

Board of County Commissioners
Truth In Millage (TRIM) Meeting Agenda
August 4, 2014 (9:30 a.m.)

- 1) Public Comment on TRIM Agenda Item**
- 2) TRIM Agenda Item**
- 3) Motion to approve TRIM Agenda Item**
- 4) Adjourn**

**Lee County Board Of County Commissioners
Agenda Item Summary**

Blue Sheet No. 20140444

ACTION REQUESTED/PURPOSE:

Approve resolution to:

- 1) Adopt proposed FY14-15 ad valorem maximum millage and rolled-back rates for the Truth In Millage (TRIM) notice and
- 2) Schedule the first and second public hearing on the FY14-15 proposed budget and proposed millage rates for September 3 and September 17, 2014, at 5:05 p.m. in the Old Lee County Courthouse Commission Chambers Meeting Room.

FUNDING SOURCE:

N/A.

WHAT ACTION ACCOMPLISHES:

Adopt proposed FY14-15 ad valorem maximum millage and rolled-back rates for the Truth In Millage (TRIM) notice and schedule the first and second public hearing on the FY 14-15 proposed budget and proposed millage rates for September 3 and September 17, 2014, at 5:05 p.m. in the Old Lee County Courthouse Commission Chambers Meeting Room.

MANAGEMENT RECOMMENDATION: Approve.

Departmental Category:

Meeting Date: 8/4/2014

Agenda:

Requirement/Purpose: (specify)

- Statute 200.065
- Ordinance
- Admin Code
- Other

Request Initiated

Commissioner:

Department: COUNTY MANAGER

Division:

By: Peter Winton

Background:

A. State law requires that the Board advise the Property Appraiser of:

- 1) Proposed Millage Rates
- 2) Rolled-back Millage Rates
- 3) Date, time and place of the Public Hearing to consider the proposed millage rates and the tentative budget.

Proposed TRIM millage rate options have been prepared and attached for your consideration, including the rolled-back rates. The rates recommended by the County Manager for the General Fund (net of Conservation 20/20) will be provided to the County Commission in a memo subsequent to submission of this bluesheet. The approved TRIM rates will be incorporated into the FY14-15 TRIM notice millage rates resolution and must be provided to the Property Appraiser no later than the 35th day after certification of value (August 4, 2014). These TRIM notice millage rates cannot be raised at the September 2014 public hearings but can be lowered if the Board so chooses at that time.

The rolled-back rate is the millage rate required to assess the same amount of taxes as assessed for the current year.

B. Setting the public hearing dates of September 3 and September 17, 2014 meets Florida Statutes requirements.

Attachments:

1. Resolution
2. Millage Rate Options
3. Notice of Intent to set TRIM Rates

11. Required Review:

<i>Peter Winton</i>	<i>Roger Desjarlais</i>				
County Manager	County Manager				

12. Commission Action:

MEMORANDUM

FROM

OFFICE OF THE COUNTY MANAGER

DATE: July 29, 2014

To: BoCC

FROM: Roger J. Dasjarlais

County Manager

RE: Budget Work Sessions/Public Input Schedule

Commissioners:

We are nearing the end of a new and very successful budgeting process for FY14/15. As a Board you agreed to keep a schedule of work sessions where you could identify and resolve policy and service level questions well in advance of the September public hearings. It is from conversations during the work sessions that you instructed us to prepare a "Continuation Budget"; a budget that identified the cost to provide identical services in FY14/15 as are being provided in FY13/14. This new process promotes transparency making it much easier for members of the public to understand how and where their tax dollars are spent. With the exception of the statutorily required public hearings in September, you are on schedule to have a thoroughly vetted budget at the end of August.

As you know, at your upcoming August 4th meeting you will set the *maximum millage rates, also known as the preliminary* millage rates that will appear on taxpayers' Truth In Millage (TRIM) notices that are mailed to all property owners in late August.

During the Budget Public Hearings on September 3rd and 17th you will approve the final millage rates for the General Fund Operations, Unincorporated MSTU, the Library District, and the All Hazards District. During those two public hearings and according to Florida Statute, you can **decrease but not increase** the preliminary rates.

In consultation with the Chairman, I am recommending the following work sessions and public input. Our goal is to make every effort to identify and resolve any outstanding budget or policy issues based on public input or other BoCC considerations.

Meeting Schedule

Aug. 5 (1:30 p.m.) – 3rd Draft Budget and Final Recommendations by County Administration (Admin. East).

Aug. 12 (9:30 a.m.) – Public input on the draft budget (Chambers).

Aug. 19 (1:30 p.m.) – Final draft changes and Board input based on public input (Admin. East).

Aug. 26 (9:30 a.m., if needed) – All changes incorporated (Chambers).

MEMORANDUM
FROM
OFFICE OF THE COUNTY MANAGER

DATE: July 29, 2014

To: BoCC

FROM: Roger J. Desjarlais
County Manager

RE: **Truth In Millage (TRIM) – Maximum Tax Rates**

Commissioners:

At your Aug.4 meeting you will set the *maximum* millage rates that will appear on taxpayers' Truth In Millage (TRIM) notices that are mailed in August.

Final millage rates will be approved at the Budget Public Hearings (Sept. 3 and 17) and can be decreased – but not increased – from the TRIM amounts.

For TRIM purposes, we are recommending the same millage rate next year as this year:

	FY <u>13-14</u>	FY <u>14-15</u>
General Fund Operations	4.1506	4.1506
Unincorporated MSTU	0.8398	0.8398
Library Tax Rate	0.5956	0.5956
All Hazards	0.0693	0.0693

General Fund

You will discuss the overall budget and staff's recommendations at your work session Aug. 5.

We have updated and attached the "3rd" draft of the General Fund budget that incorporates the Property Appraiser's final taxable base numbers.

We recommend keeping the rate at 4.15 mills going into the budget hearings for these reasons:

- Final disposition of Conservation 20/20 changes and recommendations of the Conservation 20/20 (CLASAC) citizen committee.
- Final budget adjustments after public input.

- Unknown impacts of potential Village of Estero incorporation. In the General Fund, this will impact sales tax and revenue sharing from the state, and electric utility franchise fee revenues.

Unincorporated MSTU

The Unincorporated MSTU fund pays for services provided only to the unincorporated area, such as Animal Services, Building Services, Community Parks, Department of Transportation, a portion of Natural Resources, and Hearing Examiner.

The Unincorporated MSTU continues to operate at a deficit of about \$8.9 million but has healthy reserves. Consistent with the approach discussed with the Board last year, we are intentionally spending down the fund's reserves to a more reasonable level, so no adjustment in millage rate is being recommended at this time.

Those reserves are estimated to be \$28.4 million (55%) at the end of this year, \$19.5 million (40%) at Sept. 30, 2015, and \$11.1 million (22%) at the Sept. 30, 2016.

If Estero incorporates, the Unincorporated MSTU will experience a loss in property tax revenues and Communications Services Tax revenues.

Library Fund

We increased the Library millage rate last year to balance the fund and collect revenues for two community library expansions.

The result of that decision is by the end of Fiscal Year 14-15, \$6.8 million will have been dedicated to the proposed expansions (which are estimated to cost about \$12.5 million each) and \$6.2 million will remain in general library reserves (a 24% level).

All Hazards

The All Hazards fund pays for Emergency Management operations and disaster preparedness costs. We don't recommend any changes in its millage rate.

An Estero incorporation would also impact the property tax revenues this fund receives.

MSTBUs

The Municipal Services Taxing/Benefit Units allow communities to tax themselves to pay for added services, such as street lights, dredging, road paving, and landscaping.

For those units that have citizen committees, the budgets for next year were approved by the committees and the tax rate is a reflection of what is required to pay the annual costs.

For those that don't have committees, the county charges a rate that pays for annual costs while maintaining a small operational reserve for variances in revenues and unanticipated costs.

There are six MSTBUs that will require either a two-thirds (4 of 5 commissioners) or unanimous vote by the Board because of the percentage of the increase. These all have community support.

With Committees' Approval:

Harlem Heights Streetlights – Increase due to past years' repayment of interfund loan and previous reductions of reserves.

Lehigh Acres Streetlights – Committee created a street lighting program last year dividing Lehigh into 22 sections and installing streetlights throughout at intersections. The program is in stages:

- Stage One – installing all locations where only a light is needed.
- Stage Two – installing where cable can be run.
- Stage Three – installing transformers.
- Stage Four – installing pole/transformers.

After installing more than 1,100 lights in the past two years, we completed Stages One and Two in most areas. The committee voted unanimously to increase the budget to include 15 transformers for each of the 22 sections.

Palmetto Point Special Improvement Unit – Last year's budget included repainting of a wall, however we did not get to this until this year and the cost doubled due to repairs needed for the wall. An agenda item is coming to the Board in August to move funds from reserves to cover this project and redesign the entrance landscaping. With these projects being completed this fiscal year from reserves, the millage will need to increase.

No Committees:

Cypress Lake Light – Increase in electrical cost for streetlights and previous reductions of reserves.

McGregor Isles O&M – New millage.

Mid Metro Special Improvement Unit – Increase in County contract for swale maintenance and previous reductions of reserves.

MILLAGE RATE OPTIONS
FY 14-15

Taxing Authority	Current Year Millage Rate (FY 13-14)	Rolled-Back Rate (FY 14-15)	Proposed Millage Rate (FY 14-15)	
County-wide Millage				
Lee County General Revenue	4.1506	3.9326	4.1506	
Non County-wide Millage				
Lee County All Hazards - Unincorporated	0.0693	0.0656	0.0693	
Lee County Library Fund	0.5956	0.5635	0.5956	
Lee County Unincorporated - MSTU	0.8398	0.7982	0.8398	
Dependent Districts - MSTU's				
Alabama Groves Light - MSTU	0.9393	0.7979	0.9684	21.37%
Bayshore Estates Light - MSTU	2.1532	2.0210	2.0933	3.58%
Billy Creek Comm Ctr Light - MSTU	0.2965	0.2963	0.3143	6.07%
Birkdale Street Light - MSTU	0.4805	0.4417	0.3973	-10.05%
Burnt Store Fire - MSTU	2.2824	2.2077	2.1212	-3.92%
Charleston Park Light - MSTU	1.8876	1.6711	1.9068	14.10%
City of Cape Coral Solid Waste MSTU	0.0616	0.0575	0.0585	1.74%
Cypress Lake Light - MSTU	0.4746	0.4523	0.5712	Unanimous 26.29%
Daughtrey Creek Light - MSTU	0.7811	0.7660	0.7850	2.48%
Flamingo Bay Light - MSTU	0.4552	0.4165	0.4132	-0.79%
Fort Myers Shores Light - MSTU	0.3404	0.3140	0.2952	-5.99%
Fort Myers Villas Light - MSTU	0.3083	0.2906	0.3238	11.42%
Harlem Heights Light - MSTU	0.7490	0.6861	1.0361	Unanimous 51.01%
Heiman/Apollo St Lt Unit - MSTU	3.3952	2.8906	2.9251	1.19%
Hendry Creek Light - MSTU	0.4034	0.3867	0.3572	-7.63%
Iona Gardens Light - MSTU	0.7747	0.7157	0.8292	15.86%
Lehigh Acres Light - MSTU	0.4588	0.4212	0.6103	Unanimous 44.90%
Lochmoor Village Light - MSTU	0.7433	0.7180	0.7888	9.86%
Maravilla Fire District - MSTU	4.5000	3.9464	4.5000	14.03%
McGregor Isles O&M Special Imp Unit	0.3705	0.3583	0.3705	Two-thirds 3.40%
Mid-Metro Ind Park O&M Spec Imp Unit	0.0938	0.0912	0.6290	Unanimous 589.69%
Mobile Haven Light - MSTU	0.8876	0.8154	0.8125	-0.36%
Morse Shores Light - MSTU	0.5905	0.5083	0.5127	0.87%
NE Hurricane Bay MSTU	0.7105	0.6921	0.5043	-27.13%
North Fort Myers Light - MSTU	0.2370	0.2235	0.2171	-2.86%
Page Park Light - MSTU	0.4950	0.4934	0.6345	28.60%
Palm Beach SIU MSTU	0.0076	0.0077	0.0000	-100.00%
Palmetto Point Light - MSTU	0.2057	0.2056	0.4385	Unanimous 113.28%
Palmona Park Light - MSTU	1.5457	1.4951	1.6583	10.92%
Pine Manor Light - MSTU	1.0210	0.9050	0.9987	10.35%
Port Edison Light - MSTU	0.5123	0.5039	0.5565	10.44%
Riverdale Shores Improv - MSTU	0.6137	0.5507	0.7301	32.58%
Russell Park Light - MSTU	1.0647	0.9473	1.0834	14.37%
Saint Jude Harbor Light - MSTU	0.2979	0.2764	0.2520	-8.83%
San Carlos Improvement - MSTU	0.2772	0.2503	0.2510	0.28%
San Carlos Island Lighting Unit - MSTU	0.0575	0.0541	0.0635	17.38%
Skyline Light - MSTU	0.2074	0.1976	0.1650	-16.50%
Tanglewood Improvement - MSTU	0.7364	0.6689	0.5850	-12.54%
Town & River Improvement - MSTU	0.3717	0.3443	0.3266	-5.14%
Trailwinds Light - MSTU	0.8991	0.7990	0.8562	7.16%
Tropic Isles Light - MSTU	1.0190	0.9183	0.9424	2.62%
Useppa Island Fire - MSTU	3.1380	2.9635	2.8806	-2.80%
Villa Palms Light - MSTU	0.8260	0.7809	0.8101	3.74%
Villa Pines Light - MSTU	0.3253	0.3074	0.3160	2.80%
Waterway Estates Light - MSTU	0.3959	0.3715	0.3968	6.81%
Waterway Shores Light - MSTU	0.9499	0.9297	1.0473	12.65%
Whiskey Creek Improvement - MSTU	0.9662	0.8984	0.9773	8.78%

**GENERAL FUND
FY 2014-2015**

(in millions)	ADOPTED FY 12-13	ADOPTED FY 13-14	CONTINUATION FY 14-15
Constitutionals & Courts			
Sheriff	\$ 137.0	\$ 140.9	\$ 147.3
Tax Collector	13.0	12.8	13.1
Property Appraiser	7.6	8.0	7.4
Courts	6.8	7.6	7.6
Clerk	7.5	7.5	7.6
Supervisor of Elections	6.2	6.4	6.8
Medical Examiner	2.4	2.5	2.7
State Attorney Support	0.9	0.9	1.0
Public Defender Support	0.6	0.6	0.7
Legal Aid	0.5	0.5	0.5
Guardian Ad Litem Support	0.2	0.2	0.2
Support All Others	11.2	11.4	10.1
	<u>\$ 193.9</u>	<u>\$ 199.3</u>	<u>\$ 205.0</u>
BoCC Operating Departments			
Public Safety	\$ 36.8	\$ 35.4	\$ 36.5
Human Services	22.1	19.5	17.9
Parks (Regional)	12.6	12.8	13.3
Facilities	11.6	12.2	12.3
Other (13 depts.)	20.2	19.2	19.0
	<u>\$ 103.3</u>	<u>\$ 99.1</u>	<u>\$ 99.0</u>
Debt Service	\$ 13.4	\$ 12.3	\$ 12.3
Transit Transfer	10.4	10.3	10.3
Transfer for 20/20 Maintenance	0.0	0.0	5.6
Medicaid	8.2	7.0	7.1
Major Maintenance	11.9	4.2	12.1
Juvenile Justice	4.2	0.5	2.5
Non-departmental/Transfers	3.6	3.8	4.6
	<u>\$ 51.7</u>	<u>\$ 38.1</u>	<u>\$ 54.5</u>
TOTAL GENERAL FUND	<u><u>\$ 348.9</u></u>	<u><u>\$ 336.5</u></u>	<u><u>\$ 358.5</u></u>

**GENERAL FUND
FY14-15 BUDGET
3rd Draft**

7.10% Property Value Increase

Millage	3.7506	3.8506	<u>Roll Back</u> 3.9326	3.9506	4.0506	4.1506
Revenue	338,128,673	343,685,844	348,242,724	349,243,015	354,800,186	360,357,357
Expense	358,400,819	358,400,819	358,400,819	358,400,819	358,400,819	358,400,819
Continuation Budget Surplus/(Deficit)	(20,272,146)	(14,714,975)	(10,158,095)	(9,157,804)	(3,600,633)	1,956,538
Outstanding Issues (Recurring):						
3% Pay Increase (All General Fund Entities)	3,931,546	3,931,546	3,931,546	3,931,546	3,931,546	3,931,546
Restore Transit FY13-14 Cuts	358,168	358,168	358,168	358,168	358,168	358,168
Total	4,289,714	4,289,714	4,289,714	4,289,714	4,289,714	4,289,714
Expenses including Outstanding Issues	362,690,533	362,690,533	362,690,533	362,690,533	362,690,533	362,690,533
Surplus/(Deficit) including Outstanding Issues	(24,561,860)	(19,004,689)	(14,447,809)	(13,447,518)	(7,890,347)	(2,333,176)
Expenses paid from Reserves (Non-Recurring):						
Consolidate Public Defender's Offices	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Expand Clerk of Courts Jury Room	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Brooks Park Ballfield Lighting Replacement	420,000	420,000	420,000	420,000	420,000	420,000
Kelly Park Irrigation Upgrade	450,000	450,000	450,000	450,000	450,000	450,000
Sheriff's Capital Outlay Request	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Other Sheriff's Equipment	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
FEMA Coastal Remapping Consultant	200,000	200,000	200,000	200,000	200,000	200,000
Sanibel Community Park Lights Replacement	100,000	100,000	100,000	100,000	100,000	100,000
Total	8,920,000	8,920,000	8,920,000	8,920,000	8,920,000	8,920,000
Surplus/(Deficit) if Reserves used	(15,641,860)	(10,084,689)	(5,527,809)	(4,527,518)	1,029,653	6,586,824