

The District School Board of Indian River County met on July 31, 2014 at 5:01 p.m. The special meeting was held in the Teacher Education Center located at the J.A. Thompson Administrative Center, 1990 25th Street, Vero Beach, Florida 32960. District School Board Members attending were: Chairman Carol Johnson, Vice Chairman Matthew McCain, and Board Members: Claudia Jiménez, Karen Disney-Brombach, and Dale Simchick. Dr. Frances J. Adams, Superintendent of Schools; and Suzanne D’Agresta, School Board Attorney, were also present.

**Minutes of Special Meeting/
Public Hearing to Adopt Tentative 2014/2015 Budget and Millage Rates**

- I. Chairman Johnson called the Special Meeting to Order.

- II. Purpose of the Meeting – Dr. Adams
 Dr. Adams stated that the purpose of the meeting was to adopt the tentative millage rates and tentative budget for the 2014-2015 school year after receiving public input. The Truth in Millage (TRIM) advertisements were placed according to the specifications of law. TRIM required that the proposed taxes (also referred to as millage rates) be the first issue discussed and adopted at this public hearing. The Board would make two separate motions before completing their task. The first motion would be to set all tentative millage rates. The second motion would be to adopt the tentative budget. Major issues on taxes would be reviewed, followed by input from the public and prior to Board motions.

- III. Discussion of Millage Rates – Mr. Morrison
 Mr. Morrison reviewed the handouts that included a copy of tonight’s PowerPoint; Tentative Budget Agenda, with the various required motions to adopt the two Resolutions; Memorandum from the Commissioner of Education, Pam Stewart, dated July 14, 2014, containing the certification of the 2014-2015 School District Millage Rates and prior Period Funding Adjustment Millage; a copy of the 2014-2015 FEFP Second Calculation Certification of the Required Local Effort Millage Rates, a memorandum to the Superintendent explaining the Tentative General Operating Fund Balance as of June 30, 2014; copies of Resolutions 2015-01 and 2015-02; and a copy of the 2014-2015 Tentative Budget Book.

Mr. Morrison stated that the first order of business was to adopt the 2014-2015 proposed millage rates. He reviewed the millage rates as follows:

Millage	Adopted 2013-2014	Proposed 2014-2015	Increase/ (Decrease)
Operating:			
Required Local Effort	5.268	5.147	(0.121)
Local Discretionary	0.748	0.748	0.000
Special Millage Referendum	0.600	0.600	0.000
Capital Outlay	1.500	1.500	0.000
Total Millage	8.116	7.995	(0.121)

Mr. Morrison reviewed the Millage, as per Statute, with the Rollback Rate as follows:

Millage	Rollback 2014-2015	Proposed 2014-2015	Increase/ (Decrease)
Operating:			
Required Local Effort	5.087	5.147	0.060
Local Discretionary	0.722	0.748	0.026
Capital Outlay	1.448	1.500	0.052
Voted Millage	0.579	0.600	0.021
Total Millage	7.836	7.995	0.159

Note: 2014-2015 Proposed millage is 2.01% higher than the roll-back rate

Mr. Morrison reviewed the impact of proposed millage on a typical residential home. Two scenarios were depicted as follows:

Tax on a Residential Home - Scenario #1

<ul style="list-style-type: none"> ▪ Assumes <u>no</u> increase in assessed valuation of \$200,000 home ▪ 13/14 Taxes \$1,420.30 ▪ 13/14 Taxes \$1,399.13 ▪ Tax <u>Decrease</u> (\$21.17) or 1.49% 	Assessed Value	\$200,000
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	Less – Homestead Exemption	(25,000)
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	Taxable Value of Home	\$175,000

Tax on a Residential Home - Scenario #2

<ul style="list-style-type: none"> ▪ Assumes 4.65% increase in assessed valuation of \$200,000 home, \$9,300 increase ▪ 13/14 Taxes \$1,420.30 ▪ 14/15 Taxes \$1,473.48 ▪ Tax Increase \$53.18 or 3.74% more 	Assessed Value	\$209,300
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	Less – Homestead Exemption	(25,000)
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	Taxable Value of Home	\$184,300

Mr. Morrison stated that as reported by the Indian River County Property Appraiser there was an increase in home values that was projected to result in tax scenario #2, for a 4.65% increase in value. He reminded the public and Board that a homeowner's tax assessment was dependent upon the tax statement received from the Indian River County Property Appraiser's Office.

IV. Public Hearing on Millage Rates – Chairman Johnson

Public Hearing

Chairman Johnson asked the Superintendent if the Public Hearing was properly advertised in accordance with State Statutes. Dr. Adams said, “Yes.” Chairman Johnson recessed the meeting to conduct the Public Hearing.

Chairman Johnson announced that the Public Hearing was in session. She asked Dr. Adams if there were any written responses to be read. Dr. Adams said, “No.” The public was invited to address this issue.

Hearing no requests to speak, Chairman Johnson announced that the Public Hearing was conducted pursuant to notice and that ample opportunity to address this issue was provided to all. The Board meeting was reconvened.

V. Motions for Setting Millage Rates – Chairman Johnson

Chairman Johnson called for a motion. Ms. Jimenez moved approval of Resolution #2015-01 adopting the tentative millage rates as advertised for 7.995 mills representing Required Local Effort, Basic Discretionary, Additional Voted Millage, and Capital Outlay. Mrs. Simchick seconded the motion.

Chairman Johnson called for a roll call vote as follows:

Mr. McCain	Yes
Ms. Jimenez	Yes
Mrs. Simchick	Yes
Mrs. Disney-Brombach	Yes
Chairman Johnson	Yes

The vote was unanimous in favor of the motion, with a 5-0 vote.

VI. Discussion of Budget – Mr. Morrison

Mr. Morrison reviewed highlights contained within the 2014-2015 Tentative Budget Book. He also spoke of the reserves and the projected fund balances. The Proposed 2014-2015 Tentative Budget was as follows:

FUNDS	2013-2014	2014-2015	Difference
General Operating	\$156,283,669.	\$161,288,769.	\$5,005,100.
Debt Service	17,619,316.	18,352,634.	733,318
Capital Projects	54,924,882.	41,490,485.	(13,434,397)
Special Rev – Food Service	10,571,395.	11,014,554.	443,159
Special Rev – Other	13,141,252.	13,759,780.	618,528.
Internal Service	21,556,183.	22,232,801.	676,618
Enterprise Fund	1,272,139.	1,302,588.	30,449
Grand Total	\$275,368,836.	\$269,441,611.	(5,927,225).

VII. Public Hearing on Proposed Budget – Chairman Johnson

Public Hearing

Chairman Johnson asked the Superintendent if the Public Hearing was properly advertised in accordance with State Statutes. Dr. Adams said, “Yes.” Chairman Johnson recessed the meeting to conduct the Public Hearing.

Chairman Johnson announced that the Public Hearing was in session. She asked Dr. Adams if there were any written responses to be read. Dr. Adams said, “No.” The public was invited to address this issue.

Hearing no requests to speak, Chairman Johnson announced that the Public Hearing was conducted pursuant to notice and that ample opportunity to address this issue was provided to all. The Board meeting was reconvened.

VIII. Motion for Adoption of Budget and Setting Final Public Hearing Date and Time – Mr. Morrison
Chairman Johnson called for a motion. Ms. Jimenez moved approval of Resolution #2015-02 adopting the Tentative 2014-2015 Budget as advertised and presented at this hearing and establishing the final public hearing for 5:01 p.m. on Tuesday, September 9, 2014. Mr. McCain seconded the motion.

Board Members asked questions in the areas of estimated expenditures anticipated for Reading Programs, Enterprise Funds, extra hour required for Fellsmere Elementary School, Title I Funds, teacher supplements, and programs for schools of innovation. Board Member was pleased to see funds for safety, health, and security in schools.

With no further discussion, Chairman Johnson called for a roll call vote as follows:

Mr. McCain	Yes
Ms. Jimenez	Yes
Mrs. Simchick	Yes
Mrs. Disney-Brombach	Yes
Chairman Johnson	Yes

The vote was unanimous in favor of the motion, with a 5-0 vote.

IX. Closing Comments – Dr. Adams/Mr. Morrison

Dr. Adams stated that staff would notify the Property Appraiser of the tentative millage rates and tentative adopted budget. Until the final hearing on September 9, 2014, the District would operate within this budget. Dr. Adams and Board Members complimented the Finance Staff and Mr. Morrison for their work on the budget and millage rates for 2014-2015. Mr. Morrison paid special attention to Ellie Simpson as this was her last year working on the budget before retirement.

X. Adjournment – Chairman Johnson

With no further business, the meeting adjourned at approximately 5:40 p.m.