



**Superintendent:**  
**Diane S. Kornegay, M.Ed.**

**School Board Members:**  
**District 1**  
**Bill Mathias**  
**District 2**  
**Kristi Burns, Ph.D.**  
**District 3**  
**Marc Dodd**  
**District 4**  
**Sandy Gamble**  
**District 5**  
**Stephanie Luke**

201 West Burleigh Boulevard · Tavares · FL 32778-2496  
(352) 253-6500 · Fax: (352) 253-6503 · [www.lake.k12.fl.us](http://www.lake.k12.fl.us)

## MEMORANDUM

**DATE:** July 23, 2018

**TO:** Diane Kornegay, Superintendent  
School Board Members

**FROM:** Scott Ward, Chief Financial Officer

**SUBJECT:** Required TRIM notice to be published on July 27, 2018

---

This evening we will request to received Board approval to advertise the preliminary budget and proposed millage rates as required under Section 200.065(2)(c), Florida Statutes.

The advertisement will appear on July 27, 2018 in the Daily Commercial. The Public Hearing must be held within 2-5 days following the advertisement and is scheduled for July 30, 2018 at 5:01 PM in the School Board Room of the District.

Attached are copies of the advertisements as they will appear.

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

Please note the following highlights:

The TRIM advertisement is reflective of the PRELIMINARY Budget for the 2018-19 Fiscal Year. The Final Budget will differ once the books have been closed for the 2017-18 fiscal year and the final balances have been brought forward. Minor adjustments will be made between programs and functions, but in total, there should be little change in the Final Total Budget.

- 1) The Budget Summary reports a proposed increase of operating expenditures of 4.0% over last year's Tentative Budget.
- 2) The Overall Tentative Budget for the District has increased by \$17,117,817 from \$454,636,743 to \$471,754,560. The increase is comprised of the following changes by fund category:

Fund	2018-19	2017-18	Difference
General Operating	\$ 331,556,754	\$ 318,827,073	\$ 12,729,681
Special Revenue	48,386,125	43,742,329	\$ 4,643,796
Debt Service	21,823,364	32,433,764	\$ (10,610,400)
Capital Outlay	23,106,185	13,036,839	\$ 10,069,346
Enterprise Funds	2,676,842	2,821,738	\$ (144,896)
Internal Service	44,205,290	43,775,000	\$ 430,290
<b>Total All Funds</b>	<b>\$ 471,754,560</b>	<b>\$ 454,636,743</b>	<b>\$ 17,117,817</b>

The State FEFP Funding model increased by approximately \$3.8M. Most of these funds are from projected increase in enrollment of 282 students.

Last year, many of the other Federal Projects did not receive final approval until September at which time the revenues and matching expenditures were amended.

The decrease in Debt Service Funds is reflective of the results of prior efforts to refund outstanding debt with lower interest rates to decrease future payments. Several outstanding COP issues were paid in full during the 2017-18 fiscal year.

The increase in the Capital Outlay Funds is reflective of the decrease in Transfers Out to Debt Service.

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.

We will advertise a “Notice of Tax Increase”. 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 6.1925 mills and our proposed millage rate is 6.3550 mills. Therefore, the rolled-back rate is less than the proposed rate and it is considered a tax increase even though we will lower the actual millage rate levied.

- 1) The certified millage rate required by the Florida Department of Education included in the FEFP formula has DECREASED by 0.2480 mills.

Millage			
	2018-19	2017-18	Change
Required Local Effort	4.107	4.355	-0.248
Discretionary Local Effor	0.748	0.748	0.000
Capital	<u>1.500</u>	<u>1.500</u>	<u>0.000</u>
Total	6.355	6.603	-0.248

- 2) The total tentative millage, as advertised, is expected to generate \$7,715,283 more than last year. As required, the budgeted revenue is based on a 96% collection rate for the entire levy.

Budgeted Revenue from Levy			
	2018-19	2017-18	Change
Required Local Effort	91,479,560	88,271,597	3,207,963
Discretionary Local Effor	16,660,996	15,161,229	1,499,767
Capital	<u>33,411,088</u>	<u>30,403,535</u>	<u>3,007,553</u>
Total	141,551,644	133,836,361	7,715,283

# 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>139,412,876</u>
B. Less tax reductions due to Value Adjustment Board and other assessment changes.....	\$	<u>240,525</u>
C. Actual property tax levy.....	\$	<u>139,172,351</u>

**This year's proposed tax levy.....** \$ 147,449,629

A portion of the tax levy is required under state law for the school board to receive \$153,150,493 in state education grants.

The required portion has increased by .56 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 30, 2018 at 5:01 P M in the Board Room, Lake County School District Office, 201 West Burleigh Blvd, Tavares, FL

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

# BUDGET SUMMARY

## DISTRICT SCHOOL BOARD OF LAKE COUNTY

THE PROPOSED OPERATING BUDGET EXPENDITURES OF THE SCHOOL BOARD OF LAKE COUNTY ARE 4.0% GREATER THAN LAST YEAR'S TOTAL OPERATING EXPENDITURES.

FISCAL YEAR 2018 - 2019

	<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)	4.1070	Discretionary Operating	0.7480	
Local Capital Improvement (Capital Outlay)	1.5000	Additional Millage Not to Exceed 4 Years (Operating)	0.0000	Operating or Capital Not to Exceed 2 Years
Discretionary Capital Improvement	0.0000			Debt Service
				0.0000
				6.3550

<u>ESTIMATED REVENUES:</u>	GENERAL FUND	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE FUND	INTERNAL SERVICE	TOTAL ALL FUNDS
Federal Sources	2,161,613	44,771,777					46,933,390
State Sources	208,535,047	220,313		700,000			209,455,360
Local Sources	111,451,484	3,394,035	1,434	61,013,303	2,723,863	44,205,290	222,789,409
<b>TOTAL SOURCES</b>	<b>322,148,144</b>	<b>48,386,125</b>	<b>1,434</b>	<b>61,713,303</b>	<b>2,723,863</b>	<b>44,205,290</b>	<b>479,178,159</b>
Transfers in	12,362,610		21,396,003				33,758,613
Fund/Balance/Net Position	14,172,628	12,294,714	2,241,717	59,193,562	856,092	0.00	88,758,713
<b>TOTAL REVENUES, TRANSFERS AND FUND/BALANCES/NET POSITION</b>	<b>\$348,683,382</b>	<b>\$60,680,839</b>	<b>\$23,639,154</b>	<b>\$120,906,865</b>	<b>\$3,579,955</b>	<b>\$44,205,290</b>	<b>\$601,695,485</b>
<b><u>APPROPRIATIONS/EXPENDITURES:</u></b>							
Instruction	212,747,211	10,612,812					223,360,023
Pupil Personnel Services	16,287,130	3,571,347					19,858,477
Instructional Media Services	3,153,950						3,153,950
Instructional & Curriculum Development Services	6,129,912	6,675,714					12,805,626
Instructional Staff Training Services	3,604,622	3,774,705					7,379,327
Instruction Related Technology	881,775						881,775
School Board	708,423					2,161,200	2,869,623
General Administration	853,509	818,427					1,671,936
School Administration	18,808,465						18,808,465
Facilities Acquisition and Construction	808,078			19,606,185			20,414,263
Fiscal Services	1,793,609	3,499					1,797,108
Food Services		22,642,424					22,642,424
Central Services	5,466,587	110,345				42,021,790	47,598,722
Pupil Transportation Services	19,434,665	174,072		3,500,000			23,108,737
Operation of Plant	26,975,428	2,000				22,100	26,999,528
Maintenance of Plant	8,806,934					200	8,807,134
Administrative Technology Services	4,892,409						4,892,409
Community Services	204,047	780			2,676,842		2,881,669
Debt Services			21,823,364				21,823,364
<b>TOTAL APPROPRIATIONS/EXPENDITURES</b>	<b>\$331,556,754</b>	<b>\$48,386,125</b>	<b>\$21,823,364</b>	<b>\$23,106,185</b>	<b>\$2,676,842</b>	<b>\$44,205,290</b>	<b>\$471,754,560</b>
Transfers Out	776,966			32,981,647			33,758,613
Fund/Balance/Net Position	16,349,662	12,294,714	1,815,790	64,819,033	903,113		96,182,312
<b>TOTAL TRANSFERS AND FUND/BALANCES/NET POSITION</b>	<b>\$348,683,382</b>	<b>\$60,680,839</b>	<b>\$23,639,154</b>	<b>\$120,906,865</b>	<b>\$3,579,955</b>	<b>\$44,205,290</b>	<b>\$601,695,485</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 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 4.855 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 \$33,411,088 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 (20) School Buses  
Purchase of Maintenance Vehicles and Other Operations Support Vehicles

## **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**

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**

Annual master lease payments for various facilities and renovations  
Debt service on certificates of participation for various sites

## **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

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

## **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 30, 2018, at 5:01 P.M., in the Board Room, Lake County School District Office, 201 West Burleigh Blvd, Tavares, FL. A DECISION on the proposed CAPITAL OUTLAY TAXES will be made at this hearing.