

M E M O R A N D U M

To: Town Commission
From: Howard Tipton, Town Manager
Report Date: April 11, 2023
Meeting Date: May 1, 2023
Subject: Proposed Resolution 2023-11, Continuation of the Citizen Tax Oversight Committee

Recommended Action

Pass Resolution 2023-11.

Background

The infrastructure surtax is a one-cent sales tax imposed by counties that funds many capital improvement projects. The legal authority and requirements for imposition of this tax are governed by Florida Statutes Section 212.054 and 212.055. Expenditures of the funds are required to comply with Florida Statutes Section 212.055 (2).

The Infrastructure surtax is imposed by most Florida counties, and is also called a “local option county sales tax”. The rate varies in each county. Sarasota County imposes a 1% tax. Proceeds are distributed to municipalities based on population.

Sarasota County established the 1% Tax by Referendum in 1989. The following is a historical look at the various ordinances (phases).

- Ordinance 89-040 – Term of 10 years (Fiscal Years 1989-1998)
- Ordinance 97-083 – 10 Year Renewal (Fiscal Years 1999-2009)
- Ordinance 2007-087 – 15 Year Renewal (Fiscal Years 2010-2024)
- Ordinance 2022-001 – 15 Year Renewal (Fiscal Years 2025-2039)

In accordance with the most recent Sarasota County Ordinance 2022-001, the effective date of the extended 1% Infrastructure Sales Tax is from January 1, 2025 through December 31, 2039 (15 years) and requires that each governmental agency participating continues the existence and operation of a Citizen Tax Oversight Committee.

Sarasota County Ordinances provide an estimate of revenues and proposed project lists for the County and all municipalities in a 15-year budget. Longboat Key’s Project List is shown as “Exhibit F” in Sarasota County Ordinance 2022-001. Any amendments to “Exhibit F” must be approved through Town Resolutions.

The Citizen Tax Oversight Committee was formed in 1998 (Resolution 98-04 and renewed by Resolution 2010-13) in accordance with the requirements of the Sarasota County Ordinances shown above.

Resolution 2023-11 allows for the continuation of the Town’s Citizen Tax Oversight Committee. The terms of the current members shall remain in effect and future appointments or reappointments shall be made for a period of four years throughout the sales tax collection period. Vacancies shall be filled in accordance with Resolution 2018-07, Appointments to Boards and Committees.

The Committee shall solely act in an oversight capacity to conduct:

1. Annual Review of expenditures from sales tax proceeds to ensure they are in accordance with the project list and any changes thereto;
2. Review any changes made by the Town to the project list or to the allocation of the sales tax proceeds, to ensure all procedural requirements have been followed; and
3. Report the Committee's findings to the Town Commission by the May Regular Workshop

The Town Commission is being requested to pass Resolution 2023-11 to continue the Citizen Tax Oversight Committee so the Town can continue to receive surtax distributions pursuant to Sarasota County Ordinance 2022-001.

Staff Recommendation

Pass Resolution 2023-11.

Attachments (Available in the Town Clerk's Office)

Resolution 2023-11

End of Agenda Item