



*Leading our Students to Success*

201 West Burleigh Boulevard · Tavares · FL 32778-2496  
(352) 253-6500 · Fax: (352) 343-0198 · [www.lake.k12.fl.us](http://www.lake.k12.fl.us)

**Superintendent:**  
Susan Moxley, Ed.D.

**School Board Members:**  
*District 1*  
Bill Mathias  
*District 2*  
Rosanne Brandenburg  
*District 3*  
Tod Howard  
*District 4*  
Debbie Stivender  
*District 5*  
Kyleen Fischer

## MEMORANDUM

**DATE:** July 28, 2014

**TO:** Dr. Susan Moxley, Superintendent  
School Board Members

**FROM:** Carol J. MacLeod, Chief Financial Officer

**SUBJECT:** Required TRIM notice to be published on July 25, 2014

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On July 21, 2014, we requested and received Board approval to advertise the preliminary budget and proposed millage rates as required under Section 200.065(2)(c), Florida Statutes.

That advertisement will appear on July 25, 2014 in the Daily Commercial. The Public Hearing must be held within 2-5 days following the advertisement and is scheduled for July 28, 2014 at 5:30 PM in the Board Room of the Lake County School District.

Attached are copies of the advertisements as they will appear.

Please note the following highlights:

The TRIM advertisement is reflective of the PRELIMINARY Budget for the 2014-15 Fiscal Year. The Final Budget will differ once the books have been closed for the 2013-14 fiscal year and the final balances have been brought forward.

- 1) The Budget Summary reports a proposed increase of operating expenditures of 4.3% and is reflective of the proposed budgets as presented to the Board through July 21, 2014.
- 2) The Overall Budget for the District has increased by \$25,060,014 from \$530,108,503 to \$555,168,517. The increase is comprised of the following changes by fund category:

Fund	2014-15	2013-14	Difference
General Operating	\$ 305,322,512	\$ 292,267,303	\$ 13,055,209
Special Revenue	53,907,569	47,435,163	\$ 6,472,406
Debt Service	43,458,320	41,625,222	\$ 1,833,098
Capital Outlay	111,591,828	108,527,886	\$ 3,063,942
Enterprise Funds	4,139,910	2,538,542	\$ 1,601,368
Internal Service	36,748,378	37,714,387	\$ (966,009)
 Total All Funds	\$ 555,168,517	\$ 530,108,503	\$ 25,060,014

The increase in the General Fund is generated based on four (4) major components.

- a) The State FEFP Funding model increased by approximately \$6.5M. Most of these funds are from the increase in the Ad Valorem Tax for operations. An additional \$2M in FEFP Funding should become available following the October FTE Count based on an estimated increase in enrollment of approximately 450 students.
- b) The implementation of the Strategic Finance Plan (SFP) provided for the transfer in from the Capital Funds of \$2M to support maintenance expenditures.
- c) Approved projects of approximately \$1.5M which were included in the Five-Year Capital Plan have been moved to the General Fund to more appropriately report the expenditures. For example, payments for Safari Montage, Skyward, Vocational and School Equipment.
- d) Projected Ending Fund Balance from 2013-14 will provide an estimated \$1M in carry-over.

The increase in Special Revenue Funds reflects the early approval of some Federal Programs which were not included in the prior year TRIM Advertisement and an increase in the School Lunch Program participation.

The increase in Debt Service Funds is reflective of the planned early repayment of the 2004 Sales Tax Bond on October 2014, in addition to regularly scheduled debt service payments.

The increase in the Capital Outlay Funds is based partially on an increase in PECO and 1.5 Mill Funding. Proposed capital outlay revenues are higher as the State has budgeted \$789,503 and the 1.5 mill levy will generate an additional \$1,122,284.

Enterprise Funds are the self-supporting Extended Learning Centers and are estimated based on projected ending fund balances and prior year activity.

The Internal Service Funds include the self-funded employee health insurance fund and reflect the stabilization of projected health care costs due in part to the successful opening of the second and third Health and Wellness Centers in 2012-13.

- 3) We advertised a "Notice of Proposed Tax Increase" rather than the "Notice of Budget Hearing". As discussed, this is because the "Rolled-back Rate" is a positive and the Required Local Effort Millage has been increased from 4.922 mills to 4.998 mills.
- 4) The certified millage rate required by the Florida Department of Education included in the FEFP formula has increased by 0.076 mills.

	Millage		
	2014-15	2013-14	Change
Required Local Effort	4.998	4.922	0.076
Discretionary Local Effort	0.748	0.748	0.000
Capital	<u>1.500</u>	<u>1.500</u>	<u>0.000</u>
 Total	 7.246	 7.170	 0.076

- 5) The total tentative millage, as advertised, is expected to generate \$6,623,949 more than last year. As required, the budgeted revenue is based on a 96% collection rate for the entire levy.

	Budgeted Revenue from Levy		
	2014-15	2013-14	Change
Required Local Effort	82,823,972	77,881,953	4,942,019
Discretionary Local Effort	12,395,424	11,835,778	559,646
Capital	<u>24,857,134</u>	<u>23,734,850</u>	<u>1,122,284</u>
 Total	 120,076,530	 113,452,581	 6,623,949

As always, if you have any questions, please let me know.

## BUDGET SUMMARY DISTRICT SCHOOL BOARD OF LAKE COUNTY

THE PROPOSED OPERATING BUDGET EXPENDITURES OF THE SCHOOL BOARD OF LAKE COUNTY ARE 4.3% GREATER THAN LAST YEAR'S TOTAL OPERATING EXPENDITURES.

FISCAL YEAR 2014 - 2015

<u>PROPOSED MILLAGE LEVIES SUBJECT TO 10-MILL CAP:</u>			<u>PROPOSED MILLAGE LEVIES NOT SUBJECT TO 10-MILL CAP:</u>		
Required Local Effort (including Prior Period Funding Adjustment Millage)	4.9980	Discretionary Operating Additional Millage Not to Exceed 4 Years (Operating)	0.7480	0.0000	0.0000
Local Capital Improvement (Capital Outlay)	1.5000				0.0000
Discretionary Capital Improvement	0.0000				0.0000
				Operating or Capital Not to Exceed 2 Years	
				Debt Service	0.0000
				<b>TOTAL MILLAGE</b>	<b>7.2460</b>

ESTIMATED REVENUES:	GENERAL FUND	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE FUND	INTERNAL SERVICE	TOTAL ALL FUNDS
Federal Sources	1,765,000	36,401,872					38,166,872
State Sources	185,079,611	264,323	1,292,135	961,844			187,597,913
Local Sources	100,311,177	5,437,391		35,357,134	2,555,100	34,500,000	178,160,802
<b>TOTAL SOURCES</b>	<b>287,155,788</b>	<b>42,103,586</b>	<b>1,292,135</b>	<b>36,318,978</b>	<b>2,555,100</b>	<b>34,500,000</b>	<b>403,925,587</b>
Transfers in	3,915,000		37,737,294				41,652,294
Fund Net Asset Balances	14,251,724	11,803,983	4,428,891	75,272,850	1,584,810	2,248,378	109,590,636
<b>TOTAL REVENUES, TRANSFERS AND FUND/NET ASSET BALANCES</b>	<b>\$305,322,512</b>	<b>\$53,907,569</b>	<b>\$43,458,320</b>	<b>\$111,591,828</b>	<b>\$4,139,910</b>	<b>\$36,748,378</b>	<b>\$555,168,517</b>
<b>EXPENDITURES:</b>							
Instruction	185,135,368	10,513,402					195,648,770
Pupil Personnel Services	14,342,514	2,454,079					16,796,593
Instructional Media Services	3,535,386						3,535,386
Instructional & Curriculum Development Services	3,730,678	4,222,635					7,953,313
Instructional Staff Training Services	5,113,615	3,217,101					8,330,716
Instruction Related Technology	1,427,168						1,427,168
School Board	946,184						946,184
General Administration	769,388	723,359					1,492,747
School Administration	17,220,988	98					17,221,086
Facilities Acquisition and Construction	553,030			23,410,100			23,963,130
Fiscal Services	1,775,954						1,775,954
Food Services		20,871,085					20,871,085
Central Services	6,305,446	21,316				34,128,744	40,455,506
Pupil Transportation Services	15,944,174	79,631					16,023,805
Operation of Plant	23,912,068						23,912,068
Maintenance of Plant	7,106,494						7,106,494
Administrative Technology Services	4,247,923						4,247,923
Community Services	73,936	880			2,555,100		2,629,916
Debt Services			40,012,419				40,012,419
<b>TOTAL EXPENDITURES</b>	<b>\$292,140,314</b>	<b>\$42,103,586</b>	<b>\$40,012,419</b>	<b>\$23,410,100</b>	<b>\$2,555,100</b>	<b>\$34,128,744</b>	<b>\$434,350,263</b>
Transfers Out	776,966			40,875,328			41,652,294
Fund Net Asset Balances	12,405,232	11,803,983	3,445,901	47,306,400	1,584,810	2,619,634	79,165,960
<b>TOTAL APPROPRIATED EXPENDITURES, TRANSFERS AND FUND/NET ASSET BALANCES</b>	<b>\$305,322,512</b>	<b>\$53,907,569</b>	<b>\$43,458,320</b>	<b>\$111,591,828</b>	<b>\$4,139,910</b>	<b>\$36,748,378</b>	<b>\$555,168,517</b>

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 PROPOSED TAX INCREASE

The Lake County School Board will soon consider a measure to increase its property tax levy.

**Last year's property tax levy:**

A. Initially proposed tax levy.....	\$	<u>118,179,772.00</u>
B. Less tax reductions due to Value Adjustment Board and other assessment changes.....	\$	<u>(345,033.00)</u>
C. Actual property tax levy.....	\$	<u>118,524,805.00</u>

**This year's proposed tax levy.....** \$ 125,079,719.00

A portion of the tax levy is required under state law for the school board to receive \$131,389,047 in state education grants. The required portion has increased by 4.22 percent, and represents approximately seven 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 28, 2014 at 5:30 P M in the Board Room of the Lake County School District, 201 West Burleigh Boulevard, Tavares, FL.

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

**RESOLUTION 2014-05**  
of  
**The School Board of Lake County, Florida**

WHEREAS, the School Board of Lake County, Florida, did, pursuant to Chapters 200 and 1011, Florida Statutes, approve tentative millage rates for the fiscal year July 1, 2014 to June 30, 2015; and

WHEREAS, at the public hearing and in full compliance with Chapter 200, Florida Statutes, the Lake County School Board adopted the tentative millage rates for fiscal year 2014-15 in the amount of:

	<u>Tentative Millage Levy</u>	<u>Proposed Amount to Be Raised</u>
Local Required Effort	4.998	\$ 82,823,972
Basic Discretionary	0.748	\$12,395,424
Capital Outlay	<u>1.500</u>	<u>\$24,857,134</u>
Total	<u>7.246</u>	<u>\$120,076,530</u>

**The total millage rate to be levied is more than the roll-back rate by 3.74 percent.**

NOW THEREFORE, BE IT RESOLVED:

That the Lake County School Board, adopted each tentative millage rate for the fiscal year July 1, 2014 to June 30, 2015 on July 28, 2014 by separate vote prior to adopting the tentative budget.

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Chairman

**RESOLUTION 2014-06**  
of  
**The School Board of Lake County, Florida**

A RESOLUTION OF THE LAKE COUNTY SCHOOL BOARD ADOPTING THE TENTATIVE BUDGET FOR FISCAL YEAR 2014-15.

WHEREAS, the School Board of Lake County, Florida, did, pursuant to Chapters 200 and 1011, Florida Statutes, approved tentative millage rates for the fiscal year July 1, 2014 to June 30, 2014; and

WHEREAS, the Lake County School Board set forth the appropriations and revenue estimate for the Budget for fiscal year 2014-15.

WHEREAS, at the public hearing and in full compliance with Chapter 200, Florida Statutes, the Lake County School Board adopted the tentative millage rates and the tentative budget in the amount of \$555,168,517 for fiscal year 2014-15.

NOW THEREFORE, BE IT RESOLVED:

That the attached budget of Lake County School Board, including the millage rates as set forth therein, is hereby adopted by the School Board of Lake County as a tentative budget for the categories indicated for the fiscal year July 1, 2014 to June 30, 2015 on July 28, 2014.

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Chairman