



**CITY OF DELAND, FLORIDA
REQUEST FOR COMMISSION ACTION**

July 19, 2010

Department: Finance	Attachments:
Subject: Consideration of Proposed Millage Rate for Fiscal Year 2010-11	<input checked="" type="checkbox"/> Resolution <input checked="" type="checkbox"/> Certification of Values
Prepared by: 	Approved by: 
Department Head	City Manager

SUMMARY/HIGHLIGHT:

The certification of property tax values released by the County Property Appraiser provides a taxable value of \$1,293,813,703 of which \$17,869,337 is considered taxable new construction and annexation values. This represents an approximate 16.43% decrease from the final value from the prior year. The roll back rate is that rate that produces the same amount of revenue as received in the current fiscal year. The estimated roll back rate for tax year 2010 is 7.2375 mills. The budget was balanced at a 5.9995 proposed millage rate for operating which is the same as the general operating millage rate adopted for FY 09-10.

In addition to the operating millage, the Commission will need to consider the millage rate to cover the general obligation debt service for the DeLand Police Department which is budgeted at 0.2851 mills, which is .0452 mills higher than the current millage rate for FY 09-10, for a total combined millage rate of 6.2846 mills.

STRATEGIC PLAN FOCUS AREA/ACTION STEP:

None, however the budget provides the resources to implement the strategic plan.

FISCAL IMPACT: Revenues derived from property tax, excluding debt service revenues, represents 33.52% of total revenues generated in the General Fund for fiscal year 2010-11. The millage rate proposed for operating purposes is 5.9995 and 0.2851 to cover general obligation debt service for the DeLand Police Station. The proposed combined millage rate is 6.2846 compared to 6.2394 for tax year 2009. The operating contingency account for General Fund is \$450,000.

RECOMMENDATION: It is recommended the City Commission consider establishing the proposed millage rate at 5.9995 mills for operating purposes, representing an 17.11% decrease below the estimated roll-back rate of 7.2375, and 0.2851 mills for debt service and instruct the Property Appraiser to advertise the rates in the "TRIM" Notice to DeLand's taxpayers.

NEW BUSINESS NO. 2

SUBJECT: Consideration of Proposed Millage Rate for FY 2010-11

BACKGROUND:

The Truth in Millage Act requires the City to advise the Property Appraiser by August 1st, of the proposed millage rate, date, time and place of the budget hearing. The Property Appraiser is then required to mail a "Notice of Proposed Property Taxes" (TRIM Notice) to each property owner. The budget hearing will need to be scheduled for the first Commission meeting in September (September 7th) at which time a public hearing will be held on the tentative millage and budget. The tentative millage rate can not exceed the proposed rate presented in the "TRIM" Notice without notification of the increase to each taxpayer by first class mail at the City's expense. The Commission may however, reduce the tentative millage rate during the public hearings held in September.

A comparison of the millage rates for the prior year and the proposed budget is as follows:

	<u>FY 10</u>	<u>FY 11</u>	<u>Change</u>	<u>% Change</u>
Operating	5.9995	5.9995	(0.0000)	0%
Debt Service	<u>0.2399</u>	<u>0.2851</u>	<u>0.0452</u>	18.84%
Total	6.2394	6.2846	0.0452	18.84%

The increase in the debt service millage rate shown above is primarily due to the decrease in taxable values. Debt service remains close to the same amount; however, as the taxable values decrease a larger millage rate is required to generate sufficient revenues.

The time frame for adopting the millage rates required for TRIM compliance:

- Proposed millage rate: Adopted in July for use on trim notice in August
- Tentative millage rate: Adopted at first hearing in September
- Final millage rate: Adopted at second hearing in September

RESOLUTION 2010 -

**A RESOLUTION OF THE CITY COMMISSION OF DeLAND, FLORIDA,
ADOPTING A PROPOSED MILLAGE RATE FOR FISCAL YEAR 2010-
11; AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the City of DeLand is required by Florida Statute Section 200.065(2)(1985) to adopt a Resolution setting the proposed millage rate to be levied; and

WHEREAS, the Statute further requires that the Resolution shall state the percent, if any, by which the millage rate to be levied exceeds the rolled-back rate as computed by the Office of the Property Appraiser of Volusia County; and

WHEREAS, the City Commission of the City of DeLand does intend to adopt a proposed operating millage rate of 5.9995 mills which is 17.11% less than the estimated rolled-back rate of 7.2375 mills, and

WHEREAS, the City Commission of the City of DeLand does also intend to adopt a proposed voted debt service millage rate of 0.2851 mills, and

WHEREAS, each taxpayer within the corporate limits of DeLand will be sent notice by first class mail by the Property Appraiser of the public hearing setting the tentative millage rate and proposed budget; and

WHEREAS, a tentative budget hearing on the millage rate has been scheduled for 7:00 p.m. at the City Hall Commission Chambers on September 7, 2010, and the final public hearing has been scheduled for 7:00 p.m. at the City Hall Commission Chambers on September 20, 2010; and

WHEREAS, it is necessary for the City to approve and adopt its proposed millage rate for the fiscal year 2010-11;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF DeLAND:

Section 1. The City Commission of the City of DeLand hereby adopts a 5.9995 proposed operating millage rate.

Section 2. The City Commission of the City of DeLand hereby adopts a 0.2851 proposed voted debt service millage rate.

Section 3. The proposed operating millage rate hereby adopted is 17.11% less than the estimated rolled-back rate.

Section 4. Any resolution or part of resolution in conflict herewith is hereby repealed.

Section 5. This Resolution shall become effective upon its adoption.

PASSED AND DULY ADOPTED this 19th day of July, 2010.

Robert F. Apgar
Mayor - Commissioner

ATTEST:

Julia A. Hennessy
City Clerk – Auditor

APPROVED IN FORM AND LEGALITY:

Darren J. Elkind
City Attorney



CERTIFICATION OF TAXABLE VALUE

DR-420
R. 6/10
Rule 12D-16.002
Florida Administrative Code

Year 2010	County Volusia
Principal Authority Deland	Taxing Authority Deland Operating

SECTION I: COMPLETED BY PROPERTY APPRAISER

1. Current year taxable value of real property for operating purposes	\$	1,082,288,055	(1)
2. Current year taxable value of personal property for operating purposes	\$	211,297,855	(2)
3. Current year taxable value of centrally assessed property for operating purposes	\$	227,793	(3)
4. Current year gross taxable value for operating purposes (Line 1 plus Line 2 plus Line 3)	\$	1,293,813,703	(4)
5. Current year net new taxable value (Add new construction, additions, rehabilitative improvements increasing assessed value by at least 100%, annexations, and tangible personal property value over 115% of the previous year's value. Subtract deletions.)	\$	17,869,337	(5)
6. Current year adjusted taxable value (Line 4 minus Line 5)	\$	1,275,944,366	(6)
7. Prior year FINAL gross taxable value From prior year applicable Form DR-403 series	\$	1,548,155,354	(7)
8. Does the taxing authority include tax increment financing areas? If yes, enter number of worksheets (DR-420TIF) attached. If none, enter 0.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Number 2	(8)
9. Does the taxing authority levy a voted debt service millage or a millage voted for 2 years or less under s.9(b), Article VII, State Constitution? (If yes, enter the number of forms DR-420DEBT, <i>Certification of Voted Debt Millage</i> for each debt service levy.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Number 1	(9)

SIGN HERE	Property Appraiser Certification	I certify the taxable values above are correct to the best of my knowledge.	
	Signature of Property Appraiser - Morgan B. Gilreath, Jr.	Date	07/01/2010
	Electronic Signature per F.S. 668.04 and Rule 2.060(e)(1)(b) Fla. R.Jud.Admin		

SECTION II: COMPLETED BY TAXING AUTHORITY

If this portion of the form is not completed in FULL your authority will be denied TRIM certification and possibly lose its millage levy privilege for the tax year. If any line is not applicable, -0-.

10. Prior year operating millage levy (if prior year millage was adjusted then use adjusted millage from Form DR-422.)		per \$1,000	(10)
11. Prior year ad valorem proceeds (Line 7 multiplied by Line 10 divided by 1,000)	\$		(11)
12. Amount, if any, paid or applied in prior year as a consequence of an obligation measured by a dedicated increment value (Sum of either Lines 6c or Line 7a for all DR-420TIF forms)	\$		(12)
13. Adjusted prior year ad valorem proceeds (Line 11 minus Line 12)	\$		(13)
14. Dedicated increment value, if any (Sum of either Line 6b or Line 7e for all DR-420TIF forms)	\$		(14)
15. Adjusted current year taxable value (Line 6 minus Line 14)	\$		(15)
16. Current year rolled-back rate (Line 13 divided by Line 15, multiplied by 1,000)		per \$1,000	(16)
17. Current year proposed operating millage rate		per \$1,000	(17)
18. Total taxes to be levied at proposed millage rate (Line 17 multiplied by Line 4, divided by 1,000)	\$		(18)

Continued on page 2

19.	TYPE of principal authority (check one)	<input type="checkbox"/> County	<input type="checkbox"/> Independent Special District	(19)
		<input type="checkbox"/> Municipality	<input type="checkbox"/> Water Management District	
20.	Applicable taxing authority (check one)	<input type="checkbox"/> Principal Authority	<input type="checkbox"/> Dependent Special District	(20)
		<input type="checkbox"/> MSTU	<input type="checkbox"/> Water Management District Basin	
21.	Is millage levied in more than one county? (check one)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	(21)

DEPENDENT SPECIAL DISTRICTS AND MSTUs  **STOP HERE - SIGN AND SUBMIT**

22.	Enter the total adjusted prior year ad valorem proceeds of the principal authority, all dependent special districts, and MSTUs levying a millage. (The sum of Line 13 from all DR-420 forms)	\$	(22)
23.	Current year aggregate rolled-back rate (Line 22 divided by Line 15, multiplied by 1,000)	per \$1,000	(23)
24.	Current year aggregate rolled-back taxes (Line 4 multiplied by Line 23, divided by 1,000)	\$	(24)
25.	Enter total of all operating ad valorem taxes proposed to be levied by the principal taxing authority, all dependent districts, and MSTUs, if any. (Total of Line 18 from all DR-420 forms)	\$	(25)
26.	Current year proposed aggregate millage rate (Line 25 divided by Line 4, multiplied by 1,000)	per \$1,000	(26)
27.	Current year proposed rate as a percent change of rolled-back rate (Line 26 divided by Line 23, minus 1 , multiplied by 100)	%	(27)

First public budget hearing	Date	Time	Place
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SIGN HERE	Taxing Authority Certification		I certify the millages and rates are correct to the best of my knowledge. The millages comply with the provisions of s.200.065 and the provisions of either s. 200.071 or s. 200.081, F.S.		
	Signature of Chief Administrative Officer			Date	
	Title		Contact Name		
	Mailing Address		Physical Address		
	City, State, Zip		Phone Number		Fax Number

Instructions on Page 3



CERTIFICATION OF VOTED DEBT MILLAGE

DR-420DEBT
R. 6/10
Rule 12D-16.002
Florida Administrative Code

Year <p style="text-align: center;">2010</p>	County <p style="text-align: center;">Volusia</p>
Principal Authority <p style="text-align: center;">Deland</p>	Taxing Authority <p style="text-align: center;">Deland Operating</p>
Levy Description <p style="text-align: center;">Deland 1999 Bond I&S</p>	

SECTION I: COMPLETED BY PROPERTY APPRAISER

1.	Current year taxable value of real property for operating purposes	\$ 1,082,723,252	(1)
2.	Current year taxable value of personal property for operating purposes	\$ 211,571,697	(2)
3.	Current year taxable value of centrally assessed property for operating purposes	\$ 227,793	(3)
4.	Current year gross taxable value for operating purposes (Line 1 plus Line 2 plus Line 3)	\$ 1,294,522,742	(4)

SIGN HERE	Property Appraiser Certification I certify the taxable values above are correct to the best of my knowledge.	
	Signature of Property Appraiser - Morgan B. Gilreath, Jr.	Date
	Electronic Signature per F.S. 668.04 and Rule 2.060(e)(1)(b) Fla. R.Jud.Admin.	07/01/2010

SECTION II: COMPLETED BY TAXING AUTHORITY

5.	Current year proposed voted debt millage rate	per \$1,000	(5)
6.	Current year proposed millage voted for 2 years or less under s. 9(b) Article VII, State Constitution	per \$1,000	(6)

SIGN HERE	Taxing Authority Certification I certify the proposed millages and rates are correct to the best of my knowledge.	
	Signature of Chief Administrative Officer	Date
	Title	Contact Name
	Mailing Address	Physical Address
	City, State, Zip	Phone Number Fax Number

INSTRUCTIONS

Property appraisers must complete and sign Section I of this form with the DR-420, *Certification of Taxable Value*, and DR-420S, *Certification of School Taxable Value*, and provide it to all taxing authorities levying a

- Voted debt service millage levied under Section 12, Article VII of the State Constitution or
- Millage voted for two years or less under s. 9(b), Article VII of the State Constitution

Section I: Property Appraiser

Use a separate DR-420DEBT for each voted debt service millage that's levied by a taxing authority. The property appraiser should check the Yes box on Line 9 of DR-420, *Certification of Taxable Value*, or Line 8 of DR-420S, *Certification of School Taxable Value*. The property appraiser should provide the levy description and complete Section I, Lines 1 through 4 of this form, for each voted debt service millage levied.

Enter only taxable values that apply to the voted debt service millage indicated.

Sign, date, and forward the form to the taxing authority with the DR-420.

Section II: Taxing Authority

Each taxing authority levying a voted debt service millage requiring this form must provide the proposed voted debt millage rate on Line 5.

If a 420DEBT wasn't received for any

--Voted debt service millages or

--Millages voted for two years or less

contact the property appraiser as soon as possible and request a DR-420DEBT.

Sign, date, and return the form to your property appraiser with the DR-420 or DR-420S.

All forms for taxing authorities are available on our website at
<http://dor.myflorida.com/dor/property/trimmax.html>