



Town of Southwest Ranches, FL

Fiscal Year 2016 / 2017: July 28th, 2016 Council Meeting

Proposed Operating Millage	4.1404 mills
Proposed TSDOR Millage(3rd FY)	0.4050 mills
Initial Fire Assessment	No change to \$9.11 increase
Initial Solid Waste Assessment	Stable Rates: No Changes

Budget Process Calendar Of Events

- Thursday, July 28, 2016 (**TONIGHT**):
 - ✓ Preliminary Millage and Initial Fire/Solid Waste Assessment Adoption

- Tuesday, August 23, 2016 (7 pm):
 - FY 2016/2017 Proposed Budget Workshop

- Wednesday, September 14, 2016 (6 pm):
 - First Public Hearing for Tentative Millage and Budget Adoption
 - Final Fire Protection and Solid Waste Special Assessment Adoption

- Saturday, Sept. 24 – Tuesday, Sept. 27, 2016:
 - Final Budget Advertised

- Thursday, September 29, 2016 (6 pm):
 - Second Public Hearing for Final Millage and Budget Adoption

Summary of FY 2016/2017 Proposed Rates and Fees Compared to FY 2015/2016

Adopted FY 2016: Rate/Fee

- ▶ Operating Millage: 3.9404 mills
- ▶ TSDOR Millage: 0.3950 mills
- ▶ Fire Assessment: \$35.34 **decrease** (per residential dwelling unit) from FY 2015
- ▶ Solid Waste: \$0.77 to \$9.80 increase from FY 2015

Proposed FY 2017: Rate/Fee

- ▶ Operating Millage: 4.1404 mills
- ▶ TSDOR Millage: 0.4050 mills
- ▶ Fire Assessment: \$9.11 increase (approx. 2% per residential dwelling unit) from FY 2016
- ▶ Solid Waste: Stable Rates - No Change.

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.

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

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

Why an increase needed in Millage?

- ▶ Quality of life and level of service improvements: Program Modifications
- ▶ Capital Improvement Projects
- ▶ Normal inflation/Cost of Living Adjustments(i.e. FP&L, Insur., etc.)
- ▶ Reduced Overall Grant Funding

Program Modifications Funded:

➤ Volunteer Fire Department safety equipment:

1) SCBA Bottle Replacement (\$2,800),



2) SCBA Posi-Check/Flow Test Equipment Acquisition (\$13,500),



3) Bunker Gear Replacement (\$7,245).



➤ Staffing Adjustments (\$15,364)

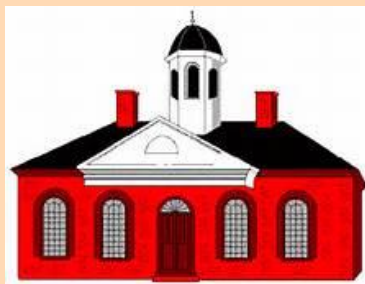


Program Modifications Funded (continued):

- Building Department Records Digitalization (\$25,000)

- Quality of Life/Service Improvements:

- 1) Town Hall Exterior Painting (\$5,500)



- 2) Right of Way - Increased Service Levels (\$67,774)

- 3) Griffin Road - West Irrigation System Overhaul (\$43,000)



Program Modifications Funded (continued):

➤ Quality of Life/Service Improvements continued:

- 4) Sunshine Ranches
Equestrian and Country
Estates Parks Playground
Surface Material
(\$21,000)
- 5) Townwide Parks
Maintenance Level of
Service Increase
(\$21,151)
- 6) Community Forestry
Maintenance Level of
Service Increase (\$6,300)



Capital Improvement Projects Funded Include:

- Fire Wells Replacement and Installation and new Public Safety - Fire Rescue Modular Facilities
- Progress on Country Estates Park, Calusa Corners Park, Trailside - “Founders” Park, Sunshine Ranches Equestrian Park, and Rolling Oaks Barn.



And numerous Transportation Projects, such as: 1) Transportation Surface Drainage Ongoing Rehabilitation (TSDOR), 2) Guardrail Installation, 3) Drainage Improvements, 4) Pavement Striping and Markers Program, and 5) Townwide Entranceway Signage. **Reminder:** TSDOR expenses, however, require funding separate from the operating millage.

**SOUTHWEST RANCHES PROPOSED
MILLAGE RATE FOR TRANSPORTATION
SURFACE DRAINAGE ONGOING
REHABILITATION (TSDOR). TSDOR
CONSISTS PRIMARILY OF ROAD
RESURFACING AND RESTORATION**

Fiscal Year	Cost	Net Millage Equivalent
FY 2016/2017	\$495,000	.4050 mills

Fiscal Year 2017 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 funding level)	FY 2017 levy increase on \$250,000 taxable value
Town of Southwest Ranches Historic Rate	3	3.9404	\$4,817,130	(\$739,611)	(\$50)
Current Year Roll-Back Rate	3	4.1404	\$5,061,742	(\$495,000)	\$0
Maximum Majority Vote	3	4.2957	\$5,251,483	(\$305,258)	\$39
FY 2015-2016 Adopted Rate (Town of SWR Historic 3.9404 + TSDOR .3950 Rates)	4	4.3354	\$5,300,017	(\$256,725)	\$49
FY 2016-2017 Proposed Rate (Town of SWR Roll-Back 4.1404 + TSDOR .4050 Rates)	4	4.5454	\$5,556,741	\$0	\$101
Maximum Super Majority Rate	4	4.7253	\$5,776,668	\$476,652	\$146
Unanimous	5	10.0000	\$12,224,977	\$6,924,961	\$1,465

COMBINED RATE IMPACTS

▶ Operating Millage:

- ▶ The proposed rate for operating (4.1404 mills) represents the first millage increase for operating purposes in over a decade. The rate proposed equals the Towns “roll-back” rate which is defined as the millage rate which generates the same ad valorem revenue as the prior year (which includes operations and TSDOR millages).

▶ Transportation Surface Drainage Ongoing Rehabilitation (TSDOR):

- ▶ The proposed rate (.4050 mills) is a nominal increase from prior year TSDOR millage rates. However, since these are already included in the roll-back rate, the combined proposed millage represents a \$101 increase per \$250,000 of taxable value.

▶ Residential Fire Rates

- ▶ The proposed rate would result in no change to Commercial and a slight increase to all other property categories while maintaining the Town’s 100% cost recovery assessment policy. Residential rates would increase by \$9.11 per dwelling unit.

▶ Solid Waste Rates

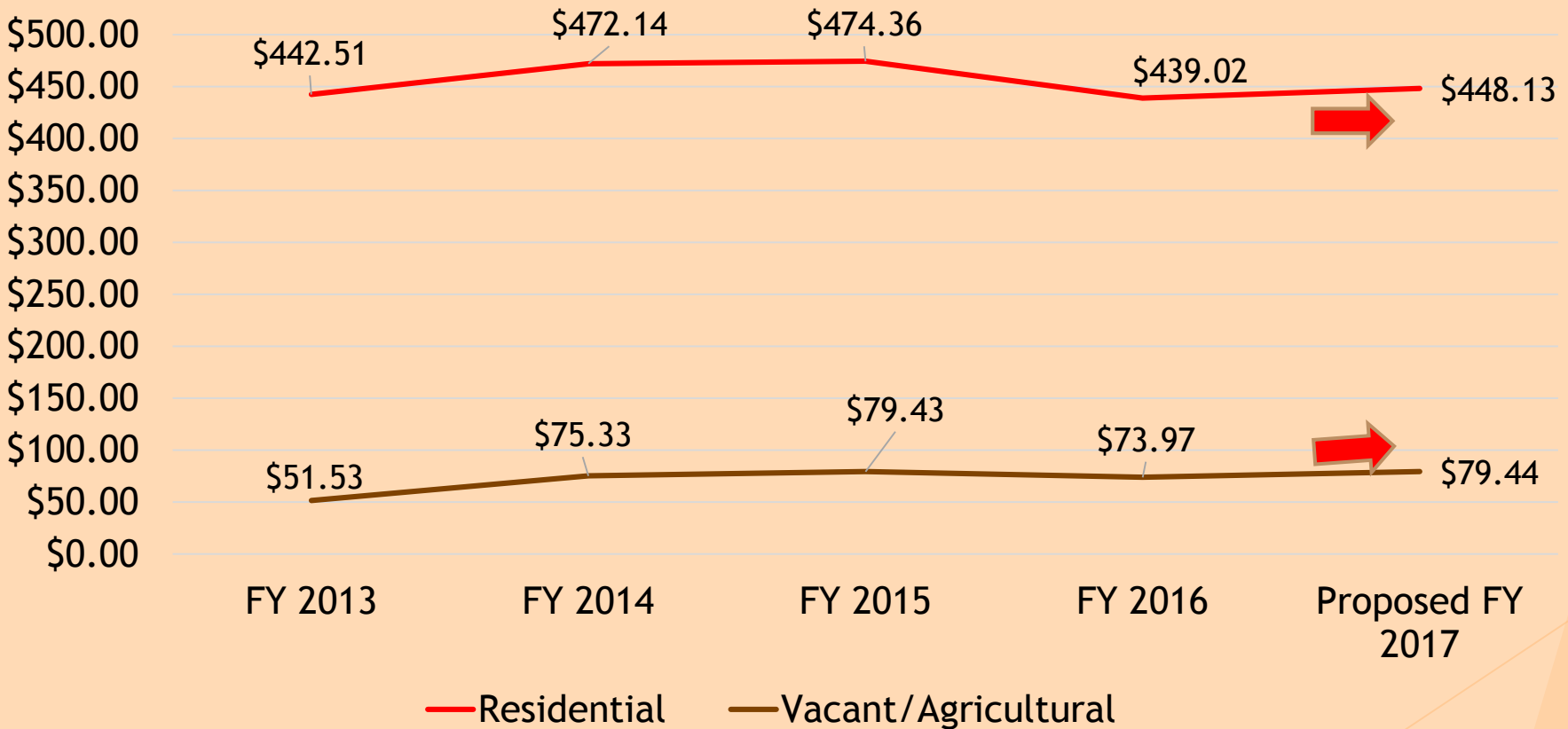
- ▶ The proposed rate structure would result in no change to rates for all Residential parcels.

Fire Assessment

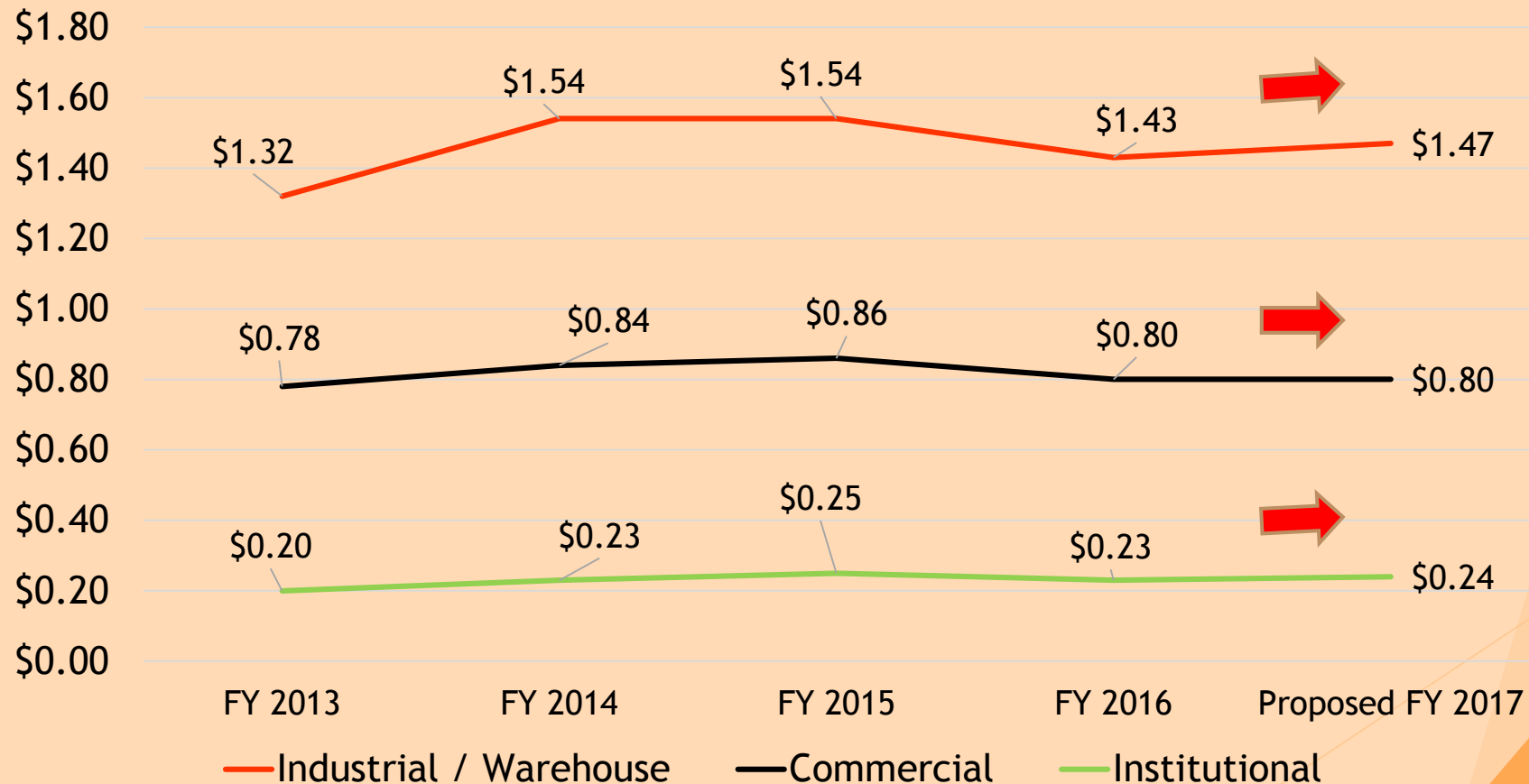
- ▶ This assessment is permitted by Florida Statute Chapters 166.021 and 166.041 and is adopted by Town Ordinance 2001-09.
- ▶ Ordinance 2001-09 requires that the annual rate be established each year.
- ▶ The only parcels exempted are ten (10) homesteaded properties owned by disabled U.S. veterans. The \$4,481 impact resulting from this tax exemption is absorbed within the General Fund.
- ▶ An initial resolution is needed tonight to meet Truth-In-Millage (TRIM) advertising requirements.

Fire Assessment Residential and Acreage Category Rates

Four Year History and Proposed FY 2017



Fire Assessment Rate: Per Square Foot Building Area by Category Four Year History and Proposed FY 2017



Fire Assessment Impact(s)

- ▶ Residential: \$9.11 increase (per dwelling unit)
- ▶ Vacant/Agricultural: \$5.47 increase (per acre)
- ▶ Industrial / Warehouse: \$.04 increase (per square foot Bldg. area)
- ▶ Institutional: \$.01 increase (per square foot Bldg. area)
- ▶ Commercial: No change - (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.
- ▶ Initial resolution needed 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 16/17 with changes from FY 15/16

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 16/17	Total Assessed Rates FY 15/16	Difference: Increase (Decrease)
A	-	41,200	406	284.39	105.26	389.65	389.65	-
B	41,201	46,999	421	284.39	125.06	409.45	409.45	-
C	47,000	62,999	411	284.39	148.91	433.30	433.30	-
D	63,000	95,999	444	284.39	161.45	445.84	445.84	-
E	96,000	106,999	452	284.39	184.95	469.34	469.34	-
F	107,000	>107,000	422	284.39	225.62	510.01	510.01	-

Solid Waste Impact

- ▶ After three years of rate decreases due to changes in collection practices and the disposal/recycling contractor, a rate increase of approximately 2% was adopted for FY 15/16 to primarily cover mandated CPI and fuel index adjustments.
- ▶ For FY 16/17 no change is proposed to the rate structure as the contractual mandates: primarily the CPI increase, was able to be offset by a substantial reduction in the fuel index.



Conclusion:

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

- 1) increasing the Operating millage,
- 2) increasing the TSDOR millage,
- 3) no change or slightly increasing Fire Assessment rates to property owners, and
- 4) providing for no increase in Solid Waste/Recycling rates.