

Local Government Budget/Tax Rates for 2018-19

EAST VOLUSIA Click links for more details	FY 17-18 Millage Rate	Proposed Rate (vs Rollbk Rate)	General Fund Proposed FY 2018-19 General Fund Budget (actual FY 2017-18)	Total Budget Proposed FY 2018-19 (actual FY 2017-18)	(click links to contact for more info) Elected Officials	Budget Hearings
Daytona Beach <u>Proposed Budget</u>	6.33	6.33 (5.85)	\$84.7 million (\$79.4 million)	\$234.1 million	301 S Ridgewood Ave. <u>CFO Patricia Bliss</u> 671-8064 <u>DB City Commission</u>	Sept 5 & 19, 6 pm
DB Shores	5.23	5.23 (5.01)	\$16.2 million	\$19.5 million	2990 S Atlantic Ave. <u>Finance Director Kurt Swartzlander</u> 763-5329 <u>DB Shores City Council</u>	Sept 10 & 25, 7 pm
Holly Hill <u>Proposed Budget</u>	6.89	6.50 (6.29)	\$11 million (\$9.7 million)	\$40.5 million (\$36.3 million)	1065 Ridgewood Ave. <u>Finance Dir John McKinney</u> 248-9427 <u>Holly Hill City Commission</u>	Sept 10 & 25 7 pm
Ormond Beach <u>Proposed Budget</u>	4.28	4.16 (4.04)	\$33.8 million (\$32.8 million)	\$77.7 million (\$75.1 million)	22 S Beach St. <u>Finance Director Kelly McGuire</u> 676-3226 <u>Ormond Beach City Commission</u>	Sept 5 & 19 7 pm
Port Orange <u>Proposed Budget</u>	4.49	4.77 (4.21)	\$39.0 million (\$36.5 million)	\$113.3 million (\$107.8 million)	1000 City Center Circle <u>Finance Director Tracy Riehm</u> 506-5710 <u>Port Orange City Council</u>	Sept 5 5:30 pm Sept 19 6:30 pm
South Daytona <u>Proposed Budget</u>	7.80	7.75 (7.35)	\$14.2 million (\$14.8 million)	\$27.5 million (\$27.2 million)	1672 S Ridgewood Ave <u>Finance Director Kevin Lewis</u> 322-3065 <u>S. Daytona City Council</u>	Sept 10 & 25 6 pm
Volusia Co. Schools <u>Proposed Budget</u>	6.53	6.28 (6.07)	\$524.6 million (\$505.2 million)	\$876.5 million	200 N Clara Ave Deland <u>CFO Debra Muller</u> 255-6475 ext 20387 <u>Volusia School Board</u>	Sept 11 5:30 pm
Volusia County <u>Proposed Budget</u>	6.10	5.69 (5.69)	\$185.4 million (\$182.5 million)	\$768.7 million	123 W Indiana Ave Deland <u>Budget Director Tammy Bong</u> 943-7054 <u>Volusia County Council</u>	Sept 4 & 18 6 pm

- proposed/tentative tax rate, once advertised, can be lowered but not raised.
- rolled-back rate, which would generate the same amount of revenue collected in 2017-18, not counting new construction or annexations thus using new assessments of the same properties. Local Government Fiscal Budgets begin October 1.

News excerpts come from Daytona Beach News Journal and Ormond Beach News & Observer

Daytona Beach – The 6.33 rate would generate \$28.8 million in property tax revenue. The preliminary total taxable value for Daytona Beach for the upcoming fiscal year is \$4.79 billion. The preliminary value of new construction in the city is \$83.6 million, which would generate \$503,000 in tax revenue.

The City is setting aside \$400,000 for Operational expenses for First Step Shelter which is set to open May 2019.

Holly Hill - taxable value current year is \$ 629,544,862 (a \$ 55,134,164 increase over last fiscal year – a 9.6 % increase in taxable value. The proposed 6.50 millage rate for FY2018-19 would generate \$4,092,042 in property tax revenue....a 3.3% increase over this year. For FY 2018-19, the City estimates to collect \$4,123,616 in current property taxes for general operations, road improvement debt service and voter approved referendum.

Ormond Beach – Dues to capital projects, the proposed budget increased \$2,546,533 or 3.39% from the current \$75.1 million. Due to an increase of wage adjustments, pension costs, and 3 new full-time positions, the proposed General Fund increased \$1,11 million (3.67%) over the current \$30.3 million. Taxable property value is \$3.47 billion, an increase of \$224.2 million from FY 2017 value (\$190.2 million from existing properties and \$34 million from new construction and annexations).

Proposed millage rate 4.2843 is 2.87% above the 4.04 rolled back millage rate....it funds General Operations, Public Safety, Facilities Renewal and Replacement, Capital Improvements, General Vehicle Replacements and Transportation Improvements. In addition, City contributions to their 401a plans increased by \$92,000 i.e. planned salary adjustment and unfunded liabilities decreased by \$1.1 million as a result of favorable investment returns.

General fund contributions include First Step Homeless Shelter \$82,000 and Hope Place (CDBG Funded) \$25,000.

Total operating budget is \$77.7 million (\$2.5 million increase due to changes in capital expenditures).

General fund reserves are \$31.5 million. City is adding 2 more full-time employees. Taxable property values increased by 6.9% since last year.

Dwight Selby wanted to adopt the 4.16 rollback rate and voted No for the proposed rate.

Rob Littleton is ok with trading-off taxes with decreasing the stormwater fund by 12.25%.

Mayor Bill Partington feels the 4.28 rate is a fair compromise that takes the rollback rate and adjusts it for inflation.

Ormond Beach has the third-lowest property taxes in Volusia

Port Orange – In July, the Council stated their worries about EVAC ambulance wait times and further discussed adding a city-owned ambulance. In addition, with needs including a used ambulance, hiring 4 new firefighters, several police dept positions; various capital improvement projects, the city expects to generate around \$13.7 million from property taxes.

Councilmembers Bob Ford and Chase Tramont had concerns over the costs of additional service while **Councilman Scott Stiltner wants** an additional unit in Port Orange to enhance public safety.

South Daytona - General Fund decreased \$588,990 (3.97%) primarily Hurricane Irma expenses and \$1,000,000 Hurricane Irma loan debt service offset by scheduled debt service increases \$267,429; debt service increase due to 2018 tax reform \$33,475, employee pay raises \$161,032, Parks & Recreation grant funded capital \$173,000 and Police vehicle acquisition \$200,000 (funded by means of debt proceeds). Florida Retirement System employer contributions increased by 8.3% or \$79,571.

Health insurance premiums flat – no increase.

Employees budgeted to receive a 2% wage adjustment plus variable merit of 1.5% for an estimated combined average increase of 3% at an estimated cost of \$186,548 including benefits.

Volusia County - The countywide taxable value increased by 9.1% to \$33.9 billion (a 7.3% increase from reassessments and 1.8% from new construction). Meanwhile, taxable values have recovered to 2009 levels. For FY 2018-19 budget, Volusia's economic outlook is favorable with moderate growth anticipated. Property values drive the county's largest revenue source, property taxes.

A proposed \$768 million budget means less money in reserves and going to the 5.69 rolled back rate would generates an estimated \$185 million for the county's general fund.

A program recommended by **former Manager Jim Dinneen** to cut the county's general fund debt to zero saves about \$2 million a year and provides more flexibility in the budget without the need to raise taxes.

Interim County Manager George Recktenwald - The proposed budget means no cuts to services, programs, or capital improvement projects. Capital projects would include a \$7 million new evidence facility, \$12 million Airport terminal improvements and \$7.1 million for a new medical examiner's facility. Being debt free (first time since 1975) gives the county flexibility if the council identifies other priorities before the final budget is adopted in October."

The recommended budget also includes a \$6.9 million budget increase for the Sheriff's Office and adds 12 new positions (eight in EVAC) and two in the medical examiner's office; a bus route in Deltona and a 4 percent raise for employees.

Deb Denys - "Volusia County has never been more stable as a fiscal entity....the council has been "fiscally responsible in the past year and now it's time to give citizens a break. There is money in the general fund to protect our assets and citizens. Volusia is in strong fiscal position even in the worst case scenario".

Pat Patterson - "If we have another storm, we will have a real problem. I'm in favor of (no tax increase for residents) but I guess I'm a bit of a risk-taker."

Fred Lowry - "Going to zero gives us great potential in case something good comes along or if something bad comes along. We need to help our (taxpayers) out."

County Chair Ed Kelley - "With reserves already low" wasn't sure it's time to cut cash flow with the possibility of another hurricane or the additional \$25,000 homestead exemption passes which might cause a substantial tax increase in the future. "If the \$25,000 (homestead) exemption doesn't pass then we can make adjustments next year." While Kelley voted for the proposed 5.69 tax rate, he still has reservations. He's also concerned about the County assuming to the cost of SunRail from FDOT in 2021.

Meanwhile, the County is seeking approximately \$30 million in outstanding FEMA reimbursements for hurricanes Matthew and Irma.

Volusia School District – in July, the School Board approved a tentative budget that includes a slight tax increase and dips into its savings to deal with a projected deficit.

School district funds are \$2.49 million short to cover an operating deficit which was due to increased school security costs (state's unfunded mandate), the demand for staff raises, regular expenditure increases and a 47-cent base student funding increase in new state funding.

The District will work with an \$876.5 million budget to cover 68 schools, 7,400 employees and nearly 63,000 students. The District shall use its unassigned (reserve) fund balance to balance this year's budget. Their proposed 6.28 property tax rate will generate \$239 million (approximately \$11.5 million more than FY 2017-18 - a 3.5 percent increase over the 6.07 rolled-back rate).

District CFO Deb Muller – “current funding falls shorts with the cost of inflation for raises, benefits, fuel and utilities”. In addition, Volusia receives only 96 cents per dollar back from the State via the district cost differential formula (based on the cost of living which results in a \$10 million loss this year).

Meanwhile, teacher contract negotiations are ongoing (the District is offering a 2 percent pay increase this year and next plus maintaining dental coverage).

NOTE - a major concern expressed by local government officials at several meetings was the proposed Constitutional Amendment 1 [Increased Homestead Property Tax Exemption](#) - which would raise the portion of a home's assessed value that can be exempted (except for school property taxes) would apply to the assessed value of a homestead property between \$100,000 and \$125,000 (increases the maximum exemption to \$75,000).

The shift could benefit homeowners with assessed value over \$100,000 an *estimated savings up to \$372*. It will hurt Commercial and Industrial Property Owners, Non-Homestead Residential Property Owners, Homestead Property Owners with Assessed Value less than \$100,000, Tangible Personal Property Owners with value greater than \$25,000. Local governments — which rely on property taxes for revenue — lose about \$645 million (\$8 million in Volusia) in the first year if the exemption, effective January 1, is approved. Percentage of Properties that get NO Benefit from Amendment 1 - 90% in Holly Hill to 2% in Ponce Inlet.

The Chamber recommends VOTE NO on Amendment 1....