

PROPERTY TAX PRESENTATION

Tuesday, June 30th 2015

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BUDGET PREPARATION TIMELINE

January

- First Quarter Review

February

- Financial Audit

March

- Presentation of Annual Progress Report and Citizen Survey Results
- Revise 10 Year Infrastructure Plan

April

- Presentation of the Year to Date Budget
- Second Quarter Review
- FY 2016 Budget Input Begins for Departments

May

- Annual Update of the Strategic Action Plan
- Fund Accounting Presentation
- Revenue Source Presentation

June

- Long Term Financial Planning Presentation
- Property Tax Presentation



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BUDGET PREPARATION TIMELINE

July

- General Fund Budget Workshop
- Adopt Maximum Millage Rate
- Proprietary Funds Budget Workshop
- Third Quarter Review

August

- Special Revenue & Capital Fund Budget Workshop
- Final Proposed Budget Presentation

September

- Public Hearing to Tentatively Adopt Millage Rate & Budget
- Public Hearing to Adopt Final Millage Rate & Budget

October – November

- FY 2015 Year End Close-out

November – December

- End of Year Review
- Citizen's Survey



PRESENTATION OUTLINE

- Truth in Millage (TRIM) Process
 - Timeline
 - Compliance
- Property Taxes
 - Just (Market) Value
 - Assessed Value
 - Exempt Value
 - Taxable Value
 - Rolled-Back Rate
 - Millage Rate



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TRUTH IN MILLAGE (TRIM) PROCESS

*The **TRIM process** establishes the statutory requirements that all taxing authorities levying a millage must follow, including all notices and budget hearing requirements.*

The purpose of the Truth in Millage law is to require full disclosure by taxing authorities to the taxpayers and general public of the rates and amount of taxes, prior to levying the taxes.

TRIM Timeline:

- By June 1, Property appraiser provides total assessed value of non-exempt property to be used for budget planning purposes
- By July 1, Property appraiser certifies the taxable value to each taxing authority
- July 1 (or the date of certification of taxable value whichever is LATER) is the first day of the TRIM process



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TRUTH IN MILLAGE (TRIM) PROCESS

- Within 35 days of certification of value, each taxing authority must inform the Property Appraiser of:
 - Prior year millage rate
 - Current year proposed (maximum) millage rate
 - Current year rolled-back rate
 - The date, time and meeting place of the Tentative Budget Hearing
- If a taxing authority fails to provide the information to the property appraiser within 35 days
 - The taxing authority will be prohibited from levying a millage rate greater than the rolled-back rate
 - The rolled-back rate will be computed by the Property Appraiser and used to prepare the Notice of Proposed Property Taxes



TRUTH IN MILLAGE (TRIM) PROCESS

- The property appraiser must mail the Notice of Proposed Property Taxes (TRIM Notice) within 55 days of certification

Taxing Authority	COLUMN 1*		COLUMN 2*		COLUMN 3*		PUBLIC HEARING INFORMATION A public hearing on the proposed taxes and budget will be held on:
	Tax Rate 2013	Your Property Taxes 2013	Tax Rate If No Budget Change is Adopted 2014	Your Property Taxes If No Budget Change is Adopted 2014	Tax Rate PROPOSED 2014	Your Property Taxes IF PROPOSED Budget is Adopted 2014	
061 FLAGLER COUNTY	7.99060	684.41	7.64920	670.74	7.97500	699.30	SEPT 4 2014, 5:30 PM GOVT. SERV. BLDG 1769 E MOODY BLVD, BUNNELL FL
SCHOOL-STATE LAW LEVY	5.19400	574.73	4.92810				SEPT 3, 2014 5:15 PM, GOVT SERV. BLDG, 1769 E MOODY BLVD., BUNNELL
SCHOOL DISCRETIONARY	2.24800	248.75	2.13290	240.35		253.32	SEPT. 3, 2014 5:15 PM. GOVT SERV BLDG., 1768 E MOODY BLVD., BUNNELL
CITY OF PALM COAST	4.27050	365.78	4.07430	357.26	4.27050	374.47	SEPT 9, 2014, 5:05 PM, PC COMM. CENTER, 305 PC PKWY NE, PALM COAST
FLAGLER MOSQUITO CONTROL	.25330	21.70	.24230	21.25	.24960	21.89	SEPT. 2 2014 5:01 PM, MOSQUITO CONTROL, 24 UTILITY DR, PALM COAST
SJR WATER MGMT DISTRICT	.32830	28.12	.31640	27.74	.31640	27.74	SEPT 9, 2014, 5:05 PM, SJRWMD-HQ 4049 REID ST., PALATKA, FL 32177
FL INLAND NAVIGATION DIST	.03450	2.95	.03230	2.83	.03450	3.03	SEPT 12, 2014, 5:30 PM 210 MILITARY TRAIL, JUPITER, FL
VOTER APPROVED DEBT	.58470	50.08	.56400	49.46	.56400	49.46	SEPT. 4, 2014 5:30 PM GOVT. SERV. BLDG., 1769 E MOODY BLVD., BUNNELL
Total Property Taxes	20.90390	1,976.52	19.93950	1,924.96	20.85600	2,014.96	

Maximum Proposed Rate



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TRUTH IN MILLAGE (TRIM) PROCESS

- Taxing authorities are required to hold two public hearings to adopt a millage rate and budget
 - The tentative TRIM hearing is advertised on the TRIM Notice
- The final hearing must be advertised within 15 days of adopting the tentative millage and budget.
 - The advertisement must include:
 - Notice of Proposed Tax Increase or Notice of Budget Hearing
 - Budget Summary Ad
- A public hearing on the final millage rate and budget should be held 97 to 100 days after certification of value and 2 to 5 days after the hearing is advertised



TRUTH IN MILLAGE (TRIM) PROCESS

- TRIM hearings may be held:
 - Monday – Friday after 5:00 PM
 - Anytime on Saturday
 - Never on Sunday
 - School board has first priority of a hearing date
 - BOCC has second choice
 - No other taxing authority, in the county, can hold a hearing on the same date as the school board or BOCC
- The general public will be allowed to speak and ask questions prior to the adoption of any measures by City Council
- City Council must adopt its tentative or final millage rate prior to adopting its tentative or final budget



TRUTH IN MILLAGE (TRIM) PROCESS

- The tentative millage rate cannot exceed the proposed millage rate, unless, each taxpayer is mailed a revised TRIM Notice at the expense of the Taxing Authority
- The final millage rate cannot exceed the tentatively adopted millage rate
- The TRIM process has to be completed within 101 days
- Within 3 Days of Final Hearing:
 - Resolution or ordinance adopting the final millage rate must be forwarded to the Property Appraiser, Tax Collector and the Department of Revenue
- Within 30 Days of Final Hearing:
 - Each taxing authority must forward necessary documents in order to certify compliance to the Florida Department of Revenue

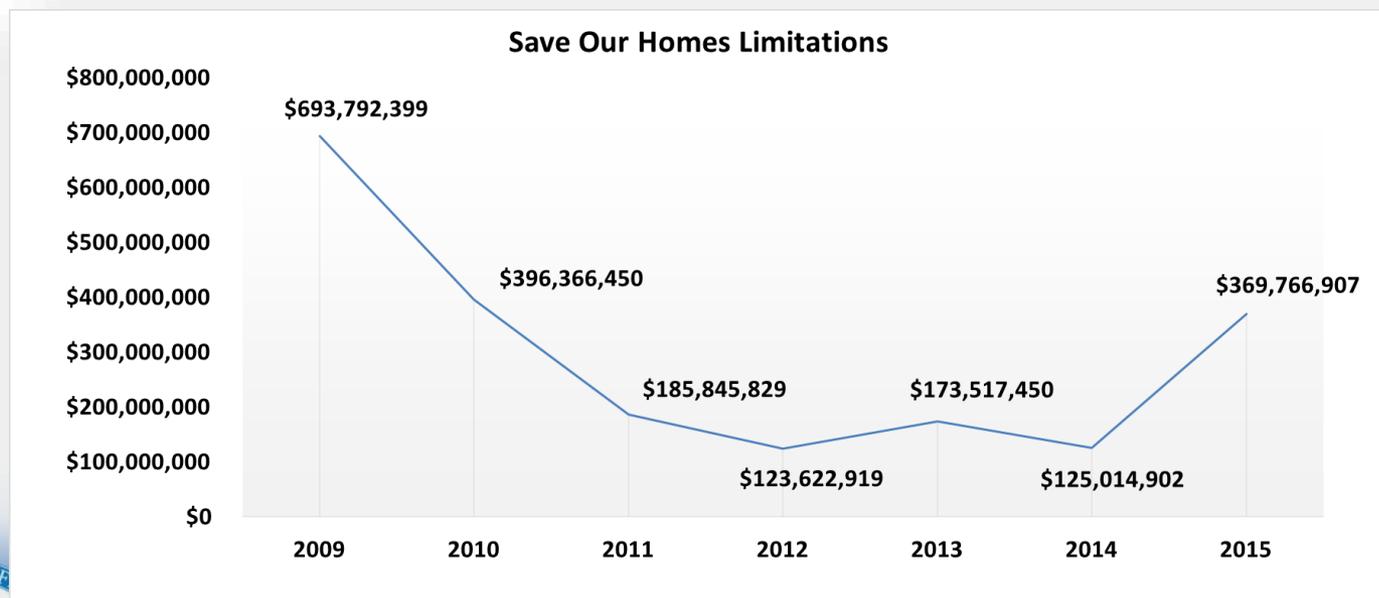


PROPERTY TAXES

Property Appraiser Assessed Value of the Home

The **Assessed value** is the value for tax purposes determined by the property appraiser for a given piece of real or personal property.

The **Save our Homes Limitation** provides that an annual increase in assessment cannot exceed three percent of the prior year's assessed value or the percentage change in the Consumer Price Index (CPI)

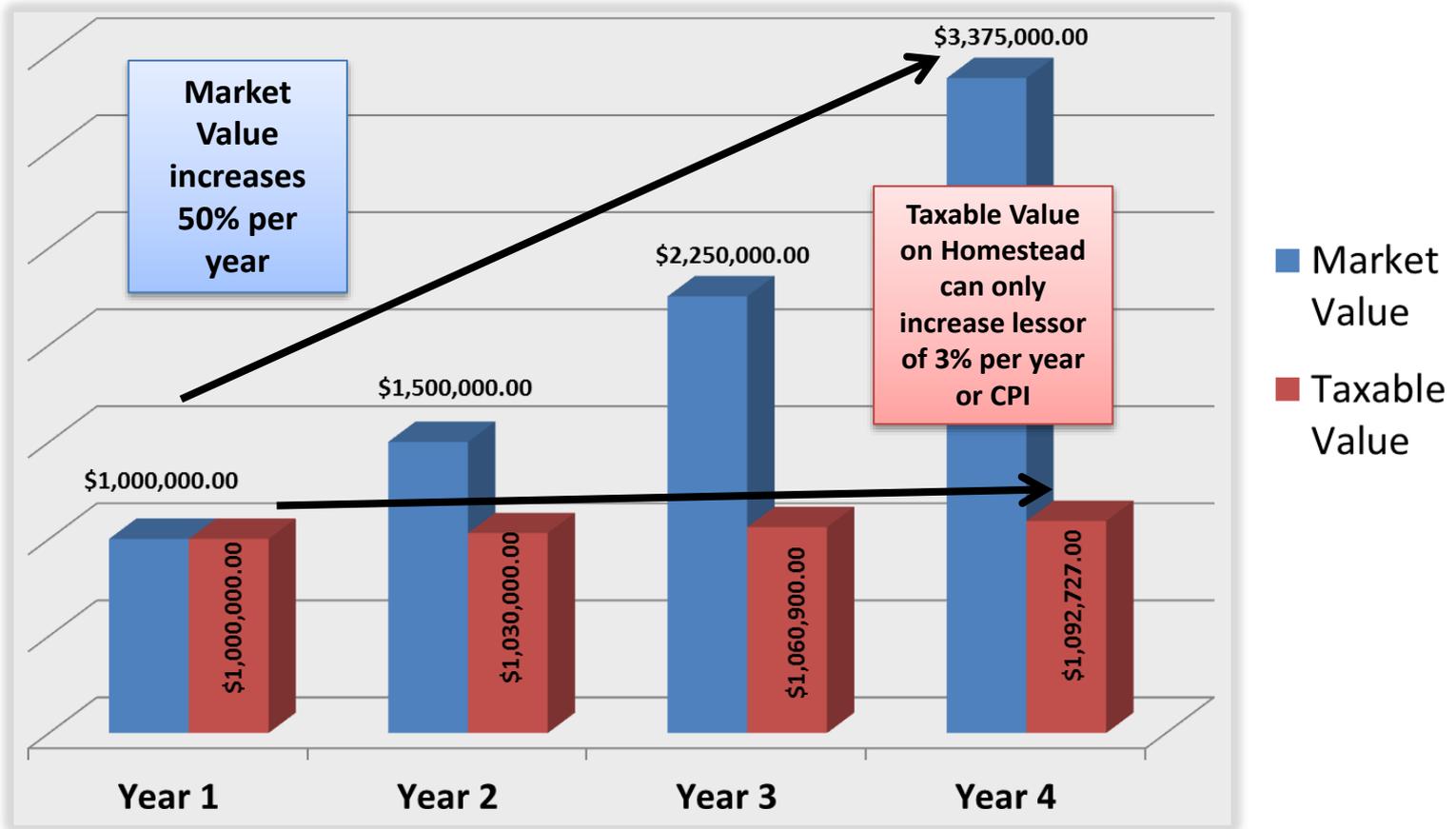


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PROPERTY TAXES

MARKET VALUE VS. ASSESSED VALUE

Hypothetical Example of Save our Homes Limitation:



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PROPERTY TAXES

Taxable Value of the Home:

An **exemption** is the amount that state law determines should be deducted from the assessed value of property for tax purposes. Some examples of exemptions include homestead, senior, widow/widower, military and tangible.

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

The **taxable value** is the balance of the assessed value minus exemptions.



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PROPERTY TAXES

Property Tax

The **millage rate** is a rate established per \$1,000 of assessed taxable value. Each taxing authority sets their millage rate. A property tax millage rate of 3.5 mills, for example, would mean property with a taxable value of \$100,000 would pay \$350 in property taxes.

$$\begin{aligned} &\text{Taxable Value} \\ &\quad \times \text{Millage Rate} \\ &= \text{Property Tax} \end{aligned}$$

The **Rolled-back rate** is the millage rate that is required to provide the same revenue, from ad valorem taxes, as was levied during the prior year.



2015 MILLAGE RATE

Survey of Florida cities :

- Population between 70K-100K
- 10 Cities with Millage

Ranking	City	Population	Millage Rate	Taxable Value	Property Tax Collections	Public Service Taxes
1	Boca Raton	86,647	3.42160	18,222,776,998	62,351,054	Yes
2	Palm Coast	78,046	4.2450	3,892,358,641	16,523,062	No
3	Davie	95,505	5.0829	7,301,010,574	37,110,307	Yes
10	Deltona	86,360	7.9900	1,662,237,776	13,281,280	Yes



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MILLAGE RATE HISTORY

Fiscal Year	Property Value	Operating Millage	Capital Millage	Total Millage	Ad Valorem Receipts
2003	1,983,740,628	3.05	0.35	3.4	6,539,567
2004	2,404,239,111	3.05	0.35	3.4	7,855,523
2005	3,107,581,090	2.9	0.5	3.4	10,207,899
2006	4,444,854,928	2.4	1	3.4	14,632,296
2007	6,239,994,489	2.5	0.75	3.25	19,603,806
2008	7,009,877,421	2.2123	0.75	2.96234	20,184,340
2009	6,131,965,169	2.6123	0.35	2.9623	17,602,781
2010	5,246,998,187	3.15	0.35	3.5	17,828,406
2011	4,463,085,550	3.5	-	3.5	15,048,300
2012	3,891,594,126	3.54	0.45	3.99	15,000,700
2013	3,646,122,021	4.1502	0.1456	4.2958	15,120,750
2014	3,690,312,857	4.1932	0.0773	4.2705	15,203,633
2015	3,895,717,814	4.1609	0.0841	4.245	15,963,477
Change 2008-2015	(3,114,159,607)	1.9486	-0.6659	1.2827	(4,220,863)
Percentage Change	-44%	-	-	-	-21%

FY 2016 Preliminary Estimate of Taxable Value is \$4,110,000,000



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PROPERTY TAX BILL

Ad Valorem Taxes					
Taxing Authority	Rate	Assessed Value	Exemption Amount	Taxable Value	Amount
FLAGLER COUNTY					
GENERAL FUND	7.9750	137,687	50,000	\$87,687	\$699.31
2005 ESL BONDS	0.0841	137,687	50,000	\$87,687	\$7.37
2005 OBLIGATION BOND	0.3140	137,687	50,000	\$87,687	\$27.53
2009/2010 ESL BONDS	0.1659	137,687	50,000	\$87,687	\$14.55
FLAGLER COUNTY SCHOOL BOARD					
GENERAL FUND		137,687	25,000	\$112,687	\$901.23
DISCRETIONARY		137,687	25,000	\$112,687	\$901.23
CAP. OUTLAY		137,687	25,000	\$112,687	\$901.23
ST. JOHNS RIVER WATER MGMT		137,687	50,000	\$87,687	\$699.31
FIND		137,687	50,000	\$87,687	\$699.31
MOSQUITO CONTROL		137,687	50,000	\$87,687	\$699.31
CITY OF PALM COAST	4.2450	137,687	50,000	\$87,687	\$372.23
Total Millage	20.8232				
				Taxes	\$2,012.08

COPC Portion of Total Millage Rate

COPC Portion of Total Taxes

COPC portion is less than 21% of Total Millage



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CITY PROPERTY TAX HISTORY

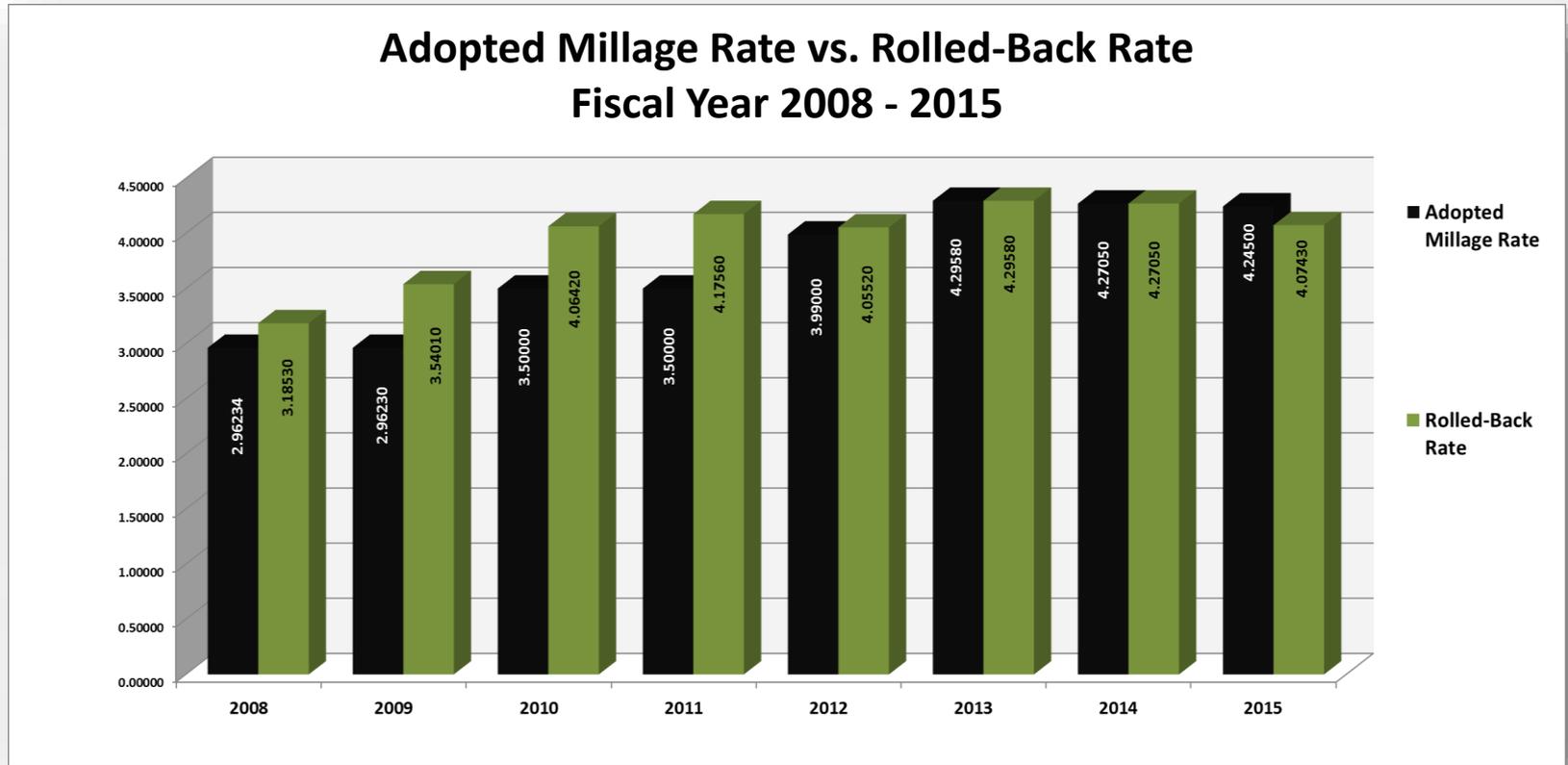
FY 2008-2015



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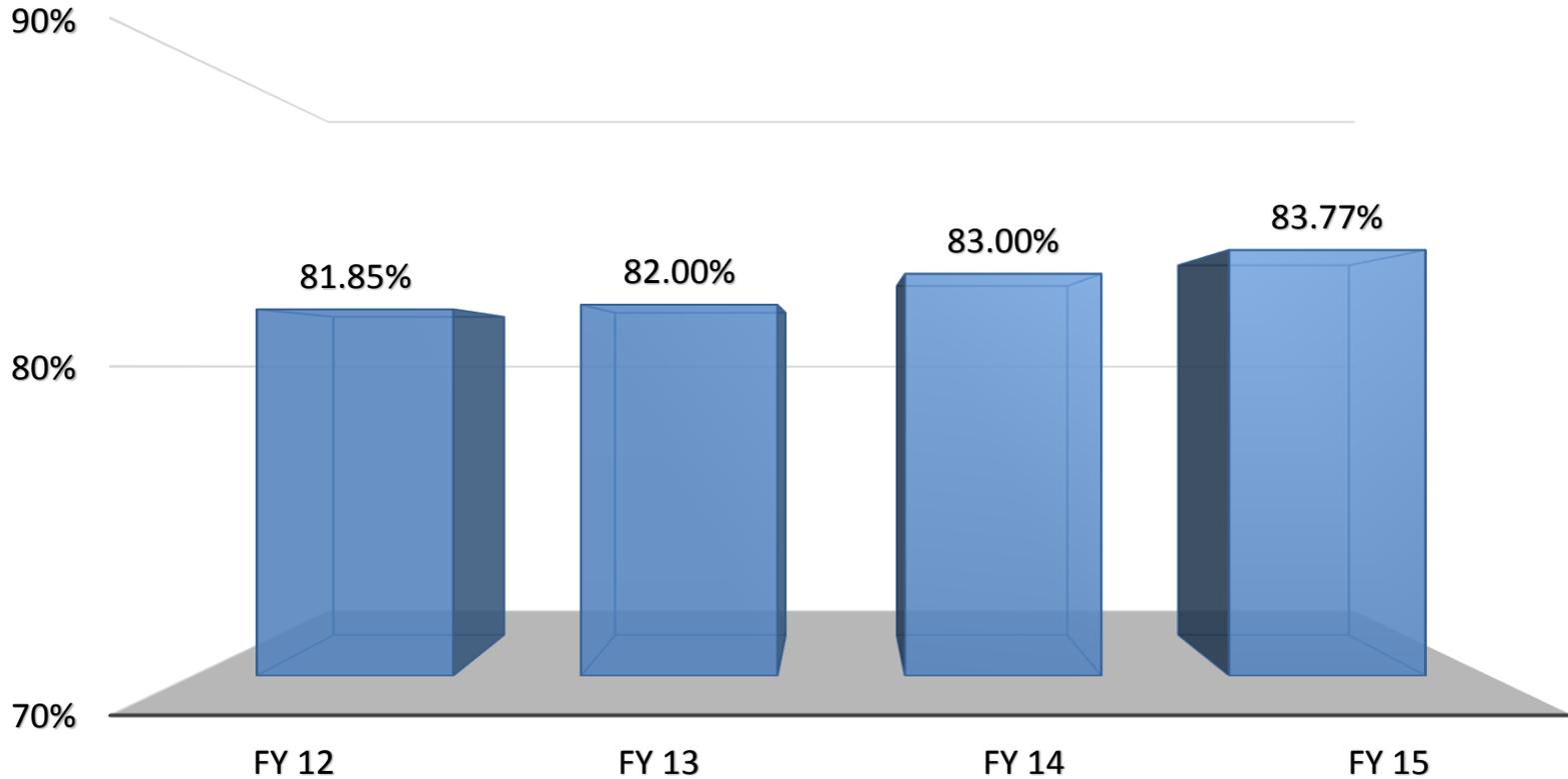
ADOPTED MILLAGE RATE VS. ROLLED-BACK RATE

FY 2008-2015



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RESIDENTIAL PROPERTY AS A % OF ALL PROPERTY

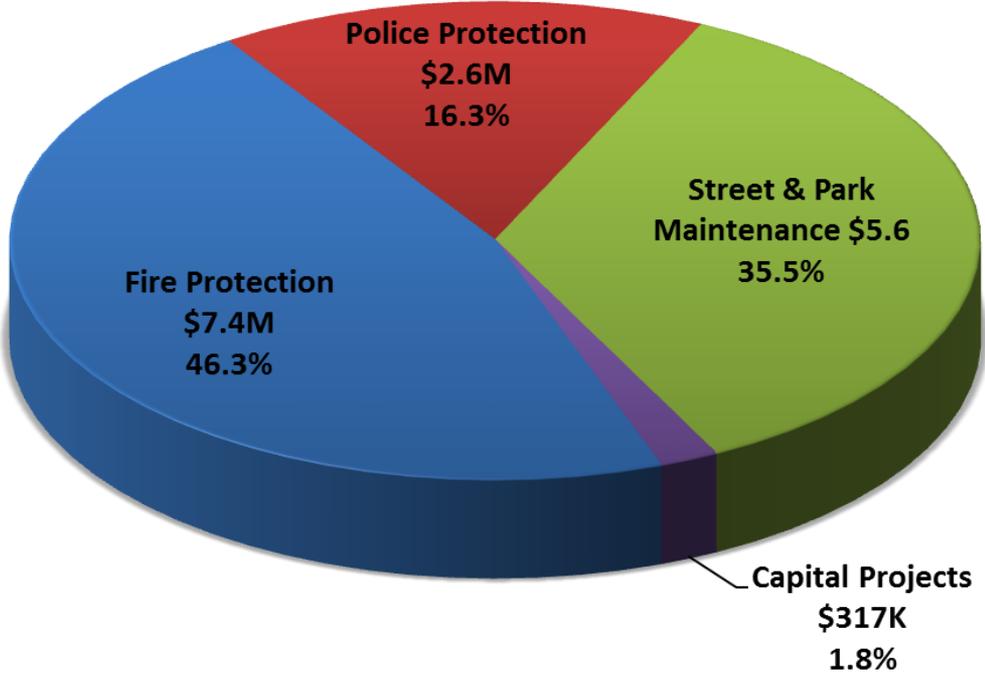


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SERVICES PROVIDED THROUGH PROPERTY TAXES FY 2015



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PALM COAST CITIZEN'S TAX BILL

TAX REVENUE: Ad Valorem, Sales, Gas, Communications, Local Business Tax, Solid Waste Franchise Fee, State Revenue Sharing, State & Federal Grants, etc.



**Including grants, the City receives \$48/month or \$576/year per city resident.
Not including grants the City receives \$31/month or \$374/year per city resident.**



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PALM COAST CITIZEN'S TAX BILL

\$48/Month or \$576/Year pays for:



Emergency Services
Additional Law Enforcement



Code Enforcement
Housing Programs
Streets

(including Maintenance and Resurfacing)



Parks, Paths and Trails

(including maintenance and construction)



Indirect Costs and Others



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WHAT'S NEXT?

July

14th - Budget Workshop - General Fund

21st – Business Meeting - Adopt Maximum Millage Rate

28th - Budget Workshop - Proprietary Funds

August

11th - Budget Workshop – Special Revenue Funds & Capital Funds

25th - Final Proposed Budget Presentation

September

Public Hearing to tentatively adopt millage rate and budget

Final Public Hearing to adopt final millage and budget



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