



CITY OF RIVIERA BEACH

TO: HON. MAYOR AND CITY COUNCIL MEMBERS

FROM: RANDY M. SHERMAN, DIRECTOR OF FINANCE &
ADMINISTRATIVE SERVICES

SUBJECT: RESOLUTION SETTING FY 2020/2021 MAXIMUM MILLAGE
RATE

DATE: JULY 15, 2020

CC: GENERAL PUBLIC

Background:

The City of Riviera Beach is required to comply with the provisions of Chapter 200.065, Florida Statutes to set the maximum millage rate for FY 2020/2021. The City is also required to set the date and time for the first Public Hearing in September. The date of the public hearing cannot fall on the same date as hearings held for Palm Beach County or the Palm Beach County School Board. Palm Beach County has set its public hearing for Thursday, September 3, 2020 and the Palm Beach County School Board has set its public hearing for Wednesday, September 9, 2020, therefore, staff is recommending that the City Council holds its first public hearing on Tuesday, September 8, 2020 at 6PM in the City's Council Chambers.

The rolled-back rate is 7.9567 mills for FY 2020/2021, which is the rate that would generate the same amount of ad valorem revenues less allowances for new construction, additions, deletions, annexations, and improvements. The rolled-back rate would generate \$47.6 million in ad valorem revenues, which is \$3.0 million less than a millage rate of 8.4520 would generate.

The proposed millage rate, roll-back rate and first public hearing date must be returned to the Palm Beach Property Appraiser by no later than July 30, 2020.



Fiscal/Budget Impact:

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	<u>FY 2020</u>	<u>FY 2021</u>	<u>\$ Increase</u>	<u>% Increase</u>
Assessed Value	5,593,032,045	5,982,869,262	389,837,217	6.97%
Millage rate	8.452	<u>8.452</u>		
Ad Valorem taxes	47,272,307	<u>50,567,211</u>	3,294,904	6.97%
Rolled back rate		7.9567		
Ad Valorem taxes		<u>47,603,896</u>		
Reduction in ad valorem taxes at rolled back rate		<u>(2,963,315)</u>		

Rolled back rate calculation:

Adjusted prior year ad valorem proceeds (less CRA TIF)	41,699,849
Adjusted current year taxable value	5,240,845,821
Rolled back rate	7.9567

Assessed value	5,982,869,262
Less net new taxable value	39,564,371
Less CRA increment value	702,459,070
Adjusted current year taxable value	<u>5,240,845,821</u>

Amount due to CRA:

CRA increment value	702,459,070
	95%
Portion to based on the CRA value	667,336,117
Millage rate	8.452
Amount due to the CRA	<u>\$ 5,640,325</u>

Amount to be transferred to Major Disaster Fund:

Ad Valorem taxes	50,567,211
% to Transfer to Major Disaster fund per City Charter	1.50%
Transfer to Major Disaster Fund 266	<u>\$ 758,508</u>

City Goals:

Enhanced Government Stewardship

Recommendation:

Staff is recommending that the City Council set the maximum millage rate at 8.4520 mills, which is the same millage rate as FY 2020/2021. Total ad valorem taxes to be levied at the proposed millage rate of 8.4520 mills is \$50.6 million, of this amount \$5.6 million is to be paid to the CRA for its tax increment value, and per the City Charter, \$0.76 million will be transferred to the Major Disaster Fund. Upon approval of the maximum millage rate by the City Council, the millage rate may be decreased, but cannot be increased beyond the proposed millage rate of 8.4520 mills.