



Legislation Details (With Text)

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Title: TENTATIVE MILLAGE RATE - FISCAL YEAR 2018

Sponsors: Ashton J. Hayward, III

Indexes:

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Attachments: 1. Taxable Value Estimates

Date	Ver.	Action By	Action	Result
7/13/2017	1	City Council	Approved	Pass
7/10/2017	1	Agenda Conference	Placed on Regular Agenda	Pass

LEGISLATIVE ACTION ITEM

SPONSOR: Ashton J. Hayward, III, Mayor

SUBJECT:

TENTATIVE MILLAGE RATE - FISCAL YEAR 2018

RECOMMENDATION:

That City Council set the tentative fiscal year 2018 millage rate for the City of Pensacola at 4.2895 mils and for the Downtown Improvement District at 2.0000 mils and authorize the Mayor to set final levies in compliance with the new property tax reform regulations. Further that the Mayor may administratively adjust the final adopted millage rate upon receipt of the final valuation if the City’s final current year gross taxable value is reduced by more than 1%. Finally, that the first public hearing on fiscal year 2018 millage rates be held on September 13, 2017 at 5:30 p.m. in Council Chambers.

HEARING REQUIRED: No Hearing Required

SUMMARY:

Annually, each taxing authority in Florida must submit a tentative ad valorem tax millage rate to the Property Appraiser and Tax Collector. Tentative millage must also be publicly advertised as required by the Truth in Millage Law (TRIM). The legal deadline for submission of the fiscal year 2018 advertised ad valorem tax rate is August 4, 2017. The millage advertisement must include the date, time and place for the first Public Hearing. By law, a taxing authority cannot exceed its advertised millage rate without extraordinary effort. Therefore, the advertised rate determines the maximum millage rate that a taxing authority can adopt.

The City's preliminary taxable value for Real and Personal Property came to \$3,516,909,313 which is an increase of 5.79% from the final adjusted FY 2017 value. Amendment 1 brought forth a new formula to determine the maximum millage rate that can be levied without a super-majority vote. Based on that calculation the maximum millage rate that the City could impose has been calculated at 7.0948 mils which equates to an additional \$9.37 million in property tax revenue. However the Mayor is recommending maintaining the same millage rate as FY 2017 which is 4.2895 and is below the calculated maximum millage rate allowed.

The Mayor is responsible for submitting a tentative millage rate for the City of Pensacola and the Downtown Improvement District. City Council will formally adopt a millage rate for each entity during the Public Hearings on the budget. The first hearing is tentatively scheduled for September 13, 2017 at 5:30 p.m. in Council Chambers. The second hearing is tentatively set for September 20, 2017 at 5:30 p.m. and will also be held in Council Chambers.

PRIOR ACTION:

None

FUNDING:

N/A

FINANCIAL IMPACT:

Approval of the fiscal year 2018 millage rates for the City of Pensacola and the Downtown Improvement District at 4.2895 mils and 2.0000 mils, respectively, will provide funding for a balanced budget. The total certification value for Real and Personal Property is \$3,516,909,313, an increase of 5.79%. This valuation will result in an increase of property tax revenue of \$582,400 from the fiscal year 2017 beginning budget.

The June 1, 2017 and the July 1, 2016 Taxable Value Estimates prepared by the Escambia County Property Appraiser are attached.

CITY ATTORNEY REVIEW: Yes

6/28/2017

STAFF CONTACT:

Eric W. Olson, City Administrator
Richard Barker, Jr., Chief Financial Officer

ATTACHMENTS:

- 1) Taxable Value Estimates

PRESENTATION: No