

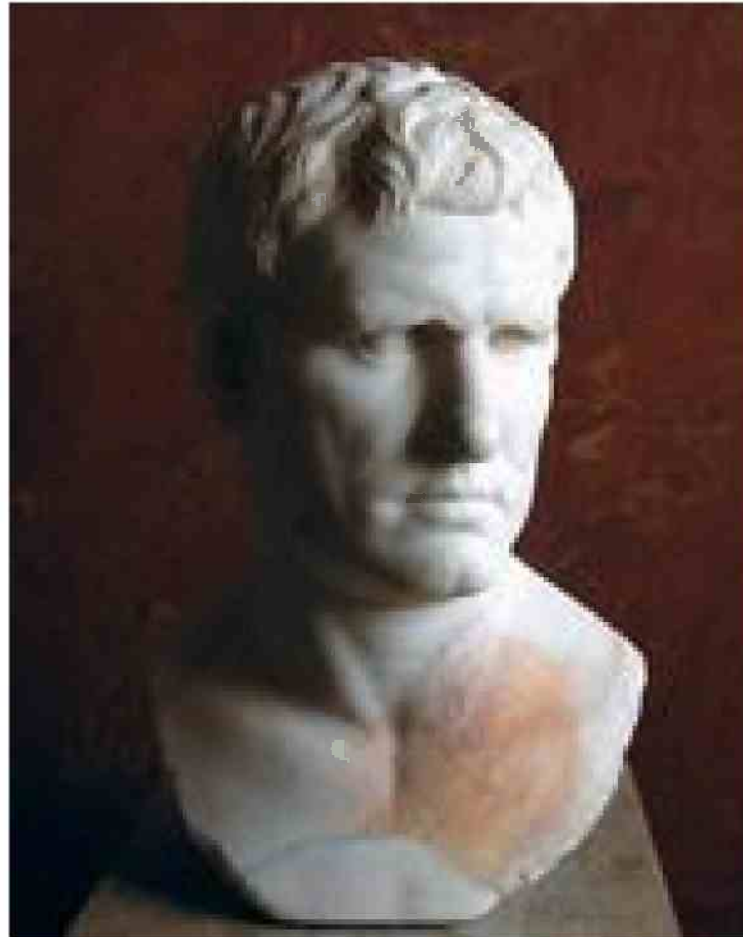
Setting the TRIM
Special Meeting
July 15, 2010

Presented by Charles H. Lynn
Town Administrator

*The goal for the
Town of Southwest Ranches
is to become a
fiscally sustainable community.*

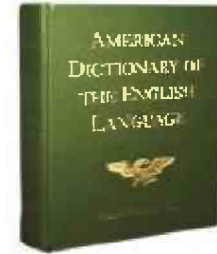


Can you name this person?



Terms to Learn

- *TRIM*
- *Roll Up*
- *DR420*
- *Taxable Value Vs. Market Value*
- *Tax Increase*



What is TRIM?

- ❖ *TRIM is Truth in Millage Notice;*
- ❖ *Set a tentative millage rate to submit to Property Appraiser's Office. This is the maximum tentative millage that cannot be increased, but is often reduced at final budget hearings in September; and*
- ❖ *In other words, the tax rate can go down from the TRIM rate. It cannot go up.*



The “Roll Up Rate” Means . . .

The millage or property tax rate that a municipality needs to generate the same amount of revenue as the previous year.

- ❖ FY 2009 – 2010 (current year ending September 30, 2010):
 - ❖ Millage Rate of 3.9404 mills will generate \$4,524,693* revenue;
- ❖ FY 2010 – 2011 (begins October 1, 2010):
 - ❖ Current Millage Rate of 3.9404 mills would generate \$4,225,184*;
 - ❖ Roll-Up Rate of 4.2297 mills would generate \$4,535,392*.

* Amount is an estimated amount.

What is DR420?

The DR420 is a standardized form that all units of government in Florida that impose Ad Valorem taxes are required to use to calculate and report their proposed Millage Rate for the following budget year. This form must be completed and filed with the Broward County Property Appraiser's Office, no later than August 4, 2010.

Taxable Values vs. Market Values (Just Values)

❖ *Market Value (Just Value) is the Broward County Property Appraiser's (BCPA) Office calculated value of the land and buildings on the property. BCPA Office establishes this value based on the sales in the area surrounding the property. They take into the valuation the type of use the property is zoned for.*

❖ *Taxable Value is known as the assessed or Save Our Homes (SOH) value which is a value established when the property is granted homestead exemption (adjusted annually), less all exemptions. These can include exemptions for agriculture or homestead; and additional reductions for a senior, a widow, a veteran or a disabled person.*

What is a Tax Increase?

A tax increase is related to an increase in the Town's Ad Valorem Revenue. If the revenue increases over the prior year, then it is a tax increase. If the revenue decreases or stays the same, then it is not a tax increase.

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 - ❖ Millage Rate of 3.9404 mills will generate \$4,524,693* revenue;
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 - ❖ Current Millage Rate of 3.9404 mills would generate \$4,225,184*;
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*Decline of Assessed Valuation for
Fiscal Year 2010 – 2011
(October 1, 2010 – September 30, 2011)*

- ***Values are established by Broward County Property Appraiser's Office Under the State Constitution.***
- ***In FY 2010 – 2011, a decreased amount of revenue from the Ad Valorem (at 3.9404 Mills) will result in the loss of approximately \$300,000.***
- ***Valuations will fluctuate on individual properties based on factors such as sales and improvements.***



Results in . . .

Decrease in Revenue from Ad Valorem

	FY 2009-2010	FY 2010-2011
Ad Valorem at 3.9404 mills	\$4,524,693	\$4,225,184 *

Revenue from Ad Valorem decreases by approximately \$300,000 due to a decrease in property values.

** This current number is an estimate and may decrease even further.*

Fire / Rescue Budget

	Contract Cost	Assessment Revenue	General Fund Subsidy
Fire	\$2,142,000	\$1,231,000	\$911,000
Rescue	\$1,258,000	\$0	\$1,258,000
Total	\$3,400,000	\$1,231,000	\$2,169,000

Residential, Single-Family Rates

Assessment	Current Rate	Generating Amount	Subsidy from General Fund	Budget
Solid Waste	\$687	\$1,658,418	\$0	\$1,658,418

What are our Options?

- ❖ *Option I: 4.2297 mills*
- ❖ *Option II: 3.9404 mills*
- ❖ *Option III: Any other millage rate that Council wishes to approve.*



Option I:

4.2297 Mills (Roll Up Rate)

- ❖ Millage Rate adjusted to generate same revenue as 3.942 mills in the current fiscal year.
- ❖ Allows for additional activities as established by Council.
- ❖ Requires significant budget cuts in personnel and other activities.



Option II: 3.9404 Mills

- ❖ *No increase in millage, but revenue declines;*
- ❖ *Requires additional cuts from 2010 Budget to balance 2011 Budget.*



Next Step between TRIM Meeting (July 15, 2010) and the Budget Hearings (September 7, 2010 and September 20, 2010) is . . .

The Budget Workshop on August 12, 2010 at 7:00 p.m.



Fiscal Year 2010-2011 Budget Benchmarks

<u>Date</u>	<u>Action</u>
August 2, 2010	Tentative Council Meeting (Deadline to set TRIM)
August 4, 2010	DR420 Form and Non Ad-Valorem Assessments Submitted to Property Appraiser's Office
August 4, 2010	Town Council Meeting
August 12, 2010	Budget Workshop
August 18, 2010	Town Council Meeting
August 25, 2010	Budget Workshop (if necessary)
September 1, 2010	Town Council Meeting
September 7, 2010 *	First Public Hearing at 7:00 PM
September 15, 2010	Town Council Meeting
September 20, 2010 *	Town Council Meeting: Second Public Hearing at 7:00 PM
September 28, 2009	Submit Final DR420 Forms to Property Appraiser

* Public Hearings for the Town of Southwest Ranches must be scheduled around Public Hearings for Broward County School Board and Broward County Commission.

Budget Hearing Meetings

SEPTEMBER 2010						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			Town Council Meeting at 7:00 PM 1	2	3	4
5	LABOR DAY (OFFICES CLOSED) 6	1st Budget Hearing at 7:00 PM 7	8	9	10	11
12	Schools and Education Advisory Board Meeting at 7:00 PM 13	Broward County Commission Meeting – First Public Hearing ** 14	Town Council Meeting at 7:00 PM 15	Broward County School Board – Second Public Hearing * 16	17	18
19	Final Budget Hearing at 7:00 PM 20	21	22	Comprehensive Plan Advisory Board Meeting at 7:00 PM 23	24	25
26	27	Broward County Commission Meeting – Second Public Hearing 28	29	30		

* Broward County School Board – First Public Hearing: July 29, 2010

** Recreation, Forestry, & Natural Resources Advisory Board at 7:00 PM at Town Hall

Our objective is INFRASTRUCTURE!

