

1 Introduced by Council Member Becton:  
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4 **RESOLUTION 2022-276**

5 A RESOLUTION CONCERNING THE MAYOR'S FINAL ANNUAL  
6 BUDGET PROPOSAL SUBMITTED TO COUNCIL; ENCOURAGING  
7 THE MAYOR TO SUBMIT THE FINAL ANNUAL BUDGET  
8 PROPOSAL FOR FISCAL YEAR 2022-2023 USING  
9 ANTICIPATED AD VALOREM REVENUES BASED ON THE  
10 ESTIMATED ROLLED-BACK MILLAGE RATE; PROVIDING AN  
11 EFFECTIVE DATE.  
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13 **WHEREAS**, Section 106.201 of the *Ordinance Code* requires that the  
14 Mayor submit a final annual budget proposal to Council no later than  
15 the first City Council Committee meeting in July so that Council can  
16 begin its review of the Mayor's final annual budget proposal; and

17 **WHEREAS**, the Mayor's Office is currently working with City  
18 Departments to prepare the final annual budget proposal for the July  
19 submission; and

20 **WHEREAS**, each year the millage is fixed by Council, as the  
21 governing body of the county, pursuant to Section 200.011, *Florida*  
22 *Statutes*, but due to statutory timeframes, the Council sets a tentative  
23 millage rate in late July and the final millage rate in September of  
24 each year; and

25 **WHEREAS**, for the last seven fiscal years, the Mayor has proposed  
26 no adjustment in the millage rate, but due to the real estate economic  
27 boom in Jacksonville over the last decade and other favorable  
28 conditions, the millage rate has remained unchanged, but the effect is  
29 an increase in ad valorem revenues each year; and

30 **WHEREAS**, in fiscal year 2015-2016 an additional \$25,231,378 ad  
31 valorem revenues were realized budget year over year (from 2014-2015),  
32 and has steadily increased each year: \$25,311,007 in 2016-2017,

1 \$35,330,769 in 2017-2018, \$46,069,270 in 2018-2019, \$48,650,711 in  
2 2019-2020, \$50,660,102 in 2020-2021 and culminating in 2021-2022, to  
3 an additional \$54,703,509 of ad valorem revenues, which were included  
4 in the Mayor's final annual budget proposal before Council could vote  
5 on the tentative and proposed millage rates; and

6 **WHEREAS**, if the millage rate remains unchanged, the ad valorem  
7 revenue for fiscal year 2022-2023 is anticipated to increase due to:  
8 (1) the cap on the increase to homesteaded property values being at the  
9 full 3% for the 2022 property valuations; (2) the continued amount of  
10 new construction in the Jacksonville market; and (3) the increase in  
11 price of property sales; and

12 **WHEREAS**, the rolled-back millage rate still generates additional  
13 ad valorem revenue based on the increase in assessed values on non-  
14 homesteaded properties, home sales and new construction. For example,  
15 for fiscal year 2021-2022, if the rolled-back millage rate had been  
16 adopted, it would have generated an additional \$19,353,555 in ad valorem  
17 revenue; and

18 **WHEREAS**, the City also continues to benefit from increasing  
19 revenues from other funding sources; and

20 **WHEREAS**, City revenues from the half-cent sales tax have grown  
21 from \$89.9 million in fiscal year 2015-2016 to \$114.9 million in fiscal  
22 year 2020-2021 (an annual average increase of \$5.0 million) and other  
23 state shared revenues grew during that same time period from \$66.3  
24 million to \$80.9 million (an average annual increase of \$2.9 million),  
25 suggesting that the trend in these two revenue sources will be a  
26 continued increase; and

27 **WHEREAS**, due to unprecedented COVID-19 pandemic federal and state  
28 funding over the last two years, the City has received a total of \$422.5  
29 million in additional funds (\$167.1 million in CARES Act Funding, \$171.9  
30 million in American Rescue Plan ("ARP") funding, \$78.8 million in other  
31 COVID-19 funding and \$4.7 million in State passthrough COVID-19 funding)

1 to keep the Jacksonville economy moving forward and is anticipated to  
2 receive another \$171.9 million in ARP funding in June 2022; and

3 **WHEREAS**, with the approval of the LOGT in Ordinance 2021-223-E,  
4 beginning January 1, 2022, the City is also anticipated to receive  
5 additional local option gas tax ("LOGT") funding of \$12.4 million per  
6 year; and

7 **WHEREAS**, national real estate market predictions from Zillow have  
8 ranked Jacksonville as the second hottest in the nation and Zillow has  
9 forecasted that the typical home value in Jacksonville may rise by 22%  
10 through November 2022; and

11 **WHEREAS**, the Council desires to lessen the tax burden of the  
12 taxpayers of Duval County, especially now that residents are  
13 experiencing historic rates of inflation for regular household goods  
14 and services and that housing and rental rates and gas prices have  
15 reached record increases; and

16 **WHEREAS**, given the anticipated double-digit percentage increase  
17 in real estate values in Jacksonville resulting in higher ad valorem  
18 revenues, expected increases in the half cent sales tax revenues, the  
19 influx of COVID-19 funding and the newly available LOGT funding, which  
20 amounts to the City's budgeted revenues increasing by \$328,682,052 (Net  
21 Budgeted General Revenues increasing from \$1,051,131,543 in fiscal year  
22 2015-2016 to \$1,379,813,595 in fiscal year 2021-2022), the Council  
23 encourages the Mayor to calculate anticipated ad valorem revenues using  
24 the rolled-back millage rate, as defined by Section 200.065, *Florida*  
25 *Statutes*, for the final annual budget proposal submitted to Council;  
26 now, therefore

27 **BE IT RESOLVED** by the Council of the City of Jacksonville:

28 **Section 1. Encouraging the Mayor to Use the Rolled-Back**  
29 **Millage Rate for Ad Valorem Revenues in the Final Annual Budget Proposal**  
30 **Calculations.** The Council encourages the Mayor to utilize estimated  
31 ad valorem revenues generated under the rolled-back millage rate for

1 the final annual budget proposal submitted to Council for fiscal year  
2 2022-2023. The Council determines that given current economic  
3 conditions, the taxpayers of Duval County should receive economic relief  
4 in the form of a rolled-back millage rate providing lower ad valorem  
5 assessments for fiscal year 2022-2023 versus using a flat millage rate  
6 and that the City may be able to use other revenue sources outlined  
7 herein to offset the impact on the approved final budget.

8 **Section 2. Effective Date.** This resolution shall become  
9 effective upon signature by the Mayor or upon becoming effective without  
10 the Mayor's signature.

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13 Form Approved:

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16 Office of General Counsel

17 Legislation prepared by: Paige H. Johnston

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