



CITY OF SOUTH MIAMI
OFFICE OF THE CITY MANAGER
INTER-OFFICE MEMORANDUM



To: The Honorable Mayor & Members of the City Commission

From: Buford R. "Randy" Witt, Acting City Manager *B. R. Witt*

Copy: Alfredo Riverol, Finance Director

Date: July 27, 2010

Agenda Item: *Add-On*

Subject: Tentative Millage Rate for FY 2010-11

Request: **A Resolution of the Mayor and City Commission of the City of South Miami, Florida, relating to the City's 2010/2011 fiscal year budget; advising the Miami-Dade County Property Appraiser of its proposed millage rate of 5.1452 mills; its roll-back rate of 5.1452 mills and announcing the dates of public hearing to consider the proposed millage rate and tentative budget; providing an effective date.**

BACKGROUND & ANALYSIS

The procedures and timetables for taxation and the establishment of the Budget are governed by a series of rules of the State of Florida. These rules are generally referred to as TRIM (Truth in Millage). This resolution deals with the establishment of the maximum millage rate, rollback millage rate, and scheduling formal budget public hearings in accordance with TRIM.

MAXIMUM MILLAGE RATE

A primary source of revenue for municipal government is the property ad valorem tax. Property taxes applied to commercial and residential real property and also for commercial personal property. The rate at which property is taxed is referred to as the millage rate. The amount of taxes paid by a property owner is determined by multiplying the millage rate times each \$1,000.00 of assessed property value.

Local jurisdictions are required, at the beginning of the budget process, to establish a maximum millage rate. This rate will be advertised by the City and also delivered to the Miami-Dade Property Appraiser. The rate can be decreased by the Commission during the budget process, but it cannot be increased except under extraordinary circumstances. The proposed millage rate being put forth at this time is 5.1452 mills, which represents the rolled-back rate.

The Miami-Dade County Property Appraiser has certified the Taxable Value within the City of South Miami at \$1,422,628,241. This valuation represents a 7.3% decrease over the FY 2009-10 level of \$1,534,277,946. Below please find a detail breakdown of the City's new taxable value.

Tax Assessed Value Breakdown for the City of South Miami:

Residential - Single-unit residential properties (single family, condos, townhouses, NOT duplexes, apartments, etc):	\$651,294,435
Commercial - Including multi family and government/institutional.	\$699,621,928
Personal Property:	\$71,711,878
CITY TOTAL TAXABLE VALUE:	<u><u>\$1,422,628,241</u></u>

This decrease is attributable to the continued economic downturn that we have been experiencing. Property values have decreased dramatically; which is evident in the City's taxable value. We therefore recommend a proposed millage rate of 5.1452 mills. This level will allow this City to continue with regular operations and on-going projects. The Commission will still have the ability to re-consider the rate during the budget hearings.

Rolled-back Millage Rate

Cities are also required to calculate what is known as the "Rolled-back Millage Rate". This is the calculated tax rate at which the City would receive the same ad valorem revenue as in the previous year, excluding current year new taxable values (New Construction, additions, etc.). Since there has been an overall decrease in the total assessed property value, the rolled-back millage rate is higher than our previous year millage rate of 4.9526. The current year rolled-back millage rate is 5.1452.

Budget Hearing Schedule

The City is required to hold two formal Budget Public Hearings. There are guidelines on when these hearings must be held. Additionally, a local municipality cannot hold a budget hearing on the same date as either the County or the School Board. There are also special advertising requirements for these hearings.

It is recommended, given these constraints, that the following schedule be established:

First Budget Hearing	Tuesday September 14, 2010 7:30PM	City of South Miami City Hall Commission Chambers 6130 Sunset Drive South Miami, FL 33143
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Second Budget Hearing Tuesday September 28, 2010 City of South Miami City Hall
7:30PM Commission Chambers
6130 Sunset Drive
South Miami, FL 33143

In addition, it is recommended that the Budget Workshop be scheduled as follows:

Budget Workshop Wednesday August 11, 2010 City of South Miami City Hall
9:00AM Commission Chambers
6130 Sunset Drive
South Miami, FL 33143

RESOLUTION NUMBER: _____

A Resolution of the Mayor and City Commission of the City of South Miami, Florida, relating to the City’s 2010/2011 fiscal year budget; advising the Miami-Dade County Property Appraiser of its proposed millage rate of 5.1452 mills; its roll-back rate of 5.1452 mills and announcing the dates of public hearing to consider the proposed millage rate and tentative budget; providing an effective date.

WHEREAS, Florida Statute 200.065 requires; (1) that within 35 days of Certificate of Value; (2) “each taxing authority shall advise the property appraiser of its proposed millage rate, of it rolled-back rate computed pursuant to sub-section; (3) and of the date, time and place which a public hearing will be held to consider the proposed millage rate and tentative budget”; and

WHEREAS, the Certification of Value was made on July 1, 2010; and

WHEREAS, the City Administration has computed the proposed millage rate and the rolled-back rate; and

WHEREAS, the Mayor and City Commission wish to comply with the aforesaid Statute.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF SOUTH MIAMI, FLORIDA:

Section 1. That the City Administration advises the property appraiser that the proposed millage rate of City of South Miami, Florida for the 2010/20011 fiscal year budget is 5.1452 mills. The rolled-back rate computed pursuant to sub-section (1) of Florida Statute 200.065 is 5.1452 mills.

Section 2. That date, time and place at which public hearing shall be held to consider the proposed millage rate are as follows:

1. First Budget Hearing- September 14, 2010 at 7:30 p.m., in the City Commission Chambers, 6130 Sunset Drive, South Miami, Florida.
2. Second Budget Hearing-, September 28, 2010 at 7:30 p.m., in the City Commission Chambers, 6130 Sunset Drive, South Miami, Florida.

PASSED AND ADOPTED this _____ day of _____.

ATTEST:

APPROVED:

CITY CLERK

MAYOR

**Add-On Item
By Acting City Manager**

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READ AND APPROVED AS TO FORM:

CITY ATTORNEY

Commission Vote:
Mayor Stoddard:
Vice Mayor Newman:
Commissioner Beasley:
Commissioner Palmer:
Commissioner Harris:



CERTIFICATION OF TAXABLE VALUE

DR-420
R. 6/10
Rule 12D-16.002
Florida Administrative Code

Year	2010	County	Miami-Dade
Principal Authority	CITY OF SOUTH MIAMI	Taxing Authority	CITY OF SOUTH MIAMI

SECTION I: COMPLETED BY PROPERTY APPRAISER

1.	Current year taxable value of real property for operating purposes	\$	1,350,916,363	(1)
2.	Current year taxable value of personal property for operating purposes	\$	71,711,878	(2)
3.	Current year taxable value of centrally assessed property for operating purposes	\$	0	(3)
4.	Current year gross taxable value for operating purposes <i>(Line 1 plus Line 2 plus Line 3)</i>	\$	1,422,628,241	(4)
5.	Current year net new taxable value (Add new construction, additions, rehabilitative improvements increasing assessed value by at least 100%, annexations, and tangible personal property value over 115% of the previous year's value. Subtract deletions.)	\$	36,192,476	(5)
6.	Current year adjusted taxable value <i>(Line 4 minus Line 5)</i>	\$	1,386,435,765	(6)
7.	Prior year FINAL gross taxable value from prior year applicable Form DR-403 series	\$	1,437,510,170	(7)
8.	Does the taxing authority include tax increment financing areas? If yes, enter number of worksheets (DR-420TIF) attached. If none, enter 0	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Number 1	(8)
9.	Does the taxing authority levy a voted debt service millage or a millage voted for 2 years or less under s. 9(b), Article VII, State Constitution? (If yes, enter the number of forms DR-420DEBT, <i>Certification of Voted Debt Millage</i> for each debt service levy.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Number 0	(9)

SIGN HERE	Property Appraiser Certification	I certify the taxable values above are correct to the best of my knowledge.		
	Signature of Property Appraiser			Date

SECTION II: COMPLETED BY TAXING AUTHORITY

If this portion of the form is not completed in FULL your authority will be denied TRIM certification and possibly lose its millage levy privilege for the tax year. If any line is not applicable, -0-

10.	Prior year operating millage levy <i>(If prior year millage was adjusted then use adjusted millage from Form DR-422)</i>		4.9526	per \$1,000	(10)
11.	Prior year ad valorem proceeds <i>(Line 7 multiplied by Line 10, divided by 1,000)</i>	\$	7,119,413		(11)
12.	Amount, if any, paid or applied in prior year as a consequence of an obligation measured by a dedicated increment value <i>(Sum of either Lines 6c or Line 7a for all DR-420TIF forms)</i>	\$	642,946		(12)
13.	Adjusted prior year ad valorem proceeds <i>(Line 11 minus Line 12)</i>	\$	6,476,467		(13)
14.	Dedicated increment value, if any <i>(Sum of either Line 6b or Line 7e for all DR-420TIF forms)</i>	\$	127,685,418		(14)
15.	Adjusted current year taxable value <i>(Line 6 minus Line 14)</i>	\$	1,258,750,347		(15)
16.	Current year rolled-back rate <i>(Line 13 divided by Line 15, multiplied by 1,000)</i>		5.1452	per \$1000	(16)
17.	Current year proposed operating millage rate		5.1452	per \$1000	(17)
18.	Total taxes to be levied at proposed millage rate <i>(Line 17 multiplied by Line 4, divided by 1,000)</i>	\$	7,319,707		(18)

Continued on page 2

19.	TYPE of principal authority (check one)	<input type="checkbox"/> County	<input type="checkbox"/> Independent Special District	(19)
		<input checked="" type="checkbox"/> Municipality	<input type="checkbox"/> Water Management District	
20.	Applicable taxing authority (check one)	<input checked="" type="checkbox"/> Principal Authority	<input type="checkbox"/> Dependent Special District	(20)
		<input type="checkbox"/> MSTU	<input type="checkbox"/> Water Management District Basin	
21.	Is millage levied in more than one county? (check one)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	(21)

DEPENDENT SPECIAL DISTRICTS AND MSTUs		STOP HERE - SIGN AND SUBMIT
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22.	Enter the total adjusted prior year ad valorem proceeds of the principal authority, all dependent special districts, and MSTUs levying a millage. <i>(The sum of Line 13 from all DR-420 forms)</i>	\$	6,476,467	(22)
23.	Current year aggregate rolled-back rate <i>(Line 22 divided by Line 15, multiplied by 1,000)</i>		5.1452 per \$1,000	(23)
24.	Current year aggregate rolled-back taxes <i>(Line 4 multiplied by Line 23, divided by 1,000)</i>	\$	7,319,707	(24)
25.	Enter total of all operating ad valorem taxes proposed to be levied by the principal taxing authority, all dependent districts, and MSTUs, if any. <i>(Total of Line 18 from all DR-420 forms)</i>	\$	7,319,707	(25)
26.	Current year proposed aggregate millage rate <i>(Line 25 divided by Line 4, multiplied by 1,000)</i>		5.1452 per \$1,000	(26)
27.	Current year proposed rate as a percent change of rolled-back rate <i>(Line 26 divided by Line 23, minus 1, multiplied by 100)</i>		0.00 %	(27)

First public budget hearing	Date 09/14/2010	Time 7:30 PM	Place City Commission Chambers 6130 Sunset Drive, South Miami, FL
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SIGN HERE	Taxing Authority Certification		I certify the millages and rates are correct to the best of my knowledge. The millages comply with the provisions of s. 200.065 and the provisions of either s. 200.071 or s. 200.081, F.S.		
	Signature of Chief Administrative Officer			Date	07/27/2010
	Title Acting City Manager		Contact Name Buford R. Witt		
	Mailing Address 6130 Sunset Drive		Physical Address 6130 Sunset Drive South Miami, FL 33143		
	City, State, Zip South Miami, FL 33143		Phone Number 305-663-6318	Fax Number 305-663-6345	



MAXIMUM MILLAGE LEVY CALCULATION PRELIMINARY DISCLOSURE

For municipal governments, counties, and special districts

DR-420MM-P

R. 6/10

Rule 12D-16.002

Florida Administrative Code

Year	2010	County	Miami-Dade
Principal Authority	CITY OF SOUTH MIAMI	Taxing Authority	CITY OF SOUTH MIAMI

1.	Is your taxing authority a municipality or independent special district that has levied ad valorem taxes for less than 5 years?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	(1)
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IF YES, STOP HERE. SIGN AND SUBMIT. You are not subject to a millage limitation.

2.	Current year rolled-back rate from Current Year Form DR-420, Line 16	5.1452	per \$1,000	(2)
3.	Prior year maximum millage rate with a majority vote from 2009 Form DR-420MM, Line 13	5.7543	per \$1,000	(3)
4.	Prior year operating millage rate from Current Year Form DR-420, Line 10	4.9526	per \$1,000	(4)

If Line 4 is equal to or greater than Line 3, skip to Line 11. If less, continue to Line 5.

Adjust rolled-back rate based on prior year majority-vote maximum millage rate

5.	Prior year final gross taxable value from Current Year Form DR-420, Line 7	\$ 1,437,510,170		(5)
6.	Prior year maximum ad valorem proceeds with majority vote <i>(Line 3 multiplied by Line 5 divided by 1,000)</i>	\$ 8,271,865		(6)
7.	Amount, if any, paid or applied in prior year as a consequence of an obligation measured by a dedicated increment value from Current Year Form DR-420 Line 12	\$ 642,946		(7)
8.	Adjusted prior year ad valorem proceeds with majority vote <i>(Line 6 minus Line 7)</i>	\$ 7,628,919		(8)
9.	Adjusted current year taxable value from Current Year form DR-420 Line 15	\$ 1,258,750,347		(9)
10.	Adjusted current year rolled-back rate <i>(Line 8 divided by Line 9, multiplied by 1,000)</i>	6.0607	per \$1,000	(10)

Calculate maximum millage levy

11.	Rolled-back rate to be used for maximum millage levy calculation <i>(Enter Line 10 if adjusted or else enter Line 2)</i>	6.0607	per \$1,000	(11)
12.	Change in per capita Florida personal income <i>(See Line 12 Instructions)</i>	.9811		(12)
13.	Majority vote maximum millage rate allowed <i>(Line 11 multiplied by Line 12)</i>	5.9462	per \$1,000	(13)
14.	Two-thirds vote maximum millage rate allowed <i>(Multiply Line 13 by 1.10)</i>	6.5408	per \$1,000	(14)
15.	Current year proposed millage rate	5.1452	per \$1,000	(15)
16.	Minimum vote required to levy proposed millage: (Check one)			(16)

- a. Majority vote of the governing body: Check here, if Line 15 is less than or equal to Line 13. The maximum millage rate is equal to the majority vote maximum rate. *Enter Line 13 on Line 17.*
- b. Two-thirds vote of governing body: Check here if Line 15 is less than or equal to Line 14, but greater than Line 13. The maximum millage rate is equal to proposed rate. *Enter Line 15 on Line 17.*
- c. Unanimous vote of the governing body, or 3/4 vote if nine members or more: Check here if Line 15 is greater than Line 14. The maximum millage rate is equal to the proposed rate. *Enter Line 15 on Line 17.*
- d. Referendum: The maximum millage rate is equal to the proposed rate. *Enter Line 15 on Line 17.*

17.	The selection on Line 16 allows a maximum millage rate of <i>(Enter rate indicated by choice on Line 16)</i>	5.9462	per \$1,000	(17)
18.	Current year gross taxable value from Current Year Form DR-420, Line 4	\$ 1,422,628,241		(18)

19.	Current year proposed taxes (Line 15 multiplied by Line 18, divided by 1,000)	\$	7,319,707	(19)
20.	Total taxes levied at the maximum millage rate (Line 17 multiplied by Line 18, divided by 1,000)	\$	8,459,232	(20)

DEPENDENT SPECIAL DISTRICTS AND MSTUs



STOP HERE. SIGN AND SUBMIT.

21.	Enter the current year proposed taxes of all dependent special districts & MSTUs levying a millage (The sum of all Lines 19 from each district's Form DR-420 MM-P)	\$		(21)
22.	Total current year proposed taxes (Line 19 plus Line 21)	\$	7,319,707	(22)

Total Maximum Taxes

23.	Enter the taxes at the maximum millage of all dependent special districts & MSTUs levying a millage (The sum of all Lines 20 from each district's Form DR-420 MM-P)	\$		(23)
24.	Total taxes at maximum millage rate (Line 20 plus line 23)	\$	8,459,232	(24)

Total Maximum Versus Total Taxes Levied

25.	Are total current year proposed taxes on Line 22 equal to or less than total taxes at the maximum millage rate on Line 24? (Check one)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	(25)
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SIGN HERE	Taxing Authority Certification		I certify the millages and rates are correct to the best of my knowledge. The millages comply with the provisions of s. 200.065 and the provisions of either s. 200.071 or s. 200.081, F.S.		
	Signature of Chief Administrative Officer			Date 07/30/2010	
	Title Acting City Manager		Contact Name Buford R. Witt		
	Mailing Address 6130 Sunset Drive		Physical Address 6130 Sunset Drive South Miami, FL 33143		
	City, State, Zip South Miami, FL 33143		Phone Number 305-663-6318		Fax Number 305-663-6345

Complete and submit this Form DR-420MM-P, Maximum Millage Levy Calculation-Preliminary Disclosure, to your property appraiser with the Form DR-420, Certification of Taxable Value.

MIAMI-DADE COUNTY

OFFICE OF THE PROPERTY APPRAISER



JULY 1, 2010 - CERTIFICATION OF TAXABLE VALUE

TAXING AUTHORITY	2009 PRELIMINARY TAXABLE VALUE	2010 TAXABLE VALUE BEFORE NEW CONSTRUCTION	PERCENT CHANGE	NEW CONSTRUCTION	2010 PRELIMINARY TAXABLE VALUE	PERCENT CHANGE FROM 2009
01 MIAMI	37,149,190,992	30,835,168,070	-17.0%	631,289,820	31,466,457,890	-15.3%
011 MIAMI (DDA)	11,037,426,431	9,444,604,050	-14.4%	362,020,681	9,806,624,731	-11.2%
02 MIAMI BEACH	24,694,916,494	21,548,116,369	-12.7%	556,626,578	22,104,742,947	-10.5%
0201 MB NORMANDY SHORES	117,709,157	100,693,548	-14.5%	1,289,587	101,983,135	-13.4%
03 CORAL GABLES	12,710,135,969	11,681,585,759	-8.1%	142,391,361	11,823,977,120	-7.0%
04 HIALEAH	9,488,619,671	7,718,435,945	-18.7%	32,277,726	7,750,713,671	-18.3%
05 MIAMI SPRINGS	990,211,809	894,280,376	-9.7%	8,254,944	902,535,320	-8.9%
06 NORTH MIAMI	2,823,674,799	2,171,371,296	-23.1%	65,073,418	2,236,444,714	-20.8%
07 NORTH MIAMI BEACH	2,269,795,183	1,803,859,206	-20.5%	3,137,071	1,806,996,277	-20.4%
08 OPA-LOCKA	932,162,334	782,697,833	-16.0%	1,919,397	784,617,230	-15.8%
09 SOUTH MIAMI	1,534,277,946	1,386,435,765	-9.6%	36,192,476	1,422,628,241	-7.3%
10 HOMESTEAD	2,986,366,417	2,041,196,180	-31.6%	12,648,948	2,053,845,128	-31.2%
11 MIAMI SHORES	798,148,808	718,047,005	-10.0%	3,126,818	721,173,823	-9.6%
12 BAL HARBOUR	2,521,905,497	2,361,278,221	-6.4%	7,724,080	2,369,002,301	-6.1%
13 BAY HARBOR ISLANDS	762,700,615	605,336,520	-20.6%	1,309,010	606,645,530	-20.5%
14 SURFSIDE	1,172,763,595	1,069,149,281	-8.8%	575,974	1,069,725,255	-8.8%
15 WEST MIAMI	357,744,826	310,105,431	-13.3%	609,782	310,715,213	-13.1%
16 FLORIDA CITY	719,973,937	545,962,087	-24.2%	5,071,758	551,033,845	-23.5%
17 BISCAYNE PARK	168,621,920	130,934,288	-22.4%	560,327	131,494,615	-22.0%
18 EL PORTAL	104,823,739	86,008,071	-17.9%	417,551	86,425,622	-17.6%
19 GOLDEN BEACH	712,373,295	639,873,315	-10.2%	4,364,364	644,237,679	-9.6%
20 PINECREST	3,721,999,603	3,485,432,214	-6.4%	31,907,725	3,517,339,939	-5.5%
21 INDIAN CREEK	342,079,619	314,034,845	-8.2%	8,019,801	322,054,646	-5.9%
22 MEDLEY	2,024,478,858	1,870,491,056	-7.6%	13,257,506	1,883,748,562	-7.0%
23 N. BAY VILLAGE	939,526,353	675,745,036	-28.1%	16,056,183	691,801,219	-26.4%
24 KEY BISCAYNE	5,936,216,017	5,416,608,133	-8.8%	13,152,147	5,429,760,280	-8.5%
25 SWEETWATER	402,378,129	331,285,403	-17.7%	351,404	331,636,807	-17.6%
26 VIRGINIA GARDENS	214,724,087	206,442,148	-3.9%	71,303	206,513,451	-3.8%
27 HIALEAH GARDENS	1,155,548,511	977,166,523	-15.4%	10,871,540	988,038,063	-14.5%
28 AVENTURA	8,063,834,953	7,241,443,347	-10.2%	3,163,260	7,244,606,607	-10.2%
29 ISLANDIA	374,763	302,103	-19.4%	0	302,103	-19.4%
30 UNINCORPORATED	68,236,064,758	57,440,621,825	-15.8%	491,849,367	57,932,471,192	-15.1%
31 SUNNY ISLES BEACH	6,131,641,645	5,175,875,235	-15.6%	454,360,612	5,630,235,847	-8.2%
32 MIAMI LAKES	2,873,498,534	2,548,770,445	-11.3%	8,037,939	2,556,808,384	-11.0%
33 PALMETTO BAY	2,537,228,421	2,380,346,265	-6.2%	8,825,796	2,389,172,061	-5.8%
34 MIAMI GARDENS	4,503,604,818	3,704,052,338	-17.8%	13,050,515	3,717,102,853	-17.5%
35 DORAL	9,992,827,909	8,836,355,648	-11.6%	87,110,551	8,923,466,199	-10.7%
36 CUTLER BAY	2,257,897,144	1,743,216,799	-22.8%	2,285,856	1,745,502,655	-22.7%
COUNTY-WIDE	222,141,817,140	189,592,540,520	-14.7%	2,675,807,288	192,268,347,808	-13.4%
FIRE AND RESCUE	132,173,049,648	112,392,626,244	-15.0%	1,300,069,656	113,692,695,900	-14.0%
LIBRARY	202,344,136,687	173,191,660,602	-14.4%	2,562,590,253	175,754,250,855	-13.1%
SCHOOL BOARD	234,917,614,208	201,784,116,032	-14.1%	2,676,503,428	204,460,619,460	-13.0%
S FL WATER MNGT DIST	223,936,274,640	191,511,469,082	-14.5%	2,676,503,428	194,187,972,510	-13.3%
FL INLAND NAV DIST	223,936,274,640	191,511,469,082	-14.5%	2,676,503,428	194,187,972,510	-13.3%
THE CHILDREN'S TRUST	223,936,274,640	191,511,469,082	-14.5%	2,676,503,428	194,187,972,510	-13.3%