PUBLIC HEARING
TO ADOPT FISCAL YEAR 2023-24
TENTATIVE MILLAGES AND BUDGET

AUGUST 1, 2023
TENTATIVE MILLAGES

FISCAL YEAR 2023-24
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

<table>
<thead>
<tr>
<th>2023-2024 Proposed vs. &quot;Rolled-Back&quot; Rate</th>
<th>Rolled-Back Rate</th>
<th>2023-2024 Proposed</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Required Local Effort</td>
<td>2.8875</td>
<td>3.1900</td>
<td>10.48%</td>
</tr>
<tr>
<td>Discretionary Local Effort</td>
<td>0.6718</td>
<td>0.7480</td>
<td>11.34%</td>
</tr>
<tr>
<td>Local Referendum</td>
<td>0.4491</td>
<td>0.5000</td>
<td>11.33%</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>1.3472</td>
<td>1.5000</td>
<td>11.34%</td>
</tr>
<tr>
<td><strong>Total Millage</strong></td>
<td><strong>5.3556</strong></td>
<td><strong>5.9380</strong></td>
<td><strong>10.87%</strong></td>
</tr>
</tbody>
</table>
GROSS TAXABLE VALUE TREND

$Billion


-2.0% -11.0% -9.4% 4.6% 2.4% +3.4% +7.2% +7.6% +7.2% +7.0% +18.0% +12.2% +6.7%
# Millage Comparison

## Proposed 2023-2024 vs. Actual 2022-2023

<table>
<thead>
<tr>
<th></th>
<th>2022-2023 Actual</th>
<th>2023-2024 Proposed</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Required Local Effort</td>
<td>3.2150</td>
<td>3.1900</td>
<td>-0.78%</td>
</tr>
<tr>
<td>Discretionary Local Effort</td>
<td>0.7480</td>
<td>0.7480</td>
<td>0.00%</td>
</tr>
<tr>
<td>Local Referendum</td>
<td>0.5000</td>
<td>0.5000</td>
<td>0.00%</td>
</tr>
<tr>
<td>Operating Subtotal</td>
<td>4.4630</td>
<td>4.4380</td>
<td>-0.56%</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>1.5000</td>
<td>1.5000</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Total Millage</strong></td>
<td><strong>5.9630</strong></td>
<td><strong>5.9380</strong></td>
<td><strong>-0.42%</strong></td>
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</tbody>
</table>
# PROPERTY TAX REVENUE COMPARISON

<table>
<thead>
<tr>
<th></th>
<th>Revenue 2022-2023</th>
<th>Revenue 2023-2024</th>
<th>Difference 23-24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Required Local Effort</td>
<td>$386,174,268</td>
<td>$429,724,121</td>
<td>$43,549,853</td>
</tr>
<tr>
<td>Discretionary</td>
<td>89,847,077</td>
<td>100,762,898</td>
<td>10,915,821</td>
</tr>
<tr>
<td>Local Referendum</td>
<td>60,058,207</td>
<td>67,354,878</td>
<td>7,296,671</td>
</tr>
<tr>
<td>Total Operating</td>
<td>$536,079,552</td>
<td>$597,841,897</td>
<td>$61,762,345</td>
</tr>
<tr>
<td>Capital Outlay Millage</td>
<td>180,174,620</td>
<td>202,064,634</td>
<td>21,890,014</td>
</tr>
<tr>
<td><strong>Total Millage</strong></td>
<td><strong>$716,254,172</strong></td>
<td><strong>$799,906,531</strong></td>
<td><strong>$83,652,359</strong></td>
</tr>
</tbody>
</table>
HOW ARE SCHOOL TAXES CALCULATED?

- Assessed Value $200,000
- Homestead Exemption ($25,000)
- **Taxable Value $175,000**

- Taxable Value $175,000
- Divided by 1,000 175
- Multiply by Millage Rate 5.938
- Total 2022 School Tax $1,039.15
## Example of How Your Taxes May Change

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Change in Assessed Value</td>
<td>7.0%</td>
<td>6.7%</td>
<td>18.0%</td>
<td>12.2%</td>
</tr>
<tr>
<td>Assessed Value</td>
<td>$214,000</td>
<td>$228,338</td>
<td>$269,439</td>
<td>$302,311</td>
</tr>
<tr>
<td>Homestead Exemption</td>
<td>25,000</td>
<td>25,000</td>
<td>25,000</td>
<td>25,000</td>
</tr>
<tr>
<td>Taxable Value</td>
<td>$189,000</td>
<td>$203,338</td>
<td>$244,439</td>
<td>$277,311</td>
</tr>
<tr>
<td>Taxable Value*</td>
<td>$189,000</td>
<td>$203,338</td>
<td>$244,439</td>
<td>$277,311</td>
</tr>
<tr>
<td>Divided by 1,000 (= number of &quot;mills&quot;)</td>
<td>189.000</td>
<td>203.338</td>
<td>244.439</td>
<td>277.311</td>
</tr>
<tr>
<td>Times Millage Rate</td>
<td>6.427</td>
<td>6.325</td>
<td>5.963</td>
<td>5.938</td>
</tr>
<tr>
<td>Property Taxes</td>
<td>$1,214.70</td>
<td>$1,286.11</td>
<td>$1,457.59</td>
<td>$1,646.67</td>
</tr>
<tr>
<td>Change as compared to the prior year</td>
<td>$71.41</td>
<td>$171.48</td>
<td>$189.08</td>
<td></td>
</tr>
</tbody>
</table>

Cumulative 3-Year Change: $431.97

*Calculation does not consider the 3% Save Our Homes cap
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
TENTATIVE BUDGET

FISCAL YEAR 2023-24
BUDGET CYCLE

- September:
  - Budget Updates
  - Budget Approved and Adopted
  - Public Hearings
  - State Funding Determined

- July:
  - New Fiscal Year Begins
  - School Board Workshop

- January:
  - Budget Process Begins
  - FTE Counts - Current Year Estimates - New Year Projections
  - Staffing Allocations to Schools

- March:
  - Capital Outlay Steering Committee Meets

- June:
  - Legislative Session & Conference Report
  - Base Budgets/New Requests Received; Discretionary Budgets Allocated
BUDGET PARAMETERS

- 63/37 Expenditure Benchmark
- Contingency
- Core Curriculum/Strategic Directions
## BUDGET SUMMARY

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Operating</td>
<td>$1,039,200,000</td>
</tr>
<tr>
<td>Debt Service</td>
<td>8,496,181</td>
</tr>
<tr>
<td>Contracted Programs</td>
<td>7,113,834</td>
</tr>
<tr>
<td>Elementary &amp; Secondary School Emergency Relief Fund (ESSER)</td>
<td>632,286</td>
</tr>
<tr>
<td>Coronavirus Aid, Relief and Economic Security Act (CARES)</td>
<td>55,464</td>
</tr>
<tr>
<td>Other CRRSA Act Relief (GEER II)</td>
<td>271,466</td>
</tr>
<tr>
<td>American Rescue Plan (ARP)</td>
<td>11,486,600</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>358,419,849</td>
</tr>
<tr>
<td>Food and Nutrition</td>
<td>67,422,126</td>
</tr>
<tr>
<td>Self-Insured Workers Comp &amp; Liability</td>
<td>5,843,497</td>
</tr>
<tr>
<td>Self-Insured Health</td>
<td>174,561,316</td>
</tr>
<tr>
<td>Permanent Fund</td>
<td>148,056</td>
</tr>
<tr>
<td>Miscellaneous Special Revenue Fund (Student Activity)</td>
<td>17,749,585</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>$1,691,400,260</strong></td>
</tr>
</tbody>
</table>
LEGISLATIVE ISSUES

- Increase in Base Student Allocation (BSA) to $5,139.73
- Increase in total statewide funding of $2.3 Billion
- Increase in district share of revenue of $75 Million
- Increased Florida Retirement System expenditures
- Increase in the district share of the Teacher Salary Increase Allocation of $33.8 Million
- Increase in Safe Schools Allocation statewide of $40 Million
- State-Funded Discretionary Supplement of $436 Million statewide.
# OPERATING FUND RESOURCES

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Direct</td>
<td>$350,000</td>
<td>0.04%</td>
</tr>
<tr>
<td>Federal Through State</td>
<td>3,000,000</td>
<td>0.29%</td>
</tr>
<tr>
<td>State Sources</td>
<td>286,721,620</td>
<td>27.59%</td>
</tr>
<tr>
<td>Local Sources</td>
<td>621,200,982</td>
<td>59.78%</td>
</tr>
<tr>
<td>Transfers</td>
<td>50,000,000</td>
<td>4.81%</td>
</tr>
<tr>
<td>Other</td>
<td>40,000</td>
<td>0.00%</td>
</tr>
<tr>
<td>Fund Balance</td>
<td>77,887,398</td>
<td>7.49%</td>
</tr>
<tr>
<td><strong>Total - Anticipated Resources</strong></td>
<td><strong>$1,039,200,000</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>
OPERATING BUDGET REVENUE SOURCES

- Federal: 0.33%
- State: 27.59%
- Local: 59.78%
- Fund Balance: 7.49%
- Transfers: 4.81%
- Other: 0.00%
- Federal: 0.33%
- State: 27.59%
- Local: 59.78%
PROPOSED OPERATING BUDGET

• Funds the day-to-day operating expenses of the School District
  • Salaries and Benefits
  • Supplies and Materials
  • Textbooks and Library Books
  • Student Transportation
  • Utilities
  • Maintenance and Repairs
OPERATING BUDGET BY OBJECT

Salaries: 57.69%
Benefits: 22.92%
Purchased Services: 12.11%
Energy Services: 3.29%
Capital Outlay: 0.73%
Supplies: 2.29%
Other: 0.97%
Capital Outlay: 0.73%
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
  - Certificate 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, 2023

• Major Changes
  • Anticipated revenue through Certificates of Participation bonds
  • Addition of new “Year 5” (2027-2028)
PROPOSED CAPITAL PROJECTS

Major Renovation and Construction of Schools:
- Gibbs High School $4,122,000
- Gulf Beaches Elementary 1,800,000
- Leadership Center 9,402,350
- Pasadena Fundamental 1,800,000
- Largo Middle School 135,000
- Seminole Elementary 2,400,000
- Seminole High School 2,750,000
- Sandy Lane Elementary 14,350,000
- YMCA Partner School 9,142,966

Relocatables, Site Acquisitions, Minor Projects 47,592,500
Area Superintendents’ fund for special causes 5,000,000
Furniture, Equipment, Technology, Vehicles and Safety 25,585,061
Two Mill Relief, Transfers, Debt Service, Contingency 57,043,879

Total Capital Appropriations for FY 2023-2024 $181,123,755
Carryover of prior projects 62,536,465
Ending Fund Balance 114,759,629
Total Capital Outlay appropriations, transfers & fund balance $358,419,849
PROPOSED SPECIAL REVENUE

• Contracted Programs
  • Total Budget $19,559,650
    • 2022-2023 Continuing Grants
    • New Grants upon receipt
    • Includes CARES, ESSER and ARP grants

• Food & Nutrition
  • Total Budget $67,422,126
    • Self-Supporting
PROPOSED DEBT SERVICE BUDGET

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

• Outstanding Bond Issues
  • $106 Million
    • 2017 Certificate of Participation Bonds
    • 2021 Certificate of Participation Bonds

• Total Budget $8,496,181
PROPOSED SELF-INSURED WORKERS COMP BUDGET

- Total Budget: $5,843,497
- Workers Compensation
- Liability Insurance
PROPOSED SELF-INSURED HEALTH BUDGET

• Total Budget $174,561,316
  • Self-Insurance related to employee health benefits
  • Premium revenue and claim expenditures
The Tentative Budget is on file in the Office of Budget & Resource Allocation in the Administration Building

301 4th Street SW, Largo, FL  33770

For additional information, please call:
(727) 588-6340

www.pcsb.org
MOTION NECESSARY TO ADOPT THE TENTATIVE BUDGET