

MANATEE COUNTY  
CITIZENS FINANCIAL STRUCTURE ADVISORY BOARD

REPORT TO THE  
MANATEE COUNTY BOARD OF COUNTY COMMISSIONERS

APRIL 26, 2016

### **Committee Origin, Composition and Purpose**

On October 20, 2015, the Manatee County Board of County Commissioners (the Commission) took action to create the Citizens Financial Structure Advisory Board (the Committee). The creation of the Committee was driven by what were deemed to be critical budget needs identified by the Commission and the County's administrative and financial staff, along with concerns that the existing revenue sources available to the County (primarily ad valorem taxes, gas taxes and impact fees) were not well suited to result in a sustainable response to looming budget issues. The 13-member Committee was asked to evaluate the County's budgetary concerns and its current financial structure in order to determine if the Committee concurred with the existence of the indicated problems as well as to formulate recommendations to the Commission for addressing such problems, in terms of both budgetary impacts and quality of life expectations.

The ordinance creating the Committee included a sunset date of May 1, 2016, so that the Committee's findings and recommendations could be taken to the Commission for consideration as part of the FY2016-17 budget process that begins in May of 2016.

Each of the County's seven Commissioners appointed one member to the Committee, and there were six seats created to represent each of Manatee County's principal business group alliances. The members of the Committee are:

### **County Commissioner-Appointed Members**

**Ron Allen**, appointed by At-large Commissioner Betsy Benac

**Tom Garland**, appointed by District 1 Commissioner Larry Bustle

**Kerry Kacherian**, appointed by District 4 Commissioner Robin DiSabatino

**Lou Marinaccio**, appointed by District 5 Commissioner (Chair) Vanessa Baugh

**Chuck Slater**, appointed by District 3 Commissioner John Chappie

**Pastor Charles Williams**, appointed by District 2 Commissioner Charles B. Smith

**David Zaccagnino**, appointed by At-large Commissioner Carol Whitmore

### **Business Organization Members**

**Paul Adamson**, Lakewood Ranch Business Alliance

**Mac Carraway**, Manatee Chamber of Commerce

**Tarnisha Cliatt**, Black Chamber of Commerce

**Eva Gonzalez**, Gulf Coast Latin Chamber of Commerce

**Karen LaPensee**, Anna Maria Island Chamber of Commerce

**Mike Moschella**, Bradenton Area Economic Development Corporation

## **Summary Statement**

At its April 14, 2016 meeting, after extensive fact-finding, careful consideration and a thorough debate, the Committee came to the unanimous determination that there are significant budget concerns facing the County and that its current revenue structure is not conducive to the sustainable financial health of the County or to ensuring the quality of life for its citizens.

The Committee approached its efforts seriously and in a collaborative way, and adopted several guiding principles for its work effort. The Committee believes that its recommendations should result in a solution that will:

- ❑ Focus on maintaining and improving the quality of life for all of the County's residents.
- ❑ Drive financial decisions, both revenue and spending, to adequately and transparently address budget sustainability in terms of both current and long-term goals.
- ❑ Ensure that users of infrastructure and services, including visitors to the County, should pay for those benefits, underscored by a commitment to fairness.
- ❑ Ensure Manatee County's competitiveness in business attraction and retention, in tourism, and in culture (e.g. arts, entertainment, attractions) and in heritage (e.g. history), relative to neighboring counties and to other similar counties in Florida.
- ❑ Ensure that any new revenue source supported by the Committee should meet the criteria of being a broad-based investment in the community, and not a burden on its citizens or its businesses.
- ❑ Emphasize that existing and new revenues must be spent wisely and prudently, using sound business and procurement practices to avoid waste and duplication.

## **Committee Activity and Recommendations**

The Committee has met regularly over the past four-plus months to explore Manatee County's financial standing and to examine the funding sources that generate its \$1.2 billion annual budget. It has spent many hours poring over the County's finances and evaluating whether the county's current revenue sources are sufficient to meet both the basic expectations and the quality of life demands of a growing community.

From the onset of its meetings, the Committee has noted evidence that Manatee County operates efficiently and has managed its resources well despite significant downsizing during and after the recession. County statistics show that property tax (ad valorem) revenues declined by 18% from 2007 to 2012 which led to a workforce reduction and a 25% downsizing of County government, a significant portion of which is still present today. The County was compelled to defer significant maintenance on fundamental infrastructure (e.g. roads), pared back library and park hours (which have not been restored) and curtailed important capital spending on law enforcement and public safety projects. In contrast to these facts, the County's population has grown by more than 40,000 new citizens since 2007.

It is encouraging that even with the backdrop of the recession and the County's efforts to adjust its budgeting and spending, the County's independent financial advisor advised the Committee that Manatee County is in the top six counties in the state in terms of credit worthiness, and that its bond ratings are "as good as it gets".

Based on these considerations, the Committee believes the County has managed its limited resources well, and is on solid financial footing, subject to the further discussion below.

Part of the Committee's education was to better understand the County's Budget Stabilization Fund (the BSF). Without getting lost in the details, a review of the BSF over the next few years indicates that after doing all of the things that simply have to be done, there is a future deficit that needs to be addressed. Much of that deficit relates to the very significant costs of aging infrastructure in the County. In other words, current spending is often less than what is needed, resulting in a growing backlog of such needs. In addition, the budget must address the needs of the Constitutional Officers, including the Sheriff, who are experiencing similar needs and who have expressed their concerns about similar backlogs. This puts the County's current financial picture and quality of life on an unsustainable path for the near and long-term future. The modest property value / tax-revenue growth seen in recent years has fallen short of the population increase and the demand that the County's new and existing residents, and the many visitors to the County, are placing on its infrastructure and public-safety needs. During the housing boom of the early 2000's when property tax revenues peaked, the County invested in the BSF so that it could eventually be used to offset reductions in County spending and services during the recession. The BSF has continued to be used to balance the County's finances (including the maintenance of its critical debt-service reserves as previously noted), since expenses still outpace revenues. Accordingly, the County is faced with the need to identify a sustainable solution to funding the government without relying on the BSF, which will be substantially consumed by 2018.

Another aspect of the Committee's efforts was to understand the role of impact fees. The recent update to the County's impact fees will continue to require new development to pay for the strain it puts on roads and parks. But those fees are limited by statute to be used only for new capital (construction) projects, and cannot be used for routine repairs and maintenance.

### **Going Forward**

Unlike many other Florida counties, Manatee County relies almost exclusively on property taxes to pay for the upkeep of its various assets. Beyond the highly-structured annual zero-based budgeting process, including the companion capital improvement plan, there is no comprehensive long-term plan to maintain the County's aging infrastructure. As a result, the County routinely faces funding dilemmas in every budget year. These funding dilemmas pit roads against libraries against parks against public

safety – which in the view of the Committee is a situation that simply must be addressed immediately.

We also saw evidence that the County's list of capital improvement needs is growing. During a February meeting of the Committee, Sheriff Steube and the County's department directors gave tangible and sometimes startling examples of how current revenues are insufficient to address pressing needs, including the following examples:

- ❑ More than half the major roads in Manatee County have deficiencies with a price tag in the hundreds of millions of dollars, which does not even fully address the notion of providing the County's citizens with "complete streets" (i.e. sidewalks, lighting, landscaping, etc.).
- ❑ Sheriff Steube has identified a recurring list of needs including new systems for records management, jail management and field reporting, fleet facility relocation and replacing jail cameras.
- ❑ The recreational options for Manatee County residents significantly lag other communities because our parks and trails system receives far less funding than neighboring communities. This is partially illustrated by the fact that Sarasota County is projected to spend six times as much as Manatee County on recreation improvements over the next five years.

The list of deficiencies is enough to cause concern, and in the view of the Committee, is likely to result in increasingly visible reductions in the County's quality of life. As such, without additional revenue options, the status quo of continued reliance on property taxes will grow more acute, and property taxes will need to be increased. As previously noted, many Florida counties devote alternate revenue sources to fund such items when they are needed. This fact is particularly clear when presented in **EXHIBIT 1**.

### **Analysis of Revenue Options**

Property (ad valorem) tax rates in unincorporated Manatee County are the lowest among twenty-six Gulf Coast governments (**EXHIBIT 2**) and should ideally remain so. Maintaining reasonable property tax rates is a good selling point for this community. Property taxes are a progressive and predictable source of revenue that generally have a good correlation between an owner's assessed value and his or her ability to pay. With that being said, property tax collections are impacted by a considerable segment of property owners who, because of age, disability or other allowable exemptions (including limits on valuation increases), do not pay any property taxes, or pay far less in property taxes, which further shifts the burden to a smaller segment of the community, including newer property owners. *Put simply, less than one-third of our full-time residents are carrying two-thirds of the property tax load.* See **EXHIBIT 3**.

The Committee believes that the County has remained overly reliant on a one-dimensional funding model that is already placing the County in the difficult position of having to decide among multiple needed expenditures. Property owners can also be viewed currently as paying a disproportionate share for services – services which are used by its visitors, renters and winter residents.

Given this reliance on property taxes, the Committee requested County staff to provide information on the alternate sources of revenue used by other counties around the state. Included in that information were presentations by other county administrators who have faced similar circumstances in the past, and who have broadened their revenue base to create a more sustainable financial structure in their home counties.

The analysis of the alternatives was very extensive, and was summarized by County staff in **EXHIBIT 4**.

### **Committee Recommendations**

As noted in the summary statement that opened this report, the Committee came to the unanimous determination that the County's current revenue structure is not sustainable for the financial health of the County or for ensuring the quality of life for its citizens. Given that conclusion, the Committee went through a painstaking discussion of the various alternatives and determined that the Half-Cent Infrastructure Sales Tax (the Sales Tax) is the best way to ensure a sustainable budget future for the County. The Committee is quick to say that this recommendation is not meant to be at the exclusion of the other revenue alternatives presented, some of which may also be useful and which may be tailored to specific circumstances.

As noted in **EXHIBIT 4** the estimated annual revenues generated by the sales tax is **\$22.8 million** (County share).

The estimated impact of the half-cent sales tax on the average household is between \$50 - \$70 per year **See EXHIBIT 5**. Approximately one-third of the levy would be paid by visitors rather than residents and further, is not applicable to food, health care and certain other exempt services.

Revenues from the half-cent sales tax offer the most substantive way to address the aforementioned infrastructure and other needs. Considering historically low interest rates, the Committee recommends bonding a portion of sales tax revenues to expedite work on the backlog of needs. One hypothetical allocation and bonding scenario is provided in **Exhibit 6**.

Based on information received during the fact-finding process, an additional benefit of the Sales Tax is the leverage it would provide in dealing with the State of Florida on certain funding projects. This can occur because with the Sales Tax in place, the County would be demonstrating it is doing its part to address needed spending, and may qualify for additional consideration in projects involving the state government.

## Conclusion

The Committee on April 14, 2016 came to the unanimous conclusion to strongly recommend a voter referendum in the fall of 2016 to implement a half-cent sales tax to solve the county's looming budget issues and to make the budget process sustainable.

The Committee has worked diligently to reach these conclusions and recommends that the County Commission act quickly to develop a timeline to enable a referendum to be successful in November, 2016.

We have a much deeper appreciation of the complexity and challenges of developing a budget and appreciate what the Commission has to go through just to get that done. Throughout this process, every single member of the Committee has been vigilant to the idea that there should only be a recommendation if there is deemed to be a problem. Similarly, each of us on the Committee, as citizens, understand that taxes and fees are all paid by us, and we deserve complete transparency and accountability by the County on when and how our hard-earned money is used. Finally, we all share a tremendous love for this County and wish for it to be the best place it can be for those of us here now, and for those who will follow us.

The Committee would like to commend the Board of County Commissioners for authorizing this important effort. We also want to express our deepest appreciation to County Administrator Ed Hunzeker, to Sheriff Steube, to the County department directors and to the excellent staff people who have assisted us throughout this process, with a special nod of thanks to Ms. Jan Brewer for her capable management of the Committee's meetings and activities.

Respectfully Submitted,

**MANATEE COUNTY CITIZENS FINANCIAL STRUCTURE ADVISORY BOARD**

Revenue Structure - County Comparisons										
Revenue Type / County										
	Alachua	Charlotte	Escambia	Hillsborough	Lee	Leon	Manatee	Pasco	Pinellas	Sarasota
PROPERTY TAXES	Countywide Property Tax	●	●	●	●	●	●	●	●	●
	Debt Service Levy	●	●		●		●		●	●
	Environmental Levy	●			●					
	EMS Levy		●						●	●
	Health Care Levy		●						●	●
OTHER TAXES	MSTU Uninc	●	●	●	●		●		●	
	MSTU Other		●		●	●		●		
	Health Care Sales Tax									
	Infrastructure Sales Tax		●	●	●		●	●	●	●
	Local Option Gas Tax	●	●	●	●	●	●	●	●	●
	Electric Franchise Fee/Tax	●	●	●		●				●
	Storm Water Utility Fee		●		●	●	●	●	●	●
				●						

\* **Transit tax-** Hillsborough County has referendum planned in Nov2016. Hillsborough and Pinellas Pinellas County is going for a 2nd referendum in 2016-17. Only certain districts /Not Countywide have it



# COMPARISON OF UNINCORPORATED COUNTIES AND CITIES (within Gulfcoast Area)

## Annual City/County Taxes and Utilities Costs

Expressed in Dollars / Annual cost													
Millage			UTILITIES										
Rank	Name	Rates	Annual Property Taxes		Electric <sup>(e)</sup>	Water**		Wastewater**		Solid Waste & Recycling	Stormwater* Fee	Sales Tax %	TTL Annual Cost Ranked highest to lowest
			Franchise Fee	Base Chgs RES		Water**	Base Chgs RES	Wastewater**	Base Chgs RES				
1	Fort Myers	8.7760	\$ 1,316.40	\$ 54.00	\$ 549.96	\$ 1,132.80	\$ 228.96	\$ 57.00	\$ 651.00	\$ 3,990.12	6.00%		
2	Clearwater	5.1550	\$ 773.25	\$ 72.00	\$ 799.92	\$ 936.00	\$ 306.60	\$ 36.00	\$ 759.50	\$ 3,683.33	7.00%		
3	Cape Coral	7.7070	\$ 1,156.05	\$ 36.00	\$ 543.24	\$ 903.72	\$ 197.55	\$ 75.00	\$ 651.00	\$ 3,562.56	6.00%		
4	New Port Richey	9.5000	\$ 1,425.00	\$ -	\$ 299.88	\$ 575.28	\$ 211.28	\$ 77.36	\$ 759.50	\$ 3,348.30	7.00%		
5	Unincorporated Pasco Cty	7.3441	\$ 1,101.62	\$ -	\$ 299.88	\$ 575.28	\$ 211.28	\$ 47.00	\$ 759.50	\$ 2,996.27	7.00%		
6	St.Petersburg	6.7700	\$ 1,015.50	\$ 72.00	\$ 285.96	\$ 504.48	\$ 267.96	\$ 82.20	\$ 759.50	\$ 2,987.66	7.00%		
7	Unincorporated Sarasota Cty	3.1386	\$ 470.79	\$ 27.60	\$ 313.96	\$ 721.56	\$ 159.48	\$ 90.65	\$ 759.50	\$ 2,920.60	7.00%		
8	Venice	3.1000	\$ 465.00	\$ 27.60	\$ 631.12	\$ 635.20	\$ 202.08	\$ 60.00	\$ 759.50	\$ 2,880.78	7.00%		
9	Plant City	4.7157	\$ 707.36	\$ 72.00	\$ 234.00	\$ 576.36	\$ 336.36	\$ 66.00	\$ 759.50	\$ 2,753.40	7.00%		
10	Palmetto	5.7171	\$ 857.57	\$ -	\$ 544.92	\$ 418.32	\$ 145.32	\$ 40.44	\$ 705.25	\$ 2,711.88	6.50%		
11	North Port	3.5974	\$ 539.61	\$ 27.60	\$ 480.88	\$ 635.52	\$ 159.48	\$ 90.65	\$ 759.50	\$ 2,694.50	7.00%		
12	Tampa	5.7326	\$ 859.89	\$ 55.20	\$ 179.64	\$ 339.12	\$ 412.68	\$ 36.00	\$ 759.50	\$ 2,642.08	7.00%		
13	Marco Island	2.0466	\$ 306.99	\$ -	\$ 757.80	\$ 720.48	\$ 167.67	\$ 22.50	\$ 651.00	\$ 2,628.54	6.00%		
14	City of Sarasota	3.1728	\$ 475.92	\$ 27.60	\$ 368.24	\$ 635.36	\$ 159.48	\$ 90.65	\$ 759.50	\$ 2,617.22	7.00%		
15	Unincorporated Hillsborough Cty	4.3745	\$ 656.18	\$ -	\$ 400.56	\$ 502.80	\$ 222.75	\$ 12.00	\$ 759.50	\$ 2,554.82	7.00%		
16	City of Bradenton	5.8976	\$ 884.64	\$ -	\$ 365.76	\$ 430.92	\$ 127.15	\$ 22.50	\$ 705.25	\$ 2,536.28	6.50%		
17	Unincorporated Charlotte Cty	2.5855	\$ 387.83	\$ 72.00	\$ 444.12	\$ 646.80	\$ 148.04	\$ 38.22	\$ 759.50	\$ 2,497.36	7.00%		
18	Naples	1.1800	\$ 177.00	\$ 70.80	\$ 593.40	\$ 514.08	\$ 255.25	\$ 24.00	\$ 651.00	\$ 2,286.06	6.00%		
19	Punta Gorda	3.1969	\$ 479.54	\$ 72.00	\$ 351.04	\$ 307.76	\$ 230.40	\$ 38.22	\$ 759.50	\$ 2,238.46	7.00%		
20	Unincorporated Pinellas Cty	2.0857	\$ 312.86	\$ -	\$ 424.68	\$ 507.60	\$ 141.36	\$ -	\$ 759.50	\$ 2,148.19	7.00%		
21	Unincorporated Lee Cty	0.8398	\$ 125.97	\$ 54.00	\$ 414.96	\$ 666.60	\$ 168.87	\$ 57.00	\$ 651.00	\$ 2,138.40	6.00%		
22	Anna Maria Island	2.0500	\$ 307.50	\$ -	\$ 256.68	\$ 584.88	\$ 163.32	\$ 45.00	\$ 705.25	\$ 2,062.63	6.50%		
23	Longboat Key	2.1763	\$ 326.45	\$ 27.60	\$ 303.44	\$ 437.52	\$ 159.48	\$ -	\$ 759.50	\$ 2,016.13	7.00%		
24	Holmes Beach	1.7500	\$ 262.50	\$ -	\$ 256.68	\$ 584.88	\$ 163.32	\$ -	\$ 705.25	\$ 1,972.69	6.50%		
25	Unincorporated Collier Cty	0.7161	\$ 107.42	\$ -	\$ 400.44	\$ 596.16	\$ 167.67	\$ 22.50	\$ 651.00	\$ 1,945.48	6.00%		
26	Bonita Springs	0.8173	\$ 122.60	\$ 54.00	\$ 438.48	\$ 341.76	\$ 168.87	\$ 57.00	\$ 651.00	\$ 1,833.71	6.00%		
27	Unincorporated Manatee Cty	0.6109	\$ 91.64	\$ -	\$ 256.68	\$ 584.88	\$ 163.32	\$ -	\$ 705.25	\$ 1,802.62	6.50%		

### NOTES:

\* Stormwater Fees nature of collection can vary to been an annual assessment (prop. Tax Bill) or monthly rate based on wastewater usage. All Fees are brought to an annual base.

\*\*Based on a residential account with a 5/8" meter and 6 kgal/s (8 ccf) of consumption

(a) Electric Franchise Fees are calculated using an average of 1,000 KWH per month for a bill of \$100 per month

<sup>(1)</sup> The Sales Tax Assumptions- Base is 10.850, which is the 2015 average Florida Per Capita Personal Income, for average exemption of 3. (Source Office of Economic and Demographic Research and the IRS.gov 2014 Sales Tax Deduction Calculator Table.

### Sources:

www.FSA.com - Florida Stormwater Association  
Florida League of Cities (for millages)

### BASES - COMPARABLE

Annualized( 12 months)	12
TAXABLE VALUE DIVIDED BY 1000 =	\$ 150
Calculated using an average of 1,000 kwh per month for a bill of \$100 per mo.	100

# COMPARISON OF UNINCORPORATED COUNTIES AND CITIES (within Gulfcoast Area)

City/County Taxes (%) and Utilities Rates

	County	Millage Rates		Franchise Fee Electric (¢)	Annualized Rates				Solid Waste & Recycling	Stormwater*
		County Property Taxes	Water** Base Chgs RES		Rates		Sales Tax %			
					Wastewater** Base Chgs RES					
Charlotte County	Unincorporated Charlotte City	2.5855	444.12	6.0%	646.80	7.00%		148.04		38.22
	Punta Gorda	3.1969	351.04	6.0%	307.76	7.00%		230.4		38.22
Collier County										
	Unincorporated Collier City	0.7161	400.44	0.0%	596.16	6.00%		167.67		22.50
	Marco Island	2.0466	757.80	0.0%	720.48	6.00%		167.67		22.50
	Naples	1.1800	593.40	5.9%	514.08	6.00%		255.25		24.00
Hillsborough County										
	Unincorporated Hillsborough City	4.3745	400.56	0.0%	502.80	7.00%		222.75		12.00
	Plant City	4.7157	234.00	6.0%	576.36	7.00%		336.36		66.00
	Tampa	5.7326	179.64	4.6%	339.12	7.00%		412.68		36.00
Lee County										
	Unincorporated Lee City	0.8398	414.96	4.5%	666.60	6.00%		168.87		57.00
	Bonita Springs	0.8173	438.48	4.5%	341.76	6.00%		168.87		57.00
	Cape Coral	7.7070	543.24	3.0%	903.72	6.00%		197.55		75.00
	Fort Myers	8.7760	549.96	4.5%	1,132.80	6.00%		228.96		57.00
Manatee County										
	Unincorporated Manatee City	0.6109	256.68	0.0%	584.88	6.50%		163.32		0.00
	Anna Maria Island	2.0500	256.68	0.0%	584.88	6.50%		163.32		45.00
	City of Bradenton	5.8976	365.76	0.0%	430.92	6.50%		127.15		22.50
	Holmes Beach	1.7500	256.68	0.0%	584.88	6.50%		163.32		0.00
	Palmetto	5.7171	544.92	0.0%	418.32	6.50%		145.32		40.44
Pasco County										
	Unincorporated Pasco City	7.3441	299.88	0.0%	575.28	7.00%		211.28		47.00
	New Port Richey	9.5000	299.88	0.0%	575.28	7.00%		211.28		77.36
Pinellas County										
	Unincorporated Pinellas City	2.0857	424.68	0.0%	507.60	7.00%		141.36		0.00
	Clearwater	5.1550	799.92	6.0%	936.00	7.00%		306.6		36.00
	St.Petersburg	6.7700	285.96	6.0%	504.48	7.00%		267.96		82.20
Sarasota County										
	Unincorporated Sarasota City	3.1386	590.28	2.3%	721.56	7.00%		159.48		90.65
	Longboat Key	2.1763	303.44	2.3%	437.52	7.00%		159.48		0.00
	North Port	3.5974	480.88	2.3%	635.52	7.00%		159.48		90.65
	City of Sarasota	3.1728	368.24	2.3%	635.36	7.00%		159.48		90.65
	Venice	3.1000	631.12	2.3%	635.20	7.00%		202.08		60.00

## NOTES:

\* Stormwater Fees nature of collection can vary to be an annual assessment (prop. Tax Bill) or monthly rate based on wastewater usage. All Fees are brought to an annual base.

\*\*Based on a residential account with a 5/8" meter and 6 kgal/s (8 ccf) of consumption

(a) Electric Franchise Fees are calculated using an average of 1,000 KWH per month for a bill of \$100 per month

Sources:

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Florida League of Cities (for millages)

## BASES - COMPARABLE

Annualized( 12 months)	12
TAXABLE VALUE DIVIDED BY 1000 =	\$ 150
Calculated using an	
average of 1000 KWH per	
month for a bill of \$100	
per mo.	100

# Residential Parcels

- Single Family, Mobile Homes, & Condos

Taxes Paid Per Parcel	# of Parcels	Total Taxes Paid
\$0	3,441	\$ -
\$1 - \$250	70%	\$ 4,295,734
\$251 - \$500		\$ 10,210,318
\$501 - \$750		\$ 12,609,386
\$751 - \$1,000		\$ 12,487,301
\$1,001 - \$1,500	30%	\$ 22,589,926
\$1,501 - \$2,000		\$ 13,659,656
\$2,001 +		\$ 43,560,813
	130,527	\$ 119,413,134

70% of residential parcel owners pay only 33%  
of residential of taxes

## Revenue Alternatives Reviewed

Type of Tax	Description	Implementation Requirement	Estimated Amount	Individuals Affected	Effect for Payers	Operational or Capital Use
<b>Recommended Revenue Source</b>						
Infrastructure Sales Tax	Tax would be recommended at .5%. Tax will be shared between County and Cities by state formula.	Voter Referendum	\$ 22,800,000	All users	All property owners and visitors pay equally on tax	Capital
<b>Alternative Revenue Sources Considered</b>						
Franchise Fees	Charge levied for use of County's rights of way by private utility systems. An agreement must be entered into with the private utilities.	Board of County Commissioners	\$ 15,000,000 <i>*estimate</i>	Users of electricity	Typical residential customer would be \$5.10 per 1000kwh per month or \$ 61 per year	Operating and/or Capital
G.O. Bond Issue General Obligation Bond Issue	Debt issued and secured by a property tax to pay the annual debt service payments. Property owners will be charged over the life of the debt. Example: \$40,000,000 in debt will require annual debt service of \$ 3,000,000 for 20 years Millage Rate Increase: .1068	Voter Referendum	\$ 40,000,000	Property owners	Residential \$ 10.68*	Capital
Local Business Tax	Tax would be required on all businesses within County's jurisdiction.	Board of County Commissioners	\$ 400,000	Business	Business owners would pay determined fee	Operating and/or Capital
MSBU	MSBU - Municipal Service Benefit Unit. The assessment is based upon the benefit	Board of County Commissioners	TBD	Property owners (defined area)	TBD	TBD for Benefit
MSTU	MSTU - Municipal Service Taxing Unit. Tax based upon property values.	Board of County Commissioners	TBD	Property owners (defined area)	TBD	TBD for Service
Property Tax	Increase by 1.0 Mill - Property owners will receive an increase to taxes based upon value of property.	Board of County Commissioners	\$ 28,089,362	Property owners	Residential \$ 100.00*	Operating and/or Capital
Stormwater Fee	Fee would be assessed based upon amount of Stormwater issues as necessary.	Board of County Commissioners	TBD	Property owners with impervious surfaces	TBD	Operating and/or Capital



## 2015 Sales Tax Deduction Calculator

### Results

Generated on: Monday, April 25, 2016 4:05:07 PM EST

Please print this page for your records.

**Income Range:** At least \$60,000 but less than \$70,000

**Exemptions:** 2

Move Date	ZIP Code	City, County, State	State Tax	Local Tax	Percentage of Year at Residence	State Tax Amount	Local Tax Amount	Total Tax
N/A	34205	BRADENTON, MANATEE, FL	6.0000%	0.5000%	100.00%	\$734.00	\$61.17	\$795.17

**Additional general sales tax paid on specified items:** \$0.00

**Total General Sales Tax Deduction** (rounded to the nearest dollar): **\$795**

### Notes:

- Enter the general sales tax deduction on Schedule A, line 5. Be sure to check box b on that line.

[Start Over](#)

**Citizens Financial Structure Advisory Board**  
**Revenue Recommendation**  
**(in millions)**

<u>Items of Concern</u>	<u>Type of Projects</u>	<u>Amount of Concern</u>	<u>Allocation</u>	<u>Infrastructure Sales Tax</u>		
				Without Bond <i>Option 1- A</i>	With Bond <i>Option 1-B</i>	
				<u>Annual Estimate</u>	<u>Annual Estimate</u>	<u>Bond Issue Proceeds-30yr*</u>
Transportation	Growth Improvements Total	\$ 230.0	65.0%	\$ 14.95	\$ 14.95 <i>Debt Service</i>	\$ 225.00
		\$ 350.0				
		\$ 580.0				
Public Safety	Growth Improvements Total	\$ 8.0	14.0%	\$ 3.22	\$ 3.22 <i>Debt Service</i>	\$ 45.00
		\$ 37.0				
		\$ 45.0				
Parks/Community Amenities	Growth Improvements Total	<i>Master Plan</i>	13.0%	\$ 2.99	\$ 2.99	
		\$ 3.0				
		\$ 3.0				
Contingency			8.0%	\$ 1.84	\$ 1.84	
Total Annually			100.0%	\$ 23.00	\$ 23.00	\$ 270.00
Payer of Tax				All Residents/Visitors		



# Manatee County Citizens Financial Structure Advisory Board

A PRESENTATION TO  
THE MANATEE COUNTY COMMISSION

APRIL 26, 2016

# Committee members

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## Business Organization Members

**Paul Adamson**, Lakewood Ranch Business Alliance

**Mac Carraway**, Manatee Chamber of Commerce

**Tarnisha Cliatt**, Black Chamber of Commerce

**Eva Gonzalez**, Gulf Coast Latin Chamber of Commerce

**Karen LaPensee**, Anna Maria Island Chamber of Commerce

**Mike Moschella**, Bradenton Area Economic Development Corporation

## County Commissioner-appointed Members

**Ron Allen**, appointed by At-large Commissioner Betsy Benac

**Tom Garland**, appointed by District 1 Commissioner Larry Bustle

**Kerry Kacherian**, appointed by District 4 Commissioner Robin DiSabatino

**Lou Marinaccio**, appointed by District 5 Commissioner (Chair) Vanessa Baugh

**Chuck Slater**, appointed by District 3 Commissioner John Chappie

**Pastor Charles Williams**, appointed by District 2 Commissioner Charles B. Smith

**David Zaccagnino**, appointed by At-large Commissioner Carol Whitmore







# Playgrounds



Crane Park - Manatee

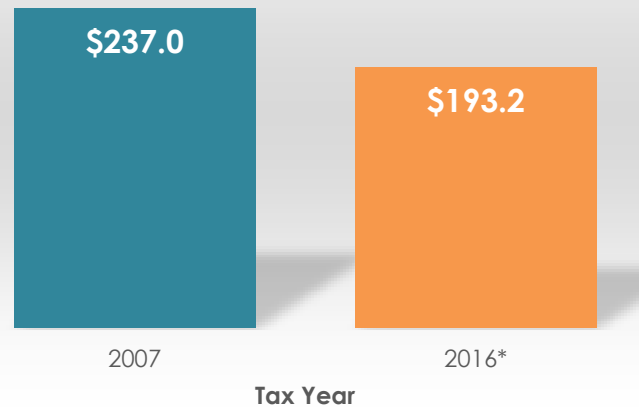


Payne Park - Sarasota



# Trends

Ad Valorem Taxes  
In Millions

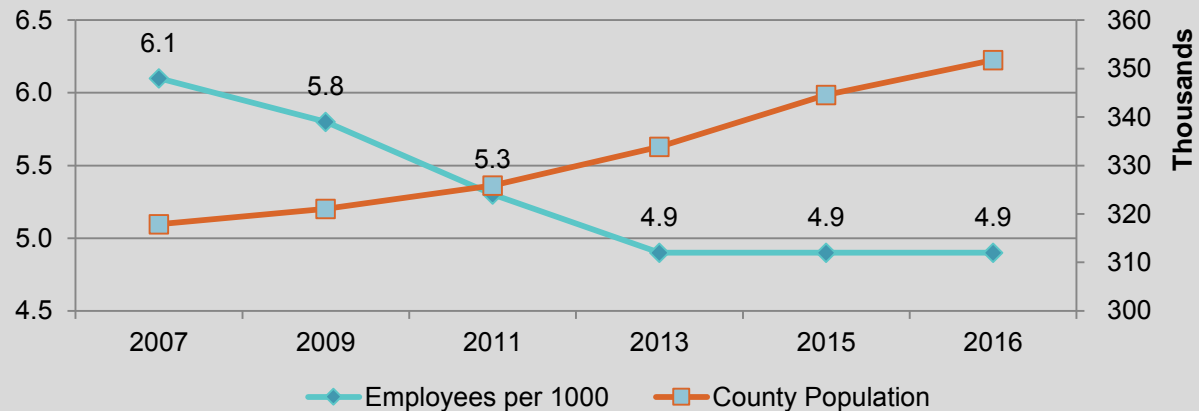


5

# Challenges

- ▶ Property tax revenues have decreased 18%
- ▶ Population has increased by 40,000
- ▶ Employee levels have decreased by almost 300 positions
- ▶ **Increased difficulty meeting the demands of a growing community.**

Employees Per 1000 Residents  
with Population



# Local government revenue streams

Revenue Structure - County Comparisons											
PROPERTY TAXES	Countywide Property Tax	●	●	●	●	●	●	●	●	●	●
	Debt Service Levy	●	●		●	●	●	●			●
	Environmental Levy	●				●					
	EMS Levy		●						●		●
	Health Care Levy		●						●		●
	MSTU Uninc	●	●	●	●	●	●		●		
	MSTU Other					●	●	●			
OTHER TAXES	Health Care Sales Tax				●						
	Infrastructure Sales Tax		●	●	●		●	●	●	●	●
	Local Option Gas Tax	●	●	●	●	●	●	●	●	●	●
	Electric Franchise Fee/Tax	●	●	●		●	●				●
	Storm Water Utility Fee		●		●	●	●	●	●	●	●
Revenue Type / County		Alachua	Charlotte	Escambia	Hillsborough	Lee	Leon	Manatee	Pasco	Pinellas	Sarasota

Unlike many other Florida counties, including its closest neighbors, Manatee County relies almost exclusively on property taxes to pay for upkeep of its assets.

There is no long-term plan to pay for aging infrastructure.

**Citizens Financial Structure Advisory Board**  
**Revenue Recommendation**  
**(in millions)**

<u>Items of Concern</u>	<u>Type of Projects</u>	<u>Amount of Concern</u>	<u>Allocation</u>	<u>Infrastructure Sales Tax</u>		
				Without Bond <i>Option 1- A</i>	With Bond <i>Option 1-B</i>	
				<u>Annual Estimate</u>	<u>Annual Estimate</u>	<u>Bond Issue Proceeds-30yr*</u>
Transportation	Growth	\$ 230.0	65.0%			
	Improvements	350.0		\$ 14.95	\$ 14.95	\$ 225.00
	Total	\$ 580.0			<i>Debt Service</i>	
Public Safety	Growth	\$ 8.0	14.0%			
	Improvements	37.0		\$ 3.22	\$ 3.22	\$ 45.00
	Total	\$ 45.0			<i>Debt Service</i>	
Parks/Community Amenities	Growth	<i>Master Plan</i>	13.0%			
	Improvements	\$ 3.0		\$ 2.99	\$ 2.99	
	Total	\$ 3.0				
Contingency			8.0%	\$ 1.84	\$ 1.84	
Total Annually			100.0%	\$ 23.00	\$ 23.00	\$ 270.00
Payer of Tax				All Residents/Visitors		

\*Interest Rate 5.25%

Alternative revenue sources reviewed by the Committee are available in the CFSAB written report to the County Commission



# Conclusion

