

# School Board of Pinellas County

First Public Hearing to Adopt Tentative Budget and  
Millages

July 29, 2014



# School Board of Pinellas County

## Tentative Millages For Fiscal Year 2014-2015



# The School District's Proposed Millage is Comprised of:

- General (Operating)
  - Required Local Effort – (including Prior Period Funding Adjustment Millage) State Mandated
  - Discretionary – State Mandated
  - Local Referendum
- Capital Outlay

# What is a “mill”?

- A property tax levy of \$1.00 per \$1,000 of taxable property value.
- One mill is equal to one tenth of one cent.



# Millage Comparison

<i>Proposed 2014-2015 vs. Actual 2013-2014</i>	<b>2013/2014 Actual</b>	<b>2014/2015 Proposed</b>	<i>Percent Change</i>
Required Local Effort	5.3120	5.0930	-4.12%
Discretionary Local Effort	0.7480	0.7480	0.00%
Local Referendum	0.5000	0.5000	0.00%
Operating Subtotal	6.5600	6.3410	-3.34%
Capital Outlay	1.5000	1.5000	0.00%
<b>Total Millage</b>	<b>8.0600</b>	<b>7.8410</b>	<b>-2.72%</b>



# What is the “Rolled-back” Millage Rate?

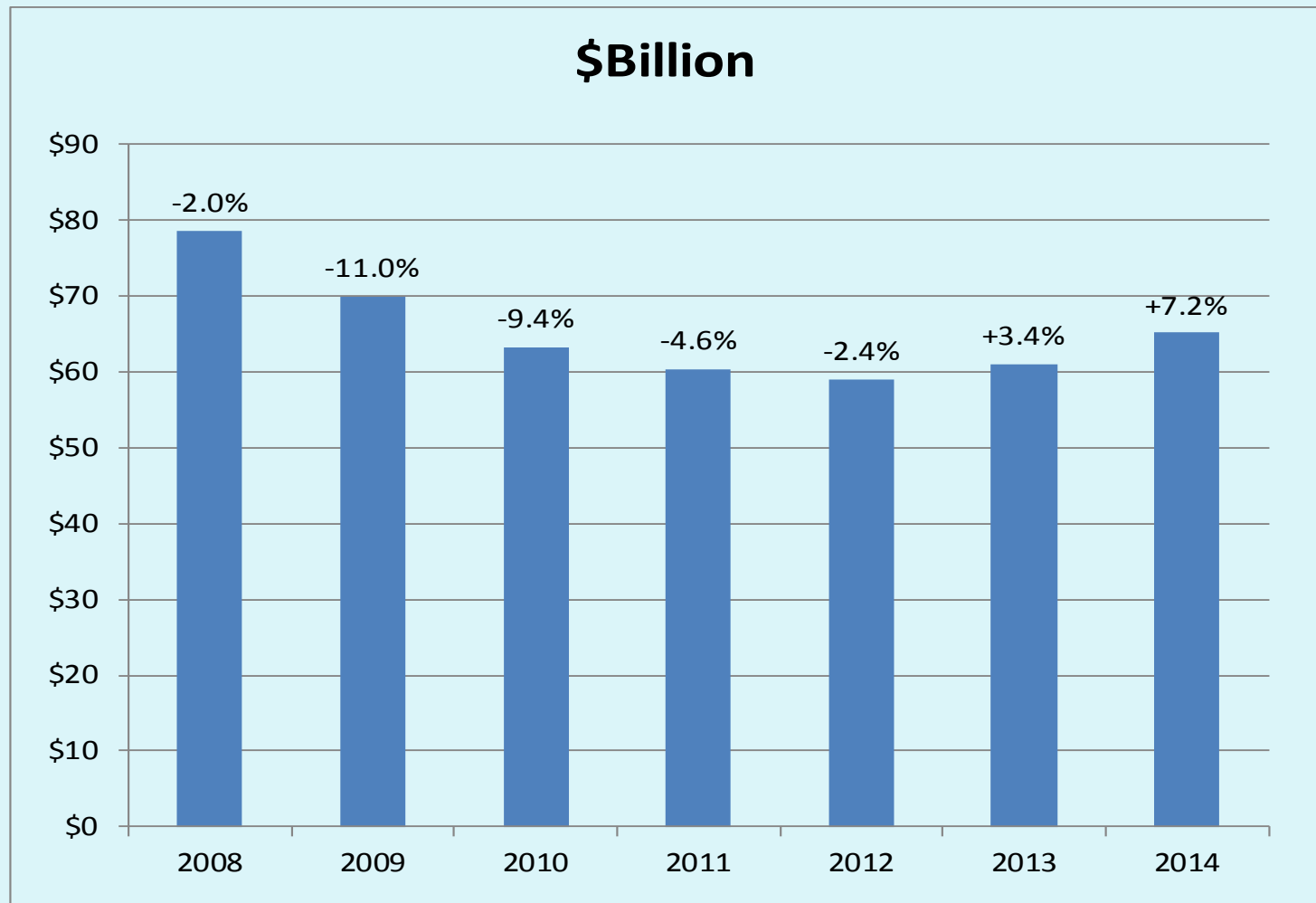
- The millage rate that would generate the same amount of revenue as last year if applied to the current tax roll; after adjusting for new construction.



# Proposed Millage vs. "Rolled-back" Rate

<b><i>2014/15 Proposed vs. "Rolled back" Rate</i></b>	<b>Rolled Back Rate</b>	<b>2014/2015 Proposed</b>	<b><i>Percent Change</i></b>
Required Local Effort	4.9727	5.0930	2.42%
Discretionary Local Effort	0.7002	0.7480	6.83%
Local Referendum	0.4681	0.5000	6.81%
Capital Outlay	1.4042	1.5000	6.82%
<b>Total Millage</b>	<b>7.5452</b>	<b>7.8410</b>	<b>3.92%</b>

# Gross Taxable Value Trend





# Property Tax Revenue Comparison

	Revenue 2013-2014	Revenue 2014-2015	Difference
Required Local Effort	\$310,638,458	\$319,153,701	\$8,515,243
Discretionary	43,742,012	46,873,546	3,131,534
Local Referendum	29,239,313	31,332,584	2,093,271
Total Operating	\$383,619,783	\$397,359,831	\$13,740,048
Capital Outlay Millage	87,717,937	93,997,752	6,279,815
Total Millage	<u>\$471,337,720</u>	<u>\$491,357,583</u>	<u>\$20,019,863</u>

# How are school taxes calculated?

• Assessed Value	\$200,000
• Homestead Exemption	<u>(\$ 25,000)</u>
• <b>Taxable Value</b>	<b><u>\$175,000</u></b>
• Taxable Value	\$175,000
• Divided by 1,000	175
• Multiply by Millage Rate	<u>7.841</u>
• Total 2014 School Tax	<u>\$1,372.18</u>

# Example of How Your Taxes May Change

	<b>Tax Year</b>			
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<i>% Change in Assessed Value</i>		<i>-2.4%</i>	<i>3.4%</i>	<i>7.2%</i>
Assessed Value	\$ 200,000	\$ 195,200	\$ 201,837	\$ 216,369
Homestead Exemption	25,000	25,000	25,000	25,000
Taxable Value	\$ 175,000	\$ 170,200	\$ 176,837	\$ 191,369
Taxable Value	\$ 175,000	\$ 170,200	\$ 176,837	\$ 191,369
Divided by 1,000 (= number of "mills")	175.000	170.200	176.837	191.369
Times Millage Rate	8.385	8.302	8.060	7.841
Property Taxes	\$ 1,467.38	\$ 1,413.00	\$ 1,425.31	\$ 1,500.52

Change as compared to the prior year

\$ (54.37)	\$ 12.31	\$ 75.22
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Cumulative 3-Year Change

\$ 33.16
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# Reasons for Millage

- Required Local Effort:
  - Proposed tax rate must be levied to receive state funds (no district option)
  - Used for the day to day operations such as school staff and utilities
- Discretionary Millage:
  - To maintain services and meet additional costs due to inflation
- Local Referendum
- Capital Outlay Millage:
  - Levied to build and renovate schools and ancillary buildings as advertised

# Motions Necessary to Adopt Millage Rates

- Approval of Tentative Discretionary Millage
- Adoption of Total Millage Rate



# School Board of Pinellas County

Proposed Tentative Budget For

Fiscal Year 2014-2015





# Budget Calendar

- October 2013 – June 2014
  - Board Workshops
  - Budget Analysis
  - Budget Forecasting
  - Staffing Plan Development
- March – June 2014
  - Budget Development
  - Budget Steering Committee
- July – September
  - Minor Budget Adjustments
  - Public Hearings
  - Approval of Budget and Millage





# Budget Parameters

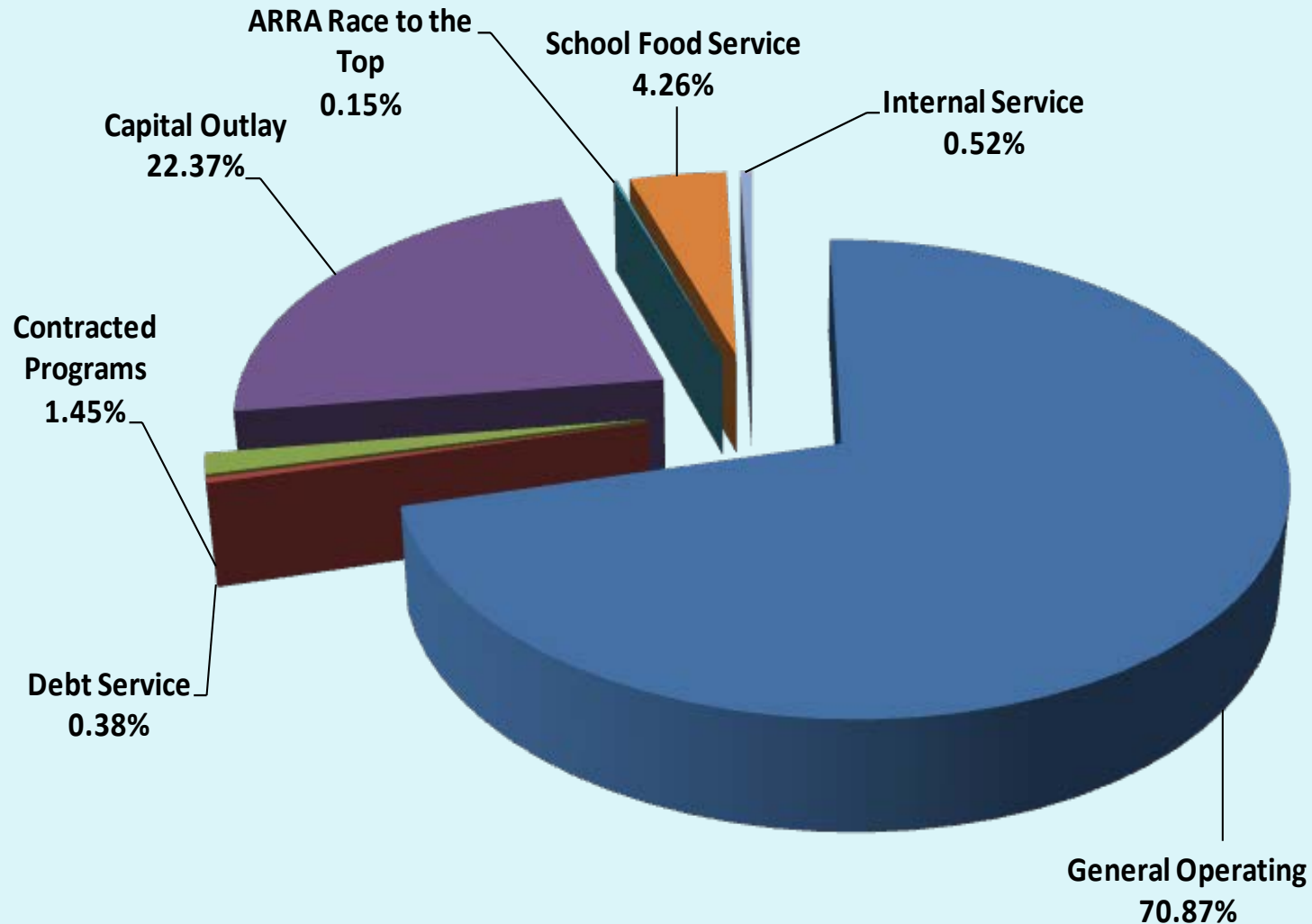
- “Live Within our Means”
- 63/37 Expenditure Benchmark
- Contingency
- Core Curriculum / Strategic Directions



# Budget Summary

General Operating	\$ 878,800,000
Debt Service	4,693,039
Contracted Programs	17,979,496
Capital Outlay	277,358,099
ARRA Race to the Top	1,812,339
School Food Service	52,831,881
Internal Service	6,500,143
Grand Total	<u>\$ 1,239,974,997</u>

# Budget Summary All Sources



# 2014-2015 Legislative Issues

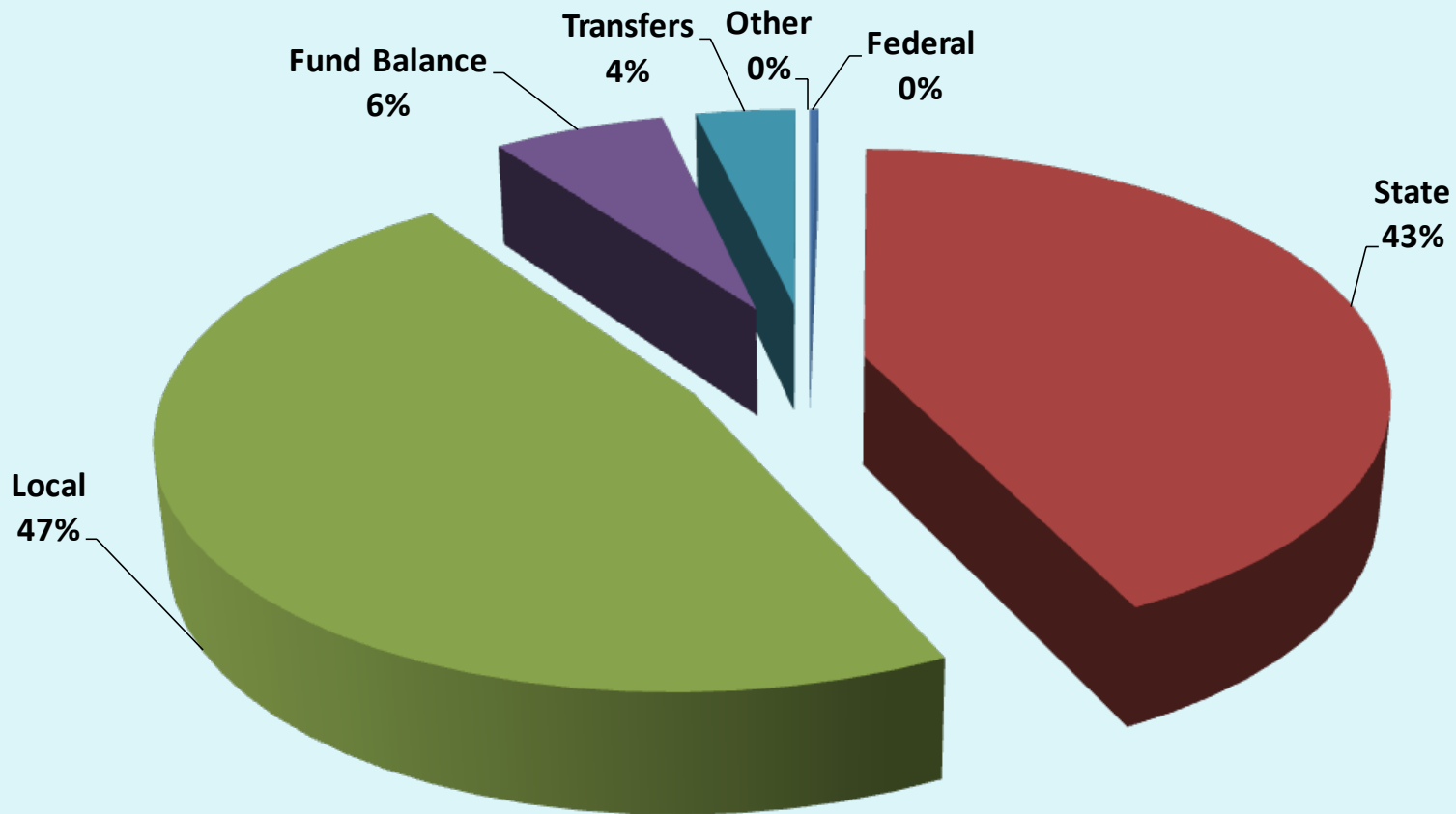
- Increase in Base Student Allocation (BSA) to \$4,031.77
  - Maintains salary increases funded through the 2013-14 Teacher Salary Increase Allocation
- Increase in district share of revenue of \$25 Million
- New Digital Classrooms Allocation of \$40 Million Statewide; \$1.1 Million to Pinellas
- Discretionary Lottery funds increase of \$1.0 Million
- Florida Retirement System
  - Approximately \$1.7 Million increase in expenditures due to changes in the contribution rate.



# Operating Fund Resources

Federal Direct	\$320,000	<i>0.04%</i>
Federal Through State	2,500,000	<i>0.29%</i>
State Sources	373,601,129	<i>42.51%</i>
Local Sources	414,778,871	<i>47.20%</i>
Transfers	32,000,000	<i>3.64%</i>
Other	200,000	<i>0.02%</i>
Fund Balance	55,400,000	<i>6.30%</i>
Total - Anticipated Resources	<u>\$878,800,000</u>	<u><i>100.00%</i></u>

# Operating Budget Revenue Sources



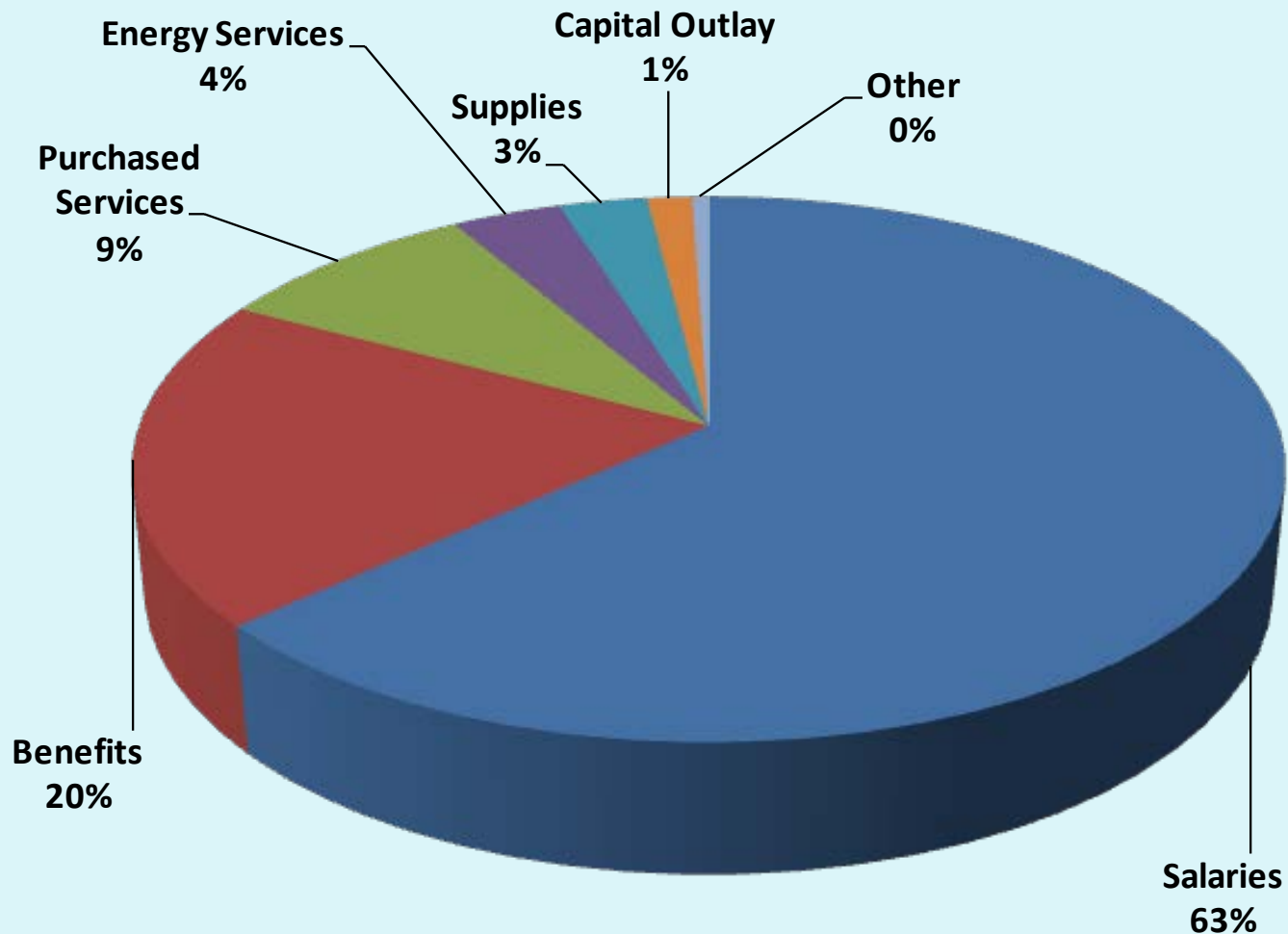
# Proposed Operating Budget

- Funds the day to day operating expenses of the School District
  - Salaries and Benefits
  - Supplies & Materials
  - Textbooks & Library books
  - Student Transportation
  - Utilities
  - Maintenance & Repairs





# Operating Budget by Object



# Capital Fund Sources

- State Sources
  - Public Education Capital Outlay (PECO)
  - Capital Outlay & Debt Service (CO & DS)
    - Flow – through revenue has been bonded (state)
  - Race Track
- Local Sources
  - Property Taxes – 1.50 mills
  - Interest earnings
- Fund Balance
  - Past practice has been to operate under a “Pay – As – You Go” policy

# Five-Year Capital Outlay Plan & Facilities Work Program

- Review and update Five-Year Capital Outlay Plan
  - School Board will review recommended updates to plan on September 9, 2014
  - Plan must be updated before the Board approves the final budget
- Major Changes
  - Addition of new “Year 5” (2018-2019)
  - Area Superintendents’ fund for special causes

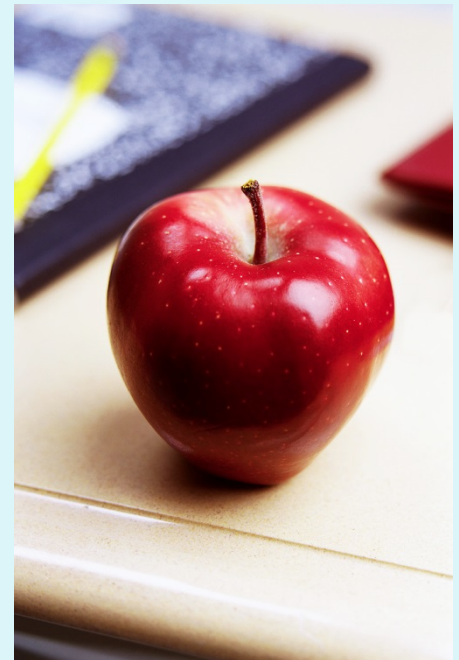


# Proposed Capital Projects

Largo High School - replacement school	\$35,035,000
East Lake Middle School - add classrooms	2,600,000
Lealman Intermediate School - add classrooms	397,500
Maintenance and Infrastructure projects	32,319,930
Contingency	3,000,000
Technology, equipment, school buses and vehicles	19,173,824
Area Superintendents' fund for special causes	1,897,250
Other (two-mill relief, transfers, relocatables and land)	32,426,743
Total Capital Appropriations for FY 2014-2015	<hr/> \$126,850,247
Carryover of prior projects	63,788,736
Ending Fund Balance	86,719,116
Grand total Capital Outlay appropriations, transfers & fund balance	<hr/> <hr/> \$277,358,099

# Proposed Special Revenue

- Contracted Programs
  - Total Budget \$17,979,496
    - 13-14 Continuing Grants
    - New Grants upon receipt
- American Recovery and Reinvestment Grants
  - Total Budget \$1,812,339
    - Race to the Top
- Food Service
  - Total Budget \$52,831,881
    - Self-Supporting



# Proposed Debt Service Budget

- Purpose
  - To pay the principal and interest on existing long - term debt
- Outstanding Bond Issues
- (\$19.1 Million)
  - 2005 SBE Bonds
  - 2010 SBE Bonds
- Total Budget \$4,693,039

# Proposed Internal Service Budget

- Total Budget  
\$6,500,143
- Worker's Compensation
- Liability Insurance





# School Board of Pinellas County

- The Tentative Budget is on file in the Office of Budget and Resource Allocation in the Administration Building  
301 4<sup>th</sup> St. S.W., Largo, FL 33770
- For additional information, please call:  
(727) 588-6479
- [HTTPS://www.pcsb.org/budget/](https://www.pcsb.org/budget/)

# Motion Necessary to Adopt the Tentative Budget

