

A watercolor palette with various colors and a set of colored pencils are arranged around a central white sheet of paper. The palette is on the left, and the pencils are on the right.

School Board of Pinellas County

FIRST PUBLIC HEARING TO
ADOPT
TENTATIVE BUDGET AND
MILLAGES

July 30, 2019

School Board of Pinellas County

Fiscal Year 2019-20

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.

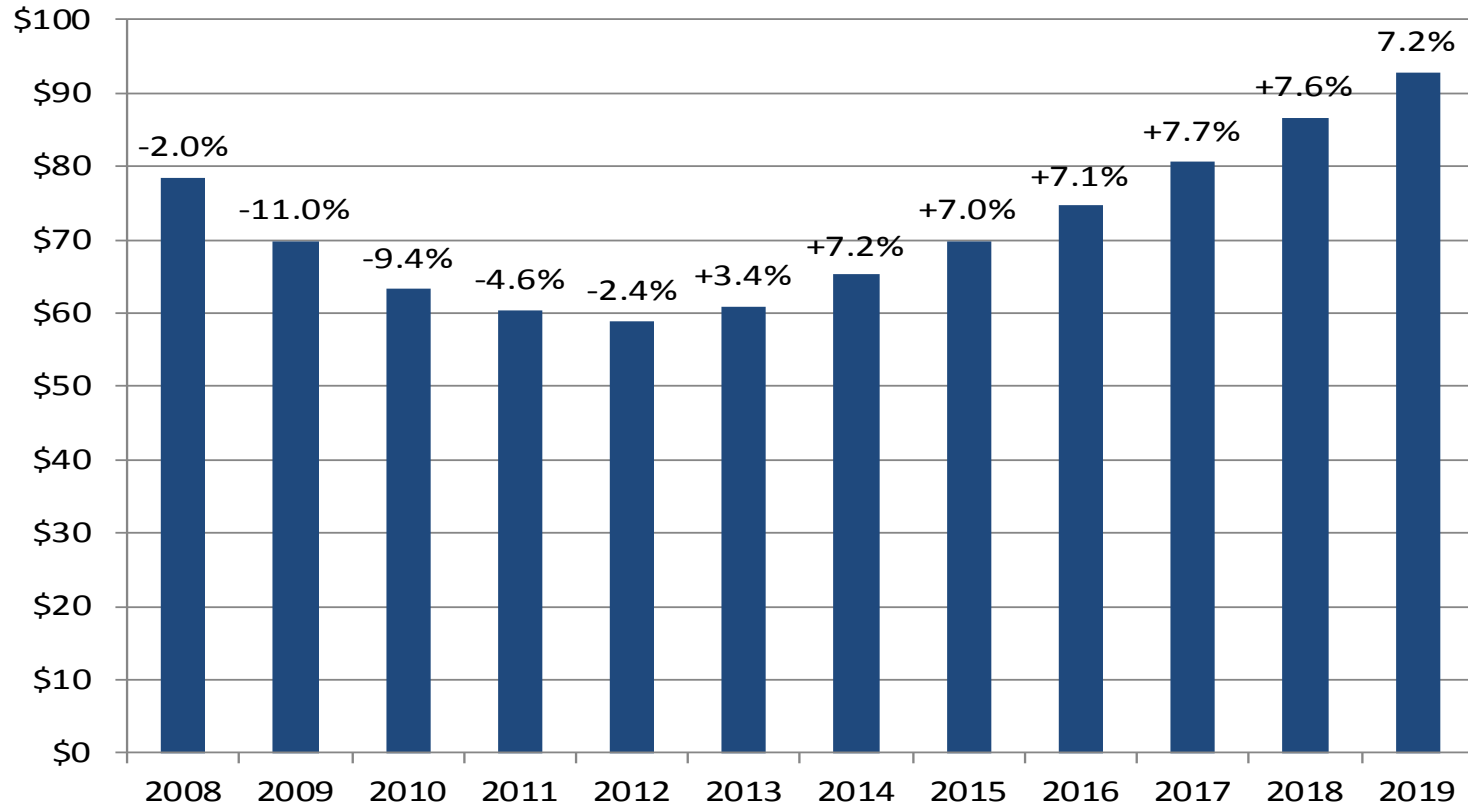


Proposed Millage vs. "Rolled-Back" Rate

<i>2019-2020 Proposed vs. "Rolled-Back" Rate</i>	<i>Rolled-Back Rate</i>	<i>2019-2020 Proposed</i>	<i>Percent Change</i>
Required Local Effort	3.7516	3.8360	2.25%
Discretionary Local Effort	0.7052	0.7480	6.07%
Local Referendum	0.4714	0.5000	6.07%
Capital Outlay	1.4143	1.5000	6.06%
Total Millage	6.3425	6.5840	3.81%

Gross Taxable Value Trend

\$Billion



Millage Comparison

<i>Proposed 2019-2020 vs. Actual 2018-2019</i>	2018-2019 Actual	2019-2020 Proposed	<i>Percent Change</i>
Required Local Effort	3.9790	3.8360	-3.59%
Discretionary Local Effort	0.7480	0.7480	0.00%
Local Referendum	0.5000	0.5000	0.00%
Operating Subtotal	5.2270	5.0840	-2.74%
Capital Outlay	1.5000	1.5000	0.00%
Total Millage	6.7270	6.5840	-2.13%

Property Tax Revenue Comparison

	Revenue 2018-2019	Revenue 2019-2020	Difference
Required Local Effort	\$331,038,202	\$341,965,065	\$10,926,863
Discretionary	62,230,856	66,681,405	4,450,549
Local Referendum	41,598,166	44,573,132	2,974,966
Total Operating	\$434,867,224	\$453,219,602	\$18,352,378
Capital Outlay Millage	124,794,496	133,719,394	8,924,898
Total Millage	<u><u>\$559,661,720</u></u>	<u><u>\$586,938,996</u></u>	<u><u>\$27,277,276</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>6.584</u>
Total 2019 School Tax	<u>\$1,152.20</u>



Example of How Your Taxes May Change

	Year	2016	2017	2018	2019
<i>% Change in Assessed Value</i>			7.7%	7.6%	7.2%
Assessed Value		\$ 200,000	\$ 215,400	\$ 231,770	\$ 248,458
Homestead Exemption		25,000	25,000	25,000	25,000
Taxable Value		\$ 175,000	\$ 190,400	\$ 206,770	\$ 223,458
Taxable Value		\$ 175,000	\$ 190,400	\$ 206,770	\$ 223,458
Divided by 1,000 (= number of "mills")		175.000	190.400	206.770	223.458
Times Millage Rate		7.318	7.009	6.727	6.584
Property Taxes		\$1,280.65	\$1,334.51	\$1,390.94	\$1,471.25

Change as compared to the prior year

\$ 53.86	\$ 56.43	\$ 80.31
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Cumulative 3-Year Change

\$ 190.60

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

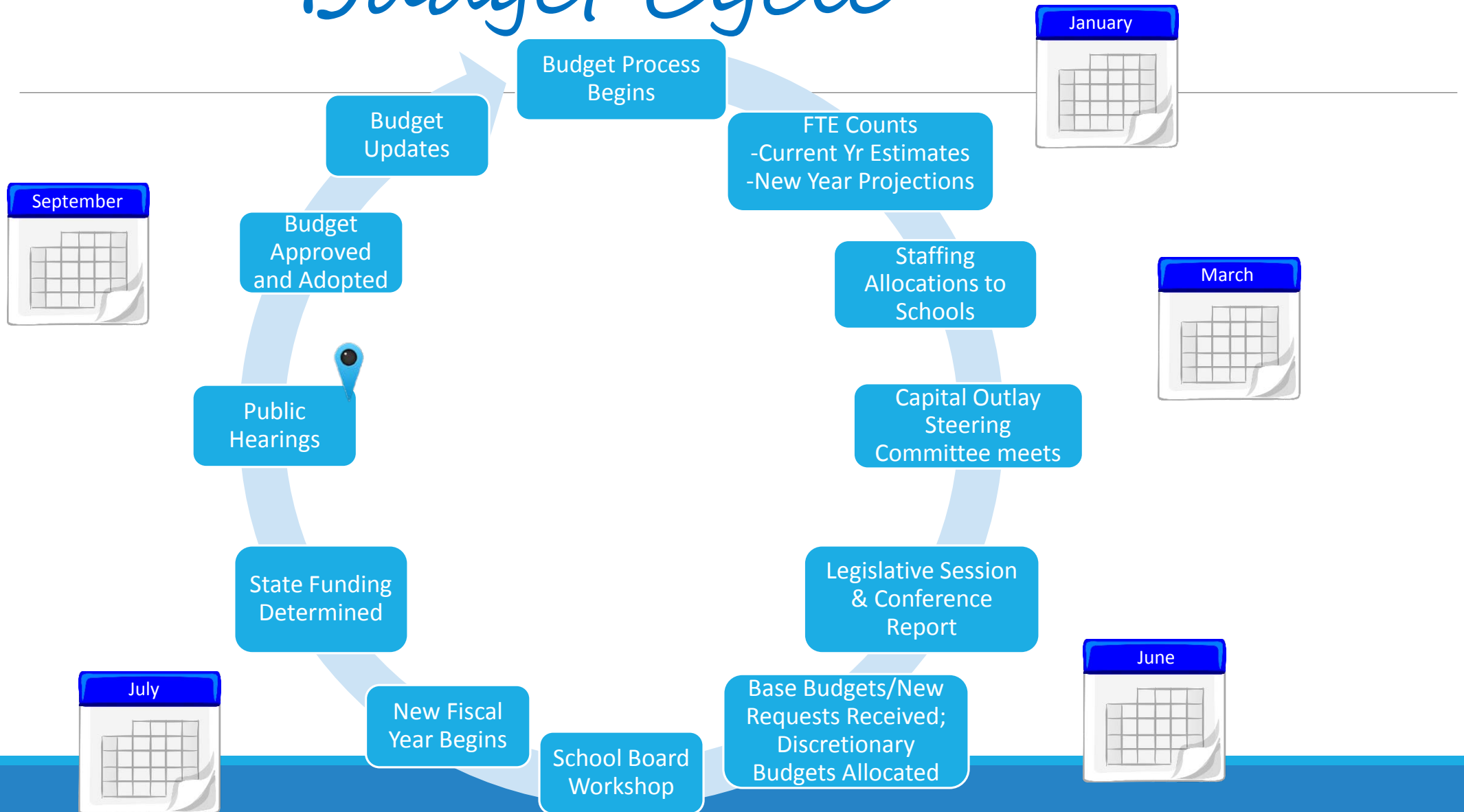


School Board of Pinellas County

Fiscal Year 2019-2020

PROPOSED TENTATIVE
BUDGET

Budget Cycle



Budget Parameters

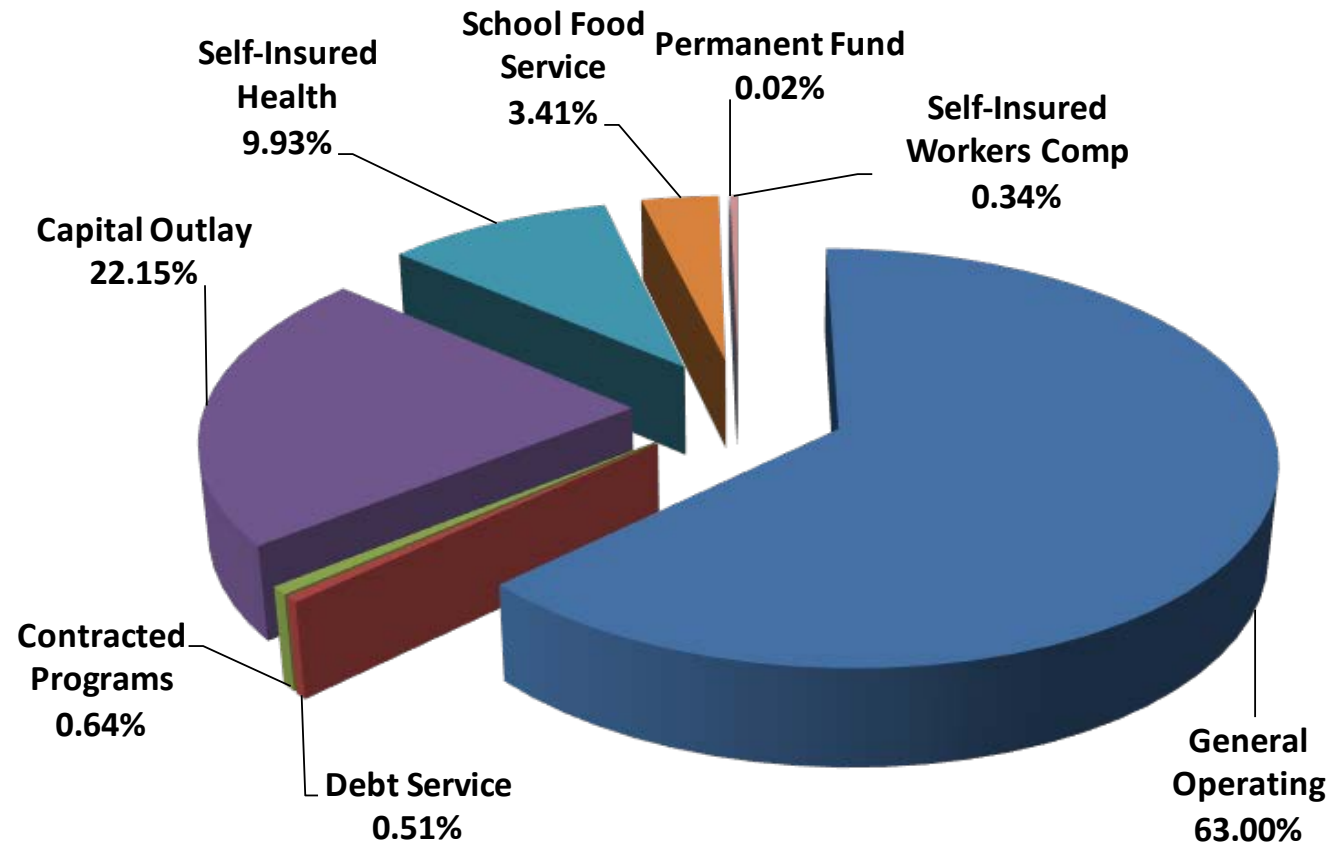
- 63/37 Expenditure Benchmark
- Contingency
- Core Curriculum / Strategic Directions



Budget Summary

General Operating	\$ 977,500,000
Debt Service	7,872,213
Contracted Programs	9,970,537
Capital Outlay	343,686,872
School Food Service	52,951,228
Self-Insured Workers Comp & Liability	5,325,816
Self-Insured Health	154,007,943
Permanent Fund	150,719
Grand Total	<u>\$ 1,551,465,328</u>

Budget Summary All Sources



2019-2020 Legislative Issues

Increase in Base Student Allocation (BSA) to \$4,279.49 (increase of \$75.07 over 2018-2019)

Increase in statewide state funding of \$555.6 Million

Increase in district share of revenue of \$25.3 Million

Increased district Safe Schools allocation of \$0.8 Million

Best and Brightest Teacher/Principal allocation of \$284.5 Million statewide and \$9.7 Million to Pinellas added to the FEFP. This is a district increase of \$3.3 Million

Increased Florida Retirement System expenditures

New Turnaround Supplemental Services allocation of \$45.5 Million statewide to improve the overall academic and community welfare of district-managed turnaround schools

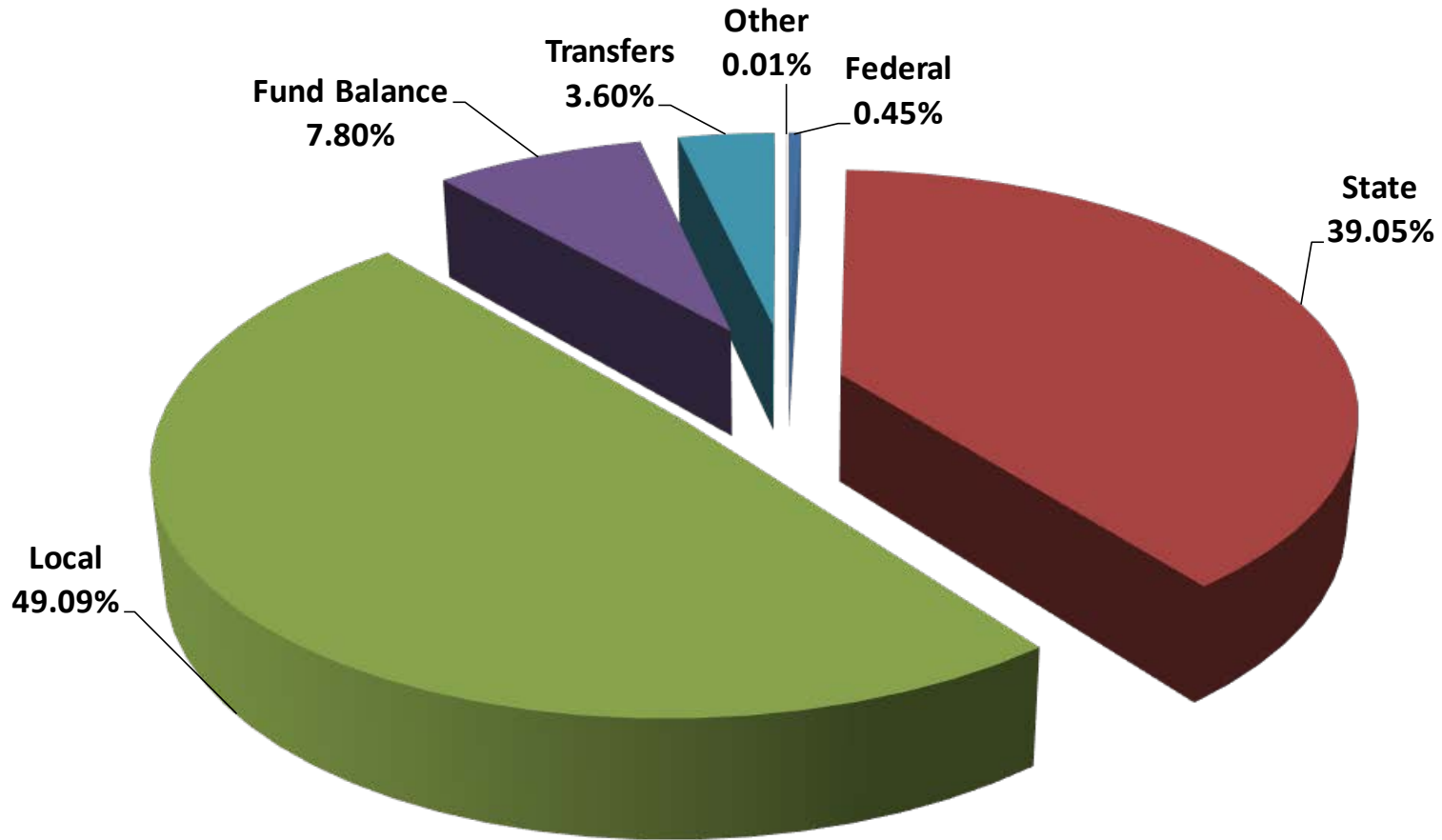
Statewide decrease of \$50 Million in funds for Digital Classrooms



Operating Fund Resources

Federal Direct	\$360,000	0.04%
Federal Through State	4,000,000	0.41%
State Sources	381,730,261	39.05%
Local Sources	479,884,739	49.09%
Transfers	35,200,000	3.60%
Other	125,000	0.01%
Fund Balance	76,200,000	7.80%
Total - Anticipated Resources	<u>\$977,500,000</u>	<u>100.00%</u>

Operating Budget Revenue Sources



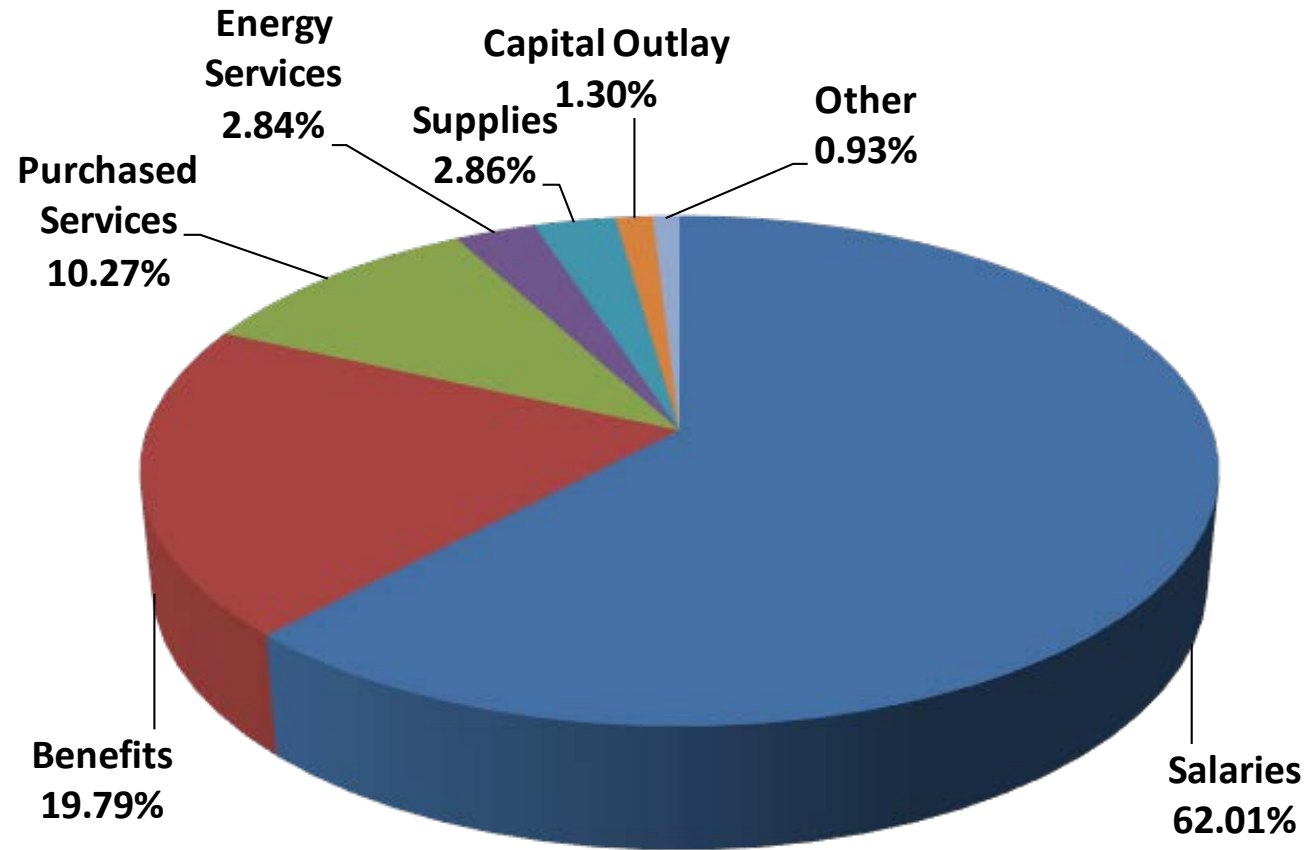
Proposed Operating Budget

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) – No funds expected in 2019/2020
 - 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 10, 2019
- 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” (2023-2024)



Proposed Capital Projects

Major Renovation and Construction of Schools:

Anona Elementary	\$4,700,000
San Jose Elementary	688,750
North Shore Elementary	3,000,000
Plumb Elementary	4,700,000
Sawgrass Elementary	4,700,000
Orange Grove Elementary	9,073,749
St. Petersburg High	19,778,625
Seventy-Fourth Street Elementary	7,725,000
Tyrone Middle	5,000,000
Construction Contingency	600,000
Relocatables, Site Acquisitions, Minor Projects	38,464,301
Area Superintendents' fund for special causes	5,000,000
Furniture, Equipment, Technology, Vehicles and Safety	20,258,400
Two Mill Relief, Transfers, Debt Service, Contingency	45,208,587
Total Capital Appropriations for FY 2019-2020	<u>\$168,897,412</u>
Carryover of prior projects	85,427,359
Ending Fund Balance	89,362,101
Total Capital Outlay appropriations, transfers & fund balance	<u><u>\$343,686,872</u></u>

Proposed Special Revenue

- Contracted Programs
 - Total Budget \$9,970,537
 - 2018-2019 Continuing Grants
 - New Grants upon receipt
- Food Service
 - Total Budget \$52,951,228
 - Self-Supporting



Proposed Debt Service Budget

Purpose

- To pay the principal and interest on existing long-term debt

Outstanding Bond Issues (\$0.6 Million)

- 2005 SBE Bonds
- 2010 SBE Bonds

Certificates of Participation Bonds (\$57.9 Million)

Total Budget \$7,872,213

Proposed Self-Insured Workers Comp Budget

Total Budget \$5,325,816

- Workers Compensation
- Liability Insurance



Proposed Self-Insured Health Budget

Total Budget \$154,007,943

- 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

