

SPECIAL MEETING OF FLORENCE CITY COUNCIL

MONDAY, AUGUST 18, 2014 - 3:00 P.M.

SURFACE WATER TREATMENT FACILITY

2598 FLORENCE HARLLEE BLVD.

FLORENCE, SOUTH CAROLINA

AGENDA

I. CALL TO ORDER

II. INVOCATION

Pledge of Allegiance

III. ORDINANCES IN POSITION

a. Bill No. 2014-32 – Second Reading

An Ordinance to amend the budget for the City of Florence, South Carolina, for the fiscal year beginning July 1, 2014, and ending June 30, 2015 to establish the operating millage due to countywide property reassessment.

IV. WORKSESSION

a. Worksession on Neighborhood Redevelopment Strategy

V. ADJOURN

FLORENCE CITY COUNCIL MEETING

DATE: August 18, 2014
AGENDA ITEM: Ordinance – Second Reading
DEPARTMENT/DIVISION: Finance

I. ISSUE UNDER CONSIDERATION

An amendment to the fiscal year 2014-15 City of Florence Budget to establish operating millage in compliance with state laws pertaining to the calculation of millage during a year of countywide reassessment.

II. CURRENT STATUS/PREVIOUS ACTION TAKEN

No previous action has been taken on this ordinance.

III. POINTS TO CONSIDER

- A.** Florence County has completed reassessment of all real property in Florence County for the calculation of 2014 taxes. In a year of reassessment operating millage must be recalculated pursuant to §12-37-251(E) and §6-1-320 of the South Carolina Code of Laws, 1976, as amended (“the state code”).
- B.** Because operating millage was set in the FY 2014-15 budget ordinance adopted by City Council on June 9, 2014 at the same millage as the prior fiscal year (53.7 mills), it is necessary to amend the ordinance to establish millage resulting from reassessment.
- C.** A tax rate of 52.8 operating mills has been calculated in conformance with §12-37-251(E) and §6-1-320 of the state code based on reassessment information received from Florence County.
- D.** At the August 11, 2014 regular meeting, City Council voted to maintain the current operating millage of 53.7 mills. This action resulted in a 1.7% increase in millage from the 52.8 operating millage that was recalculated for reassessment purposes.
- E.** Section 6-1-320 of the state code establishes millage caps for local governmental general operating purposes equal to the increase in the average of the twelve monthly consumer price indices for the most recent twelve-month period consisting of January through December of the preceding calendar year, plus the percentage increase in the previous year in the population of the entity as determined by the Office of Research and Statistics (ORS) of the State Budget and Control Board.
- F.** The ORS has provided the City with a total millage increase cap of 1.99% based on the combination of an increase of 1.46% in the consumer price index (CPI) from 2012 to 2013, and a 0.53% increase in the City’s population from 2012 to 2013 based on estimates provided by the U.S. Bureau of the Census.
- G.** The change in millage from 52.8 to 53.7 mills, approved by Council on August 11, 2014 (representing an increase of 1.7%), is less than the FY 2014-15 millage increase cap of 1.99% authorized by calculations established by and set forth in § 6-1-320 of the state code.

FY 2014-15 Budget Amendment Ordinance (continued)

H. The requirements of §12-37-251(E) and §6-1-320 of the state code pertaining to millage recalculation in a countywide reassessment year applies only to the City's operating millage and not debt service millage. Debt service millage is calculated annually based on the annual debt service requirements of the City's Series 2010 General Obligation Bond issue.

I. The City's debt service millage adopted by City Council in the FY 2014-15 budget ordinance established a tax millage of up to, but not exceeding, four (4.0) mills. This section of the budget ordinance shall remain unchanged.

IV. STAFF RECOMMENDATION

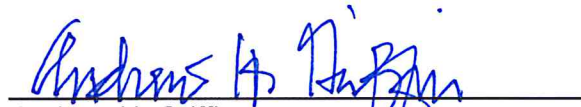
Approve and adopt of the proposed ordinance.

VI. ATTACHMENTS

A copy of the proposed ordinance is attached.



Thomas W. Chandler
Finance Director



Andrew H. Griffin
City Manager

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE BUDGET FOR THE CITY OF FLORENCE, SOUTH CAROLINA, FOR THE FISCAL YEAR BEGINNING JULY 1, 2014, AND ENDING JUNE 30, 2015 TO ESTABLISH THE OPERATING MILLAGE DUE TO COUNTYWIDE PROPERTY REASSESSMENT

WHEREAS, §5-7-260 of the South Carolina Code of Laws 1976, as amended, requires that a Municipal Council shall act by ordinance to adopt budgets and levy taxes pursuant to public notice; and

WHEREAS, the budget adopted by the City Council of the City of Florence for fiscal year beginning July 1, 2014 and ending June 30, 2015, established a tax millage for general operating purposes in the City's General Fund of fifty-three and seven-tenths (53.7) mills to be applied to each dollar (\$1.00) in assessed value of real estate and personal property of every description owned and used in the City of Florence; and

WHEREAS, the program of property equalization and reassessment conducted by the Florence County Tax Assessor for the purpose of determining the 2014 millage has now been completed; and

WHEREAS, a tax rate of 52.8 operating mills has been calculated in conformance with §12-37-251(E) and §6-1-320 of the South Carolina Code of Laws 1976, as amended, based on reassessment information received from Florence County; and

WHEREAS, City Council has deemed it appropriate and necessary to increase the recalculated operating millage to maintain the current operating millage of 53.7 mills; and

WHEREAS, the change in millage from 52.8 to 53.7 mills, which reflects an increase of 1.70%, is less than the 1.99% authorized millage increase cap for fiscal year 2014-15 as determined by the Office of Research and Statistics (ORS) of the State Budget and Control Board.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Florence, South Carolina, in a meeting duly assembled and by the authority thereof that the following section of Ordinance No. 2014-23, the budget for the City of Florence, South Carolina, for the fiscal year beginning July 1, 2014, and ending June 30, 2015, is hereby amended as follows:

Section 2. Subject to the provisions and requirements of §12-37-251(E) and § 6-1-320 of the South Carolina Code of Laws, as amended, a tax for general operating purposes for the period from July 1, 2014, and ending June 30, 2015, for the sums and in the amount hereinafter mentioned, is and shall be levied, collected and paid into the treasury of the City of Florence for the operational use and service thereof. A tax of fifty-three and seven-tenths (53.7) mills upon each one dollar (\$1.00) in value of real estate and personal property of every description owned and used in the City of Florence, South Carolina, is and shall be levied and paid into the City treasury for the credit to the City of Florence for the corporate purposes, improvements, and for the purpose of paying current operating expenses of said municipality. Such a tax is levied on such property as is assessed for taxation for County and State purposes.

FY 2014-15 Budget Amendment Ordinance (continued)

All remaining sections of Ordinance No. 2014-23 shall remain unchanged as written.

This Ordinance shall become effective immediately upon its approval and adoption by the City Council of the City of Florence.

ADOPTED THIS _____ DAY OF _____, 2014.

Approved as to form:

James W. Peterson, Jr.
City Attorney

Stephen J. Wukela
Mayor

Attest:

Diane Rowan
Municipal Clerk