

Financial Affairs
Richard H. Hinds, Chief Financial Officer

**SUBJECT: AUTHORIZATION TO ADVERTISE PROPOSED TENTATIVE BUDGET
AND MILLAGE LEVIES FOR 2002-03**

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, 2002.

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, 2002. 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 or by August 4, 2002.

Due to these requirements, as well as the sequence of Board meeting dates, the following schedule has been developed:

<u>Date</u>	<u>Event</u>
July 10	Board authorizes Superintendent to advertise tentative budget and proposed millage levies pursuant to state law.
20	Advertisement appears in newspaper of general circulation.
24	First Public Hearing. Board tentatively adopts millage levies and budget.
29	Proposed millage levies sent to property appraiser.

The budget cycle culminates with a second public hearing and final adoption on September 11, 2002.

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The following millage levies are the maximum permitted under current State law. A debt service levy is included which is required to service the district's outstanding bond series.

The levies permitted under current law are recommended for advertising.

	2001-02 Adopted Levy	2002-03 Recommended Levy *	Increase (Decrease)
State Required Local Effort	5.834	5.800	(.034)
Discretionary Operating	.510	.510	-
Supplemental Discretionary	<u>.184</u>	<u>.169</u>	<u>(.015)</u>
Sub-Total Operating Millage	6.528	6.479	(.049)
Discretionary Capital	<u>2.000</u>	<u>2.000</u>	-
Sub-Total Non Voted-Millage**	8.528	8.479	(.049)
Debt Service (Voted)	<u>.848</u>	<u>.770</u>	<u>(.078)</u>
Total Millage Levy	<u>9.376</u>	<u>9.249</u>	<u>(.127)</u>

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* The State Required Local Effort Levy and the Supplemental Discretionary Levy are estimated and are subject to modification by the Commissioner of Education based upon an analysis of actual county tax rolls in the state. The actual levies will be certified by the Commissioner no later than July 19. The changes in the tax roll and in the certified millage rates will not affect total revenues generated by Required Local Effort or Supplemental Discretionary Millage. Revenues from Discretionary Operating and Capital Millages have been adjusted to reflect the July 1 tax roll. Furthermore, the Debt Service Millage has been adjusted to generate the same level of funding.

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** The recommended non-voted millage levy is .049 mills or .57% lower than 2001-02. However, due to increased assessed values, this represents an **increase** of 6.98% calculated pursuant to Florida Statutes.

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 24, 2002.

Further, it is desirable that the Board advertise the maximum potential millage which it is considering levying. 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.

The following materials are provided for Board review:

Attachment A - Summary of Revenues & Appropriations by Function – All Funds 2002-03 Tentative Budget.

Attachment B - Budget Advertisement required by HB 1545. *

Attachment C - List of Capital Projects to be Funded from the 2002-03 Capital Millage Levy.

Additionally, on July 8, 2002, Board Members received a copy of the **2002-03 Tentative Budget – Executive Summary** and a copy of the detailed General Fund budget workpapers. Copies of each will be placed on file in the Citizen Information Center and in the Office of the Recording Secretary to the Board.

* Information required to complete this analysis has not yet been received from the Department of Education. Information will be provided to the Board as soon as available.

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

- 1) advertise pursuant to state law a proposed operating millage levy of 6.479 mills, a proposed capital outlay millage levy of 2.000 mills, and a proposed debt service levy of .770 mills, subject to certification of the State Required Local Effort Millage Levy and the Supplemental Discretionary Millage Levy;
- 2) advertise pursuant to state law the Tentative Budget (Attachment A);
- 3) advertise language required by HB 1545 which requires, under specified conditions, that a district increase the percentage of total operating expenditures used for K-12 instruction and instructional staff training (Attachment B);
- 4) advertise pursuant to state law the listing and description of capital projects to be funded from the 2002-03 Capital Millage Levy (Attachment C);
- 5) Place a courtesy notice regarding the public hearing one week before July 24 or thereabouts in the ***Miami Herald, Diario Las Americas***, and the ***Miami Times***;
- 6) modify the advertised State Required Local Effort Millage Levy and the Supplemental Discretionary Millage Levy pursuant to official notification by the Commissioner of Education; and
- 7) amend for the purpose of advertisement the State portion of the Florida Education Finance Program (FEFP) pursuant to official notification by the Commissioner of Education.

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SUMMARY OF REVENUES & APPROPRIATIONS - ALL FUNDS
2002-03 TENTATIVE BUDGET

	GENERAL FUND	DEBT SERVICE FUNDS	CAPITAL OUTLAY FUNDS	SPECIAL REVENUE FUNDS	TRUST & AGENCY FUNDS
REVENUES					
Federal	\$ 11,908,069	-	-	\$ 338,253,357	\$ -
State	\$ 1,415,648,796	\$ 13,501,455	\$ 133,621,316	\$ 2,970,982	\$ -
Local	\$ 779,787,348	\$ 86,606,101	\$ 259,511,551	\$ 38,580,534	\$ 4,215,532
TOTAL REVENUES	\$ 2,207,344,213	\$ 100,107,556	\$ 393,132,867	\$ 379,804,873	\$ 4,215,532
Transfers In	\$ 127,863,522	\$ 69,520,999	\$ 5,254,000	-	-
Non Revenue Sources	\$ -	\$ -	\$ 357,985,678	-	-
Beginning Fund Balance	\$ 133,117,570	\$ 68,692,669	\$ 640,791,016	\$ 8,960,350	\$ 30,748,985
TOTALS	\$ 2,468,325,305	\$ 238,321,224	\$ 1,397,163,561	\$ 388,765,223	\$ 34,964,517
Less: Transfers					
TOTAL ALL FUNDS					
APPROPRIATIONS					
Instruction	\$ 1,574,401,874	-	-	\$ 142,216,607	\$ -
Pupil Personnel	110,274,508	-	-	22,051,888	-
Instructional Media Services	50,127,359	-	-	2,089,149	-
Instructional & Curriculum Dev.	21,684,941	-	-	35,069,940	-
Instructional Staff Training	5,554,414	-	-	28,867,350	-
Board of Education	5,203,274	-	-	-	-
General Administration	7,647,924	-	-	5,344,387	-
School Administration	144,659,861	-	-	-	-
Facilities - Other	1,190,693	-	1,179,981,656	360,872	-
Fiscal Services	15,197,760	-	-	-	-
Food Services	-	-	-	133,521,099	-
Central Services	79,645,568	-	-	579,259	-
Pupil Transportation Services	80,900,868	-	-	1,131,183	-
Operation of Plant	213,448,519	-	-	9,427,173	-
Maintenance of Plant	103,003,960	-	-	60,464	-
Community Services	26,016,478	-	-	5,070,000	5,639,687
Debt Services	-	165,155,796	-	-	-
TOTAL APPROPRIATIONS	\$ 2,438,958,001	\$ 165,155,796	\$ 1,179,981,656	\$ 385,789,371	\$ 5,639,687
Transfers to Other Funds	\$ -	\$ -	\$ 202,638,521	\$ -	\$ -
ENDING FUND BALANCE					
Undesignated Reserves	\$ 29,367,304	\$ -	\$ 14,543,384	\$ 2,975,852	\$ -
Designated Reserves	\$ -	\$ 73,165,428	\$ -	\$ -	\$ 29,324,830
TOTALS	\$ 29,367,304	\$ 73,165,428	\$ 14,543,384	\$ 2,975,852	\$ 29,324,830
TOTALS	\$ 2,468,325,305	\$ 238,321,224	\$ 1,397,163,561	\$ 388,765,223	\$ 34,964,517

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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 continue to impose a 2.0 mill property tax for the capital projects listed herein.

This tax is in addition to the school board's proposed tax of 6.479 mills for operating expenses and is proposed solely at the discretion of the school board.

The capital outlay tax will generate \$221,823,639 to be used for the following projects:

CONSTRUCTION & REMODELING:

- Capital Outlay Administration
- New Instructional Facilities
- Additions/Remodeling of Instructional Facilities
- Sites/Site Improvements

MOTOR VEHICLE PURCHASES (cont)

- 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
- Annual Master Lease payments for security vehicles

MAINTENANCE, RENOVATION & REPAIR:

- Maintenance Services
- Instructional Facilities Renovations
- Roof Repair & Replacement
- Support Services Renovations
- Portable/Relocatable Moves
- Safety to Life Repairs

NEW AND REPLACEMENT EQUIPMENT:

- Annual Master Lease Payments for New/Replacement Equipment
- Instructional Program Equipment
- Support Services Equipment

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

- Annual Lease/Purchase Payment for Braddock Senior High
- 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 OF COSTS IN COMPLIANCE WITH ENVIRONMENTAL STATUTES AND REGULATIONS:

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

MOTOR VEHICLE PURCHASES:

- Lease Purchase Payments for 1,159 School Buses
- Annual Master Lease Payments for Drivers' Education Vehicles

All concerned citizens are invited to a public hearing to be held on July 24, 2002 at 5:01 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 meeting.

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