as Truth-in-Millage (TRIM). TRIM requires a calculation of the change in millage rates from one year to the next called the "Rolled-Back Rate". The "rolled-back rate" is the millage that would be necessary to generate the **same amount of dollars** as the previous fiscal year, excluding new construction. The proposed millage rate is compared to the "rolled-back rate" and translated into a percentage of increase that **must** be used in the published advertisements of the proposed School Board budget.

Since the countywide property value generally increases from year to year due to increased assessments, the "rolled-back rate" will **normally** be less than the proposed millage levy. It is also important to note that maintaining revenue at the same level as the previous year does **not** provide for funding student growth, new programs or basic inflationary cost increases.

Listed below are the steps in completing the Certification of School Taxable Value:

Section I of the form is prepared by the Property Appraiser. This section includes the Gross Taxable Value for operating purposes, Adjusted Taxable Value (Gross Taxable Value less new construction) and the prior year's final Gross Taxable value.

E-70

Section II is prepared by staff to calculate the percent change in the rolled-back rate. This section is comprised of the following:

- Lines 8 through 12, represent the **prior year's** voted millage levy and the proceeds earned (prior year's final gross taxable value times prior year's millage levy).
- Lines 13 and 14 represent the **rolled-back rate** for both the required (Required Local Effort) and local Board millages. To calculate the **rolled-back rate** divide the prior year's proceeds by the current year's adjusted taxable value (excluding new construction). This is the rolled-back rate as described above.
- Lines 15 through 19 represent the **current year's** voted millage levy and the projected proceeds to be earned. The state determines the required millage rate shown on line 15. The district is at the maximum allowed for capital outlay and discretionary millages (line 16).
- Lines 20 and 21 reflect the percent change from the rolled-back rate for both the **required** and **total** millage rates.
- Line 22 reflects the **voted Debt Service** millage levy.

The final step includes the time, place and date of the Final Public Budget Hearing and the certification that the millages comply with the provisions of law.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, accept the Report on Proposed Millage Rate As A Percent Change of the Rolled-Back Millage Rate.

CERTIFICATION OF SCHOOL TAXABLE VALUE

DR-420S
R. 01/03

SECTION I 2004 Year

Miami-Dade County

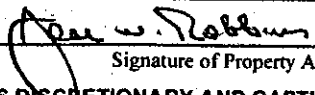
To: Board of Public Instruction

(Name of Taxing Authority)

(1) Current Year Taxable Value of Real Property for Operating Purposes	\$	138,674,120,776
(2) Current Year Taxable Value of Personal Property for Operating Purposes	\$	9,961,265,748
(3) Current Year Taxable Value of Centrally Assessed Property for Operating Purposes	\$	67,771,130
(4) Current Year Gross Taxable Value for Operating Purposes (1) + (2) + (3) = (4)	\$	148,703,157,654
(5) Current Year Net New Taxable Value (New Construction + Additions + Improvements Increasing Value By At Least 100% + Annexations - Deletions)	\$	4,140,531,767
(6) Current Year Adjusted Taxable Value (4) - (5) = (6)	\$	144,562,625,887
(7) Prior Year FINAL Gross Taxable Value (From Prior Year Applicable Form DR-403 Series)	\$	128,437,652,344

I do hereby certify the values shown herein to be correct to the best of my knowledge and belief. Witness my hand and official signature at

Miami-Dade County, Florida, this the 1st day of July, 2004


Signature of Property Appraiser

SEE INSTRUCTIONS ON REVERSE SIDE

Section II LOCAL BOARD MILLAGE INCLUDES DISCRETIONARY AND CAPITAL OUTLAY

(8) Prior Year State Law Millage Levy (Required Local Effort - RLE)	\$	5.760	per \$1,000
(9) Prior Year Local Board Millage Levy (Discretionary & Capital Outlay)	\$	2.658	per \$1,000
(10) Prior Year State Law Proceeds (8) x (7)	\$	739,800,878	
(11) Prior Year Local Board Proceeds (9) x (7)	\$	341,387,280	
(12) Prior Year Total State Law & Local Board Proceeds (10) + (11) = (12)	\$	1,081,188,158	
(13) Current Year State Law Rolled-Back Rate (10) + (6)	\$	5.1175	per \$1,000
(14) Current Year Local Board Rolled-Back Rate (11) + (6)	\$	2.3615	per \$1,000
(15) Current Year Proposed State Law Millage Rate	\$	5.452	per \$1,000
(16) Current Year Proposed Local Board Millage Rate	\$	2.638	per \$1,000
Capital Outlay: <u>2.000</u> Basic Discretionary: <u>0.510</u> Supplemental Discretionary: <u>0.128</u> Additional: <u>0.000</u>			
(17) Current Year State Law Proceeds (15) x (4)	\$	810,729,616	
(18) Current Year Local Board Proceeds (16) x (4)	\$	392,278,930	
(19) Current Year Total State Law & Local Board Proceeds (17) + (18) = (19)	\$	1,203,008,546	
(20) Current Year Proposed State Law Rate as a Percent Change of State Law Rolled-Back Rate $\{[(15) + (13)] - 1\} \times 100$		6.54	%
(21) Current Year Total Proposed Rate as a Percent Change of Rolled-Back Rate $\{[(15) + (16)] + [(13) + (14)] - 1\} \times 100$		8.17	%
(22) Current Year VOTED DEBT Service Millage Levy	\$	0.597	per \$1,000

Date, Time and Place of the Final Public Budget Hearing: and telephone number: Wednesday, Sept. 8, 2004 at

5:01 p.m. at School Board Auditorium, 1450 N.E. 2nd Ave., Miami, FL Telephone: 305-995-1226

I do hereby certify the millages and rates shown herein to be correct to the best of my knowledge and belief, FURTHER, I certify that all millages comply with the provisions of Section 200.071 or 200.081, F.S. WITNESS my hand and official signature at Miami

Florida, this the 28 day of July, 2004

Edward Marquez Superintendent of Schools 1450 N.E. Second Avenue,
Signature and Title of Chief Administrative Officer Address of Physical Location

1450 N.E. Second Avenue, Room 912 Edward Marquez
Mailing Address Name of Contact Person

Miami Florida 33132 305-995-1225 305-995-1263
City State Zip Phone # Fax #

PROPERTY APPRAISER'S INSTRUCTIONS: DR-420S

Section I

- A. Complete this form in 5 copies.

Send to the School District: Copies 1 through 4.

Retain copy 5.

- B. Entries for lines 1 through 7 are completed by the Property Appraiser using tax roll data.

The School District completes form and returns copies 1 and 2 to the Property Appraiser's office.

Send copy 1 to:

FLORIDA DEPARTMENT OF REVENUE
PROPERTY TAX ADMINISTRATION PROGRAM
TRIM SECTION
POST OFFICE BOX 3000
TALLAHASSEE, FLORIDA 32315-3000

SCHOOL DISTRICT'S INSTRUCTIONS: DR-420S

Section II

- A. Complete this form in 4 copies.

Retain copy 3.

Return copies 1 and 2 to the Property Appraiser.

Send copy 4 to the Tax Collector.

- B. Complete lines 8 through 22, as per instructions. Indicate the proposed voted debt service millage(s), the date, time and location of the Final Public Hearing.