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MEMORANDUM

TO: Honorable City Council Members

FROM: Margaret Sidman, Deputy Legislative Affairs & Managing Deputy
Kirk Sherman, Council Auditor *KASherman* *Margaret Sidman*

RE: Proposed Millage Rate

DATE: September 9, 2013

Issue

If the City Council on September 10, 2013 approves the same millage rate tentatively approved by the Finance committee, does that mean that the Council cannot approve a higher millage rate (up to 11.5353) on September 24, 2013?

Short Answer

The millage rate approved by the Council on September 10, 2013 cannot be exceeded.

Analysis

The millage rate, in part, establishes revenues for the City budget. By state law, annually the Council must provide the millage rate to the Property Appraiser no later than August 4th. This establishes the tentative maximum millage rate which cannot be exceeded without another TRIM notice. The Jacksonville City Council takes action on this resolution in its only meeting in July.

Thereafter, the Council Finance Committee meets to discuss the budgetary expenditures within the confines of the projected revenues inclusive of the millage. The Finance Committee then makes budget and millage recommendations to the full Council at the first meeting in September.

If the Council at the first meeting in September approves a millage rate less than the tentative maximum millage rate approved in July, this establishes a new maximum rate. Council CANNOT exceed this new tentatively approved maximum millage (State law - Cannot be waived, cannot be re-advertised).

In the case of this year's actions, the following is the situation:

July 23 2013-460 approved a tentative maximum millage rate of 11.5353
September 5 2013-461 Finance Committee approved a tentative maximum millage rate of 11.2051

(Leaving .3302 mills in capacity = difference between 11.5353 and 11.2051)

September 10 Council will set the new maximum millage rate which may not be exceeded (cannot be increased on September 24).

Options for September 10, 2013 Council Meeting

1. Set the millage rate equal to 2013-460 Millage 11.5353 (which could be reduced on September 24, 2013)
2. Approve a rate less than 2013-460 Millage 11.5353 but greater than 11.2051.
3. Make all amendments to the budget on September 10, 2013 and set the final maximum millage rate.

Applicable Law

200.065 (2)(d) Method of fixing millage.—

* * *

(d) Within 15 days after the meeting adopting the tentative budget, the taxing authority shall advertise in a newspaper of general circulation in the county as provided in subsection (3), its intent to finally adopt a millage rate and budget. A public hearing to finalize the budget and adopt a millage rate shall be held not less than 2 days nor more than 5 days after the day that the advertisement is first published. During the hearing, the governing body of the taxing authority shall amend the adopted tentative budget as it sees fit, adopt a final budget, and adopt a resolution or ordinance stating the millage rate to be levied. The resolution or ordinance shall state the percent, if any, by which the millage rate to be levied exceeds the rolled-back rate computed pursuant to subsection (1), which shall be characterized as the percentage increase in property taxes adopted by the governing body. The adoption of the budget and the millage-levy resolution or ordinance shall be by separate votes. For each taxing authority levying millage, the name of the taxing authority, the rolled-back rate, the percentage increase, and the millage rate to be levied shall be publicly announced prior to the adoption of the millage-levy resolution or ordinance. In no event may the millage rate adopted pursuant to this paragraph exceed the millage rate tentatively adopted pursuant to paragraph (c). If the rate tentatively adopted

pursuant to paragraph (c) exceeds the proposed rate provided to the property appraiser pursuant to paragraph (b), or as subsequently adjusted pursuant to subsection (11), each taxpayer within the jurisdiction of the taxing authority shall be sent notice by first-class mail of his or her taxes under the tentatively adopted millage rate and his or her taxes under the previously proposed rate. The notice must be prepared by the property appraiser, at the expense of the taxing authority, and must generally conform to the requirements of s. 200.069. If such additional notice is necessary, its mailing must precede the hearing held pursuant to this paragraph by not less than 10 days and not more than 15 days.

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