



Town of Southwest Ranches, FL

Fiscal Year 2021/2022: July 29th, 2021 Council Meeting

Proposed Operating Millage	4.2500 mills
Proposed TSDOR: Non-Surtax Millage (8th FY)	0.0000 mills
Initial Fire Assessment	Rate change depends on Category
Initial Solid Waste Assessment	No Changes to all rates

Budget Process Calendar Of Events

- Thursday, July 29th, 2021 (**TONIGHT**):
 - ✓ Preliminary Millage and Initial Fire/Solid Waste Assessment Adoption

- Tuesday, August 17, 2021 (**7 pm**):
 - FY 2021/2022 Proposed Budget Workshop

- Monday, September 13, 2021 (**6 pm**):
 - First Public Hearing for Tentative Millage and Budget Adoption
 - Final Fire Protection and Solid Waste Special Assessment Adoption

- Saturday, Sept. 18 – Tuesday, Sept. 21, 2021:
 - Final Budget Advertised

- Thursday, September 23, 2021 (**6 pm**):
 - Second Public Hearing for Final Millage and Budget Adoption

Summary

FY 2021/2022 Proposed Rates and Fees Compared to FY 2020/2021

Adopted FY 2021: Rate/Fee

- Operating Millage: 4.2500 mills
- TSDOR Millage: 0.0000 mills
- Total: 4.2500 mills
- (decrease of 0.4064 to total mills from FY 20)

- Fire Assessment: \$105.63 increase (approximately 20% per residential dwelling unit) from FY 2020

- Solid Waste: No change throughout all residential parcel lot sizes

Proposed FY 2022: Rate/Fee

- Operating Millage: 4.2500 mills
- TSDOR Millage: 0.0000 mills
- Total: 4.2500 mills
(No change to total millage rate)

- Fire Assessment: \$135.30 increase (approximately 21% per residential dwelling unit) from FY 2021

- Solid Waste: No change throughout all residential parcel lot sizes (3rd consecutive year of no change in rates)

Ad valorem (Property Tax) Introduction

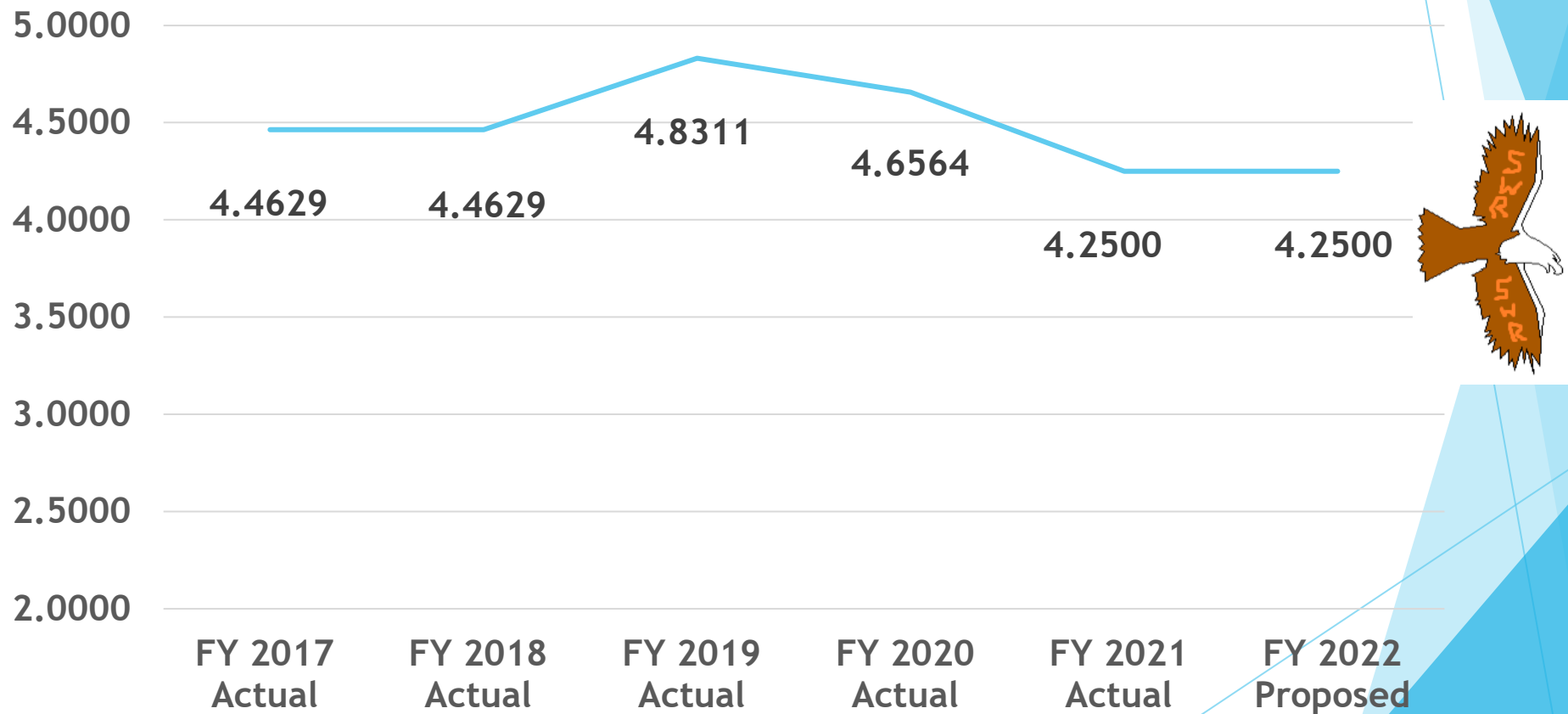
Market Value is what someone would be willing to pay to purchase a property. The assessed valuation, set by the Broward County Property Appraiser's Office, is an estimate of what that number might be as of January 1 of each year.

$$\begin{aligned} &\text{Assessed Valuation} \\ &\quad - \text{Exemptions} \\ &= \text{Taxable Value} \end{aligned}$$



$$\begin{aligned} &\text{Taxable Value} \times \\ &\quad \frac{\text{Taxable Rate (Millage)}}{\phantom{\text{Taxable Rate (Millage)}}} \\ &= \text{Tax Levy} \end{aligned}$$

SOUTHWEST RANCHES HISTORIC & PROPOSED TOTAL MILLAGE RATES



How a “No Change” in Town Millage is Proposed?

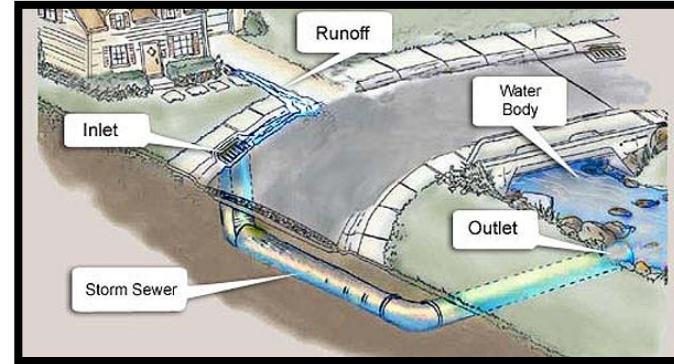
1. Current economic environment: Due to Covid-19 pandemic & alleged transitory inflation, supports no change to the millage.
2. Growth in net new taxable value of almost \$51 million (representing over 38% of 8.54% in total Townwide growth-also a new record!)
3. Transportation Surface Drainage Ongoing Rehabilitation (TSDOR: Surtax) projects continue to be eligible for Mobility Advancement Program awards therefore not requiring funding primarily via millage for the upcoming Fiscal Year.
4. Transportation Surface Drainage Ongoing Rehabilitation (TSDOR: Non-Surtax) utilizing a portion of its existing committed fund balance in lieu of millage funding.

How a “No Change” in Town Millage is Proposed? (continued)

5. Total reduction of the prior years Debt Service provision enabling its appropriation within the General Fund.
6. Significant Grant funding obtained and proposed budgeted with minimal Town matching required.
7. Anticipated continuance of heightened Building/Permitting/Zoning(non-advalorem) activity offsetting a millage (advalorem) impact.

Program Modifications Funded(12 in total):

- ▶ Stormwater Master Plan(\$250,000 - **no millage impact**)
- ▶ Engineering Inspector (\$73,556)
- ▶ Records & Administrative Coordinator(\$55,400)
- ▶ Transportation Fund: TSDOR Plan Update(\$50,000)
- ▶ Rolling Oaks Wetland improvement (\$37,040 - **no millage impact**)
- ▶ Townwide Vehicle Replacement Program (\$17,500)
- ▶ PT Customer Service Administrative Asst (\$16,794)
- ▶ Town of Southwest Ranches - 20th Anniversary REBOOT Celebration (\$15,000 - **no millage impact**)
- ▶ Comprehensive Plan Update: Data, Inventory & Analysis (\$10,000)



Program Modifications Funded (12 in total):

- Volunteer Fire Department safety equipment:
(all no millage impact)
 - Fire Apparatus Replacement Program (\$55,500)
 - Fire Hose Replacement Program (\$11,100)
 - Bunker Gear Replacement Program (\$3,808)



Seven (7) Capital Improvement Projects Funded Include:

- Fire Wells Replacement and Installation
(no millage impact)
- Fire Safety Apparatus Protective Awnings
(no millage impact)

- Town Hall Complex Safety, Drainage, and Mitigation Improvements *(no millage impact)*
- Calusa Corners Park *(no millage impact)*
- Southwest Meadows Sanctuary Park *(no millage impact)*

- Transportation Projects:
 - Surface & Drainage Ongoing Rehabilitation TSDOR Surtax *(no millage impact)*
 - Drainage Improvement Projects: Non-Surtax
 - Surface & Drainage Ongoing Rehabilitation TSDOR Non-Surtax *(no millage impact)*
 - Pavement Striping & Marking *(no millage impact)*



MILLAGE RATE IMPACT

▶ Operating & TSDOR Millage:

- ▶ The total proposed rate for Operating & TSDOR purposes (4.2500 mills) represents no change in millage and a \$50 increase per \$250,000 of taxable value which covers funding for some new and/or ongoing program modifications as well as critical capital improvement projects. **However, eligible “Save our Homes” exemption property owners change in net taxable value will not exceed 1.4%.**

**Fiscal Year 2022 Millage Maximums and Related Information
(Based on Certified Assessment Information)**

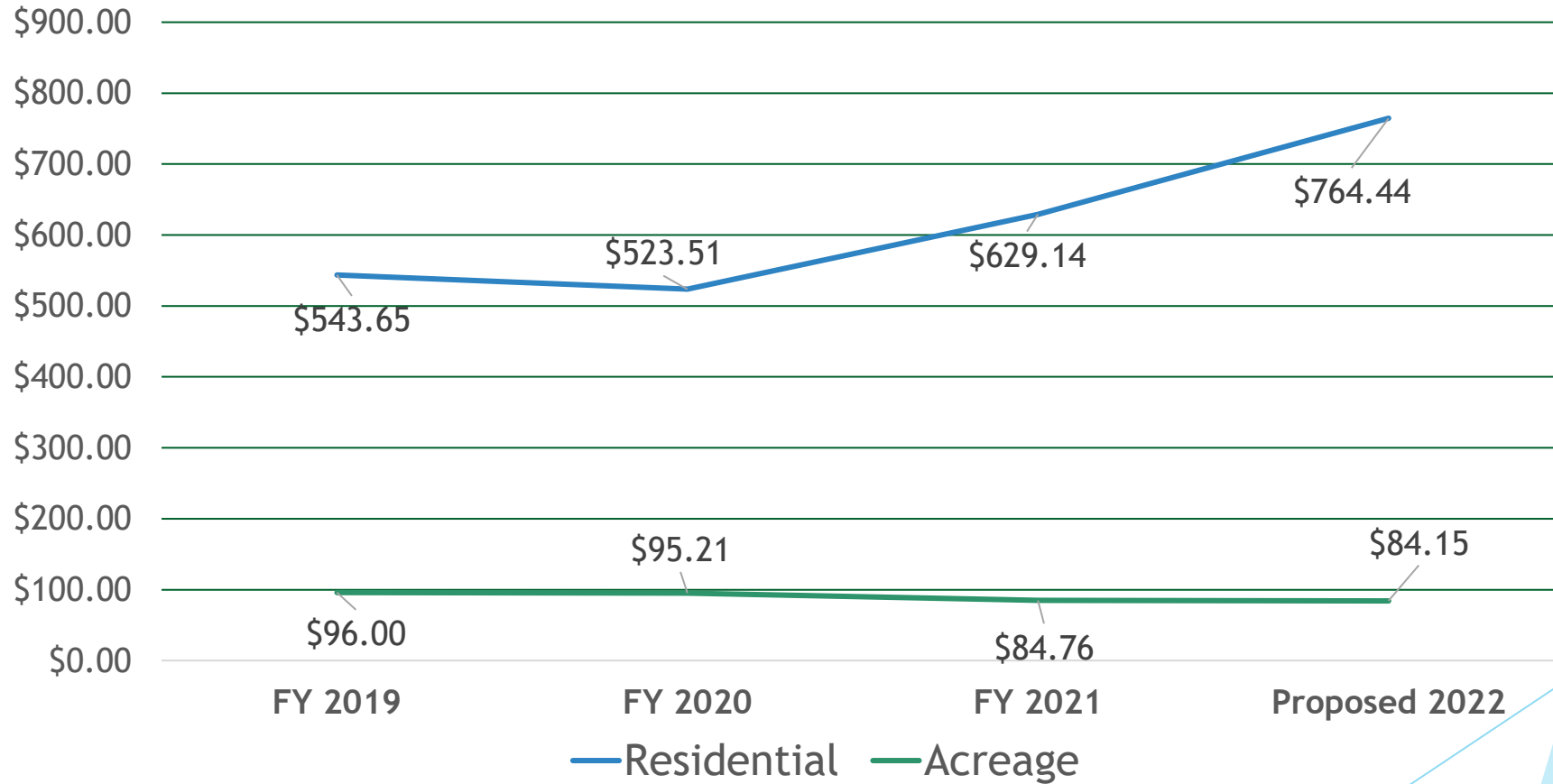
Millage Name	Votes Required	Maximum Millage	Total Resulting Net Revenues	Net Revenue Change (from proposed and prior year adopted rates funding level)	FY 2022 levy increase per \$250,000 of taxable value*
Current Year Roll-Back Rate (Town of SWR Operating 4.0504 + TSDOR .0000 Rates)	3	4.0504	\$6,478,745	(\$319,266)	\$0
FY 2021-2022 Proposed & FY 2020-2021 Adopted Rates (Town of SWR Operating 4.2500 + TSDOR .0000 Rates)	3	4.2500	\$6,798,011	\$0	\$50
Adjusted Current Year Roll-Back Rate	3	4.5319	\$7,248,919	\$450,908	\$120
Maximum Majority Vote	3	4.7327	\$7,570,105	\$772,094	\$171
Maximum Super Majority Rate	4	5.2060	\$8,327,164	\$1,529,153	\$289
Unanimous (Maximum)	5	10.0000	\$15,995,321	\$9,197,309	\$1,487

Note: *However, FY 2022 eligible "Save our Homes" exemption property owners change in net taxable value will not exceed 1.4%.

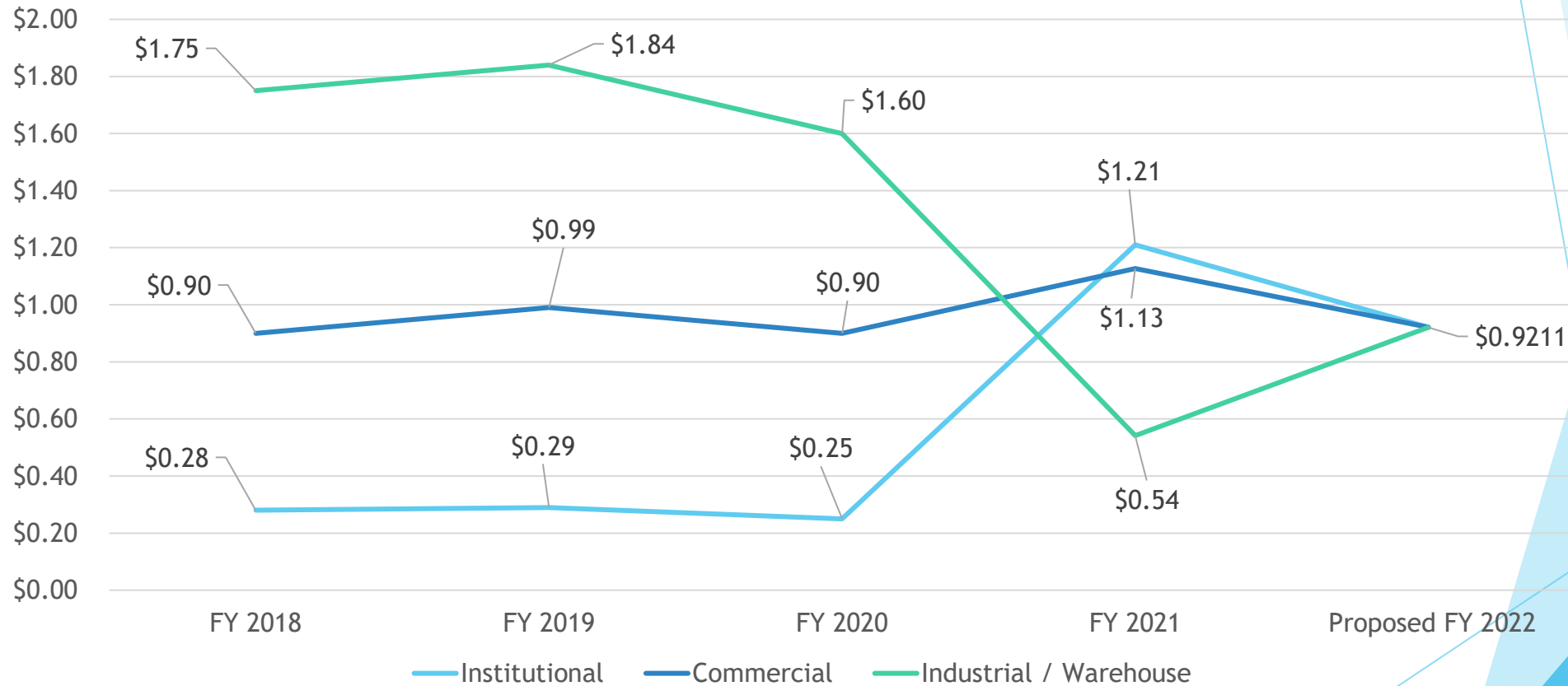
Fire Assessment

- ▶ This assessment is permitted by Florida Statute Chapters 166.021 and 166.041 and is adopted by Town Ordinance 2001-09.
- ▶ Ordinance 2001-09 requires that the annual rate be established each year.
- ▶ Resolution 2020-045 adopted a fire assessment methodology impacting all categories due to allocable fire protection costs from the most recent 5-years rolling average of response data.
- ▶ The proposed Resolution tonight will establish a new 2021 fire protection methodology combining/blending the Commercial/Institutional/Warehouse & Industrial categories.
- ▶ Nine (9) homesteaded properties owned by total and permanent service-connected disabled U.S. veterans are proposed to be exempted tonight to Town Council. The Town impact resulting from adopting this 100% tax exemption (\$6,880) is absorbed within the General Fund.
- ▶ An initial resolution is needed tonight for the assessment to comply with Florida Statutes and use for Truth In Millage (TRIM) notices distributed by the Broward County Property Appraisers office.

Fire Assessment Residential and Acreage Category Rates Three Year History and Proposed FY 2022



Fire Assessment Rate: Per Square Foot Building Area by Category Three Year History and Proposed FY 2022



Changes in Call Distribution: FY 2021 vs FY 2022

	5-year rolling average 2015-2019	5-year rolling average 2016-2020	Percent Change
Commercial	12.70%	7.85%	-38.18%
Institutional	22.49%	20.25%	-9.97%
Acreage	5.47%	4.96%	-9.35%
Residential/Other	56.08%	65.29%	16.42%
Warehouse/Industrial	2.28%	0.83%	-63.75%
Government - Exempt	0.91%	0.83%	-9.18%
	<hr/> 100%	<hr/> 100%	

Fire Assessment Impact(s)

- ▶ Residential: \$135.30 increase (per dwelling unit). This increased proposed rate is primarily the result of increased fire protection response/utilization.
- ▶ Acreage: **(\$0.61) decrease** (per acre)

NEW 2021 COMBINED/BLENDED Methodology (a/k/a “Combined Non-Residential”):

- ▶ Commercial: **(\$0.2055) decrease** (per square foot Bldg. area)
- ▶ Institutional: **(\$0.2895) decrease** (per square foot Bldg. area)
- ▶ Warehouse/Industrial: \$0.3794 increase (per square foot Bldg. area)

Solid Waste (Garbage) Assessment

- ▶ Permitted by Florida Statute Chapters 197.3632.
- ▶ Annual rate establishment required by Town ordinance 2002-08.
- ▶ The only residential parcels proposed to be 50% exempted to Town Council tonight are nine (9) homesteaded properties owned by total and permanent service-connected disabled U.S. veterans. The Town impact resulting from this 50% tax exemption (approximately \$3,239) is absorbed within the General Fund.
- ▶ Initial resolution is also needed tonight for the assessment to comply with Florida Statutes and use for Truth In Millage (TRIM) notices distributed by the Broward County Property Appraisers office.

Proposed Solid Waste Rates for FY 21/22 (with changes from FY 20/21)

Based On Consultant Study								
Assessment	Lot Sq. Ft. Range		Number of Units in Range	Solid Waste Cost Per Unit	Bulk Waste Cost Per Unit	Total Proposed Rates FY 21/22	Total Assessed Rates FY 20/21	Difference: Increase (Decrease)
A	-	41,200	409	\$ 322.86	\$ 270.15	\$ 593.01	\$ 593.01	\$ -
B	41,201	46,999	436	\$ 322.86	\$ 316.02	\$ 638.88	\$ 638.88	\$ -
C	47,000	62,999	419	\$ 322.86	\$ 380.47	\$ 703.33	\$ 703.33	\$ -
D	63,000	95,999	471	\$ 322.86	\$ 407.99	\$ 730.85	\$ 730.85	\$ -
E	96,000	106,999	474	\$ 322.86	\$ 450.31	\$ 773.17	\$ 773.17	\$ -
F	107,000	>107,000	447	\$ 322.86	\$ 556.88	\$ 879.74	\$ 879.74	\$ -

Solid Waste (SW) Impact

- ▶ For FY 2021/2022, we proudly propose no changes in all residential categories. This occurred due to successful Management and Legal negotiations obtaining a permanently reduced bulk disposal maximum generation factor from 4.67 to 3.73 tons per unit in the prior year and a fixed contractual residential disposal rate while the annual collection element contract adjustments consisting of both CPI and fuel indices primarily offset each other. Additionally, it reflects Town Council policy of full cost recovery with no rate subsidy.
- ▶ Finally, it is important to note that the proposed FY 2022 rate for all ranges average higher than all the property rate ranges retroactive from FY 2012 by an overall average of less than 8% (or .08% increase annually per year over the past ten years)!

Rate Setting Recap:



It is your Town Administrator's and Town Financial Administrator's recommendation that the Town Council of Southwest Ranches unanimously adopt the resolutions presented tonight setting the rate maximums which provide for:

- 1) No changes to the total Operating millage + TSDOR millage.
- 2) Changes in Fire Assessment rates to property owners depending on category, and
- 3) No changes to Solid Waste, Bulk and Recycling rates.