

Business Operations  
Ofelia San Pedro, Deputy Superintendent

**SUBJECT: AUTHORIZATION TO ADVERTISE PROPOSED TENTATIVE BUDGET AND MILLAGE LEVIES FOR 2008-09**

**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, 2008.

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, 2008. 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, 2008) or by August 4, 2008.

Due to these requirements, as well as the Board meeting dates, the following schedule was developed:

<u>Date</u>	<u>Event</u>
July 15	Board authorizes Superintendent to advertise tentative budget and proposed millage levies.
26	Advertisement appears in newspaper of general circulation.
30	First Public Hearing. Board tentatively adopts millage levies and budget.
August 1	Proposed millage levies sent to property appraiser.

The budget cycle culminates with a second public hearing and final adoption on September 10, 2008.

**REVISED  
E-14**

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. The maximum for both Discretionary Operating and Discretionary Capital Millage were modified during the 2008 Legislative Session and are reflected below. 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 .256 lower than the levy for FY 2007-08.

The levies recommended for advertising are shown below:

	FY 2007-08 Adopted Levy	FY 2008-09 Recommended Levy *	Increase (Decrease)
State Required Local Effort	4.915	5.041	.126
Discretionary Operating	0.510	0.498	(.012)
Supplemental Discretionary	<u>0.145</u>	<u>0.139</u>	<u>(.006)</u>
Sub-Total Operating Millage	5.570	5.678	.108
Discretionary Capital	<u>2.000</u>	<u>1.750</u>	<u>(.250)</u>
<b>Sub-Total Non Voted-Millage**</b>	<b>7.570</b>	<b>7.428</b>	<b>(.142)</b>
Debt Service (Voted)	<u>.378</u>	<u>.264</u>	<u>(.114)</u>
<b>Total Millage Levy</b>	<b><u>7.948</u></b>	<b><u>7.692</u></b>	<b><u>(.256)</u></b>

\* 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 26 will contain the actual RLE and Supplemental Discretionary Millage certified by the State. Changes in the tax roll and in the certified millage rates affect revenues in the Executive Summary. Revenue generated by Required Local Effort revises both local and state sources with no net change in revenue since overall revenue is constant. Supplemental Discretionary Millages may change proportionately to the change in the tax roll. The Debt Service Millage was adjusted to generate the level of funding required to service the district's outstanding bond series.

\*\* The recommended non-voted millage levy is .142 mills or 1.9% lower than FY 2007-08. However, the percentage increase to be advertised pursuant to Florida Statutes cannot be calculated prior to receipt of the Required Local Effort to be received on July 19, 2008. In an effort to eliminate automatic revenue growth due to increasing property values, the Florida Legislature enacted statutes known as Truth-in-Millage (TRIM). TRIM requires a calculation of the change in millage rates from one year to the next called the "Rolled-Back Rate". The "rolled-back rate" is the millage that would be necessary to generate the **same amount of dollars** as the previous fiscal year, excluding new construction. The proposed millage rate is compared to the "rolled-back rate" and translated into a percentage of increase that **must** be used in the published advertisements of the proposed School Board budget.

**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 30, 2008.**

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, 2008.

The following schedules will be provided to the Board prior to July 15, 2008.

Attachment A - Summary of Revenues & Appropriations by Function – All Funds FY 2008-09 Tentative Budget.

Attachment B - List of Capital Projects to be funded from the FY 2008-09 Capital Millage Levy.

Prior to July 15, 2008, Board Members will receive a copy of the FY 2008-09 Tentative Budget – Executive Summary and a copy of the detailed General Fund budget workpapers under separate cover. 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 5.678 mills, a proposed capital outlay millage levy of 1.750 mills, and a proposed debt service levy of 0.264 mills, subject to certification of the State Required Local Effort Millage Levy.
- 2) advertise the Tentative Budget (Attachment A);
- 3) advertise the listing and description of capital projects to be funded from the FY 2008-09 Capital Millage Levy (Attachment B); and advertise the amendment to the original listing and description of capital projects to be funded from the FY 2007-08 Capital Millage Levy (Attachment C);and
- 4) advertise State Required Local Effort Millage Levy pursuant to official notification by the Commissioner of Education.

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**SUMMARY OF REVENUES & APPROPRIATIONS - ALL FUNDS**  
**2008-09 TENTATIVE BUDGET**

	GENERAL FUND	DEBT SERVICE FUNDS	CAPITAL OUTLAY FUNDS	SPECIAL REVENUE FUNDS	FIDUCIARY FUND	TOTAL ALL FUNDS
<b>REVENUES</b>						
Federal	\$ 5,484,142			\$ 364,323,694		\$ 369,807,836
State	1,145,571,359	13,425,770	30,488,398	2,614,000		1,192,099,527
Local:						
Property Taxes	1,390,201,101	66,875,495	428,469,871			1,885,546,467
Other	80,715,955	1,172,000	32,577,446	45,226,176	3,433,553	163,125,130
<b>Total Revenues</b>	<b>\$ 2,621,972,557</b>	<b>\$ 81,473,265</b>	<b>\$ 491,535,715</b>	<b>\$ 412,163,870</b>	<b>\$ 3,433,553</b>	<b>\$ 3,610,578,960</b>
TRANSFERS FROM OTHER FUNDS	\$ 172,247,328	\$ 196,252,370	\$ 161,707,000	\$ 4,000,000		\$ 534,206,698
NON-REVENUE SOURCES	10,000,000	489,471,562				499,471,562
FUND BALANCE FROM PRIOR YEAR	123,667,293	92,123,991	1,126,567,779	711,119	32,501,347	1,375,571,529
<b>TOTAL REVENUES &amp; OTHER SOURCES</b>	<b>\$ 2,927,887,178</b>	<b>\$ 369,849,626</b>	<b>\$ 2,269,282,056</b>	<b>\$ 416,874,989</b>	<b>\$ 35,934,900</b>	<b>\$ 6,019,828,749</b>
Less: Transfers						534,206,698
<b>TOTAL ALL FUNDS</b>						<b>\$ 5,485,622,051</b>
<b>APPROPRIATIONS</b>						
Instructional	\$ 1,864,308,997			\$ 185,889,734		\$ 2,050,198,731
Instructional Support	239,042,176			75,937,847		314,980,023
Other	774,391,178	290,288,258	1,709,075,358	154,189,548	4,383,539	2,932,327,881
<b>Total Appropriations</b>	<b>\$ 2,877,742,351</b>	<b>\$ 290,288,258</b>	<b>\$ 1,709,075,358</b>	<b>\$ 416,017,129</b>	<b>\$ 4,383,539</b>	<b>\$ 5,297,506,635</b>
TRANSFERS TO OTHER FUNDS	\$ 4,000,000		\$ 530,206,698			\$ 534,206,698
TRANSFER TO INTERNAL SERVICE						
FUND BALANCE - End of Year	\$ 46,144,827		\$ 30,000,000	\$ 857,860	31,551,361	\$ 77,002,687
Undesignated/Appropriated Contingency						111,112,729
Designated Reserves		79,561,368				
<b>Total Fund Balance</b>	<b>\$ 46,144,827</b>	<b>\$ 79,561,368</b>	<b>\$ 30,000,000</b>	<b>\$ 857,860</b>	<b>\$ 31,551,361</b>	<b>\$ 188,115,416</b>
<b>TOTAL APPROPRIATIONS, TRANSFERS &amp; FUND BALANCE</b>	<b>\$ 2,927,887,178</b>	<b>\$ 369,849,626</b>	<b>\$ 2,269,282,056</b>	<b>\$ 416,874,989</b>	<b>\$ 35,934,900</b>	<b>\$ 6,019,828,749</b>
Less: Transfers						534,206,698
<b>TOTAL ALL FUNDS</b>						<b>\$ 5,485,622,051</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 1.75 mill property tax for the capital outlay projects listed herein.

This tax is in addition to the School Board's proposed tax of 5.678 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 **\$428,469,871**, 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:**

Lease Purchase Payments for 1,332 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 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 FOR RENTING AND LEASING EDUCATIONAL FACILITIES AND SITES**

Leases for School Facilities

**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 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 \$65 per unweighted full-time equivalent student

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All concerned citizens are invited to a public hearing to be held on July 30, 2008 at 6:01 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 hearing.

**AMENDED NOTICE OF TAX FOR SCHOOL CAPITAL OUTLAY**

The School Board of Miami-Dade County will soon consider a measure to amend the use of property tax for the capital outlay projects previously advertised for the 2007 to 2008 school year.

**NEW PROJECTS TO BE FUNDED:**

**PAYMENTS FOR RENTING AND LEASING EDUCATIONAL FACILITIES AND SITES**

Leases for School Facilities

All concerned citizens are invited to a public hearing to be held on July 30, 2008 at 6:01 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 amendment to the projects funded from CAPITAL OUTLAY TAXES will be made at this meeting.

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