



TOWN OF LONGBOAT KEY

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

April 8, 2024 9AM



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 rate varies in each county
  - Sarasota County 1%
  - Manatee County .5% ( Effective Jan 1, 2017)
- Proceeds are distributed to municipalities 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 – 10 Year Renewal (Fiscal Year 1999-2009)
  - Ordinance 2007-087 – 15 Year Renewal (Fiscal Year 2010-2025)
  - Ordinance 2022-001 – 15 Year Renewal (Fiscal Year 2025-2039)
- Sarasota County Ordinances provide an estimate of revenues and proposed Project Lists for the County and all municipalities in a 15 year budget
- Longboat Key's Project List is shown as "Exhibit F" in Ordinance
- Any Amendments to "Exhibit F" are approved through Town Resolutions
- Manatee County established .5% Tax by Referendum
  - Ordinance 16-35 – Term of 15 years (Jan 1, 2017-Dec 31, 2031)



# Citizens Tax Oversight Committee

- Formed in 1998 (Resolution 98-04 and renewed Resolution 2010-13) in accordance with requirements of Sarasota County Ordinance
- Committee shall act solely in an oversight capacity to conduct:
  1. Annual Review of expenditures from sales tax proceeds to ensure they are in accordance with the project list and any changes thereto;
  2. 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;
  3. Report the Committee's findings to the Town Commission by May Regular Workshop

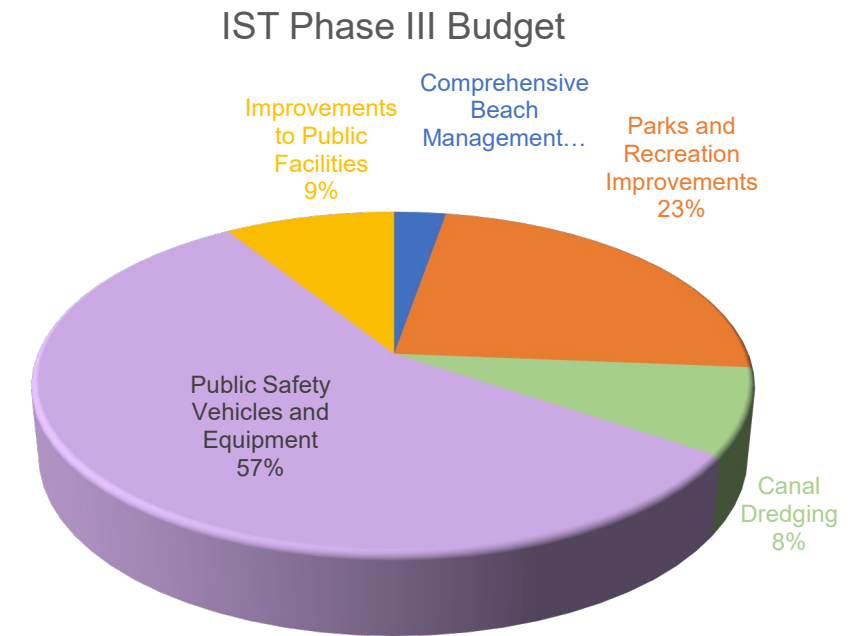


# Infrastructure Surtax III Categories and Current Budget (as Amended)

## *Functional categories*

Current 15 Year Budget for functional areas-Phase III:

1. Comprehensive Beach Management	\$ 300,000
2. Parks and Recreation Improvements	\$ 2,592,875
3. Canal Dredging	\$ 900,000
4. Public Safety Vehicles and Equipment	\$ 6,225,468
5. Improvements to Public Facilities	<u>\$ 989,442</u>
Total	\$ 11,007,785



***Phase III began September 2009 and ends December 31, 2024***

***Updated Projected Revenue is estimated at \$11 million by Dec 31, 2024 (Revised Exhibit F with Resolution 2023-24).***



TOWN OF LONGBOAT KEY

# Infrastructure Surtax Phase III History of Budget Amendments

EXHIBIT F HISTORY		ORIGINAL	FY2012		FY2014		FY2014		FY2016		FY2018		FY2021		FY2023	
CATEGORIES	PROJECT TITLE	SURTAX FUNDING	Recession Budgetary Adjustment RES RES 2012-13	SURTAX FUNDING	Reallocation between projects RES 2013-31	SURTAX FUNDING	Adjusted revenues investment income RES 2014-21	SURTAX FUNDING	Reallocation between projects RES2016-17	SURTAX FUNDING	Revised based on Growth in Sales tax RES 2018-20	SURTAX FUNDING	Revised Revenue and Reallocation between projects RES 2021-13	SURTAX FUNDING	Revised Revenue and Reallocation between projects RES 2023-24	SURTAX FUNDING
COMPREHENSIVE BEACH MANAGEMENT	Longboat Key Beach Nourishment Project 2014 and Erosion Control Structures	\$3,529,636	\$ (1,699,067)	\$1,830,569	\$ (100,000)	\$1,730,569		\$1,730,569	\$ (715,000)	\$1,015,569		\$1,015,569	\$ (715,569)	\$300,000		\$300,000
	Comprehensive Beach Management Total	\$3,529,636		\$1,830,569		\$1,730,569		\$1,730,569		\$1,015,569		\$1,015,569		\$300,000		\$300,000
STREETS and DRAINAGE	Street Resurfacing and Drainage Improvements	\$1,000,000	\$ (1,000,000)	\$0	\$ -	\$0		\$0		\$0		\$0		\$0		\$0
	Streets & Drainage Total	\$1,000,000		\$0		\$0		\$0		\$0		\$0		\$0		\$0
PARKS and RECREATION IMPROVEMENTS	Parks & Recreation Improvements	\$3,000,000	\$ -	\$3,000,000	\$ (78,000)	\$2,922,000		\$2,922,000		\$2,922,000		\$2,922,000	\$ (719,506)	\$2,202,494	\$ 390,381	\$2,592,875
	Parks & Recreation Total	\$3,000,000		\$3,000,000		\$2,922,000		\$2,922,000		\$2,922,000		\$2,922,000		\$2,202,494		\$2,592,875
CANAL DREDGING	Dredging maintenance	\$2,000,000	\$ (1,000,000)	\$1,000,000	\$ (100,000)	\$900,000		\$900,000		\$900,000		\$900,000		\$900,000		\$900,000
	Canal Dredging Total	\$2,000,000		\$1,000,000		\$900,000		\$900,000		\$900,000		\$900,000		\$900,000		\$900,000
PUBLIC SAFETY	Fire and Rescue Capital Vehicle Acquisitions	\$2,000,000	\$ (1,065,000)	\$935,000	\$ 356,000	\$1,291,000	\$ 297,168	\$1,588,168	\$ 715,000	\$2,303,168	\$ 1,500,000	\$3,803,168	\$ 1,563,605	\$5,366,773	\$ 858,695	\$6,225,468
	Public Safety Total	\$2,000,000		\$935,000		\$1,291,000		\$1,588,168		\$2,303,168		\$3,803,168		\$5,366,773		\$6,225,468
IMPROVEMENTS TO PUBLIC FACILITIES	Facilities Maintenance	\$1,000,000		\$1,000,000	\$ (78,000)	\$922,000		\$922,000		\$922,000		\$922,000	\$ 238,601	\$1,160,601	\$ (171,159)	\$989,442
	Public Facilities Improvements Total	\$1,000,000		\$1,000,000		\$922,000		\$922,000		\$922,000		\$922,000		\$1,160,601		\$989,442
	Town of Longboat Key Infrastructure Surtax Project Grand Total	\$12,529,636	\$ (4,764,067)	\$7,765,569	\$ -	\$7,765,569	\$ 297,168	\$8,062,737	\$ -	\$8,062,737	\$ 1,500,000	\$9,562,737	\$ 367,131	\$9,929,868	\$ 1,077,917	\$11,007,785
	Town of Longboat Key Infrastructure Surtax Revenue FY2010-FY2024	\$12,529,636		\$7,765,569		\$7,765,569		\$8,062,737		\$8,062,737		\$9,562,737		\$9,929,868		\$11,007,785





TOWN OF LONGBOAT KEY

# Infrastructure Surtax Fund Audited Expenditures Last Five Years (FY2019-FY2023)

	AUDITED ACTUAL FY 2018-2019	AUDITED ACTUAL FY 2019-2020	AUDITED ACTUAL FY 2020-2021	AUDITED ACTUAL FY 2021-2022	AUDITED ACTUAL FY 2022-2023
<b>Fiscal Year 2019-2023</b>					
<b>Revenues</b>					
Infrastructure Surtax / Sarasota	\$ 725,745	\$ 707,970	\$ 814,929	\$ 975,070	\$ 1,045,759
Sale Of Fixed Assets		26,350		7,000	15,000
Insurance Proceeds					39,268
Net Investment Income	22,554	9,826	536	(19,754)	63,206
<b>Total Revenues:</b>	<b>\$ 748,299</b>	<b>\$ 744,146</b>	<b>\$ 815,465</b>	<b>\$ 962,316</b>	<b>\$ 1,163,233</b>
<b>Expenditures</b>					
Public Facilities: Roof Windows Replacement		53,539			
Public Facilities: HVAC	14,057		9,409	4,396	10,909
Public Facilities: PD Light Poles					10,816
Public Facilities: Office Furniture			34,242		
Public Facilities: Chamber Audio	34,000				
Public Facilities: Police Space Reno	2,624				
Public Facilities: Rec Ctr Roof					25,375
Public Safety: Crime Scene Vehicle					36,757
Public Safety: Marine Patrol Pickup		44,000			
Public Safety: Police Patrol Cars			10,082		442,531
Public Safety: Police Atv				21,855	
Public Safety: Pd Car Cradles					19,515
Public Safety: License Plate Reader System					49,130
Public Safety: Police Mdts					18,316
Public Safety: Police Radios	3,291				
Public Safety: Tasers				53,200	
Public Safety: Ambulance		277,644			
Public Safety: Fire Battalion Vehicle					57,918
Public Safety: Fire Dept Pool Car				46,938	
Public Safety: Fire Truck		850,000		-	
Public Safety: Fire Marshal Hybrid				-	25,128
Public Safety: Fire Atv And Trailer				21,482	
Public Safety: Defibrillators				35,517	
Public Safety: Fire Equipment			57,727	5,092	
Public Safety: Fitness Equipment At Fire Dept	8,203				
Public Safety: Fire Radios	4,755	44,902		11,144	
Public Safety: Stretchers					61,024
Public Safety: Jet Ski And Trailer					18,769
Parks/Rec: Transfer to Town Ctr				85,381	
Parks/Rec: Pickle Ball Courts	7,515	43,939			
Parks/Rec: Tennis Center Canopies					7,985
Parks/Rec: Fencing At Tennis Center		1,800			297,281
Parks/Rec: Tennis Center Monument Sign			10,590		
Parks/Rec: Tennis Court Resurfacing-Clay		4,500	16,910		
Parks/Rec: Tennis Teaching Court		2,800	400		
Parks/Rec: Underground Tennis Court Water	137,023	16,717	35,766	143,065	
<b>Total Expenditures</b>	<b>\$ 211,468</b>	<b>\$ 1,339,841</b>	<b>\$ 175,126</b>	<b>\$ 428,070</b>	<b>\$ 1,081,454</b>
Net of Revenues & Expenditures	<b>\$ 536,831</b>	<b>\$ (595,695)</b>	<b>\$ 640,339</b>	<b>\$ 534,246</b>	<b>\$ 81,779</b>





# General Permitted Uses of Funds

## F.S. Section 212.055

- To acquire land for public recreation, land conservation or for the protection of natural resources
- To finance, plan and construct capital assets and infrastructure with a life expectancy of 5 or more years.
- A fire department vehicle, an emergency medical service vehicle, a sheriff's office vehicle, a police department vehicle, or any other vehicle, and the equipment necessary to outfit the vehicle for its official use or equipment that has a life expectancy of at least 5 years.
- Energy efficiency improvements including insulation, energy efficient heating cooling or ventilation systems, replacement windows, EV charging equipment

“Infrastructure” means: Any fixed capital expenditure or fixed capital outlay associated with the construction, reconstruction, or improvement of public facilities that have a life expectancy of 5 or more years, any related land acquisition, land improvement, design, and engineering costs, and all other professional and related costs required to bring the public facilities into service.



# FY24 Budgeted Use of Funds (As Amended)

## Sarasota Infrastructure Surtax Projects for FY24 Budget

	<u>FY23 Carryover</u>	<u>FY24 New Spend</u>	<u>Total</u>
<b>Public Facilities:</b>			
Recreation Center Roof	9,625	-	9,625
HVAC Upgrades	86,919	25,000	111,919
	96,544	25,000	121,544
<b>Parks and Recreation:</b>			
Tennis Fencing	42,719	-	42,719
Quick Point Park Connectivity Study		50,000	50,000
Dog Park - Artificial Turf		175,000	175,000
Transfer to Parks Fund-Recreation Center Planning		100,000	100,000
Tennis Center Improvements		35,000	35,000
Tennis Canopies	7,015	-	7,015
	49,734	360,000	409,734



# FY24 Budgeted Use of Funds (As Amended)

## Public Safety:

	<u>FY23 Carryover</u>	<u>FY24 New Spend</u>	<u>Total</u>
Fire-Fire Truck		950,000	950,000
Fire-Defibrillator Replacement		40,000	40,000
Fire-Extrication Equipment	15,000	10,000	25,000
Fire-Fire Command Vehicle	-		-
Fire-Ambulance	350,000	18,000	368,000
Fire-Portable Radios	10,000	26,000	36,000
Fire-Hose	10,000		10,000
Police-Police Patrol Cars	19,631	124,000	143,631
Police-Police Patrol Car MDTs	71,684		71,684
Police - In Car Cameras	63,000		63,000
Police - In Car Cradles	5,485		5,485
	544,800	1,168,000	1,712,800
<b>Total Infrastructure Fund</b>	<b>\$ 691,078</b>	<b>\$ 1,553,000</b>	<b>\$2,244,078</b>



# Future Phase IV

- **Voters approved by Referendum Nov 8, 2022, Phase IV extending the surtax to 2039**
- **Resolution 2023-11 was passed by the Town Commission on May 1, 2023 providing for the Continuance of the Citizen Tax Oversight Committee, Providing for Appointments and Terms; Providing for Annual Meetings and Reports**



# Infrastructure Surtax (Phase IV 2025-2039)

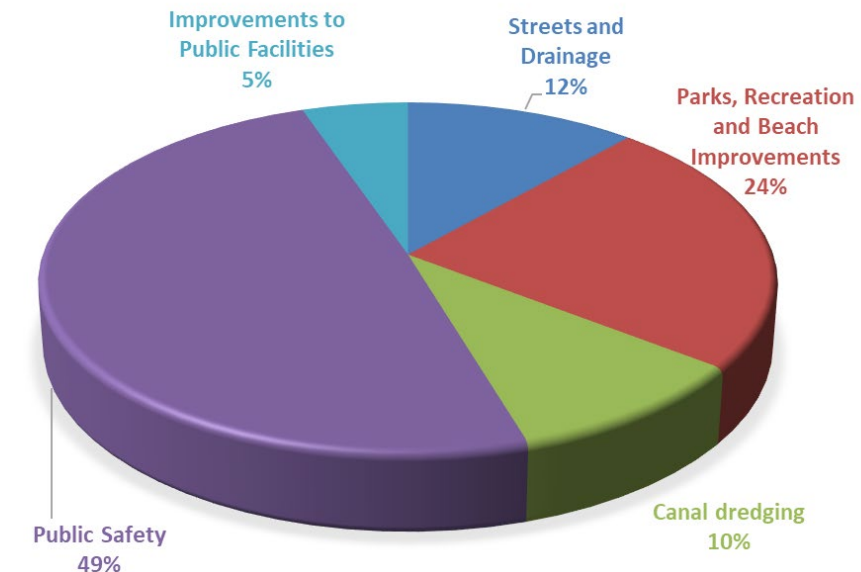
## Functional categories

Proposed 15 Year Budget for functional areas-Phase IV:

1. Streets and Drainage	\$1,750,000
2. Parks, Recreation and Beach Improvements	\$3,608,000
3. Canal dredging	\$1,500,000
4. Public Safety Vehicles and Equipment	\$7,469,000
5. Improvements to Public Facilities	<u>\$ 800,000</u>
Total	\$15,127,000

**Adopted**

IST PHASE IV BUDGET



Due to inflation and revised estimates, Phase IV will be reviewed during Budget Process.



# Questions?