

July 14, 2009

FINANCE COMMITTEE MEETING
MONDAY, JULY 20, 2009
IMMEDIATELY FOLLOWING
ENTERPRISE OPERATIONS COMMITTEE
HAGLER/MASON CONFERENCE ROOM
SECOND FLOOR, CITY HALL

Jewel Cannada-Wynn, Chair
Mike Wiggins, Vice-Chair
Maren DeWeese
Sam Hall
John Jerralds
Larry B. Johnson
Diane Mack
Megan B. Pratt
Ronald Townsend
P.C. Wu

ACTION ITEMS

1. Tentative Millage Rate – Fiscal Year
2010

INFORMATION ITEMS

None

DISCUSSION ITEMS

None

NEW BUSINESS

If any person decides to appeal any decision made with respect to any matter considered at such meeting, he will need a record of the proceedings, and that for such purpose he may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

The City of Pensacola adheres to the Americans With Disabilities Act and will make reasonable accommodations for access to City services, programs and activities. Please call 435-1606 (or TDD 435-1666) for further information. Requests must be made at least 48 hours in advance of the event in order to allow the City time to provide the requested services.

COMMITTEE MEMORANDUM ITEM #1

COMMITTEE: Finance
FROM: Alvin G. Coby, City Manager
DATE: July 20, 2009
SUBJECT: Tentative Millage Rate – Fiscal Year 2010

RECOMMENDATION:

That City Council set the tentative fiscal year 2010 millage rate for the City of Pensacola at 4.5395 mills and for the Downtown Improvement District at 2.00 mills and authorize the City Manager to modify the millage rate advertised in TRIM notices if necessary and to set final levies in compliance with the new property tax reform regulations. Further that the City Manager 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 said millage rates be held on September 9, 2009 at 5:15 p.m. in Council Chambers.

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 2010 advertised ad valorem tax rate is August 4, 2009. 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 Council will hold a budget workshop on August 11, 2009 at 9:00 a.m. in the Hagler/Mason Conference Room at City Hall for final deliberations on the proposed budget. The City's preliminary taxable value for Real and Personal Property came to \$3,105,891,172 which is a decrease of 2.64% from the final FY 2009 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 4.8156. However Staff is recommending maintaining the same millage rate as FY 2009 which is 4.5395 which is below the calculated maximum millage rate allowed.

The City Manager is responsible for submitting the 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 9, 2009 at 5:15 p.m. in Council Chambers. The second hearing is tentatively set for September 16, 2009 at 5:15 p.m. and will also be held in Council Chambers.



City of
Pensacola

Finance Committee
Subject: Tentative Millage Rate – Fiscal Year 2010
July 20, 2009
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PRIOR ACTION: None

FUNDING:

FINANCIAL IMPACT:

Approval of the fiscal year 2010 millage rates for the City of Pensacola and the Downtown Improvement District at 4.5395 mills and 2.00 mills, respectively, will provide funding for a balanced budget. The total certification value for Real and Personal Property is \$3,105,891,172, a decrease of 2.64%. This valuation will result in a decrease of property tax revenue of \$784,300 from the fiscal year 2009 beginning budget. At the beginning of fiscal year 2009 (after adoption of the fiscal year 2009 budget) the City received the final taxable valuation from the Property Appraiser and it was reduced 3.14% from the July 1st estimate resulting in an immediate \$460,300 decrease in property tax revenue for FY 2009. The fiscal year 2010 property tax revenue reflects a \$324,000 decrease from the current fiscal year 2009 budgeted amount.

The June 1, 2009 and the July 1, 2009 Taxable Value Estimates prepared by Escambia County Property Appraiser Chris Jones are reflected in the following table.

	FY 2009 FINAL	FY 2010 JUNE 1ST ESTIMATE	DIFFERENCE	%
City of Pensacola Valuation	3,190,225,921	3,106,013,634	(84,212,287)	-2.64%
DIB Valuation	215,991,382	190,269,594	(25,721,788)	-11.91%
CRA				
City/County	406,205,013	393,538,734	(12,666,279)	-3.12%
DIB	110,232,693	100,283,571	(9,949,122)	-9.03%
Eastside TIF	10,526,742	10,122,280	(404,462)	-3.84%
Westside TIF	(3,649,551)	(4,688,595)	(1,039,044)	28.47%
	FY 2009 FINAL	FY 2010 JULY 1ST ESTIMATE	DIFFERENCE	%
City of Pensacola Valuation	3,190,225,921	3,105,891,172	(84,334,749)	-2.64%
DIB Valuation	215,991,382	191,161,697	(24,829,685)	-11.50%
CRA				
City/County	406,205,013	384,404,126	(21,800,887)	-5.37%
DIB	110,232,693	98,871,936	(11,360,757)	-10.31%
Eastside TIF	10,526,742	9,880,537	(646,205)	-6.14%
Westside TIF	(3,649,551)	(5,083,900)	(1,434,349)	39.30%

ATTACHMENTS:

STAFF CONTACT: Richard Barker, Jr., Director of Finance

PRESENTATION: None