

Financial Services
Mr. Ron Y. Steiger, Chief Financial Officer

SUBJECT: ADOPTION OF MILLAGE LEVY RESOLUTION FOR FY 2019-20

COMMITTEE: FISCAL ACCOUNTABILITY & GOVERNMENT RELATIONS

LINK TO STRATEGIC BLUEPRINT: EFFECTIVE AND SUSTAINABLE BUSINESS PRACTICES

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 appeared in the **Miami Herald** on July 20.)
- b. Two to five days thereafter, the district shall hold a public hearing on the tentative budget. (The first public hearing was held on July 24, 2019.)
- 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.

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- f. For FY 2019-20, the maximum non-voted tax millage submitted for advertisement (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 6.275 mills.

The total millage, consisting of both voted and non-voted levies, is 7.148 mills (see page 6). The total millage levy represents an increase of .415 mills from FY 2018-19. The non-voted millage levy, certified by the Commissioner of Education on July 19, 2019, consists of the following: (a) state-required levy of 4.027 mills to participate in the Florida Education Finance Program; (b) a basic discretionary levy of .748 mills for additional operating costs; (c) a discretionary levy of 1.50 mills for capital purposes. The voted millage consists of the following: a) debt service levy of .123 mills required to fund the principal and interest payments of issued General Obligation Bonds and b) additional voted levy of .75 approved November 6, 2018 by our voters to increase instructional salaries as well as assist the District with the cost of safety and security.

On July 16, 2019, the Board approved Agenda Item SP-1, Authorization to Advertise Proposed Tentative Budget and Millage Levies for FY 2019-20. In addition, the Board received the Executive Summary on July 10, 2019, which included an estimated millage levy. The Required Local Effort Millage was reduced from that estimate due to statewide School Taxable Value increasing from \$2.148 billion used during the 2019 Legislative Session to \$2.170 billion received on July 19, 2019. Following the budget public hearing on July 24, 2019, the Board approved Agenda Item SP-1, Tentative Adoption of Millage Levy Resolution for FY 2019-20. This item reflects no change in the millage rate from that approved on July 24, 2019.

Page 6 reflects the proposed FY 2019-20 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 2019-20 is .415 mills higher than FY 2018-19. Even though our voters approved an increase in millage of .750, the net increase will be lower by .335.

The tax effect on the typical homeowner participating in the Save Our Homes program will actually be \$110.98 higher than the prior year if the homeowner resided in the same homestead with no property improvements. The increase for the typical homeowner is due to a 1.9% capped increase (CPI level was 1.9%) in assessed value as well as the increase 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 adopt the following millage rates for FY 2019-20 for a total of 7.148 mills:

- a) locally levied Discretionary Operating millage levy of .748 mills and Capital Outlay millage levy of 1.500 mills;
- b) state established Required Local Effort millage levy of 4.027 mills;
- c) Additional Operating voted levy of .75 mills; and
- d) Debt Service levy of .123 mills.

Please return completed form to:
 Florida Department of Education
 Office of Funding & Financial Reporting
 325 W. Gaines Street, Room 814
 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, 2019, AND ENDING JUNE 30, 2020.

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>339,593,182,438</u>	Required Local Effort	\$ <u>1,279,261,102</u>	<u>3.9240</u> mills <small>s. 1011.62(4), F.S.</small>
	Prior-Period Funding Adjustment Millage	\$ <u>33,578,974</u>	<u>0.1030</u> mills <small>s. 1011.62(4)(e), F.S.</small>
	Total Required Millage	\$ <u>1,312,840,076</u>	<u>4.0270</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>339,593,182,438</u>	Discretionary Operating	\$ <u>243,855,072</u>	<u>0.7480</u> mills <small>s. 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
\$ <u>339,593,182,438</u>	Additional Operating	\$ <u>244,507,092</u>	<u>0.7500</u> mills <small>ss. 1011.71(9) and 101.73(2), F.S.</small>
	Additional Capital Improvement	\$ _____	_____ mills <small>s. 1011.73(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>339,593,182,438</u>	Local Capital Improvement	\$ <u>489,014,183</u>	<u>1.5000</u> mills <small>s. 1011.71(2), F.S.</small>
	Discretionary Capital Improvement	\$ _____	_____ mills <small>s. 1011.71(3), 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>339,593,182,438</u>	<u>Voted Debt</u>	\$ <u>40,099,163</u>	<u>0.1230</u> mills <small>s. 1010.40, F.S.</small>
	_____	\$ _____	_____ mills <small>s. 1011.74, F.S.</small>
	_____	\$ _____	_____ 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 14.36 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, September 4, 2019.

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 814, Tallahassee, Florida 32399-0400; county tax collector; and county property appraiser.

MIAMI-DADE COUNTY PUBLIC SCHOOLS
Millage History and Tax Effect to Homeowers

M I L L A G E

	<u>Actual FY2016-17</u>	<u>Actual FY2017-18</u>	<u>Actual FY2018-19</u>	<u>Proposed FY2019-20</u>
<u>STATE ESTABLISHED AND REQUIRED:</u>				
Required Local Effort (RLE)	4.890	4.526	4.256	4.027
<u>LOCALLY LEVIED:</u>				
Discretionary Operating	0.748	0.748	0.748	0.748
Discretionary Capital	1.500	1.500	1.500	1.500
Sub-Total Locally Levied	<u>2.248</u>	<u>2.248</u>	<u>2.248</u>	<u>2.248</u>
Sub Total Non Voted-Millage	7.138	6.774	6.504	6.275
Additional Operating Millage (Voted)	-	-	-	0.750
Debt Service (Voted)	0.184	0.220	0.229	0.123
Sub Total Voted-Millage	<u>0.184</u>	<u>0.220</u>	<u>0.229</u>	<u>0.873</u>
Total Millage Levy	<u>7.322</u>	<u>6.994</u>	<u>6.733</u>	<u>7.148</u>
Increase (Decrease) from Prior Year	<u>(0.290)</u>	<u>(0.328)</u>	<u>(0.261)</u>	<u>0.415</u>

TAX EFFECT USING AVERAGE ASSESSED VALUE

	<u>FY2016-17</u>	<u>FY2017-18</u>	<u>FY2018-19</u>	<u>FY2019-20</u>
Assessed Value-Average Homestead *	\$ 198,990	\$ 209,792	\$ 220,310	\$ 221,344
Less: Homestead Exemption	(25,000)	(25,000)	(25,000)	(25,000)
Taxable Value	\$ 173,990	\$ 184,792	\$ 195,310	\$ 196,344
Total Millage Levy	7.322	6.994	6.733	7.148
Total Taxes	<u>\$ 1,273.95</u>	<u>\$ 1,292.44</u>	<u>\$ 1,315.02</u>	<u>\$ 1,403.47</u>
Increase (Decrease) from Prior Year	<u>\$ 15.68</u>	<u>\$ 18.49</u>	<u>\$ 22.58</u>	<u>\$ 88.45</u>
Average Tax Increase Since 2016-17				<u>\$ 43.17</u>

**TAX EFFECT ON
TYPICAL HOMEOWNER**

	<u>FY2018-19</u>	<u>FY2019-20</u>
Assessed Value-Typical Homestead *	\$ 220,310	\$ 224,496
Less: Homestead Exemption	(25,000)	(25,000)
Taxable Value	\$ 195,310	\$ 199,496
Total Millage Levy	6.733	7.148
Total Taxes	<u>\$ 1,315.02</u>	<u>\$ 1,426.00</u>
Increase over Prior Year		<u>\$ 110.98</u>

* 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 1.9% increase in assessed value for FY2019-20, and represents a homeowner that resides in the same homestead and has not improved (i.e. 'added onto') his/her property.