

School Board of Clay County

First Public Hearing Adoption of Millages and Tentative Budget

July 28, 2015

School District of Clay County

2015-2016 PUBLIC HEARING

BOARD MEMBERS

Johnna McKinnon, Chairman

Betsy Condon, Vice Chairman

Janice Kerekes

Carol Studdard

Ashley Gilhousen

SUPERINTENDENT

Charles E. Van Zant, Jr.

PREPARED BY:

Assistant Superintendent for Business Affairs

Susan Legutko

Administrative Secretary, Sr.

Shirlene Barker

School District of Clay County

AN EXPLANATION OF ROLLED-BACK MILLAGE RATE

Rolled-Back Rate: -- The millage rate for the new year which would produce the same level of ad valorem tax revenue as was levied in the prior year, after adjusting the new year's taxable property value by backing out "net new construction" and certain deletions.

In other words, the Rolled-Back Rate is the new millage rate that it would take to produce the same amount of property tax revenue using the new-year property tax roll, as was produced the year before by the prior-year actual millage rate and the prior-year tax roll.

The theory behind the "Rolled-Back Rate" is to maintain a constant revenue stream from local property tax sources. Presumably, as the tax roll increases in value, the millage rate would drop proportionately. Unfortunately, this theory does not provide for funding student enrollment growth nor does it allow for basic inflationary cost increases. A third limitation is the historical trend toward rapidly declining state revenues expressed as a percentage of the School Board's operating and capital outlay budgets.

HISTORY OF MILL LEVIES

| | Actual 08-09 | Actual 09-10 | Actual 10-11 | Actual 11-12 | Actual 12-13 | Actual 13-14 | Actual 14-15 | Actual 15-16 |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Required Local Effort | 5.161 | 5.235 | 5.369 | 5.479 | 5.323 | 5.094 | 4.974 | 4.889 |
| Basic Discretionary Levy | 0.498 | 0.748 | 0.748 | 0.748 | 0.748 | 0.748 | 0.748 | 0.748 |
| Supplemental Discretionary | .250 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Critical Operating Needs Levy | | 0.250 | 0.250 | .250 | 0.250 | 0 | 0 | 0 |
| Total Operating Mill Levy | 5.909 | 6.233 | 6.367 | 6.477 | 6.321 | 5.842 | 5.722 | 5.637 |
| Total Capital Outlay Mill Levy | 1.750 | 1.500 | 1.500 | 1.500 | 1.500 | 1.500 | 1.500 | 1.500 |
| TOTAL MILL LEVY | 7.659 | 7.733 | 7.867 | 7.977 | 7.821 | 7.342 | 7.222 | 7.137 |

2015-2016 PROPOSED MILLAGE LEVIES

| | 2014-2015 | 2015-2016 |
|---------------------------------|---------------------|---------------------|
| REQUIRED LOCAL EFFORT | 4.9740 | 4.8890 |
| BASIC DISCRETIONARY OPERATING | .7480 | .7480 |
| BASIC LOCAL CAPITAL IMPROVEMENT | <u>1.5000</u> | <u>1.5000</u> |
| TOTAL MILLAGES | <u>7.2220</u> | <u>7.1370</u> |
| DOLLARS GENERATED | | |
| OPERATING | \$52,526,745 | \$56,700,876 |
| CAPITAL IMPROVEMENT | <u>\$13,769,682</u> | <u>\$14,331,975</u> |
| TOTAL REVENUE | <u>\$66,296,427</u> | <u>\$71,032,851</u> |

School District of Clay County

2015-2016 Annual Budget

RECAP OF MILLAGE LEVIES AND DISTRICT AD VALOREM TAX REVENUE

Impact on a \$150,000 home with a \$50,000 homestead exemption:



| | |
|---------------------|--------------------|
| Value Assessed | \$150,000 |
| Homestead Exemption | <u>\$ 50,000</u>) |

| | | |
|----------------|-----------|---|
| Taxable Value: | 2014-2015 | \$100,000 @ 7.222 mills = \$722.00 |
| Taxable Value: | 2015-2016 | \$100,000 @ 7.137 mills = <u>\$713.70</u> |

Decrease in School Tax Levy (\$ 8.30)

NOTE: Beginning in Fiscal Year 2010-11, the budgeted collection rate is 96%. \$68,191,538. Prior to 2010-11 the budgeted collection rate was 95%.

BUDGET SUMMARY

THE PROPOSED OPERATING BUDGET EXPENDITURES OF THE SCHOOL DISTRICT OF CLAY COUNTY ARE 2.9 PERCENT MORE THAN LAST YEAR'S TOTAL OPERATING EXPENDITURES

FISCAL YEAR 2015-2016

PROPOSED MILLAGE LEVIES SUBJECT TO 10-MILL CAP:

| | | | | | |
|---|--------|---|--------|---------------|--------|
| Required Local Effort | 4.8890 | Basic Discretionary Operating | 0.7480 | Debt Service | 0.0000 |
| Basic Discretionary Capital Outlay | 1.5000 | Discretionary Critical Needs Operating | 0.0000 | | |
| Additional Discretionary Capital Outlay | 0.0000 | Additional Discretionary (Statutory, Voted) | 0.0000 | Total Millage | 7.1370 |

| | GENERAL FUND | SPECIAL REVENUE | DEBT SERVICE | CAPITAL PROJECTS | PERMANENT FUND | ENTERPRISE FUND | TOTAL ALL FUNDS |
|--|--------------|-----------------|--------------|------------------|----------------|-----------------|-----------------|
|--|--------------|-----------------|--------------|------------------|----------------|-----------------|-----------------|

ESTIMATED REVENUES:

| | | | | | | | |
|-----------------|-------------|------------|---------|------------|--|--|-------------|
| Federal sources | 1,930,694 | 28,108,004 | | | | | 30,038,698 |
| State sources | 195,528,229 | 137,000 | 982,200 | 1,459,577 | | | 198,107,006 |
| Local sources | 58,387,707 | 5,544,083 | 600 | 20,984,800 | | | 84,917,190 |

| | | | | | | | |
|----------------------|----------------------|---------------------|------------------|---------------------|------------|------------|----------------------|
| TOTAL SOURCES | \$255,846,630 | \$33,789,087 | \$982,800 | \$22,444,377 | \$0 | \$0 | \$313,062,894 |
|----------------------|----------------------|---------------------|------------------|---------------------|------------|------------|----------------------|

| | | | | | | | |
|---------------------------|-----------|-----------|-----------|------------|--|--|------------|
| Transfers In | 5,776,128 | | 5,290,493 | | | | 11,066,621 |
| Non-revenue Sources | 105,329 | | | | | | 105,329 |
| Fund Balance July 1, 2015 | 7,063,711 | 3,056,365 | 453,463 | 13,411,545 | | | 23,985,085 |

TOTAL REVENUES, TRANSFERS & FUND/NET ASSET BALANCES

| | | | | | | | |
|--|----------------------|---------------------|--------------------|---------------------|------------|------------|----------------------|
| | \$268,791,799 | \$36,845,453 | \$6,726,756 | \$35,855,922 | \$0 | \$0 | \$348,219,930 |
|--|----------------------|---------------------|--------------------|---------------------|------------|------------|----------------------|

EXPENDITURES

| | | | | | | | |
|---|-------------|------------|-----------|------------|--|--|-------------|
| Instruction | 172,510,615 | 10,886,573 | | | | | 183,397,188 |
| Pupil Personnel Services | 13,898,158 | 1,817,468 | | | | | 15,715,626 |
| Instructional Media Services | 3,914,555 | 28,249 | | | | | 3,942,804 |
| Instructional and Curriculum Development Services | 4,837,359 | 1,447,416 | | | | | 6,284,775 |
| Instructional Staff Training Services | 2,495,821 | 3,451,589 | | | | | 5,947,410 |
| Instruction Related Technology | 3,599,696 | | | | | | 3,599,696 |
| School Board | 1,437,111 | | | | | | 1,437,111 |
| General Administration | 967,909 | 460,182 | | | | | 1,428,091 |
| School Administration | 14,159,622 | 111,696 | | | | | 14,271,318 |
| Facilities Acquisition and Construction | 1,371,748 | | | 24,778,807 | | | 26,150,555 |
| Fiscal Services | 735,425 | | | | | | 735,425 |
| Food Services | 834 | 16,036,498 | | | | | 16,037,331 |
| Central Services | 3,552,908 | | | | | | 3,552,908 |
| Pupil Transportation Services | 10,407,666 | 87,421 | | | | | 10,495,087 |
| Operation of Plant | 19,254,155 | | | | | | 19,254,155 |
| Maintenance of Plant | 5,423,467 | | | | | | 5,423,467 |
| Administrative Technology Services | 1,203,411 | | | | | | 1,203,411 |
| Community Services | 356,463 | 25,000 | | | | | 381,463 |
| Debt Services | | | 6,265,097 | | | | 6,265,097 |

**TOTAL BUDGET
(ALL FUNDS)**

| | | | | | | | |
|---------------------------|----------------------|---------------------|--------------------|---------------------|------------|------------|----------------------|
| TOTAL EXPENDITURES | \$260,126,923 | \$34,352,091 | \$6,265,097 | \$24,778,807 | \$0 | \$0 | \$325,522,918 |
|---------------------------|----------------------|---------------------|--------------------|---------------------|------------|------------|----------------------|

| | | | | | | | |
|---------------------------------|-----------|-----------|---------|------------|--|--|------------|
| Transfers Out | | | | 11,066,621 | | | 11,066,621 |
| Fund Balance/Net Asset Balances | 8,664,876 | 2,493,362 | 461,659 | 10,494 | | | 11,630,391 |

TOTAL APPROPRIATED EXPENDITURES

| | | | | | | | |
|---|----------------------|---------------------|--------------------|---------------------|------------|------------|----------------------|
| TRANSFERS, AND FUND/NET ASSET BALANCES | \$268,791,799 | \$36,845,453 | \$6,726,756 | \$35,855,922 | \$0 | \$0 | \$348,219,930 |
|---|----------------------|---------------------|--------------------|---------------------|------------|------------|----------------------|

The tentative, adopted, and/or final budgets are on file in the office of the above mentioned taxing authority as a public record.

NOTICE OF TAX FOR SCHOOL CAPITAL OUTLAY

The School Board of Clay County will soon consider a measure to continue to impose a 1.500 mill property tax for the capital outlay projects listed herein. This tax is in addition to the school board's proposed tax of 5.637 mills for operating expenses and is proposed solely at the discretion of the School Board.

The proposed combined school board tax increase for both operating expenses and capital outlay is shown in the adjacent notice. The capital outlay tax will generate approximately \$14,331,975 to be used for the following projects:

NOTICE OF TAX FOR SCHOOL CAPITAL OUTLAY- Con't

- CONSTRUCTION AND REMODELING
- MAINTENANCE, RENOVATION AND REPAIR
- MOTOR VEHICLE PURCHASES
- NEW AND REPLACEMENT EQUIPMENT, COMPUTERS, ENTERPRISE RESOURCE SOFTWARE AND ELECTRONIC LEARNING DEVICES
- PAYMENTS OF LOANS APPROVED PURSUANT TO SS 1011.14 AND 1011.15, F.S.
- PAYMENT OF PREMIUMS FOR PROPERTY AND CASUALTY INSURANCE NECESSARY
- TO INSURE THE EDUCATIONAL AND ANCILLARY PLANTS OF THE SCHOOL DISTRICT

NEXT STEPS

ADOPTION OF:

1. RESOLUTIONS
2. MILLAGES
3. TENTATIVE BUDGET
4. SET THE FINAL BUDGET
HEARING DATE