



LEGISLATIVE MEMORANDUM

TO: Honorable Mayor and Members of the City Council

FROM: Suzanne Sherman, City Manager

THRU: Larry Wojciechowski, Finance Director

DATE: July 18, 2024

RE: Consideration of 2024 Certification of Taxable Value; Fiscal Year 2025 proposed Operating Millage Rate; Fiscal Year 2025 proposed Debt Millage Rate; and scheduling dates for the budget public hearings.

SUMMARY:

Attached are the 2024 Certification of Taxable Values and the 2024 Certification of Voted Debt Millage for the City of Palm Bay, as prepared by the Office of Brevard County Property Appraiser. In accordance with the Truth in Millage (TRIM) legislative requirement, these forms must be certified by the City Manager and filed with the Property Appraiser's Office by August 4, 2024, disclosing the proposed Ad Valorem tax rate, the proposed Debt Levy rate, and the date/time/meeting location of the tentative budget hearing for the fiscal year beginning October 1, 2024.

2024 Certification of Taxable Value Summary

The Certified Gross Taxable Value for operating purposes for the City, including new construction, is \$9,229,308,429. The portion of the gross taxable value represented by new construction is \$691,747,467.

Information contained on the 2024 Certification of Taxable Value is required to compute the overall roll-back rate. As required by TRIM, the estimated roll back millage rate (the millage rate required to collect the same tax revenues next year as this year, excluding new construction) is 6.5627 per \$1,000 of assessed value compared to the current millage rate of 7.0171. The rolled back rate is lower than the current millage rate due to increase in existing property values for 2024.

The preliminary operating budget is built upon the 3.00% CAP rate of 6.7339 mills. The current tax rate is 7.0171. State revenue estimates are not yet available and may positively or negatively affect the forthcoming preliminary budget as distributed to you. If state revenues come in significantly less than what is estimated in the preliminary budget, additional reductions in the

proposed budget may be required. Council will establish the actual tax rate this September.

2024 Certification of Voted Debt Millage Summary

The Certified Taxable Value for the City, including real property, personal property and centrally assessed property is \$9,304,895,819.

The proposed debt millage rate of 1.1210 shall generate estimated revenues totaling \$10,013,557, assuming an estimated 96.00% collection rate, based on the gross taxable value certified by the Property Appraiser's Office. These revenues are restricted and are designated for payments of the General Obligation Bonds, Series 2019 debt service payment totaling of \$3,525,250, the General Obligation Bonds, Series 2021 debt service payment totaling \$3,447,650, and the General Obligation Bonds, Series 2023 debt service payment totaling \$3,040,825, all due in the FY 2025 Budget year.

Public Hearing Dates

The City is also required to set the date and time of the first Public Hearing on the proposed millage. The Notice of Proposed Property Taxes that the County mails out on September 1, 2024 contains this information and is the approved TRIM method of advertising the City's first public hearing. Cities are not allowed to set hearing dates on dates reserved by the Brevard County Board of County Commissioners (Tuesday, September 10, 2024 and Tuesday, September 24, 2024) and the Brevard County School Board (Thursday, July 30, 2024 and Thursday, September 5, 2024). It is recommended that the City's first Public Hearing be held on Thursday, September 12, 2024 starting at 6:00 p.m. and the second Public Hearing be held on Thursday, September 26, 2024 starting at 6:00 p.m.

REQUESTING DEPARTMENTS:

Finance

FISCAL IMPACT:

The advertised operating millage rate can be lowered; however, raising the advertised operating millage rate requires individual notices to all property owners.

STAFF RECOMMENDATION:

Motion to authorize the City Manager to advertise a FY 2025 proposed operating millage rate of up to 7.0171; authorize the City Manager to advertise a FY 2025 proposed voted debt millage rate of 1.1210; and to schedule the first public hearing date for Thursday, September 12, 2024 at 6:00 p.m. and the second public hearing date for Thursday, September 26, 2024 at 6:00 p.m.

ATTACHMENTS:

1. DR-420_07.05.2024 (Pre-Certification)
2. DR-420 TIF_07.05.2024 (Pre-Certification)
3. DR-420 DEBT_07.05.2024 (Pre-Certification)
4. County & School Public Hearing Dates FY 24-25_07.05.2024_CONFIRMED