

School Board of Pinellas County

FIRST PUBLIC HEARING TO ADOPT
TENTATIVE BUDGET AND MILLAGES
JULY 27, 2021

School Board of Pinellas County

Tentative Millages
For Fiscal Year 2021-2022



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.

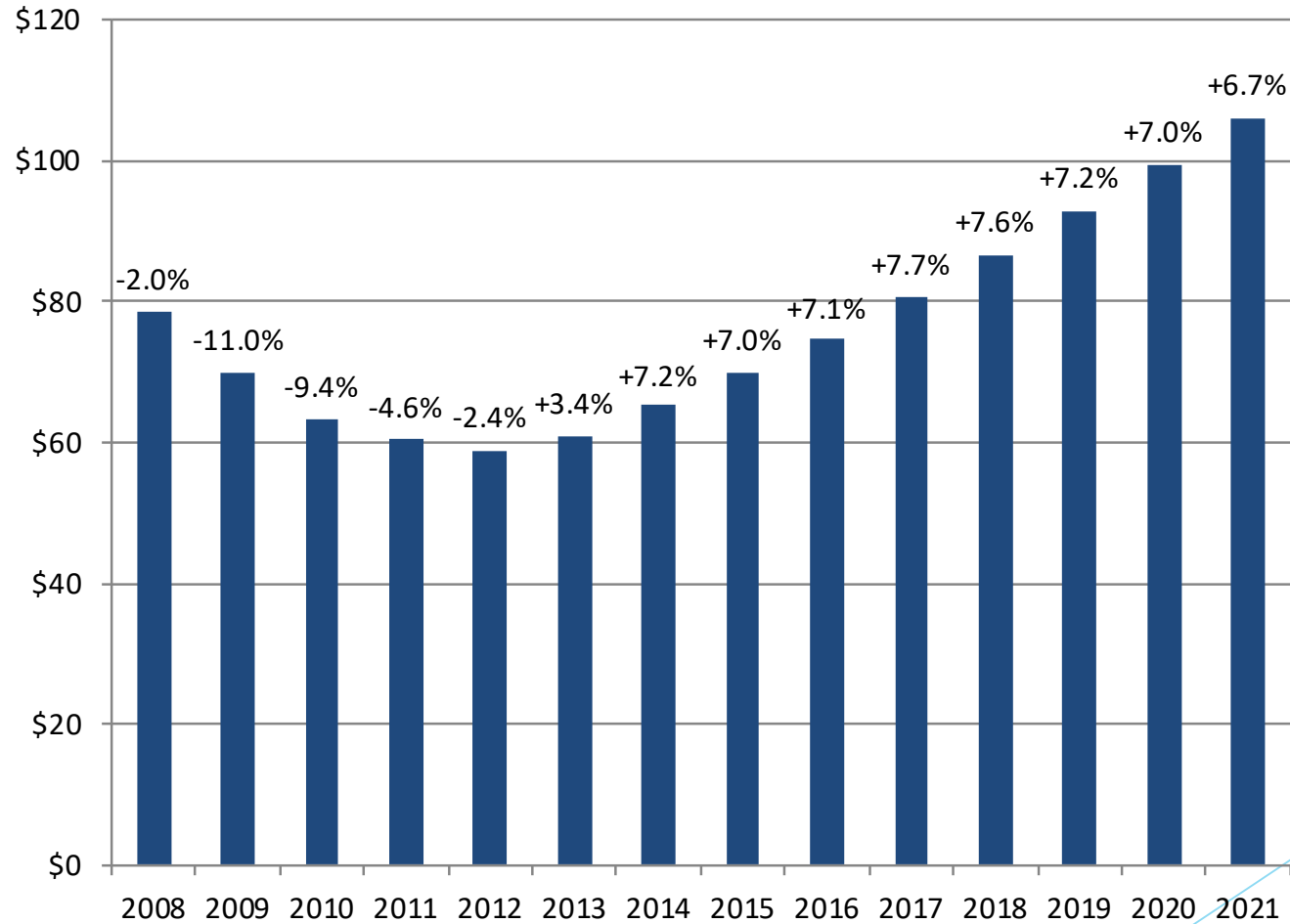


Proposed Millage vs. "Rolled-back" Rate

<i>2021-2022 Proposed vs. "Rolled-Back" Rate</i>	Rolled-Back Rate	2021-2022 Proposed	<i>Percent Change</i>
Required Local Effort	3.4786	3.5770	2.83%
Discretionary Local Effort	0.7072	0.7480	5.77%
Local Referendum	0.4728	0.5000	5.75%
Capital Outlay	1.4183	1.5000	5.76%
Total Millage	6.0769	6.3250	4.08%

Gross Taxable Value Trend

\$Billion



Millage Comparison

<i>Proposed 2021-2022 vs. Actual 2020-2021</i>	2020-2021 Actual	2021-2022 Proposed	<i>Percent Change</i>
Required Local Effort	3.6790	3.5770	-2.77%
Discretionary Local Effort	0.7480	0.7480	0.00%
Local Referendum	0.5000	0.5000	0.00%
Operating Subtotal	4.9270	4.8250	-2.07%
Capital Outlay	1.5000	1.5000	0.00%
Total Millage	6.4270	6.3250	-1.59%

Property Tax Revenue Comparison

	Revenue 2020-2021	Revenue 2021-2022	Difference
Required Local Effort	\$351,068,167	\$364,140,051	\$13,071,884
Discretionary	71,377,817	76,146,704	4,768,887
Local Referendum	47,712,445	50,900,203	3,187,758
Total Operating	\$470,158,429	\$491,186,958	\$21,028,529
Capital Outlay Millage	143,137,334	152,700,609	9,563,275
Total Millage	\$613,295,763	\$643,887,567	\$30,591,804

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>6.325</u>
▶ Total 2021 School Tax	<u>\$1,106.88</u>

Example of How Your Taxes May Change

	Year	2018	2019	2020	2021
<i>% Change in Assessed Value</i>			7.2%	7.0%	6.7%
Assessed Value		\$ 200,000	\$ 214,400	\$ 229,408	\$ 244,778
Homestead Exemption		25,000	25,000	25,000	25,000
Taxable Value		\$ 175,000	\$ 189,400	\$ 204,408	\$ 219,778
Taxable Value		\$ 175,000	\$ 189,400	\$ 204,408	\$ 219,778
Divided by 1,000 (= number of "mills")		175.000	189.400	204.408	219.778
Times Millage Rate		6.727	6.584	6.427	6.325
Property Taxes		\$1,177.23	\$1,247.01	\$1,313.73	\$1,390.10
Change as compared to the prior year			\$ 69.78	\$ 66.72	\$ 76.37
Cumulative 3-Year Change					\$ 212.87

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

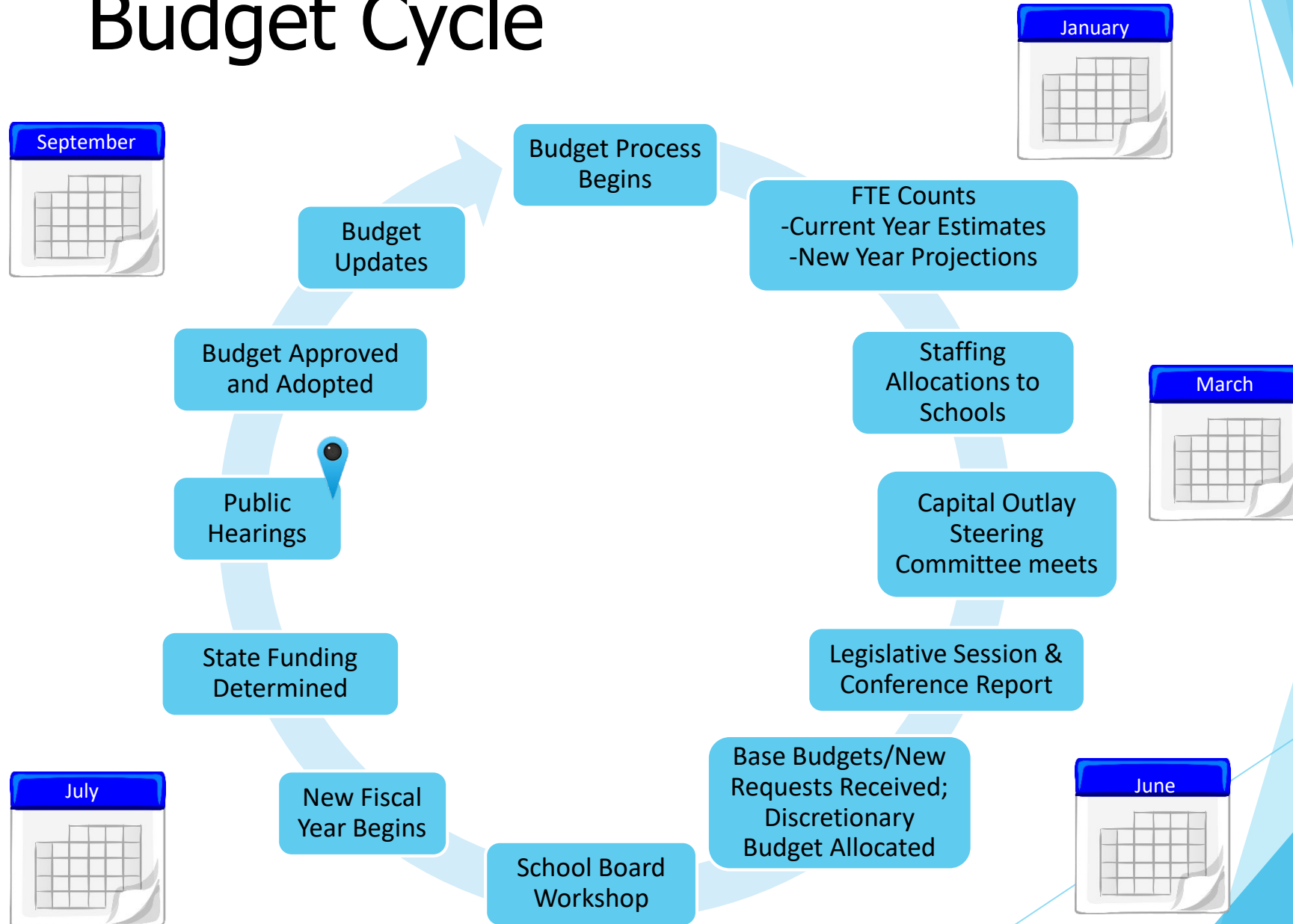


School Board of Pinellas County

Tentative Budget
Fiscal Year 2021-2022



Budget Cycle



Budget Parameters

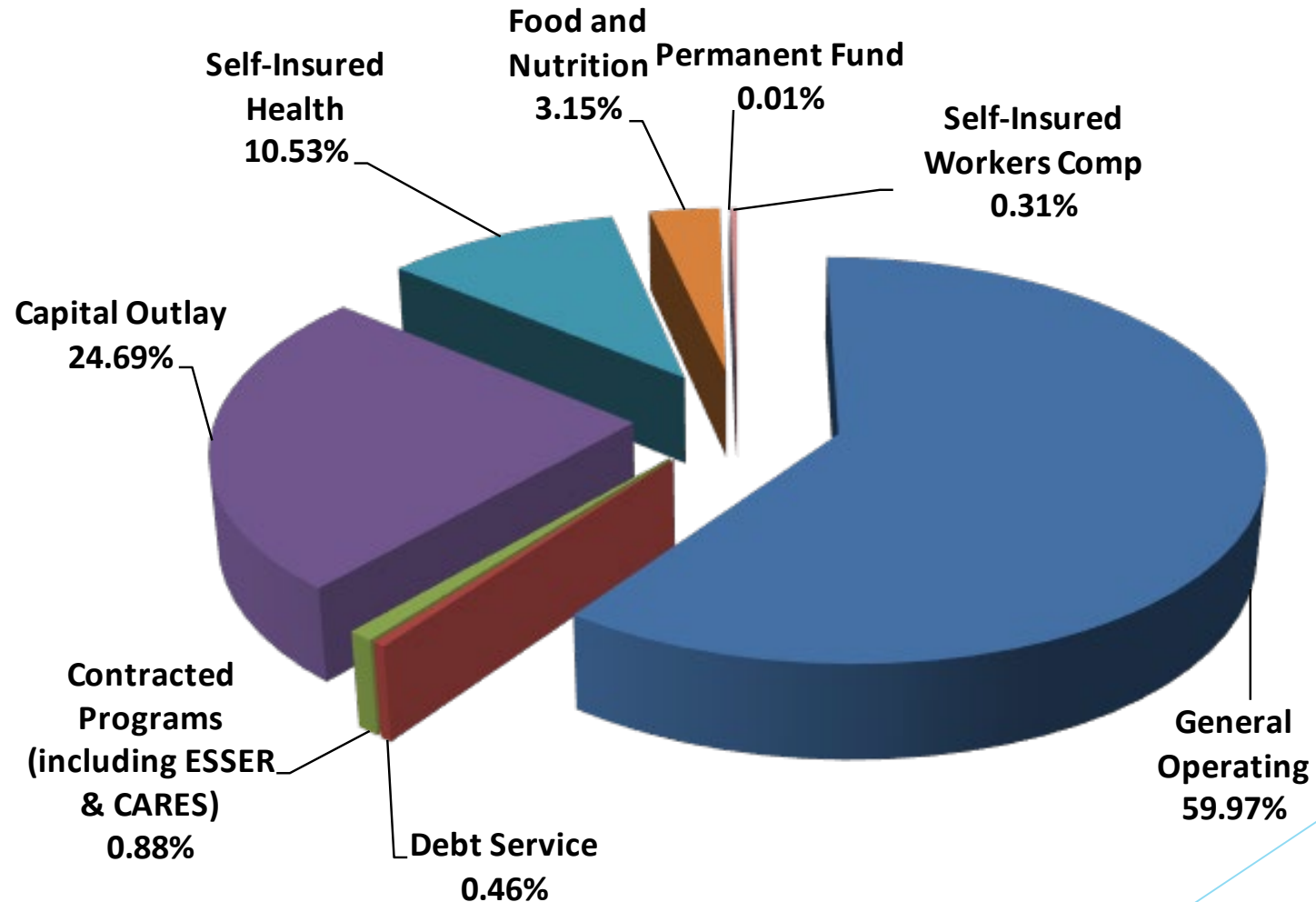
- 63/37 Expenditure Benchmark
- Contingency
- Core Curriculum / Strategic Directions



Budget Summary

General Operating	\$ 963,900,000
Debt Service	7,446,629
Contracted Programs	10,755,839
Elementary & Secondary School Emergency Relief Fund (ESSER)	988,665
Coronavirus Aid, Relief and Economic Security Act (CARES)	2,334,299
Capital Outlay	396,869,981
Food and Nutrition	50,658,000
Self-Insured Workers Comp & Liability	4,995,952
Self-Insured Health	169,255,752
Permanent Fund	153,537
Grand Total	<u>\$1,607,358,654</u>

Budget Summary All Sources



2021-2022 Legislative Issues

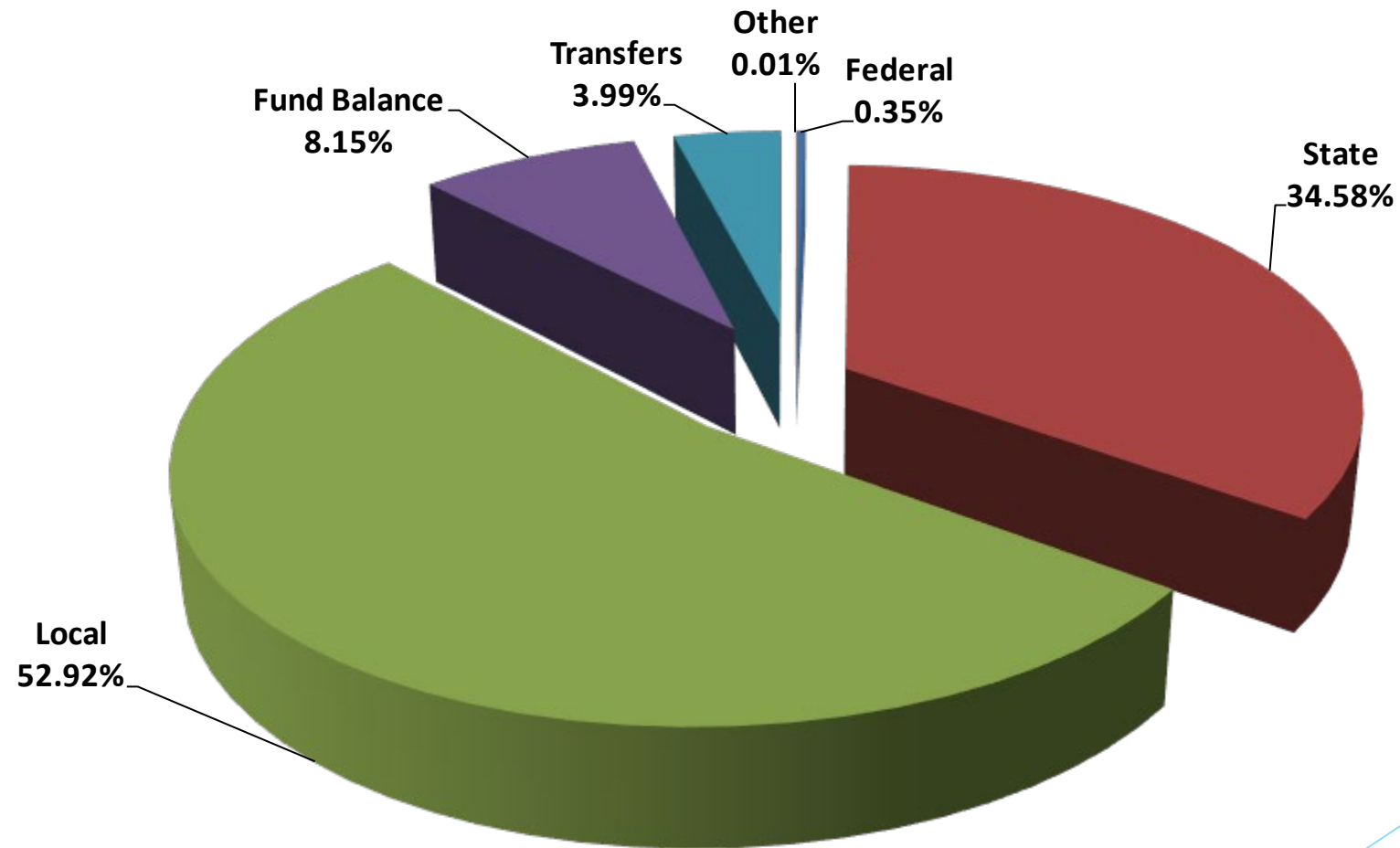
- ▶ Increase in Base Student Allocation (BSA) to \$4,372.91
- ▶ Decrease in total statewide funding of \$103 Million. Additionally, a \$464 Million reserve for returning students has been put in place at the state level.
- ▶ Decrease in district share of revenue of \$16.7 Million
- ▶ Increased Florida Retirement System expenditures



Operating Fund Resources

Federal Direct	\$355,000	0.04%
Federal Through State	3,000,000	0.31%
State Sources	333,328,394	34.58%
Local Sources	509,991,606	52.92%
Transfers	38,500,000	3.99%
Other	125,000	0.01%
Fund Balance	78,600,000	8.15%
Total - Anticipated Resources	<u>\$963,900,000</u>	<u>100.00%</u>

Operating Budget Revenue Sources

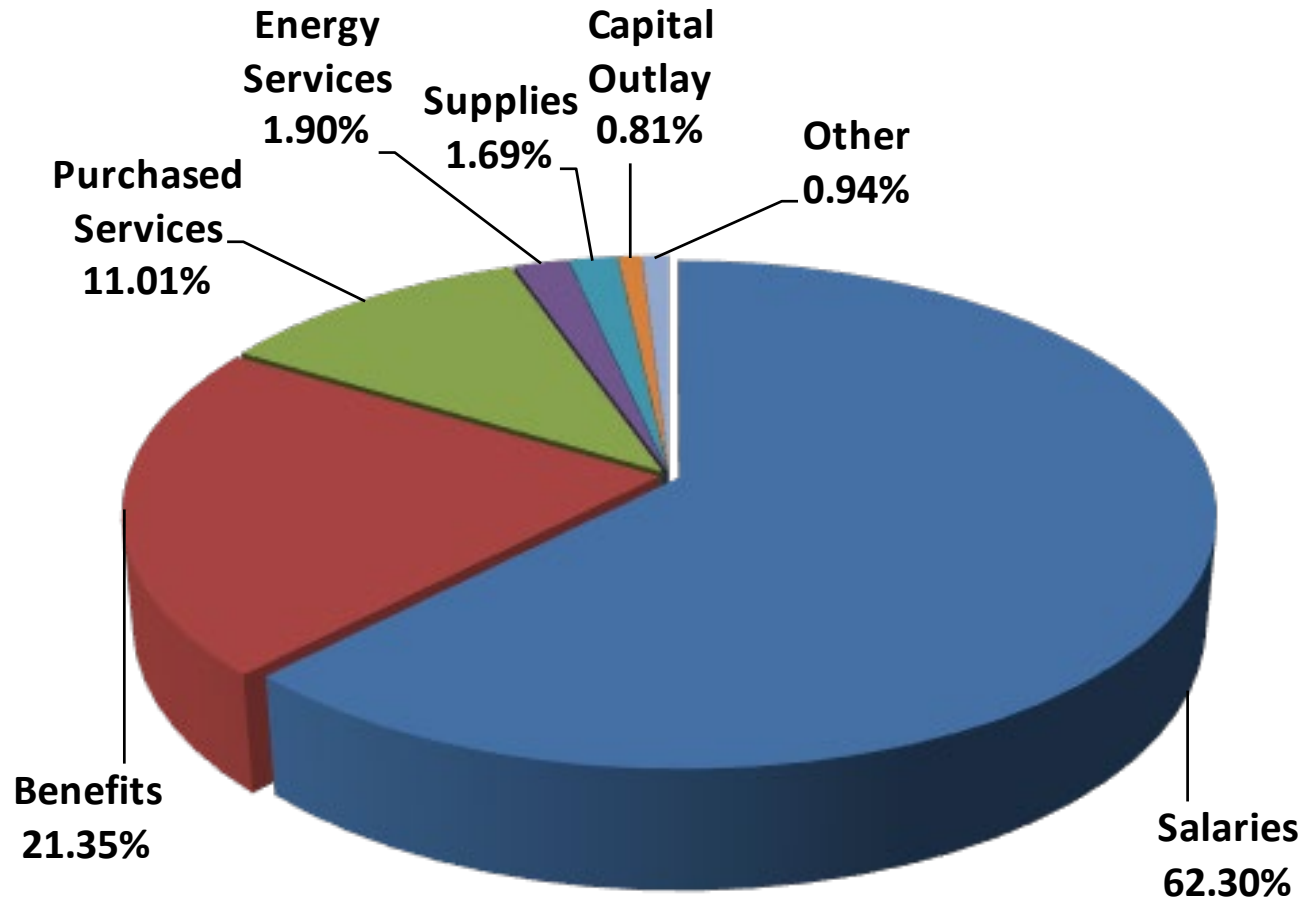


Proposed Operating Budget

- ▶ 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
 - Capital Outlay & Debt Service (CO & DS)
 - Flow – through revenue has been bonded (state)
- 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 14, 2021
 - ▶ 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" (2025-2026)



Proposed Capital Projects

Major Renovation and Construction of Schools:

Lakewood High School	\$4,546,811
Mildred Helms Elementary	6,000,000
Tyrone Middle	18,900,000
Leadership Incubator	100,000
Midtown Academy	6,574,611
Pinellas Central Elementary	9,000,000
Coachman Bus Compound	3,710,000
Relocatables, Site Acquisitions, Minor Projects	37,165,464
Area Superintendents' fund for special causes	4,817,437
Furniture, Equipment, Technology, Vehicles and Safety	22,652,264
Two Mill Relief, Transfers, Debt Service, Contingency	48,035,701
Total Capital Appropriations for FY 2021-2022	<hr/> \$161,502,288
Carryover of prior projects	137,341,896
Ending Fund Balance	98,025,797
Total Capital Outlay appropriations, transfers & fund balance	<hr/> <hr/> \$396,869,981

Proposed Special Revenue

- Contracted Programs
 - Total Budget \$14,078,803
 - 2020-2021 Continuing Grants
 - New Grants upon receipt
 - Includes ESSER and CARES grants
- Food Service
 - Total Budget \$50,658,000
 - Self-Supporting



Proposed Debt Service Budget

- ▶ Purpose
 - ▶ To pay the principal and interest on existing long-term debt
- ▶ Outstanding Bond Issues
- ▶ (\$111 Million)
 - ▶ 2017 Certificate of Participation Bonds
 - ▶ 2021 Certificate of Participation Bonds
- ▶ Total Budget \$7,446,629

Proposed Self-Insured Workers Comp Budget

▶ Total Budget \$4,995,952

▶ Workers Compensation

▶ Liability Insurance



Proposed Self-Insured Health Budget

▶ Total Budget \$169,255,752

▶ 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) 588-6340
- ▶ www.pcsb.org

Motion Necessary to Adopt the Tentative Budget

