

RESOLUTION NO. 2013-28350

A RESOLUTION ADOPTING: 1) THE FINAL AD VALOREM MILLAGE OF 5.8634 MILLS FOR GENERAL OPERATING PURPOSES, WHICH IS SIX AND THREE-TENTHS PERCENT (6.3%) MORE THAN THE "ROLLED-BACK" RATE OF 5.5158 MILLS; AND 2) THE DEBT SERVICE MILLAGE RATE OF 0.2529 MILLS.

WHEREAS, on July 17, 2013, the City Commission following a duly noticed public hearing, adopted Resolution No. 2013-28294, set the preliminary general operating millage rates at 5.8909 mills (excluding debt service), a reduction of 0.20 mills from the FY 2012/13 rate for general operating purposes, and 0.2529 mills for debt service; and

WHEREAS, on September 11, 2013 the Mayor and Commission tentatively adopted the operating millage rate of 5.8909 mills for general operating purposes, and 0.2529 mills for debt service; and

WHEREAS, on September 23, 2013 the Mayor and Commission discussed reducing the operating millage rate an additional 0.0275 mills to 5.8634 mills for general operating purposes, and 0.2529 mills for debt service; and

WHEREAS, Section 200.065, Florida Statutes, requires that at the conclusion of the second public hearing on the City's proposed tax rate and budget, the City Commission: 1) adopt the ad valorem millage rate for FY 2013/14 operating purposes; and 2) the required Debt Service millage rate; and this is accomplished by publicly announcing the name of the taxing authority, the "Rolled-back" rate, the percentage increase of the "Rolled-Back" rate, and the millage rates before adoption of the millage levy resolution; and

NOW THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND THE CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that pursuant to Section 200.065, Florida Statutes, there is hereby levied a tax for FY 2013/14, on all taxable and non-exempt real and personal property located within the corporate limits of the City of Miami Beach, Florida, as follows:

- (a) For the purpose of operating the government of the City, the rate assigned amounts to 5.8634 mills. Also included are appropriate reserves and contingencies, which are not limited to reserves for tax discounts and abatements of uncollected taxes.

The millage rate reflected is six and three-tenths percent (6.3%) more than the "Rolled-back" rate of 5.5158 mills.

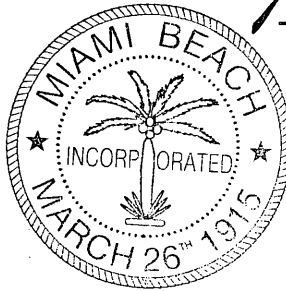
- (b) For the purpose of providing payment on the principal and interest portions of the General Obligation Bond Debt outstanding, the rate assigned amounts to 0.2529 mills.

PASSED and ADOPTED this 30th day of September, 2013.

ATTEST:



CITY CLERK





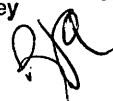
MAYOR

**APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION**



City Attorney

9/27/13
Date



Condensed Title:

A RESOLUTION ADOPTING: 1) THE FINAL AD VALOREM MILLAGE OF 5.8634 MILLS FOR GENERAL OPERATING PURPOSES, WHICH IS SIX AND THREE-TENTHS PERCENT (6.3%) MORE THAN THE "ROLLED-BACK" RATE OF 5.5158 MILLS; AND 2) THE DEBT SERVICE MILLAGE RATE OF 0.2529 MILLS.

Key Intended Outcome Supported:

Minimize taxes; Control Costs of payroll including salary and fringes; ensure expenditure trends are sustainable over the long term; Improve the City's overall financial health and maintain overall bond rating; Increase community satisfaction with city services

Supporting Data (Surveys, Environmental Scan, etc.):

- Over the last several years, the City of Miami Beach has adopted budgets that provided tax and fee relief while at the same time providing improving services that address community priorities (e.g. public safety, cleanliness, landscaping and beautification, recreation and cultural arts programming, renewal and replacement funding for our facilities, and building/development functions). In FY 2007/08 alone, the property tax rate declined by approximately 1.8 mills, with savings to the average property owner of over \$400. In addition, in FY 2005/06 and FY 2006/07, the City funded \$200 and \$300 "homeowner dividends" paid to homesteaded property owners in the City.
- However, recent years have been very challenging due to declines in property values and increasing costs, particularly pension costs. Since their peak in FY 2007/08, property values Citywide have declined almost \$2.2 billion (approximately 8 percent) through FY 2013/14, despite almost \$3.08 billion in new construction added to the roll. The July 1, 2013 Certification of Taxable Value from the Miami-Dade County Property Appraiser reflects an increase of 6.9% in property values for the City as a whole, 7.3% in the RDA and 6.8% outside of the RDA.

Item Summary/Recommendation:

The tentative general operating millage rate of 5.8909 was adopted on September 11, 2013 at the first public hearing on the FY 2013/14 Budget. The general operating millage rate has been reduced by 0.0275 based on discussion at the Commission's budget workshop on September 23, 2013.

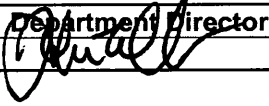
The total proposed final operating millage is reduced from FY 2012/13 at 5.8634 mills, including a general operating millage rate of 5.7551 and a General Fund Capital Renewal and Replacement millage of 0.1083. The voted debt service millage rate is decreased from 0.2568 to 0.2529.

Advisory Board Recommendation:**Financial Information:**

Source of Funds:		Amount	Account
	1		
	2		
OBPI	Total		

Financial Impact Summary: With the recommended millage, the City will have decreased the combined millage rate by 0.3862 mills in the last three years and combined millage rates today remain more than 2.58 mills lower, or almost 30 percent, than in FY 1999/00 and approximately 1.55 mills lower than in FY 2006/07 when property values were similar to today's values. As a result, **the proposed property tax levy is approximately \$25 million less in FY 2013/14 than it was in FY 2006/07.**

City Clerk's Office Legislative Tracking:**Sign-Offs:**

Department Director	Assistant City Manager	City Manager
		





MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: September 30, 2013

SUBJECT: **A RESOLUTION ADOPTING: 1) THE FINAL AD VALOREM MILLAGE OF 5.8634 MILLS FOR GENERAL OPERATING PURPOSES, WHICH IS SIX AND THREE-TENTHS PERCENT (6.3%) MORE THAN THE "ROLLED-BACK" RATE OF 5.5158 MILLS; AND 2) THE DEBT SERVICE MILLAGE RATE OF 0.2529 MILLS.**

ADMINISTRATION RECOMMENDATION

The Administration recommends that the City Commission adopt the attached Resolution which sets the following:

1) Final Adopted Millage Rates for FY 2013/14:

General Operating	5.7551 mills
Capital Renewal & Replacement	<u>0.1083 mills</u>
Sub-Total Operating Millage	5.8634 mills (6.0909 FY 2012/13, 0.2275 decrease)
Voted Debt Service	<u>0.2529 mills</u> (0.2568 FY 2012/13, 0.0039 decrease)
Total	6.1163 mills (6.3477 FY 2012/13, 0.2314 decrease)

- 2) The final adopted combined millage rate of 6.1163 mills is 0.2341 mills less than the 6.3477 combined millage rate for FY 2012/13. The final adopted operating millage of 5.8634 mills for FY 2013/14 is 0.3476 mills more than the rolled-back rate of 5.5158, and thus, the City is required to publish a Notice of Tax Increase. This notice was duly published in the Miami Herald on Thursday, September 26, 2013 in accordance with Florida Statutes 200.065.

The "Rolled-Back" millage rate for FY 2013/14 is the millage rate required to produce the same level of property tax revenues in the General Fund in FY 2013/14 as anticipated to be received in FY 2012/13. It is important to note, that the January, 1 2012 tax roll Citywide declined by \$1.0 billion between the July 1, 2012 valuation and the July 1, 2013 valuation due to appeals, adjustments, etc., which is part of the reason that the FY 2013/14 "rolled-back rate" is less than the FY 2012/13 current millage rate.

The Administration is recommending a total combined millage rate for the City of Miami Beach of 6.1163. The total proposed operating millage decreases to 5.8634 mills, which includes a General Operating millage rate of 5.7551 and a General Fund Capital Renewal and Replacement millage of 0.1083. The proposed voted debt service millage rate is adjusted from 0.2568 to 0.2529, a decrease of 0.0039 mills.

The final adopted millage rate provides funding to partially offset the following:

- 5% step increases for members of the Fraternal Order of Police and International Association of Firefighters to the maximum of their pay range
- 2 percent merit increases for all other employees to their maximum of pay ranges, a minor increase in benefit costs (approximately 1 percent)
- 4 percent increase in operating costs primarily due to professional services in the City Attorney and Building Department and living wage increases in the management agreement for golf courses
- 5 percent increase in internal service charges.

In addition the proposed budget includes funding for approximately \$365,000 in enhancements and \$1,318,000 in reserves.

PROCEDURE

Florida Statutes 200.065 requires that at the conclusion of the second public hearing on the final proposed tax rate and budget, the City Commission proceed in the following specific manner:

1. Adopt an ad valorem millage rate for FY 2013/14 operating purposes. The statute requires the name of the taxing authority, the "Rolled-Back" rate, the percentage increase or decrease over the "Rolled-back" rate, and the millage rates be publicly announced before adoption of the millage levy resolution.

State statute requires that only the title be read aloud.

2. Adopt a general operating budget for FY 2013/14. Also included, are budgets for the Enterprise and Internal Service Funds. This is accomplished by adopting a companion Resolution. (See accompanying City Budget Agenda Item).

CHANGES FROM TENTATIVE BUDGET

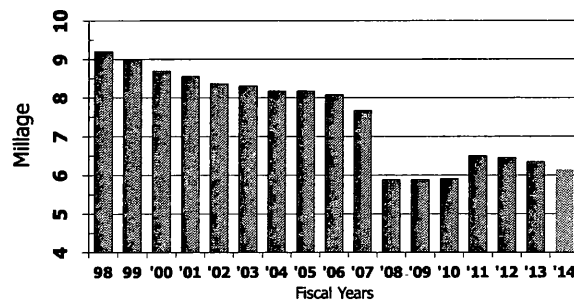
The first public hearing adopting the tentative millage rates and budgets for FY 2013/14 was held on Wednesday, September 11, 2013. A budget workshop was held on Monday, September 23, 2013, at which the Commission discussed reducing the tentative general operating millage rate by 0.0275 mills to 5.7551 mills.

SUMMARY

In FY 2010/11 the city's approach to addressing the then deficit of \$32 million included a distribution of the shortfall between taxpayers and employees. Taxpayers had their tax rate increased from 5.6555 to 6.2155, an increase of 0.56 mills while employee givebacks totaled \$11 million. The goal of the Commission has been to return to a millage rate of 5.6555 mills as property values increase over time. It should be remembered that between FY 2009/10 and FY 2010/11, property values declined by \$2.6 billion which, together with pension cost increases, drove the need for an increase in the millage. As property values increase in the future, there will be additional opportunities to bring the millage down to 5.6555.

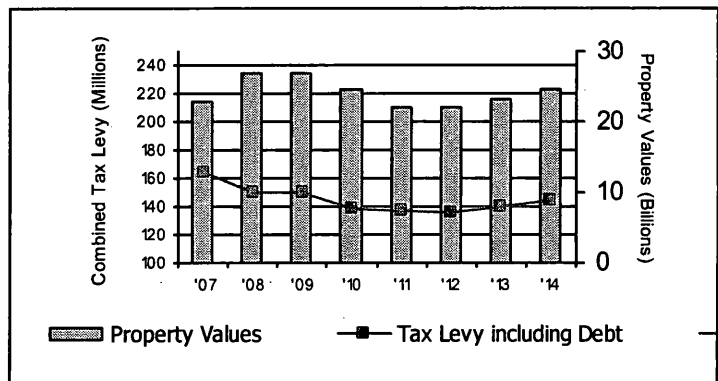
In FY 2011/12, the City took its first step in that direction with a reduction in the millage rate of 0.05 mills. In FY 2012/13, the operating millage was reduced by an additional 0.0746 mills. Administration recommends that the operating millage rate be reduced by an additional 0.2275 mills. The total operating millage reduction between FY 2010/11 and the proposed FY 2013/14 millage is 0.3521. Over three years, this reduction represents 63 percent of the goal to get back to a millage rate of 5.6555. The remaining goal for millage reduction is 0.2079. The total combined millage rate for the City of Miami Beach of 5.8634, which is comprised of a general operating millage rate of 5.7551 (a decrease of 0.2275 mills), a General Fund Capital Renewal and Replacement millage of 0.1083, and a voted debt service millage rate of 0.2529 (a decrease of 0.0039 mills) is 6.1163.

Total Combined Millage



Historical Perspective

It is important to remember that in prior years, the City of Miami Beach significantly reduced tax rates as property values increased. Between FY 1999/00 and FY 2009/10, total combined City of Miami Beach millage rates declined approximately 2.8 mills. In FY 2007/08 alone, the millage rate declined by approximately 1.8 mills, with annual savings to the average homesteaded property of over \$400. Further, although the City increased the operating tax rate by 0.56 mills in FY 2010/11, the City has decreased the millage by 0.3521 mills in the last three years and combined millage rates today are 0.3862 mills lower than in FY 2009/10 and more than 2.58 mills lower, or almost 30 percent, than in FY 1999/00 and approximately 1.55 mills lower than in FY 2006/07 when property values were similar to today's values. As a result, the proposed property tax levy is approximately \$25 million less in FY 2013/14 than it was in FY 2006/07.



Property Value, Millage, and Property Tax Levy

Taxable Values Chart	Taxable Property Values (billions)	Final/Revised Taxable Values (billions)	Millage Rates		Tax Levy (in millions)	
			Total Combined Citywide Millage	General Fund/RDA Millage	Total including Debt	General Fund Total (including S. Pointe, and Renewal & Replacement)
FY1997/98	\$ 6.46	\$ 6.40	9.2100	7.4990	\$ 57.45	\$ 46.78
FY1998/99	\$ 6.97	\$ 6.87	8.9830	7.4990	\$ 60.37	\$ 44.66
FY1999/00	\$ 7.66	\$ 7.54	8.6980	7.4990	\$ 64.29	\$ 47.36
FY2000/01	\$ 8.37	\$ 8.22	8.5550	7.3990	\$ 69.08	\$ 49.75
FY2001/02	\$ 9.40	\$ 9.22	8.3760	7.2990	\$ 75.97	\$ 54.37
FY2002/03	\$ 10.56	\$ 10.41	8.3220	7.2990	\$ 84.81	\$ 61.05
FY2003/04	\$ 12.09	\$ 11.85	8.1730	7.2990	\$ 95.39	\$ 68.17
FY2004/05	\$ 14.04	\$ 13.86	8.1730	7.4250	\$ 110.74	\$ 79.38
FY2005/06	\$ 17.45	\$ 17.15	8.0730	7.4810	\$ 135.91	\$ 111.69
FY2006/07	\$ 22.74	\$ 22.26	7.6730	7.3740	\$ 168.38	\$ 140.31
FY2007/08	\$ 26.85	\$ 26.14	5.8970	5.6555	\$ 150.42	\$ 125.33
FY2008/09	\$ 26.90	\$ 25.89	5.8930	5.6555	\$ 150.59	\$ 125.94
FY2009/10	\$ 24.70	\$ 23.24	5.9123	5.6555	\$ 138.70	\$ 115.73
FY2010/11	\$ 22.10	\$ 20.97	6.5025	6.2155	\$ 136.55	\$ 112.14
FY2011/12	\$ 21.98	\$ 20.75	6.4539	6.1655	\$ 134.75	\$ 111.29

ANALYSIS OF PROPERTY VALUES IN MIAMI BEACH

On July 1, 2013, the City received the "2013 Certification of Taxable Value" from the Property Appraiser's Office stating that the taxable value for the City of Miami Beach is \$24.7 billion including \$78.1 million in new construction. The preliminary 2013 value represents an increase of \$1.6 billion or 6.9 percent more than the July 1, 2012 Certification of Taxable Value of \$23.1 billion and an increase of 6.5 percent excluding new construction.

The comparative assessed values for the Miami Beach Redevelopment Agency City Center redevelopment district increased from \$3.6 billion to \$3.9 billion an increase of \$263 million or a 7.3 percent increase over 2012 certified values. In addition, assessed values within the geographic area formerly known as the South Pointe redevelopment district increased from \$3.6 billion to \$3.9 billion an increase of \$297 million, or an 8.2 percent increase in values over 2012 certified values. As a result, taxable values in the areas outside the City Center RDA/South Pointe area increased by 6.3 percent, from \$15.4 billion to \$16.4 billion, an increase of \$974 million.

Citywide values excluding City Center increased from \$19.5 billion to \$20.8 billion, an increase of \$1.3 billion or 6.8 percent. Values outside the City Center area determine General Fund revenues. Adjusting for the base value Center City RDA which remains in the General Fund, the increase is actually 6.7 percent for the General Fund.

COMPARATIVE ASSESSED VALUES (in billions)

	Jan. 1 2012 Value (in billions)				Jan. 1 2013 Value (in billions)	Change from 2012 Value (Budget)	
	As of July 1 2012 (For FY 2012/13 Budget)	Revised Value (For FY 2012/13 Projection)	Change in 2012 Values		As of July 1 2013 (For 2012/13 Budget)	\$ (in billions)	% Chg
RDA – City Ctr	\$ 3.6087	\$ 3.4072	\$(0.2015)	-5.6%	\$ 3.8714	\$ 0.2627	7.3%
South Pointe	3.6181	3.4734	(0.1447)	-4.0%	3.9148	\$ 0.2967	8.2%
General Fund excl S.Pte	15.8455	15.1414	(0.7041)	-4.4%	16.8704	\$ 1.0249	6.5%
Total Citywide	\$23.0723	\$22.0220	(1.0503)	-4.6%	\$ 24.6566	\$ 1.5843	6.9%
Citywide Net of City Center	\$ 19.464	\$ 18.615	\$ (0.849)	-4.4%	\$ 20.785	\$ 1.3216	6.8%

DETERMINING THE OPERATING MILLAGE LEVY

The first building block in developing a municipal budget is the establishment of the value of one mill of taxation, wherein the mill is defined as \$1.00 of ad valorem tax for each \$1,000 of property value. For the City of Miami Beach, the value for each mill is determined by the 2013 Certification of Taxable Value and has been set at \$24.6 million. Florida Statutes permit a discount of up to five percent for early payment discounts, delinquencies, etc. Therefore, the 95 percent value of the mill is \$23.4 million. Net of City Center RDA tax increment available to the General Fund, the value of one mill at 95 percent is \$20.0 million.

IMPACTS OF CHANGES IN PROPERTY VALUES

The FY 2012/13 operating millage rate for general City operations was 6.0909 based on July 2012 Certification of Taxable Value. Based on the July 1, 2013 Certification of Taxable Value, 6.0909 mills would generate approximately \$150 million at 100% collection (\$142 million at 95% collection) in general tax revenues, an increase of \$9.6 million at 100% collection (\$9.1 million at 95% collection) over FY 2012/13 property tax revenues Citywide (General Fund, City Center RDA and the South Pointe area). The General Fund property tax revenues would increase by \$7.6 million, if the FY 2012/13 millage rate was maintained.

Further, the January, 1 2012 tax roll Citywide declined by \$1.0 billion between the July 1, 2012 valuation and the July 1, 2013 valuation due to appeals, adjustments, etc., which is part of the reason that the FY 2013/14 “rolled-back rate” is significantly less than the FY 2012/13 current millage rate.

STATE LEGISLATED OPERATING MILLAGE REQUIREMENTS

Further, pursuant to recently enacted State legislation, the City may elect to approve millage rates above the roll-back rate up to the constitutional cap of 10 mills subject to the following votes by the Commission or referendum:

- Option I: A majority of the Commission is required to approve a millage up to 7.7169 (equivalent to 1.69 percent increase in property tax revenues). The 1.69 percent increase is the state per capita personal income gain for the prior calendar year.
- Option II: A two-thirds approval (5 of 7 votes) of the Commission is required to approve a millage up to 8.4886 (equivalent to a 10 percent increase in the ad valorem revenues above Option I).
- Option III: A unanimous approval of the Commission or referendum is required to approve a millage above 8.4886 up to the 10 mill cap

DETERMINING THE VOTED DEBT SERVICE MILLAGE LEVY

The general obligation debt service payment for FY 2012/13 is approximately \$5.9 million. Based on the July 1, 2013 Certified Taxable Value from the Property Appraiser, these bonds would require the levy of a voted debt service millage of 0.2282 mills. This represents a decrease of 0.0286 mills.

COMBINING THE OPERATING AND VOTED DEBT SERVICE MILLAGE LEVY

At the July 17, 2013, Commission meeting, the Commission adopted a 0.2 mill reduction and at a budget workshop on September 23, 2013, the Commission discussed reducing the millage rate by an additional 0.0275 mills, which represents a total decrease of 0.2275 mills. The voted debt service millage decreased by 0.0039 mills.

Illustrated below is a comparison of the proposed combined millage rates and ad valorem revenues to the City of Miami Beach for FY 2012/13 and FY 2013/14 (preliminary) including RDA. It is recommended that in the General Fund, 0.1083 mills of the total operating millage continue to be dedicated to renewal and replacement, resulting in approximately \$1.98 million in renewal and replacement funding.

The total millage rate for FY 2013/14 is 20.3% lower than FY 2006/07 and 3.6% lower than last year.

	FY 06/07	FY 12/13	FY 13/14	Inc/(Dec)	% Inc/(Dec)	
					From FY12/13	From FY 06/07
City of Miami Beach Millage Rates						
Operating	7.1920	5.9826	5.7551	-0.2275		
Capital Renewal & Replacement	0.1820	0.1083	0.1083	0.0000		
Sub-total Operating Millage	7.3740	6.0909	5.8634	-0.2275	-3.7%	-20.5%
Debt Service	0.2990	0.2568	0.2529	-0.0039		
Total	7.6730	6.3477	6.1163	-0.2314	-3.6%	-20.3%

IMPACT OF PROPOSED MILLAGE ON PROPERTY OWNERS

Homesteaded Properties

Amendment 10 to the State Constitution took effect on January 1, 1995 and limited the increase in assessed value of homesteaded property to the percentage increase in the consumer price index (CPI) or three percent (3 percent), whichever is less. For 2012, the CPI has been determined to be 1.7 percent and therefore, the increase is capped at 1.7% for increased values as of January 1, 2013.

Overall, based on the homesteaded properties in the January 1, 2012 homestead values as of July 1, 2012 valuation, (the latest available from the Miami-Dade County Property Appraiser at this time), the median value of homesteaded property in Miami Beach for 2012 was \$122,582, and the average \$295,315. Applying the increase to the market value of all existing homesteaded properties from the 2012 tax roll, and the 1.7 percent CPI adjustment, the impact of the millage rate adjustment to homesteaded properties would be a savings of \$15 for median properties and \$37 for average properties.

Homesteaded Properties				
	FY 2012/13		FY 2013/14	
			with 1.7% CPI	
	Median	Average	Median	Average
2012 Preliminary Taxable Value	\$ 122,582	\$ 295,315	\$ 124,666	\$ 300,335
City of Miami Beach				
Operating	\$ 747	\$ 1,799	\$ 731	\$ 1,761
Voted Debt	31	75	32	76
Total Miami Beach	\$ 778	\$ 1,874	\$ 763	\$ 1,837
\$ Change in Taxes				
Operating			\$ (16)	\$ (38)
Voted Debt			1	1
Total Miami Beach			\$ (15)	\$ (37)
* Source: Miami-Dade County Property Appraiser's - 2013-average-median-homestead-residential-values file				

Non-Homesteaded Properties

The annual increase in market value of a non-homestead property is capped at 10 percent (does not apply to school millages). The city-wide average increase in property values is 6.9 percent. The property value of individual properties may increase more or less than 6.9 percent, but not more than 10 percent. Because of the decrease in the millage rate of 0.2314, the taxable value of a property would have to increase by more than 3.6% to pay more property taxes to the City than in the previous year.

Overlapping Jurisdictional Operating and Debt Service Millages

City of Miami Beach property owners must also pay property taxes to Miami-Dade County, the Miami-Dade County School Board, the Children's Trust, the South Florida Water Management District, and the Florida Inland Navigation District.

The countywide tax rate for Miami-Dade County remained flat at 4.7035 mills; the library tax rate remained flat at 0.1725 mills; and the debt service millage increased from 0.2850 mills to 0.4220 mills.

The tax rate for the Miami-Dade School District decreased from 7.9980 mills to 7.977 mills. The Children's Trust millage is maintained at 0.5000 mills. The tax rate for the South Florida Water Management District is decreased from 0.3676 mills to 0.3523 mills. The tax rate for the Florida Inland Navigation District remains flat at 0.0345, the same millage rate for the last 16 years.

With the proposed rates for FY 2013/14, the Miami Beach portion of the FY 2013/14 tax bill is approximately 30 percent of the total bill. *Of note, the County millage is 1.0880 mills less than their millage in FY 2006/07, as compared to the City's proposed millage which is 1.5567 mills less than the City millage in FY 2006/07.* Further, the School Board millage is only minimally below the FY 2006/07 millage rate, despite the recently proposed decrease. The significant difference in the total overlapping millage rate is a direct result of the City's effort to keep the millage rates as low as possible. A summary of the tax rate changes is provided in the following table.

OVERLAPPING TAX MILLAGE	FY 06/07	FY 12/13	FY 13/14	Variance from 12/13	Variance from 06/07	% of FY 13/14 Total
City of Miami Beach Millage Rates						
Operating	7.1920	5.9826	5.7551	-0.2275	-1.4369	
Capital Renewal & Replacement	0.1820	0.1083	0.1083	0.0000	-0.0737	
Subtotal Operating Millage	7.3740	6.0909	5.8634	-0.2275	-1.5106	
Voted Debt Service	0.2990	0.2568	0.2529	-0.0039	-0.0461	
Total	7.6730	6.3477	6.1163	-0.2314	-1.5567	30%
Miami Dade County						
Countywide	5.6150	4.7035	4.7035	0.0000	-0.9115	
Library	0.4860	0.1725	0.1725	0.0000	-0.3135	
Debt Service	0.2850	0.2850	0.4220	0.1370	0.1370	
Subtotal	6.3860	5.1610	5.2980	0.1370	-1.0880	26%
School Board	8.1050	7.9980	7.9770	-0.0210	-0.1280	39%
Children's Trust	0.4220	0.5000	0.5000	0.0000	0.0780	2%
Other	0.7360	0.4634	0.4455	-0.0179	-0.2905	2%
Total	23.3220	20.4701	20.3368	-0.1333	-2.9852	100%

Impact of Combined Tax Rates of Overlapping Jurisdictions on Homesteaded Properties

The median and average January 1, 2013 taxable values of \$122,582 and \$295,315, respectively, will increase by 1.7% CPI in FY 2013/14 due to the Save Our Homes Cap which only allows taxable values to increase by 3.0% or CPI, whichever is lower.

Applying the proposed millage rates to the median and average taxable values results in an additional \$27 for the median and a \$64 increase for the average. These increases are mitigated by a decrease for the median of \$15 and a \$37 decrease for the average from the reduction in millage in the City of Miami Beach's portion of the property tax bill.

Median properties would pay approximately \$2,535 for all taxing jurisdictions combined, while the average taxes generated would be approximately \$6,108 per homesteaded property. Of these taxing jurisdictions, the highest component is the Miami-Dade School Board, at \$994 for a median value property, and \$2,396 for an average valued property.

The following table provides examples of changes in property taxes for homesteaded properties using the proposed tax rates and potential changes from 2012 values.

Impact on Homesteaded Properties Assuming Changes in Taxable Value from January 1, 2013				
	FY 2012/13		FY 2013/14 with 1.7% CPI	
	Median	Average	Median	Average
2012 Taxable Value	\$ 122,582	\$ 295,315	\$ 124,666	\$ 300,335
City of Miami Beach				
Operating	\$ 747	\$ 1,799	\$ 731	\$ 1,761
Voted Debt	\$ 31	\$ 76	\$ 32	\$ 76
Total Miami Beach	\$ 778	\$ 1,875	\$ 762	\$ 1,837
Miami Dade County	\$ 633	\$ 1,524	\$ 660	\$ 1,591
Schools	\$ 980	\$ 2,362	\$ 994	\$ 2,396
Other	\$ 118	\$ 285	\$ 118	\$ 284
Total	\$ 2,509	\$ 6,045	\$ 2,535	\$ 6,108
Change in Taxes				
City of Miami Beach				
Operating			\$ (16)	\$ (38)
Voted Debt			\$ 1	\$ 1
Total Miami Beach			\$ (15)	\$ (37)
Miami Dade County			\$ 28	\$ 67
Schools			\$ 14	\$ 34
Other			\$ (0)	\$ (1)
Total			\$ 27	\$ 64

As with the City of Miami Beach millage rates, impacts of the combined jurisdictional millage rates for non-homesteaded properties are based on the individual property values.

CONCLUSION

The Administration recommends adoption of the attached Resolution which sets both final operating and debt service millage rates for FY 2013/14.

JLM: KGB/JW

MIAMI BEACH

CITY OF MIAMI BEACH

NOTICE OF A SPECIAL CITY COMMISSION MEETING AND PUBLIC HEARINGS

NOTICE IS HEREBY given that a Special Commission Meeting regarding the Second Public Hearings to consider the adoption of the Millage Rate and Budget for FY 2013/2014 will be held by the City Commission of the City of Miami Beach, Florida, on **Monday, September 30, 2013**, commencing at 5:00 p.m., in the Commission Chambers, 3rd Floor, City Hall, 1700 Convention Center Drive, Miami Beach, Florida to consider the following:

5:01 p.m.
A Resolution Adopting: 1) The Final Ad Valorem Millage Of 5.8909 Mills For General Operating Purposes, Which Is Six And Eight-Tenth Percent (6.8%) More Than The "Rolled-Back" Rate Of 5.5158 Mills; And 2) The Debt Service Millage Rate Of 0.2529 Mills for Fiscal Year (FY) 2013/14.

5:01 p.m.
A Resolution Adopting Final Budgets For The General, G.O. Debt Service, RDA Ad Valorem Taxes, Enterprise, And Internal Service Funds For Fiscal Year (FY) 2013/14.

5:02 p.m.
A Resolution Of The Board Of Directors Of The Normandy Shores Local Government Neighborhood Improvement District Adopting The Final Ad Valorem Millage Of 1.2687 Mills For Fiscal Year (FY) 2013/14 For The Normandy Shores Local Government District, Which Is Nineteen Percent (19.0%) More Than The "Rolled-Back" Rate Of 1.0664 Mills.

5:02 p.m.
A Resolution Of The Board Of Directors Of The Normandy Shores Local Government Neighborhood Improvement District Adopting The Final Operating Budget For Fiscal Year (FY) 2013/14.

5:03 p.m.
A Resolution Adopting The Final Capital Improvement Plan For Fiscal Years (FY) 2013/14-2017/18 And Adopting The Final Capital Budget For FY 2013/14.

5:03 p.m.
A Resolution Adopting Fiscal Year (FY) 2013/14 Final Budgets For Special Revenue Funds For Resort Tax; The 7th Street Parking Garage Operations; The 5th And Alton Parking Garage Operations; Art In Public Places (AIPP), Tourism And Hospitality Scholarship Program, Green/ Sustainability Funds, Waste Hauler Additional Services And Public Benefit Contribution Funds, Education Compact Funds, Red Light Camera Funds, And Emergency 911 Funds.

5:03 p.m.
A Resolution Adopting The Final Budget Of \$1,200,000 From Fiscal Year (FY) 2013/14 People's Transportation Plan (PTP) Funds And \$87,000 From (FY) 2013/14 South Beach Concurrence Mitigation Funds, To Fund The Final Operating Budget For The South Beach Local In Miami Beach; And Further Adopting The Final Budget Of \$301,000 From FY 2013/14 People's Transportation Plan Funds For Administrative And Technical Operating Expenditures, As Part Of The Five Percent (5%) Allowable For Administrative Assistance And Technical Assistance.

5:03 p.m.
A Resolution Authorizing The Adoption Of The Miami Beach Cultural Arts Council's Fiscal Year (FY) 2013/14 Final Budget In The Amount Of \$1,470,000.

5:03 p.m.
A Resolution Adopting The Fiscal Year (FY) 2013/14 Police Special Revenue Account Final Budget In The Amount Of \$75,000 For The Purchase Of Those Items Set Forth In Exhibit "A," And Such Account Funded By Unclaimed Evidence Currently Held In The Police Special Revenue Account.

5:03 p.m.
A Resolution Adopting The Police Confiscation Trust Fund Final Budget For Fiscal Year (FY) 2013/14 In The Amount Of \$724,000, To Be Funded From State Confiscated Funds In The Amount Of \$235,000 And Federal Justice Confiscated Funds In The Amount Of \$489,000, For The Appropriation And Expenditure Of Those Items Set Forth In Exhibit "A," Which Shall Be Funded Through The Police Confiscation Trust.

5:03 p.m.
A Resolution Adopting The Fiscal Year (FY) 2013/2014 Police Training & School Resources Fund Final Budget In The Amount Of \$35,000.

5:03 p.m.
Resolution Adopting The Second Amendment To The General Fund, Enterprise, Internal Service Fund, And Special Revenue Fund Budgets For Fiscal Year (FY) 2012/13.

5:03 p.m.
A Resolution Adopting And Appropriating The Fourth Amendment To The Police Confiscation Trust Budget For Fiscal Year 2012/2013 In The Amount Of \$10,000, To Be Funded From The Proceeds Of State Confiscated Funds, For The Appropriation And Expenditure Of Those Items Set Forth In Exhibit "A," Which Shall Be Funded Through The Police Confiscation Trust Fund.

5:04 p.m.
1. Ordinance Amending Chapter 50 Of The City Of Miami Beach Code, Entitled "Fire Prevention And Protection," By Amending Section 50-4 Thereof, Entitled "Enforcement By Fire Inspectors; Notice Of Violation," To Add Citations And Implement New Fine Schedule Related To Fire Code Violations; By Amending Section 50-5 Thereof, Entitled "Annual Fire Prevention And Fire Safety Inspection Permit" To Include The Night Inspection Fee Previously Adopted Under Section 102.379 Of The City Code.

2. Ordinance Amending Chapter 102 Of The Code Of The City Of Miami Beach, Entitled "Taxation," By Deleting The Nightclub Fee Set Forth In Section 102.379, Entitled "Schedule Of Taxes, Effective October 1, 2009".

5:04 p.m.
Ordinance Amending Chapter 50 Of The Code Of The City Of Miami Beach, Entitled "Fire Prevention And Protection," By Creating Section 50-8 Thereof, To Be Entitled "Fire Alarms, Regulations, Penalties, Enforcement" To Establish Requirements And Fines For False Fire Alarms.

5:04 p.m.
An Ordinance Amending Appendix A, Entitled "Fee Schedule" For Subsection (A) Of Section 110-168, Entitled "Sanitary Sewer Service Charge," Of Chapter 110 Of The Miami Beach City Code, Entitled "Utilities," Article IV, Entitled "Fees, Charges, Rates And Billing Procedure"; Division 2 Thereof, Entitled "Rates, Fees And Charges," To Increase The Sanitary Sewer Service Charge Imposed By The City.

5:04 p.m.
Ordinance Amending Part I, Subpart B, Article IX, Related Special Acts, Of The Miami Beach City Code Entitled "Pension System For Disability And Retirement Of Members Of Police And Fire Departments"; Implementing Provisions Of The 2012-2015 Collective Bargaining Agreements Between The City And Fire Fighters Of Miami Beach, IAFF Local 1510, And Miami Beach Fraternal Order Of Police, William Nichols Lodge No. 8; Amending Section 62 Entitled "Definitions"; Amending Section 63 Entitled "Source Of Monies For Fund; Computation Of Liability; Use And Investment Of Fund"; Amending Section 65 Entitled "Computation Of Creditable Service; Service Record"; Amending Section 66 Entitled "Service And Disability Benefits Generally"; Amending Section 67 Entitled "Cost Of Living Adjustment"; Amending Section 79 Entitled "Deferred Retirement Option Plan"; Amending Section 82 Entitled "Military Service"; Creating A New Section 88 Entitled "Benefits For Members Hired On Or After September 30, 2013."

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