



Leading our Students to Success

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Superintendent:
Susan Moxley, Ed.D.

School Board Members:
District 1
Bill Mathias
District 2
Rosanne Brandeburg
District 3
Marc Dodd
District 4
Debbie Stivender
District 5
Stephanie Luke

MEMORANDUM

DATE: July 21, 2016
TO: Dr. Susan Moxley, Superintendent
School Board Members
FROM: Carol J. MacLeod, Chief Financial Officer
SUBJECT: Required TRIM notice to be published on July 22, 2016

On July 18, 2016, 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 22, 2016 in the Daily Commercial. The Public Hearing must be held within 2-5 days following the advertisement and is scheduled for July 25, 2016 at 5:50 PM in the County Commission Chambers preceding the Regular School Board Meeting.

Attached are copies of the advertisements as they will appear.

Budget Summary
Notice of Budget Hearing
Notice of Tax for School Capital Outlay

Please note the following highlights:

The TRIM advertisement is reflective of the PRELIMINARY Budget for the 2016-17 Fiscal Year. The Final Budget will differ once the books have been closed for the 2015-16 fiscal year and the final balances have been brought forward.

- 1) The Budget Summary reports a proposed increase of operating expenditures of 1.9% and is reflective of the proposed budgets as presented to the Board through July 18, 2015.
- 2) The Overall Budget for the District has decreased by \$4,188,530 from \$553,117,610 to \$548,929,080. The decrease is comprised of the following changes by fund category:

Fund	2016-17	2015-16	Difference
General Operating	\$ 327,062,641	\$ 320,817,227	\$ 6,245,414
Special Revenue	50,660,928	49,889,547	\$ 771,381
Debt Service	33,331,170	38,026,691	\$ (4,695,521)
Capital Outlay	91,688,943	100,117,397	\$ (8,428,454)
Enterprise Funds	4,185,398	4,044,910	\$ 140,488
Internal Service	42,000,000	40,221,838	\$ 1,778,162
Total All Funds	\$ 548,929,080	\$ 553,117,610	\$ (4,188,530)

The State FEFP Funding model increased by approximately \$4.5M. Most of these funds are from projected increase in enrollment of 219 students, an increase in the calculation of the ESE Guarantee and the additional funding for additional reading at specifically identified schools.

Approved projects of approximately \$1.4M 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.

The increase in Special Revenue Funds reflects the projected increase in participation on the Federal School Lunch Programs. In addition, many of the other Federal Projects do not receive final approval until September, at which time the revenues and matching expenditures will be amended. This number will change prior to adoption of the final budget in September.

The decrease in Debt Service Funds is reflective of the results of our continuing efforts to refund outstanding debt with lower interest rates to decrease future payments.

The decrease in the Capital Outlay Funds is based mainly on the completion of the Eustis Heights Elementary Project. Funds currently on hand were budgeted and used to complete this project. Proposed capital outlay revenues are higher as the 1.5 mill levy will generate an additional \$1,604,284.

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 increase in revenues and expenditures of projected health care costs. Health care costs continue to rise, and therefore, contributions to cover claims have increased. However, our overall Health Insurance expenditure position has remained very stable due in part to the successful operation of the three Health and Wellness Centers. We are expecting to open the fourth center in August 2016.

We advertised a "Notice of Budget Hearing". The rolled-back rate is 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. The calculated rolled back rate would be 6.9348 mills and our proposed millage rate is 6.875 mills. Therefore the rolled-back rate is less than the proposed rate and it is not considered a tax increase even though we will generate more revenue.

- 1) The certified millage rate required by the Florida Department of Education included in the FEFP formula has DECREASED by 0.322 mills.

	Millage		
	2016-17	2015-16	Change
Required Local Effort	4.627	4.949	-0.322
Discretionary Local Effort	0.748	0.748	0.000
Capital	<u>1.500</u>	<u>1.500</u>	<u>0.000</u>
Total	6.875	7.197	-0.322

- 2) The total tentative millage, as advertised, is expected to generate \$1,705,301 more than last year. As required, the budgeted revenue is based on a 96% collection rate for the entire levy.

	Budgeted Revenue from Levy		
	2016-17	2015-16	Change
Required Local Effort	86,103,216	86,802,202	(698,986)
Discretionary Local Effort	13,919,431	13,119,428	800,003
Capital	<u>27,913,297</u>	<u>26,309,013</u>	<u>1,604,284</u>
Total	127,935,944	126,230,643	1,705,301

I have also attached the script for the Budget Hearing on Monday. As part of the TRIM requirements, this becomes very prescriptive. We have to follow the TRIM directions exactly. The advertisements have been placed as required including where they are placed in the paper, how big the ad must be and how big the typeface must be. As part of the hearing, the tentative millage rates must be read out loud and adopted prior to adopting the tentative budget.

The final hearing in September will follow a very similar process.

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

RESOLUTION 2016-03
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, 2016 to June 30, 2017; 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 2016-17 in the amount of:

	<u>Tentative Millage Levy</u>	<u>Proposed Amount to Be Raised</u>
Local Required Effort	4.627	\$ 86,103,216
Basic Discretionary	0.748	\$13,919,431
Capital Outlay	<u>1.500</u>	<u>\$27,913,297</u>
Total	<u>6.875</u>	<u>\$127,935,944</u>

The total millage rate to be levied is less than the roll-back rate by 0.86 percent.

NOW THEREFORE, BE IT RESOLVED:

That the Lake County School Board, adopted each tentative millage rate for the fiscal year July 1, 2016 to June 30, 2017 on July 25, 2016 by separate vote prior to adopting the tentative budget.

Chairman

RESOLUTION 2016-04
of
The School Board of Lake County, Florida

A RESOLUTION OF THE LAKE COUNTY SCHOOL BOARD ADOPTING THE TENTATIVE BUDGET FOR FISCAL YEAR 2016-17.

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, 2016 to June 30, 2017; and

WHEREAS, the Lake County School Board set forth the appropriations and revenue estimate for the Budget for fiscal year 2016-17.

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 \$548,929,080 for fiscal year 2016-17.

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, 2016 to June 30, 2017 on July 25, 2016.

Chairman

BUDGET SUMMARY DISTRICT SCHOOL BOARD OF LAKE COUNTY

THE PROPOSED OPERATING BUDGET EXPENDITURES OF THE SCHOOL BOARD OF LAKE COUNTY ARE 1.9% GREATER THAN LAST YEAR'S TOTAL OPERATING EXPENDITURES.

FISCAL YEAR 2016 - 2017

<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)	4.6270	Discretionary Operating Additional Millage Not to Exceed 4 Years (Operating)	0.7480 0.0000	Operating or Capital Not to Exceed 2 Years	0.0000
Local Capital Improvement (Capital Outlay)	1.5000			Debt Service	0.0000
Discretionary Capital Improvement	0.0000				
				TOTAL MILLAGE	6.8750

ESTIMATED REVENUES:	GENERAL FUND	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE FUND	INTERNAL SERVICE	TOTAL ALL FUNDS
Federal Sources	1,865,000	36,682,000					38,547,000
State Sources	197,151,767	249,079	1,130,180	473,310			199,004,336
Local Sources	105,152,052	4,738,281		43,813,297	-	42,000,000	195,703,630
TOTAL SOURCES	304,168,819	41,669,360	1,130,180	44,286,607	2,901,508	42,000,000	436,156,474
Transfers in	9,200,000		30,813,202				40,013,202
Fund Net Asset Balances	13,693,822	8,991,568	1,387,788	47,402,336	1,283,890	0.00	72,759,404
TOTAL REVENUES, TRANSFERS AND FUND/NET ASSET BALANCES	\$327,062,641	\$50,660,928	\$33,331,170	\$91,688,943	\$4,185,398	\$42,000,000	\$548,929,080
EXPENDITURES:							
Instruction	201,021,117	9,915,000					210,936,117
Pupil Personnel Services	14,256,606	3,200,000					17,456,606
Instructional Media Services	3,551,715						3,551,715
Instructional & Curriculum Development Services	5,109,418	3,700,000					8,809,418
Instructional Staff Training Services	5,584,999	4,000,000					9,584,999
Instruction Related Technology	1,326,415						1,326,415
School Board	920,207						920,207
General Administration	1,081,972	1,095,000					2,176,972
School Administration	18,207,055						18,207,055
Facilities Acquisition and Construction	785,007			20,400,000			21,185,007
Fiscal Services	1,954,674						1,954,674
Food Services		19,669,360					19,669,360
Central Services	6,307,013	38,000				42,000,000	48,345,013
Pupil Transportation Services	15,886,880	46,000		4,000,000			19,932,880
Operation of Plant	25,649,383	4,000					25,653,383
Maintenance of Plant	8,249,002						8,249,002
Administrative Technology Services	3,992,049						3,992,049
Community Services	179,544	2,000			2,301,508		2,483,052
Debt Services			32,926,372				32,926,372
TOTAL EXPENDITURES	\$314,063,056	\$41,669,360	\$32,926,372	\$24,400,000	\$2,301,508	\$42,000,000	\$457,360,296
Transfers Out	776,966			38,636,236	600,000		40,013,202
Fund Net Asset Balances	12,222,619	8,991,568	404,798	28,652,707	1,283,890	-	51,555,582
TOTAL APPROPRIATED EXPENDITURES, TRANSFERS AND FUND/NET ASSET BALANCES	\$327,062,641	\$50,660,928	\$33,331,170	\$91,688,943	\$4,185,398	\$42,000,000	\$548,929,080

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 BUDGET HEARING

The Lake County School Board will soon consider a budget for the 2016-2017 fiscal year. A public hearing to make a DECISION on the budget AND TAXES will be held on:

**July 25, 2016
5:50 PM**

at the

**Commission Chambers
Lake County Administration Building
315 West Main Street, Tavares, FL**

NOTICE OF TAX FOR SCHOOL CAPITAL OUTLAY

The Lake County School Board will soon consider a measure to continue to impose a 1.50 mill property tax for the capital outlay projects listed herein.

This tax is in addition to the school board's proposed tax of 5.375 mills for operating expenses and is proposed solely at the discretion of the school board.

The capital outlay tax will generate approximately \$27,913,297 to be used for the following projects:

MAINTENANCE, RENOVATION, AND REPAIR

Reimbursement of the Maintenance, Renovation, and Repairs paid through the General Fund as permitted by Florida Statute
Maintenance, Renovation and Repair at Various School and District Sites
Demolition and Debris Removal (District Owned Property)
Deficiency Remediation and/or Unforeseen Emergencies

MOTOR VEHICLE PURCHASES

Purchase of up to twenty (40) School Buses
Purchase of Maintenance Vehicles and Other Operations Support Vehicles

NEW AND REPLACEMENT EQUIPMENT, COMPUTERS, ENTERPRISE RESOURCE SOFTWARE, AND S.1011.71(2), F.S., ELIGIBLE EXPENDITURES IN SUPPORT OF DIGITAL CLASSROOMS PLANS PURSUANT TO S. 1011.62(12), F.S.

Instructional Technology Equipment/Software (School and District Sites)
Furniture, Technology, Software and Equipment (School and District Sites)

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

Astatula Elementary for the Arts	East Ridge High School Addition
Carver Middle School	Fruitland Park Elementary School
Eustis Middle School	Villages Elementary
Groveland Elementary School	Leesburg Elementary School
Lake Hills ESE Center (Replacement)	Lost Lake Elementary School
Leesburg High School	Mascotte Elementary School (Replacement)
Minneola Elementary School (Replacement)	Mount Dora Middle School
Mount Dora High School	Pine Ridge Elementary School
Oak Park Bus Lot	South Lake High School
Round Lake Elementary School	Tavares Elementary School
Tavares Middle School	Triangle Elementary School
Windy Hill Middle School	Sawgrass Bay Elementary School
East Ridge Middle School	Gray Middle School
Beverly Shores Elementary School	Eustis Heights Elementary School

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

Removal of Hazardous Waste/Remediation - Various School and District Sites
Deficiency Remediation and/or Unforeseen Emergencies

PAYMENTS OF COSTS OF LEASING RELOCATABLE EDUCATIONAL FACILITIES

Various School and District Sites

All concerned citizens are invited to a public hearing to be held on July 25, 2016, at 5:50 P.M., in the Commission Chambers, Lake County Administration Building, 315 West Main Street, Tavares, FL. A DECISION on the proposed CAPITAL OUTLAY TAXES will be made at this hearing.