



OBSERVER CORPS REPORT
Daytona Beach City Commission
Reported by Cindy Wakeland

November 5, 2025

Mayor's Comments: JLAC Meeting in Tallahassee

During the Mayor's Comments section of the Daytona Beach City Commissioner Meeting held on November 5, 2025, the mayor addressed his recent trip to Tallahassee, where he was called to attend a meeting with the Joint Legislative Auditing Committee (JLAC). He was accompanied by City Manager Deric Feacher, Deputy City Manager Jim Morris, and Chief Building Inspector Glen Urquhart.

Discussion on Building Permit Funds

The purpose of the JLAC meeting was to review the City of Daytona Beach's response regarding building permit funds collected during a period of rapid growth from 2018 to 2020. Currently, the city has approximately \$9 to \$11 million in unspent building funds from that time frame. Since 2020, the City of Daytona Beach has been subject to an ongoing audit by Tallahassee due to this sizable amount.

Committee Inquiries and City's Response

The mayor reported that the city was accused of failing to respond to previous inquiries from JLAC, an allegation he strongly denied. He expressed concern that these accusations were raised by Tallahassee representatives who are, in fact, elected officials from the Daytona Beach area and are experienced attorneys with extensive legal backgrounds.

State Legislation and Funding Restrictions

New legislation passed by the State in 2020 or 2021 now limits the amount of money cities can carry forward annually to \$4 million. Daytona Beach currently holds over twice this amount in excess building permit funds.

Attempts to Allocate Funds

The city has submitted multiple spending proposals to Tallahassee, but none have been approved. One proposal included constructing an addition to City Hall to house the permits and licensing division, which received approval from the State's Attorney General but was rejected by JLAC.



Challenges in Fund Utilization

The mayor emphasized the difficulties in spending the collected funds in a manner that aligns with the city's priorities. For example, the city proposed using the funds to address various causes of flooding, but this suggestion was not accepted by Tallahassee officials.

Dispute Over Returning Funds

The mayor stated that he does not support returning the funds to the "investment community," referring to the builders. However, he noted that Tallahassee appears to favor this course of action. In fact, one developer, Minto, the builder of Margaritaville—has already filed a lawsuit seeking the return of the funds to their company.