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Title: SPECIAL MEETING AND PUBLIC HEARING TO ADOPT TENTATIVE MILLAGE RATES AND TENTATIVE BUDGETS

Sponsors: Ashton J. Hayward, III

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Attachments: 1. Budget Resolution No. 18-36, 2. Budget Resolution No. 18-37, 3. Budget Resolution No. 18-38

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| 9/12/2018 | 1 | City Council Special Meeting | Completed | Pass |

INFORMATION ITEM

FROM: Ashton J. Hayward, III, Mayor

SUBJECT:

SPECIAL MEETING AND PUBLIC HEARING TO ADOPT TENTATIVE MILLAGE RATES AND TENTATIVE BUDGETS

SUMMARY:

A special City Council meeting and public hearing will be held on Wednesday, September 12, 2018 at 5:30 p.m. for the purpose of adopting tentative millage rates for the City of Pensacola and the Downtown Improvement District for 2018 and tentative budgets for the City of Pensacola and the Downtown Improvement Board for the Fiscal Year 2019. The budgets for the City of Pensacola and the Downtown Improvement Board will be tentative actions because the TRIM law requires that a second public hearing be held before final millage levies and budgets may be adopted. The second public hearing will be at a special City Council meeting to be held on Wednesday, September 19, 2018, at 5:30 p.m.

The TRIM law requires conformance with exacting procedures in order to lawfully adopt millage levies and budgets. We recommend that there be strict adherence to the following procedure established by the TRIM law:

1. The first substantive issue discussed must be the percentage increase over the rolled-back rate necessary to fund the budget, if any, and the specific purposes for which ad valorem tax revenues are being increased. The "rolled-back rate" is the millage rate which would be sufficient to provide the same ad valorem tax revenue as was levied during the prior year. The proposed tentative millage rate of 4.2895 mills for the City and 2.0000 mills for the Downtown Improvement District constitutes a 4.83% increase of property taxes over the aggregate

rolled-back rate which is 4.0919 mills. The "rolled-back rate" is the millage rate which, exclusive of new construction, additions to structures, deletions, increases in the value of improvements that have undergone a substantial rehabilitation which increases the assessed value of such improvements by at least 100 percent, and property added due to geographical boundary changes, will provide the same ad valorem tax revenue as was levied during the prior year. At the meeting, the Mayor's staff will explain the reasons for the proposed increase over the rolled-back rate.

2. The general public must be permitted to speak and ask questions prior to adoption of any measures by the City. In addition, if there are any amendments by City Council, a motion to amend should be made before each resolution is adopted. By Florida Statutes Section 166.241 (2), a balanced budget is required to be adopted each fiscal year; therefore, any amendments brought forth for consideration must be balanced.

3. The tentative millage rate resolution must be adopted prior to adoption of the tentative budget resolutions. The tentative millage rate resolution should be read by title only prior to the adoption. However, prior to adopting the tentative millage rate resolution, the name of the taxing authority, the rolled-back rate, the percentage increase, and the millage rate to be levied shall be publicly announced. The resolution adopting a tentative millage rate for the City and the Downtown Improvement District (Resolution No. 18-36) should be adopted first.

[Before any vote, ask for public comment]

4. The City's tentative budget resolution (Resolution No. 18-37) should then be adopted. A detailed recapitulation of the budget is incorporated into this resolution.

[Before any vote, ask for public comment]

5. Then the tentative budget resolution for the Downtown Improvement Board (Resolution No. 18-38) should be adopted. This budget has already been approved by the Downtown Improvement Board.

[Before any vote, ask for public comment]

6. In accordance with TRIM regulations, no other business may come before City Council during this hearing. Therefore the meeting must be adjourned.

If any consideration of a City budget amendment which would necessitate a further tax increase arises, then that should be discussed prior to adopting the City's tentative millage rate resolution so that the form of the tentative millage rate resolution may be revised prior to its adoption. However, should the millage rate tentatively adopted exceed that originally proposed (as presented in the TRIM Notice), each taxpayer within the jurisdiction must be notified of the increase by first class mail at the expense of the City. Otherwise, newspaper advertisements of the second public hearing will be sufficient.

The millage rate tentatively adopted at the public hearing may not be increased at the final public hearing on the budget.

Although it will be necessary under the TRIM law to adopt the final millage rates and budgets at the second public hearing, the City Council may make subsequent budget amendments at any time during the fiscal year.

PRIOR ACTION:

None

STAFF CONTACT:

Keith Wilkins, City Administrator
Richard Barker, Jr., Chief Financial Officer

ATTACHMENTS:

- 1) Budget Resolution No. 18-36
- 2) Budget Resolution No. 18-37
- 3) Budget Resolution No. 18-38

PRESENTATION: No