



AGENDA ITEM REQUEST FORM

Item No. 29

Finance Department

Department Submitting Request

Tony Bryan

Dept Head's Signature

BUDGET WORKSHOP - JUNE 21, 2011

SUBJECT TITLE: Millage rate discussion

EXPLANATION: The Broward County Property Appraiser has provided her preliminary estimate of property value and projects the taxable value of property on the Town's FY 2010-11 tax roll has decreased from \$1,773,134,094 in 2010-11 to \$1,729,686,772, a difference of \$43,447,322. If the current millage rate of \$3.9990 is extended into 2011-12 the Town will lose approximately \$165,000 of tax revenue. Alternatively, in order to maintain the same overall tax revenues, the millage rate would need to be increased to the roll-back rate of 4.0994.

EXPECTED OUTCOME: Commission discussion of and guidance regarding FY 2012 millage rate.

EXHIBITS: Memorandum from Broward County Property Appraiser Dated May 2011

Report from Doug Haag Dated June 2011

Summary of the Town of Lauderdale by the Sea's Assessed and Taxable Property Values for FY 2001 thru 2010

Reviewed by Town Attorney

Yes No

Town Manager Initials JB



Broward County Property Appraiser's Office
115 S. Andrews Avenue, Room 111
Fort Lauderdale, Florida 33301
(954) 357-6830 · Fax: (954) 357-8474
www.bcpa.net

MEMORANDUM

To: Broward County Taxing Authorities

From: Lori Parrish, CFA, Property Appraiser *Lori*

Date: May 27, 2011

Subject: 2011 Estimate of Taxable Value

Attached you will find our 2011 Estimate of Taxable Values. In last year's memo, we projected the 2011 tax roll values would "remain relatively flat" compared with 2010. This year's projected numbers (attached) – based upon actual market data and sales – proved that prediction was largely accurate from a countywide perspective.

The numbers shown in this estimate will be virtually identical to the final numbers that will be formally confirmed on the DR-420 (Certification of Taxable Roll Value) on July 1, 2011. The only changes, if any, between the enclosed estimate and the DR-420 certification will be to correct any errors discovered over the next 30 days. All new 2011 exemption and Save Our Homes portability applications filed to date are already reflected in the enclosed numbers.

Sales from last part of 2010 and the first five months of 2011 again indicate most parts of the Broward market continue to be stable – with a few notable exceptions. Encouragingly, we have seen values increasing in some pockets dotted around Broward. This does not mean values will start increasing overall in coming months. It does, however, seemingly indicate the sharp slide in values of 2007-2010 has ended and values generally continue holding steady overall countywide. While leading economists say the US has technically pulled out from recession, they widely differ on the national economic forecast for the coming year. Obviously, any potential Broward real estate recovery is largely dependent upon national economic conditions. Another uncertainty: the "robo-signing" scandal which forced a halt to most foreclosure lawsuits has impacted the market by reducing foreclosures in the short-term. A revival of these stalled lawsuits could cause some further slide in values in the coming year if more properties become abandoned or are rapidly dumped upon the market. Thus, for planning purposes, you should expect to see the tax roll remain relatively flat for next year, or with a nominal decline at most (i.e., similar to the 2011 tax roll values).

Please keep in mind the 2011 assessments reflect the values as of January 1, 2011, as set by qualified sales in the January 2, 2010 through January 1, 2011 assessment period (with greatest weight given to 4Q-10 sales). Likewise, the 2012 assessments will reflect the prices realized during this current calendar year.

If you have any questions about the enclosed, please contact me at 954.357.6904 or lori@bcpa.net, or contact Budget & Finance Director Holly Cimino at hcimino@bcpa.net or 954.357.6825.

Attachments

TAXABLE VALUE REPORT JUNE 2011 ESTIMATES

(Line 7 of DR-420)

(Line 4 of DR-420)

(Line 5 of DR-420)

(Line 6 of DR-420)

TAXING AUTHORITY	Total 2010 WCC*	Total 2011 Estimated	Percentage	Net New Taxable	Current Yr Adjusted
	Taxable Value	Taxable Value	Change in Taxable Value	Value Estimate	Taxable Value Estimate
COCONUT CREEK	2,604,501,246	2,621,186,555	0.6%	13,846,440	2,607,340,115
COOPER CITY	1,864,822,314	1,905,811,266	2.2%	36,375,730	1,869,435,536
CORAL SPRINGS	7,496,810,112	7,412,732,322	-1.1%	14,990,288	7,397,742,034
DANIA BEACH	2,628,444,572	2,566,874,849	-2.3%	27,155,430	2,539,719,419
DAVIE	6,657,772,967	6,564,081,477	-1.4%	13,804,410	6,550,277,067
DEERFIELD BEACH	5,092,033,670	4,857,884,057	-4.6%	22,597,880	4,835,286,177
FORT LAUDERDALE	24,428,089,152	23,583,483,133	-3.5%	97,008,495	23,486,474,638
HALLANDALE BEACH	3,536,934,379	3,543,904,481	0.2%	61,967,880	3,481,936,601
HILLSBORO BEACH	966,716,805	953,523,756	-1.4%	-1,157,850	954,681,606
HOLLYWOOD	10,359,545,414	10,134,107,739	-2.2%	9,313,610	10,124,794,129
LAUD. BY THE SEA	1,766,370,472	1,731,809,772	-2.0%	2,123,000	1,729,686,772
LAUDERDALE LAKES	828,016,044	802,517,601	-3.1%	1,138,660	801,378,941
LAUDERHILL	1,843,265,071	1,756,834,277	-4.7%	11,317,700	1,745,516,577
LAZY LAKE	5,440,993	5,582,165	2.6%	6,300	5,575,865
LIGHTHOUSE POINT	1,631,917,346	1,652,850,434	1.3%	8,001,770	1,644,848,664
MARGATE	2,061,748,236	2,001,255,698	-2.9%	5,002,430	1,996,253,268
MIRAMAR	6,682,485,097	6,613,369,124	-1.0%	27,117,060	6,586,252,064
NORTH LAUDERDALE	1,027,566,694	951,977,744	-7.4%	1,074,110	950,903,634
OAKLAND PARK	2,248,389,985	2,130,780,777	-5.2%	9,529,440	2,121,251,337
PARKLAND	2,810,367,265	2,931,015,527	4.3%	55,670,370	2,875,345,157
PEMBROKE PARK	555,895,826	547,408,455	-1.5%	314,450	547,094,005
PEMBROKE PINES	8,403,167,543	8,443,256,563	0.5%	15,025,050	8,428,231,513
PLANTATION	6,625,655,188	6,640,863,384	0.2%	101,840,122	6,539,023,262
POMPANO BEACH	9,180,036,403	8,814,489,874	-4.0%	28,780,630	8,785,709,244
POMPANO BEACH EMS	9,180,036,403	8,814,489,874	-4.0%	28,780,630	8,785,709,244
SEA RANCH LAKES	157,124,840	158,686,144	1.0%	757,627	157,928,517
SUNRISE	5,031,794,626	4,890,848,572	-2.8%	35,795,170	4,855,053,402
SOUTHWEST RANCHES	1,124,574,983	1,094,210,952	-2.7%	14,473,300	1,079,737,652
TAMARAC	2,580,061,837	2,513,115,159	-2.6%	2,296,570	2,510,818,589
WEST PARK	406,711,278	370,601,279	-8.9%	477,030	370,124,249
WESTON	6,274,649,735	6,364,589,008	1.4%	11,766,130	6,352,822,878
WILTON MANORS	884,910,890	856,288,340	-3.2%	3,172,710	853,115,630
UNINCORPORATED	824,444,036	756,317,852	-8.3%	2,071,060	754,246,792
COUNTY FIRE	824,444,036	756,317,852	-8.3%	2,071,060	754,246,792
FORT LAUD. DDA	1,355,986,801	1,287,307,267	-5.1%	-37,080	1,287,344,347
N. BROWARD HOSPITAL	90,298,657,135	88,242,021,172	-2.3%	432,997,055	87,809,024,117
S. BROWARD HOSPITAL	39,028,074,954	38,568,099,834	-1.2%	200,645,400	38,367,454,434
HILLSBORO INLET	12,092,650,272	11,864,087,631	-1.9%	49,121,480	11,814,966,151
WATER MANAGEMENT 2	3,072,145,265	2,927,627,459	-4.7%	4,922,460	2,922,704,999
CENTRAL BROWARD	3,217,841,700	2,940,580,220	-8.6%	0	2,940,580,220
COCOMAR	2,738,630,323	2,748,824,587	0.4%	16,903,670	2,731,920,917
TINDALL HAMMOCK	234,932,570	227,190,270	-3.3%	76,180	227,114,090
WATER MANAGEMENT 3	1,811,264,894	1,681,981,271	-7.1%	1,023,280	1,680,957,991
WATER MANAGEMENT 4A	512,560,179	488,433,167	-4.7%	1,004,370	487,428,797
WATER MANAGEMENT 4B	628,916,175	603,037,101	-4.1%	506,690	602,530,411
WATER MANAGEMENT 4C	1,570,522,208	1,484,420,262	-5.5%	4,347,370	1,480,072,892
COUNTY STREET LIGHT	285,410,120	243,758,150	-14.6%	1,547,190	242,210,960
THREE ISLANDS	407,507,270	405,980,960	-0.4%	4,510	405,976,450
SUNRISE KEY	74,281,530	74,533,220	0.3%	238,240	74,294,980
TAX DIST #1 SAWGRASS	629,203,840	616,694,000	-2.0%	1,319,340	615,374,660
GOLDEN ISLES	196,692,550	199,122,790	1.2%	1,581,280	197,541,510
PLANTATION GATEWAY 7	221,937,940	212,517,180	-4.2%	11,800	212,505,380
PLANTATION MIDTOWN	1,088,997,805	1,053,829,709	-3.2%	42,271,160	1,011,558,549
LAUDERHILL WINDERMERE/TREE GARDENS SAFE NEIGHBORHOOD	10,356,760	7,657,140	-26.1%	0	7,657,140
LAUDERHILL HABITAT SAFE NEIGHBORHOOD		4,868,450	New for 2011		4,868,450
LAUDERHILL ISLES OF INVERRARY SAFE NEIGHBORHOOD		3,296,030	New for 2011		3,296,030
LAUDERHILL MANORS OF INVERRARY SAFE NEIGHBORHOOD		12,857,530	New for 2011		12,857,530
FLA INLAND NAV.	129,326,732,089	126,810,121,006	-1.9%	633,642,455	126,176,478,551
CHILDREN'S SERVICES	129,326,732,089	126,810,121,006	-1.9%	633,642,455	126,176,478,551
SFWMD - DISTRICT	129,326,732,089	126,810,121,006	-1.9%	633,642,455	126,176,478,551
SFWMD - BASIN	129,326,732,089	126,810,121,006	-1.9%	633,642,455	126,176,478,551
SFWMD - EVERGLADES	129,326,732,089	126,810,121,006	-1.9%	633,642,455	126,176,478,551
SCHOOL BOARD	137,966,058,219	135,478,986,783	-1.8%	636,538,045	134,842,448,738
COUNTY COMMISSION	128,700,120,289	126,268,582,376	-1.9%	633,532,505	125,635,049,871

*With correction certificates processed as of May 25, 2011



Town of
LAUDERDALE-BY-THE-SEA

4501 Ocean Drive, Lauderdale-by-the-Sea, Florida 33308-3610
Telephone: (954) 776-0576 / Fax (954)776-1857

Date: June 9, 2011
To: Connie Hoffmann, Town Manager
From: Doug Haag
Subject: 2011 Estimated Taxable Value and Corresponding Property Tax Revenues

Attached is the memorandum from Lori Parrish, Broward County Property Appraiser with the 2011 estimated taxable values by taxing authority. The memo is insightful in summarizing the current economic situation as well as what to expect next year. The final taxable values will be provided by the County no later than July 1, 2011.

As far as the specifics for the Town of Lauderdale-By-The-Sea, please note the following:

Comparison of Taxable Values

The Broward County Property Appraiser estimates the town's taxable value of property on the tax roll last year has decreased from \$ 1,773,134,094, which was what the FY 2010-11 budget was based on, to \$ 1,729,686,772 for the FY 2011-12 budget. This reflects a 2% reduction from last year and is pretty close to the total countywide decrease of 1.8% based on the numbers for the Broward County School District. New construction amounted to \$2.1 million which will generate approximately \$84,000 in new tax revenue. Finally, the attached Table 7 from the audit report provides a summary of the Town's final actual taxable values since 2001.

The following table shows the year-to-year change in taxable value along with the corresponding change in tax revenues based on the current millage rate of 3.9990.

Year	Taxable Value	3.999 Mills	
		Total	Net (x 95%)
2010	1,773,134,094*	7,090,763	6,736,225
2011	1,729,686,772	6,917,017	6,571,167
Difference	(43,447,322)	(173,746)	(165,059)

Millage Rate

If the Town wished to remain revenue neutral in terms of property tax revenues, exclusive of new construction revenues, for FY 2011-12 it would require a millage rate of 4.0994 (the roll-back rate).



Town of
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If the Town Commission wants to keep the same millage rate (i.e., reduce property taxes), we will lose approximately \$165,000 of tax revenue.

- * This is the number our tax was based on last year, before the Value Adjustment Board granted reductions in valuations.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 7
PRELIMINARY RECAPITULATION OF THE AD VALOREM ASSESSMENT ROLLS
LAST TEN FISCAL YEARS

Fiscal Year	Real Property Assessed Value	Personal Property Assessed Value	Exemptions		Assessed Property Value	Estimated Actual Taxable Value	(1) Total Direct Tax Rate
			Real	Personal			
2001	\$ 560,251,790	\$ 12,958,060	\$ 46,356,830	\$ 13,434	\$ 526,839,586	\$ 994,182,340	3.8500
2002	1,162,796,770	13,701,721	62,867,630	2,634	1,113,628,227	1,141,197,502	4.7000
2003	1,333,494,270	14,684,976	67,100,270	2,634	1,281,076,342	1,259,147,591	4.7000
2004	1,504,774,160	16,453,097	72,512,650	2,634	1,448,711,973	1,453,739,511	4.7000
2005	2,107,212,880	15,785,123	77,200,430	2,700	2,045,794,873	1,728,223,953	4.7000
2006	2,689,777,920	17,527,962	82,761,920	2,700	2,624,541,262	2,140,677,012	4.7000
2007	2,395,129,720	16,740,144	88,825,630	1,564	2,323,042,670	2,321,656,228	4.1012
2008	2,325,239,690	16,120,707	147,379,890	3,786,923	2,190,193,584	2,116,655,262	3.9990
2009	2,141,321,800	15,575,063	147,738,830	3,582,380	2,005,575,653	1,935,973,843	3.9990
2010	1,901,968,310	15,105,857	143,291,270	4,214,572	1,769,568,325	1,773,134,094	3.9990

Source: Broward County, Florida, Property Appraiser

Note: Property in Broward County is reassessed once every year, on average. The county assesses property at approximately 85-100 percent of actual value for commercial and industrial property and 85-100 percent for residential property, as required by Florida law. Estimated actual taxable value is calculated by dividing taxable value by those percentages. Tax rates are per \$1,000 of assessed value.

(1) From Table 10.