

**Special City Council Meeting
City of Belleair Beach, Florida**

**Monday, July 17, 2023
Community Center
Immediately Following
6:00PM City Council Budget Workshop**

Agenda

Call to Order
Pledge of Allegiance
Roll Call

1. Consideration of setting the Tentative Millage Rate for FY 2023/2024.

Adjournment

Any person who decides to appeal any decision of the City Council with respect to any matter considered at this meeting will need a record of the proceedings and for such purposes may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is based. The law does not require the City Clerk to transcribe verbatim minutes, therefore, the applicant must make the necessary arrangements with a private reporter or private reporting firm and bear the resulting expense. Any person with a disability requiring reasonable accommodation in order to participate in this meeting should call 727-595-4646 or fax a written request to 727-593-1409.

Patricia A. Gentry, CMC
City Clerk

City of Belleair Beach

Memorandum

Date: July 17, 2023

To: Mayor and City Council

From: Kyle Riefler, City Manager

Subject: Tentative Property Tax Millage Rate for FY 2023-2024

Background:

Each year, the City is required to calculate and set an ad valorem millage rate per Chapter 200 of the Florida Statute; Determination of Millage as presented in Table 1. The Pinellas County Property Appraiser's office sent out the Certification of Taxable Value (Form DR-420) on July 1, 2023. As required by City Charter, the City Manager must deliver the Proposed Budget to City Council in a timely manner every year.

Discussion:

Based upon the Certification of Taxable Value (form DR-420) from the Pinellas County Appraiser's Office, the City's 2023 gross taxable value is \$809,623,280. This represents an increase of \$79,268,227 or 10.85% increase over the prior year final gross taxable value of \$730,355,053. The City must notify the Property Appraiser of the current year's calculated rolled-back rate, the proposed millage rate and the date, time and place of the City's first public hearing for setting the tentative millage and the budget by August 1st. Also, the City is required to complete the Maximum Millage Levy Calculation-preliminary disclosure (form DR-420MMP). Staff anticipates sending back completed Forms DR-420 and DR-420MMP with all the required information by Friday, July 21, 2023.

Rolled-Back Millage Rate:

The rolled-back millage rate is defined as the millage rate that would produce the same amount of Ad Valorem revenue as was levied during the prior year, exclusive of new construction, additions and boundary changes. Based upon this year's gross taxable value, the calculated rolled-back rate is 1.8494 mills, which would generate revenues of \$1,437,425 at a 96% collection rate, after allowing a 4% discount for early payment.

Tentative Millage:

The proposed/tentative millage rate is important because once set, this rate ***cannot be increased*** unless each taxpayer is mailed a "Revised Notice of Proposed Property Tax." The final millage rate ***cannot*** exceed the tentatively adopted millage rate, but it can always be lower. The draft of the proposed 2023-2024 budget has been submitted to the City Council based on the millage rate of 2.0394.

Using the existing millage rate of 2.0394 and a 96% collection rate, the estimated increase in ad valorem tax revenue is \$155,510 more than the budgeted amount for fiscal year 2023. This increase is calculated by comparing the fiscal year 2024 budgeted net ad valorem tax of \$1,585,100 with the \$1,429,590 budgeted in the prior year.

Examples of projected revenues by millage rate at 96% collection rate:

- a. 1.8494 mill = \$1,437,425 net ad valorem revenue – the calculated roll back rate
- b. 2.0394 mill = \$1,585,100 net ad valorem revenue – 9.32% increase from the roll back rate
- c. 2.0688 mill = \$1,607,950 net ad valorem revenue – 10.61% increase from the roll back rate
- d. 2.2757 mill = \$1,768,760 net ad valorem revenue – 18.73% increase from the roll back rate

Budget Public Hearings:

The City must hold two public hearings on the millage rate and budget and the City's meetings may not be on the same date as that of the County or the School Board. The City is required to notify the Property Appraiser of the date, time and location of the City's first public hearing for millage and budget and this information is printed on the tax bills. Any change in the meeting time of the first public hearing on the budget will require notice to each City property taxpayer. Accordingly, Staff recommends that Council will establish its public hearings for the millage rate and budget on the following dates and times:

- First Public Hearing, Wednesday, September 6, 2023 – 6:00 P.M.
- Final Public Hearing, Monday September 18, 2023 – 5:05 P.M.

The City budget hearing dates do not conflict with the meeting dates of the School Board or Pinellas County Commission. A budget schedule, incorporating all the State TRIM Compliance time-line requirements, has been provided for your review.

Determination of Millage

1. Day 1 is on or by July 1: The Property Appraiser certifies the taxable value of real property within the jurisdiction of the taxing authority.
2. Within 35 days: (Aug. 1) the City shall advise the Property Appraiser of: a) proposed, tentative millage rate and b) current year rolled-back rate.
3. 55th day: (Aug. 21) - No later than 55 days after certification of value, the Property Appraiser shall mail out to the City and the property owners a Notice of Proposed Property Taxes (TRIM Notice).
4. 80th day: (Sept. 3 to Sept. 18) - not earlier than 65 days after certification, but within 80 days of certification of value, the City shall hold a public hearing on the tentative budget and proposed millage rate. The City has selected Sept. 6, 2023 for this hearing.
5. 95th day: (Sept. 13) - within 15 days of the tentative budget hearing, the City shall advertise its intent to adopt a final millage and budget.
6. 97 - 100th day: (Sept. 18) - The City shall hold a public hearing to adopt a final millage rate and budget that shall be held not less than 2 days or more than 5 days, after the day that the advertisement is first published.
7. Within 3 days of the second and final budget hearing (Sept. 20): The Resolution adopting the final millage rate shall be forwarded to the Property Appraiser and the Tax Collector.
8. The Property Appraiser notifies the City of the final adjusted tax roll (Oct. 2).
9. Within 30 days of the final hearing (Oct. 5): no later than 30 days following the adoption of the millage and budget ordinances or resolutions, each City shall certify that they have complied with the provision of Chapter 200, F.S., to the Division of Ad Valorem Tax, Department of Revenue.

Recommendation:

Staff respectfully requests that Council confirm the dates and times of the public hearings set forth in the attached schedule and set the proposed, tentative millage rate at 2.0394 mills. As previously noted, the final millage rate can be lower but not higher than the proposed, tentative millage rate.

Respectfully Submitted:



Kyle Riefler
City Manager