



School Board of Pinellas County

FIRST PUBLIC HEARING TO ADOPT
TENTATIVE BUDGET AND MILLAGES
AUGUST 1, 2017

School Board of Pinellas County

Tentative Millages
For Fiscal Year 2017-2018



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.

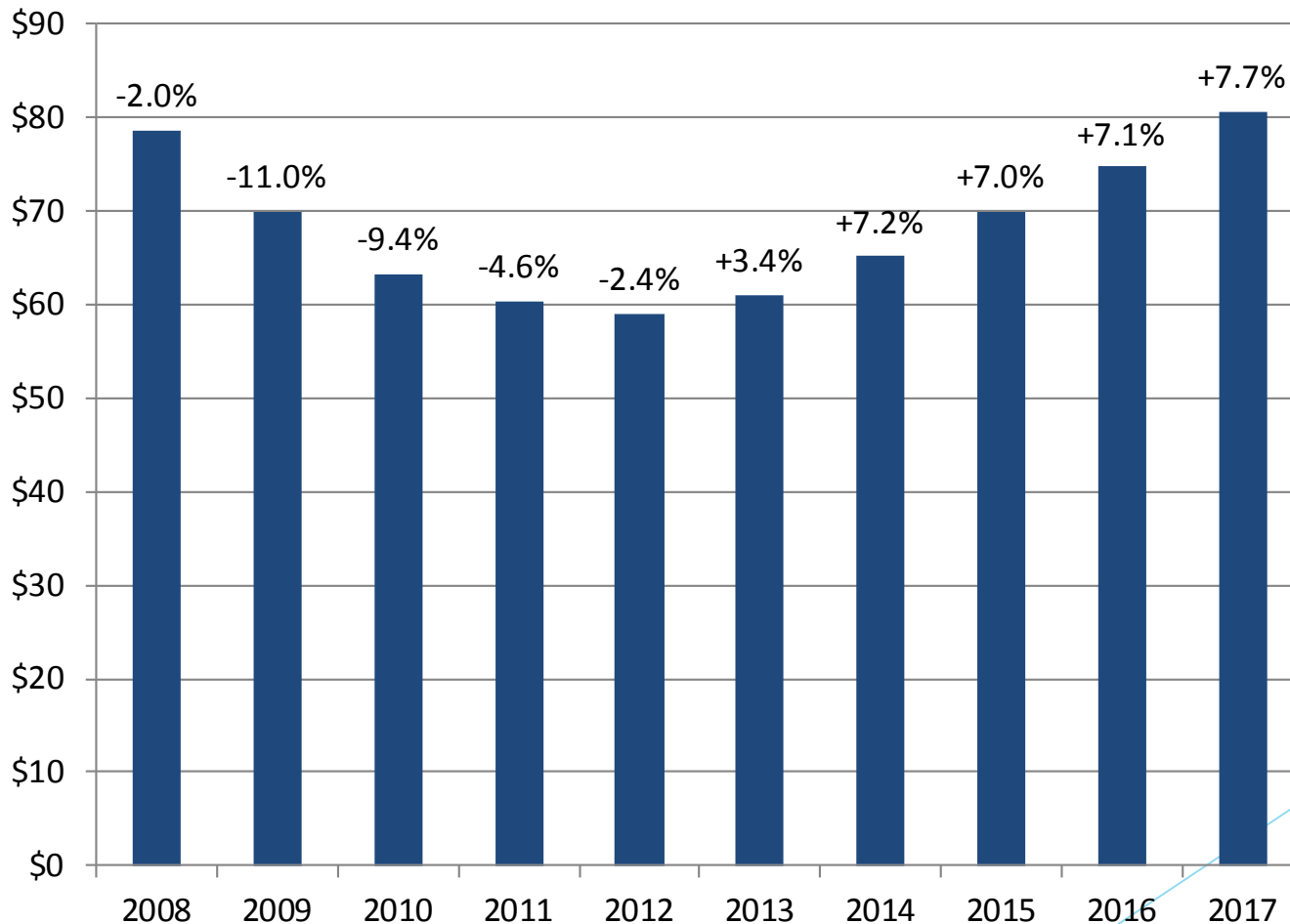


Proposed Millage vs. "Rolled-back" Rate

<i>2017-2018 Proposed vs. "Rolled-Back" Rate</i>	Rolled-Back Rate	2017-2018 Proposed	Percent Change
Required Local Effort	4.2792	4.2610	-0.43%
Discretionary Local Effort	0.7004	0.7480	6.80%
Local Referendum	0.4682	0.5000	6.79%
Capital Outlay	1.4046	1.5000	6.79%
Total Millage	6.8524	7.0090	2.29%

Gross Taxable Value Trend

\$Billion



Millage Comparison

<i>Proposed 2017-2018 vs. Actual 2016-2017</i>	2016-2017 Actual	2017-2018 Proposed	<i>Percent Change</i>
Required Local Effort	4.5700	4.2610	-6.76%
Discretionary Local Effort	0.7480	0.7480	0.00%
Local Referendum	0.5000	0.5000	0.00%
Operating Subtotal	5.8180	5.5090	-5.31%
Capital Outlay	1.5000	1.5000	0.00%
Total Millage	7.3180	7.0090	-4.22%

Property Tax Revenue Comparison

	Revenue 2016-2017	Revenue 2017-2018	Difference
Required Local Effort	\$328,029,725	\$329,427,142	\$1,397,417
Discretionary	53,690,642	57,829,501	4,138,859
Local Referendum	35,889,467	38,656,083	2,766,616
Total Operating	\$417,609,834	\$425,912,726	\$8,302,892
Capital Outlay Millage	107,668,400	115,968,250	8,299,850
Total Millage	<u>\$525,278,234</u>	<u>\$541,880,976</u>	<u>\$16,602,742</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>7.009</u>
▶ Total 2017 School Tax	<u>\$1,226.58</u>

Example of How Your Taxes May Change

Year	2014	2015	2016	2017
<i>% Change in Assessed Value</i>		7.0%	7.1%	7.7%

Assessed Value	\$ 200,000	\$ 214,000	\$ 229,194	\$ 246,842
Homestead Exemption	25,000	25,000	25,000	25,000
Taxable Value	\$ 175,000	\$ 189,000	\$ 204,194	\$ 221,842

Taxable Value	\$ 175,000	\$ 189,000	\$ 204,194	\$ 221,842
Divided by 1,000 (= number of "mills")	175.000	189.000	204.194	221.842
Times Millage Rate	7.841	7.770	7.318	7.009
Property Taxes	\$1,372.18	\$1,468.53	\$1,494.29	\$1,554.89

Change as compared to the prior year	\$ 96.35	\$ 25.76	\$ 60.60
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Cumulative 3-Year Change	\$ 182.71
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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

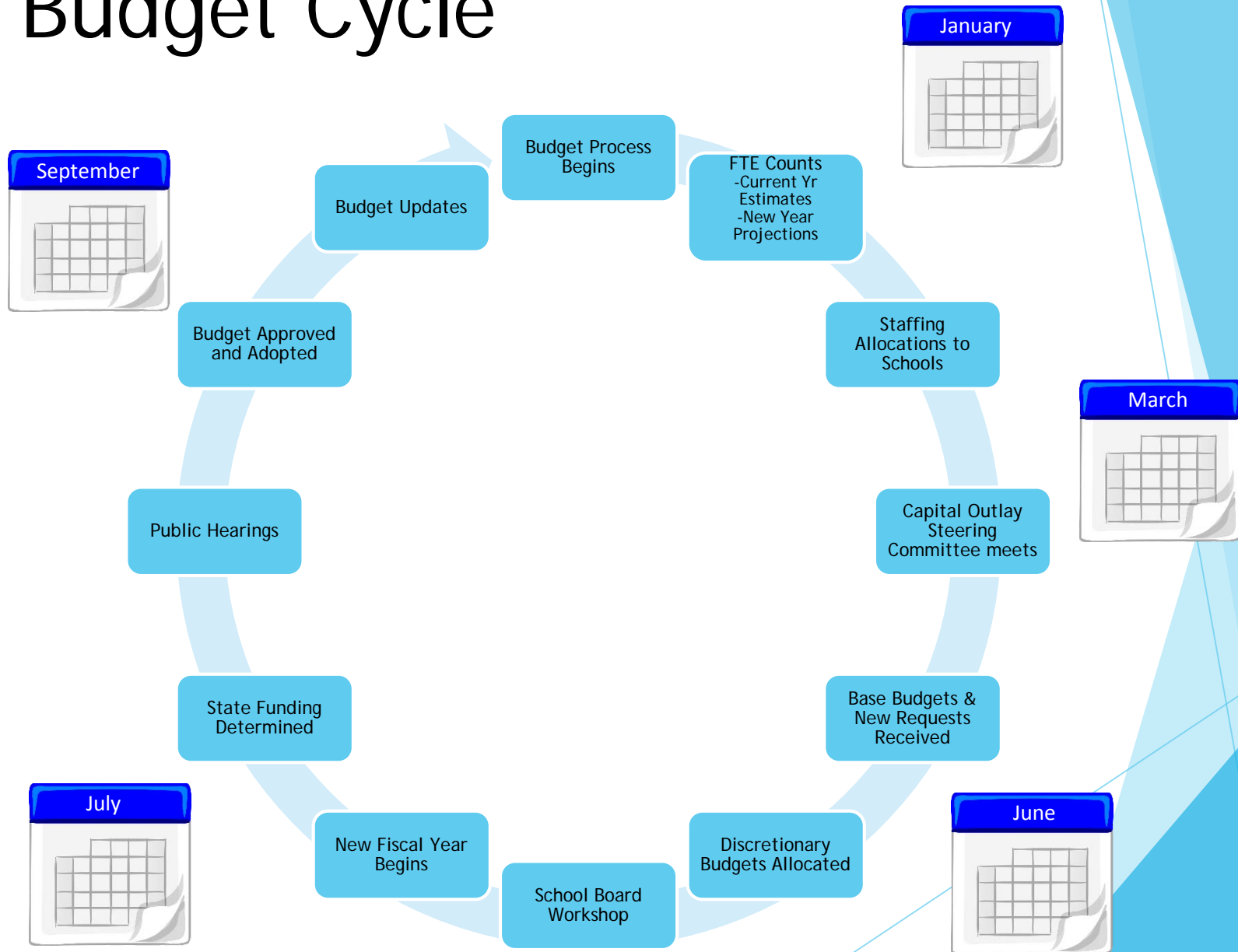


School Board of Pinellas County

Proposed Tentative Budget For
Fiscal Year 2017-2018



Budget Cycle



Budget Parameters

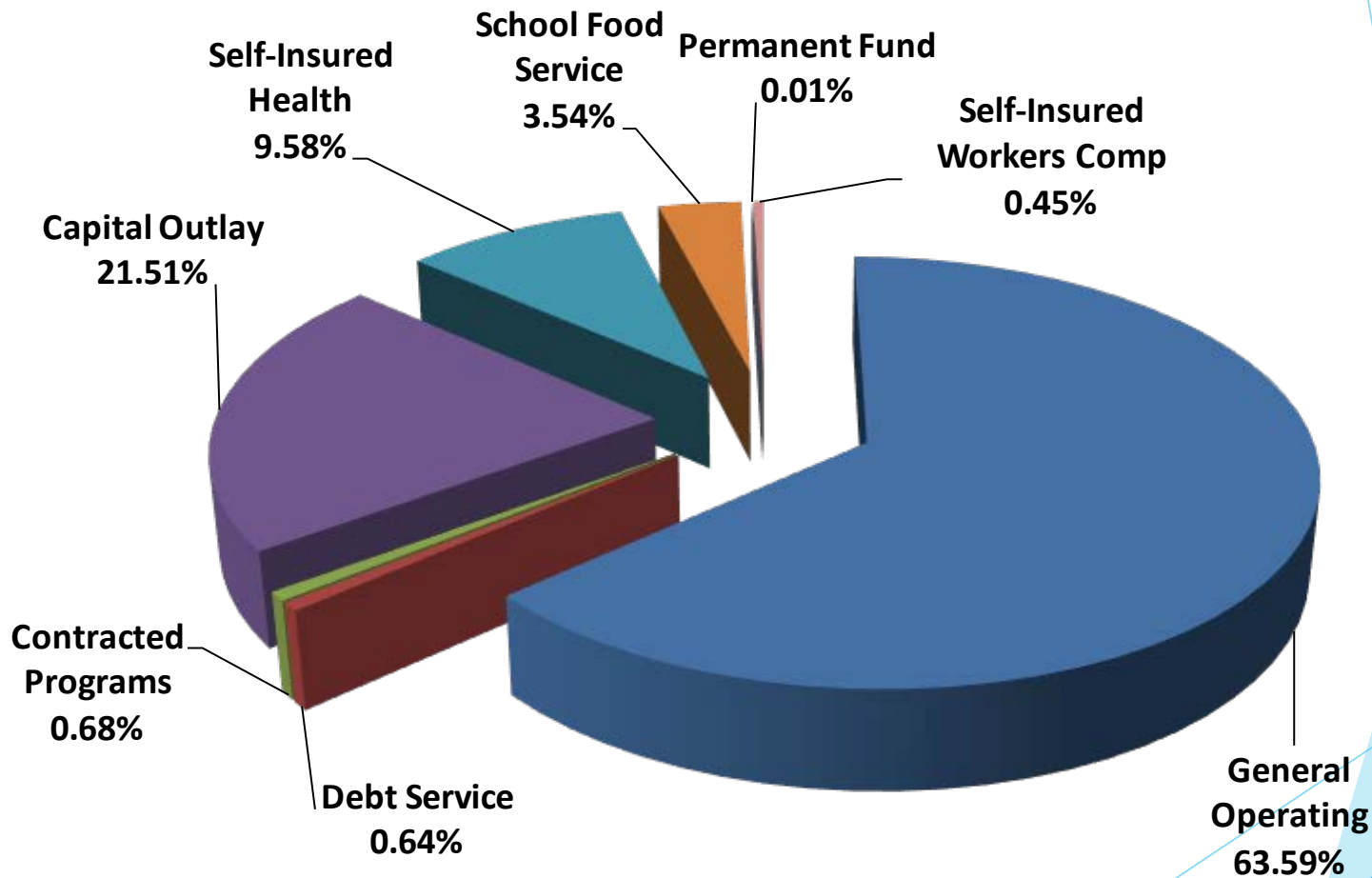
- 63/37 Expenditure Benchmark
- Contingency
- Core Curriculum / Strategic Directions



Budget Summary

General Operating	\$ 937,200,000
Debt Service	9,506,453
Contracted Programs	9,900,219
Capital Outlay	317,070,858
School Food Service	52,228,359
Self-Insured Workers Comp & Liability	6,570,715
Self-Insured Health	141,257,919
Permanent Fund	150,420
Grand Total	<u>\$ 1,473,884,943</u>

Budget Summary All Sources



2017-2018 Legislative Issues

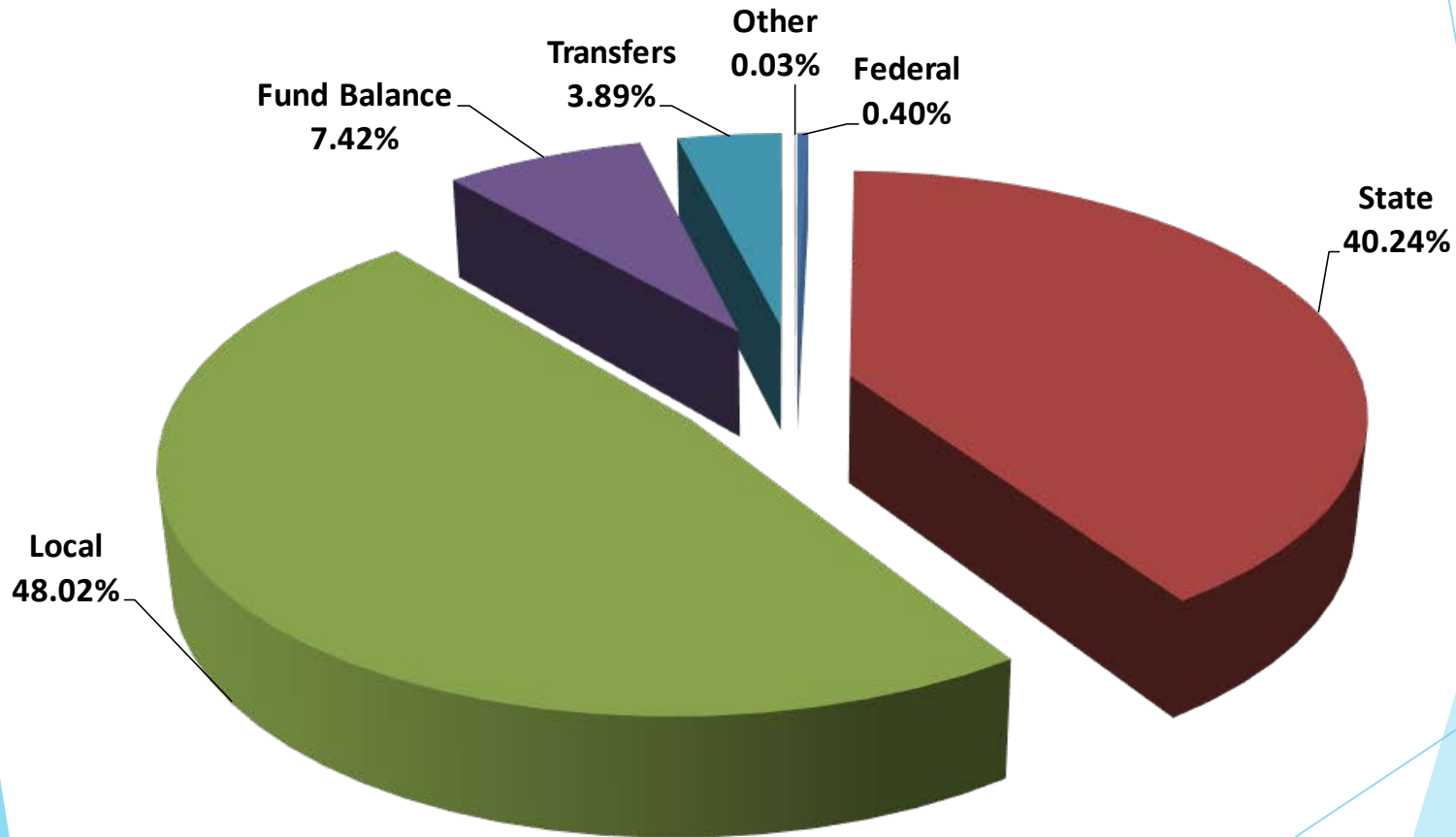
- ▶ Increase in Base Student Allocation (BSA) to \$4,203.95
- ▶ Increase in total statewide funding of \$457.4 Million
- ▶ Increase in district share of revenue of \$6.8 Million
- ▶ Increased Florida Retirement System expenditures
- ▶ Requirement to share local capital outlay millage revenue with charter schools on a per student basis



Operating Fund Resources

Federal Direct	\$310,000	<i>0.03%</i>
Federal Through State	3,500,000	<i>0.37%</i>
State Sources	377,157,278	<i>40.24%</i>
Local Sources	449,982,722	<i>48.02%</i>
Transfers	36,500,000	<i>3.89%</i>
Other	250,000	<i>0.03%</i>
Fund Balance	69,500,000	<i>7.42%</i>
Total - Anticipated Resources	<u>\$937,200,000</u>	<u><i>100.00%</i></u>

Operating Budget Revenue Sources

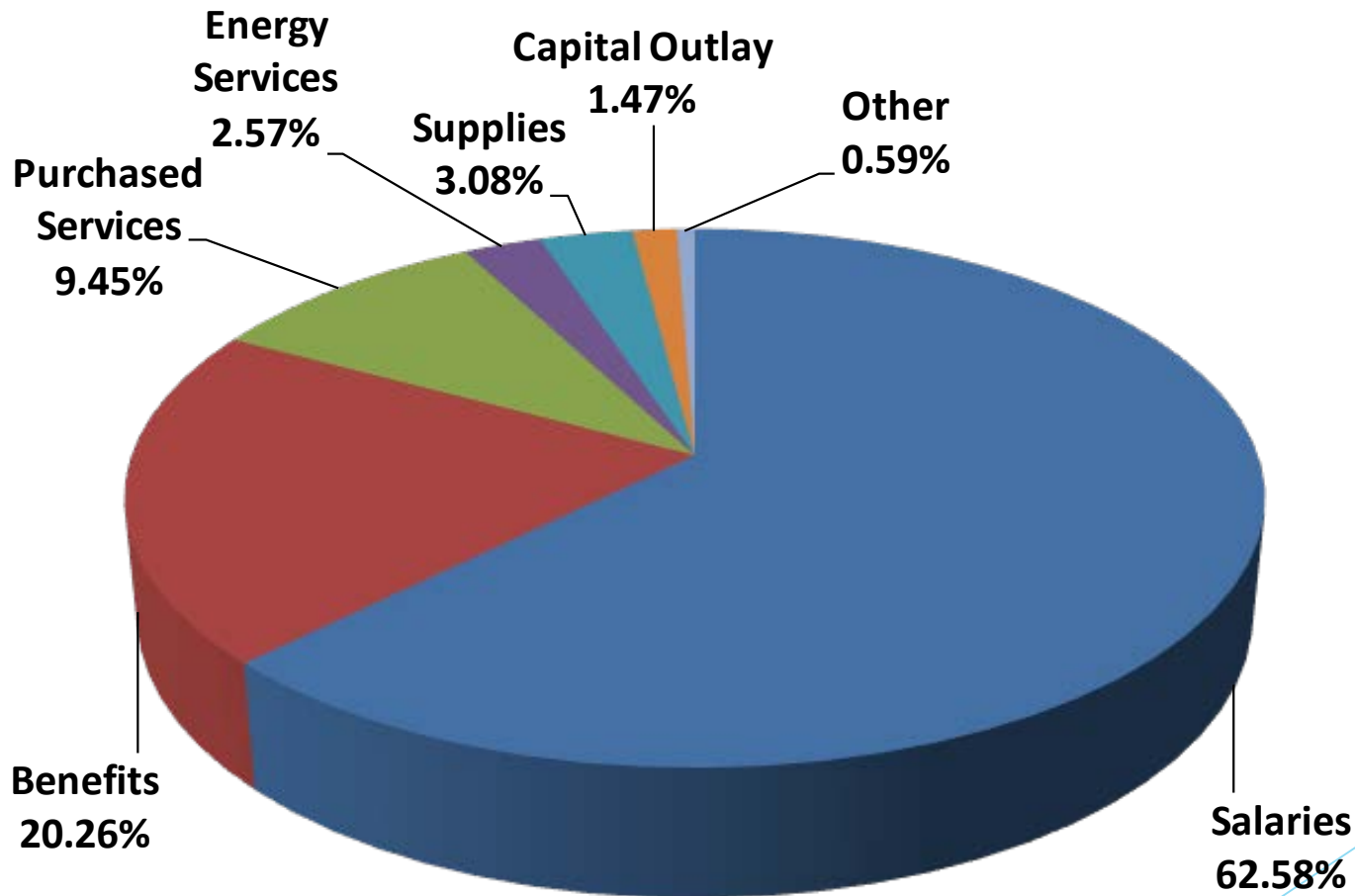


Proposed Operating Budget

- ▶ 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
- 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 12, 2017
 - ▶ Work Program must be approved before the Board adopts the final budget
- ▶ Major Changes
 - ▶ Anticipated revenue through Certificates of Participation bonds
 - ▶ Sharing of local capital outlay millage revenue with charter schools per HB 7069
 - ▶ Addition of new “Year 5” (2021-2022)



Proposed Capital Projects

Major Renovation and Construction of Schools:

Melrose Elementary School	\$18,000,000
Orange Grove Elementary School	4,500,000
Pinellas Park Middle School	28,000,000
Career Academies of Seminole	8,600,000
Cypress Woods	4,100,000
St. Petersburg High School	1,000,000
Relocatables, Site Acquisitions, Minor Projects	41,176,890
Area Superintendents' fund for curriculum enhancements	5,000,000
Furniture, Equipment, Technology, Vehicles and Safety	24,488,971
Two Mill Relief, Transfers, Debt Service, Contingency	45,781,279
Total Capital Appropriations for FY 2017-2018	<hr/> \$180,647,140
Carryover of prior projects	28,484,339
Ending Fund Balance	107,939,379
Total Capital Outlay appropriations, transfers & fund balance	<hr/> <hr/> \$317,070,858

Proposed Special Revenue

- Contracted Programs
 - Total Budget \$9,900,219
 - 2016-2017 Continuing Grants
 - New Grants upon receipt
- Food Service
 - Total Budget \$52,228,359
 - Self-Supporting



Proposed Debt Service Budget

- ▶ Purpose
 - ▶ To pay the principal and interest on existing long-term debt
- ▶ Outstanding Bond Issues
- ▶ (\$6.0 Million)
 - ▶ 2005 SBE Bonds
 - ▶ 2010 SBE Bonds
- ▶ Certificates of Participation Bonds
- ▶ Total Budget \$9,506,453

Proposed Self-Insured Workers Comp Budget

► Total Budget \$6,570,715

► Workers Compensation

► Liability Insurance



Proposed Self-Insured Health Budget

- ▶ Total Budget \$141,257,919
- ▶ 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

