

**CITY OF DELAND, FLORIDA
REQUEST FOR COMMISSION ACTION
September 9, 2020**

<p>Department: Finance</p> <p>Subject: Resolutions Approving FY 20-21 Tentative Millage Rate and Budget</p>	<p>Attachments:</p> <ol style="list-style-type: none"> 1. Resolution FY 20-21 Tentative Millage Rate 2. Resolution FY 20-21 Tentative Budget 3. FY 20-21 Attachment A 4. FY 20-21 Summary of Budget Adjustments
<p>Prepared by:</p>  <p>Dan Stauffer, CPA, Finance Director 8/31/2020</p>	<p>Approved by:</p>  <p>Michael Pleus, City Manager 9/2/2020</p>

SUMMARY/HIGHLIGHT: This is the date set for the first public hearing on the tentative millage rate and proposed 2020-2021 budget. Notices were sent to all property owners by the Property Appraiser advising the date and time of this meeting and that an operating millage rate of 6.7841 will be considered by the City Commission for the 2020 tax year.

At the August budget workshops, the City Commission approved the addition and removal of a few items to be included in and excluded from the FY20-21 budget. Since the August budget workshops, staff identified corrections or other additional changes due to more accurate information received subsequent to the budget workshops. These changes are detailed in an attached summary and further discussed in the background section below. The net effect of the changes did not change the total General Fund Budget from what was originally presented in the proposed budget and during the budget workshops in August 2020.

A comparison of millage rates is provided below. The current proposed operating millage rate of 6.7841 mills represents a 5.06% increase from the current year rolled-back rate of 6.4576 mills.

	<u>FY 20</u>	FY 21 Currently <u>Proposed</u>	Net <u>Change</u>
Operating Millage	6.7841	6.7841	0.0000

After the public hearing, any changes to the 2020-21 budget the City Commission would like to make should be directed to staff so they may be incorporated in the advertisement of the City Commission's intent to adopt a budget and in the presentation for final consideration on September 21, 2020.

STRATEGIC PLAN FOCUS AREA/ACTION STEP: N/A

FISCAL IMPACT: The FY 2020-2021 budget is in balance and establishes the programs and services the City will provide next fiscal year.

RECOMMENDATION: It is recommended the City Commission adopt the Resolution setting the tentative operating millage rate at 6.7841 mills and adopt the Resolution establishing the tentative budget for fiscal year 2020-2021.

BACKGROUND/DISCUSSION: There are two public hearings, September 9, 2020 and September 21, 2020, scheduled for the Commission to modify and ultimately adopt the budget for FY 2020-21. At either of these public hearings the Commission may reduce the operating millage but increasing the rate will require notification to all property owners and will require an additional public hearing. The millage rate established by the Commission at this meeting will be the rate advertised for the September 21st public hearing.

On June 17, 2011 the state legislature amended s.166.241, F.S. adding the following language:

At a minimum, the adopted budget must show for each fund, as required by law and sound financial practices, budgeted revenues and expenditures by organizational unit which are at least at the level of detail required for the annual financial report under s. 218.32(1).

Attachment "A" to the resolution adopting the tentative budget provides the information necessary to satisfy this requirement.

The following details the changes from the proposed budget to the tentative budget for the affected funds:

General Fund

The original proposed budget for the General Fund was \$31,956,460. At the August budget workshops, the City Commission approved reducing some of the City Commission travel and training (-\$10,395) from the budget. In addition, the City Commission approved adding back the employee Christmas gift cards (\$21,000) and the one-time sponsorship funds (\$1,500) to the budget.

Since the budget workshops, staff identified other budget changes including a decrease in insurance premiums (-\$16,333) and a decrease in other net personnel cost adjustments and corrections (-\$125,257). To offset all of these changes, an increase was made to contingency (\$129,485). The final tentative budget for the General Fund remains \$31,956,460.

Spring Hill CRA Fund

The original proposed budget for the Spring Hill CRA Fund was \$363,061. Since the budget workshops, staff identified budget changes including an increase in insurance premiums (\$7) and an increase in other net personnel cost adjustments and corrections (\$153). These are offset by a reduction in the reserve contingency (-\$160). The final tentative budget for the Spring Hill CRA remains \$363,061.

Downtown CRA Fund

The original proposed budget for the Downtown CRA Fund was \$599,414. Since the budget workshops, staff identified a budget change including a decrease in insurance premiums (-\$995).

This is offset by an increase in the reserve contingency (\$995). The final tentative budget for the Downtown CRA Fund remains \$599,414.

Water & Sewer Fund

The original proposed budget for the Water and Sewer Fund was \$22,790,599. Since the budget workshops, staff identified various net personnel adjustments of (-\$10,623) as well as an increase in insurance premiums (\$3,839). These are offset by an increase in the reserve contingency (\$6,784). The final tentative budget for the Water and Sewer Fund remains \$22,790,599.

Airport Fund

The original proposed budget for the Airport Fund was \$7,381,508. Since the budget workshops, staff identified budget changes including a decrease in insurance premiums (-\$4,193) and an increase in other net personnel cost adjustments and corrections (\$36). To offset these changes, a reduction in the use of reserves (-\$4,157) was made. The adjusted final tentative budget for the Airport Fund is \$7,377,351.

Stormwater

The original proposed budget for the Stormwater Fund was \$1,887,018. Since the budget workshops, staff identified budget changes including a decrease in insurance premiums (-\$621) and an increase in other net personnel cost adjustments and corrections (\$55). To offset these changes, a reduction in the use of reserves (-\$566) was made. The adjusted final tentative budget for the Stormwater Fund is \$1,886,452.

Permits & Inspections Fund

The original proposed budget for the Permits and Inspections Fund was \$2,526,576. Since the budget workshops, staff identified budget changes including a decrease in insurance premiums (-\$156) and an increase in other net personnel cost adjustments and corrections (\$2,547). To offset these changes, an increase in the use of reserves (\$2,391) was made. The adjusted final tentative budget for the Permits and Inspections Fund is \$2,528,967.

ITEM SUMMARY:

First public hearing on the tentative FY 2020-2021 budget and establishing a tentative operating millage rate to support the budget at 6.7841 mills. The tentative operating millage rate of 6.7841 mills is 5.06% above the rolled-back millage rate of 6.4576 mills.

RESOLUTION NO. 2020 -

A RESOLUTION OF THE CITY COMMISSION OF DELAND, FLORIDA, ADOPTING A TENTATIVE MILLAGE RATE FOR FISCAL YEAR 2020-21 AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of DeLand is required by Florida Statute Section 200.065(2) to adopt a Resolution setting the 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 tentative operating millage rate of 6.7841 mills which is 5.06% more than the current year rolled-back rate of 6.4576 mills; and

WHEREAS, a tentative budget hearing on the millage rate has been scheduled for 7:00 p.m. at City Hall on September 9, 2020, and the final public hearing has been scheduled for 7:00 p.m. at City Hall on September 21, 2020; and

WHEREAS, it is necessary for the City to approve and adopt its tentative millage rate for the fiscal year 2020-21;

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 6.7841 tentative operating millage rate.

Section 2. The City Commission hereby finds and declares that the operating millage rate adopted by this Resolution is more than the current year rolled-back rate by 5.06%.

Section 3. Any resolution or part of resolution in conflict herewith is hereby repealed.

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

PASSED AND DULY ADOPTED this 9th day of September 2020.

Robert F. Apgar
Mayor - Commissioner

ATTEST:

Julie A. Hennessy
City Clerk – Auditor

APPROVED IN FORM AND LEGALITY:

Darren J. Elkind
City Attorney

RESOLUTION NO. 2020 -

A RESOLUTION OF THE CITY COMMISSION OF DELAND, FLORIDA, ADOPTING THE TENTATIVE BUDGET FOR THE FISCAL YEAR 2020-21 AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Commission of the City of DeLand, after holding several budget sessions and carefully considering the financial needs of the City of DeLand and the sources of revenue available to the City to meet such needs, is ready to adopt a tentative budget; and

WHEREAS, a public hearing to finalize the tentative budget was held on September 9, 2020; and

WHEREAS, it is necessary for the City to approve and adopt its budget for the fiscal year 2020-21; and

WHEREAS, the City Manager has recommended approval of the budget.

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

Section 1. The following budgets are hereby adopted: General Fund at \$31,956,460, Confiscated Trust Fund at \$3,000, Homelessness Fund at \$479,330, Governmental Impact Fees Trust Fund at \$822,157, Grants and Special Revenue Fund at \$665,903, Debt Service Fund at \$2,466,820 Capital Fund at \$941,988, Water and Sewer Revenue Fund at \$22,790,599, Water and Wastewater Trust Fund at \$7,115,136, Airport Fund at \$7,377,351, Refuse Collection Fund at \$4,030,200, Stormwater Fund at \$1,886,452, Permits and Inspections Fund at \$2,528,967, Health Insurance Cost Containment Fund at \$596,985, and Workers Compensation Self-Insurance Fund \$794,268 for fiscal year 2020-21 as detailed on Attachment 'A', in accordance with Section 166.241, Florida Statutes.

Section 2. Any resolution or part of a resolution in conflict herewith is hereby repealed.

Section 3. This resolution shall become effective immediately upon its adoption.

PASSED AND DULY ADOPTED this 9th day of September 2020.

Robert F. Apgar
Mayor - Commissioner

ATTEST:

Julie A. Hennessy
City Clerk - Auditor

APPROVED AS TO FORM AND LEGALITY:

Darren J. Elkind
City Attorney

ATTACHMENT 'A'

Account Code	Revenue Description	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Total
311000	Ad Valorem Taxes	12,916,662	-	-	391,446	-	-	13,308,108
312400	Local Option Gas Tax	270,487	255,331	-	-	-	-	525,818
312510	Fire Insurance Premium Tax (Firefighters' Pension)	142,999	-	-	-	-	-	142,999
312520	Casualty Insurance Premium Tax (Police Officers' Retirement)	180,302	-	-	-	-	-	180,302
314100	Utility Service Tax - Electricity	3,337,899	-	-	-	-	-	3,337,899
314300	Utility Service Tax - Water	723,977	-	-	-	-	-	723,977
314400	Utility Service Tax - Gas	171,518	-	-	-	-	-	171,518
314800	Utility Service Tax - Propane	55,121	-	-	-	-	-	55,121
315000	Communications Service Tax (Chapter 202)	866,776	-	-	-	-	-	866,776
316000	Local Business Tax (Chapter 205)	230,014	-	-	-	-	-	230,014
322000	Building Permits	-	-	-	-	1,253,635	-	1,253,635
323100	Franchise Fee - Electricity	2,819,279	-	-	-	-	-	2,819,279
323400	Franchise Fee - Gas	90,719	-	-	-	-	-	90,719
323700	Franchise Fee - Solid Waste	460,009	-	-	-	-	-	460,009
324110	Impact Fees - Residential - Public Safety	-	114,754	-	-	-	-	114,754
324210	Impact Fees - Residential - Physical Environment	-	-	-	-	3,000,000	-	3,000,000
324610	Impact Fees - Residential - Culture/Recreation	-	496,403	-	-	-	-	496,403
324710	Impact Fees - Residential - Other	-	211,000	-	-	-	-	211,000
329000	Other Permits, Fees & Special Assessments	46,720	-	-	-	1,500	-	48,220
331100	Federal Grant - General Government	50,093	-	-	-	-	-	50,093
331200	Federal Grant - Public Safety	91,330	186,328	-	-	-	-	277,658
331400	Federal Grant - Airport Development	-	-	-	-	3,120,000	-	3,120,000
334300	State Grant - Water	-	-	-	-	1,365,870	-	1,365,870
334400	State Grant - Airport Development	-	-	-	-	1,700,000	-	1,700,000
335120	State Revenue Sharing - Proceeds	939,636	-	-	-	-	-	939,636
335140	State Revenue Sharing - Mobile Home Licenses	17,000	-	-	-	-	-	17,000
335150	State Revenue Sharing - Alcoholic Beverage Licenses	25,000	-	-	-	-	-	25,000
335180	State Revenue Sharing - Local Government Half-Cent Sales Tax	1,518,279	-	-	-	-	-	1,518,279
335230	State Revenue Sharing - Emergency Management Assistance	15,360	-	-	-	-	-	15,360
335410	State Revenue Sharing - Airport Development	24,000	-	-	-	-	-	24,000
338000	Shared Revenue From Other Local Units	25,620	-	-	-	-	-	25,620
339000	Payments From Other Local Units In Lieu Of Taxes	2,326,764	-	-	-	-	-	2,326,764
341200	Internal Service Fund Fees and Charges	-	-	-	-	-	1,391,253	1,391,253
341400	Service Charge - General Government	156,307	-	-	-	107,500	-	263,807
341900	Other General Government Charges and Fees	-	-	-	-	20,000	-	20,000
342100	Service Charge - Law Enforcement Services	82,497	-	-	-	-	-	82,497
342200	Service Charge - Fire Protection	59,521	-	-	-	-	-	59,521
342900	Service Charge - Other Public Safety Charges and Fees	26,000	-	-	-	-	-	26,000
343300	Service Charge - Water Utility	-	-	-	-	12,615,857	-	12,615,857
343400	Service Charge - Garbage/Solid Waste	-	-	-	-	4,030,200	-	4,030,200
343500	Service Charge - Sewer/Wastewater Utility	-	-	-	-	11,164,140	-	11,164,140
343600	Service Charge - Water/Sewer Combination Utility	-	-	-	-	25,606	-	25,606
343700	Service Charge - Conservation and Resource Management	1,500	-	-	-	-	-	1,500
343900	Service Charge - Other Physical Environment Charges	-	-	-	-	18,000	-	18,000
344100	Service Charge - Airports	-	-	-	-	315,458	-	315,458
347200	Service Charge - Parks and Recreation	52,295	-	-	-	-	-	52,295
347400	Service Charge - Special Events	65,480	-	-	-	98,149	-	163,629
347500	Service Charge - Special Recreation Facilities	255,727	-	-	-	-	-	255,727
349000	Other Charges for Services	-	-	-	-	397,057	-	397,057
351100	Judgments and Fines - As Decided by County Court Criminal	32,000	-	-	-	-	-	32,000
351300	Judgments and Fines - As Decided by County Court Civil	4,000	-	-	-	-	-	4,000
351400	Judgments and Fines - As Decided by Circuit Court Civil	14,000	3,000	-	-	-	-	17,000
359000	Other Judgments, Fines and Forfeits	35,000	-	-	-	-	-	35,000
361100	Interest	90,000	-	-	-	172,739	-	262,739
362000	Rents and Royalties	-	-	-	-	1,279,036	-	1,279,036
364000	Disposition of Fixed Assets	5,000	-	-	-	2,000	-	7,000
366000	Contributions and donations from Private Sources	17,000	404,330	-	-	-	-	421,330
369900	Other Miscellaneous Revenues	420,393	-	-	-	108,000	-	528,393
381000	Inter-Fund Group Transfers In	1,356,228	299,244	2,466,820	550,542	4,813,558	-	9,486,392
382000	Contributions from Enterprise Operations	1,937,948	-	-	-	120,400	-	2,058,348
Total FY 2020-2021 Revenues		31,956,460	1,970,390	2,466,820	941,988	45,728,705	1,391,253	84,455,616

Account Code	Expenditure Description	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Total
511	Legislative	108,502	-	-	-	-	-	108,502
512	Executive	633,273	-	-	-	-	-	633,273
513	Financial and Administrative	3,409,811	-	-	257,150	-	1,391,253	5,058,214
514	Legal counsel	312,386	-	-	-	-	-	312,386
515	Comprehensive Planning	581,258	-	-	-	-	-	581,258
517	General Government Debt Services	-	-	2,466,820	-	-	-	2,466,820
519	Other General Governmental Services	5,239,385	822,157	-	-	-	-	6,061,542
521	Law Enforcement	9,530,141	3,000	-	314,176	-	-	9,847,317
522	Fire Control	5,396,127	-	-	84,000	-	-	5,480,127
524	Protective Inspections	89,004	-	-	-	2,528,967	-	2,617,971
533	Water Utility Services	-	-	-	-	6,769,423	-	6,769,423
534	Garbage/Solid Waste Control Services	-	-	-	-	4,030,200	-	4,030,200
535	Sewer/Wastewater Services	-	-	-	-	5,424,197	-	5,424,197
536	Water-Sewer Combination Services	-	-	-	-	15,970,845	-	15,970,845
539	Other Physical Environment	1,182,634	-	-	84,784	1,741,270	-	3,008,688
541	Road and Street Facilities	1,901,991	665,903	-	56,862	1,886,452	-	4,511,208
542	Airports	-	-	-	-	7,377,351	-	7,377,351
549	Other Transportation Systems/Services	19,767	-	-	-	-	-	19,767
552	Industry Development	346,055	-	-	23,657	-	-	369,712
569	Other Human Services	-	479,330	-	-	-	-	479,330
572	Parks and Recreation	3,047,893	-	-	121,359	-	-	3,169,252
573	Cultural Services	27,202	-	-	-	-	-	27,202
575	Special Recreation Facilities	115,770	-	-	-	-	-	115,770
579	Other Culture/Recreation	15,261	-	-	-	-	-	15,261
Total FY 2020-2021 Expenditures		31,956,460	1,970,390	2,466,820	941,988	45,728,705	1,391,253	84,455,616

	General Fund	Spring Hill CRA	Downtown CRA	Water & Sewer	Airport Fund	Stormwater Fund	Permits & Inspections
REVENUES							
As presented in the Proposed Budget	31,956,460	363,061	599,414	22,790,599	7,381,508	1,887,018	2,526,576
<i>Commission Approved Adjustments from August Workshops</i>							
<i>Adjustments after August Workshops</i>							
Increased (Decreased) Use of Reserves					(4,157)	(566)	2,391
Total Revenue	31,956,460	363,061	599,414	22,790,599	7,377,351	1,886,452	2,528,967
EXPENDITURES							
As presented in the Proposed Budget	31,956,460	363,061	599,414	22,790,599	7,381,508	1,887,018	2,526,576
<i>Commission Approved Adjustments from August Workshops</i>							
Decreased Travel and Training - City Commission	(10,395)						
Increased Employee Christmas Giftcards	21,000						
Increased One-Time Sponsorships	1,500						
<i>Adjustments after August Workshops</i>							
Increase (Decreased) Insurance Premiums	(16,333)	153	(995)	3,839	(4,193)	(621)	(156)
Net personnel adjustments / corrections	(125,257)	7		(10,623)	36	55	2,547
Decreased Reserve Contingency		(160)	995	6,784			
Increased (Decreased) Contingency	129,485						
Total Expenditures	31,956,460	363,061	599,414	22,790,599	7,377,351	1,886,452	2,528,967