PUBLIC HEARING
TO ADOPT FISCAL YEAR 2022-23
PROPOSED MILLAGES AND BUDGET

SEPTEMBER 13, 2022
PROPOSED MILLAGES

FISCAL YEAR 2022-23
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></th>
<th>Rolled-Back Rate</th>
<th>2022-2023 Proposed Rate</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Required Local Effort</td>
<td>3.0654</td>
<td>3.2150</td>
<td>4.88%</td>
</tr>
<tr>
<td>Discretionary Local Effort</td>
<td>0.6410</td>
<td>0.7480</td>
<td>16.69%</td>
</tr>
<tr>
<td>Local Referendum</td>
<td>0.4285</td>
<td>0.5000</td>
<td>16.69%</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>1.2855</td>
<td>1.5000</td>
<td>16.69%</td>
</tr>
<tr>
<td><strong>Total Millage</strong></td>
<td><strong>5.4204</strong></td>
<td><strong>5.9630</strong></td>
<td><strong>10.01%</strong></td>
</tr>
</tbody>
</table>
GROSS TAXABLE VALUE TREND

$Billion

+18.0%  +7.0%  +6.7%  +7.2%  +7.7%  +7.6%  +7.1%  +7.0%  +3.4%  -2.4%  -4.6%  -9.4%  -11.0%  -2.0%
# Millage Comparison

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Required Local Effort</td>
<td>3.5770</td>
<td>3.2150</td>
<td>-10.12%</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>4.8250</td>
<td>4.4630</td>
<td>-7.50%</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>6.3250</strong></td>
<td><strong>5.9630</strong></td>
<td><strong>-5.72%</strong></td>
</tr>
</tbody>
</table>
# Property Tax Revenue Comparison

<table>
<thead>
<tr>
<th></th>
<th>Revenue 2021-2022</th>
<th>Revenue 2022-2023</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Required Local Effort</td>
<td>$364,140,051</td>
<td>$386,174,268</td>
<td>$22,034,217</td>
</tr>
<tr>
<td>Discretionary</td>
<td>76,146,704</td>
<td>89,847,077</td>
<td>13,700,373</td>
</tr>
<tr>
<td>Local Referendum</td>
<td>50,900,203</td>
<td>60,058,207</td>
<td>9,158,004</td>
</tr>
<tr>
<td>Total Operating</td>
<td>$491,186,958</td>
<td>$536,079,552</td>
<td>$44,892,594</td>
</tr>
<tr>
<td>Capital Outlay Millage</td>
<td>152,700,609</td>
<td>180,174,620</td>
<td>27,474,011</td>
</tr>
<tr>
<td>Total Millage</td>
<td>$643,887,567</td>
<td>$716,254,172</td>
<td>$72,366,605</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: 5.963
- Total 2022 School Tax: $1,043.53
## Example of How Your Taxes May Change

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Change in Assessed Value</td>
<td>7.0%</td>
<td>6.7%</td>
<td>18.0%</td>
<td></td>
</tr>
<tr>
<td>Assessed Value</td>
<td>$200,000</td>
<td>$214,000</td>
<td>$228,338</td>
<td>$269,439</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>$175,000</td>
<td>$189,000</td>
<td>$203,338</td>
<td>$244,439</td>
</tr>
<tr>
<td>Taxable Value*</td>
<td>$175,000</td>
<td>$189,000</td>
<td>$203,338</td>
<td>$244,439</td>
</tr>
<tr>
<td>Divided by 1,000 (= number of &quot;mills&quot;)</td>
<td>175.000</td>
<td>189.000</td>
<td>203.338</td>
<td>244.439</td>
</tr>
<tr>
<td>Times Millage Rate</td>
<td>6.584</td>
<td>6.427</td>
<td>6.325</td>
<td>5.963</td>
</tr>
<tr>
<td>Property Taxes</td>
<td>$1,152.20</td>
<td>$1,214.70</td>
<td>$1,286.11</td>
<td>$1,457.59</td>
</tr>
<tr>
<td>Change as compared to the prior year</td>
<td>$62.50</td>
<td>$71.41</td>
<td>$171.48</td>
<td></td>
</tr>
<tr>
<td>Cumulative 3-Year Change</td>
<td>$305.39</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*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 Proposed Discretionary Millage
Adoption of Total Millage Rate
PROPOSED BUDGET

FISCAL YEAR 2022-23
BUDGET CYCLE

- Budget Process Begins
- FTE Counts
  - Current Year Estimates
  - New Year Projections
- Staffing Allocations to Schools
- Capital Outlay Steering Committee meets
- Legislative Session & Conference Report
- Base Budgets/New Requests Received; Discretionary Budgets Allocated
- New Fiscal Year Begins
- School Board Workshop
- Public Hearings
- Budget Approved and Adopted
- Budget Updates

- January
- March
- June
- July
BUDGET PARAMETERS

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

General Operating $ 1,009,044,688
Debt Service 8,523,333
Capital Outlay 343,393,479
Contracted Programs 27,134,677
Coronavirus Aid, Relief and Economic Security Act (CARES) 2,374,891
Elementary & Secondary School Emergency Relief Fund (ESSER) 4,232,405
American Rescue Plan (ARP) 139,592,850
Food and Nutrition 72,280,341
Self-Insured Workers Comp & Liability 5,443,497
Self-Insured Health 169,688,262
Permanent Fund 148,056
Miscellaneous Special Revenue Fund (Student Activity) 20,506,544
Grand Total $ 1,802,363,023
BUDGET SUMMARY ALL SOURCES

- General Operating 55.99%
- Capital Outlay 19.05%
- Contracted Programs (including CARES, ESSER & ARP) 9.62%
- Self-Insured Health 9.41%
- Food and Nutrition 4.01%
- Debt Service 0.47%
- Permanent Fund 0.01%
- Miscellaneous Special Revenue Fund 1.14%
- Self-Insured Workers Comp 0.30%
LEGISLATIVE ISSUES

- Increase in Base Student Allocation (BSA) to $4,587.40
- Increase in total statewide funding of $1.7 Billion
- Increase in district share of revenue of $35.2 Million
- Increased Florida Retirement System expenditures
## OPERATING FUND RESOURCES

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Direct</td>
<td>$355,000</td>
<td>0.03%</td>
</tr>
<tr>
<td>Federal Through State</td>
<td>3,000,000</td>
<td>0.30%</td>
</tr>
<tr>
<td>State Sources</td>
<td>315,732,919</td>
<td>31.29%</td>
</tr>
<tr>
<td>Local Sources</td>
<td>562,337,081</td>
<td>55.73%</td>
</tr>
<tr>
<td>Transfers</td>
<td>58,000,000</td>
<td>5.75%</td>
</tr>
<tr>
<td>Other</td>
<td>75,000</td>
<td>0.01%</td>
</tr>
<tr>
<td>Fund Balance</td>
<td>69,544,688</td>
<td>6.89%</td>
</tr>
<tr>
<td><strong>Total Anticipated Resources</strong></td>
<td>$1,009,044,688</td>
<td>100.00%</td>
</tr>
</tbody>
</table>
OPERATING BUDGET REVENUE SOURCES

- Local: 55.73%
- State: 31.29%
- Federal: 0.33%
- Other: 0.01%
- Transfers: 5.75%
- Fund Balance: 6.89%
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: 58.57%
- Benefits: 22.16%
- Purchased Services: 11.76%
- Energy Services: 3.34%
- Supplies: 2.34%
- Capital Outlay: 0.82%
- Other: 1.01%
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
PROPOSED CAPITAL PROJECTS

Major Renovation and Construction of Schools:
- Lakewood High School: $5,519,189
- Mildred Helms Elementary: 4,024,875
- Tyrone Middle: 4,223,450
- Largo Middle School: 500,000
- Midtown Academy: 9,000,000
- Pinellas Central Elementary: 8,800,000
- Sandy Lane Elementary: 1,000,000
- 74th Street Elementary: 4,100,000
- Coachman Bus Compound: 2,000,000
- YMCA Partner School: 19,625,278

Relocatables, Site Acquisitions, Minor Projects: 37,553,960
Area Superintendents’ fund for special causes: 4,770,346
Furniture, Equipment, Technology, Vehicles and Safety: 31,885,742
Two Mill Relief, Transfers, Debt Service, Contingency: 52,793,608

Total Capital Appropriations for FY 2022-2023: $185,796,448
Carryover of prior projects: 133,292,025
Ending Fund Balance: 24,305,006
Total Capital Outlay appropriations, transfers & fund balance: $343,393,479
PROPOSED SPECIAL REVENUE

• Contracted Programs
  • Total Budget $173,334,823
  • 2021-2022 Continuing Grants
  • New Grants upon receipt
  • Includes CARES, ESSER and ARP grants

• Food & Nutrition
  • Total Budget $72,280,341
  • Self-Supporting
PROPOSED DEBT SERVICE BUDGET

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

- Outstanding Bond Issues
  - $109 Million
    - 2017 Certificate of Participation Bonds
    - 2021 Certificate of Participation Bonds

- Total Budget $8,523,333
PROPOSED SELF-INSURED WORKERS COMP BUDGET

- Total Budget: $5,443,497
  - Workers Compensation
  - Liability Insurance
PROPOSED SELF-INSURED HEALTH BUDGET

- Total Budget $169,688,262
  - Self-Insurance related to employee health benefits
  - Premium revenue and claim expenditures
SCHOOL BOARD OF PINELLAS COUNTY

- The Proposed 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 PROPOSED BUDGET