

# **Agenda Packet**

## **Special City Council Meeting**

**Monday, July 30, 2018**

**Immediately following  
4:00pm**

**City Council Budget Workshop**

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

**Monday, July 30, 2018  
Community Center, Immediately following  
4:00PM City Council Budget Workshop**

### **Agenda**

Call to Order  
Pledge of Allegiance  
Roll Call

1. Consideration of setting the Tentative Millage Rate for FY 2018-2019.

### **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, ext 124 or fax a written request to 727.593.1409.

Patricia A. Gentry, CMC  
City Clerk

# City of Belleair Beach Memorandum

Date: July 26, 2018  
To: Lynn Rives, City Manager  
From: Melanie M. Kruszona, Finance Officer  
Subject: Tentative Property Tax Millage Rate for FY 2018-2019

Table 1

## 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, 2018. As required by City Charter, the City Manager has to deliver a proposed budget to City Council and as approved by citizens in March 2011, the City Manager has to 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 2018 gross taxable value is \$543,342,348. This represents an increase of \$30,621,141 or 5.77% increase over the 2017 Final gross taxable value of \$512,721,207. 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 3rd. Also, the City is required to complete the Maximum Millage Levy Calculation- preliminary disclosure (form DR-420MMP). Staff recommends sending back completed Forms DR-420 and DR-420MM-P with all the required information by August 1st.

## Rollled-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 the gross taxable value as of July 1, 2018, the calculated rolled-back rate is 1.9278 mills, which would generate revenues of approximately \$1,000,065 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 2018-

## 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 4) the City shall advise the Property Appraiser of: a) proposed/tentative millage rate; b) current year rolled-back rate -The rolled-back rate is the tax rate that would raise the same amount of revenue as last year using the increased taxable value; and c) date, time and place of the tentative budget hearing.
3. 55th day - (August 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 (Sept. 16) on the tentative budget and proposed millage rate.
5. 95th day - (Sept. 25) - 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 28)- 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. 30) - the resolution or ordinance adopting the final millage rate shall be forwarded to the Property Appraiser and the Tax Collector.
8. Within 30 days of the final hearing (Sept.30) - 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.
9. The Property Appraiser then notifies the City of the final adjusted tax roll (Oct. 7).

2019 Budget has been submitted to City Council based millage rate of 2.0394.

Using the budgeted millage rate of 2.0394 and a 96% collection rate, the estimated increase in ad valorem tax revenue is 5.80% or approximately \$57,966. This increase is calculated by comparing budgeted net ad valorem tax of \$1,057,958 for FY 2018-19 with budgeted net ad valorem tax of \$999,992 for FY 2017-18.

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

- a. 1.9278mill=\$1,000,065 net ad valorem revenue –the calculated roll back rate.
- b. 2.0394mill=\$1,057,958 net ad valorem revenue – 5.80% increase from the roll back rate.
- c. 2.1006mill=\$1,089,696 net ad valorem revenue – 8.97 % increase from the roll back rate
- d. 2.1414mill=\$1,110,856 net ad valorem revenue – 11.09% increase from the roll back rate.
- e. 2.2433mill=\$1,163,753 net ad valorem revenue – 16.38% 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 5, 2018–5:30 P.M.
- Final Public Hearing, Monday September 17, 2018–5:05 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 of the State TRIM Compliance time-line requirements, has been provided for your review.

**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:



Melanie M. Kruszona  
Finance Officer

- 1) Attachment: 2018-2019 Budget Schedule

CITY OF BELLEAIR BEACH, FLORIDA  
 PRELIMINARY MILLAGE RATE COMPUTATION  
 FISCAL YEAR 2017-2018  
 Based upon Estimated Taxable Value as of July 1, 2017

Finance's  
 Recommendation

MAXIMUM  
 MILLAGE RATE

FY 2017-2018    FY 2017-2018    FY 2017-2018    FY 2017-2018    FY 2017-2018    FY 2017-2018

|                |                               | Increase       | Increase       | Increase       | Increase       | Increase       |
|----------------|-------------------------------|----------------|----------------|----------------|----------------|----------------|
|                |                               | 3.00%          | 5.00%          | 10.00%         | 10.00%         | 44.51%         |
| no change      |                               |                |                |                |                |                |
|                | -6.59%<br>rolled-back<br>rate |                |                |                |                |                |
| <u>2.0394</u>  | <u>1.9051</u>                 | <u>2.1006</u>  | <u>2.1414</u>  | <u>2.2433</u>  | <u>2.2433</u>  | <u>2.9472</u>  |
| \$ 510,767,146 | \$ 510,767,146                | \$ 510,767,146 | \$ 510,767,146 | \$ 510,767,146 | \$ 510,767,146 | \$ 510,767,146 |
| \$ 999,992     | \$ 934,120                    | \$ 1,029,992   | \$ 1,049,992   | \$ 1,099,991   | \$ 1,099,991   | \$ 1,445,120   |
| \$ 1,041,659   | \$ 973,042                    | \$ 1,072,908   | \$ 1,093,741   | \$ 1,145,824   | \$ 1,145,824   | \$ 1,505,333   |
| <u>2.0394</u>  | <u>1.9051</u>                 | <u>2.1006</u>  | <u>2.1414</u>  | <u>2.2433</u>  | <u>2.2433</u>  | <u>2.9472</u>  |
| \$ -           | \$ (65,872)                   | \$ 30,000      | \$ 50,000      | \$ 99,999      | \$ 99,999      | \$ 445,127     |

\$477,121,521  
 2.0394  
 \$ 973,042  
 \$512,721,207  
 \$ 1,954,061  
 \$510,767,146

est 7.46% inc.

1.9051

|  |           |           |           |            |            |            |
|--|-----------|-----------|-----------|------------|------------|------------|
| Proposed Millage Rate change   |           |           |           |            |            |            |
| Proposed Millage Rate  |           |           |           |            |            |            |
| 2017 Taxable Value for 2017 preliminary millage rate                           |           |           |           |            |            |            |
| Budgeted Net Ad Valorem Tax<br>(net of 4% discount)                            |           |           |           |            |            |            |
| Gross Ad Valorem Generated at proposed millage                                 |           |           |           |            |            |            |
| Millage rate (per \$1,000 of value)  |           |           |           |            |            |            |
| Additional revenue vs. 2.0394 millage<br>(@96% collection rate)                |           |           |           |            |            |            |
| PY Final Taxable Val. from CY Pinellas City 07.1.17                            |           |           |           |            |            |            |
| Prior year millage rate  |           |           |           |            |            |            |
| Prior Year Ad Valorem Proceeds FY 2016-17                                      |           |           |           |            |            |            |
| Current Year Taxable Value   |           |           |           |            |            |            |
| Deduct Current Year net new construction N/A                                   |           |           |           |            |            |            |
| Current Year Adjusted Taxable Value (Line 6)                                   |           |           |           |            |            |            |
| Current Year Rolled- back rate   |           |           |           |            |            |            |
| Proposed Rate as a Percentage  | 7.05%     | 10.26%    | 12.40%    | 17.76%     | 54.70%     |            |
| Change of Rolled-back Rate   | 0.00%     |           |           |            |            |            |
| FY 2016-2017 Budgeted Net Ad Valorem Tax                                       | \$934,123 | \$934,123 | \$934,123 | \$934,123  | \$934,123  | \$934,123  |
| FY 2017-2018 increase (decrease) in<br>Net Ad Valorem Budget over FY 2016-2017 | \$ 65,869 | \$ (3)    | \$ 95,869 | \$ 115,869 | \$ 165,869 | \$ 510,997 |
| % increase/ -decrease over FY 2016-2017  | 7.05%     | 0.00%     | 10.26%    | 12.40%     | 17.76%     | 54.70%     |

# CITY OF BELLEAIR BEACH, FLORIDA

## PROPOSED BUDGET SCHEDULE

### Fiscal Year 2018-2019

|                                 |   |
|---------------------------------|---|
| Tuesday, April 10, 2018         | Instructional Departmental Meeting-email Budget book  |
| Monday, April 30, 2018          | Capital Improvement Projects due to Finance   |
| Monday, May 14, 2018            | Departmental operating and capital budgets due to Finance (Lynn & Patti)  |
| Friday, June 1, 2018            | Estimate of Taxable Value provided by Property Appraiser  |
| Wed.-Fri, June 6-8, 2018        | City Manager will review budget requests with Department Directors  |
| Friday, June 22, 2018           | Budget due from Finance to City Manager   |
| Friday, June 22, 2018           | Finance Officer to complete Budget Message  |
| Sunday, July 1, 2018            | Property Appraiser delivers Certification of Taxable Value (DR-420)   |
| Monday, July 2, 2018            | City Manager to deliver Proposed Budget to City Council<br>Regular council meeting at 5:30 P.M.   |
| Monday, July 16, 2018           | Budget Workshop 4:00 P.M.   |
| Monday, July 30, 2018           | Budget Workshop 4:00 P.M.<br>Special Council Meeting immediately to follow to Adopt Tentative Millage Rate  |
| Friday, August 3, 2018          | Last day for the <u>Finance Officer</u> to advise Property Appraiser's Office of proposed millage rate and date/time/place of first public hearing (DR-420, DR-420MM-P)               |
| Monday, Aug. 6, 2018            | Regular City Council Meeting 5:30 P.M.  |
| Monday, August 20, 2018         | TRIM Notices mailed by Pinellas County  |
| Wednesday, August 22, 2018      | Post on City's Website: Budget Book for First Public Hearing FY 2018-2019   |
| Wednesday, Sep. 5, 2018         | Regular City Council Meeting 5:30 P.M.  |
| <b>Wednesday, Sept. 5, 2018</b> | <b><i>First Public Hearing on the Proposed Millage Rate, Budget and Capital Plan 5:30P.M.</i></b>   |
| <i>Friday, Sept. 14, 2018</i>   | <i>Finance Officer to advertise intent to adopt a final millage rate and final budget (within 15 days after 1<sup>st</sup> Public Hearing and 2-5 days before 2nd Public Hearing)</i> |
| <b>Mon., Sept. 17, 2018</b>     | <b><i>Final Public Hearing on Budget 5:05 P.M. (Adopt final millage rate and budget)</i></b>  |
| <i>Wed, Sept. 19, 2018</i>      | <i>Post on City's Website: Budget Book for Final Public Hearing FY 2018-2019</i>  |
| <i>Wed. Sept. 19, 2018</i>      | <i>Finance to forward Resolution Adopting Final Millage Rate to Property Appraiser &amp; Tax Collector (within 3 days of adoption)</i>  |
| <i>Monday, Oct. 1, 2018</i>     | <i>Property Appraiser delivers DR-422, Final Taxable Value Certification, to taxing authorities</i>   |
| <i>Thursday, Oct. 4, 2018</i>   | <i>Finance to return completed DR-422 to County Property Appraiser, copy to State</i>   |
| <i>Monday, Oct.15 , 2018</i>    | <i>Finance to forward Completed TRIM Compliance Package to Tallahassee (within 30 days of Final Public Hearing)</i>   |
| <i>Friday, Oct.19, 2018</i>     | <i>Post on City's Website: Budget Book for Adopted Budget FY 2018-2019</i>  |

Updated: Monday, April 2, 2018