

Financial Services
Richard H. Hinds, Chief Financial Officer

SUBJECT: AUTHORIZATION TO ADVERTISE PROPOSED TENTATIVE BUDGET AND MILLAGE LEVIES FOR FY 2013-14

COMMITTEE: INNOVATION, EFFICIENCY, AND GOVERNMENTAL RELATIONS

LINK TO STRATEGIC FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY

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, 2013.

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, 2013. 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 (July 1, 2013) or by August 4, 2013.

Due to these requirements, as well as the Board meeting dates, the following schedule was developed:

<u>Date</u>	<u>Event</u>
July	17 Board authorizes Superintendent to advertise tentative budget and proposed millage levies.
	22 Advertisement appears in newspaper of general circulation.
	25 First Public Budget Hearing. Board tentatively adopts millage levies and budget (6:00 p.m.).
July	26 Proposed millage levies sent to property appraiser.

The budget cycle culminates with a second public budget hearing and final adoption on September 3, 2013.

The millage levy for Required Local Effort is determined by the Florida Department of Education and will be certified by the Commissioner and sent to districts no later than July 19, 2013. The levies for Discretionary Operating and Discretionary Capital are permitted under current State law.— The uncertified and estimated State-mandated Required Local Effort Millage Rate upon which the budget is based is .049 mills lower than FY 2012-13, or 5.508.

The maximum Discretionary millage of .748 is recommended to be .687 mills for the operating budget and .061 mills for capital outlay. The total non-voted millage is .009 mills lower than FY 2012-13 and is the maximum permitted by law. The total recommended Capital Outlay Millage Rate is 1.561 mills.

A Debt Service Levy is included which is required to service the District's outstanding bond series. The Debt Service Levy increased from .233 to .285, as a result of voter approval of the 2012 General Obligation Bond.

This item requests authorization to advertise a millage and is required under State law and does not constitute a vote on the millage rate. That will occur on July 25, 2013.

The levies recommended for advertising are shown below:

	FY 2012-13 Adopted Levy	FY 2013-14 Recommended Levy*	Increase/ (Decrease)
State Required Local Effort (RLE)	5.557	5.508	(.049)
Discretionary Operating	.647	.687	.040
Additional Discretionary Operating (.25)	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
Sub-Total Operating Millage	6.204	6.195	(.009)
Discretionary Capital	<u>1.561</u>	<u>1.561</u>	<u>.000</u>
Sub-Total Non Voted-Millage**	7.765	7.756	(.009)
Debt Service (Voted)	<u>0.233</u>	<u>0.285</u>	<u>.052</u>
Total Millage Levy	<u>7.998</u>	<u>8.041</u>	<u>.043</u>

* The State Required Local Effort (RLE) Levy is subject to modification by the Commissioner of Education based upon an analysis of actual certified county tax rolls in the state and revisions in determining RLE under Truth-in-Millage statutes. The actual levies will be certified by the Commissioner no later than July 19, 2013.

The millage advertisement on July 22, 2013 will contain the actual RLE certified by the State and revised calculated revenues with offsetting appropriations.

The July 1 tax roll was provided to the district indicating that the tax roll is higher than the estimate used by the Legislative. In the event that certified property values are higher in other Florida counties similar to increases experienced in Miami Dade, it is likely that the RLE rate identified during the legislative session will be revised downward.

The RLE is required under State law in order for the School Board to receive \$727,704,846 in FEFP funding. Changes in the tax roll and in the certified millage rates affect revenues in the Executive Summary.

** The non-voted millage levy rate is 7.756 mills. The actual millage rate to be advertised, pursuant to Florida Statutes, cannot be calculated prior to receipt of the Required Local Effort to be received from the Department of Education no later than July 19, 2013.

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 25, 2013.

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, 2013.

Attached are the following schedules:

Attachment A - Summary of Revenues & Appropriations by Function – All Funds FY 2013-14 Tentative Budget.

Attachment B - List of Capital Projects to be funded from the FY 2013-14 Capital Millage Levy.

On July 8, 2013, Board Members received a copy of the FY 2013-14 Tentative Budget – Executive Summary and a copy of the detailed General Fund budget workpapers. Copies of each are on file in the Citizen Information Center and in the Office of the Recording Secretary to the Board.

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

- 1) advertise:
 - a) locally levied Discretionary Operating millage levy of .687 mills and Capital Outlay millage levy of 1.561 mills;
 - b) state established Required Local Effort millage levy currently estimated to be 5.508 mills and subject to actual certification by the Commissioner of Education; and
 - c) Debt Service levy of .285 mills;
- 2) advertise the Tentative Budget (Attachment A);
- 3) advertise the listing and description of capital projects to be funded from the FY 2013-14 Capital Millage Levy (Attachment B); and
- 4) advertise State Required Local Effort Millage Levy pursuant to official notification by the Commissioner of Education with appropriation revisions as required to balance.

SUMMARY OF REVENUES & APPROPRIATIONS – ALL FUNDS
FY 2013-14 TENTATIVE BUDGET
 BUDGET SUMMARY
 MIAMI-DADE COUNTY PUBLIC SCHOOLS
 FISCAL YEAR 2013-14

REVENUES	GENERAL FUND	DEBT SERVICE FUNDS	CAPITAL OUTLAY FUNDS	SPECIAL REVENUE FUNDS	PROPRIETARY FUND	FIDUCIARY FUND	TOTAL ALL FUNDS
Federal	\$ 17,543,686	\$ -	\$ -	\$ 508,084,971	\$ -	\$ -	\$ 525,628,657
State	1,237,147,742	13,818,668	16,096,810	2,176,060	-	-	1,269,239,280
Local	1,354,040,235	60,424,998	351,711,504	24,723,821	365,473,864	2,221,462	2,158,595,884
TOTAL REVENUES	\$ 2,808,731,663	\$ 74,243,666	\$ 367,808,314	\$ 534,984,852	\$ 365,473,864	\$ 2,221,462	\$ 3,953,463,821
Transfers In	148,181,034	200,336,809	-	-	-	-	348,517,843
Non Revenue Sources	-	-	363,450,000	-	-	-	363,450,000
Fund Balance/Net Assets	138,479,970	84,399,281	56,474,717	7,691,133	24,839,982	22,095,586	333,980,669
TOTALS	\$ 2,895,392,667	\$ 358,979,756	\$ 787,733,031	\$ 542,675,985	\$ 390,313,846	\$ 24,317,048	\$ 4,999,412,333
Less: Transfers							(348,517,843)
Less: Proprietary Funds							(390,313,846)
TOTAL ALL FUNDS							\$ 4,260,580,644
APPROPRIATIONS							
Instruction	\$ 1,923,289,083	\$ -	\$ -	\$ 234,140,144	\$ -	\$ -	\$ 2,157,429,227
Pupil Personnel	91,312,708	-	-	30,927,473	-	-	122,240,181
Instructional Media Services	27,779,506	-	-	2,103,445	-	-	29,882,951
Instructional & Curriculum Dev.	21,236,454	-	-	30,618,661	-	-	51,855,115
Instructional Staff Training	1,758,082	-	-	49,518,997	-	-	51,277,079
Instructional Support	28,091,436	-	-	5,758,400	-	-	33,849,836
Board of Education	6,987,828	-	-	-	-	-	6,987,828
General Administration	4,167,767	-	-	9,909,833	-	-	14,077,600
School Administration	174,144,437	-	-	65,041	-	-	174,209,478
Facilities - Other	-	-	433,389,915	2,339,562	-	-	435,729,477
Fiscal Services	12,665,354	-	-	-	-	3,772,000	16,437,354
Food Services	-	-	-	157,900,984	-	-	157,900,984
Central Services	47,210,166	-	-	2,951,372	358,302,218	34,000	408,497,756
Pupil Transportation Services	69,475,860	-	-	6,438,050	-	-	75,913,910
Operation of Plant	267,483,238	-	-	752,809	-	-	268,236,047
Maintenance of Plant	93,173,733	-	-	-	-	-	93,173,733
General Support	2,022,241	-	-	511,713	-	-	2,533,954
Community Services	29,957,012	-	-	1,585,580	-	-	31,542,592
Debt Services	520,000	293,248,513	-	-	-	-	293,768,513
TOTAL APPROPRIATIONS	\$ 2,801,274,905	\$ 293,248,513	\$ 433,389,915	\$ 535,522,064	\$ 358,302,218	\$ 3,806,000	\$ 4,425,543,615
Transfers to Other Funds	2,687,361	-	345,830,482	-	-	-	348,517,843
Reserve for Tax Roll Yield	16,218,501	-	-	-	-	-	16,218,501
Fund Balance/Net Assets	75,211,900	65,731,243	8,512,634	7,153,921	32,011,628	20,511,048	209,132,374
TOTALS	\$ 2,895,392,667	\$ 358,979,756	\$ 787,733,031	\$ 542,675,985	\$ 390,313,846	\$ 24,317,048	\$ 4,999,412,333
Less: Transfers							(348,517,843)
Less: Proprietary Funds							(390,313,846)
TOTAL ALL FUNDS							\$ 4,260,580,644

NOTICE OF TAX FOR SCHOOL CAPITAL OUTLAY

The School Board of Miami-Dade County, Florida will soon consider a measure to impose a 1.561 mill property tax for the capital outlay projects listed herein.

This tax is in addition to the School Board's proposed tax of 6.195 mills for operating expenses and is proposed solely at the discretion of the School Board.

THE PROPOSED COMBINED SCHOOL BOARD TAX INCREASE FOR BOTH OPERATING EXPENSES AND CAPITAL OUTLAY IS SHOWN IN THE ADJACENT NOTICE

The capital outlay tax will generate approximately **\$322,343,504** 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

MOTOR VEHICLE PURCHASES:

Purchase of Motor Vehicles Used for the Maintenance or Operations of Plant & Equipment
 Lease Purchase Payments for 612 School Buses
 Equipment Lease Payments for 696 School Buses
 Annual Master Lease Payments for Drivers' Education Vehicles
 Annual Master Lease payments for security 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

NEW AND REPLACEMENT EQUIPMENT:

Annual Master Lease Payments for New/Replacement Equipment
 Equipment/Technology Lease Payments for New/Replacement Equipment
 Instructional Program Equipment
 Support Services Equipment
 District-wide FF&E

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

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 FOR RENTING AND LEASING EDUCATIONAL FACILITIES AND SITES

Leases for School and District Facilities

PAYMENT OF COSTS OF COMPLIANCE WITH ENVIRONMENTAL STATUTES AND REGULATIONS:

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

PAYMENT OF PREMIUMS FOR PROPERTY AND CASUALTY INSURANCE NECESSARY TO INSURE THE EDUCATIONAL AND ANCILLARY PLANTS OF THE SCHOOL DISTRICT:

Property and Casualty Insurance up to statutory limit per unweighted full-time equivalent student

All concerned citizens are invited to a public hearing to be held on July 25, 2013 at 6:00 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.