



TOWN OF LONGBOAT KEY

# **Citizen Tax Oversight Committee and Infrastructure Surtax**

March 12, 2021



TOWN OF LONGBOAT KEY

# Infrastructure Surtax



# Overview

- The infrastructure surtax is a one-cent sales tax that funds many capital improvement projects.
- Expenditures shall comply with Florida Statutes Section 212.055 (2)
- It's imposed by most Florida counties, is also called local option county sales tax
- The rates varies in each county
  - Sarasota County 1%
  - Manatee County .5% ( Effective Jan 1, 2017)
- Proceeds are distributed based on population



# Background

- Sarasota County established the 1% Tax by Referendum
  - Ordinance 89-040 – Term of 10 years (Fiscal Year 1989-1998)
  - Ordinance 97-083 – Renewal - Term of 10 years (Fiscal Year 1999-2009)
  - Ordinance 2007-087 – Renewal - Term of 15 years (Fiscal Year 2010-2024)
- Manatee County established .5% Tax by Referendum
  - Ordinance 16-35 – Term of 15 years (Jan 1, 2017-Dec 31, 2031)
- Sarasota County provided an estimate of revenues for all municipalities in a 15 year budget



# Citizens Tax Oversight Committee

- Formed in 1998 (Resolution 98-04) in Accordance with Sarasota County Ordinance 97-083 and 2007-087
- Committee shall act solely in an oversight capacity to conduct:
  - Annual Review of expenditures from sales tax proceeds to ensure they are in accordance with the project list and any changes thereto;
  - Review any changes made by the Town to the project list or to the allocation of the sales tax proceeds, to ensure all procedural requirements have been followed;
  - Report the Committee's findings to the Town Commission



# Infrastructure Surtax Phase III

- Phase III Revenue collections began September, 2009 and end December 31, 2024 and are estimated at \$9,562,737.
- The Town sets aside all revenue in a special revenue fund.
- An Expenditure Budget was put in place for certain functional areas:
  - Comprehensive Beach Management
  - Streets and Drainage
  - Parks and Recreation Improvements
  - Canal Dredging
  - Public Safety
  - Improvements to Public Facilities



# Permitted Uses of Funds

- To acquire land for public recreation, land conservation or for the protection of natural resources
- To finance, plan and construct capital assets and infrastructure.
- To finance the closure of government owned solid waste landfills

Infrastructure are costs associated with the construction, reconstruction or improvement of public facilities having a life expectancy of five or more years and any related land acquisition, land improvement, design and engineering costs.



# Infrastructure Surtax III Categories

<u>Project Categories</u>	PHASE III	AMOUNT EXPENDED OR COMMITTED THROUGH FY21	AMOUNT REMAINING
Beach Nourishment	\$1,015,569	\$300,000	\$715,569
Streets & Drainage	0	0	0
Park& Recreation Improvements	2,922,000	1,772,494	1,149,506
Canal Dredging	900,000	900,000	0
Public Safety	3,803,168	3,287,968	515,200
Public Facility Improvements	922,000	854,601	67,399
	\$9,562,737	\$7,115,063	\$2,447,674





# FY21 Uses of Funds

## PUBLIC SAFETY

- **Crime Scene / Evidence Van** Budget Amount \$30,000  
Scheduled replacement of Crime Scene Van.
- **Fire/Rescue Gear Extractor** Budget Amount \$35,000  
Equipment to clean the fire gear after a fire or Haz-mat incident which removes the toxins in the fire gear.
- **Defibrillators** Budget Amount \$10,000  
Scheduled replacement and upgrade of heart monitors and defibrillators used on the ALS units.
- **Police Boat Motors** Budget Amount \$20,000  
Scheduled replacement of boat motors on the 24' Marine Patrol Boat, replaced every two years.



# FY21 Uses of Funds (Continued)

## PARKS AND RECREATION

- **Tennis Court Resurfacing** Budget Amount \$12,000  
Periodic resurfacing schedule for tennis courts.
- **Tennis Court Watering System** Budget Amount \$178,831  
Replacement of court underground watering system originally installed in 1998.
- **Tennis Center Monument Sign/Landscape** Budget Amount \$15,000  
Expansion of pickleball courts at Bayfront Park

## PUBLIC FACILITIES

- **HVAC Upgrades/Replacement** Budget Amount \$25,000  
Ongoing replacement/upgrade of facilities HVAC Systems as necessary



# History of Audited Expenditures FY2016-FY2020

	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual
Fiscal Year 2016-2020	FY2015-2016	FY2016-2017	FY2017-2018	FY2018-2019	FY2019-2020
<b>Revenue:</b>					
Infrastructure Surtax	\$ 638,229	\$ 653,046	\$ 685,829	\$ 725,744	\$ 707,970
Proceeds from Sale of Fixed Assets	0	0	0	0	26,350
Net Investment Income	4,146	5,360	4,395	22,554	9,826
<b>Total Revenues</b>	<b>\$ 642,375</b>	<b>\$ 658,406</b>	<b>\$ 690,224</b>	<b>\$ 748,298</b>	<b>\$ 744,146</b>
<b>Expenditures:</b>					
Canals- Transfer to Canal Fund	200,000		700,000		
Parks/Rec- Fencing Tennis Courts		7,266	4,900		
Parks/Rec- Pickle Ball Courts				7,515	43,939
Parks/Rec- Tennis Court Resurfacing		29,734	15,529	137,023	25,817
Parks/Recs- Transfer to Bayfront Park	960,000	300,000			
Public Facilities - Police Space Renovation			44,012	2,624	
Public Facilities- Chamber Audio				34,000	
Public Facilities- Fire Fitness Equipment			26,427	8,203	
Public Facilities- HVAC		64,196	16,619	14,057	
Public Facilities- Roofing, Floor covering, etc.	7,700		83,986		53,539
Public Facilities- South Fire Assessments	2,530				
Public Facilities- Telephone System	4,337				
Public Safety- Defibrilators	76,653				
Public Safety- Ambulances		21,624	288,550		277,644
Public Safety- Fire Trucks					850,000
Public Safety- Fire CBA Cylinders		22,053	4,656	3,291	
Public Safety - Fire Radio Equipment					44,902
Public Safety- Police Radio Equipment				4,755	
Public Safety- Police Vehicles		99,983			\$ 44,000
<b>Total Expenditures</b>	<b>\$ 1,251,221</b>	<b>\$ 544,856</b>	<b>\$ 1,184,679</b>	<b>\$ 211,468</b>	<b>\$ 1,339,841</b>



# Future Phase IV

- **Sarasota County will ask the voters to approve Phase IV which would extend the surtax to 2039.**
- **We have begun preparing our project list to submit to the County in March 2022 as they prepare for a referendum.**
- **The Town Commission will be receiving an update from the Town Manager in April or May 2021.**
- **There will be a discussion with the Town Commission at the October 2021 Workshop Meeting.**



# Questions?