

SUMMARY OF REQUEST

DATE: July 20, 2022

**FACILITY/ PROGRAM/
PRODUCT LINE:** North Broward Hospital District
Ad Valorem Tax Roll Process 2022

REQUEST: Approval:
1. 2022 Rolled-Back Millage Rate of 1.1638.
2. Adoption of Proposed 2022 Millage Rate of 1.6029.
3. Setting of Date, Time, and Place for First (Tentative) and Second (Final) Tax and Budget Hearings.

PURPOSE: Annual Truth in Millage Process for Setting an Operating Budget and a Rate for the Levying of Ad Valorem Taxes for FY2023.

**STRATEGIC
INITIATIVE(S)
SUPPORTED:** Certification process for appropriation of Ad Valorem Taxes.

CAPITAL REQUIRED: Not applicable.

FISCAL IMPACT: See attached Financial Analysis and Tax Schedule.

LEGAL REVIEW: General Counsel's Office will be assisting with oversight during the 116-days Truth in Millage (TRIM) process.

COMPLETION DATE: No later than October 24, 2022 for entire process.

APPROVED:



Shane Strum 07/19/2022 10:18 EDT

Shane Strum, President/CEO

DATE: _____



Alex Fernandez 07/19/2022 11:16 EDT

Alex Fernandez, SVP/CFO

DATE: _____

MEMORANDUM

DATE: July 20, 2022
TO: Board of Commissioners of North Broward Hospital District
FROM: Shane Strum, President/CEO
SUBJECT: APPROVAL OF:

1. 2022 Rolled-back Millage rate of 1.1638.
2. Adoption of Proposed 2022 Millage Rate of 1.6029.
3. Setting of Date, Time, and Place for the First (tentative) and Second (Final) tax and budget hearings.

BACKGROUND

Section 200.065, Fla. Stat., defines specific methods to be followed by all taxing bodies in establishing annual millage rates.

Florida law requires the North Broward Hospital District to advise the Broward County Property Appraiser of the prior year millage rate, a current year proposed millage rate, the current year rolled-back rate and the date, time and place at which a public hearing will be held to consider the proposed millage rate and tentative budget. The District, as a taxing authority, must do this within 35 days of the date the Property Appraiser certifies the taxable values of property lying within the North Broward Hospital District. The Property Appraiser certified the roll of property tax values on July 1, 2022. Following the Board's approval, the District, as a taxing authority, will advise the Property Appraiser of the prior year millage rate, a proposed millage rate, and the rolled-back rate no later than August 4, 2022, which is within the 35-day limit. The proposed millage rate being recommended is 1.6029 mills and the rolled-back rate is 1.1638 mills.

ACTION PROJECT DESCRIPTION

1. **FIRST REQUIRED ACTION – THE 2022 ROLLED-BACK MILLAGE RATE MUST BE DETERMINED.**

Based upon the certified taxable value of property lying within the boundaries of the District, which was provided to us by the Broward County Property Appraiser on July 1, 2022, the District must compute a rolled-back millage rate. The rolled-back millage rate is defined as a millage rate, which when applied to the assessed valuations, exclusive of new construction valuations, will yield gross tax receipts equivalent to the prior year's gross tax receipts before any adjustments from the Valuation Adjustment Board.

FINANCIAL/ BUDGETARY IMPACT

See **Exhibit A** - Financial Impact of Various 2022 Millage Rates.

STAFF RECOMMENDTION #1

Therefore, it is being requested that the Board of Commissioners of the North Broward Hospital District determine, by appropriate motion, that the rolled-back millage rate for 2022 is 1.1638 mills.

ACTIONS/PROJECT DESCRIPTION

2. REQUIRED ACTION - THE 2022 PROPOSED MILLAGE RATE MUST BE DETERMINED.

Staff recommends that the proposed millage rate be set at 1.6029 mills. Under Chapter 200, Fla. Stat., the "proposed rate" **cannot be subsequently adjusted upward** at either of the two (2) required public hearings unless each taxpayer within the District is sent a special notice by first class mail of their taxes under the tentatively approved millage rate and their taxes under the higher rate to be adopted at the required public hearing.

STAFF RECOMMENDATION #2

Therefore, it is being requested that the Board of Commissioners of the North Broward Hospital District, based upon statutory requirements and process criteria, set the District's proposed millage rate for 2022 at 1.6029.

ACTIONS/ JUSTIFICATION

3. REQUIRED ACTION - THE DATE, TIME, AND PLACE OF TWO REQUIRED PUBLIC HEARINGS MUST BE SET.

Florida Statutes require that two public hearings—a tentative hearing and a final hearing—must be held for purposes of discussing and explaining reasons for the millage rate and receiving public comments.

Florida Statutes require that an advertisement be placed in a local newspaper two (2) to five (5) days preceding the second (final) public hearing and must include a summary of the operating budget, and it must be held not more than fifteen (15) days after the first public hearing.

The Truth In Millage (TRIM) law requires that public hearings for tax and budget actions not be held on certain days—cannot be on the same dates set for the School Board and/or the Broward County Commission, and cannot be held on Sundays. Public hearings may be held Mondays through Saturdays. If held on Monday through Friday, these hearings must be after 5:00 p.m.

Attached as **Exhibit B** is a calendar for September 2022, reflective of significant dates, potential conflicts, and recommended tentative and final hearing dates for the District's tax and budget hearings.

STAFF RECOMMENDATION #3

Therefore, it is being requested that the Board of Commissioners of the North Broward Hospital District, based upon legal requirements and timelines, set the 2022 two (2) tax and budget hearings for the following dates, times, and locations:

a. **First Tentative Tax and Budget Hearing – Thursday, September 15, 2022, at 5:30 pm at Broward Health Sports Medicine, 1601 South Andrews Avenue Suite 100, Fort Lauderdale, Florida;**

and

b. **Second and Final Tax and Budget Hearing – Tuesday, September 27, 2022, at 5:30 pm at Broward Health Sports Medicine, 1601 South Andrews Avenue Suite 100, Fort Lauderdale, Florida.**

EXHIBIT A

Financial Impact of Various 2022 Millage Rates

**NORTH BROWARD HOSPITAL DISTRICT
FINANCIAL IMPACT
OF VARIOUS 2022/2023 MILLAGE RATES**

	Various Millage Rates	% Increase / (Decrease) From Roll-back Rate	Gross Tax Receipts	Gross Financial Impact	Net Tax Receipts (After discounts, VAB adj., CRA & Tax Assessor/ Collector Cost)	Net Financial Impact
Rolled Back	1.1638	0%	\$200,391,411	\$0	\$181,308,496	\$0
Current Rate	1.2770	9.7%	\$219,882,997	\$19,491,586	\$199,016,884	\$17,708,388
	1.3194	13.4%	\$227,183,732	\$26,792,321	\$205,649,708	\$24,341,212
	1.3509	16.1%	\$232,607,628	\$32,216,217	\$210,577,395	\$29,268,899
	1.3824	18.8%	\$238,031,523	\$37,640,112	\$215,505,083	\$34,196,587
	1.4139	21.5%	\$243,455,418	\$43,064,007	\$220,432,770	\$39,124,274
	1.4454	24.2%	\$248,879,314	\$48,487,903	\$225,360,458	\$44,051,962
	1.4769	26.9%	\$254,303,209	\$53,911,798	\$230,288,145	\$48,979,649
	1.5084	29.6%	\$259,727,105	\$59,335,694	\$235,215,833	\$53,907,337
	1.5399	32.3%	\$265,151,000	\$64,759,589	\$240,143,520	\$58,835,024
	1.5714	35.0%	\$270,574,895	\$70,183,484	\$245,071,207	\$63,762,711
Proposed Mil Rate	1.6029	37.7%	\$276,000,007	\$75,608,596	\$250,000,000	\$68,691,504
	1.6344	40.4%	\$281,422,686	\$81,031,275	\$254,926,582	\$73,618,086
Majority Vote Max Rate	2.0194	73.5%	\$347,714,741	\$147,323,330	\$315,153,873	\$133,845,377
Two-Thirds Vote Max Rate	2.2213	90.9%	\$382,479,327	\$182,087,916	\$346,738,003	\$165,429,507
Millage Cap - Unanimous Vote	2.5000	114.81%	\$430,467,887	\$230,076,476	\$390,336,304	\$209,027,808
<i>Note: An increase of \$5.4M in Gross Tax Revenues is equal to \$3.14 in tax increases to a home owner per every \$100,000 of property value</i>						

EXHIBIT A

EXHIBIT B

Calendar for September 2022



SEPTEMBER 2022

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Aug 28	29	30	31	Sep 1	2	3
					EXHIBIT B	
4	5	6	7	8 Broward County Commission 1st Public Hearing	9	10
11	12	13 School Board 2nd Public Meeting	14	15 Broward Health 1st Tax Public Hearing	16	17
18	19	20 Broward County Commission 2nd Public Hearing	21	22	23 Budget Balance Advertisement	24
25	26	27 Broward Health 2nd Tax Public Hearing	28	29	30	Oct 1



Broward Health First Tax Hearing
Call In Info to be updated

Broward Health Second Tax Hearing
Call In Infor to be updated