

June 25, 2003

Financial Affairs
Eduardo A. Alfaro, Interim Chief Financial Officer

SUBJECT: AUTHORIZATION TO ADVERTISE PROPOSED TENTATIVE BUDGET AND MILLAGE LEVIES FOR 2003-04

COMMITTEE: BUSINESS AND FINANCIAL SERVICES

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, 2003.

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, 2003. 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, 2003.

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 9	Board authorizes Superintendent to advertise tentative budget and proposed millage levies.
19	Advertisement appears in newspaper of general circulation.
23	First Public Hearing. Board tentatively adopts millage levies and budget.
28	Proposed millage levies sent to property appraiser.

The budget cycle culminates with a second public hearing and final adoption on September 10, 2003.

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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.

	2002-03 Adopted Levy	2003-04 Recommended Levy *	Increase (Decrease)
State Required Local Effort	5.803	5.892	.089
Discretionary Operating	.510	.510	-
Supplemental Discretionary	<u>.169</u>	<u>.152</u>	<u>(.017)</u>
Sub-Total Operating Millage	6.482	6.544	.072
Discretionary Capital	<u>2.000</u>	<u>2.000</u>	-
Sub-Total Non Voted-Millage**	8.482	8.554	.070
Debt Service (Voted)	<u>.770</u>	<u>.688</u>	<u>(.082)</u>
Total Millage Levy	<u>9.252</u>	<u>9.242</u>	<u>(.010)</u>

* 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 revenues generated by Required Local Effort or Supplemental Discretionary Millage. However, revenues from Discretionary Operating Millage will change proportionally to the change in the tax roll. Furthermore, the Debt Service Millage may be adjusted may be adjusted to generate the same level of funding.

** The recommended non-voted millage levy is .010 mills or .xx% lower than 2002-03. However, due to increased assessed values, this represents an **increase** of x.xx% calculated pursuant to Florida Statutes. (NOTE: the latter percentage cannot be calculated prior to receipt of the certified tax roll on July 1, 2003.

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 23, 2003.

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 will be provided on July 3, 2003 for Board review.

Attachment A - Summary of Revenues & Appropriations by Function – All Funds 2003-04 Tentative Budget.

Attachment B - Percentage of Total Operating Expenditures Used for K-12 Instruction and Instructional Staff Training.

Attachment C - List of Capital Projects to be funded from the 2003-04 Capital Millage Levy.

Additionally, on July 7, 2003, Board Members received a copy of the 2003-04 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.

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

- 1) advertise a proposed operating millage levy of 6.544 mills, a proposed capital outlay millage levy of 2.000 mills, and a proposed debt service levy of .688 mills, subject to certification of the State Required Local Effort Millage Levy and the Supplemental Discretionary Millage Levy;
- 2) advertise 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 the listing and description of capital projects to be funded from the 2003-04 Capital Millage Levy (Attachment C);
- 5) modify the advertised State Required Local Effort Millage Levy and the Supplemental Discretionary Millage Levy pursuant to official notification by the Commissioner of Education;
- 6) 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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