



Legislation Details (With Text)

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Summary

To: Finance Board
From: Ashley L. A. Bernal
Date: 7/15/2021

Subject:
2021-2022 Preliminary Maximum Millage Discussion

Summary:

Staff is providing a general status update as to budget progress, as well as a recommendation for the MMP (Preliminary Maximum Millage Rate), which will be set at the July 20th Commission meeting.

Background/Problem Discussion: Staff has prepared preliminary estimates for the upcoming fiscal year, which includes revenue and expenditure expectations. This year is the Town's fourth year of programmatic budgeting, which is also the year where we will be connecting our budget to the strategic plan that was approved by commission. Listed below is a high level summary of changes within the budget process, while there are departmental details attached to this item. It is also important to note that there are three different views of the budget within the attachment. First is a line item summary of the changes within each respective department. Following this, there is a three-year comparison of the line items of each program within that department. Finally, there is a line item detail sheet for the programs for the proposed upcoming fiscal year.

As of this presentation, the General Fund is currently trending towards a surplus of \$9,814, with a few remaining rounds of refinement to go through. Staff received an updated estimate of taxable values on July 1st which resulted in a lower increase than previously reported, though two accounts of revenue were released which resulted in a slight increase of those accounts. Details of these changes are shown in the attachment.

Ad Valorem is experiencing a budgetary increase of 7% based on tentative numbers released by the Pinellas County Property Appraiser. This results in an increase of \$311,550, with the acceptance rate currently set at 95%.

Staff has worked to support the budgeting process as the Town and the State of Florida resumes normal

operations after COVID-19. While there are still existing repercussions from the pandemic, numerous efficiencies have been identified this year to ensure a successful budget. Some contractual items have yet to come back, but items like Largo Fire and health renewals have been returned to staff, further solidifying the budget position.

Recommendation for Maximum Millage Levy

At this time, staff is not recommending an increase in the millage rate.

Expenditure Challenges: COVID-19 residual impacts will continue to affect consumption and participation based revenues. Staff expects these numbers to resume their pre-COVID baselines next year after restrictions have been lifted entirely.

Financial Implications: 6.5000 mills results in \$5,885,411 of Ad Valorem collections at the 95% level on total taxable value of \$953,102,892 based on the numbers released by Pinellas County Property Appraisers Office. In anticipation of funding from the American Rescue Plan departments are developing a list of capital purchase requests for the upcoming three-year period.