



School Board of Pinellas County

FIRST PUBLIC HEARING TO ADOPT
TENTATIVE BUDGET AND MILLAGES

July 31, 2018



School Board of Pinellas County

Fiscal Year 2018-19

Tentative Millages

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.



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.

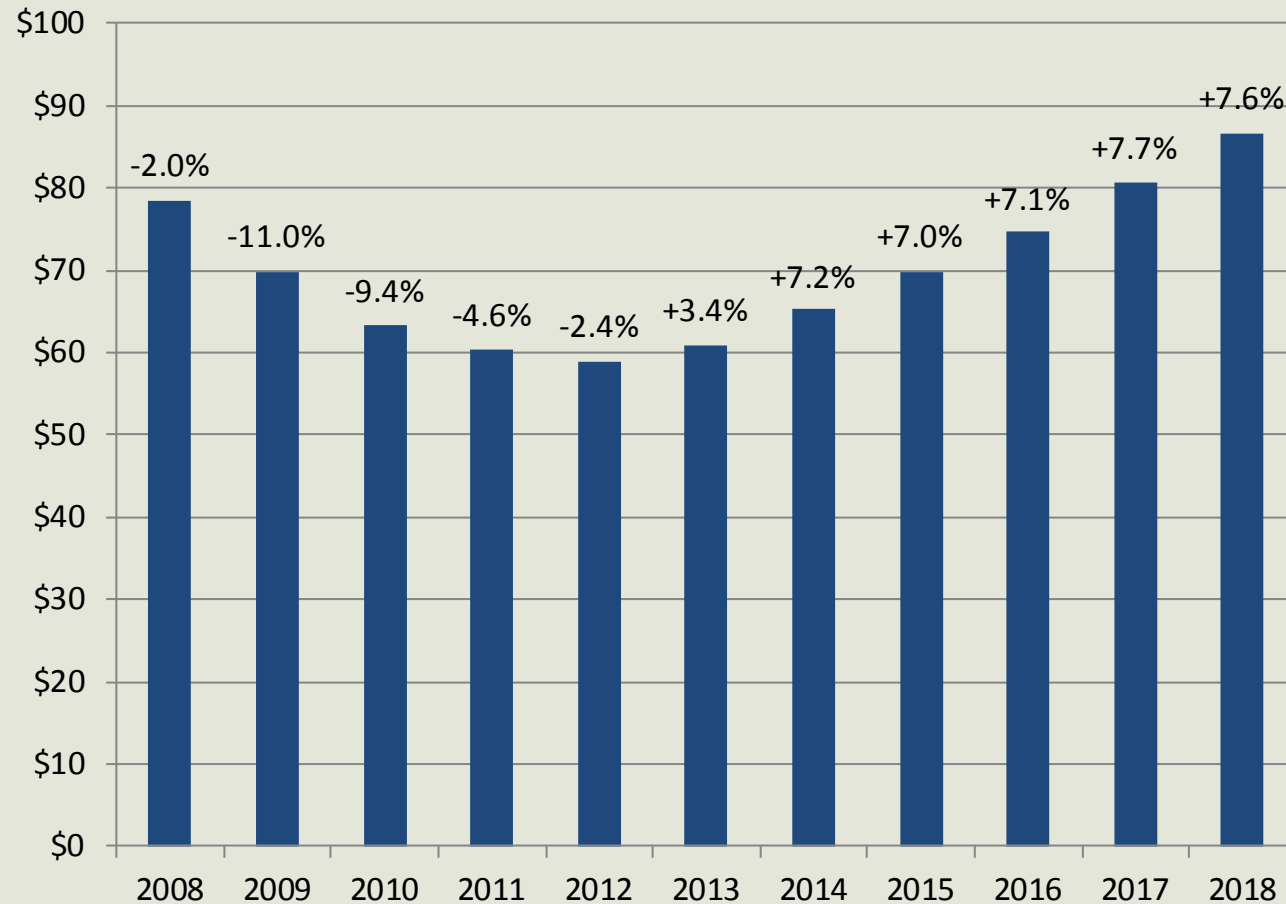


Proposed Millage vs. "Rolled-Back" Rate

2018-2019 Proposed vs. "Rolled-Back" Rate	Rolled-Back Rate	2018-2019 Proposed	Percent Change
Required Local Effort	4.0002	3.9790	-0.53%
Discretionary Local Effort	0.7022	0.7480	6.52%
Local Referendum	0.4694	0.5000	6.52%
Capital Outlay	1.4082	1.5000	6.52%
Total Millage	6.5800	6.7270	2.23%

Gross Taxable Value Trend

\$Billion



Millage Comparison

<i>Proposed 2018-2019 vs. Actual 2017-2018</i>	2017-2018 Actual	2018-2019 Proposed	<i>Percent Change</i>
Required Local Effort	4.2610	3.9790	-6.62%
Discretionary Local Effort	0.7480	0.7480	0.00%
Local Referendum	0.5000	0.5000	0.00%
Operating Subtotal	5.5090	5.2270	-5.12%
Capital Outlay	1.5000	1.5000	0.00%
Total Millage	7.0090	6.7270	-4.02%

Property Tax Revenue Comparison

	Revenue 2017-2018	Revenue 2018-2019	Difference
Required Local Effort	\$329,427,142	\$331,038,202	\$1,611,060
Discretionary	57,829,501	62,230,856	4,401,355
Local Referendum	38,656,083	41,598,166	2,942,083
Total Operating	\$425,912,726	\$434,867,224	\$8,954,498
Capital Outlay Millage	115,968,250	124,794,496	8,826,246
Total Millage	<u><u>\$541,880,976</u></u>	<u><u>\$559,661,720</u></u>	<u><u>\$17,780,744</u></u>

How Are School Taxes Calculated?

▪ Assessed Value	\$200,000
▪ Homestead Exemption	<u>(\$ 25,000)</u>
▪ Taxable Value	<u>\$175,000</u>
▪ Taxable Value	\$175,000
▪ Divided by 1,000	175
▪ Multiply by Millage Rate	<u>6.727</u>
▪ Total 2018 School Tax	<u>\$1,177.23</u>



Example of How Your Taxes May Change

	Year	2015	2016	2017	2018
<i>% Change in Assessed Value</i>			7.1%	7.7%	7.6%
Assessed Value		\$ 200,000	\$ 214,200	\$ 230,693	\$ 248,226
Homestead Exemption		25,000	25,000	25,000	25,000
Taxable Value		<u>\$ 175,000</u>	<u>\$ 189,200</u>	<u>\$ 205,693</u>	<u>\$ 223,226</u>
Taxable Value		\$ 175,000	\$ 189,200	\$ 205,693	\$ 223,226
Divided by 1,000 (= number of "mills")		175.000	189.200	205.693	223.226
Times Millage Rate		7.770	7.318	7.009	6.727
Property Taxes		<u>\$1,359.75</u>	<u>\$1,384.57</u>	<u>\$1,441.70</u>	<u>\$1,501.64</u>

Change as compared to the prior year

\$ 24.82	\$ 57.13	\$ 59.94
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Cumulative 3-Year Change

\$ 141.89

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



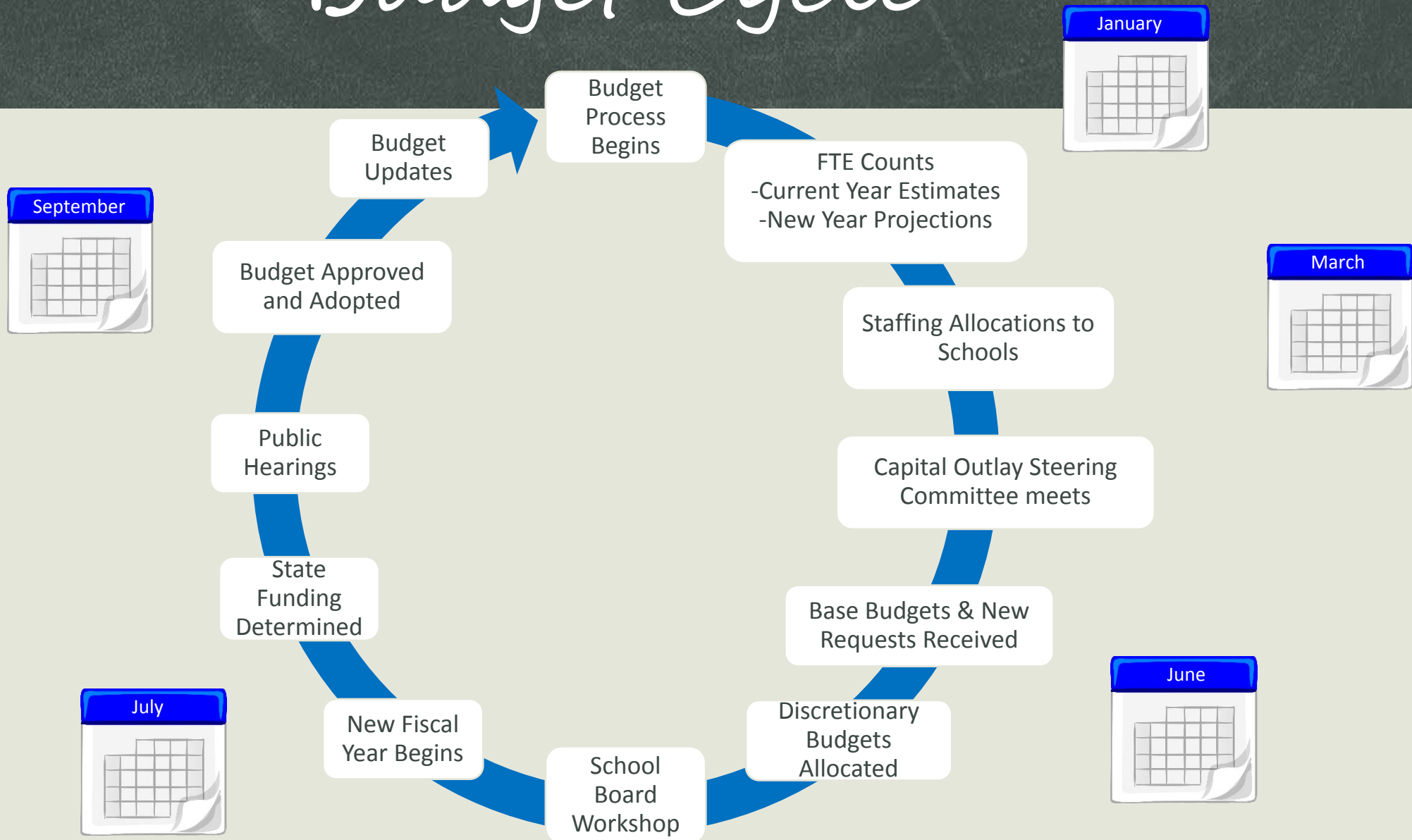


School Board of Pinellas County

Fiscal Year 2018-2019

Proposed Tentative Budget

Budget Cycle



Budget Parameters

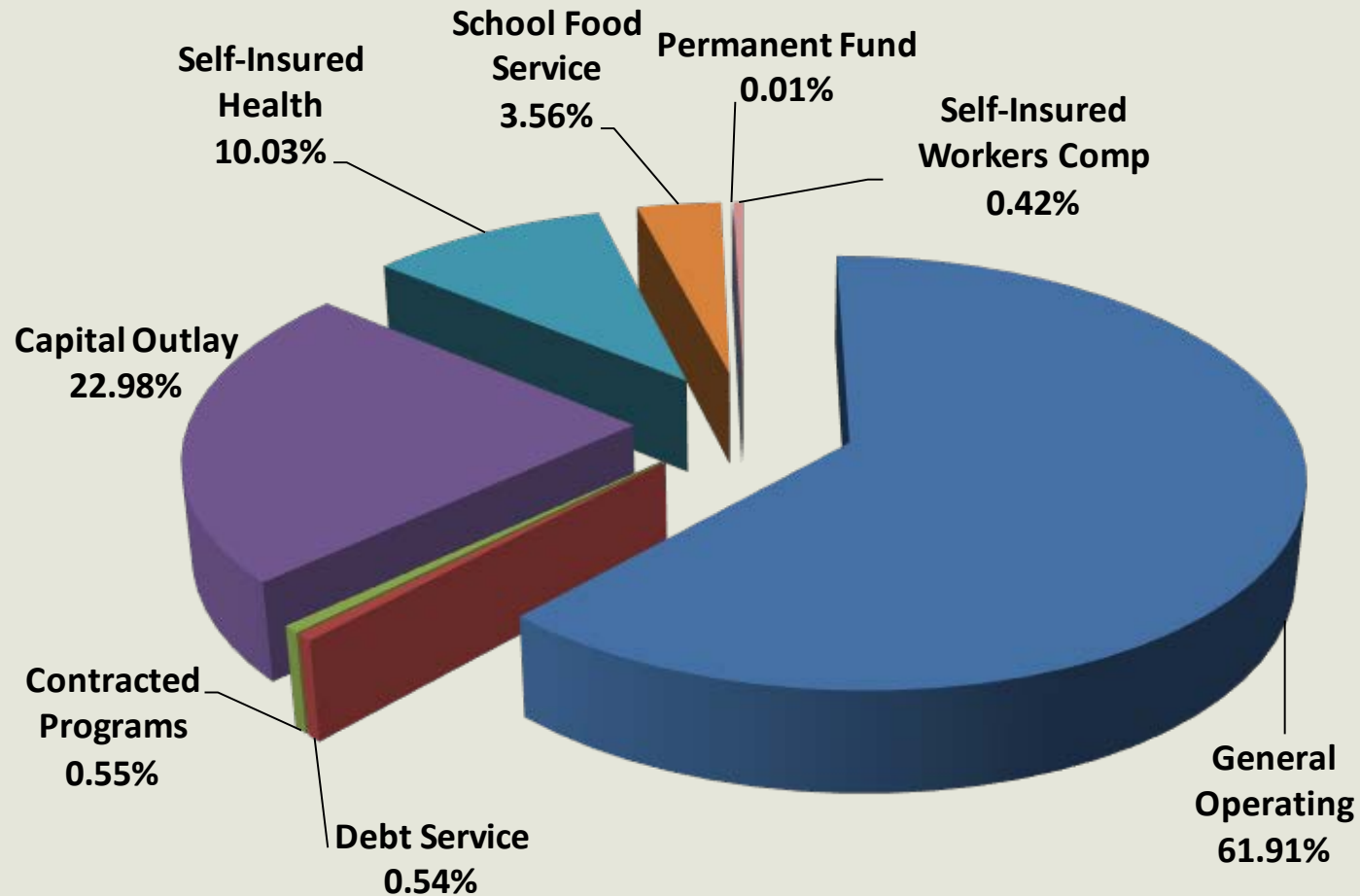
- 63/37 Expenditure Benchmark
- Contingency
- Core Curriculum / Strategic Directions



Budget Summary

General Operating	\$ 946,600,000
Debt Service	8,295,229
Contracted Programs	8,469,317
Capital Outlay	351,320,748
School Food Service	54,500,025
Self-Insured Workers Comp & Liability	6,420,312
Self-Insured Health	153,367,081
Permanent Fund	150,575
Grand Total	<u>\$ 1,529,123,287</u>

Budget Summary All Sources



2018-2019 Legislative Issues

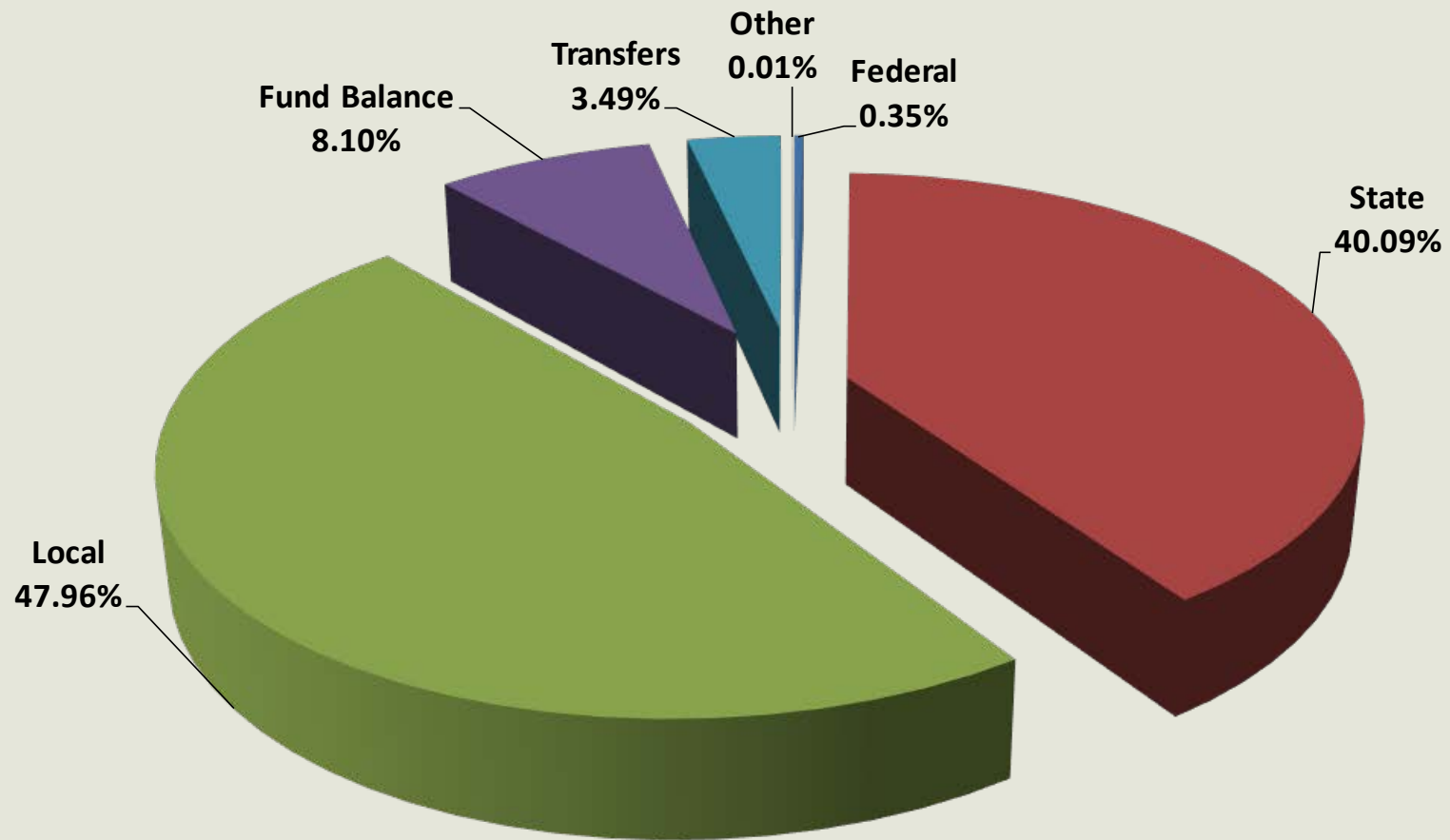
- Increase in Base Student Allocation (BSA) to \$4,204.42 (increase of \$0.47 over 2017-2018)
- Increase in total statewide funding of \$481.7 Million
- Increase in district share of revenue of \$2.7 Million
- Increased Safe Schools allocation of \$97.5 Million statewide
- New Mental Health Assistance allocation of \$69.2 Million
- Increased Florida Retirement System expenditures



Operating Fund Resources

Federal Direct	\$310,000	0.03%
Federal Through State	3,000,000	0.32%
State Sources	379,501,874	40.09%
Local Sources	453,963,126	47.96%
Transfers	33,000,000	3.49%
Other	125,000	0.01%
Fund Balance	76,700,000	8.10%
Total - Anticipated Resources	<u>\$946,600,000</u>	<u>100.00%</u>

Operating Budget Revenue Sources

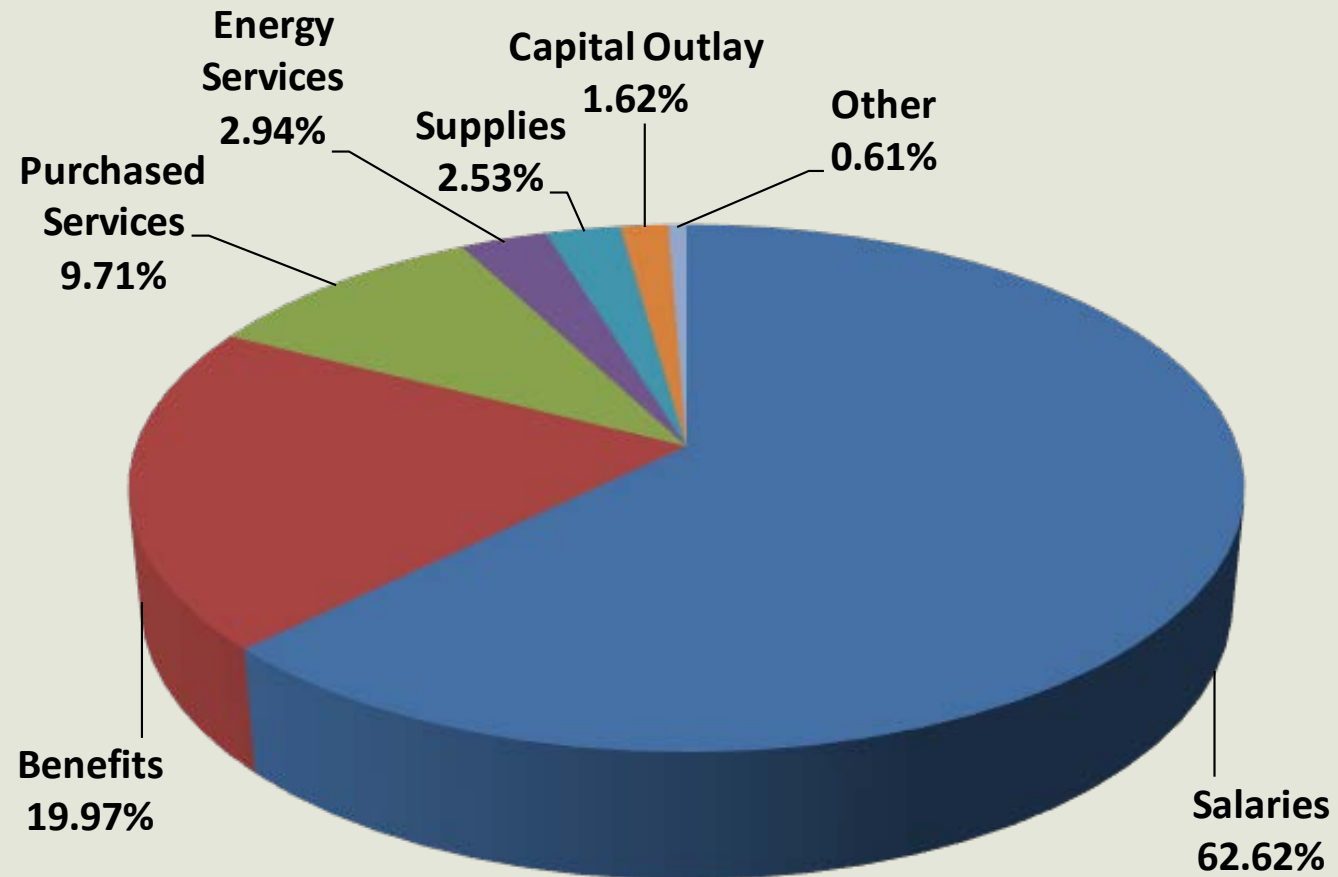


Proposed Operating Budget

- 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
- Other Financing
 - Certificates of Participation Bonds (COPs)
- Fund Balance



Five-Year Capital Outlay Plan & Facilities Work Program

- Review and update Five-Year Capital Outlay Plan and Facilities Work Program
 - School Board will review recommended updates to plan on September 11, 2018
 - Work Program must be approved before the Board adopts the final budget
- Major Changes
 - Anticipated revenue through Certificates of Participation bonds
 - Addition of new "Year 5" (2022-2023)



Proposed Capital Projects

Major Renovation and Construction of Schools:

Cypress Woods Elementary School	\$5,329,000
Gulf Beaches Elementary	2,746,000
John Sexton Elementary	2,701,000
Pasadena Fundamental	2,826,000
Sanderlin Elementary	2,633,000
Seminole Elementary	2,844,000
Shore Acres Elementary	2,844,000
Certificates of Participation (COPs) Contingency	8,077,000
Orange Grove Elementary	4,500,000
Northeast High	3,129,375
Palm Harbor Elementary	2,000,000
Ponce De Leon Elementary	1,000,000
St. Petersburg High	1,000,000
Tyrone Middle	10,000,000
Relocatables, Site Acquisitions, Minor Projects	37,534,156
Area Superintendents' fund for special causes	4,000,000
Furniture, Equipment, Technology, Vehicles and Safety	24,799,775
Two Mill Relief, Transfers, Debt Service, Contingency	44,029,889
Total Capital Appropriations for FY 2018-2019	<hr/> \$161,993,195
Carryover of prior projects	96,115,220
Ending Fund Balance	93,212,333
Total Capital Outlay appropriations, transfers & fund balance	<hr/> <hr/> \$351,320,748

Proposed Special Revenue

- Contracted Programs
 - Total Budget \$8,469,317
 - 2017-2018 Continuing Grants
 - New Grants upon receipt
- Food Service
 - Total Budget \$54,500,025
 - Self-Supporting



Proposed Debt Service Budget

- Purpose
 - To pay the principal and interest on existing long-term debt
- Outstanding Bond Issues (\$1.2 Million)
 - 2005 SBE Bonds
 - 2010 SBE Bonds
- Certificates of Participation Bonds (\$57.9 Million)
- Total Budget \$8,295,229

Proposed Self-Insured Workers Comp Budget

- Total Budget \$6,420,312
 - Workers Compensation
 - Liability Insurance



Proposed Self-Insured Health Budget

- Total Budget \$153,367,081
- Self-Insurance related to employee health benefits
- Premium revenue and claim expenditures



School Board of Pinellas County

- The Tentative Budget is on file in the Office of Budget and Resource Allocation in the Administration Building

301 4th St. S.W., Largo, FL 33770

- For additional information, please call:

(727) 588-6479

- www.pcsb.org

Motion Necessary to Adopt the Tentative Budget

