



**Proposed Millage Rate Ordinance For
Fiscal Year 2018/2019
City of Delray Beach**

**City Commission
July 10, 2018**



Current and Rollback Millage Rates



- The City's current operating millage is 6.8611 and the Debt Service millage for the General Obligation Debt is 0.2289.
- The Total FY 2017/18 Citywide millage is 7.0900.
- The FY 2017/18 Rolled-back rate is 6.5482
- “Rolled-back” is the rate that will generate the same tax revenue as the prior year with some allowances; such as new construction, additions and deletions to the tax roll.



Proposed Millage Rates

- The FY 2018/19 General Operating millage is **6.7611**, which is 0.1000 mills lower than the current millage of 6.8611.
- The debt service millage is **0.2108**, which is 0.0181 mills lower than the current debt service millage of 0.2289.
- The FY 2018/19 Citywide millage is **6.9719**

Millage Setting Scenarios	Operating Millage Rate Options	Gen. Fund Prop. Tax Revenues	Increase/ (Decrease) from 6.7611	Net Change after CRA	Debt Service Millage	Total Millage
Very Safe with max. flexibility	6.9611	69,033,762	1,983,415	1,596,880	0.2108	7.1719
Safe with some flexibility	6.8611	68,042,054	991,708	798,440	0.2108	7.0719
Low risk but little flexibility	6.7611	67,050,347	0	0	0.2108	6.9719
High risk - Cutback mode	6.5180	64,639,505	(2,410,842)	(1,941,008)	0.2108	6.7288

**6.7611 balances the FY 18/19 budget with little flexibility*

Millage Explanations



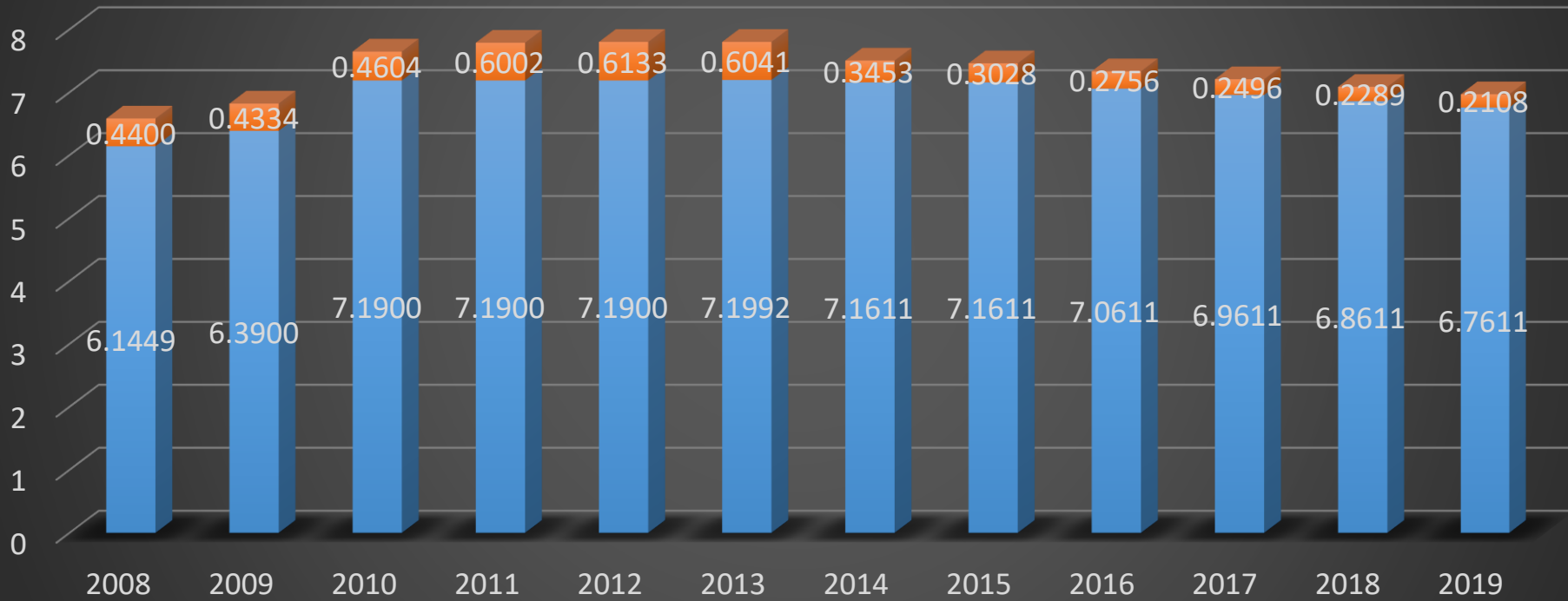
- 6.9611 would provide the greatest flexibility and would represent a policy that considers the likelihood that Amendment 1 will pass the November ballot, which will result in a **property tax reduction of approximately \$1.3 million** due to the additional homestead exemption.
- 6.8611 would provide the Commission the flexibility of providing about \$800,000 to address budget enhancement requests that were not funded by the City Manager with total requests exceeding \$5.9 million (all funds).

Millage Explanations



- 6.7611 is the current millage rate assumption and the FY 2019 Budget is balanced at that property tax rate level.
 - There are a number of recommended funding enhancements that total \$2.1 million (all funds) of which \$1.1 million are in the General Fund. The General Fund recommendation includes a reassignment of a position from the City Clerk's Office to the City Manager's Office and there is one, additional accountant in the Finance Department that is mission critical.
 - The 6.7611 operating millage level does **not** allow for the continuation of a 3-year public safety staffing and services enhancement that was begun three years ago (2019 would be the final year).
- 6.5180 (5% millage rate reduction) would require the Commission to cut \$2 million from the current budget. Due to service level impacts, **this option is not recommended.**

Millage Rates 2008-2019





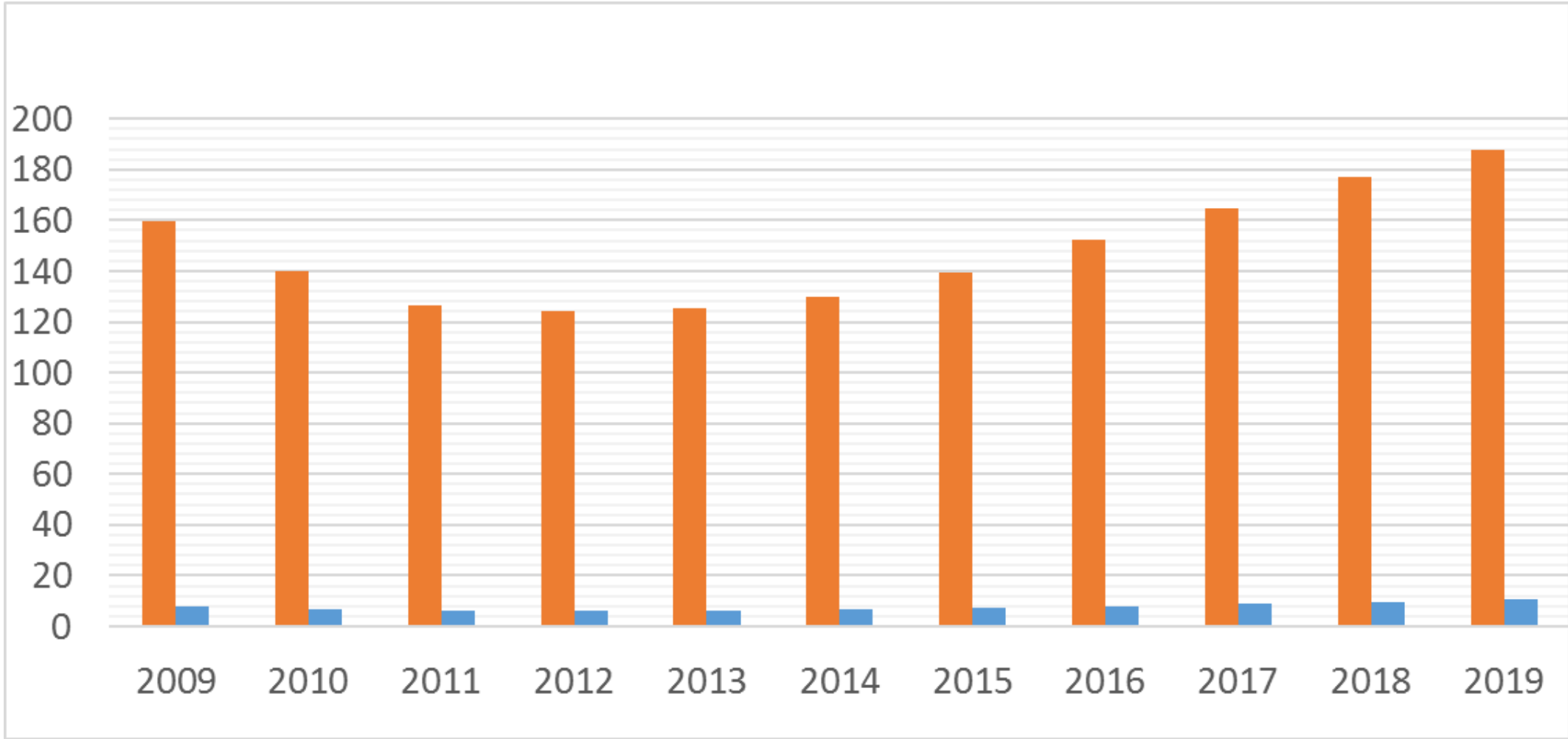
Millage Rates 2008-2019

FISCAL YEAR	DEBT		
ENDING 09/30	MILLAGE	SERVICE	TOTAL
2008	6.1449	0.4334	6.5849
2009	6.3900	0.4604	6.8234
2010	7.1900	0.5316	7.6504
2011	7.1900	0.6002	7.7902
2012	7.1900	0.6133	7.8033
2013	7.1992	0.6041	7.8033
2014	7.1611	0.3453	7.5064
2015	7.1611	0.3028	7.4639
2016	7.0611	0.2756	7.3367
2017	6.9611	0.2496	7.2107
2018	6.8611	0.2289	7.0900
2019	6.7611	0.2108	6.9719



Taxable Property Value

Palm Beach County/ City of Delray Beach



Taxable Property Value

Palm Beach County/ City of Delray Beach



FISCAL YEAR ENDING 09/30	PALM BEACH COUNTY	% OF INCREASE	CITY OF DELRAY BEACH	% OF INCREASE	% OF TOTAL
2009	159,570,642,938	-	8,149,606,528	3.9%	5.1%
2010	139,982,154,230	-12.3%	7,010,118,472	-14.0%	5.0%
2011	126,689,627,282	-9.5%	6,167,334,910	-12.0%	4.9%
2012	124,269,694,034	-1.9%	6,149,055,201	-0.3%	4.9%
2013	125,081,249,287	0.7%	6,207,019,373	0.9%	5.0%
2014	129,959,783,963	3.9%	6,594,864,216	6.2%	5.1%
2015	139,218,878,252	7.1%	7,239,395,652	9.8%	5.2%
2016	152,562,817,106	9.6%	7,981,341,482	10.2%	5.2%
2017	164,538,123,222	7.8%	8,799,184,526	10.2%	5.3%
2018	176,846,761,549	7.5%	9,610,320,394	9.5%	5.4%
2019 (Estimated)	187,799,111,164	6.5%	10,439,027,988	8.3%	5.6%



Budget Public Hearings



- September 6th – Tentative Adoption Public Hearing
- September 25th – Final Adoption Public Hearing



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