

Financial Services
Mr. Ron Y. Steiger, Chief Financial Officer

SUBJECT: ADOPTION OF MILLAGE LEVY RESOLUTION FOR FY 2018-19

COMMITTEE: FISCAL ACCOUNTABILITY & GOVERNMENT RELATIONS

LINK TO STRATEGIC BLUEPRINT: EFFECTIVE AND SUSTAINABLE BUSINESS PRACTICES

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 was July 1. (The advertisement appeared in the **Miami Herald** on July 20.)
- b. Two to five days thereafter, the district shall hold a public hearing on the tentative budget.
- c. Said hearing shall not be held earlier than 5:00 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 the tentative budget hearing unless each taxpayer within Miami-Dade County was 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 FY 2018-19, 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 6.504 mills.

The total millage, consisting of both voted and non-voted levies, is 6.733 mills (see page 6). The total millage levy represents a decrease of .261 mills from FY 2017-18. The non-voted millage levy, certified by the Commissioner of Education on July 17, 2018, consists of the following: (a) state-required levy of 4.256 mills to participate in the Florida Education Finance Program; (b) a basic discretionary levy of .748 mills for additional operating costs; and (c) a discretionary levy of 1.50 mills for capital purposes. The voted millage consists of a debt service levy of .229 mills required to fund the principal and interest payments of issued General Obligation Bonds.

On July 18, 2018, the Board approved Agenda Item E-14, Authorization to Advertise Proposed Tentative Budget and Millage Levies for FY 2018-19. The Required Local Effort Millage was reduced from the estimate due to statewide School Taxable Value increasing from \$2.029 billion used during the 2018 Legislative Session to \$2.034 billion received on July 17, 2018. Following the budget public hearing on July 25, 2018, the Board approved Agenda Item SP-1, Tentative Adoption of Millage Levy Resolution for FY 2018-19. This item reflects no change in the millage rate from that approved on July 25, 2018.

Page 6 reflects the proposed FY 2018-19 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 FY 2018-19 is .261 mills lower than FY 2017-18.** However, due to an increase in proceeds, per State Statute a notice of tax increase was required to be advertised along with the millage rates.

The tax effect on the typical homeowner participating in the Save Our Homes program, however, will actually be \$18.57 lower than the prior year if the homeowner resided in the same homestead with no property improvement. The decrease for the typical homeowner is due to a 2.1% capped increase (CPI level was 2.1%) in assessed value offset by the decrease in the millage levy rate.

NOTE: This item is one of three items which are part of the 6:00 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, authorize the Superintendent to:

1. adopt the millage rates below:
 - a) locally levied Discretionary Operating millage levy of .748 mills and Capital Outlay millage levy of 1.500 mills;
 - b) state established Required Local Effort millage levy of 4.256 mills; and
 - c) Debt Service levy of .229 mills.
2. adopt the millage rates for FY 2018-19 for a total of 6.733 mills which represents a decrease of .261 mills compared to FY 2017-18.

Please return completed form to:
 Florida Department of Education
 Office of Funding & Financial Reporting
 325 W. Gaines Street, Room 824
 Tallahassee, Florida 32399-0400

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 DISTRICT DEBT SERVICE FUNDS FOR THE FISCAL YEAR
 BEGINNING JULY 1, 2018, AND ENDING JUNE 30, 2019.

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 current operating purposes and for debt service funds and the millage to be levied for each such fund, including the voted millage; and

WHEREAS, section 1011.71, Florida Statutes, provides for the amounts necessary to be raised for local capital improvement outlay and the millage to be levied; 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 TAX (nonvoted levy)

| a) Certified taxable value | b) Description of levy | c) Amount to be raised | d) Millage levy |
|----------------------------|--|-------------------------|---|
| \$ <u>322,193,015,087</u> | Required Local Effort | \$ <u>1,285,782,109</u> | <u>4.1570</u> mills <small>ss. 1011.62(4), F.S.</small> |
| | Prior-Period Funding Adjustment Millage | \$ <u>30,621,224</u> | <u>0.0990</u> mills <small>ss. 1011.62(4)(e), F.S.</small> |
| | Total Required Millage | \$ <u>1,316,403,333</u> | <u>4.2560</u> mills |

2. DISTRICT SCHOOL TAX DISCRETIONARY MILLAGE (nonvoted levy)

| a) Certified taxable value | b) Description of levy | c) Amount to be raised | d) Millage levy |
|----------------------------|-------------------------|------------------------|--|
| \$ <u>322,193,015,087</u> | Discretionary Operating | \$ <u>231,360,360</u> | <u>0.7480</u> mills <small>ss. 1011.71(1), F.S.</small> |

3. DISTRICT SCHOOL TAX ADDITIONAL MILLAGE (voted levy)

| a) Certified taxable value | b) Description of levy | c) Amount to be raised | d) Millage levy |
|----------------------------|--------------------------------|------------------------|---|
| \$ _____ | Additional Operating | \$ _____ | _____ mills <small>ss. 1011.71(9) and 1011.73(2), F.S.</small> |
| | Additional Capital Improvement | \$ _____ | _____ mills <small>ss. 1011.73(1), F.S.</small> |

4. DISTRICT LOCAL CAPITAL IMPROVEMENT TAX (nonvoted levy)

| a) Certified taxable value | b) Description of levy | c) Amount to be raised | d) Millage levy |
|----------------------------|-----------------------------------|------------------------|---|
| \$ <u>322,193,015,087</u> | Local Capital Improvement | \$ <u>463,957,942</u> | <u>1.5000</u> mills <small>s. 1011.71(2), F.S.</small> |
| | Discretionary Capital Improvement | \$ _____ | _____ mills <small>s. 1011.71(3)(a), F.S.</small> |

5. DISTRICT DEBT SERVICE TAX (voted levy)

| a) Certified taxable value | b) Description of levy | c) Amount to be raised | d) Millage levy |
|----------------------------|------------------------|------------------------|--|
| \$ <u>322,193,015,087</u> | <u>VOTED DEBT</u> | \$ <u>70,830,912</u> | <u>0.2290</u> mills <small>s. 200.001(3)(e), F.S.</small> |
| | _____ | \$ _____ | _____ mills <small>s. 12, Article VII of the State Constitution</small> |
| | _____ | \$ _____ | _____ mills |

6. THE TOTAL MILLAGE RATE TO BE LEVIED EXCEEDS IS LESS THAN THE ROLL-BACK RATE COMPUTED PURSUANT TO SECTION 200.065(1), F.S., BY 2.05 PERCENT.

STATE OF FLORIDA

COUNTY OF Miami-Dade

I, Alberto M. Carvalho, 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 5, 2018.

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, 325 W. Gaines Street, Room 824, Tallahassee, Florida 32399-0400; county tax collector; and county property appraiser.

MIAMI-DADE COUNTY PUBLIC SCHOOLS
Millage History and Tax Effect to Homeowners

| | <u>Actual FY2015-16</u> | <u>Actual FY2016-17</u> | <u>Actual FY2017-18</u> | <u>Proposed FY2018-19</u> |
|---|-----------------------------|-----------------------------|-----------------------------|-------------------------------|
| <u>STATE ESTABLISHED AND REQUIRED:</u> | | | | |
| Required Local Effort (RLE) | 5.165 | 4.898 | 4.526 | 4.256 |
| <u>LOCALLY LEVIED:</u> | | | | |
| Discretionary Operating | 0.687 | 0.748 | 0.748 | 0.748 |
| Additional Discretionary Operating (.25) | 0.000 | 0.000 | 0.000 | 0.000 |
| Discretionary Capital | 1.561 | 1.500 | 1.500 | 1.500 |
| Sub-Total Locally Levied | 2.248 | 2.248 | 2.248 | 2.248 |
| Sub Total Non Voted-Millage | 7.413 | 7.138 | 6.774 | 6.504 |
| Debt Service (Voted) | 0.199 | 0.184 | 0.220 | 0.229 |
| Total Millage Levy | <u>7.612</u> | <u>7.322</u> | <u>6.994</u> | <u>6.733</u> |
| Increase (Decrease) from Prior Year | <u>(0.362)</u> | <u>(0.290)</u> | <u>(0.328)</u> | <u>(0.261)</u> |

| | <u>FY2015-16</u> | <u>FY2016-17</u> | <u>FY2017-18</u> | <u>FY2018-19</u> |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Assessed Value-Average Homestead * | \$ 190,301 | \$ 198,990 | \$ 209,792 | \$ 220,310 |
| Less: Homestead Exemption | (25,000) | (25,000) | (25,000) | (25,000) |
| Taxable Value | \$ 165,301 | \$ 173,990 | \$ 184,792 | \$ 195,310 |
| Total Millage Levy | 7.612 | 7.322 | 6.994 | 6.733 |
| Total Taxes | <u>\$ 1,258.27</u> | <u>\$ 1,273.95</u> | <u>\$ 1,292.44</u> | <u>\$ 1,315.02</u> |
| Increase (Decrease) from Prior Year | <u>\$ 2.39</u> | <u>\$ 15.68</u> | <u>\$ 18.49</u> | <u>\$ 22.58</u> |
| Average Tax Increase Since 2015-16 | | | | <u>\$ 18.92</u> |

| TAX EFFECT ON TYPICAL HOMEOWNER | | |
|--|--------------------|--------------------|
| | <u>FY2017-18</u> | <u>FY2018-19</u> |
| Assessed Value-Typical Homestead * | \$ 209,792 | \$ 214,198 |
| Less: Homestead Exemption | (25,000) | (25,000) |
| Taxable Value | \$ 184,792 | \$ 189,198 |
| Total Millage Levy | 6.994 | 6.733 |
| Total Taxes | <u>\$ 1,292.44</u> | <u>\$ 1,273.87</u> |
| Decrease over Prior Year | | <u>\$ (18.57)</u> |

* 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 participating in the "Save Our Home" program. A typical homeowner is capped at a 2.1% increase in assessed value for FY2018-19, and represents a homeowner that resides in the same homestead and has not improved (i.e. "added onto") his/her property.