



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

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

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:

<u>Fund</u>	<u>2014-15</u>	<u>2013-14</u>	<u>Difference</u>
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	<u>36,748,378</u>	<u>37,714,387</u>	<u>\$ (966,009)</u>
Total All Funds	<u>\$ 555,168,517</u>	<u>\$ 530,108,503</u>	<u>\$ 25,060,014</u>

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.

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[illegible]

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

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.

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 5.746 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 \$24,857,134 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)

MOTOR VEHICLE PURCHASES

Purchase of up to twenty (20) School Buses

Purchase of Maintenance and Other 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 and Equipment (School and District Sites)

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

Astatula Elementary for the Arts

Carver Middle School

Eustis Middle School

Groveland Elementary School

Lake Hills ESE Center (Replacement)

Leesburg High School

Minneola Elementary School (Replacement)

Mount Dora High School

Oak Park Bus Lot

Round Lake Elementary School

Tavares Middle School

Windy Hill Middle School

East Ridge Middle School

Beverly Shores Elementary School

East Ridge High School Addition

Fruitland Park Elementary School

Lady Lake Elementary at the Villages

Leesburg Elementary School

Lost Lake Elementary School

Mascotte Elementary School (Replacement)

Mount Dora Middle School

Pine Ridge Elementary School

South Lake High School

Tavares Elementary School

Triangle Elementary School

Sawgrass Bay Elementary School

Gray Middle 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

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 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 CAPITAL OUTLAY TAXES will be made at this hearing.