

A RESOLUTION OF MANATEE COUNTY, FLORIDA, AUTHORIZING THE IMPOSITION AND PAYMENT OF CERTAIN PAYMENTS IN LIEU OF TAXES UPON CERTAIN PROPERTY UTILIZED BY THE COUNTY'S UTILITY SYSTEM; PROVIDING FOR THE AMOUNT, SOURCE AND PRIORITY OF SUCH PAYMENT; AUTHORIZING THE PROPER OFFICERS OF THE COUNTY TO DO ALL OTHER THINGS DEEMED NECESSARY OR ADVISABLE IN CONNECTION WITH THE IMPOSITION AND COLLECTION OF SUCH PAYMENTS IN LIEU OF TAXES; AND PROVIDING FOR SEVERABILITY AND FOR AN EFFECTIVE DATE.

WHEREAS, the Constitution and applicable laws of the State of Florida authorize and empower Manatee County, Florida (the "County"), to adopt this Resolution; and

WHEREAS, the Board of County Commissioners of the County (the "Board") has acted pursuant to the Florida Constitution; Chapter 125, Florida Statutes, as amended and supplemented; Part VII of Chapter 159, Florida Statutes, as amended and supplemented; Chapter 63-1598, Laws of Florida, Acts of 1963, as amended and supplemented; Chapter 197, Florida Statutes, as amended and supplemented; Chapter 403, Florida Statutes, as amended and supplemented; Ordinance No. 85-11, enacted by the Board on April 23, 1985, Ordinance No. 91-25, No.91-26, and No. 91-27, each enacted by the Board on January 15, 1991, as such ordinances may be amended and supplemented from time to time; and other applicable provisions of law, (the "Act") to create a consolidated utility system (the "System"), which the County currently owns and operates; and

WHEREAS, the System, as a unit of the County, is exempt from all County taxation; and

WHEREAS, the System would be subject to County taxes if it were owned by a private enterprise; and

WHEREAS, the users of the System, both within and outside the County, benefit from the County ownership of the System; and

WHEREAS, the taxpayers of the County would pay higher taxes because the System is not privately owned in the absence of the impositions provided; and

WHEREAS, the proposed payments in lieu of taxes will not exceed the amount that would be paid if the County's applicable property tax rate was applied to the book value; and

WHEREAS, the Board has previously adopted R-91-021 authorizing the issuance of the first, second and third series of Manatee County Public Utilities Revenue Bonds in the initial aggregate principal amount of not exceeding \$200,000,000 for the purpose of refunding certain outstanding Manatee County, Florida, Water and Sewer Revenue Bonds

and making certain immediate additions, extensions, and improvements to the Manatee County Water and Sewer System prior to the creation of the Manatee County Public Utilities System; as amended and supplemented and as may be amended and supplemented in the future (collectively, the "Resolution"); and

WHEREAS, pursuant to the Resolution, the revenues, fees and charges derived from the operation of the System shall first be used to pay Operating Expenses, including payments in lieu of taxes, before the payment of principal, redemption premium, if any, and interest on the County's outstanding Public Utilities revenue bonds (the "Bonds"); and

WHEREAS, the Board of County Commissioners has previously adopted Resolution R-89-178 which authorizes payments in lieu of taxes from the Utilities System to the County's General Fund;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MANATEE COUNTY, FLORIDA, as follow:

SECTION 1. Authority of this Resolution. This Resolution is enacted pursuant to the "Act" and Resolution R-89-178

SECTION 2. Imposition and Payments in Lieu of Taxes. There is hereby imposed upon the System the obligation to pay to the County certain amounts in lieu of ad valorem taxes (the "Impositions"). The Impositions shall be payable in full, to the General Fund of Manatee County, for 2017-18 fiscal year, in the amount of \$3,290,167 for the Water and Wastewater facilities and \$50,000 for the Solid Waste facilities on the effective date of this Resolution.

SECTION 3. Funds from Which Impositions Payable. The impositions shall be payable by the System from monies available in the Revenue Funds, (as described in Part II, Section 4(D) of the Resolution), and subject to the limitations contained therein.

SECTION 4. Additional Authorization. The Chairman and Clerk of the Board and any other proper officials of the County, and each of them, is hereby authorized and directed to do and cause to be done all acts and things necessary or proper for carrying out the intent of this Resolution.

Such additional authorization shall include the initiation of rate studies from time to time and the adoption of rate resolutions on a timely basis to ensure that all obligations of the County under the Resolution, together with the payment of the Impositions, are satisfied.

SECTION 5. Review of Appraisals. A certified copy of this resolution shall be furnished to the Property Appraiser for Manatee County who is hereby requested to advise the Board in the event the impositions authorized by this resolution should appear to be in excess of the maximum that would be due and owing if the system was operated by a for-profit private enterprise.

SECTION 6. Severability. In the event any word, phrase, clause, sentence or paragraph hereof shall be held invalid by any court of competent jurisdiction, such holding(s) shall not affect the validity of any other work, clause, phrase, sentence or paragraph hereof.

SECTION 7. This resolution shall take effect immediately upon adoption and shall remain in effect to authorize annual payments for future fiscal years, subject to appropriation of funds in the adopted or amended budget, in the amount referenced herein until this resolution is rescinded or replaced.

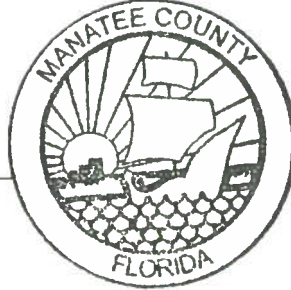
ADOPTED IN OPEN SESSION WITH A QUORUM PRESENT AND VOTING THIS 24th DAY OF JULY, 2018.

BOARD OF COUNTY COMMISSIONERS
MANATEE COUNTY, FLORIDA

BY: *Pisalle Iner*

ATTEST: Angelina M. Colonnese
Clerk of Circuit Court

BY: *Robin Roth, Jr*



Manatee County Government Administrative Center
Commission Chambers, First Floor
9:00 a.m. - July 24, 2018

July 24, 2018 - Regular Meeting
Agenda Item #23

Approved in Open Session 7/24/18,
Manatee County
Board of County Commissioners

Subject

Approval of Payment in Lieu of Taxes - Resolution R-18-112

Briefings

None

Contact and/or Presenter Information

Sheila Ballesteros, Interim Budget Division Manager, Financial Management, ext. 3760

Action Requested

Motion to adopt Resolution R-18-112 confirming authorization of the imposition and payment of the FY2017-2018 payments in lieu of taxes upon certain property owned by the County's Utilities System, as previously approved and included in the Adopted FY2017-2018 budget.

Enabling/Regulating Authority

R-89-178 and subsequent resolutions authorizing payments in lieu of taxes from the Utilities System to the General Fund.

Background Discussion

- In 1989, the Board of County Commissioners initially authorized payments in lieu of taxes (PILOT) from the Utility System to the County's General Fund in order to reduce property taxes countywide.
- Each year, the Board of County Commissioners adopts the resolution confirming the payments to be made for that year.
- For FY2017-2018, the amount of payments in lieu of taxes to the General Fund from the Utilities System (Water and Sewer Operating fund and Solid Waste fund) will be \$3,340,167, as provided.

County Attorney Review

Not Reviewed (Utilizes exact document or procedure approved within the last 18 months)

Explanation of Other

Reviewing Attorney

N/A

Instructions to Board Records

Certified Copies of R-18-112 to FMD, Clerk's finance, Tax Collector, and Property Appraiser.

Also copies to: D. Bassett, L. Stephens; 7/24/18, RT

COST AND FUNDS SOURCE ACCOUNT NUMBER AND NAME

Water & Sewer Admin 401-0008200-552015; Solid Waste Operations 480-0010900-552015; General Fund 001-0000000-339000

Manatee County Government Administrative Center
Commission Chambers, First Floor
9:00 a.m. - July 24, 2018

Amount and Frequency of Recurring Costs

Water and Sewer \$3,290,167; Solid Waste \$50,000; General Fund TTL \$3,340,167

Attachment: [R-18-112 Payment in Lieu of Taxes FY18.pdf](#)

Attachment: [Support for R-18-112 PILOT.pdf](#)

Test as per provision in Resolution: " The Proposed Amounts will not exceed the amount that would be paid if the County's applicable property tax rate was applied to the Book Value.

Book Value x x Total Millage (Countywide plus Unincorporated Millage)
645,731,098 x 7.0412/1000 = 4,546,721.81

Current PILOT = \$3,209,167+ \$50,000 = \$3,340,167

	4,546,722	County's Applicable Property Tax (CAPT)
	3,340,167	Current Approved PILOT Amount
Difference	1,206,555	Current PILOT Less is than CAPT

Meets the Provision of " PILOT will NOT Exceed the Amount that would be paid if the County's applicable Property Tax Rate was applied to the Book Value of Utilities System.

SORT ORDER: Object then Fund; Period Reported: 10/01/17-09/30/18 ;Totals Only

SELECT Fund: 401,480 ; Object: 16@ ; Object Type: AS

=====	Prior	Debit	Credit	Period Bal.	YTD Balance
=====	=====	=====	=====	=====	=====
Total Fund 401 Water and Sewer Operating	-1,260,119.72	0.00*	0.00*	0.00	-1,260,119.72
Total Fund 480 Solid Waste	-7,585,753.42	0.00*	0.00*	0.00	-7,585,753.42
Total Object 167902 Accumulated Deprec-Auto/Trucks	-8,845,873.14	0.00*	0.00*	0.00	-8,845,873.14
** GRAND TOTAL **	645,731,097.98	0.00	0.00	0.00	645,731,097.98
	Ending Fund Balance **				0.00

645,731,097.98

*Book
 Use*

645,731,098. x
 7,0412 ÷
 1,000. =
 4,546,721.80723 *

SORT ORDER: Object then Fund; Period Reported: 10/01/17-09/30/18 ;Totals Only

SELECT Fund: 401,480 ; Object: 16@ ; Object Type: AS

	Prior	Debit	Credit	Period Bal.	YTD Balance
=====	=====	=====	=====	=====	=====
Total Fund 401 Water and Sewer Operating	19,671,349.81	0.00*	0.00*	0.00	19,671,349.81
Total Fund 480 Solid Waste	4,992,349.00	0.00*	0.00*	0.00	4,992,349.00
Total Object 161900 Land	24,663,698.81	0.00*	0.00*	0.00	24,663,698.81
Total Fund 401 Water and Sewer Operating	28,092,845.42	0.00*	0.00*	0.00	28,092,845.42
Total Fund 480 Solid Waste	9,680,765.83	0.00*	0.00*	0.00	9,680,765.83
Total Object 162900 Buildings	37,773,611.25	0.00*	0.00*	0.00	37,773,611.25
Total Fund 401 Water and Sewer Operating	-8,566,621.95	0.00*	0.00*	0.00	-8,566,621.95
Total Fund 480 Solid Waste	-1,720,581.69	0.00*	0.00*	0.00	-1,720,581.69
Total Object 163900 Accumulated Deprec-Buildings	-10,287,203.64	0.00*	0.00*	0.00	-10,287,203.64
Total Fund 401 Water and Sewer Operating	10,859,728.95	0.00*	0.00*	0.00	10,859,728.95
Total Fund 480 Solid Waste	33,834,783.80	0.00*	0.00*	0.00	33,834,783.80
Total Object 164900 Improvements Other Than Bldgs	44,694,512.75	0.00*	0.00*	0.00	44,694,512.75
Total Fund 401 Water and Sewer Operating	95,734,666.78	0.00*	0.00*	0.00	95,734,666.78
Total Object 164906 Water System Components	95,734,666.78	0.00*	0.00*	0.00	95,734,666.78
Total Fund 401 Water and Sewer Operating	369,589,090.43	0.00*	0.00*	0.00	369,589,090.43
Total Object 164907 Sewer System Components	369,589,090.43	0.00*	0.00*	0.00	369,589,090.43
Total Fund 401 Water and Sewer Operating	549,707,980.58	0.00*	0.00*	0.00	549,707,980.58
Total Object 164908 Other System Components	549,707,980.58	0.00*	0.00*	0.00	549,707,980.58
Total Fund 401 Water and Sewer Operating	-451149845.17	0.00*	0.00*	0.00	-451149845.17
Total Fund 480 Solid Waste	-20,758,740.84	0.00*	0.00*	0.00	-20,758,740.84
Total Object 165900 Accumulated Deprc-Improvements	-471908586.01	0.00*	0.00*	0.00	-471908586.01
Total Fund 401 Water and Sewer Operating	18,850,604.67	0.00*	0.00*	0.00	18,850,604.67
Total Fund 480 Solid Waste	4,299,052.29	0.00*	0.00*	0.00	4,299,052.29
Total Object 166900 Equipment	23,149,656.96	0.00*	0.00*	0.00	23,149,656.96
Total Fund 401 Water and Sewer Operating	1,260,119.72	0.00*	0.00*	0.00	1,260,119.72
Total Fund 480 Solid Waste	8,940,720.81	0.00*	0.00*	0.00	8,940,720.81
Total Object 166902 Autos and Trucks	10,200,840.53	0.00*	0.00*	0.00	10,200,840.53
Total Fund 401 Water and Sewer Operating	-15,989,916.59	0.00*	0.00*	0.00	-15,989,916.59
Total Fund 480 Solid Waste	-2,751,380.73	0.00*	0.00*	0.00	-2,751,380.73
Total Object 167900 Accumulated Deprec-equipment	-18,741,297.32	0.00*	0.00*	0.00	-18,741,297.32

Where Does Your Tax Dollar Go?

One (1) mill equals \$1.00 of tax for each \$1,000 of taxable value. Of that \$1.00, \$0.45 goes towards Manatee County Operations and \$0.02 goes towards Voted Debt Service and Children's Services. The remaining \$0.53 goes to other agencies and the School Board.



*This represents millages that are levied countywide. This does not include millages that are levied by cities, fire districts, or for the unincorporated MSTU (municipal services taxing unit). Also assessments for fire protection, street lighting, water, sewer, and road improvements are not included with this information.

Tax Bill

Millage

The millage is the amount of tax levied for each \$1,000 of taxable value.

Manatee County's residents pay taxes based on the millage rates levied by each entity. The millage rates assessed by Manatee County are reflected below.

For this example, a single family home valued at \$150,000 (after exemptions), who live in a municipality would pay \$964.89 to Manatee County and additional taxes to the municipality.

For those who live in the unincorporated area they would pay an additional \$91.64 for a total of \$1,056.53.

Those who live within the Palm-Aire MSTU area would pay an additional \$38.19 or \$1,094.72 total to Manatee County.

	Millage
Countywide Operating	6.4303
Voted Debt Service	0.0023
Municipality Subtotal	6.4326
Unincorporated MSTU	0.6109
Unincorporated Subtotal	7.0435
Palm-Aire MSTU	0.2546
Palm-Aire MSTU Subtotal	7.2981

	Taxes
Countywide Operating	\$ 964.55
Voted Debt Service	\$ 0.35
Municipality Subtotal	\$ 964.90
Unincorporated MSTU	\$ 91.64
Unincorporated Subtotal	\$ 1,056.54
Palm-Aire MSTU	\$ 38.19
Palm-Aire MSTU Subtotal	\$ 1,094.73

6.4303 +
0.6109 +
7.0412 *

Other Millages

Other millages are levied by the county to repay general obligation debt approved by the voters, and a separate millage is levied for properties in the unincorporated area of the county. City residents would not pay this UMSTU (unincorporated municipal services taxing unit) levy, but would instead pay a levy from their municipality. The history of these rates from Tax Year 2006 is presented on Table 1.1. Separate millage rates are also issued by the school board and various other taxing authorities in the county. These millages are not reflected in the table, but a complete list of current millage rates is available at www.taxcollector.com.

Fiscal Year	Tax Year	Countywide Operating	MSTU Unincorp	Voted Debt	Total	Palm-Aire MSTU
2007	2006	7.4021	0.7274	0.1042	8.2337	0.2900
2008	2007	6.2993	0.6109	0.0876	6.9978	0.2546
2009	2008	6.2993	0.6109	0.0956	7.0058	0.2546
2010	2009	6.2993	0.6109	0.1090	7.0192	0.2546
2011	2010	6.2993	0.6109	0.1254	7.0356	0.2546
2012	2011	6.2993	0.6109	0.1303	7.0405	0.2546
2013	2012	6.2993	0.6109	0.1303	7.0405	0.2546
2014	2013	6.2993	0.6109	0.1333	7.0435	0.2546
2015	2014	6.3126	0.6109	0.1200	7.0435	0.2546
2016	2015	6.4046	0.6109	0.0280	7.0435	0.2546
2017	2016	6.4206	0.6109	0.0120	7.0435	0.2546
2018	2017	6.4303	0.6109	0.0023	7.0435	0.2546

Table 1.1 – History of Millage Rates

Value of One Mill

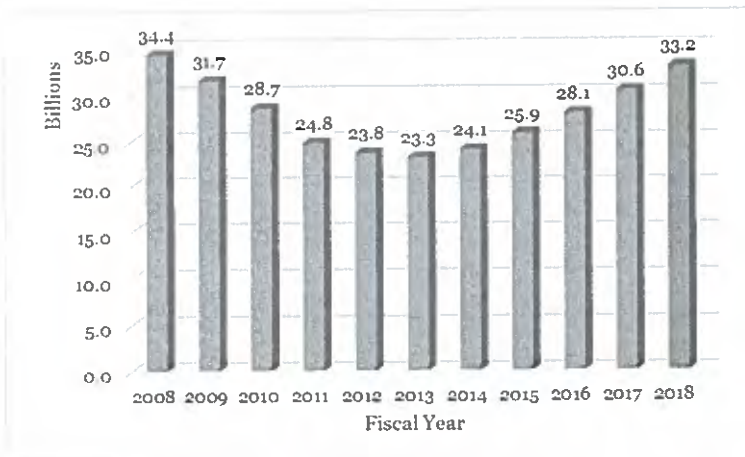


Chart 1.3 - Value of One Mill (in millions)

Value of one mill is equal to \$1 of taxes for every \$1,000 of taxable property value (after any eligible exemptions). The increase in property value as a result of the housing boom and inflated property values from 2002 to 2007 provided an expanding tax base and increased tax revenues. During this time, Manatee County maintained or decreased the millage rate and still captured sufficient revenues to meet rising costs, pay cash for some capital projects and build up cash reserves.

Millage Summary



The millage summary in Table 1.2 shows no net change in the total millage rates from the previous fiscal year. The small decrease in the voted debt service millage has been applied to the countywide operating millage resulting in no effective change to the taxpayer's millage rate. A millage levy imposed on residents of the Palm Aire subdivision also remains the same at 0.2546 mills. This levy provides for enhanced maintenance of rights of way in this area of the county. The voted debt service millage is imposed countywide and is used to pay the principal and interest costs on a general obligation bond issue that was approved by the voters for the purchase of property to protect the county's watershed area.

	FY17 Adopted	FY18 Adopted	Difference
Countywide Operating	6.4206	6.4303	0.0097
Voted Debt Service	0.0120	0.0023	-0.0097
Unincorporated MSTU	0.6109	0.6109	0.0000
Subtotal	7.0435	7.0435	0.0000
Palm-Aire MSTU	0.2546	0.2546	0.0000

Table 1.2 – Millage Summary

**MANATEE COUNTY GOVERNMENT Bi-Ennial Budget
 Department Budget Estimate Adopted Revenues**

IncludeKeys:0010000000 IncludeObjs:339000

Fund: 001

Key: 0010000000 General Fund...N/A...General Fund

	Actual 2015	Actual 2016	Adopted 2017	Amended 2017	YTDActual 2017	Adopted 2018	Difference 2018-2017	Adopted 2019	Difference 2019-2018
339000 Payment in lieu of t:	3,340,167	3,340,167	3,340,167	3,340,167	3,340,167	3,340,167	0	3,340,167	0
Key Total:	3,340,167	3,340,167	3,340,167	3,340,167	3,340,167	3,340,167	0	3,340,167	0
Fund Total:	3,340,167	3,340,167	3,340,167	3,340,167	3,340,167	3,340,167	0	3,340,167	0
Report Total:	3,340,167	3,340,167	3,340,167	3,340,167	3,340,167	3,340,167	0	3,340,167	0

**MANATEE COUNTY GOVERNMENT Bi-Ennial Budget
Department Budget Estimate Adopted Expenditures**

IncludeKeys:4010008200,4800010900 IncludeObjs:552015

Fund: 401

Key: 4010008200 Water and Sewer Operating...Utilities Department...Water/Sewer-Administration

Major Object: 530000	Actual 2015	Actual 2016	Adopted 2017	Amended 2017	YTDActual 2017	Adopted 2018	Difference 2018-2017	Adopted 2019	Difference 2019-2018
552015 Pmt In Lieu of Taxes	3,290,167	3,290,167	3,290,167	3,290,167	3,290,167	3,290,167	0	3,290,167	0
Major Object Total:	3,290,167	3,290,167	3,290,167	3,290,167	3,290,167	3,290,167	0	3,290,167	0
Key Total:	3,290,167	3,290,167	3,290,167	3,290,167	3,290,167	3,290,167	0	3,290,167	0
Fund Total:	3,290,167	3,290,167	3,290,167	3,290,167	3,290,167	3,290,167	0	3,290,167	0

Fund: 480

Key: 4800010900 Solid Waste...Utilities Department...Landfill Operations

Major Object: 530000	Actual 2015	Actual 2016	Adopted 2017	Amended 2017	YTDActual 2017	Adopted 2018	Difference 2018-2017	Adopted 2019	Difference 2019-2018
552015 Pmt In Lieu of Taxes	50,000	50,000	50,000	50,000	50,000	50,000	0	50,000	0
Major Object Total:	50,000	50,000	50,000	50,000	50,000	50,000	0	50,000	0
Key Total:	50,000	50,000	50,000	50,000	50,000	50,000	0	50,000	0
Fund Total:	50,000	50,000	50,000	50,000	50,000	50,000	0	50,000	0
Report Total:	3,340,167	3,340,167	3,340,167	3,340,167	3,340,167	3,340,167	0	3,340,167	0

Manatee County, BCC

Operating Detailed Revenue Report

For Year to Date Ending 09/30/2018

001 General Fund Account Key	Object	Original Budget	Final Est Revenues	Current Year Revenues	Unencumbered
Intergovernmental					
001000000	339000 Pay in-lieu tax	3,340,167.00	3,340,167.00	0.00	3,340,167.00
	Total Intergovernmental	<u>3,340,167.00</u>	<u>3,340,167.00</u>	<u>0.00</u>	<u>3,340,167.00</u>
	General Fund total	<u>3,340,167.00</u>	<u>3,340,167.00</u>	<u>0.00</u>	<u>3,340,167.00</u>
	Report Total:	<u>3,340,167.00</u>	<u>3,340,167.00</u>	<u>0.00</u>	<u>3,340,167.00</u>

3,290,167.00 +
 50,000.00 =
3,340,167.00

Manatee County, BCC
Operating Detailed Expenditure Report
 For Year to Date Ending 09/30/2018

401 Water and Sewer Operating						
Account Key	Object	Original Budget	Final Appropriations	Encumbrance	Current Year Expenditure	Unencumbered
4010008200	Water/Sewer-Administration	A				
	552015 Pmt In Lieu of Taxes	3,290,167.00	3,290,167.00	0.00	0.00	3,290,167.00
	Operating expenses	3,290,167.00	3,290,167.00	0.00	0.00	3,290,167.00
	Total for W/S-Administrat	3,290,167.00	3,290,167.00	0.00	0.00	3,290,167.00
	Water and Sewer Operating total	3,290,167.00	3,290,167.00	0.00	0.00	3,290,167.00

Manatee County, BCC
Operating Detailed Expenditure Report
 For Year to Date Ending 09/30/2018

480 Solid Waste Account Key Object	Original Budget	Final Appropriations	Encumbrance	Current Year Expenditure	Unencumbered
4800010900 Landfill Operations	A				
552015 Pmt In Lieu of Taxes	50,000.00	50,000.00	0.00	0.00	50,000.00
Operating expenses	50,000.00	50,000.00	0.00	0.00	50,000.00
Total for Landfill Oper	50,000.00	50,000.00	0.00	0.00	50,000.00
Solid Waste total	50,000.00	50,000.00	0.00	0.00	50,000.00
Report Total:	3,340,167.00	3,340,167.00	0.00	0.00	3,340,167.00