

School Board of Pinellas County

Second Public Hearing to
Adopt Proposed Budget &
Millages

September 12, 2006



School Board of Pinellas County

Proposed Millages
For Fiscal Year 2006-07



The School District's Proposed Millage Is Comprised Of :

- General (Operating)
 - Required Local effort - State Mandated
 - Discretionary
 - Supplemental
 - Local Referendum
- Capital Outlay



What Is the “Rolled-back” Millage Rate?

- The millage rate necessary to generate the same amount of money that was raised the prior school year, but using the new property values after adjusting for new construction



Proposed Increase Over "Rolled-back" Rate

| 2006-2007 Proposed vs "Rolled Back " Rate | | | |
|--|-----------------------|-----------------------|----------------------|
| | "Rolled-Back" Rate | Proposed 2006-2007 | Percent of Change |
| Required Local Effort | 4.371 | 5.046 | 15.45% |
| Discretionary Millage | 0.429 | 0.510 | 18.77% |
| Supplemental Millage | 0.159 | 0.154 | -3.21% |
| Capital Outlay Millage | 1.684 | 2.000 | 18.76% |
| Local Referendum | 0.421 | 0.500 | 18.76% |
| Total Millage | 7.064 | 8.210 | 16.22% |



Millages Comparison

| Proposed 2006-2007 vs 2005-2006 Actual | Actual 2005-2006 | Proposed 2006-2007 | Percent of Change |
|---|---------------------|-----------------------|----------------------|
|---|---------------------|-----------------------|----------------------|

| | | | |
|-----------------------|-------|-------|--------|
| Required Local Effort | 5.191 | 5.046 | -2.79% |
|-----------------------|-------|-------|--------|

| | | | |
|-----------------------|-------|-------|-------|
| Discretionary Millage | 0.510 | 0.510 | 0.00% |
|-----------------------|-------|-------|-------|

| | | | |
|----------------------|-------|-------|---------|
| Supplemental Millage | 0.189 | 0.154 | -18.52% |
|----------------------|-------|-------|---------|

| | | | |
|------------------------|-------|-------|-------|
| Capital Outlay Millage | 2.000 | 2.000 | 0.00% |
|------------------------|-------|-------|-------|

| | | | |
|------------------|-------|-------|-------|
| Local Referendum | 0.500 | 0.500 | 0.00% |
|------------------|-------|-------|-------|

| | | | |
|---------------|-------|-------|--------|
| Total Millage | 8.390 | 8.210 | -2.15% |
|---------------|-------|-------|--------|



Reasons for Increase Above "Rolled-back" Rate

- **Required Local Effort:**
 - Proposed tax rate must be levied to receive state funds (no district option)
- **Discretionary Millage:**
 - To maintain services and meet additional costs due to growth and inflation
- **Local Referendum**
 - Meet community expectations
- **Capital Outlay Millage:**
 - For proposed 2006-07 projects as advertised



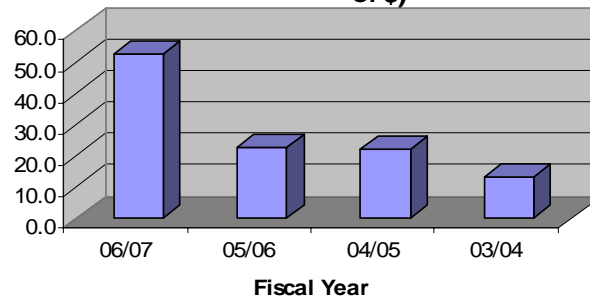
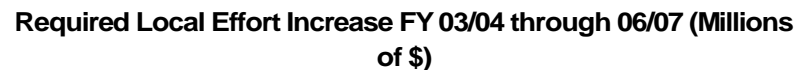
Millage Proceeds by Type

| Type | Millage | Proceeds |
|-----------------|---------|----------------|
| Operating | | |
| Required | 5.046 | \$ 362,697,357 |
| Discretionary | 0.510 | 36,657,878 |
| Supplemental | 0.154 | 11,069,242 |
| Referendum | 0.500 | 35,939,096 |
| Total Operating | 6.210 | 446,363,573 |
| Capital Outlay | 2.000 | 143,756,384 |
| Total Millage | 8.210 | \$ 590,119,957 |



Required Local Effort Increase

FY 03/04 through 06/07

[illegible]

State Funding Comparison

Increase in Funding Statewide (In Billions of Dollars)

Total Funding

2.0

Less FRS

(0.2)

Net Increase

1.8

Local
State

1.2

66.67%

0.6

33.33%

1.8

100.00%

Increase in Funding Pinellas (In Millions of Dollars)

69.7

(10.7)

59.0

63.5

107.63%

(4.5)

-7.63%

59.0

100.00%



Motions Necessary to Adopt Millage Rates

- Approval of Proposed Supplemental Discretionary Millage by Separate Vote
- Adoption of Total Millage Rates



School Board of Pinellas County

Proposed Budget
For Fiscal Year 2006-07

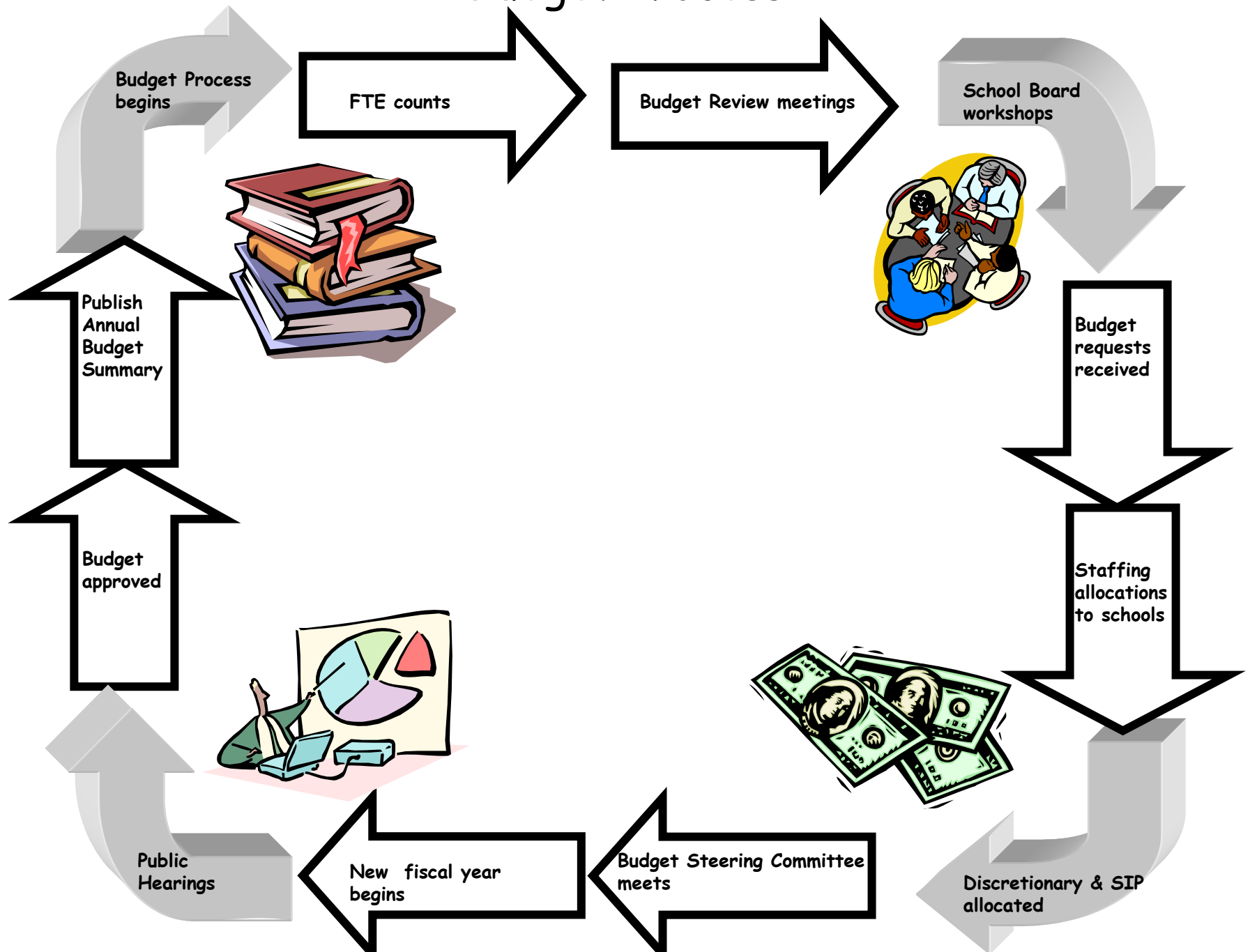


Budget Calendar

- October 2005 - May 2006
 - Board Workshops
 - Budget Analysis
 - Budget Forecasting
 - Staffing Plan Development
- March - June 2006
 - Budget Development
 - Budget Steering Committee
- July - September 2006
 - Minor Budget Adjustments
 - Public Hearings
 - Approval of Budget and Millage



Budget Process



Budget Parameters

- “Live Within Our Means”
- 63/37 Expenditures Benchmark
- Contingency
- Core Curriculum/Strategic Directions
- Employee Compensation



Required Advertisements

- Required by Florida Statute
 - Section 200, Truth-in-Millage (TRIM)
 - “Notice of Proposed Tax Increase”, “Budget Summary Ad” & “Notice of Tax for School Capital Outlay”
 - Section 1011.03
 - “2006/07 Budget Summary”
 - Historical summary of financial and demographic data
 - 2005-2006, 2000-01, and 1995-96



2006-07 Budget Summary

| | |
|----------------------------|--------------------------------|
| General Operating | \$ 916,404,180 |
| Debt Service | 5,151,482 |
| Capital Outlay | 412,272,074 |
| Contracted Programs | 30,666,431 |
| School Food Service | 49,061,245 |
| Internal Service | 11,831,229 |
| Grand Total | <u>\$ 1,425,386,641</u> |



Legislative Issues 2006-2007

- Increase in [BSA](#)
- Supplemental Academic Instruction Categorical (now includes reading program categorical and Special Teachers Are Rewarded (STAR))
- Educational Technology and Teacher Training were not funded
- Lottery Funds / School Recognition
- Class Size Reduction Categorical
- "John McKay Scholarships"
(\$5,665,000 in 2005-2006)

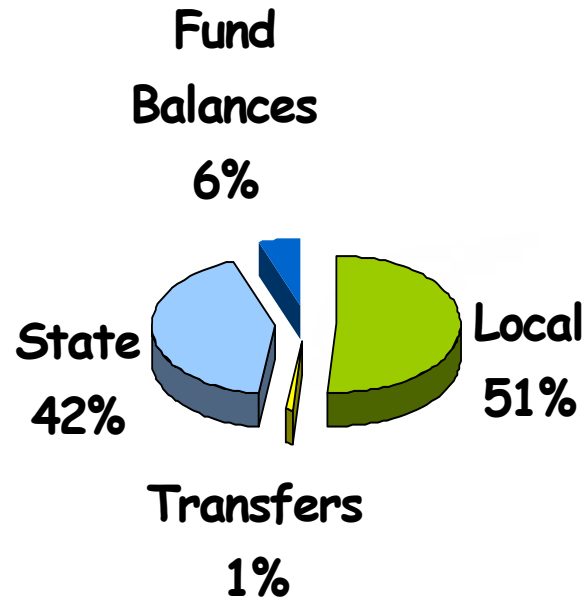


Operating Fund Resources

| | | |
|------------------------------|----------------------|--------|
| Federal Direct | \$185,000 | 0.0% |
| Federal Through State | 2,153,597 | 0.2% |
| State Sources | 385,172,608 | 44.5% |
| Local Sources | 466,992,975 | 53.9% |
| Transfers | 10,700,000 | 1.2% |
| Other | 500,000 | 0.1% |
| Anticipated Resources | <u>\$865,704,180</u> | 100.0% |
| Fund Balance | 50,700,000 | |
| Total Operating Resources | <u>916,404,180</u> | |



Operating Budget Revenue Sources by %



Note: Federal Sources make up less than 1% of Total Revenues.

Proposed Operating Budget

- Funds the Day to Day Operating Expenses of the School District
 - Salaries & Benefits
 - Supplies and Materials
 - Textbooks & Library Books
 - Student Transportation
 - Utilities
 - Maintenance & Repairs

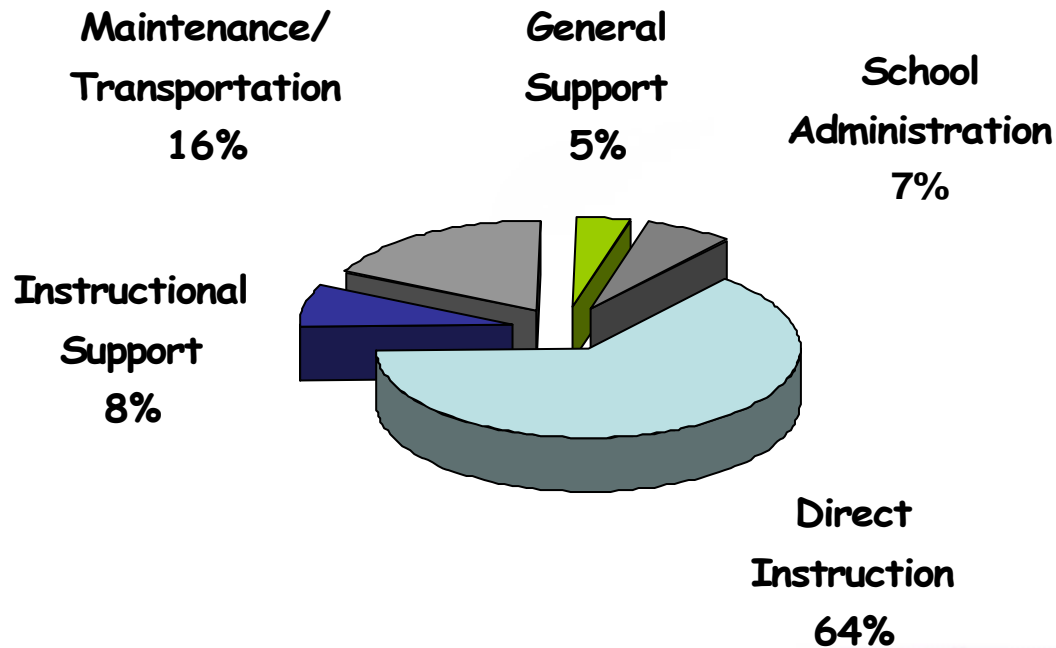


Operating Budget Allocation by Object

| | | |
|---------------------------------|----------------------|---------------|
| Salaries | \$555,462,299 | 65.0% |
| Benefits | 167,494,425 | 19.6% |
| Purchased Services | 47,917,848 | 5.6% |
| Energy Services | 35,362,347 | 4.1% |
| Supplies | 34,327,001 | 4.0% |
| Capital Outlay | 6,901,383 | 0.8% |
| Other | 7,334,697 | 0.9% |
| Total - Operating Budget | \$854,800,000 | 100.0% |
| Ending Fund Balance | 61,604,180 | |



Operating Budget Allocation by Function



Capital Fund Sources

- **State Sources:**

- Public Education Capital Outlay (PECO)
- Capital Outlay & Debt Service (CO&DS)
 - Flow-through revenue has been bonded (*state*)
- Classrooms for Kids
- State fund sources account for approximately 10% of new revenues



Capital Fund Sources

- **Local Sources:**

- Property Taxes - 2.000 mills
- Local fund sources account for approximately 90% of new revenues

- **Fund Balances (Committed Projects)**

- Past practice has been to operate under a "Pay-As-You-Go" policy



Proposed Capital Outlay Budget

- Pays for Capital Projects, such as:
 - Site Acquisitions
 - Construction and Remodeling
 - Maintenance, Renovations and Repairs
 - Purchase of Furniture, Equipment and Technology
 - Purchase of School Buses
 - Lease of Relocatable Educational Facilities



Proposed Capital Projects

| | | |
|---|----|-------------|
| School and Center Project | \$ | 42,590,792 |
| Maintenance Proj | | 47,646,000 |
| School Buses & Lease/ Purchases | | 5,264,669 |
| Infrastructure Needs | | 7,295,000 |
| Contingency | | 26,680,801 |
| Other Capital Projects | \$ | 60,619,641 |
| Total Capital Projects (from FY 2005-2006) | | 190,096,903 |
| Projects Funded from Prior Revenues | | 222,175,171 |
| Total Capital Outlay | | |
| Appropriations & Transfers | | 412,272,074 |



Five-Year Capital Outlay Plan & Facilities Work Program

- Review and update Five-Year Capital Outlay Plan
 - School Board will review recommended updates to plan on September 12, 2006.
 - Plan must be updated before Board approves final budget



Five-Year Capital Outlay Plan & Facilities Work Program

- Major changes New “Year 5” (20010/011) is incorporated into plan
 - State-mandated retrofitting of Relocatable Classroom Facilities is continued
 - Adjustments to existing or planned projects are included, based on current construction market conditions and Class Size Reduction requirements
 - Seventeen projects identified as the result of the 2004 Educational Plant Survey and the project prioritization process remain in The Plan



Proposed Debt Service Budget

- **Purpose**
 - To pay the principal and interest on existing long-term debt
- **Outstanding Bond issues (\$38.6 Million)**
 - 2000 SBE Bonds
 - 2001 SBE Bonds
- **Total Budget**
\$5,151,482



Proposed Special Revenue Budget

- **Contracted Programs**

- **Total Budget**

- \$30,666,431**

- 05/06 Continuing Grants
 - New Grants Budgeted Upon Receipt

- **Food Service**

- **Total Budget**

- \$49,061,245**

- Self-Supporting



Proposed Internal Service Budget

- **Total Budget**
\$11,831,229
 - Worker's Compensation
 - Liability Insurance



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
- <http://www.pinellas.k12.fl.us/budget/>



Motions Necessary to Adopt the Budget

- Adoption of Proposed Budget for 2006-07



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