

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

**SUBJECT: ADOPTION OF MILLAGE LEVY RESOLUTION FOR FY
2022-23**

COMMITTEE: FISCAL ACCOUNTABILITY & GOVERNMENT RELATIONS

**LINK TO STRATEGIC
PLAN: EFFECTIVE AND SUSTAINABLE OPERATIONAL 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 22).
- 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 the 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.

- f. For FY 2022-23, 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 5.674 mills.

The total millage, consisting of both voted and non-voted levies, is 6.589 mills (see page 6). The total millage levy represents a decrease of .420 mills from FY 2021-22. The non-voted millage levy, certified by the Commissioner of Education on July 19, 2022, consists of the following: (a) state-required levy of 3.426 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 .165 mills required to fund the principal and interest payments of issued General Obligation Bonds; 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 20, 2022, the Board approved Agenda Item E-14, Authorization to Advertise Proposed Tentative Budget and Millage Levies for FY 2022-23. On July 18, 2022, the Board received the Executive Summary which included an estimated millage levy. The Required Local Effort Millage was reduced from that estimate due to statewide School Taxable Value increasing from the \$2.629 billion used during the 2022 Legislative Session to the \$2.933 billion received on July 19, 2022.

Page 6 reflects the proposed FY 2022-23 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 2022-23 is .420 mills lower than FY 2021-22.** However, due to an increase in proceeds, per State Statute a notice of tax increase was required to be advertised along with the millage rates.

The tax effect on the typical homeowner participating in the Save Our Homes program will be \$45.18 lower than the prior year if the homeowner resided in the same homestead with no property improvements. The decrease for the typical homeowner is due to a 3.0% capped increase (CPI level was 7.0% but can't be higher than 3%) 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. adopt the millage rates below:
 - 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 3.426 mills;
 - c) Additional Operating voted levy of .75 mills; and
 - d) Debt Service levy of .165 mills.
2. adopt the millage resolution for FY 2022-23 for a total of 6.589 mills which represent a decrease of .420 mills compared to FY 2021-22.

Please return completed form to:
 Florida Department of Education
 Office of Funding & Financial Reporting
 325 West 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, 2022, AND ENDING JUNE 30, 2023.

WHEREAS, section 1011.04, Florida Statutes (F.S.), 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, s. 1011.71, F.S., 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. <u>DISTRICT SCHOOL TAX (nonvoted levy)</u>			
a) Certified taxable value	b) Description of levy	c) Amount to be raised	d) Millage levy
\$ <u>428,837,004,339</u>	Required Local Effort	\$ <u>1,381,198,224</u>	<u>3.3550</u> mills <small>s. 1011.62(4), F.S.</small>
	Prior-Period Funding Adjustment Millage	\$ <u>29,229,531</u>	<u>0.0710</u> mills <small>s. 1011.62(4)(e), F.S.</small>
	Total Required Millage	\$ <u>1,410,427,755</u>	<u>3.4260</u> mills
2. <u>DISTRICT SCHOOL TAX DISCRETIONARY MILLAGE (nonvoted levy)</u>			
a) Certified taxable value	b) Description of levy	c) Amount to be raised	d) Millage levy
\$ <u>428,837,004,339</u>	Discretionary Operating	\$ <u>307,939,276</u>	<u>0.7480</u> mills <small>s. 1011.71(1), F.S.</small>
3. <u>DISTRICT SCHOOL TAX ADDITIONAL MILLAGE (voted levy)</u>			
a) Certified taxable value	b) Description of levy	c) Amount to be raised	d) Millage levy
\$ <u>428,837,004,339</u>	Additional Operating	\$ <u>308,762,644</u>	<u>0.7500</u> mills <small>ss. 1011.71(9) and 1011.73(2), F.S.</small>
	Additional Capital Improvement	\$ <u>0</u>	<u>0</u> mills <small>s. 1011.73(1), F.S.</small>

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

M I L L A G E				
	<u>Actual</u> <u>FY2019-20</u>	<u>Actual</u> <u>FY2020-21</u>	<u>Actual</u> <u>FY2021-22</u>	<u>Proposed</u> <u>FY2022-23</u>
<u>STATE ESTABLISHED AND REQUIRED:</u>				
Required Local Effort (RLE)	4.027	3.938	3.831	3.426
<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	2.248	2.248	2.248	2.248
Sub Total Non Voted-Millage	6.275	6.186	6.079	5.674
Additional Operating Millage (Voted)	0.750	0.750	0.750	0.750
Debt Service (Voted)	0.123	0.193	0.180	0.165
Sub Total Voted-Millage	0.873	0.943	0.930	0.915
Total Millage Levy	7.148	7.129	7.009	6.589
Increase (Decrease) from Prior Year	0.415	(0.019)	(0.120)	(0.420)

TAX EFFECT USING AVERAGE ASSESSED VALUE				
	<u>FY2019-20</u>	<u>FY2020-21</u>	<u>FY2021-22</u>	<u>FY2022-23</u>
Assessed Value-Average Homestead *	\$ 221,344	\$ 240,579	\$ 250,431	\$ 274,853
Less: Homestead Exemption	(25,000)	(25,000)	(25,000)	(25,000)
Taxable Value	\$ 196,344	\$ 215,579	\$ 225,431	\$ 249,853
Total Millage Levy	7.148	7.129	7.009	6.589
Total Taxes	\$ 1,403.47	\$ 1,536.86	\$ 1,580.05	\$ 1,646.28
Increase (Decrease) from Prior Year	\$ 88.45	\$ 133.39	\$ 43.19	\$ 66.23
Average Tax Increase Since 2019-20				\$ 80.94

TAX EFFECT ON TYPICAL HOMEOWNER		
	<u>FY2021-22</u>	<u>FY2022-23</u>
Assessed Value-Typical Homestead *	\$ 250,431	\$ 257,944
Less: Homestead Exemption	(25,000)	(25,000)
Taxable Value	\$ 225,431	\$ 232,944
Total Millage Levy	7.009	6.589
Total Taxes	\$ 1,580.05	\$ 1,534.87
Decrease over Prior Year		\$ (45.18)

* 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 Homes" program. A typical homeowner is capped at a 3.0% increase in assessed value for FY2022-23, and represents a homeowner that resides in the same homestead and has not improved (i.e. 'added onto') his/her property.