



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 2022-083

City Council Special Meeting

9/7/2022

LEGISLATIVE ACTION ITEM

SPONSOR: Grover C. Robinson, IV, Mayor

SUBJECT:

RESOLUTION NO. 2022-083 - TENTATIVELY LEVYING AN AD VALOREM PROPERTY TAX FOR THE CITY OF PENSACOLA AND THE DOWNTOWN IMPROVEMENT DISTRICT FOR 2022

RECOMMENDATION:

That City Council adopt Resolution No. 2022-083:

A RESOLUTION TENTATIVELY LEVYING AN AD VALOREM PROPERTY TAX FOR THE CITY OF PENSACOLA INCLUDING THE DOWNTOWN IMPROVEMENT DISTRICT FOR 2022; PROVIDING AN EFFECTIVE DATE.

HEARING REQUIRED: Public

SUMMARY:

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 11.51% increase of property taxes over the aggregate rolled-back rate, which is 3.9659 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 the 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 the 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.2022-083) should be adopted first.

Before any vote is taken, City Council must ask for public comments.

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.

PRIOR ACTION:

None

FUNDING:

N/A

FINANCIAL IMPACT:

Approval of Resolution No. 2022-083 will provide for a tentative millage rate for Fiscal Year 2022-2023 which will be applied towards the Ad Valorem Tax Revenue.

LEGAL REVIEW ONLY BY CITY ATTORNEY: Yes

8/25/2022

STAFF CONTACT:

Kerrith Fiddler, City Administrator
Amy Lovoy, Finance Director

ATTACHMENTS:

- 1) Resolution No. 2022-083

PRESENTATION: No