

Business Operations
Ofelia San Pedro, Deputy Superintendent

SUBJECT: AUTHORIZATION TO ADVERTISE PROPOSED TENTATIVE BUDGET AND MILLAGE LEVIES FOR 2007-08

COMMITTEE: INNOVATION, EFFICIENCY AND GOVERNMENTAL RELATIONS

LINK TO DISTRICT STRATEGIC PLAN: IMPROVE 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, 2007.

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, 2007. 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, 2007.

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	11	Board authorizes Superintendent to advertise tentative budget and proposed millage levies.
	28	Advertisement appears in newspaper of general circulation.
August	1	First Public Hearing. Board tentatively adopts millage levies and budget.
	3	Proposed millage levies sent to property appraiser.

The budget cycle culminates with a second public hearing and final adoption on September 5, 2007.

**REVISED
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The millage levies for Required Local Effort is mandated by the Florida Department of Education and the levies for Discretionary Operating, Supplemental Discretionary and Discretionary Capital 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. We are recommending that the Board levy the full amount permissible. As noted below, the total recommended levy is .014 higher than the levy for fiscal year 2006-07.] REVISSED

The levies recommended for advertising are shown below:

	2006-07 Adopted Levy	2007-08 Recommended Levy *	Increase (Decrease)	
State Required Local Effort	5.006	5.086	.080	
Discretionary Operating	0.510	0.510	-	
Supplemental Discretionary	<u>0.175</u>	<u>0.145</u>	<u>(.030)</u>] REVISSED
Sub-Total Operating Millage	5.691	5.741	.050	
Discretionary Capital	<u>2.000</u>	<u>2.000</u>	<u>0.000</u>	
Sub-Total Non Voted-Millage**	7.691	7.741	.050] REVISSED
Debt Service (Voted)	<u>0.414</u>	<u>.378</u>	<u>(.036)</u>	
Total Millage Levy	<u>8.105</u>	<u>8.119</u>	<u>0.014</u>	

* The State Required Local Effort (RLE) Levy and the Supplemental Discretionary Levy 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 millage advertisement on July 28 will contain the actual RLE certified by the State. 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 proportionately to the change in the tax roll. Furthermore, the Debt Service Millage may be adjusted to generate the same level of funding.

** The recommended non-voted millage levy is .050 mills or .7% higher than 2006-07.] REVISSED
However, the percentage increase to be advertised pursuant to Florida Statutes cannot be calculated prior to receipt of the required local effort millage to be received on July 19.

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 August 1, 2007.

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, 2007.

The following schedules are attached.

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Attachment A - Summary of Revenues & Appropriations by Function – All Funds 2007-08 Tentative Budget.

Attachment B - List of Capital Projects to be funded from the 2007-08 Capital Millage Levy.

Board Members will receive a copy of the 2007-08 Tentative Budget – Executive Summary and a copy of the detailed General Fund budget workpapers under separate cover no later than July 10, 2007. Copies of each will be placed on file in the Citizen Information Center and in the Office of the Recording Secretary to the Board.

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

- 1) advertise a proposed operating millage levy of 5.741 mills, a proposed capital outlay millage levy of 2.000 mills, and a proposed debt service levy of 0.378 mills, subject to certification of the State Required Local Effort Millage Levy. REVIS
- 2) advertise the Tentative Budget (Attachment A);
- 3) advertise the listing and description of capital projects to be funded from the 2007-08 Capital Millage Levy (Attachment B);
- 4) modify the advertised State Required Local Effort Millage Levy pursuant to official notification by the Commissioner of Education; and
- 5) amend for the purpose of advertisement portions of the Florida Education Finance Program (FEFP) pursuant to official notification by the Commissioner of Education.

SUMMARY OF REVENUES & APPROPRIATIONS - ALL FUNDS
2007-08 TENTATIVE BUDGET

	GENERAL FUND	DEBT SERVICE FUNDS	CAPITAL OUTLAY FUNDS	SPECIAL REVENUE FUNDS	FIDUCIARY FUND	TOTAL ALL FUNDS
REVENUES						
Federal	\$ 17,643,391	\$ -	\$ -	\$ 362,518,253	\$ -	\$ 380,161,644
State	1,311,731,442	12,856,515	106,058,854	2,774,000	-	1,433,420,811
Local	1,428,036,910	90,272,906	528,907,314	43,689,249	7,043,888	1,806,830,580
TOTAL REVENUES	2,757,411,743	103,129,421	634,966,168	408,981,502	7,043,888	3,911,532,722
Transfers In	148,905,643	157,133,176	241,446,000	-	-	547,484,819
Non Revenue Sources			802,930,061	-	-	802,930,061
Beginning Fund Balance	195,023,440	83,304,763	1,266,494,338	692,036	35,582,312	1,581,096,889
TOTAL REVENUES & OTHER SOURCES	\$ 3,101,340,826	\$ 343,567,360	\$ 2,945,836,567	\$ 409,673,538	\$ 42,626,200	\$ 6,843,044,491
Less: Transfers						\$ 547,484,819
						<u>\$ 6,295,559,672</u>
APPROPRIATIONS						
Instruction	\$ 2,011,737,547	\$ -	\$ -	\$ 186,996,470	\$ -	\$ 2,198,734,017
Pupil Personnel	133,107,000	-	-	21,774,796	-	154,881,796
Instructional Media Services	42,080,151	-	-	1,997,316	-	44,077,467
Instructional & Curriculum Dev.	33,167,373	-	-	29,989,826	-	63,157,199
Instructional Staff Training	52,639,574	-	-	22,009,804	-	74,649,378
Instructional Related Technology	-	-	-	729,333	-	7,459,512
Board of Education	7,459,512	-	-	4,152,043	-	15,714,291
General Administration	11,562,248	-	-	179,721	-	173,267,982
School Administration	173,088,261	-	-	176,201	-	2,352,082,969
Facilities - Other	-	-	2,351,906,768	-	-	22,549,332
Fiscal Services	22,223,473	-	-	325,859	-	137,193,634
Food Services	-	-	-	937,572	-	33,860,803
Central Services	32,923,231	-	-	209,873	-	86,165,547
Pupil Transportation Services	85,955,674	-	-	620,647	-	272,142,143
Operation of Plant	271,521,496	-	-	-	-	118,858,699
Maintenance of Plant	118,858,699	-	-	-	-	41,284,948
Community Services	35,880,368	-	-	1,920,527	3,484,053	250,551,324
Debt Services	-	250,551,324	-	-	-	-
TOTAL APPROPRIATIONS	\$ 3,032,204,607	\$ 250,551,324	\$ 2,351,906,768	\$ 409,213,622	\$ 3,484,053	\$ 6,046,631,041
Transfers to Other Funds						\$ 547,484,819
ENDING FUND BALANCE						
Undesignated Reserves	\$ 69,136,219	\$ -	\$ 39,214,081	\$ 459,916	\$ -	\$ 108,810,216
Designated Reserves	-	93,016,036	7,230,899	-	39,142,147	139,389,082
TOTAL FUND BALANCE	\$ 69,136,219	\$ 93,016,036	\$ 46,444,980	\$ 459,916	\$ 39,142,147	\$ 248,199,298
SUB-TOTAL ALL FUNDS	\$ 3,101,340,826	\$ 343,567,360	\$ 2,945,836,567	\$ 409,673,538	\$ 42,626,200	\$ 6,843,044,491
Less Transfers						\$ 547,484,819
						<u>\$ 6,295,559,672</u>

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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 outlay projects listed herein.

This tax is in addition to the school board's proposed tax of 5.741 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 **\$470,142,359** 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

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

MOTOR VEHICLE PURCHASES:

- Lease Purchase Payments for 1,332 School Buses
- Equipment Lease Payments for 696 School Buses
- Annual Master Lease Payments for Drivers' Education Vehicles

MOTOR VEHICLE PURCHASES (cont)

- 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

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)

PAYMENTS OF LOANS APPROVED PURSUANT TO SS. 1011.14 AND 1011.15

- Capital Projects from the District's Five Year Facilities Work Program receiving interim financing and any related financing costs

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

- Property Insurance

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All concerned citizens are invited to a public hearing to be held on August 1, 2007 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.