

February 27, 2018 - Joint Meeting of the Board of County Commissioners and the Longboat Key
Town Commission
Agenda Item #7

Subject

Town of Longboat Key - Challenges of Being in Two Counties

Briefings

None

Contact and/or Presenter Information

Tom Harmer, Town Manager, Town of Longboat Key

Action Requested

No action required.

Enabling/Regulating Authority

N/A

Background Discussion

See attached agenda materials provided by Longboat Key.

County Attorney Review

Not Reviewed (No apparent legal issues)

Explanation of Other

Reviewing Attorney

N/A

Instructions to Board Records

None

Cost and Funds Source Account Number and Name

N/A

Amount and Frequency of Recurring Costs

N/A

Attachment: [Challenges of Being in Two Counties.pdf](#)

M E M O R A N D U M

TO: Town Commission
FROM: Tom Harmer, Town Manager
DATE: February 21, 2018
SUBJECT: Challenges of Being in Two Counties

At the November 1, 2017 Joint Meeting with Sarasota County, the challenges of being in two counties was discussed. The former Town Manager, Dave Bullock provided some background information in the agenda packet and now, that same information is being shared with Manatee County for the Joint Meeting on February 27, 2018.

Attached is the October 18, 2018 Memorandum from the Town Manager, a December 26, 2016 Memorandum from the Town Attorney regarding the legal requirements for modification of a County Boundary, and the PowerPoint from the November 1, 2017 presentation.

The intent of this agenda item is to share some of the challenges for Longboat Key to be in two separate counties. There are practical and public safety related challenges, as well as financial differences that significantly impact our residents.

The Town wanted both counties to be aware of the discussion that is on-going within the Town regarding these challenges. No formal action or position has been taken by the Town Commission at this time. We anticipate having further public discussions and evaluating options before deciding on any formal action.

MEMORANDUM

DATE: OCTOBER 18, 2017

TO: Town Commission
FROM: Dave Manager, Town Manager
SUBJECT: One County Discussion

In 1921, Sarasota County was formed by carving the southern portion of Manatee County off to create the new Sarasota County. In the process, a county boundary line was drawn along what is now University Parkway. That boundary line was also extended from the mainland across Sarasota Bay and across the island of Longboat Key. At the time, there were very few residents on the island of Longboat Key, and most of them were on the north end, which remained in Manatee County. Thirty-four years later the Town of Longboat Key was incorporated and the municipal boundaries encompassed the length of the entire island and uniquely split the municipality in two counties.

For many years, it didn't seem to matter much that the county line bisected the Town. Over time, citizens requested more and more services from the Town thereby causing the Town to rely on the Counties for less and less services. Presently, the Town provides Fire, Emergency Medical Services, Police, Water and Sewer, Storm water, Solid Waste, Streets, Planning, Building permitting and inspection, beach management, Parks and Recreation, and all support services (Budget, Finance, Human Resources, Information Technology). While some of these services are provided in coordination with one or both counties (i.e., Bayfront Park with Sarasota County), the Town is primarily responsible for provision of services and is held accountable by the Longboat Key residents for aligning public services with community expectations.

As property values on Longboat Key began to increase and reliance on County services decreased, the Town became a significant contributor of ad valorem revenue to each County. The two counties followed different paths in funding their services. Manatee County funds many services through ad valorem taxes while Sarasota County funds many services through non-ad valorem special assessments within assessment districts (which generally exclude the municipalities). The resulting millage levied by each County varies noticeably. The millage for each County is shown below:

Manatee County Gov't, Debt Service, Mosquito:	6.5605
Sarasota County Gov't, Debt Service, Mosquito:	<u>3.3912</u>
Difference	3.1693

As can be seen from the numbers above, County millage rates in Manatee County are almost double County millage rates Sarasota County. This difference results in Longboat Key residents located in Manatee County paying almost twice the County property tax as their neighbors with the same value property in Sarasota County.

School millage rates in the two counties are relatively close:

Manatee School Millage:	6.6080
Sarasota School Millage:	<u>7.2090</u>
Difference	(0.6010)

Sarasota County also has a Hospital taxing district, which levies a 1.0420 mill rate.

In total, the two County millages are shown below along with the difference:

Manatee total millage:	13.1685
Sarasota total millage:	<u>11.6422</u>
Difference	1.5263

Longboat Key residents in Manatee County pay about \$2.6 million higher taxes than if the property was in Sarasota County. There are no additional services provided by Manatee County to Longboat Key residents to justify the \$2.6 million difference. Therefore, the Longboat Key residents in Manatee County are paying this amount due to a quirk of history. This inequity in property taxes has caused the Town to begin looking seriously at the issue and begin a discussion about how to achieve fairness in taxes for our residents.

County boundary lines can be adjusted. The process to move a county boundary line is described in the attached memo from Town Attorney, Maggie Mooney-Portale. Boundaries have been moved several times in the past and require an act of the Florida Legislature.



PERSSON & COHEN, P.A.
ATTORNEYS AND COUNSELORS AT LAW

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Reply to: Lakewood Ranch

MEMORANDUM

TO: Mayor Gans and Town Commission

FROM: Maggie Mooney-Portale, Esq., Town Attorney
Kelly Fernandez, Assistant Town Attorney

DATE: December 29, 2016

RE: Legal Requirements for Modification of County Boundary

County boundaries may be modified through the passage and adoption of a general law that modifies the geographical description of the county's jurisdictional limits. Such legislation must be passed by the Florida Legislature and then approved by the Florida Governor.

The specific laws governing county boundaries are provided for in the Florida Constitution and Florida Statutes. Specifically, Article VIII, Section 1(a) of the Florida Constitution provides:

The state shall be divided by law into political subdivisions called counties. Counties may be created, abolished or changed by law, with provision for payment or apportionment of the public debt.

Lakewood Ranch
6853 Energy Court
Lakewood Ranch, Florida 34240

St. Petersburg
111 Second Avenue NE, Suite 536
St. Petersburg, Florida 33701

Venice
217 Nassau Street S.
Venice, Florida 34285

Chapter 7 of the Florida Statutes further sets forth the boundary descriptions for each of Florida's 67 counties. Section 7.41 of the Florida Statutes contains the boundary description for Manatee County, and Section 7.56 contains the boundary description for Sarasota County. Copies of the applicable Constitutional provisions and Florida Statutes are attached. Because all counties are specifically described geographically within Chapter 7 of the Florida Statutes, a general act passed by the Florida Legislature and approved by the Florida Governor is required to change any existing county boundary within such statutes. In addition to the geographical boundary description, the general act must also include provisions for the payment of any indebtedness of the affected area, which primarily would be outstanding bonds of the county being exited. This could implicate debt issued by the exited county, the existed school district, and any other applicable taxing authority. There does not appear to be any other mandatory legal requirement under the Florida Constitution or within the Florida Statutes to effectuate a county boundary change. See, *The Local Government Formation Manual 2012-2013* by the Florida House of Representatives Local & Federal Affairs Committee.

In summary, for the Town of Longboat Key to become a part of one county, the Florida Legislature would have to pass, and the Governor approve, a general law amending both Manatee and Sarasota County's boundary descriptions in Chapter 7, Florida Statutes, as well as address at a minimum, the payment of any debt within the county being exited.

Should the Town Commission desire any further information regarding this matter, please do not hesitate to contact our office.

TOWN OF LONGBOAT KEY



CHALLENGES OF BEING IN TWO COUNTIES

Tom Harmer
Town Manager



Two Counties

History

- Creation of Sarasota County in 1921
- Incorporation of the Town in 1955
- Evolution of Town Services

Challenges

- Practical
- Public Safety

Financial Differences



Financial Analysis



ONE COUNTY ANALYSIS

FY 2018 AD VALOREM

Manatee County Portion of Longboat Key

Sarasota County Portion of Longboat Key

IF IN Sarasota County			CURRENT		CURRENT			IF IN Manatee County	
	<u>MILL RATE</u>	<u>REVENUE</u>	<u>MILL RATE</u>	<u>REVENUE</u>	<u>MILL RATE</u>	<u>REVENUE</u>	<u>MILL RATE</u>	<u>REVENUE</u>	
County Government	3.2128	\$5,450,143	6.4303	\$10,908,259	County Government	3.2128	\$13,017,628	6.4303	\$26,054,300
Mosquito district	0.0467	79,221	0.1279	216,968	Mosquito district	0.0467	189,219	0.1279	518,225
County Debt Service	0.1317	223,414	0.0023	3,953	County Debt Service	0.1317	533,622	0.0023	9,441
Subtotal County	3.3912	\$5,752,778	6.5605	\$11,129,180	Subtotal County	3.3912	\$13,740,469	6.5605	\$26,581,966
Schools	7.2090	\$12,766,897	6.6080	\$11,702,546	Schools	7.2090	\$29,861,569	6.6080	\$27,372,069
Hospital	1.0420	1,767,632	0.0000	0	Hospital	1.0420	4,221,977	0.0000	0
Subtotal Other	8.2510	14,534,529	6.6080	11,702,546	Subtotal Other	8.2510	34,083,546	6.6080	27,372,069
Grand Total	<u>11.6422</u>	<u>\$20,287,307</u>	<u>13.1685</u>	<u>\$22,831,726</u>	Grand Total	<u>11.6422</u>	<u>\$47,824,015</u>	<u>13.1685</u>	<u>\$53,954,035</u>

Difference: **Decrease** of \$2,544,419 for Manatee County portion of LBK

Difference: **Increase** of \$6,130,020 for Sarasota County portion of LBK



ONE COUNTY ANALYSIS

FY 2018 AD VALOREM

TAX YEAR 2017				
7001 Gulf of Mexico Dr, 24				
Taxable Value = \$500,720				
	CURRENT		IF IN Sarasota County	
	MILL RATE	TAX BILL	MILL RATE	TAX BILL
County Government	6.4303	\$3,219.78	3.2128	\$1,608.71
Mosquito district	0.1279	\$64.04	0.0467	\$23.38
County Debt Service	0.0023	\$1.17	0.1317	\$65.94
Subtotal County	6.5605	\$3,284.99	3.3912	\$1,698.03
Schools	6.6080	\$3,308.76	7.2090	\$3,609.69
Hospital	0.0000	\$0.00	1.0420	\$521.75
WCIND	0.0394	\$19.73	0.0394	\$19.73
Water Management	0.3131	\$156.78	0.3131	\$156.78
Subtotal Other	6.9605	\$3,485.27	8.6035	\$4,307.95
Longboat Key Operating	2.1144	\$1,058.72	2.1144	\$1,058.72
Longboat Key Debt	0.0514	\$25.74	0.0514	\$25.74
Longboat Key District A	0.7272	\$364.12	0.7272	\$364.12
Subtotal Longboat Key	2.8930	\$1,448.58	2.8930	\$1,448.58
Grand Total	16.4140	\$8,218.84	14.8877	\$7,454.56
			Difference	(\$764.28)

TAX YEAR 2017				
2721 Gulf of Mexico Dr 001				
Taxable Value = \$500,700				
	CURRENT		IF IN Manatee County	
	MILL RATE	TAX BILL	MILL RATE	TAX BILL
County Government	3.2128	\$1,608.65	6.4303	\$3,219.65
Mosquito district	0.0467	\$23.38	0.1279	\$64.04
County Debt Service	0.1317	\$65.94	0.0023	\$1.17
Subtotal County	3.3912	\$1,697.97	6.5605	\$3,284.86
Schools	7.2090	\$3,609.55	6.6080	\$3,308.63
Hospital	1.0420	\$521.73	-	\$0.00
WCIND	0.0394	\$19.73	0.0394	\$19.73
Water Management	0.3131	\$156.77	0.3131	\$156.77
Subtotal Other	8.6035	\$4,307.78	6.9605	\$3,485.13
Longboat Key Operating	2.1144	\$1,058.68	2.1144	\$1,058.68
Longboat Key Debt	0.0514	\$25.74	0.0514	\$25.74
Longboat Key District A	0.7272	\$364.11	0.7272	\$364.11
Subtotal Longboat Key	2.8930	\$1,448.53	2.8930	\$1,448.53
Grand Total	14.8877	\$7,454.28	16.4140	\$8,218.52
			Difference	\$764.24

TOWN OF LONGBOAT KEY



ONE COUNTY ANALYSIS

FY 2018 AD VALOREM

TAX YEAR 2017				
5005 Gulf of Mexico Dr, 1 - Manatee County		Taxable Value = \$1,000,000		
CURRENT		IF IN Sarasota County		
	MILL RATE	TAX BILL	MILL RATE	TAX BILL
County Government	6.4303	\$6,430.30	3.2128	\$3,212.80
Mosquito district	0.1279	\$127.90	0.0467	\$46.70
County Debt Service	0.0023	\$2.33	0.1317	\$131.70
Subtotal County	6.5605	\$6,560.53	3.3912	\$3,391.20
Schools	6.6080	\$6,608.00	7.2090	\$7,209.00
Hospital	0.0000	\$0.00	1.0420	\$1,042.00
WCIND	0.0394	\$39.40	0.0394	\$39.40
Water Management	0.3131	\$313.10	0.3131	\$313.10
Subtotal Other	6.9605	\$6,960.50	8.6035	\$8,603.50
Longboat Key Operating	2.1144	\$2,114.40	2.1144	\$2,114.40
Longboat Key Debt	0.0514	\$51.40	0.0514	\$51.40
Longboat Key District A	0.7272	\$727.20	0.7272	\$727.20
Subtotal Longboat Key	2.8930	\$2,893.00	2.8930	\$2,893.00
Grand Total	16.4140	\$16,414.03	14.8877	\$14,887.70
			Difference	(\$1,526.33)

TAX YEAR 2017				
210 Sands Point Rd 001		Taxable Value = \$1,000,000		
CURRENT		IF IN Manatee County		
	MILL RATE	TAX BILL	MILL RATE	TAX BILL
County Government	3.2128	\$3,212.80	6.4303	\$6,430.30
Mosquito district	0.0467	\$46.70	0.1279	\$127.90
County Debt Service	0.1317	\$131.70	0.0023	\$2.33
Subtotal County	3.3912	\$3,391.20	6.5605	\$6,560.53
Schools	7.2090	\$7,209.00	6.6080	\$6,608.00
Hospital	1.0420	\$1,042.00	-	\$0.00
WCIND	0.0394	\$39.40	0.0394	\$39.40
Water Management	0.3131	\$313.10	0.3131	\$313.10
Subtotal Other	8.6035	\$8,603.50	6.9605	\$6,960.50
Longboat Key Operating	2.1144	\$2,114.40	2.1144	\$2,114.40
Longboat Key Debt	0.0514	\$51.40	0.0514	\$51.40
Longboat Key District A	0.7272	\$727.20	0.7272	\$727.20
Subtotal Longboat Key	2.8930	\$2,893.00	2.8930	\$2,893.00
Grand Total	14.8877	\$14,887.70	16.4140	\$16,414.03
			Difference	\$1,526.33



End of Agenda Item