

July 25, 2012

TO: Members, School Board of Pinellas County

FROM: Kevin Smith, Associate Superintendent (K)
Finance & Business Services

RE: Materials for the First Public Hearing 2012-13 Budget and Millage

On the evening of Tuesday, July 31, 2012 there is a Public Hearing which will be legally-advertised (Tampa Bay Times on Saturday, July 28th) on the tentative 2012-13 District Budget and Millage Rates.

The tentative budget for the 2012-13 Operating fund contains \$14.0 million of proposed budget reductions. Included in those budget reductions are potential savings in health insurance premiums, a reclassification of some general fund expenditures to the food service fund, a potential reduction in departmental discretionary budgets, reductions in contracted services, purchased services, and overtime payments.

It is important to note that this budget is "tentative" and is based on projections for the 2012-13 beginning balances, since the results of the financial operations for the 2011-12 school year are not yet completed. Changes to the board-provided healthcare package are still being negotiated. The budget that will be presented at the Final Public Hearing in September will be based on actual balances and, hopefully, budget reductions that have been approved by the Board and agreed upon by the bargaining groups.

The proposed total tax millage rate of 8.302 mills is slightly lower than the actual rate levied for the 2011-12 fiscal year of 8.385 mills. As a result of a 2.3% decrease in the tax roll, the proposed tax millage of 8.302 mills represents a 3.44% decrease when compared to the 8.5982 mills "rolled-back" rate. The proposed taxes to be raised by the total millage rate will be \$16.3 million less than the proceeds generated by last year's millage rate. Capital Outlay funding accounts for \$ 2.1 million of this reduction and the remaining \$14.2 million is attributable to the Operating budget. The largest share (\$12.5 million) is the result of a reduction of Required Local Effort.

If you have any questions pertaining to any of these materials or about the budget in general, please either call Karen Coffey (588-6171) or me (588-6172). Thank you for your support and interest in our budget and finances.

KS:sa
Attachment

cc: John A. Stewart, Ed. D., Superintendent
Jim Madden, Deputy Superintendent
Jim Robinson, General Counsel
Karen Coffey, Budget Specialist