

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
OFFICE OF THE SUPERINTENDENT
ROBERT W. RUNCIE
SUPERINTENDENT OF SCHOOLS

July 23, 2018

TO: School Board Members

FROM: Judith M. Marte
Chief Financial Officer

VIA: Robert W. Runcie
Superintendent of Schools

SUBJECT: **Revision to K-1, Advertisement of the Tentative District Budget and Millage Levy for Fiscal Year 2018-2019, for the July 24, 2018 Regular School Board Meeting**

Attached is a revision for K-1, Advertisement of the Tentative District Budget and Millage Levy for Fiscal Year 2018-2019, for the July 24, 2018 Regular School Board Meeting.

The District is in receipt of the updated Required Local Effort (RLE) and the final millage rate from the Florida Department of Education (FDOE). As a result of this new updated information, please substitute the previously provided information with the attached.

RWR/JMM:hlv
Attachments

c: Cabinet

EXECUTIVE SUMMARY

This Board agenda item authorizes **only the advertising** of the 2018-19 tentative District budget and millage levy in the newspaper for the purpose of informing the public of the hearing scheduled for 5:30 p.m. on July 31, 2018 at the Kathleen C. Wright Administration Building. The authorization of the millage levy and adoption of the tentative 2018-19 District budget will not be approved until the public hearing.

Pursuant to Chapter 200.065 of the Florida Statutes, the School District is required to advertise its intent to adopt a tentative District budget and millage levy in a newspaper within 29 days of the July 1, 2018 certification of the tax roll.

Resulting from statutory requirement, and District Board meeting dates, the following schedule was developed for the District's Budget Calendar:

<u>Date</u>	<u>Item</u>
July 17, 2018	<i>Advertisement of the Tentative District Budget and Millage Levy for the Fiscal Year 2018-19</i> is submitted to the Regular School Board Meeting on July 24, 2018 RSBM.
July 19, 2018	Florida Statutes require FDOE to provide the Required Local Effort (RLE) and final millage rate update to all school districts by this date.
July 23, 2018	Revise, if necessary, July 24, 2018 RSBM, Item K-1, Advertisement of the Tentative District School Budget and Millage Levy for the Fiscal Year 2018-19.
July 24, 2018	Regular School Board Meeting, 10:15 a.m.
July 26, 2018	Advertisement printed in the newspaper.
July 31, 2018	1 st Public Hearing, 5:30 p.m.
August 2, 2018	School Board certifies the proposed millage rate to the Broward County Property Appraiser's Office.
September 5, 2018	2 nd Public Hearing, 5:30 p.m.

The Legislature has decreased the RLE millage (from 4.226 to 4.027) for fiscal year 2018-19. In order to participate in the Florida Education Finance Program (FEFP), the School District is **required to levy** the Required Local Effort (RLE) **provided by the State**.

The advertisement will include the following: Notice of Proposed Tax Increase; Notice of Tax for School Capital Outlay; and Budget Summary that are attached to this agenda.

NOTICE OF PROPOSED TAX INCREASE

The School Board of Broward County, Florida will soon consider a measure to increase its property tax levy.

Last year's property tax levy

A. Initially proposed tax levy.....	\$1,252,536,754
B. Less tax reductions due to Value Adjustment Board and other assessment changes.....	\$13,393,584
C. Actual property tax levy.....	\$1,239,143,170
This year's proposed tax levy.....	\$1,288,303,929

A portion of the tax levy is required under state law in order for the school board to receive \$732,096,375 in state education grants. The required portion has increased by 0.83 percent and represents approximately six tenths of the total proposed taxes.

The remainder of the taxes is proposed solely at the discretion of the school board.

All concerned citizens are invited to a public hearing on the tax increase to be held on July 31, 2018, at 5:30 P.M., at the K.C. Wright Administration Building, 600 Southeast Third Avenue, Fort Lauderdale, Florida.

A DECISION on the proposed tax increase and the budget will be made at this hearing.

Notice of Tax for School Capital Outlay

The School Board of Broward County, Florida will soon consider a measure to continue to impose a 1.5 mill property tax for the capital outlay projects listed herein.

This tax is in addition to the School Board's proposed tax of 4.7750 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 **\$295,642,655** to be used for the following projects:

CONSTRUCTION AND REMODELING

Additions, remodeling and renovations at educational and ancillary facilities throughout the District
Construction and remodeling to improve the physical security of school buildings throughout the District
Planning, design and construction of future educational and ancillary facilities
New Additions, remodeling and renovations at athletic and physical education facilities throughout the District
Portable building construction and remodeling
Modular building construction and remodeling
Acquisition of new or expanded educational and ancillary sites

MAINTENANCE, RENOVATION, AND REPAIR

Reimbursement of the maintenance, renovation, and repairs paid through the General Fund as permitted by Florida Statute
Maintenance, renovation and repairs to improve the physical security of school buildings throughout the District
Major maintenance, renovation, and repairs of existing educational and ancillary facilities, including repairs of hurricane damage
Building and fire safety renovations in District and leased facilities and sites
Health, safety and sanitation repairs and upgrades
Americans with Disabilities Act, Title II compliance repairs and upgrades
Roof repairs and replacements
Heating, ventilation, air conditioning unit repairs and replacements
Paving of driveways, physical education and athletic courts
Athletic facility repairs, maintenance and upgrades
Drainage, sodding, irrigation, lighting and fencing of sites
Indoor environmental quality maintenance and repairs
Portable building renovations, maintenance and repairs
Major painting, electrical, plumbing and telecommunications projects
Carpet and flooring repairs and replacements
Minor remodeling renovations and repairs of existing educational and ancillary facilities

MOTOR VEHICLE PURCHASES

Purchase of two hundred (200) school buses
Purchase of other vehicles permitted by Florida Statute

NEW AND REPLACEMENT EQUIPMENT, COMPUTER AND DEVICE HARDWARE AND OPERATING SYSTEM SOFTWARE NECESSARY FOR GAINING ACCESS TO OR ENHANCING THE USE OF ELECTRONIC AND DIGITAL INSTRUCTIONAL CONTENT AND RESOURCES, AND ENTERPRISE RESOURCE SOFTWARE

Video Surveillance and Security Equipment
Equipment to improve the physical security of school buildings throughout the District
Furniture and equipment permitted by Florida Statute
Playground and physical education equipment at educational facilities
Data processing and electronic retrofit equipment
Instructional equipment and materials as permitted by Florida Statute
Computers and electronic learning devices as permitted by Florida Statute
Enterprise resource software applications as permitted by Florida Statute

PAYMENTS FOR EDUCATIONAL FACILITIES AND SITES DUE UNDER A LEASE-PURCHASE AGREEMENT

Debt service on Certificates of Participation (COPs) for thirty-one (31) new school facilities, additions at seventy-five (75) elementary schools, thirteen (13) middle schools, eighteen (18) high schools and four (4) education centers, two (2) bus maintenance facilities, two (2) ancillary facilities, one hundred four (104) school buses, educational site acquisition and expansion, portable construction, energy management equipment, modular buildings, hurricane repairs and roof replacements, kitchen HVAC upgrades/replacements, playground equipment and installations, Americans with Disability Act, Title II compliance improvements, upgrades and equipment, district wide indoor air quality renovations, District comprehensive needs, instructional television (ITV) tower replacements and upgrades, and financial software systems for enterprise resource planning (ERP)

Debt service for a projected issuance of Certificates of Participation (COPS) for planning, design, construction and renovations of educational and ancillary facilities

Lease payments for educational services related equipment under a master lease/purchase agreement

PAYMENTS FOR RENTING AND LEASING EDUCATIONAL FACILITIES AND SITES

Leasing of portable classrooms
Leasing of educational and ancillary facilities and plants

PAYMENTS OF LOANS APPROVED PURSUANT TO SS. 1011.14 AND 1011.15, F.S.

PAYMENT OF COSTS OF COMPLIANCE WITH ENVIRONMENTAL STATUTES, RULES, AND REGULATIONS

Asbestos and hazardous waste testing, removal and restoration
Air quality, radon and lead testing
Maintenance, repair and removal and disposal of underground fuel tanks and hazardous waste
Wetland monitoring and mitigation

PAYMENT OF PREMIUMS FOR PROPERTY AND CASUALTY INSURANCE NECESSARY TO INSURE THE EDUCATIONAL AND ANCILLARY PLANTS OF THE SCHOOL DISTRICT

Insurance premiums on District facilities

PAYMENT OF COSTS OF LEASING RELOCATABLE EDUCATIONAL FACILITIES

Leasing of portable classrooms and portable ancillary facilities and plants

PAYMENTS TO PRIVATE ENTITIES TO OFFSET THE COST OF SCHOOL BUSES PURSUANT TO S. 1011.71(2)(i), F.S.

PAYMENT OF COSTS OF OPENING DAY COLLECTION FOR LIBRARY MEDIA CENTER

All concerned citizens are invited to a public hearing to be held on July 31, 2018 at 5:30 P.M., at the K. C. Wright Administration Building, 600 Southeast 3rd Avenue, Fort Lauderdale, Florida.

A DECISION on the proposed CAPITAL OUTLAY TAXES will be made at this hearing.

BUDGET SUMMARY
THE PROPOSED OPERATING BUDGET EXPENDITURES OF
THE SCHOOL BOARD OF BROWARD COUNTY ARE 2.3%
MORE THAN LAST YEAR'S TOTAL OPERATING EXPENDITURES

FISCAL YEAR
2018-2019

PROPOSED MILLAGE LEVY		
OPERATING		
LOCAL EFFORT	4.0270	
DISCRETIONARY	0.7480	
DEBT SERVICE	0.1279	
CAPITAL OUTLAY	1.5000	
TOTAL	<u>6.4029</u>	

BUDGET

REVENUES	General	Special Revenue	Debt Service	Capital Projects	Internal Service	Total All Funds
Federal Sources	\$ 20,450,000	\$ 303,426,339	\$ -	\$ 4,367,000	\$ -	\$ 328,243,339
State Sources	1,132,479,369	2,089,877	2,592,925	61,062,714		1,198,224,885
Local Sources	1,005,683,524	18,855,247	24,236,242	306,797,655	888,381	1,356,461,049
TOTAL REVENUES	\$ 2,158,612,893	\$ 324,371,463	\$ 26,829,167	\$ 372,227,369	\$ 888,381	\$ 2,882,929,273
Transfers In	106,639,450	40,000	175,434,519			282,113,969
Nonrevenue Sources				638,685,039		638,685,039
Fund Balances/Net Assets-July 1, 2018	152,800,000	60,197,065	2,559,388.00	264,874,524	348,668	480,779,645
TOTAL REVENUES, TRANSFERS AND BALANCES	<u>\$ 2,418,052,343</u>	<u>\$ 384,608,528</u>	<u>\$ 204,823,074</u>	<u>\$ 1,275,786,932</u>	<u>\$ 1,237,049</u>	<u>\$ 4,284,507,926</u>

EXPENDITURES

Instruction	\$ 1,488,210,841	\$ 137,262,910				\$ 1,625,473,751
Student Support Services	128,255,216	15,103,286				143,358,502
Instructional Media Services	21,588,028	3,000.00				21,591,028
Instruction & Curriculum						
Development Services	26,759,970	29,724,324				56,484,294
Instructional Staff Training Services	11,071,546	14,087,776				25,159,322
Instructional-Related Technology	24,225,100					24,225,100
Board	4,975,712					4,975,712
General Administration	8,525,015	11,704,572				20,229,587
School Administration	138,075,468	637,354				138,712,822
Facilities Acquisition & Construction				994,912,963		994,912,963
Fiscal Services	9,478,018	0				9,478,018
Food Service		134,800,823				134,800,823
Central Services	67,476,127	523,471			852,216	68,851,814
Student Transportation Services	81,799,348	480,476				82,279,824
Operation of Plant	178,169,745	116,179				178,285,924
Maintenance of Plant	62,728,236					62,728,236
Administrative Technology Services	2,804,693					2,804,693
Community Services	15,056,291	1,152,312				16,208,603
Debt Service	1,480,417		204,823,074			206,303,491
TOTAL EXPENDITURES	\$ 2,270,679,771	\$ 345,596,483	\$ 204,823,074	\$ 994,912,963	\$ 852,216	\$ 3,816,864,507
Transfers Out	40,000	1,200,000		280,873,969		282,113,969
Fund Balances/Net Assets-June 30, 2019	147,332,572	37,812,045			384,833	185,529,450
TOTAL EXPENDITURES, TRANSFERS AND BALANCES	<u>\$ 2,418,052,343</u>	<u>\$ 384,608,528</u>	<u>\$ 204,823,074</u>	<u>\$ 1,275,786,932</u>	<u>\$ 1,237,049</u>	<u>\$ 4,284,507,926</u>

THE TENTATIVE, ADOPTED, AND/OR FINAL BUDGETS ARE ON FILE IN THE
OFFICE OF THE ABOVE MENTIONED TAXING AUTHORITY AS A PUBLIC RECORD.