

MEETING DATE
September 11, 2017
Subject: Annual Budget - Adopt Tentative Millage Rate for Fiscal Year 2018



AGENDA REPORT

AGENDA
Section: Public Hearings
Item #: 1

Department/Office:
Administration

- Requested Action or Motion:** (1) Move to adopt the tentative operating millage for the 2017 tax year as 5.0000, which is 26.31% above the rolled-back rate of 3.9707;
- (2) Move to adopt the tentative voted debt millage rate for the 2017 tax year as 0.3300, for a combined total of 5.3300 mills;
- (3) Move to adopt the tentative budget for the General Fund in the amount of \$25,584,109.

Final Resolution to adopt will be on September 25, 2017.

Summary Explanation & Background:

On July 19, 2017 City Council held the General Fund budget workshop. The rolled back rate and proposed operating and voted debt service millage rates for the 2017 tax year were set on July 26th. The proposed operating and voted debt millage and the date and time of the tentative budget public hearing were included on the proposed tax bills sent out by the Orange County Property Appraiser in August.

The FY 2017 budget draft was prepared based on the operating millage rate of 4.15 or \$4.15 per thousand dollars of taxable value and the proposed tax rate set at the July 25th Council meeting was 5.0000. The FY 2017 tentative budget of \$25,584,109 is \$1,072,717 (4.02%) less than the budget proposed in the budget draft (see budget summary). Tonight staff will review the changes that are already included in the tentative budget, as well as options to reduce the budget further. Below are the maximum millage rate options, and the tentative millage requires only a simple majority vote as proposed.

Maximum Millage Rate Options	Millage Rate
<i>Majority Vote</i> (Adjusted rolled back millage rate per State formula)	Up to 5.3018
<i>2/3 Vote of the Governing Board</i> (110% of Majority vote millage rate)	Up to 5.8320
<i>Unanimous vote of the Governing Board or referendum</i> - Any rate up to the Statutory limit.	Up to statutory limits

The above motions are required to be read separately and completely to comply with the Truth in Millage

(TRIM) process. The TRIM noticed will be placed in the newspaper and the tentative budget placed on the City's website prior to the final public hearing on September 25, 2017. After setting tonight's tentative millage rate, the Council may adopt that rate or any lower rate at the final public hearing.

Fiscal Impact:

Establishes FY 2018 Tentative Millage only.

Exhibits: Budget Summary18 (PDF)

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Commission/Board:

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Reviewed by City Attorney

Yes N/A