

**M E M O R A N D U M**

Date: August 31, 2015

**TO:** Town Commission  
**FROM:** Dave Bullock, Town Manager  
**SUBJECT:** Recommended Budget FY 2015-2016 Ordinance 2015-22 and 2015-23

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Attached are Ordinances 2015-22 and 2015-23 providing for a Recommended Budget for Fiscal Year 2015-2016. Three budget workshops were held on May 18, June 15, and June 29, 2015. At the July 6, 2015 Regular Meeting the Town Commission set the following Maximum millages:

	<b>OPERATING MILLAGE</b>	<b>G.O. DEBT SERVICE</b>	<b>BEACH BOND MILLAGE</b>	<b>TOTAL MILLAGE</b>
<b>DISTRICT A</b>	<b>2.1763</b>	<b>0.0576</b>	<b>0.8328</b>	<b>3.0667</b>
<b>DISTRICT B</b>	<b>2.1763</b>	<b>0.0576</b>	<b>0.2082</b>	<b>2.4421</b>

The Recommended Budget was originally distributed on August 1, 2015 and is currently being modified for changes in insurances, as a result of the RFP process, as well as salary adjustments from the new merit system. The modified budget will be forwarded, prior to the meeting, upon completion.

Ordinance 2015-22 sets the mill rates as shown above and provides for the furnishing of the Ordinance to the County Commission, property appraisers, tax collectors and the Florida Department of Revenue in accordance with Florida Law.

Ordinance 2015-23 provides for the adoption of the appropriations for purposes set forth in the Fiscal Year 2015-2016 Budget.

## ORDINANCE 2015-22

**AN ORDINANCE OF THE TOWN OF LONGBOAT KEY, FLORIDA, LEVYING FOR GENERAL OPERATION PURPOSES A 2.1763 MILL AD VALOREM TAX ON ALL REAL AND PERSONAL PROPERTY WITHIN THE TOWN OF LONGBOAT KEY; LEVYING A 0.0576 MILL AD VALOREM TAX ON ALL REAL AND PERSONAL PROPERTY WITHIN THE TOWN OF LONGBOAT KEY TO PAY FOR GENERAL OBLIGATION FACILITY IMPROVEMENT BONDS; LEVYING AN ADDITIONAL 0.8328 MILL AD VALOREM TAX ON ALL REAL AND PERSONAL PROPERTY WITHIN LONGBOAT KEY BEACH EROSION CONTROL DISTRICT A TO PAY PRINCIPAL AND INTEREST ON GENERAL OBLIGATION BEACH BONDS; LEVYING A TOTAL MILLAGE INCLUSIVE OF GENERAL OPERATION AND DEBT SERVICE OF 3.0667 MILLS AD VALOREM TAX FOR ALL REAL AND PERSONAL PROPERTY WITHIN LONGBOAT KEY BEACH EROSION CONTROL DISTRICT A FOR FISCAL YEAR 2016, BEGINNING OCTOBER 1, 2015, AND ENDING SEPTEMBER 30, 2016; LEVYING AN ADDITIONAL 0.2082 MILL AD VALOREM TAX ON ALL REAL AND PERSONAL PROPERTY WITHIN LONGBOAT KEY BEACH EROSION CONTROL DISTRICT B TO PAY PRINCIPAL AND INTEREST ON GENERAL OBLIGATION BEACH BONDS; LEVYING A TOTAL MILLAGE INCLUSIVE OF GENERAL OPERATION AND DEBT SERVICE OF 2.4421 MILLS AD VALOREM TAX FOR ALL REAL AND PERSONAL PROPERTY WITHIN LONGBOAT KEY BEACH EROSION CONTROL DISTRICT B FOR FISCAL YEAR 2016, BEGINNING OCTOBER 1, 2015, AND ENDING SEPTEMBER 30, 2016; PROVIDING FOR CERTIFICATION OF ADJUSTED ADOPTED RATE; PROVIDING FOR A COPY OF THIS ORDINANCE TO BE FURNISHED TO THE SARASOTA AND MANATEE 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**, pursuant to applicable Florida law the Town Commission of the Town of Longboat Key (hereinafter "Town Commission") conducted duly noticed public hearings on September 9, 2015, and September 28, 2015, and determined that a 2.1763 mill ad valorem tax shall be levied on all real and personal property within the Town of Longboat Key; and

**WHEREAS**, at said public hearings, the Town Commission also determined that a 0.0576 mill ad valorem tax shall be levied on all real and personal property within the Town of Longboat Key for purposes of paying for general obligation facility improvement bonds; and

**WHEREAS**, at said public hearings, the Longboat Key Beach Erosion Control District A decided to levy a 0.8328 mill ad valorem tax on all real and personal property located within said dependent special district for Fiscal Year 2016 for purposes of paying the principal and interest on general obligation bonds associated with beach renourishment project(s); and

**WHEREAS**, at said public hearings, the Longboat Key Beach Erosion Control District B decided to levy a 0.2082 mill ad valorem tax on all real and personal property located within said dependent special district for Fiscal Year 2016 for purposes of paying the principal and interest on general obligation bonds associated with beach renourishment project(s); and

**WHEREAS**, the aforementioned millage rates produces a 4.8 percent change from the rolled-back rate for the Fiscal Year 2015 on properties within the Town of Longboat Key; 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; and

**WHEREAS**, Part II of Chapter 218, Florida Statutes, sets forth the requirements for a municipality to be eligible to participate in revenue sharing funds; and

**WHEREAS**, Part VI of Chapter 218, Florida Statutes, sets forth the requirements for a municipality to receive a portion of the local government half-cent sales tax and specifies the uses of such tax; and

**WHEREAS**, the Town Commission has determined that the Town shall comply with all statutory requirements provided for in Parts II and VI of Chapter 218, Florida Statutes, to avail itself of and participate in revenue sharing and in half-cent sales tax proceeds programs, respectively.

**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 218.33, Florida Statutes, the Town Commission does hereby levy a **2.1763** mill ad valorem tax on all real and personal property located within the Town, and a **0.0576** mill ad valorem tax for general obligation facility improvements bond, and an additional **0.8328** mill ad valorem tax on all real and personal property located within the Longboat Key Beach Erosion Control District A, and an additional **0.2082** mill ad valorem tax on all real and personal property located within the Longboat Key Beach Erosion Control District B, which when combined produces a 4.8 percent change from the rolled-back rate for Fiscal Year 2015, and 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 and for Longboat Key Beach Erosion Control Districts A and B for the Fiscal Year beginning October 1, 2015, and ending September 30, 2016, and the same is hereby appropriated for such purposes.

SECTION 3. The total millage for the Town of Longboat Key for Fiscal Year 2016 shall be **2.2339** mills and shall be levied on all real and personal property within the Town of Longboat Key. The total millage for real and personal property located within the Longboat Key Beach Erosion Control District A shall be **3.0667** mills; and the total millage for the Longboat Key Beach Erosion Control District B shall be **2.4421** 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 variance 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. In accordance with Parts II and VI of Chapter 218, Florida Statutes, and other applicable Florida law, the Town of Longboat Key shall take all actions necessary to participate in the revenue sharing and in half-cent sales tax proceed programs.

SECTION 6. 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 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 \_\_\_\_\_ day of September, 2015.

ADOPTED on second reading and public hearing the \_\_\_\_\_ day of September, 2015.

\_\_\_\_\_  
Jack G. Duncan, Mayor

ATTEST:

\_\_\_\_\_  
Trish Granger, Town Clerk



**MILLAGE RATE AND BUDGET ADOPTION  
PUBLIC HEARING**

**SEPTEMBER 9, 2015**



## PRELIMINARY BUDGET SCHEDULE FISCAL YEAR 2015-16 (FY 16)

- Budget Workshops
  - ~~May 18, 2015 – 9am – General Fund / Capital Plan~~
  - ~~June 15, 2015 – 9am – General Fund~~
  - ~~June 29, 2015 – 9am – All Other Funds~~
- Budget Meetings
  - ~~July 6, 2015 Regular Meeting – Set Maximum Millage~~
  - **September 9, 2015 Regular Meeting – 1<sup>st</sup> Reading**
  - September 28, 2015 Special Meeting – 2<sup>nd</sup> Reading and Adoption



## **FISCAL YEAR 2015-16 BUDGET ACTIVITIES TO DATE**

- **During three Budget Workshops Town Commission and Staff Reviewed the following:**
  - **All major elements of Town services**
  - **Pension Reserve**
  - **Major capital projects**
  - **Beach program and various projects over the next several years.**



## GENERAL FUND BUDGET IN BRIEF

- General Fund Budget = \$16,283,227
- Flat Millage Rate 2.1763
- Fund the difference between revenues and expenditures with Fund Balance (\$389,675).



## GENERAL FUND REVENUES

### *Ad Valorem Revenue*

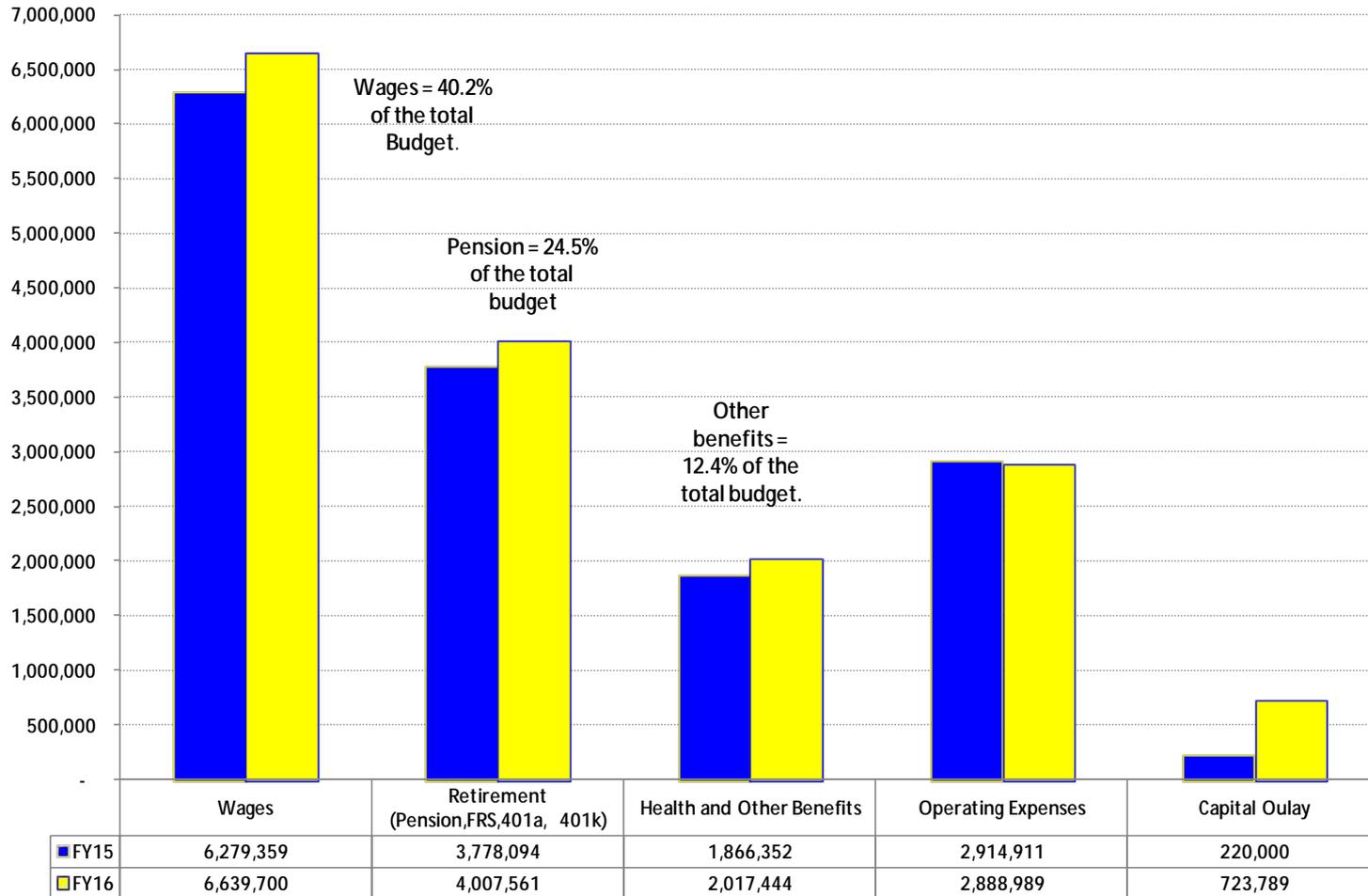
- Assessed values are 5.3% higher producing additional ad valorem revenue of \$504,061 at the current mill rate of 2.1763.

### *Major Changes From Current Year to Other Revenues*

- Franchise Fees/Electricity – Up \$41,000 (5%)
- Ambulance Fees – Up \$30,000 (15%)
- WCIND Grants – Up \$20,931 (36%)
- Fines and Miscellaneous – Up \$55,324 (19%)
- Local Communications Service Tax - Down \$23,000 (4%)
- Transfer from Road and Bridge Fund – Down \$100,000 (14%)
- Transfer from Utility Fund – Down \$146,355 (14%)



## Comparison of Wages, Benefits, Operating Expenses and Capital Outlay FY15 to FY16





# FY 16 GENERAL FUND CAPITAL BUDGET

	Fire - Records Management System (incl. Patient Care Reporting)	\$100,000
	Dispatch equipment – Fire and Police	\$153,789
	Fire – North Fire Station improvements	\$15,000
	Fire – South Fire Station Retrofit or rebuild design plans allowance	\$100,000
	Town Automatic External Defibrillators (5)	\$25,000
	Police – In car cameras	\$42,000
	Police – 24' Marine Patrol Boat	<u>\$92,000</u>
	<b>Subtotal Public Safety</b>	<b>\$527,789</b>
	General Services – Town-wide software	\$150,000
	I.T. – Hardware and software upgrades	<u>\$46,000</u>
	<b>Total Capital Outlay</b>	<b>\$723,789</b>

Capital increased \$503,789 over current year.



# FY16 Beach Capital Projects

Includes Carry Forwards from FY15

## Beach Fund:

High Erosion Area Sand Placement	\$14,491,505
Longboat Pass Dredging	4,500,000
New Pass Dredging	4,300,000
Sand Search	302,990
Beach Monitoring Protected Species	367,353
Beach Artificial Reef Monitoring	200,000
Beach Post Construction Monitoring	303,231
Beach Monitoring Consultant	157,040
Beach Tilling	40,000
Beach Legal	15,769
Maintenance and Equipment	37,945
South End Interim Truck Haul (Funded in 2015)	1,424,350
Beach North End Structures	598,994
Contingencies	<u>200,000</u>



## FY 16 Utility Capital Projects

Includes Carry Forwards from FY15

Utility Fund:

Water Main Inspection	60,000
Longboat Pass Subaqueous Replacement	346,977
Heavy Truck Replacement	52,322
Jetter Trailer	250,000
Meters Replacement Program	39,122
Wetwell And Manhole Repair	160,000
Rehabilitation Of Sewer Lines I&I	1,173,451
WW Collection Subaqueous Rehab	* 20,199,113
Scada System Replacement	294,423
Wastewater Collection Rehab	113,634
Rehabilitation - Various Lift Stations	1,435,347
GMD Gravity Crossing Replacement	300,000
Lift Station Pumps	126,696
Computer Software	195,804
Contingencies	<u>200,000</u>
Total Capital Outlay (Including carry forwards)	24,946,889



**FY 16 CAPITAL BUDGET  
(NOT INCLUDING CARRYOVERS)**

Road and Bridge Fund:

Trucks (2)	\$70,000
Deck/Pontoon Boat	45,000
	<u>\$115,000</u>

Building Fund:

Financial Software (16.7% of total)	<u>\$50,000</u>
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Parks and Recreation Capital Fund:

Bayfront Park Improvement Project	\$3,028,213
Boardwalk Replacements	10,000
	<u>\$3,038,213</u>

Land Acquisition Fund:

Town Center	<u>\$60,000</u>
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Canal Dredging Fund:

Canal Dredging	<u>\$500,000</u> <sub>10</sub>
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**FY 16 CAPITAL BUDGET**  
**(NOT INCLUDING CARRYOVERS)**

**Infrastructure Surtax Fund:**

Public Facilities Floor Covering	\$15,000
Public Facilities Roof Repairs	150,000
Fire Defibrillators	80,001
Police Facility Building Structure Strengthening	<u>20,000</u>
	<b>\$265,001</b>

**Street Capital Project Fund:**

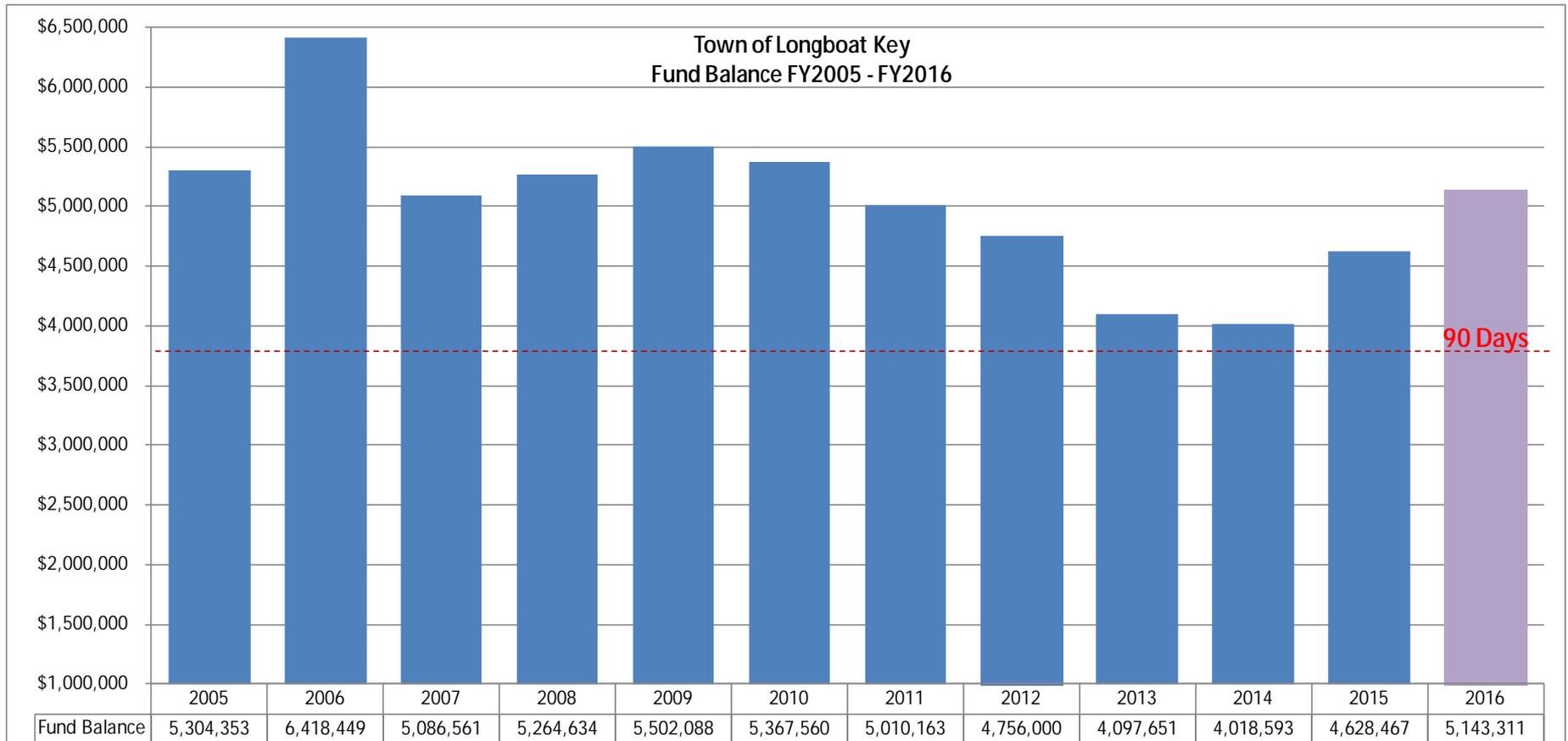
Streets Resurfacing	\$250,000
Village Stormwater Study	35,000
Stormwater Upgrades	<u>15,000</u>
	<b>\$300,000</b>

**Tennis Fund:**

Reserve for Court Resurfacing	\$15,000
Fencing	<u>5,000</u>
	<b>\$20,000</b>



# FUND BALANCE HISTORY





## ROLLED-BACK RATE & MAXIMUM MILLAGE

- Ø The proposed operating millage of 2.1763 produces a 4.82% change from the Rolled-Back Rate of 2.0763 for tax year 2015.
- Ø 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.
- Ø The maximum millage that can be levied
  - Ø Simple majority vote 2.1170
  - Ø Two-thirds vote 2.1763 (five votes)



## **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 2015-16 proposed millage rate is 0.0576. These bonds expire in 2019.**



## BEACH MILLAGE

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

### Ø Town Manager Plan

- Ø Reduce borrowing by amount of tax collected from FY15 millage
- Ø Borrow estimated \$13,325,000 in FY16
- Ø Adjust FY 16 millage to cover reduced borrowing



# BEACH MILLAGE

## Maximum Millage

### Beach Districts A and B

	<u>FY 15 Actual</u>	<u>FY 16 * Maximum</u>
Beach District A	0.8500	0.8328
Beach District B	0.2125	0.2082

\* Maximum set at July 6, 2015 Regular Meeting



## How Longboat Key General Operating Millage Compares to Surrounding Communities Tax Year 2015 (TRIM Notices)

### Services Included in General Operating Millage

<u>Cities</u>	<u>General Operating Mill Rate</u>	<u>Tax Dollars \$500K home</u>	<u>Police</u>	<u>Fire</u>	<u>Ambulance</u>
Anna Maria	2.0500	\$1,025	û	û	û
Longboat Key	2.1763	\$1,088	ü	ü	ü
* Holmes Beach	2.3191	\$1,160	ü	û	û
Bradenton Beach	2.3329	\$1,166	ü	û	û
Venice	3.1000	\$1,550	ü	ü	û
Sarasota	3.1728	\$1,586	ü	û	û
Punta Gorda	3.1969	\$1,598	ü	ü	û
North Port	3.5974	\$1,799	ü	û	û
Bradenton	5.8976	\$2,949	ü	ü	û
* Palmetto	6.2171	\$3,109	ü	û	û
<u>Counties</u>					
Sarasota County	3.1983	\$1,599	ü	û	û
Charlotte County	6.3007	\$3,150	ü	ü	ü
Manatee County	6.4046	\$3,202	ü	û	ü

\* These cities set maximum millage higher than the current mill rate.  
The adopted millage may be lower.



## PROCESS FOR BEACH SPECIAL DISTRICTS PUBLIC HEARINGS

- Ø Recess the Board as the Longboat Key Town Commission and convene as the Longboat Key Beach Erosion District A Governing Body.
- Ø Public to be heard.
- Ø Motion to recommend approval of the levying of **0.8328** mill ad valorem tax on all real and personal property within the Longboat Key Beach Erosion Control District A to pay the principal and interest on general obligation beach bonds for the fiscal year beginning October 1, 2015 and ending September 30, 2016.



## PROCESS FOR BEACH SPECIAL DISTRICTS PUBLIC HEARINGS

- Ø Adjourn as Longboat Key Beach Erosion District A Governing Body convene as the Longboat Key Beach Erosion District B Governing Body.
- Ø Public to be heard.
- Ø Motion to recommend approval of the levying of **0.2082** mill ad valorem tax on all real and personal property within the Longboat Key Beach Erosion Control District B to reimburse District A for the payment of principal and interest on general obligation beach bonds for the fiscal year beginning October 1, 2015 and ending September 30, 2016.



## PROCESS FOR BEACH SPECIAL DISTRICTS PUBLIC HEARINGS

- Ø Adjourn as Longboat Key Beach Erosion District B Governing Body and reconvene as Longboat Key Town Commission.
- Ø Public to be heard.
- Ø Motion to accept recommendations of the Longboat Key Beach Erosion Control Districts A and B to levy a **0.8328** mill ad valorem tax within the Longboat Key Beach Erosion District A and a levy of **0.2082** mill ad valorem tax within the Longboat Key Beach Erosion District B for the fiscal year beginning October 1, 2015 and ending September 30, 2016.



## **ORDINANCE 2015-22 ADOPTING A MILLAGE RATE FOR FISCAL YEAR 2015-2016**

Ø Motion to pass Ordinance 2015-22 on first reading and public hearing levying ad valorem tax of 2.1763 mills for general operating purposes for the Town of Longboat Key and 0.0576 mills for general obligation facility improvements bonds and 0.8328 mills for Longboat Key Beach Erosion Control District A and 0.2082 mills for Longboat Key Beach Erosion Control District B for a total millage rate for Beach District A of 3.0667 and 2.4421 for District B for the fiscal year beginning October 1, 2015 and ending September 30, 2016.



**ORDINANCE 2015-23 ADOPTING A BUDGET  
FOR FISCAL YEAR 2015-2016**

Ø Motion to pass Ordinance 2015-23 on first reading and public hearing, adopting a budget for the Town of Longboat Key, Beach Special District A and Beach Special District B for the fiscal year beginning October 1, 2015 and ending September 30, 2016.



**End of Agenda Item**