

The District School Board of Indian River County met on July 26, 2016, at 5:01 p.m. The meeting was held in the Teacher Education Center located in the School District Office at the J.A. Thompson Administrative Center located at 6500 – 57th Street, Vero Beach, Florida 32967. District School Board Members attending were: Chairman Dale Simchick, Vice Chairman Shawn R. Frost, and Board Members: Matthew McCain, Claudia Jiménez, and Charles G. Searcy. Dr. Mark J. Rendell, Superintendent of Schools; and Suzanne D’Agresta, School Board Attorney, were also present.

Special Meeting Minutes
Public Hearing
Tentative 2016-2017 Budget and Millage Rates

I. Opened Public Hearing – Chairman Simchick

II. Pledge to the Flag – Chairman Simchick

III. Adoption of the Orders of the Day

Chairman Simchick asked the Superintendent to state for the record the changes requested to the agenda. Dr. Rendell went over the changes that included the motion for the Setting of the Millage Rates and the motion for the Adoption of the Budget and Setting the Date and Time for the Final Public Hearing as stated on the script that was handed out to the Board. Chairman Simchick called for a motion. Ms. Jiménez moved approval of the changes to the Agenda. Mr. Frost seconded the motion and it carried unanimously, with a 5-0 vote.

II. Purpose of the Public Hearing – Dr. Rendell

Dr. Rendell stated that the purpose of the meeting was to adopt the tentative millage rates and adopt a tentative budget for the 2016-2017 school year, after receiving public input. He said that the Truth in Millage (TRIM) advertisements had been placed according to the specifications of law. TRIM required that 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 action was to set all tentative millage rates. The second motion was to adopt the tentative budget. Major issues on taxes would be reviewed, followed by input from the public prior to Board motions.

III. Discussion of Millage Rates – Mr. Morrison

Mr. Morrison reviewed the handouts that included a copy of the PowerPoint and the Tentative Budget Book. The advertisement was published in the newspaper over the weekend. Samples of that advertisement were available in Mr. Morrison’s office. The Budget Book was posted to the Finance website for public viewing.

Mr. Morrison stated that the first order of business was to adopt the 2016-2017 Proposed Millage Rates. He stated that overall, the proposed 2016-2017 millage rate was (-10.67%) lower than the 2015-2016 millage rate. Mr. Morrison reviewed the millage rates as follows:

Millage	Adopted 2015-2016	Proposed 2016-2017	Increase/ (Decrease)
Operating:			
Required Local Effort	5.107	4.562	(0.545)
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	7.995	7.410	(0.545)

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

Millage	Rollback 2015-2016	Proposed 2015-2016	Increase/ (Decrease)
Operating:			
Required Local Effort	4.843	4.562	(0.281)
Local Discretionary	0.709	0.748	0.039
Capital Outlay	1.423	1.500	0.077
Voted Millage	0.569	0.600	0.031
Total Millage	7.544	7.410	(0.134)

Note: 2016-2017 Proposed millage is (-1.78%) lower 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 15/16 Taxes \$1,392.13 16/17 Taxes \$1,296.75 Tax <u>Decrease</u> (\$95.38) or 6.85% 	Assessed Value ----- Less – Homestead Exemption ----- Taxable Value of Home	\$200,000 ----- (25,000) ----- \$175,000
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------	------------------------------------------------------

Tax on a Residential Home - Scenario #2

<ul style="list-style-type: none"> Assumes 6.59% increase in assessed valuation of \$200,000 home, capped at 3%=\$6,000 increase 15/16 Taxes \$1,392.13 16/17 Taxes \$1,341.21 Tax decrease (-\$50.92) or 3.66% less 	Assessed Value ----- Less – Homestead Exemption ----- Taxable Value of Home	\$206,000 ----- (25,000) ----- \$181,000
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------	------------------------------------------------------

Mr. Morrison stated that as reported by the Indian River County Property Appraiser scenario #2 was the most likely tax scenario to expect in Indian River County.

He reminded the public and Board that a homeowner's tax assessment was dependent upon the individual tax statement received from the Indian River County Property Appraiser's Office.

IV. Public Hearing on Millage Rates – Chairman Simchick

Public Hearing

Chairman Simchick asked the Superintendent if the Public Hearing was properly advertised in accordance with State Statutes. Dr. Rendell said, "Yes, it was" and it was advertised in the local newspaper and presented at three, separate budget workshops earlier this year. Chairman Simchick recessed the meeting to conduct the Public Hearing.

Chairman Simchick announced that the Public Hearing was in session. She asked Dr. Rendell if there were any written responses to be read. Dr. Rendell said, "No, Madam Chair, we have not received any written responses." The public was invited to address this issue.

Liz Cannon, President of Indian River County Education Association (IRCEA), requested to speak.

Hearing no further requests to speak, Chairman Simchick 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. Approval of Resolution #2017-01 for Adoption of Tentative millage Rates as Advertised for 7.410 Mills, representing Required Local Effort, Basic Discretionary, Additional Voted Millage and Capital Outlay - Chairman Simchick

Chairman Simchick called for a motion. Mr. McCain moved approval of Resolution #2017-01 adopting the tentative millage rates as advertised for 7.410 mills, representing Required Local Effort, Basic Discretionary, and additional Voted Millage and Capital Outlay. Ms. Jiménez seconded the motion.

Mr. Morrison was called upon to explain to the public which millage rates the Board had discretion on and which ones they did not. He stated that the Required Local Millage was mandated and the Board could reduce the Capital Outlay Millage but not increase it. In regard to the Required Local Effort Millage, Mr. Morrison said that there was some addition funding, as reported in the State's second calculation. Board Member noted that there was an overall increase of \$1 million dollars as a result of the second calculation.

Chairman Simchick called upon Miss Stang for a roll call vote as follows:

Mr. Searcy	Yes
Mr. McCain	Yes
Ms. Jiménez	Yes
Mr. Frost	Yes
Chairman Simchick	Yes

The roll call 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 2015-2016 Tentative Budget Book. He stated that the Proposed 2015-2016 Tentative Budget was discussed with the Board as follows:

FUNDS	2015-2016	2016-2017	Difference	% Change
General Operating	\$168,495,033	\$170,585,059	\$2,090,026	1.24%
Debt Service	18,601,215	22,217,849	3,616,634	19.44%
Capital Projects	38,683,404.	51,983,238	13,299,834	34.38%
Special Rev – Food Service	10,908,763.	10,742,392	(166,371)	(1.53%)
Special Rev – Other	11,239,928.	11,259,672	19,744	.1757%
Internal Service	18,813,916.	17,059,408	(1,754,508)	(9.32%)
Enterprise Fund	1,427,916.	1,141,074	(286,842)	(20.8%)
Grand Total	\$268,170,175.	\$284,988,692	\$16,818,517	6.27%

VII. Public Hearing on Proposed Budget – Chairman Simchick

Public Hearing

Chairman Simchick asked the Superintendent if the Public Hearing was properly advertised in accordance with State Statutes. Dr. Rendell said, “Yes, Madam Chair, we have.” Chairman Simchick recessed the meeting to conduct the Public Hearing.

Chairman Simchick announced that the Public Hearing was in session. She asked Dr. Rendell if there were any written responses to be read. Dr. Rendell said, “No, Madam Chair, we have not.” The public was invited to address this issue.

Hearing no requests to speak, Chairman Simchick 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. Approval of Resolution 2017-02 for Adoption of Tentative Budget as Advertised and Presented at this Hearing, and to Establish Final Public Hearing Date

Chairman Simchick called for a motion. Mr. McCain moved to approve Resolution 2017-02 to adopt the tentative budget as advertised and presented at this hearing, and that we establish the final Public Hearing for 5:01 p.m. on Thursday, September 8, 2016. Ms. Jiménez seconded the motion.

Board Member reminded the public that as this process occurred, it was the result of a series of workshops. A Board Member noted that there would be a change to the budget in order to pay back the Insurance deficit in three years versus four year. Chairman Simchick thanked staff and the Board for their hard work, with the funding restrictions from the State.

Chairman Simchick called upon Miss Stang for a roll call vote as follows:

Mr. Searcy	Yes
Mr. McCain	Yes
Ms. Jiménez	Yes
Mr. Frost	Yes
Chairman Simchick	Yes

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

- IX. Closing Comments – Chairman Simchick

Dr. Rendell stated that they would notify the property Appraiser of the tentative millage rates and the tentative adopted budget. Until the final hearing on September 8, 2016, the District would operate within this budget.

- X. ADJOURNMENT – Chairman Simchick

Meeting adjourned at approximately 5:24 p.m.