

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

SUBJECT: FINAL ADOPTION OF MILLAGE LEVY RESOLUTION FOR 2004-05

COMMITTEE: BUSINESS AND FINANCIAL SERVICES

Florida Statutes prescribe that no millage shall be levied until a resolution or ordinance has been approved by the governing body of the taxing authority, which resolution must be approved by said taxing authority according to the following procedures:

- a. Each school district shall advertise its intent to adopt a tentative budget in a newspaper of general circulation within 29 days of certification of value which is July 1. (The advertisement appeared in the **Miami Herald** on July 24.)
- b. Two to five days thereafter, the district shall hold a public hearing on the tentative budget. (The first public hearing was held on July 28, 2004.)
- c. Said hearing shall not be held earlier than 5:01 p.m. if scheduled on a day other than Saturday. No hearing shall be held on Sunday.
- d. Prior to the conclusion of said hearing, the governing body of the taxing authority shall amend the tentative budget as it sees fit, adopt a tentative budget, and adopt a resolution stating the millage rate to be levied. The resolution shall also state the percentage, if any, by which the recomputed millage rate exceeds the rollback rate. The percentage shall be characterized as the percentage increase in property taxes tentatively adopted by the governing body. **The Millage Levy Resolution must be adopted prior to adoption of the Tentative Budget.**
- e. The millage rate adopted at the final budget hearing shall not exceed the millage rate adopted at this tentative budget hearing unless each taxpayer within Miami-Dade County is sent notice by first-class mail of the tax levy to be proposed at the final budget hearing, except under specific conditions prescribed in 200.065(5), Florida Statutes.

- f. For fiscal year 2004-05, the maximum **non-voted tax millage as advertised** (exclusive of debt service) that may be levied by the Board, if approved by a vote of a majority of the membership of the Board, is calculated to be 8.090 mills.

The maximum non-voted millage levy consists of the following: (a) state-required levy of 5.452 mills to participate in the Florida Education Finance Program; (b) a basic discretionary levy of .510 mills for additional operating costs; (c) a supplemental discretionary levy of .128 mills for additional operating cost; and (d) a discretionary levy of 2.000 mills for capital purposes. The **total recommended non-voted millage levy** for 2004-05 of 8.090 mills is **.328 mills less than 2003-04, but represents a tax increase of 8.17%, calculated pursuant to law.**

A **debt service levy** of .597 mills is required to fund the principal and interest payments for the \$980 million of bonds sold as authorized by referendum during March 1988. This represents a **reduction of .085 mills from 2003-04.**

The proposed non-voted tax levy for 2004-05 is \$1,203,008,546 compared to a tax levy for 2003-04 of \$1,081,188,158. A portion of the tax levy is required under state law in order for the school district to receive \$1,073,157,392 in state education grants. The required portion increased by 6.53% and represents approximately seven tenths of the total proposed non-voted millage.

The **attachment** to this agenda item reflects the proposed 2004-05 millage levy and actual millage levies for the three prior years and the tax effects using the average assessed value from each year. **The proposed total millage levy for 2004-05 is .413 mills lower than 2003-04 and is actually .689 mills lower than three years ago.** However, due to increases in the average assessed value, **annual taxes on the average homestead will have increased only \$255.66 since 2001-02, an average increase of \$85.22 per year.**

The tax effect on the typical homeowner, however, will actually be \$24.17 **less than the prior year** if the homeowner resided in the same homestead with no property improvements (i.e. added onto).

NOTE: This item is one of two items which are part of the 5:01 p.m. public hearing, which should be discussed only at that time and should be approved first.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, tentatively adopt the millage resolution for 2004-05 for a total of 8.687 mills.

Please return completed form to:
 Florida Department of Education
 School Business Services
 Office of Funding & Financial Rpt.
 824 Turlington Building
 Tallahassee, Florida 32399-0400
 (850) 245-0405, SunCom 205-0405

FLORIDA DEPARTMENT OF EDUCATION

**RESOLUTION DETERMINING
 REVENUES AND MILLAGES LEVIED**

RESOLUTION OF THE DISTRICT SCHOOL BOARD OF MIAMI-DADE
 COUNTY, FLORIDA, DETERMINING THE AMOUNT OF REVENUES TO BE PRODUCED AND
 THE MILLAGE TO BE LEVIED FOR THE GENERAL FUND, FOR THE DISTRICT LOCAL CAPITAL
 IMPROVEMENT FUND, AND FOR EACH DISTRICT BOND INTEREST AND SINKING FUND FOR
 THE FISCAL YEAR BEGINNING JULY 1, 20 04 , AND ENDING JUNE 30, 20 05 .

WHEREAS, Section 1011.04, Florida Statutes, requires that upon receipt of the certificate of the property appraiser giving the assessed valuation of the county and of each of the special tax school districts, the school board shall determine by resolution the amounts necessary to be raised for the District School Fund, for the District Local Capital Improvement Fund, and for each District Bond Interest and Sinking Fund, and the millage to be levied for each such fund including the voted millage; and

WHEREAS, the certificate of the property appraiser has been received;

THEREFORE, BE IT RESOLVED by the District School Board that the amounts necessary to be raised as shown by the officially adopted budget and the millages necessary to be levied for each school fund of the district for the fiscal year are as follows:

1. DISTRICT SCHOOL FUND (nonvoted levy)

a) Nonexempt assessed valuation	b) Amount to be raised	c) Millage Levy
\$ <u>148,703,157,654</u>	Local Required Effort \$ <u>770,193,135</u>	<u>5.452</u> Mills
	Basic Discretionary \$ <u>72,046,680</u>	<u>.510</u> Mills
	Supplemental Discretionary \$ <u>18,082,304</u>	<u>.128</u> Mills

2. ADDITIONAL MILLAGE (voted levy)

a) Nonexempt assessed valuation	b) Amount to be raised	c) Millage Levy
\$ <u>N/A</u>	Additional Operating \$ <u>N/A</u>	<u>N/A</u> Mills

3. DISTRICT LOCAL CAPITAL IMPROVEMENT FUND (nonvoted levy)

a) Nonexempt assessed valuation	b) Amount to be raised	c) Millage Levy
\$ <u>148,703,157,654</u>	\$ <u>282,536,000</u>	<u>2.000</u> Mills

4. DISTRICT LOCAL CAPITAL IMPROVEMENT FUND (voted levy)

a) Nonexempt assessed valuation	b) Amount to be raised	c) Millage Levy
\$ <u>N/A</u>	\$ <u>N/A</u>	<u>N/A</u> Mills

5. DISTRICT INTEREST AND SINKING FUND(S) (voted)

a) Nonexempt assessed valuation	b) Amount to be raised	c) Millage Levy
\$ <u>148,703,157,654</u>	\$ <u>84,336,996</u>	<u>.597</u> Mills
\$ _____	\$ _____	_____ Mills
\$ _____	\$ _____	_____ Mills
\$ _____	\$ _____	_____ Mills
\$ _____	\$ _____	_____ Mills

6. THE TOTAL MILLAGE RATE TO BE LEVIED EXCEEDS THE ROLL-BACK RATE
(Exceeds or is Less Than)
 COMPUTED PURSUANT TO SECTION 200.065(1), F.S., BY 8.17 PERCENT.

STATE OF FLORIDA

COUNTY OF MIAMI-DADE

I, RUDOLPH F. CREW, Superintendent of Schools and ex officio Secretary of the District School Board of MIAMI-DADE County, Florida, do hereby certify that the above is a true and complete copy of a resolution passed and adopted by the District School Board of MIAMI-DADE County, Florida, SEPTEMBER 8, 20 04.

Signature of Superintendent of Schools

Date of Signature

Note: Copies of this resolution shall be sent to the Florida Department of Education, School Business Services, Office of Funding and Financial Reporting, 824 Turlington Building, Tallahassee, Florida 32399-0400; county tax collector; and county property appraiser.

**HISTORICAL MILLAGE ANALYSIS
Miami-Dade County Public Schools**

MILLAGE

	<u>Actual 2001-02</u>	<u>Actual 2002-03</u>	<u>Actual 2003-04</u>	<u>Proposed 2004-05</u>
Required Local Effort	5.834	5.803	5.760	5.452
Discretionary Local Millage	0.694	0.679	0.658	0.638
Local Optional Millage (Capital)	2.000	2.000	2.000	2.000
Total Non-Voted Millage	8.528	8.482	8.418	8.090
Debt Service Millage (Voted)	0.848	0.770	0.682	0.597
TOTAL MILLAGE	9.376	9.252	9.100	8.687
Increase (Decrease) from Prior Year	(0.241)	(0.124)	(0.152)	(0.413)
Increase (Decrease) from 2001-02				(0.689)

TAX EFFECT USING AVERAGE ASSESSED VALUE

	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>
Assessed Value-Typical Homestead *	\$ 116,780	\$ 126,630	\$ 139,130	\$ 153,490
Less: Homestead Exemption	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)
Taxable Value	\$ 91,780	\$ 101,630	\$ 114,130	\$ 128,490
Total Millage Levy	9.376	9.252	9.100	8.687
Total Taxes	\$ 860.53	\$ 940.28	\$ 1,038.58	\$ 1,116.19
Increase (Decrease) from Prior Year	\$ 62.32	\$ 79.75	\$ 98.30	\$ 77.61
Average Tax Increase Since 2001-02				\$ 85.22

**TAX EFFECT ON
TYPICAL HOMEOWNER**

	<u>2003-04</u>	<u>2004-05</u>
Assessed Value-Typical Homestead *	\$ 139,130	\$ 141,773
Less: Homestead Exemption	\$ (25,000)	\$ (25,000)
Taxable Value	\$ 114,130	\$ 116,773
Total Millage Levy	9.100	8.687
Total Taxes	\$ 1,038.58	\$ 1,014.41
Increase (Decrease) from Prior Year		\$ (24.17)

* Source: Miami-Dade County Property Appraiser - These two charts contrast the change of ad valorem tax levies which would be determined by using the 'average assessed value' of property to that which would be paid by the typical homeowner. A typical homeowner is capped at 1.9% increase in assessed value for 2004-05. A typical homeowner is one that resides in the same homestead and has not improved (i.e. 'added onto') their property.