



AGENDA MEMO DADE CITY COMMISSION

To: Honorable Mayor and Members of the City Commission
From: Leslie Porter, City Manager
Re: Setting the Proposed Millage Rate for Fiscal year 2022-2023
Date: July 26, 2022

RECOMMENDED ACTION

Adopt proposed millage rate for Fiscal Year 2022-2023

BACKGROUND SUMMARY/ANALYSIS

The Florida Statutes dictate the way local governments calculate and approve their millage rates. By July 1, the property appraiser completes form DR-420 to certify the taxable value in the taxing authority's jurisdiction and sends the form to the City of Dade City ("City"). Day 1 of TRIM (Truth in Millage) is the date of certification of taxable value or July 1, whichever is later.

Within thirty-five days of the Certification of Taxable Value, which is August 4, the City must complete Section II of Form DR-420 and return it to the property appraiser. Form DR-420 informs the property appraiser of:

- Prior-year millage rate
- Current-year proposed millage rate
- Current-year rolled-back rate
- Date, time, and meeting place of the tentative hearing

The City must hold a public hearing on the tentative budget and millage rate between days 65 and 80 after certification of taxable value. The property appraiser publicizes the hearing information on the TRIM notice.

Within 15 days after the tentative hearing, the City must advertise its intent to adopt a final millage and budget. The City will place a Notice of Proposed Tax Increase or Budget Hearing advertisement, along with an adjacent Budget Summary ad in the local newspaper. Two to five days (Days 97-100) after publishing the advertisements, the City will hold a public hearing to adopt the final millage rate and budget. Within three days after the final hearing, the City will send the resolution or ordinance adopting the final millage to the property appraiser, tax collector, and Department of Revenue. The property appraiser's receipt of the resolution or ordinance is the official notice that the City approved the millage rate. No budget hearings may be held on the same day as the County Commission or School Board hearings.

The Florida Statutes dictate the way local governments calculate and approve their millage rates. Different levels of millage have certain minimum voting requirements. The proposed millage rate can be decreased prior to final adoption but cannot be increased.

At the current year tax rate of 7.14 mills, ad valorem tax revenues in the General Fund are anticipated to increase by \$455,028. The millage rate charged on taxable value is the primary revenue variable that will impact the General Fund. Based on the current year taxable value,

one mill equals approximately \$383,195 in tax revenue to the City. The table below illustrates some of the options available to the City.

Millage Rate	Vote Required	Change in Budgeted Ad Valorem Tax Revenues from FY 2022
6.1720	Majority (3 of 5) - Rolled-back Rate	\$64,573
7.1400	Majority (3 of 5) - FY 2022 Rate	\$455,028
7.3185	Majority (3 of 5) - 2.5% Increase	\$527,028
7.4970	Majority (3 of 5) - 5% Increase	\$599,029
8.1964	Majority (3 of 5) - Constitutional Maximum	\$881,141

* Constitutional cap of 10.00 mills less proposed County Fire MSTU of 1.8036 mills

The table below illustrates the effect of an increase in the current millage rate per \$50,000 of taxable value.

Millage rate	Yearly change per \$50,000 of taxable value	Additional ad valorem tax revenues
7.3185	\$8.92	\$72,000
7.4970	\$17.85	\$144,001
7.6755	\$26.78	\$216,001

ATTACHMENTS

1) Certification of Taxable Value

FUNDING

None required.