

Financial Services
Mrs. Judith M. Marte, Chief Financial Officer

**SUBJECT: TENTATIVE ADOPTION OF MILLAGE LEVY RESOLUTION
FOR FY 2015-16**

**LINK TO STRATEGIC
FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY**

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 is July 1. (The advertisement will appear in the **Miami Herald** on July 25.)
- 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 this tentative budget hearing unless each taxpayer within Miami-Dade County is 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.

SP-1

f. For FY 2015-16, 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 7.413 mills.

The total millage, consisting of both voted and non-voted levies, is 7.612 mills (see page 6). The total millage levy represents a decrease of .362 mills from FY 2014-15. The non-voted millage levy, certified by the Commissioner of Education on July 16, 2015, consists of the following: (a) state-required levy of 5.165 mills to participate in the Florida Education Finance Program; (b) a basic discretionary levy of .687 mills for additional operating costs; (c) a discretionary levy of 1.561 mills for capital purposes. Up to .25 mills of the discretionary operating levy may be transferred to discretionary capital outlay. The voted millage consists of a debt service levy of .199 mills required to fund the principal and interest payments of issued General Obligation Bonds, including an expected tax roll yield shortfall due to the Value Adjustment Board process delay, and future new bond issuances as authorized by referendum in November 2012 (\$1.2 billion authorized by the voters).

On July 15, 2015, the Board approved Agenda Item E-14, Authorization to Advertise Proposed Tentative Budget and Millage Levies for FY 2015-16. The Required Local Effort Millage was reduced due to statewide School Taxable Value increasing from \$1.615 billion used during the 2015 Legislative Session to \$1.647 billion received on July 16, 2015.

Page 6 reflects the proposed FY 2015-16 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 2015-16 is .362 mills lower than FY 2014-15.** However, due to increases in the average assessed value, annual taxes on the average homestead will increase \$2.39; during the three year period beginning FY 2012-13, the average homestead property tax increased by \$29.86 annually.

The tax effect on the typical homeowner participating in the Save Our Homes program, however, will actually be \$45.90 lower than the prior year if the homeowner resided in the same homestead with no property improvements (i.e. added on to). The decrease for the typical homeowner is due to a .8% capped increase (CPI level was .8%) 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. tentatively adopt the millage rates below:
 - a) locally levied Discretionary Operating millage levy of .687 mills and Capital Outlay millage levy of 1.561 mills;
 - b) state established Required Local Effort millage levy of 5.165 mills; and
 - c) Debt Service levy of .199 mills.
2. tentatively adopt the millage resolution for FY 2015-16 for a total of 7.612 mills.

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, 2015, AND ENDING JUNE 30, 2016.

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>262,127,456,888</u>	Required Local Effort	\$ <u>1,271,297,196</u>	<u>5.0520</u> mills <small>x 1011.62(4), F.S.</small>
	Prior-Period Funding Adjustment Millage	\$ <u>28,435,586</u>	<u>0.1130</u> mills <small>x 1011.62(4)(c), F.S.</small>
	Total Required Millage	\$ <u>1,299,732,782</u>	<u>5.1650</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>262,127,456,888</u>	Discretionary Operating	\$ <u>172,878,300</u>	<u>0.6870</u> mills <small>x 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>x 1011.71(9) and 1011.75(2), F.S.</small>
	Additional Capital Improvement	\$ _____	_____ mills <small>x 1011.75(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>262,127,456,888</u>	Local Capital Improvement	\$ <u>377,463,538</u>	<u>1.5000</u> mills <small>s. 1011.71(2), F.S.</small>
	Discretionary Capital Improvement	\$ <u>15,350,184</u>	<u>0.0610</u> 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>262,127,456,888</u>	<u>VOTED DEBT</u>	\$ <u>50,076,829</u>	<u>0.199</u> mills <small>s. 200.001(3)(e), F.S. s. 12, Article VII of the State Constitution</small>
	_____	\$ _____	_____ mills
	_____	\$ _____	_____ 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 8.54 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, July 29, 2015.

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 FY2012-13</u>	<u>Actual FY2013-14</u>	<u>Actual FY2014-15</u>	<u>Proposed FY2015-16</u>
<u>STATE ESTABLISHED AND REQUIRED:</u>				
Required Local Effort (RLE)	5.557	5.396	5.527	5.165
<u>LOCALLY LEVIED:</u>				
Discretionary Operating	0.647	0.687	0.687	0.687
Additional Discretionary Operating (.25)	0.000	0.000	0.000	0.000
Discretionary Capital	1.561	1.561	1.561	1.561
Sub-Total Locally Levied	2.208	2.248	2.248	2.248
Sub Total Non Voted-Millage	7.765	7.644	7.775	7.413
Debt Service (Voted)	0.233	0.333	0.199	0.199
Total Millage Levy	7.998	7.977	7.974	7.612
Increase (Decrease) from Prior Year	(0.007)	(0.021)	(0.003)	(0.362)

	<u>FY2012-13</u>	<u>FY2013-14</u>	<u>FY2014-15</u>	<u>FY2015-16</u>
Assessed Value-Average Homestead *	\$ 171,121	\$ 174,437	\$ 182,497	\$ 190,301
Less: Homestead Exemption	(25,000)	(25,000)	(25,000)	(25,000)
Taxable Value	\$ 146,121	\$ 149,437	\$ 157,497	\$ 165,301
Total Millage Levy	7.998	7.977	7.974	7.612
Total Taxes	\$ 1,168.68	\$ 1,192.06	\$ 1,255.88	\$ 1,258.27
Increase (Decrease) from Prior Year	\$ (56.02)	\$ 23.38	\$ 63.82	\$ 2.39
Average Tax Increase Since 2012-13				\$ 29.86

	TAX EFFECT ON TYPICAL HOMEOWNER	
	<u>FY2014-15</u>	<u>FY2015-16</u>
Assessed Value-Typical Homestead *	\$ 182,497	\$ 183,957
Less: Homestead Exemption	(25,000)	(25,000)
Taxable Value	\$ 157,497	\$ 158,957
Total Millage Levy	7.974	7.612
Total Taxes	\$ 1,255.88	\$ 1,209.98
Decrease over Prior Year		\$ (45.90)

* 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 0.8% increase in assessed value for FY2015-16, one that resides in the same homestead and has not improved (i.e. 'added onto') their property.