

July 21, 2023

Kelly, Please place this on our August 22, 2023, agenda for discussion

Thanks, Mitzie

AUGUST 22, 2023

AGENDA: DISCUSSION

Subject/topic: reduce ad valorem millage rate for FY2024 to **4.1600** (.2000)

Background information: According to our City Clerk;

1. The council is required to submit, prior to July 30, 2023, a preliminary millage figure and the actual date, time, and place for the required public hearings on the budget.
2. The preliminary millage may be lowered (but not increased) at either or both of the public hearings.
3. The City Manager has recommended the ad valorem millage rate of **4.3600** and the voted debt service millage rate of 0.4061 for a total millage of 4.7661

On page 22 City of Venice General Fund Revenues, in our Budget Book,

1. We are adding \$ **3,232,520** to our reserves to increase our unassigned fund balance to **\$26,298,561**
2. Our Target reserve policy of 25% is **\$11,405,985**
3. Staff has recommended that we increase this target reserve to **\$20,705,985**, reserving monies for shoreline protection projects, natural disasters, capital reserves, and EOC Operations.
4. This leaves an unassigned balance of **\$5,592,576**
5. .1 reduction of the millage rate equals a \$625,000 decrease in our general fund unassigned reserves

We have continued to add money to our General Fund due to a high increase in property values yet have failed to offer any relief to our taxpayers.

1. The 2023 taxable property values increased 19% creating a total change in property tax revenue of \$3,802,000.
2. The 2024 taxable property values increased 14.1% creating a total change in property tax revenue of \$3,354,000.

In our General Fund, we have unassigned reserves of \$5,592,576 million. I propose a millage rate reduction of .2000. This will reduce our unassigned reserves by \$1,250,000, leaving us with **\$4,342,576** and still provide tax relief to our citizens.

I propose reducing the ad valorem millage rate to **4.16000** with the voted debt service millage rate of 0.4061 for a total millage of 4.5661



MEMORANDUM TO VENICE CITY COUNCIL

THROUGH CHARTER OFFICER: Kelly Michaels, City Clerk

FROM: Kelly Michaels, MMC

DEPARTMENT: City Clerk

DATE: June 27, 2023

MEETING DATE: Tuesday, July 11, 2023

SUBJECT / TOPIC: Public Hearing Dates and Setting Millage Rate for FY24

BACKGROUND INFORMATION: Council is required to submit, prior to July 30, 2023, a preliminary millage figure and the actual date, time and place for required public hearings on the budget. The hearings must be held after 5:00 pm., and state law prohibits the city from holding its public hearings on the same dates as the county (*September 11 and 26 or the school board August 1 and September 18*). Staff recommends the city budget public hearings be set for **Tuesday, September 12 and Monday, September 25, both beginning at 5:01 pm.**

The preliminary millage and date of the first public hearing will become part of the TRIM (Truth in Millage) bill notice. The preliminary millage may be lowered (but not increased) at either or both of the public hearings. The City Manager has recommended the ad valorem millage rate of **4.3600** and the voted debt service millage rate of **0.4061** for a total millage of **4.7661**.

Note: The maximum ad valorem rate allowed by majority vote is 4.0141 and the maximum allowed by 2/3 Vote is 4.4155

For your information on the current rate:

FY: 2022-2023 the Ad Valorem Millage Rate = 4.3600

FY: 2022-2023 the Voted Debt Service Millage Rate = .4694

SUPPORTS STRATEGIC PLAN: Goal Three: Ensure a Fiscally Sound City

COUNCIL ACTION REQUESTED: For Council Adoption by Consent Motion

Yes	N/A	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Document(s) Reviewed for ADA compliance (required if for agenda posting)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	City Attorney Reviewed/Approval
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Risk Management Review
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Finance Department Review/Approval
		Funds Availability (account number): N/A

Original(s) attached: N/A

Cc: N/A

CITY OF VENICE
GENERAL FUND REVENUES

6 Mos = 50%
Unaudited

001-REV

As of 5/15/23

GENERAL FUND REVENUES	Actual FY 2021	Actual FY 2022	Adopted Budget FY 2023	Amends/ Proj/Enc Rolls to FY 2023	Amended Budget FY 2023	YTD Thru 03/31/23	% YTD FY23	Expected FY 2023	Positive (Negative) Expected Variance	Proposed Budget FY 2024	Incr (Decr) over FY23 Expected	Pct Incr (Decr)	Incr (Decr) over FY23 Adopted	vs. 23 Orig Bud	FY2024 Budget Comments
Revenues (Above)	38,994,625	41,585,889	43,533,492	0	43,533,492	33,918,037	78%	45,838,417		48,856,460					
Expenses (Next Sheet)	(35,762,254)	(38,170,829)	(40,522,296)	(2,581,280)	(43,103,576)	(19,417,936)	45%	(43,068,576)		(45,623,940)	B				
Net Revenues	3,232,371	3,415,060	3,011,196	(2,581,280)	429,916	14,500,101		2,769,841		3,232,520					
Beginning Fund Balance	13,648,769	16,881,140	16,594,596					20,296,200		23,066,041					
Ending Fund Balance	16,881,140	20,296,200	19,605,792					23,066,041		26,298,561					
Assigned for subsequent years' expenditures	-	-	-					0		0					
Encumbrances included in committed fund balance	(519,512)	(317,595)	-					(317,595)		0					
Nonspendable - inventory and Prepays	(42,281)	(56,287)	(29,089)					(56,287)		0					
Unassigned fund balance	16,319,347	19,922,318	19,576,703					22,692,159		26,298,561	A				
Target Analysis - Fund Balance as a % of Expenditures			Adopted Budget FY 2023					Expected FY 2023		Proposed Budget FY 2024					
Projected Ending Fund Balance (Unassigned)	16,319,347	19,922,318	19,576,703					22,692,159		26,298,561	A				
Expenditures	35,762,254	38,170,829	40,522,296					43,068,576		45,623,940	B				
Percent	46%	52%	48%					53%		58%					
Reserves:															
Target Reserve - Policy 25%	8,940,564	9,542,707	10,130,574					10,767,144		11,405,985					
Shoreline Protection Projects	150,000	200,000	250,000	Incremental				250,000		300,000					
Natural Disasters	2,000,000	2,000,000	2,000,000	Fixed				2,000,000		5,000,000					
Capital Reserves	-	-	-					-		3,000,000					
EOC Operations	-	-	-					-		1,000,000					
Required Reserves	11,090,564	11,742,707	12,380,574					13,017,144		20,705,985					
Excess Available	5,228,783	8,179,611	7,196,129					9,675,015		5,592,576					

CITY OF VENICE
Taxable Value Change

PROPERTY TAX
REVENUE CHANGE

FISCAL YR 9/30	TAXABLE VALUE	% INCR	TOTAL TAXABLE VALUE \$ CHANGE	\$ CHANGE DUE TO PROPERTY VALUE INCREASE/ (DECREASE)	\$ CHANGE DUE TO NEW CONSTRUCTION ADDITIONS, REHAB IMPROV	\$ CHANGE DUE TO PROPERTY VALUE INCREASE/ (DECREASE)	\$ CHANGE DUE TO NEW CONSTRUCTION, ETC.	\$ CHANGE DUE TO MILLAGE INCREASE/ (DECREASE)	TOTAL \$ CHANGE IN PROPERTY TAX REVENUE	OPERATING MILLAGE
2010	3,172,976,298	-13.1%	(480,239,315)	(506,129,715)	25,890,400	(1,336,208)	68,352	-	(1,267,856)	2.7790
2011	2,860,628,192	-9.8%	(312,348,106)	(323,678,261)	11,330,155	(854,527)	29,912	-	(824,615)	2.7790
2012	2,707,597,559	-5.3%	(153,030,633)	(162,228,743)	9,198,110	(428,292)	24,283	401,266	(2,743)	2.9350
2013	2,701,271,123	-0.2%	(6,326,436)	(27,299,463)	20,973,027	(76,118)	58,478	77,756	60,116	2.9653
2014	2,803,751,805	3.8%	102,480,682	70,166,335	32,314,347	197,661	91,031	358,782	647,474	3.1000
2015	3,020,689,268	7.7%	216,937,463	165,754,271	51,183,192	488,146	150,735	-	638,881	3.1000
2016	3,233,289,634	7.0%	212,600,366	162,006,489	50,593,877	477,109	148,999	-	626,108	3.1000
2017	3,527,614,748	9.1%	294,325,114	234,436,517	59,888,597	690,416	176,372	1,675,617	2,542,404	3.6000
2018	3,817,208,295	8.2%	289,593,547	189,140,250	100,453,297	646,860	343,550	-	990,410	3.6000
2019	4,056,212,039	6.3%	239,003,744	163,498,843	75,504,901	559,166	258,227	385,340	1,202,733	3.7000
2020	4,260,912,861	5.0%	204,700,822	130,398,084	74,302,738	458,349	261,174	-	719,523	3.7000
2021	4,511,939,808	5.9%	251,026,947	131,271,958	119,754,989	461,450	420,950	2,829,000	3,711,400	4.3600
2022	4,829,933,786	7.0%	317,993,978	248,749,438	69,244,540	1,030,300	286,800	-	1,317,100	4.3600
2023*	5,747,901,940	19.0%	917,968,154	686,423,462	231,544,692	2,843,050	958,950	-	3,802,000	4.3600
2024**	6,557,762,287	14.1%	809,860,347	599,435,905	210,424,442	2,481,960	872,040	-	3,354,000	4.3600

14.21% * Increase due to Property Values
 4.79% * Increase due to new construction
 19.01%

10.43% ** Increase due to Property Values
 3.66% ** Increase due to new construction
 14.09%

FY2021 .66 mill increase for EMS