

The City of Daytona Beach

COMMISSION-MANAGER PLAN
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BUDGET DIVISION
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MEMORANDUM

TO: Mayor and City Commission

FROM: James V. Chisholm

DATE: September 7, 2018

SUBJECT: Rate of Taxation and Adopting the FY 2018/19 Budget

This memorandum provides an overview of the millage rates and FY 2018/19 budget that is being presented to the City Commission at the September 19, 2018, meeting for final adoption.

Millage Rate:

- The recommended millage rate is \$6.2000 per \$1,000 of assessed taxable value. This is a 2.10% reduction from the FY 2017/18 millage rate of \$6.3333 and represents a 5.93% increase to the rolled back rate.
- The rolled back rate is \$5.8527 per \$1,000 of assessed taxable value.
- The debt service millage rate is \$0.3090 per \$1,000 of assessed taxable value, which is an 8.82% reduction from the FY 2017/18 millage rate of \$0.3729. This rate is calculated to yield the amount needed to pay the debt service for the General Obligation Bonds in FY 2018/19. The General Obligation Bonds were approved by the voters in 2004.
- One mill will result in budgeted revenues of \$4,550,503.06. The millage rate of 6.2000 will yield \$ 28,213,119 in budgeted property tax revenue.

Change from the Tentatively Adopted Budget:

- The amounts in the Trust and Impact Fee Funds as of September 1, 2018, which were not designated for any specific expenditures were added to the budget so that those funds will be available in FY 2018/19 prior to closing the books in FY 2017/18. This addition increased the total budget by \$8,502,366.
- The revenues from Volusia County and other entities to the Community Redevelopment (CRA) Funds in the tentative budget were based on the current

year's millage rates. There was a net reduction in those millage rates, which results in a reduction in revenues to the Community Redevelopment Funds and the total budget of \$194,273.

- The Marina Seawall project was split funded in both the Halifax Harbor Fund and the Capital Projects Fund. In order to avoid the necessity of paying invoices out of both funds, the Halifax Harbor Fund's portion of the project costs has been transferred to the Capital Projects Fund. This change increased the total budget by \$168,544.
- Minor balancing adjustments were made to the Internal Service Fund revenues, which resulted in an increase in the budget of \$1,831.

Recommendation:

The City Manager recommends the City Commission approve the resolutions establishing a final adopted millage rate and budget.