MEMORANDUM

Date: September 17, 2013

TO: Town Commission

FROM: Dave Bullock, Town Manager

SUBJECT: Ordinance 2013-22, Adopting Millage Rates for the Town of Longboat Key for Fiscal Year Beginning October 1, 2013 and Ending September 30, 2014
AND
Ordinance 2013-23, Adopting a Budget for the Town of Longboat Key for the Fiscal Year Beginning October 1, 2013 and Ending September 30, 2014

At the September 3, 2013 Regular Meeting, the Town Commission held first reading, public hearing, and discussion regarding Ordinance 2013-22 adopting a tentative millage rate and Ordinance 2013-23 adopting a Budget for Fiscal Year 2013-2014. These items were forwarded to the September 23, 2013 Special Meeting for second reading, public hearing, discussion and adoption.

The tentatively adopted millage rate for general operating purposes is 2.0760 and is a 12.2% increase from the rolled-back rate of 1.8502. The tentatively adopted millage rate for facilities debt service is 0.0560 for a total levy of 2.1320 mills.

In accordance with State law, two separate motions are required. Discussion of the millage rates and the budget must be heard in the following format:

a. Discussion of rolled-back millage rate
b. Ordinance 2013-22:
   Motion on adoption of millage rate for Town
c. Ordinance 2013-23:
   Motion on Town's Budget

The Town of Longboat Key FY 2013-2014 Budget document and a PowerPoint presentation are attached for your review.

Please don't hesitate to contact me if you have any questions.

TOWN OF LONGBOAT KEY

MILLAGE AND BUDGET ORDINANCES

SEPTEMBER 23, 2013

OPERATING MILLAGE

- The proposed operating millage rate is 2.0760.
- This is an increase of .1888 mills (10%) over the prior year's mill rate. This is the first mill rate increase since 2010.
- Town property valuations went up 2.6% resulting in an ad valorem revenue increase of $214,963.
- The increase of .1888 mills results in an ad valorem revenue increase of $859,852.

GENERAL FUND BUDGET IN BRIEF

- General Fund Budget = $15,425,585
  ($3,162 decrease in spending)

- Increases Assignment of Fund Balance for pension by $400,000 for a total of $1,400,000

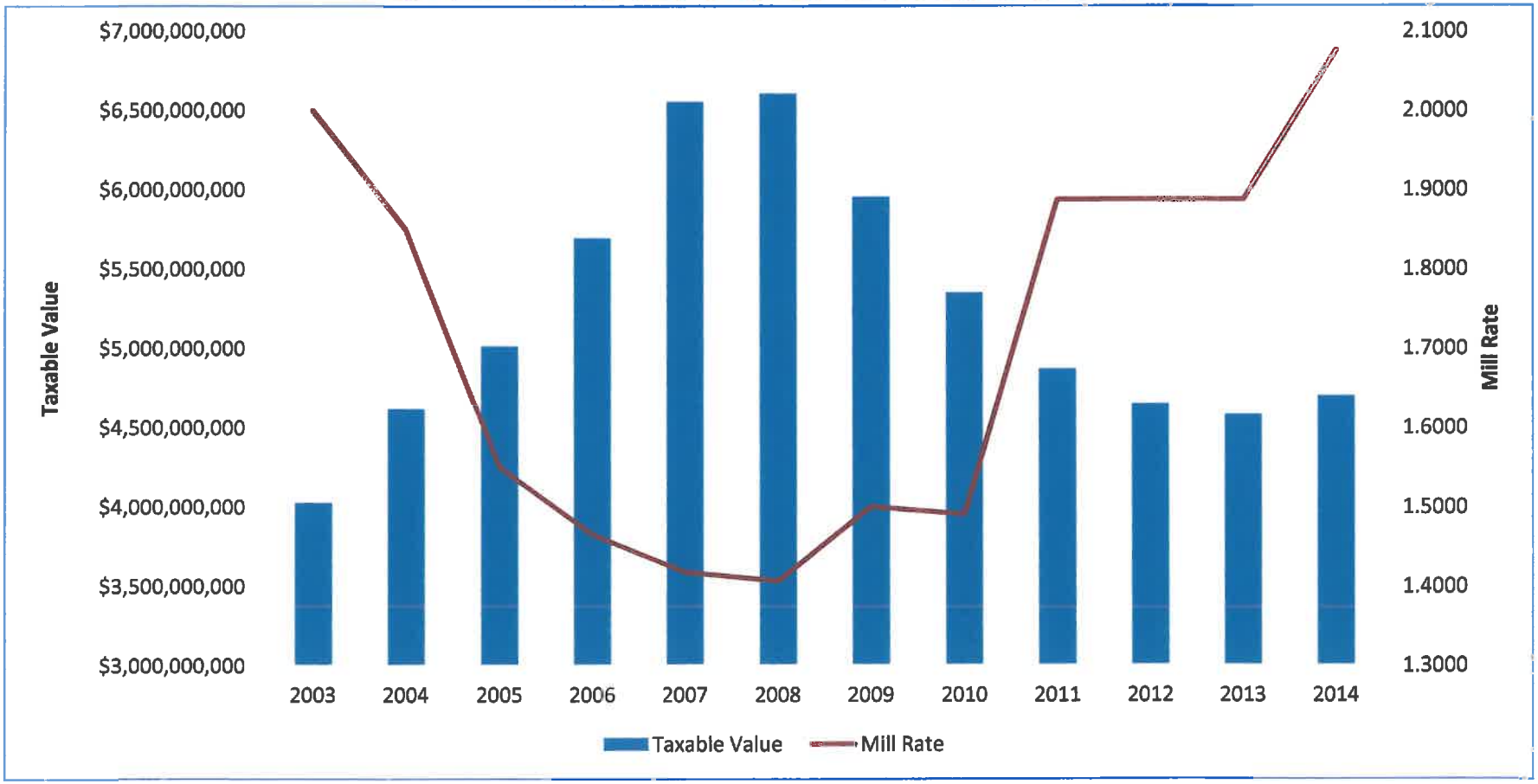
- Increase in Fund Balance Reserves = $210,075

- Remaining fund balance = 95 days of operating expenditures

AD VALOREM HISTORY

Fiscal Year	Taxable Value	Mill Rate	Tax Revenue
2003	4,028,202,211	2.0000	7,782,385
2004	4,618,875,625	1.8500	8,166,762
2005	5,014,504,388	1.5500	7,468,162
2006	5,695,624,611	1.4650	8,031,529
2007	6,555,048,538	1.4175	8,953,270
2008	6,606,809,366	1.4062	8,970,156
2009	5,954,878,099	1.5000	8,639,024
2010	5,350,393,405	1.4903	7,697,326
2011	4,868,600,933	1.8872	8,863,270
2012	4,647,670,792	1.8872	8,499,099
2013	4,582,642,068	1.8872	8,379,912
2014	4,699,704,223	2.0760	9,454,727

ASSESSED VALUES AND MILL RATE HISTORY



HISTORY OF FUND BALANCE 2012 THROUGH 2014

		Fund Balance	Operating Days
Fiscal Year 2012			
FY 12 Audited Ending Fund Balance		$ 4,464,157	113
Fiscal Year 2013			
FY 13 Projected Fund Balance Reduction		(609,328)	
FY 13 Nonspendable and Assigned		(210,675)	
FY 13 Estimated Ending Balance		$ 3,644,154	90
Fiscal Year 2014			
FY 14 Budgeted Revenues	15,635,660		
FY 14 Budgeted Expenditures	(15,425,585)		
FY 14 Fund Balance Increase		210,075	
FY 14 Ending Fund Balance		* $ 3,854,229	95

*Includes $1.4 million in reserves for Pension obligations.

G.O. FACILITY IMPROVEMENT DEBT MILLAGE

- This millage is for repayment of the funds borrowed for construction of Town Facilities listed below.
  - Town Hall Addition and Remodel
  - Public Works Complex
  - Police Station
- The fiscal year 2013-14 proposed millage rate is 0.0560 to cover $289,828 in payments.
- The current debt of $1.6 million will be paid off in 2019.

BEACH MILLAGE

- For Truth in Millage (TRIM) notices, the Town Commission is required to set a proposed millage rate for the two Beach Erosion Control Special Districts.

- After the discussion regarding beach debt at the July 1, 2013 Regular Meeting, it was determined not to assess a millage for fiscal year 2013-2014.

TOWN OF LONGBOAT KEY

PROPOSED TOTAL TOWN MILLAGE AND IMPACT ON TAXES

	FY 2013	FY 2014
Operating	1.8872	2.0760
Debt	0.0564	0.0560
Total	1.9436	2.1320

Home Value	Taxes	Taxes	Difference
$250,000	$ 485.90	$ 533.00	$ 47.10
$500,000	$ 971.80	$ 1,066.00	$ 94.20
$750,000	$ 1,457.70	$ 1,599.00	$ 141.30
$1,000,000	$ 1,943.60	$ 2,132.00	$ 188.40

MAXIMUM MILL RATE AND ROLLED BACK RATE

- The proposed operating millage of 2.0760 produces a 12.2% change from the Rolled-Back Rate of 1.8502 for 2013.
  - The Rolled-Back Rate is the rate which, exclusive of new construction, will provide the same property (ad valorem) tax revenue as was levied during the prior year.

TOWN OF LONGBOAT KEY

ORDINANCE 2013-22 ADOPTING A MILLAGE RATE FOR FISCAL YEAR 2013-14

- Motion to pass Ordinance 2013-22 on second reading and public hearing levying ad valorem tax of **2.0760** mills for general operating purposes for the Town of Longboat Key and **0.0560** mills for general obligation facility improvements bonds for a total of **2.1320** for the Fiscal Year 2013-2014

ORDINANCE 2013-23 ADOPTING A BUDGET FOR FISCAL YEAR 2013-2014

- Motion to pass Ordinance 2013-23 on second reading and public hearing, adopting a budget for the Town of Longboat Key for fiscal year 2013-2014.

ORDINANCE 2013-22

AN ORDINANCE OF THE TOWN OF LONGBOAT KEY, FLORIDA, LEVYING FOR GENERAL OPERATION PURPOSES A 2.0760 MILL AD VALOREM TAX ON ALL REAL AND PERSONAL PROPERTY WITHIN THE TOWN OF LONGBOAT KEY; LEVYING A 0.0560 MILL AD VALOREM TAX ON ALL REAL AND PERSONAL PROPERTY WITHIN THE TOWN OF LONGBOAT KEY TO PAY FOR GENERAL OBLIGATION FACILITY IMPROVEMENTS BOND FOR A TOTAL OF 2.1320 MILLS AD VALOREM TAX FOR FISCAL YEAR 2014, BEGINNING OCTOBER 1, 2013, AND ENDING SEPTEMBER 30, 2014; PROVIDING FOR CERTIFICATION OF ADJUSTED ADOPTED RATE; PROVIDING FOR A COPY OF THIS ORDINANCE TO BE FURNISHED TO THE COUNTY COMMISSIONS, PROPERTY APPRAISERS, TAX COLLECTORS, AND FLORIDA DEPARTMENT OF REVENUE; PROVIDING FOR COMPLIANCE WITH APPLICABLE FLORIDA LAW FOR PARTICIPATION IN LOCAL GOVERNMENT REVENUE SHARING AND HALF-CENT SALES TAX PROGRAMS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 200.065, Florida Statutes, provides a method of fixing millage, the notice of ad valorem tax levy and public hearing; and,

WHEREAS, a copy of this Ordinance shall be filed with the Boards of County Commissioners, the Property Appraisers, and the Tax Collectors of Sarasota and Manatee Counties, Florida, and with the Florida Department of Revenue levying a 0.0560 mill ad valorem tax in the Town for general obligation debt service and levying for Fiscal Year 2014 a 2.0760 mill ad valorem tax in the Town for general revenue purposes; which produces a 12.20 percent change from the rolled-back rate for the Fiscal Year 2014 on properties within the Town of Longboat Key;

WHEREAS, Part VI of Chapter 218, Florida Statutes, entitled "Participation in Half-Cent Sales Tax Proceeds" provides the eligibility requirements for revenue sharing and participation in the half-cent sales tax, provides for public notice and hearing, provides that proposed millage rates shall reflect property tax reductions afforded by the tax, and specifies uses of such tax ; and,

WHEREAS, Section 218.23, Florida Statutes, provides that to be eligible to participate revenue sharing funds, a municipality must levy an ad valorem tax to produce revenue equivalent to a millage rate of three mills on the dollar based on the 1973 taxable values as certified by the property appraiser pursuant to law and shall certify to the Department of Revenue that the requirements of Section 200.65, Florida Statutes have been met; and,

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COMMISSION OF THE TOWN OF LONGBOAT KEY, FLORIDA, THAT:

SECTION 1. The above Whereas clauses are true and correct and are hereby ratified and confirmed.

SECTION 2. In accordance with the Charter of the Town of Longboat Key and Section 200.001, Florida Statutes, the Town Commission does hereby levy a 0.0560 mill voted debt service tax on all real and personal property located within the Town for a general obligation facility improvements bond and a 2.0760 mill ad valorem tax on all real and personal property located within the Town for general operating purposes which produces a 12.20 percent change from the rolled-back rate of 1.8502. The funds to be received therefrom shall be deposited into general governmental funds for the purposes of meeting the expenses and expenditures of the budget adopted for the Town of Longboat Key for the Fiscal Year beginning October 1, 2013, and ending September 30, 2014, and the same is hereby appropriated for such purposes.

SECTION 3. The total millage for real and personal property located within the Longboat Key for Fiscal Year 2014 shall be 2.1320 mills.

SECTION 4. In accordance with Section 200.065(6), Florida Statutes, each taxing district may adjust its adopted millage rate if the taxable value within the jurisdiction of the taxing authority as certified is at a variance by more than 1 percent from the taxable value shown on the roll to be extended; the adjustment shall be such that the taxes computed by applying the adopted millage rate against the certified taxable value are equal to the taxes computed by applying the adjusted adopted rate to the taxable value on the roll to be extended, and the Town Manager of the Town shall certify to the property appraiser the Town's adjusted adopted rate.

SECTION 5. Copies of this Ordinance shall be furnished to the Boards of County Commissioners, the Property Appraisers, and the Tax Collectors of Sarasota and Manatee Counties, Florida, and to the Florida Department of Revenue for their immediate attention.

SECTION 6. In accordance with Part IV of Chapter 218, Florida Statutes including Section 218.23, Florida Statutes, the Town shall take all necessary actions to participate in the half-cent sales tax and receive its share of the local government revenue sharing funds.

SECTION 7. All ordinances and parts of ordinances in conflict herewith shall be and the same are hereby repealed.

SECTION 8. This Ordinance shall take effect upon second reading in accordance with Law, and the Charter of the Town of Longboat Key.

PASSED on first reading and public hearing the 3rd day of September, 2013.

ADOPTED on second reading and public hearing the _____ day of September, 2013.

_____
James L. Brown, Mayor

ATTEST:

_____
Trish Granger, Town Clerk

ORDINANCE 2013-23

AN ORDINANCE OF THE TOWN OF LONGBOAT KEY, FLORIDA, ADOPTING A BUDGET, FOR THE TOWN OF LONGBOAT KEY FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2013, AND ENDING SEPTEMBER 30, 2014; MAKING APPROPRIATIONS FOR THE PURPOSE OF MEETING EXPENSES AND EXPENDITURES IN SAID BUDGET; PROVIDING FOR FINAL ACTION ON SAID ORDINANCE; PROVIDING FOR PUBLICATION OF SAID ORDINANCE; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Longboat Key Town Manager has filed his Recommended Budget and Budget Message setting forth work programs, capital programs, estimates of expenditures, revenues and financings of the Town for the fiscal year beginning October 1, 2013, and ending September 30, 2014; and,

WHEREAS, such estimates have been compiled from detailed information of income and expenditures from prior years, projections of future revenues and costs provided from staff, outside professionals, state and local governments and other sources deemed necessary; and,

WHEREAS, the estimates contained in such report constitute a recommendation of the Town Manager as to the amount necessary to be appropriated for the fiscal year beginning October 1, 2013, and ending September 30, 2014; and,

WHEREAS, the Town Commission has carefully considered the programs and estimates of the revenues and expenditures contained in such report by the Town Manager; and,

WHEREAS, the Town Commission has voted to set a millage rate prior to adoption of this budget; and,

WHEREAS, copies of the Town Manager's Recommended Budget and Budget Message are on file in the Office of the Town Clerk for inspection by the public.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COMMISSION OF THE TOWN OF LONGBOAT KEY, FLORIDA, THAT:

SECTION 1. The above Whereas clauses are true and correct and are hereby ratified and confirmed.

SECTION 2. The expenditures necessary for the operation of the Town for the fiscal year beginning October 1, 2013, and ending September 30, 2014, are hereby adopted as the Budget for the said fiscal year and the revenues set forth are hereby appropriated for the purposes indicated according to the "2013-2014 Budget" incorporated herein by reference.

SECTION 3. This Budget shall take effect the thirtieth day of September, 2013, at 12:00 midnight.

SECTION 4. This Ordinance shall be published in the *Sarasota Herald-Tribune* and the *Bradenton Herald* in accordance with advertising requirements.

SECTION 5. This Ordinance shall take effect upon second reading in accordance with Law and the Charter of the Town of Longboat Key.

PASSED on first reading and public hearing the 3rd day of September, 2013.

ADOPTED on second reading and public hearing the ____ day of September, 2013.

_____
James L. Brown, Mayor

ATTEST:

_____
Trish Granger, Town Clerk

End of Agenda Item