



CITY OF UMATILLA AGENDA ITEM STAFF REPORT

DATE: July 28, 2016

MEETING DATE: August 2, 2016

SUBJECT: Budget

ISSUE: Set Millage Rate for F/Y 2017; Set dates for Tentative Budget Hearing and Final Budget Hearings

BACKGROUND SUMMARY: **SETTING MILLAGE RATE:** Staff recommends setting the FY 2017 millage rate at the current level of 7.298 mils. August 4th at noon is the deadline to provide the proposed millage rate and the date of the Tentative Public Hearing to the Lake County Property Appraiser's Office. The TRIM notices are then prepared and mailed to the property owners.

While it is advised to settle on a proposed millage rate during the budget workshops in August, the City Council has the option to reduce the final millage rate during the public hearings in September. It is advisable to adopt any increase of the proposed rate before the TRIM notices are sent. Increasing the Ad Valorem Tax rate after the TRIM notices are mailed is time-consuming and costly (State Law requires a first class notice to all taxpayers of the City be mailed, which could delay the adoption of the budget until after October 1st).

Staff recommends discussion on budgetary issues and developing the proposed millage rate during the month of August, so staff has sufficient time to incorporate any changes as directed by the Council. The September budget hearings should deal solely with the adoption of the ad valorem rate and the budget. Public comments from the citizens regarding the ad valorem tax rate and the budget are taken during the hearings.

AUGUST BUDGET WORKSHOP:

Staff has tentatively scheduled a budget workshop for 6:00 p.m. August 16th to discuss Compensation and CRA.

SET DATES FOR TENTATIVE AND FINAL BUDGET HEARINGS:

It is very important that all Council members be in attendance for the Tentative and Final Budget Hearings held in September. It is especially critical for all to be in attendance during the Final Budget Hearing because a form entitled "Vote Record for Final Adoption of Millage Levy" is a

required submittal for Certification of Compliance with the Department of Revenue.

Suggested dates for the Budget Hearings:

Tentative Budget Hearing – within City Council meeting of September 6th

Final Budget Hearing – within City Council meeting of September 20th

If any Council member has a conflict with either date please suggest an alternate date. Budget hearings cannot be held in conflict with hearings held by the School Board (September 12th) and the Board of County Commissioners (September 13th and 27th).

A chart reflecting the ranking of ad valorem taxes for Lake County municipalities is shown below:

Ad Valorem Tax Profile Comparison Lake County Municipalities Ranking by Millage Rates				
	Proposed 2017	2016	2015	
Howey-in-the-Hills	9.2750	9.5177	9.5177	
Astatula	8.5000	7.5000	7.5000	
Mascotte	8.3289	8.8138	9.3000	
Eustis	7.5810	7.5810	7.5810	
Umatilla	7.2980	7.2980	7.2980	
Tavares	7.1000	6.6166	6.7283	
Minneola	6.1483	6.2069	6.2500	
Mount Dora	5.9970	5.9970	5.9970	
Groveland	5.9000	5.9900	5.9900	
Fruitland Park	4.7371	4.7371	4.7371	
Leesburg	4.2678	4.2678	4.3179	
Clermont	4.2061	4.2061	3.7290	
Lady Lake	3.5510	3.5510	3.7500	
Montverde	2.8300	2.8300	2.8300	

STAFF RECOMMENDATIONS: 1) Set millage rate of 7.2980 for F/Y 2017; 2) Set date of Tentative Budget Hearing for September 6, 2016 and date of Final Budget Hearing for September 20, 2016

FISCAL IMPACTS: N/A

COUNCIL ACTION:

Reviewed by City Attorney Yes No N/A

Reviewed by City Engineer Yes No N/A