

# City of South Daytona



## Office of the City Manager / Department of Finance

Post Office Box 214960 • South Daytona, FL 32121 • 386/322-3060 • FAX 386/322-3099

### MEMORANDUM

To: James L. Gillis, Jr., City Manager

From: Jason E. Oliva, Finance Director

Date: July 15, 2022

Re: Truth-in-Millage [TRIM] Compliance – Adoption of Proposed Millage Rate  
**Revised Memo, July 25, 2022**

Pursuant to Florida Statute Section 200.065 and Section 200.081, the City Council must adopt a proposed millage rate no later than thirty-five (35) days after delivery of the preliminary tax roll by the County Property Appraiser or July 1, whichever date is later. The proposed millage rate must be adopted on or before August 4, 2022. Two public hearings will be held in September at which time the millage rate can be lowered should the Council desire to do so. **This proposed millage rate cannot be increased once adopted without first class notice to all property owners.** The Property Appraiser will use this millage rate for the Truth in Millage [TRIM] tax notice sent to all property owners in August 2022.

The City's taxable value for 2022, as determined by the tax roll on January 1, 2022, is \$827,265,036. This represents a \$129,126,271 or 18.5% increase above the final 2021 assessment of \$698,138,765. New taxable value (Construction + Annexations) totaled \$26,511,952 or 3.20%.

Maintaining the prior year millage rate of 7.75000 mills is being **strongly** recommended to provide funding for current year operations, adjust wages to reflect the current job market, and to **continue the City's commitment to become debt free.** Maintaining the prior year millage rate will also allow the City to budget for capital replacement of the aging infrastructure.

The tentative budget based on a proposed millage rate of 7.7500 mills includes the following items of note:

1) General Fund

- a. As we have in years past, a contingency of \$100,000 is being recommended which should allow for minimal need for mid-year budget adjustments while providing the City with safeguards throughout the year for unexpected expenditures.
- b. Debt Service:
  - i. \$450,532 budgeted for additional principal payments towards Wells Fargo Note #109. The dedicated .4000 mills for debt service will generate an additional \$229,527 for debt service payments. The remaining \$221,005 represents additional principal to keep debt service payments level until all debt is retired.

- c. Personnel highlights:
  - i. Pay plan has been adjusted to make the minimum wage \$15.00 per hour
  - ii. Personnel raises budgeted at 4%
  - iii. Adjusting workers wages to the new minimum salary grade pay per updated pay chart
  - iv. Market wage adjustment of an additional \$2.52 per hour for union officers
- d. Operating highlights:
  - i. Charter fiber connection for City Hall, Police and Fire Department (\$15,000)
  - ii. 6 Desktop computers greater than 10 years old (\$5,400)
  - iii. Lease 8 unmarked police vehicles (\$32,000)
  - iv. 4 Mobile computer for vehicles (\$10,000)
  - v. Refurbish 2 Men's showers in Fire Department (\$8,600)
  - vi. Fire Station Roof Repair/Replacement (\$10,000)
  - vii. Resurface Tennis Court Ned Wagner Park (\$8,000)
  - viii. Riverfront Park improvements add lighting, replacement of bricks (\$15,000)
- e. Capital Highlights:
  - i. Replacement Computer Servers (\$41,500)
  - ii. Purchase of 4 police patrol vehicles (\$204,000)
  - iii. 2 Handheld Radar (\$6,400)
  - iv. 7 Tasers (\$20,300)
  - v. Drone (\$16,000)
  - vi. Tag Reader (25,000)
  - vii. New PD training room tables and chairs (\$15,000)
  - viii. 10 Self-Contained Breathing Apparatus Bottles (\$15,500)
  - ix. Vehicle Extraction Gear (\$14,100)
  - x. Fire truck replacement (\$50,000)
  - xi. Reed Canal Park Design (\$60,000)
  - xii. 3 Maintenance Trucks and tractor for Parks (\$120,000)

Adoption of the proposed rate of 7.7500 mills will result in an increase of ad valorem revenue in the amount of \$394,444 over the rolled-back rate. Of this amount, \$289,227 represent General Fund ad-valorem revenue over the rolled-back rate while the remaining \$105,217 is additional revenue for the Redevelopment Trust Fund. This is the net result of increases in the taxable values of existing properties coupled with additional taxes generated from new construction. Adoption of the proposed rate would require a majority vote of the Council and the City would need to advertise a tax increase since the rate exceeds the rolled-back rate.

Calculated at the current year taxable value of \$827,265,036:

The value of one mill is \$827,265.

The value of .10 mill is \$82,727.

The tax bill for a home with \$100,000 taxable value at 7.750 mills would be \$775.00.

The tax bill for a home with \$100,000 taxable value at the roll-back rate (7.2481 mills) would be \$724.81, which would equal a savings of \$4.18 per month for the homeowner.

The dates for adoption of the tentative and final millage rates are Monday, September 12, 2022, and Tuesday, September 27, 2022, respectively.

**RESOLUTION NO. 2022-14**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH DAYTONA, FLORIDA, ESTABLISHING A PROPOSED MILLAGE RATE FOR THE 2022-23 FISCAL YEAR; DETERMINING THE ROLLED-BACK RATE; ESTABLISHING A DATE, TIME, AND PLACE AT WHICH A PUBLIC HEARING WILL BE HELD TO CONSIDER THE PROPOSED MILLAGE RATE AND THE TENTATIVE BUDGET FOR THE 2022-23 FISCAL YEAR; PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Volusia County Property Appraiser has certified to the City the taxable value of all property within the City for the 2022-2023 fiscal year; and

**WHEREAS**, it is the responsibility of the City to advise the Property Appraiser of its proposed millage rate, of its rolled-back rate, and of the date, time, and place at which a public hearing will be held to consider the proposed millage rate and the tentative budget;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOUTH DAYTONA, FLORIDA, AS FOLLOWS:**

**Section 1.** The proposed millage rate necessary to fund the tentative General Fund budget for the City's 2022-2023 Fiscal Year is 7.75 mills.

**Section 2.** The rolled-back rate for the 2022-2023 fiscal year is 7.2481 mills.

**Section 3.** A public hearing will be held to consider the proposed millage rate and the tentative budget on September 12, 2022, at 6:00 p.m., at South Daytona City Hall in the City Council Chambers, 1672 South Ridgewood Avenue, South Daytona, Florida

**Section 4.** This Resolution shall become effective immediately upon its adoption.

**PASSED AND ADOPTED** at a meeting of the City Council of the City of South Daytona, Florida, this 26<sup>th</sup> day of July 2022.

Signed: The City Council of the  
City of South Daytona, Florida

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The Honorable William C. Hall, Mayor

Attest:

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James L. Gillis, Jr., City Manager

Approved as to form and legality:

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Wade C. Vose, City Attorney