



Cover Memorandum/Staff Report

File #: 25-897

Agenda Date: 7/15/2025

Item #: 7.H.

TO: Mayor and Commissioners
FROM: Henry M. Dachowitz, Chief Financial Officer
THROUGH: Terrence R. Moore, ICMA-CM
DATE: July 15, 2025

FISCAL YEAR 2025-26 PROPOSED MILLAGE RATE

Recommended Action:

Motion to Approve Staff's recommendation that the City Commission set the proposed Millage Rate at 6.1611 mills for operating and 0.0309 mills for debt service for a total of 6.1920 mills.

Background:

On June 26, 2025, the Palm Beach County Property Appraiser provided the 2025 Certified Preliminary Taxable Value for the City of Delray Beach. The Preliminary Taxable Value before Net New Value was \$19,249,219,129. With the addition of the Net New Value (new construction, additions, annexations, and deletions) of \$ 395,230,602, the total Certified 2025 Preliminary Taxable Value for the City of Delray Beach totaled \$ 19,644,449,731, a 8.74% increase over the 2025 Final Taxable Value of \$ 18,064,780,439.

In accordance with the Truth in Millage Act (TRIM), within 35 days from the date of certification, the City is required to provide the Property Appraiser with the proposed millage rate for Fiscal Year 2026. The proposed millage rate set by the City Commission is the maximum rate that can be levied for Fiscal Year 2026. The rate can be lowered at the public hearings in September.

At the proposed operating millage rate of 6.1611 mills, the City will recognize \$91,488,945 in Ad Valorem operating revenue (net of CRA contributions) in the General Fund. The total millage rate of 6.1611 for operating and 0.0307 for debt service for Fiscal Year 2026 is 6.1920 mills, which is more than the total millage rate of 5.9400 for the current fiscal year.

The first and second Public Hearings to adopt the Fiscal Year 2026 Budget will be held on September 3, 2025 and September 15, 2025 respectively.

City Attorney Review:

N/A

Funding Source/Financial Impact:

Finance recommends approval.

Timing of Request:

In accordance with the Truth in Millage Act (TRIM), within 35 days from the date of certification, the City is required to provide the Property Appraiser with the proposed millage rate for Fiscal Year 2026.