

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 was certified by the Commissioner and sent to districts on July 16, 2013. } REVIS  
 The levies for Discretionary Operating and Discretionary Capital are permitted under current State law. The certified and State-mandated Required Local Effort Millage Rate } REVIS  
 upon which the budget is based is .161 mills lower than FY 2012-13, or 5.396.

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 .121 } REVIS  
 mills lower than FY 2012-13. 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 .333, as a result of voter approval of the 2012 General Obligation Bond and historic tax roll yield shortfall in the Debt Service Fund. } REVIS

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<br>Adopted<br>Levy | FY 2013-14<br>Recommended<br>Levy* | Increase/<br>(Decrease) |         |
|--|-------------------------------|------------------------------------|-------------------------|---------|
| State Required Local Effort (RLE)        | 5.557                         | 5.396                              | (.161)                  | } REVIS |
| 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                         | 6.083                              | (.121)                  | } REVIS |
| Discretionary Capital                    | <u>1.561</u>                  | <u>1.561</u>                       | .000                    |         |
| Sub-Total Non Voted-Millage**            | 7.765                         | 7.644                              | (.121)                  | } REVIS |
| Debt Service (Voted)                     | <u>0.233</u>                  | <u>0.333</u>                       | .100                    | } REVIS |
| <b>Total Millage Levy</b>                | <b><u>7.998</u></b>           | <b><u>7.977</u></b>                | <b><u>(.021)</u></b>    | } REVIS |

\* The RLE is required under State law in order for the School Board to receive } DELETED  
 \$750,727,099 in State FEFP funding. } REVIS

\*\* The non-voted millage levy rate is 7.644 mills, or 1.56% lower than FY 2012-13. However, actual millage rate to be advertised, pursuant to Florida Statutes which reflects the required portion of the taxes increasing over the rolled back rate is 4.97%. } REVIS

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 of 5.396 } REVISIED  
mills; and
  - c) Debt Service levy of .333 mills; } REVISIED
- 2) advertise the Tentative Budget (Attachment A); and } REVISIED
- 3) advertise the listing and description of capital projects to be funded from the FY 2013-14 Capital Millage Levy (Attachment B). } REVISIED

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**SUMMARY OF REVENUES & APPROPRIATIONS – ALL FUNDS  
FY 2013-14 TENTATIVE BUDGET**

THE PROPOSED OPERATING BUDGET EXPENDITURES OF MIAMI-DADE COUNTY PUBLIC SCHOOLS ARE 1.8% MORE THAN LAST YEAR'S TOTAL OPERATING EXPENDITURES.  
FISCAL YEAR 2013-2014

**PROPOSED MILLAGE LEVIES:**

|                              |       |
|------------------------------|-------|
| Operating:                   | 5.396 |
| Required Local Effort        | 0.687 |
| Discretionary Operating      | 0.333 |
| Debt Service                 | 1.500 |
| Capital Outlay               | 0.061 |
| Discretionary Capital Outlay | 7.977 |
| Total Millage                |       |

BUDGET SUMMARY  
LAST YEAR'S TOTAL OPERATING EXPENDITURES  
FISCAL YEAR 2013-2014

| 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                   | 1,260,169,995           | 13,818,668            | 16,096,810            | 2,176,060             | -                     | -                    | 1,292,261,533           |
| Local                   | 1,330,912,451           | 70,336,906            | 351,711,504           | 24,723,821            | 365,473,864           | 2,221,462            | 2,145,380,008           |
| <b>TOTAL REVENUES</b>   | <b>\$ 2,608,626,132</b> | <b>\$ 84,155,574</b>  | <b>\$ 367,808,314</b> | <b>\$ 534,984,852</b> | <b>\$ 365,473,864</b> | <b>\$ 2,221,462</b>  | <b>\$ 3,963,270,198</b> |
| 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           | 333,950,669             |
| <b>TOTALS</b>           | <b>\$ 2,895,287,136</b> | <b>\$ 368,891,664</b> | <b>\$ 787,733,031</b> | <b>\$ 542,675,985</b> | <b>\$ 390,313,846</b> | <b>\$ 24,317,048</b> | <b>\$ 5,009,218,710</b> |
| Less: Transfers         | -                       | -                     | -                     | -                     | -                     | -                    | (348,517,843)           |
| Less: Proprietary Funds | -                       | -                     | -                     | -                     | -                     | -                    | (390,313,846)           |
| <b>TOTAL ALL FUNDS</b>  |                         |                       |                       |                       |                       |                      | <b>\$ 4,270,387,021</b> |

| APPROPRIATIONS                  | GENERAL FUND            | DEBT SERVICE FUNDS    | CAPITAL OUTLAY FUNDS  | SPECIAL REVENUE FUNDS | PROPRIETARY FUND      | FIDUCIARY FUND       | TOTAL ALL FUNDS         |
|---------------------------------|-------------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|-------------------------|
| 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                   | -                       | -                     | -                     | -                     | -                     | -                    | -                       |
| Central Services                | 47,210,166              | -                     | -                     | 157,900,984           | -                     | -                    | 157,900,984             |
| Pupil Transportation Services   | 69,475,860              | -                     | -                     | 2,951,372             | 358,302,218           | 34,000               | 408,497,756             |
| Operation of Plant              | 267,483,238             | -                     | -                     | 6,438,060             | -                     | -                    | 75,913,910              |
| Maintenance of Plant            | 93,173,733              | -                     | -                     | 752,809               | -                     | -                    | 268,236,047             |
| General Support                 | 2,022,241               | -                     | -                     | 511,713               | -                     | -                    | 93,173,733              |
| Community Services              | 29,857,012              | -                     | -                     | 1,585,580             | -                     | -                    | 2,533,954               |
| Debt Services                   | 520,000                 | 293,248,513           | -                     | -                     | -                     | -                    | 31,542,592              |
| <b>TOTAL APPROPRIATIONS</b>     | <b>\$ 2,801,274,905</b> | <b>\$ 293,248,513</b> | <b>\$ 433,389,915</b> | <b>\$ 535,522,064</b> | <b>\$ 358,302,218</b> | <b>\$ 3,806,000</b>  | <b>\$ 4,425,543,615</b> |
| Transfers to Other Funds        | 2,687,361               | -                     | 345,830,482           | -                     | -                     | -                    | 348,517,843             |
| Reserve for Tax Roll Yield      | 16,112,970              | -                     | -                     | -                     | -                     | -                    | 16,112,970              |
| Fund Balance/Net Assets         | 75,211,900              | 75,643,151            | 8,512,634             | 7,153,921             | 32,011,628            | 20,511,048           | 219,044,282             |
| <b>TOTALS</b>                   | <b>\$ 2,895,287,136</b> | <b>\$ 368,891,664</b> | <b>\$ 787,733,031</b> | <b>\$ 542,675,985</b> | <b>\$ 390,313,846</b> | <b>\$ 24,317,048</b> | <b>\$ 5,009,218,710</b> |
| Less: Transfers                 | -                       | -                     | -                     | -                     | -                     | -                    | (348,517,843)           |
| Less: Proprietary Funds         | -                       | -                     | -                     | -                     | -                     | -                    | (390,313,846)           |
| <b>TOTAL ALL FUNDS</b>          |                         |                       |                       |                       |                       |                      | <b>\$ 4,270,387,021</b> |

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## 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 6.083 mills for operating expenses and is proposed solely at the discretion of the School Board.

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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.