

School Board of Pinellas County

First Public Hearing to Adopt Tentative
Budget and Millages

July 30, 2013

School Board of Pinellas County

Tentative Millages For Fiscal Year 2013-2014



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.



Millage Comparison

<i>Proposed 2013-2014 vs. Actual 2012-2013</i>	2012/2013 Actual	2013/2014 Proposed	<i>Percent Change</i>
Required Local Effort	5.5540	5.3120	<i>-4.36%</i>
Discretionary Local Effort	0.7480	0.7480	<i>0.00%</i>
Local Referendum	0.5000	0.5000	<i>0.00%</i>
Operating Subtotal	6.8020	6.5600	<i>-3.56%</i>
Capital Outlay	1.5000	1.5000	<i>0.00%</i>
Total Millage	8.3020	8.0600	<i>-2.91%</i>

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.

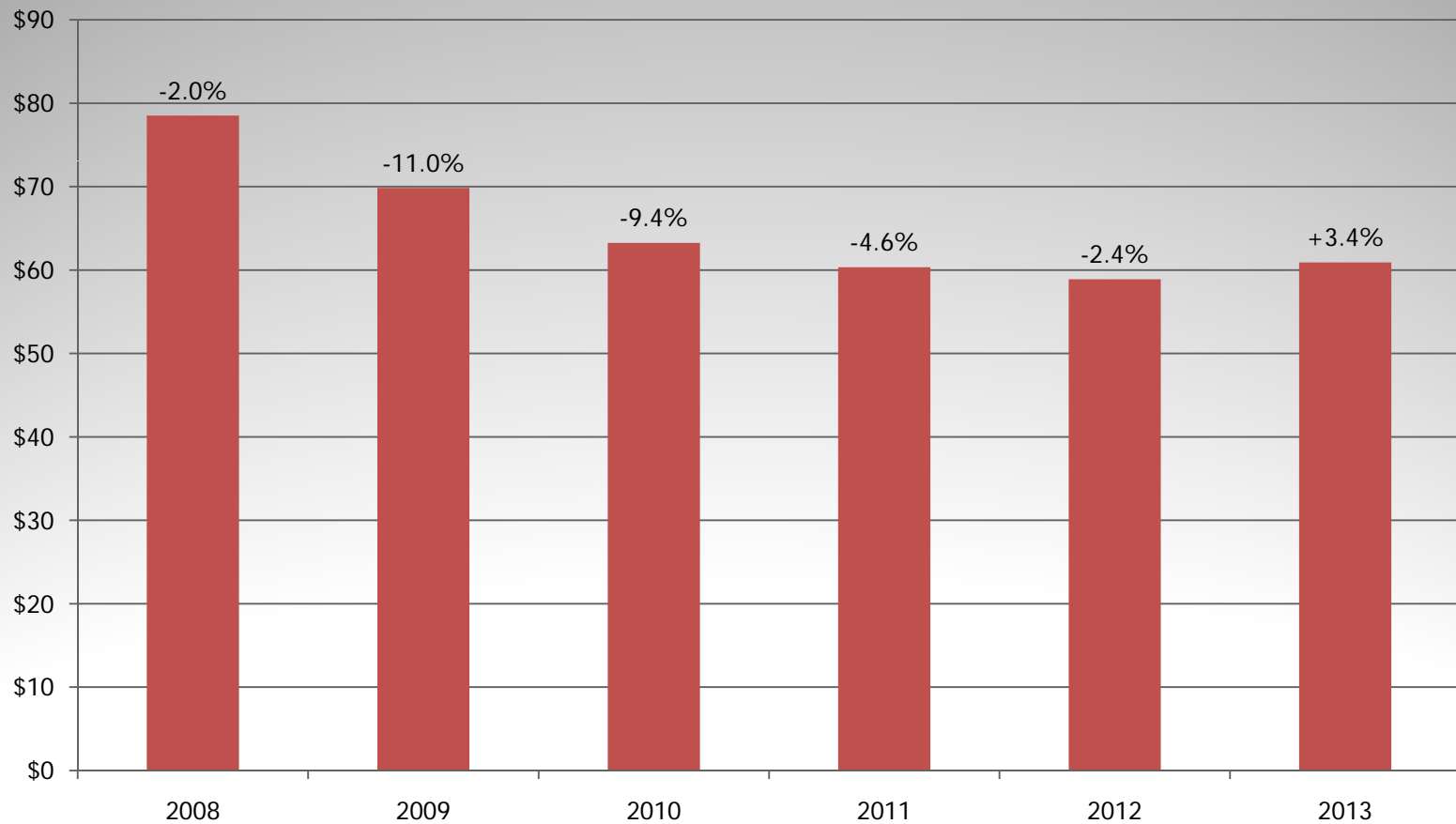


Proposed Millage vs. "Rolled-back" Rate

<i>2013/14 Proposed vs. "Rolled back" Rate</i>	Rolled Back Rate	2013/2014 Proposed	<i>Percent Change</i>
Required Local Effort	5.3827	5.3120	-1.31%
Discretionary Local Effort	0.7250	0.7480	3.17%
Local Referendum	0.4846	0.5000	3.18%
Capital Outlay	1.4537	1.5000	3.18%
Total Millage	8.0460	8.0600	0.17%

Gross Taxable Value Trend

\$Billion



Property Tax Revenue Comparison

	Revenue 2012-2013	Revenue 2013-2014	Difference
Required Local Effort	\$313,997,886	\$310,638,458	(\$3,359,428)
Discretionary	\$42,288,516	\$43,742,012	\$1,453,496
Local Referendum	\$28,267,725	\$29,239,313	\$971,588
Total Operating	\$384,554,127	\$383,619,783	(\$934,344)
Capital Outlay Millage	\$84,803,174	\$87,717,937	\$2,914,763
Total Millage	\$469,357,301	\$471,337,720	\$1,980,419

How are 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>8.060</u>
• Total 2013 Tax	<u>\$1,410.50</u>

Example of How Your Taxes May Change

Tax Year	2010	2011	2012	2013
<i>% Change in Assessed Value</i>		-4.6%	-2.4%	3.4%
Assessed Value	\$ 200,000	\$ 190,800	\$ 186,221	\$ 192,552
Homestead Exemption	25,000	25,000	25,000	25,000
Taxable Value	<u>\$ 175,000</u>	<u>\$ 165,800</u>	<u>\$ 161,221</u>	<u>\$ 167,552</u>
Taxable Value	\$ 175,000	\$ 165,800	\$ 161,221	\$ 167,552
Divided by 1,000 (= number of "mills")	175.000	165.800	161.221	167.552
Times Millage Rate	8.340	8.385	8.302	8.060
Property Taxes	<u>\$1,459.50</u>	<u>\$1,390.23</u>	<u>\$1,338.46</u>	<u>\$1,350.47</u>

Change as compared to the prior year

\$ (69.27)	\$ (51.78)	\$ 12.02
------------	------------	----------

Cumulative 3-Year Change

\$ (109.03)

Reasons for Millage

- 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 inflation
- Local Referendum
- Capital Outlay Millage:
 - For proposed 2013-2014 projects 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 2013-2014

Budget Calendar

- October 2012 – June 2013
 - Board Workshops
 - Budget Analysis
 - Budget Forecasting
 - Staffing Plan Development
- March – June 2013
 - Budget Development
 - Budget Steering Committee
- July – September
 - Minor Budget Adjustments
 - Public Hearings
 - Approval of Budget and Millage



Budget Parameters

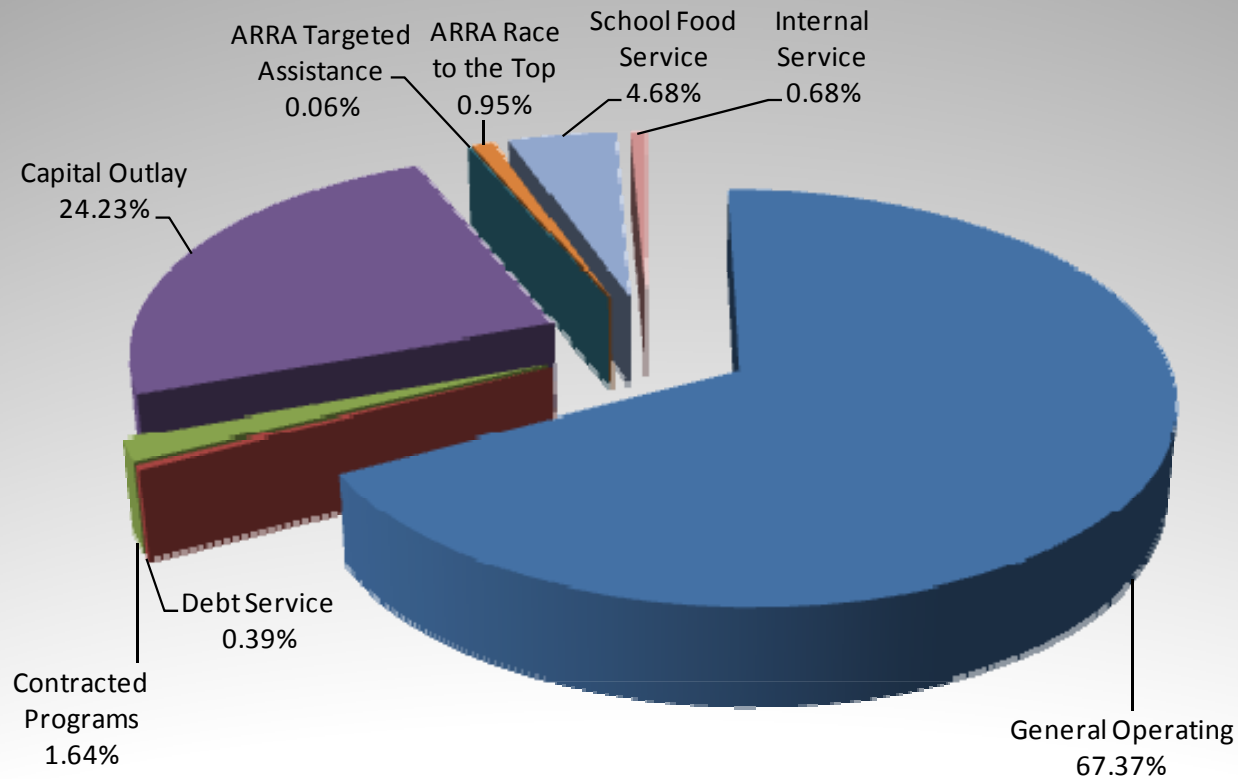
- “Live Within our Means”
- 63/37 Expenditure Benchmark
- Contingency
- Core Curriculum / Strategic Directions



Budget Summary

General Operating	\$	846,400,000
Debt Service		4,914,934
Contracted Programs		20,542,486
Capital Outlay		304,381,016
ARRA Targeted Assistance		811,827
ARRA Race to the Top		11,976,256
School Food Service		58,773,336
Internal Service		8,524,555
Grand Total	\$	<u>1,256,324,410</u>

Budget Summary All Sources



Legislative Issues 2013-2014

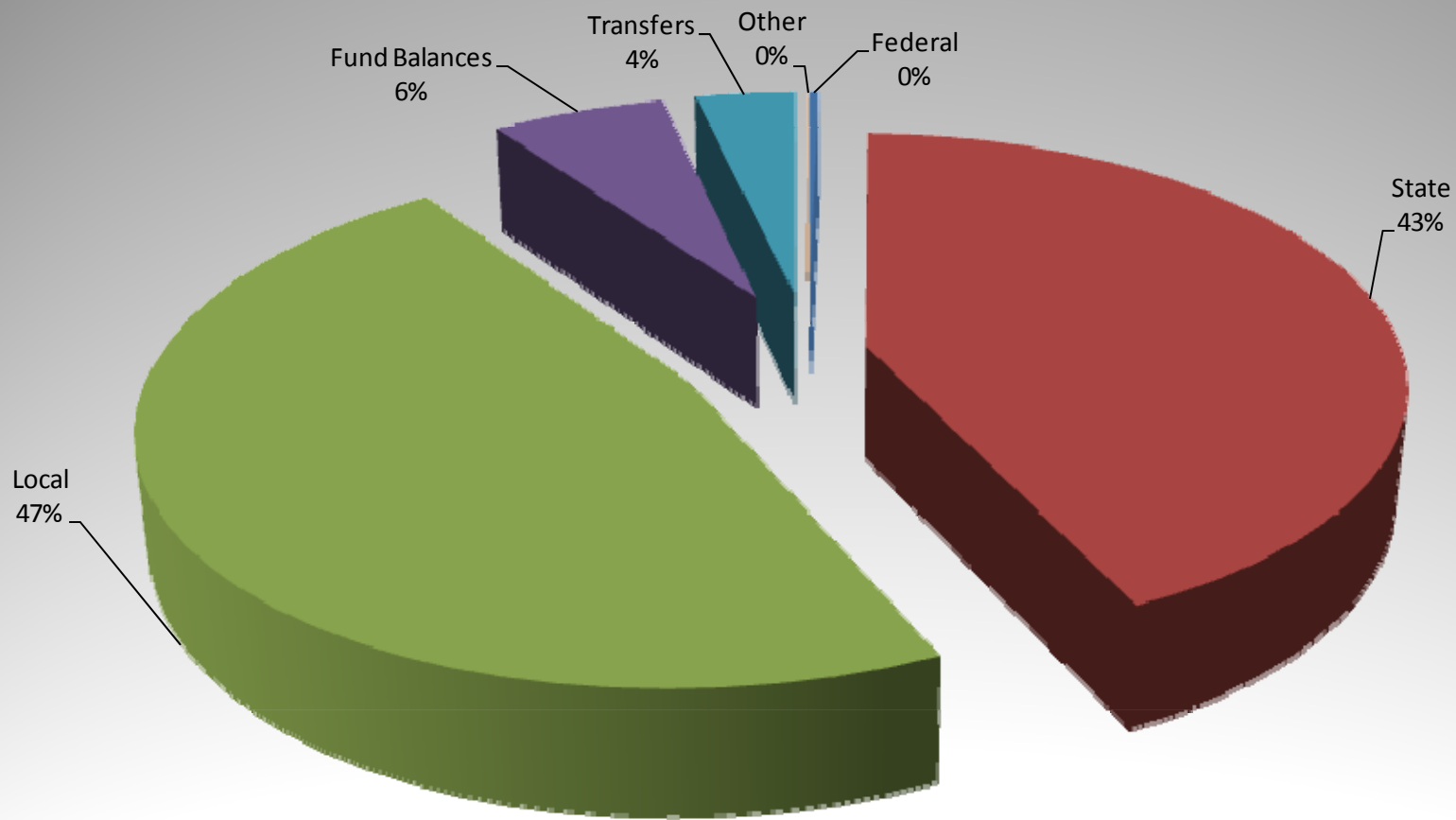
- Increase in Base Student Allocation (BSA) to \$3,752.30
- Increase in district share of revenue of \$38.2 Million
- Teacher Salary Increase Allocation of \$18 Million
 - \$480M statewide for salary increases for classroom teachers and other instructional personnel based on student performance
- Increase of \$.5M in Teachers Classroom Supply Assistance allocation (formerly Teacher Lead)
- Florida Retirement System
 - Approximately \$11.6 Million increase in expenditures due to changes in the contribution rate.



Operating Fund Resources

Federal Direct	\$322,000	0.04%
Federal Through State	2,500,000	0.30%
State Sources	361,706,220	42.73%
Local Sources	399,371,780	47.18%
Transfers	30,000,000	3.54%
Other	300,000	0.04%
Fund Balance	52,200,000	6.17%
Total - Anticipated Resources	<u>\$846,400,000</u>	<u>100.00%</u>

Operating Budget Revenue Sources

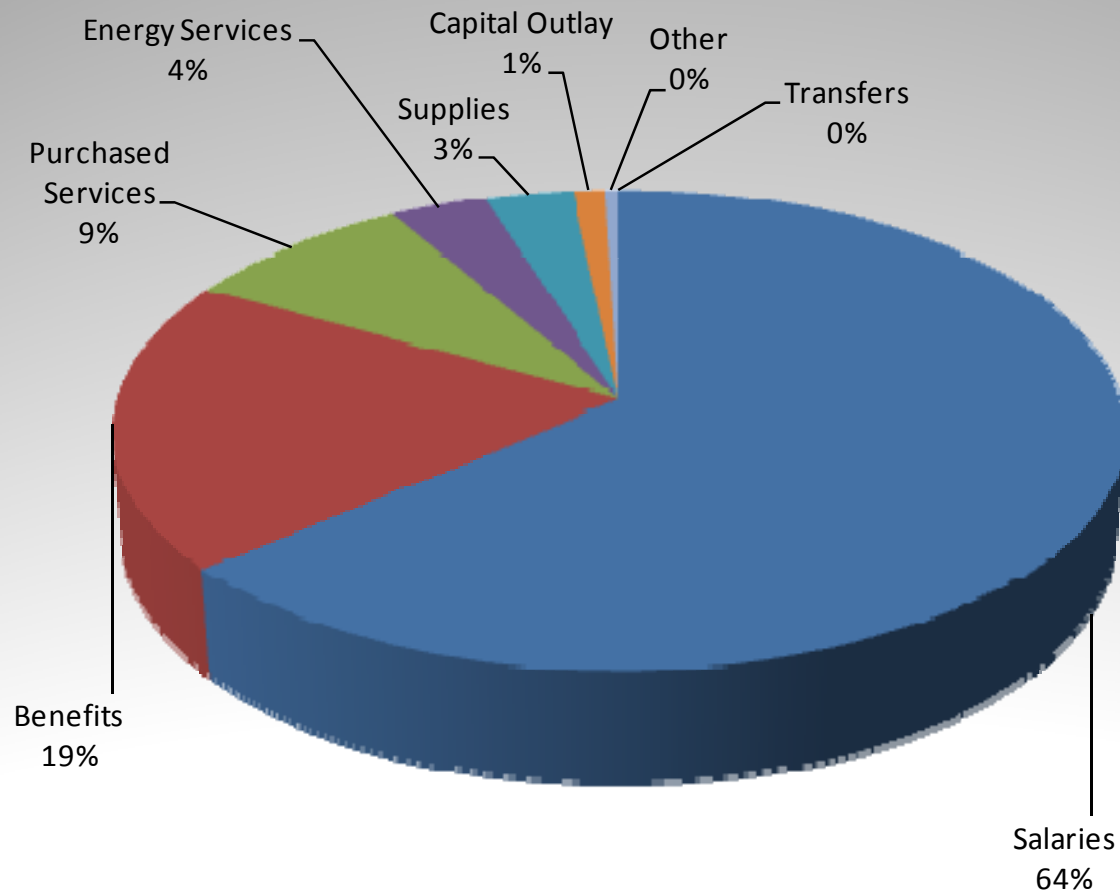


Proposed Operating Budget

- 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)
 - Race Track
- Local Sources
 - Property Taxes – 1.50 mills
 - Interest earnings
- Fund Balance
 - Past practice has been to operate under a “Pay – As – You Go” policy

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 10, 2013
 - Plan must be updated before the Board approves the final budget
- Major Changes
 - Addition of new “Year 5” (2017-2018)
 - Addition of Largo High rebuild



Proposed Capital Projects

Maintenance and Infrastructure projects	27,478,993
Contingency	3,000,000
Technology, equipment, school buses and vehicles	17,221,960
Other (two-mill relief, transfers, relocatables and land)	29,518,046
Total Capital Appropriations for FY 2013-2014	<hr/> \$87,218,999
Carryover of prior projects	95,718,978
Ending Fund Balance	121,443,039
Grand total Capital Outlay appropriations, transfers & fund balance	<hr/> <hr/> <u>\$304,381,016</u>

Proposed Special Revenue

- Contracted Programs
 - Total Budget \$20,542,486
 - 12-13 Continuing Grants
 - New Grants upon receipt
- American Recovery and Reinvestment Grants
 - Total Budget \$12,788,083
 - Targeted Assistance
 - Race to the Top
- Food Service
 - Total Budget \$58,773,336
 - Self-Supporting



Proposed Debt Service Budget

- Purpose
 - To pay the principal and interest on existing long - term debt
- Outstanding Bond Issues
- (\$21.9 Million)
 - 2005 SBE Bonds
 - 2010 SBE Bonds
- Total Budget \$4,914,934

Proposed Internal Service Budget

- Total Budget
\$8,524,555
- 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
- [HTTPS://www.pcsb.org/budget/](https://www.pcsb.org/budget/)



Motion Necessary to Adopt the
Tentative Budget