



Meeting Date: 7/13/2010

Agenda Item # 7-4

CITY COUNCIL AGENDA ITEM

Contact Name: Jamie Croteau Department Director:
Department/Contact # 775-5408 City Manager: J. Croteau

- Type of Item:
- Public Hearing
 - Ordinance First Reading
 - Ordinance Second Reading
 - Resolution
 - Discussion & Action
 - Council Approval

Subject: Setting Proposed Millage Rate for FY 10/11 Budget Year

BACKGROUND:

The Truth-in-Millage (TRIM) Law requires local governing bodies to set a proposed millage rate annually during the month of July. The property appraiser is then notified of the rate and uses it to advise taxpayers of their proposed tax levies for the next year. **This rate can be lowered during the budget hearings in September.**

Orange City's 2009 taxable value was \$638,774,268 and with a millage rate of 5.1953 generated approximately \$3,159,917 in ad valorem revenue. On July 1, 2010 the Volusia County Property Appraiser certified the 2010 preliminary tax roll for Orange City with a taxable value of \$525,268,785. The City's taxable value decreased \$113,505,483 or 26.1% (excluding new taxable values), which results in a \$567,435 decrease in ad valorem revenue at the 2009 millage rate of 5.1953 mills. Based on the decrease in taxable value the calculated rolled-back rate for FY 10/11 is 6.5487 and is considered the revenue neutral tax rate.

Current law establishes levels of approval by the governing body in setting the millage rate. Furthermore, the law provides for a maximum millage rate that can be levied by the governing body with a majority vote. The City's majority maximum millage rate is 6.8007. The City can set the proposed millage rate up to 7.4808 with a two-thirds vote. A millage rate higher than 7.4808 would require a unanimous vote by the Council. Please see the chart below.

<u>Millage</u>	<u>Votes required</u>
Up to 6.8007	four (4) votes
6.8008-7.4808	five (5) votes
7.4809 up to 10	seven (7) votes

The first millage/budget public hearing has been scheduled for Wednesday, September 15, 2010 at 7 p.m. in the City Council Chambers, 201 N. Holly Ave., Orange City, FL 36763, which will not conflict with the School Board and County millage/budget hearings. Although not required to be included with the Property Appraiser's notice to taxpayers, the second public hearing is scheduled to be during the regular City Council meeting on Tuesday, September 28, 2010 at 7 p.m.

RECOMMENDATIONS:

Staff recommends that Council adopt resolution 609-10 and set the proposed millage rate at the rolled-back rate of 6.5487.

ATTACHMENTS:

Attached to the staff report is a chart of the revenue amounts generated at the various millage levels, the budget calendar and Resolution 609-10.

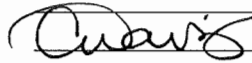
FINANCIAL IMPACT:

This will provide ad valorem funding for the FY 10/11 budget year.

Reviewed by City Attorney

Reviewed by Finance Dept.

Reviewed by:



1st Discussion Date: 5/4/2010	2nd Discussion Date: Click here to enter a date.	Third Discussion Date: Click here to enter a date.	Other Dates: Click here to enter a date.
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RESOLUTION NO. 609-10

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ORANGE CITY, FLORIDA, ADOPTING A PROPOSED MILLAGE RATE FOR THE 2010-2011 FISCAL YEAR; ESTABLISHING THE DATE, TIME, AND PLACE FOR A PUBLIC HEARING ON THE PROPOSED MILLAGE RATE AND THE TENTATIVE BUDGET; DIRECTING COMMUNICATION; EXPRESSING LEGISLATIVE INTENT; REPEALING ALL RESOLUTIONS IN CONFLICT HERewith AND PROVIDING FOR AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ORANGE CITY, FLORIDA:

SECTION 1. In consideration of the estimate of receipts and the estimate of expenditures of the City of Orange City, Florida ("the City"), for the Fiscal Year 2010-2011 Annual Budget, it is hereby determined and declared that the proposed rate of taxation necessary to meet the estimate of General Fund expenses of the City shall be at the millage rate of _____ mills or \$_____ for each \$1,000 of taxable value, to be levied and imposed upon all non-exempt taxable property within the corporate limits. The _____ millage rate reflects a _____% increase in property taxes over the rolled-back rate of 6.5487 as provided by the Property Appraiser of Volusia County on July 1, 2010 and computed pursuant to Fla. Stat. 200.065(1) and Fla. Stat. 200.185(5).

SECTION 2. A public hearing on the aforesated proposed millage rate and on the tentative Fiscal Year 2010-2011 Annual Budget will be held on Wednesday, September 15, 2010 at 7:00 p.m., in City Council Chambers, 201 North Holly Avenue, Orange City, Florida.

SECTION 3. The Finance Director is hereby directed to advise the Volusia County Property Appraiser of the City's proposed millage rate as set forth herein, of _____ millage rate computed pursuant to Section 200.065(1), Florida Statutes (2010), and Florida Administrative Code R. 12D-17.0035, and of the first public hearing that will be held Wednesday, September 15, 2010 at 7:00 p.m., in City Council Chambers, 201 North Holly Avenue, Orange City, Florida.

SECTION 4. That all resolutions or parts of resolutions in conflict herewith be and the same are hereby repealed.

SECTION 3. That this resolution shall take effect immediately upon its adoption by the City Council of the City of Orange City, Florida.

ROLL CALL VOTE AS FOLLOWS (Resolution No. 609-10):

O. William Crippen	_____	Anthony Pupello	_____
Gary A. Blair	_____	Tom Abraham	_____
Jeff Allebach	_____	Tom Laputka, Vice Mayor	_____
Harley Strickland, Mayor	_____		

ADOPTED THIS _____ DAY OF _____, 2010.

ATTEST:

AUTHENTICATED:

Deborah J. Renner, CMC, City Clerk

Harley Strickland, Mayor

Approved as to form and legal sufficiency:

W. E. Reischmann, City Attorney

City of Orange City
 Ad Valorem Revenue Calculations
 Fiscal Year 2010/2011 Budget

		FY 10/11 at			
	FY 09/10	Prior year rate	Rolled-back	Majority Vote	Two-thirds Vote
	5.1953	5.1953	6.5487	6.8007	7.4808
10/11 Assessed value before growth (\$ 506,757,726)	na	2,501,120	3,152,674	3,273,992	3,601,406
10/11 Growth assessed value (\$18,511,059)	na	91,362	115,162	119,594	131,554
Ad Valorem Revenues (95%)	3,159,917	2,592,482	3,267,836	3,393,586	3,732,959
Change from prior year	96,571	(567,435)	107,919	233,669	573,042

* any millage rate over 7.4808 would require a "Unanimous" vote (seven (7) votes)

**BUDGET CALENDAR
CITY OF ORANGE CITY
FISCAL YEAR 2010/11**

DATE (S)	ACTIVITY
<i>*April 26, 2010*Monday*</i>	<i>*Welcome*Ms. Jamie Croteau*City Manager*</i>
April 29, 2010, Thursday	Citizen Summit 6 p.m. – 9 p.m.
May 5, 2010, Wednesday	Staff Goal Setting Workshop 12 p.m. – 3 p.m.
May 15, 2010, Saturday	City Council Goal Setting Workshop 8:30 a.m. – 4 p.m.
May 28, 2010, Friday	Department managers submit current year expenditure estimates (FY 09-10), status of 09-10 goals and objectives and FY 10-11 budget request (including CIP) to Finance Director.
June 1, 2010, Tuesday	First preliminary estimates of taxable properties by the Property Appraiser
<u>June 9-11, Wed-Fri</u>	City Manager FY 10-11 preliminary operating budget meetings with department managers (Dates to be set by City Manager Office)
June 18, 2010, Friday	Department managers submit draft performance indicators to City Manager and Finance Director
July 1, 2010, Thursday	Preliminary certification of taxable property value by the Property Appraiser
<u>July 7-9, 2010, Wed-Fri</u>	City Manager FY 10-11 operating budget meetings with department managers (Dates to be set by City Manager Office)
July 2010	Finalize operating, CIP budget and performance indicators for submission based on results of the department budget meetings.
July 13, 2010, Tuesday	City Council sets tentative millage rate
July 16, 2010, Friday	Revenue Assumptions are finalized by the City Manager and the Finance Director
July 19-21, 2010, Mon-Wed	Final draft of operating, CIP budget and performance indicators reviewed by the City Manager and Finance Director and tentative budget is produced for distribution
August 1, 2010 (per current law)	Submission of tentative budget to City Council
August 4, 2010, Wednesday	DR 420 due to Property Appraiser
August 23, 2010**, Monday	6:30 p.m. Council Workshop
August 30, 2010**, Monday TBD	6:30 p.m. Council Workshop– adjustments to tent budget Second Council Workshop to be scheduled if needed
September 15, 2010 Wednesday	First public hearing / reading to adopt millage rate and budget
September 26, 2010 Sunday	City publishes TRIM ad's (Daytona Beach News Journal)
September 28, 2010 Tuesday	Second public hearing to adopt millage rate and budget (Per State law, the hearing(s) cannot begin before 5 p.m.)
October 2010	City files TRIM compliance
December 2010	Publish Final Budget Document
** Proposed Dates	

Issued June 2, 2010