



Board of Directors Meeting

May 10, 2012

Information About Millage Rate Options 12/13

Item IV.B.

Information Item:	Information about millage rate options FY 12/13
Programs:	JWB Children and Family Programs
Budget Impact:	Choice of millage rate impacts the FY 12/13 budget as presented below.
Strategic Plan Goal:	Wisely invest public dollars. Advance the JWB strategic focus areas in School Readiness, School Success, and prevention of Child Maltreatment.

Background:

At the April meeting, the Board directed staff to provide information on the impacts of various millage selections. Staff has prepared an analysis projecting revenues for 2013 based on millage rates that the Board selected in 2011 and 2012, as well as the estimated roll back rate, and a figure that would balance the budget over two years.

The Board has taxing authority of 1.000, which would yield \$51.4M for children's services in 2013 based on a 3.5 percent projected reduction of ad valorem revenues. The Board is carrying forward a budget gap of \$5M at the .8337 millage rate, which is funded by the program stability reserve created by the Board in 2009. This option reduces the program budget from \$44M to \$41.8M. However, in the following year when program stability funds are exhausted, the current millage rate .8337 applied to 2014 creates a budget deficit of \$6M. If lapse funds are not available this deficit would rise to \$7M. The .7915 millage rate requires an additional \$1.7M cut in FY 12/13, and the program deficit rises to \$10M in FY 13/14. The estimated roll back rate of .8696 reduces the budget deficit in FY 13/14 to \$2.2M. A millage of .9300 balances the budget for FY 13/14 by enabling a small reserve that would bridge the budget gap in the second year, and it maintains the program budget at \$44M.

The attached chart details the programs currently funded, the strategic area addressed, and the aggregate outcomes.

If a rate other than the current millage of .8337 is desired, the Board is asked to reach consensus on a new millage rate option, and indicate the children's services they wish to increase, decrease, or maintain. Based on these responses staff will present millage rate options for the June Board meeting. The millage rate impact on property taxpayers is based on the county's average property value of \$144,286 as presented below for each millage rate option:

1.000 =	\$94.29
.9300 =	87.69
.8696 =	81.99
.8337 =	78.61
.7915 =	74.63