



## Office of the Town Manager

Rafael G. Casals, ICMA-CM, CFM  
Town Manager

# MEMORANDUM

To: Honorable Mayor and Town Council

From: Rafael G. Casals, ICMA-CM, CFM, Town Manager

Date: September 4, 2018

Re: Fiscal Year 2018-19 Tentative Operating and Capital Outlay Budget for Adoption  
(1<sup>st</sup> Advertised Budget Hearing)

## REQUEST

**A RESOLUTION OF THE MAYOR AND TOWN COUNCIL OF THE TOWN OF CUTLER BAY, FLORIDA, ADOPTING THE TENTATIVE OPERATING AND CAPITAL OUTLAY BUDGET FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2018 THROUGH SEPTEMBER 30, 2019 PURSUANT TO FLORIDA STATUTES SECTION 200.065; AUTHORIZING THE TOWN MANAGER TO MAKE EXPENDITURES CONSISTENT THEREWITH AND AUTHORIZING THE TOWN MANAGER TO MAKE CERTAIN BUDGET AMENDMENTS WITHIN A DEPARTMENT PROVIDED THAT THE TOTAL OF THE APPROPRIATIONS IS NOT CHANGED; AND PROVIDING FOR AN EFFECTIVE DATE.**

## BACKGROUND AND ANALYSIS

Please find attached the *tentative* Fiscal Year 2018-19 Operating and Capital Outlay Budget for adoption, which includes the changes to both revenues, expenditures, and items discussed during three (3) scheduled Council Budget Workshops (June 11<sup>th</sup>, July 9<sup>th</sup> and July 23<sup>rd</sup>). The *tentative* budget was developed using the proposed millage rate of **2.4739 mills ("ceiling" rate adopted via Resolution No. 18-56)**. The 2.4739 millage rate represents the statutorily computed two-thirds vote maximum millage rate that the Council has in previous years adopted as a ceiling rate for purposes of the Property Appraiser's Truth in Millage (TRIM) advertising notice. The adopted ceiling millage rate does not prevent the Council from adopting a lower rate during our Advertised Budget Hearings.

As per State TRIM notice Law, the Council adopted a higher "ceiling" millage rate of **2.4739** mills for TRIM advertisement purposes (*via* Resolution 18-56). All Property owners received their individual notices which clearly illustrated both the "ceiling" millage rate (2.4739 mills) AND the lower "rollback" millage rate (2.2164 mills) for comparison purposes.





The “rollback” millage rate is defined as the millage rate necessary to raise the same amount of Ad Valorem tax revenue as the previous Fiscal Year, excluding taxes from new construction. The “rollback” millage rate will not result in an increase of municipal taxes to the Town’s property owners.

As discussed during our July Council Budget Workshops, the July 1, 2018 property values of the Town, as certified by the Property Appraiser’s Office, **increased 6.18%** from the 2017 certified property values. The increase in property values take into account several factors, one of which is the positive impacts resulting from the Town Council’s policy decisions and improvements to our existing infrastructure.

Attached you will find the Account Descriptions (Attachment “A”). This document provides a general definition of the line items identified in the Town’s budget expenditure reports.

Secondly, the Detailed Revenue and Expenditure Worksheets (Attachment “B”) provide the Council with the following comparative information:

- Actual Fiscal Year 2016-17
- Adopted Fiscal Year 2017-18
- Actual Projection Fiscal Year 2017-18
- Proposed Fiscal Year 2018-19 (Millage Rate at 2.4739)
- Net Change Comparison of:
  - July 9<sup>th</sup> Workshop for FY 2018-19 to Adopted FY 2017-18
  - July 23<sup>rd</sup> Workshop for FY 2018-19 to July 9<sup>th</sup> Workshop for FY 2018-19
  - September 4<sup>th</sup> First Budget Hearing to July 23<sup>rd</sup> Workshop for FY 2018-19

## **ATTACHMENTS**

- Attachment “A” – Budget Account Descriptions
- Attachment “B”– Tentative Budget FY 2018-19 Detailed Revenue & Expenditure

