



# City of Eustis

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TO: EUSTIS CITY COMMISSION  
FROM: TOM CARRINO, CITY MANAGER  
DATE: SEPTEMBER 4, 2025  
RE: RESOLUTION NUMBER 25-59: TENTATIVE MILLAGE RATE FOR  
THE FISCAL YEAR 2025/26

## Introduction

Resolution Number 25-59 establishes the TENTATIVE millage rate for FY 2025/26 as **7.5810** mills.

## Recommended Action

Staff recommends approval of Resolution Number 25-59.

## Background

Florida State Statutes require each taxing authority to set a millage rate annually for property taxation following required public hearings. The City Commission set the proposed rate of 7.5810 mills at the meeting of the Budget Workshop held on July 17, 2025. On July 17, 2025, the City Commission also approved Resolution 25-54 setting the Proposed Millage at 7.5810. The Property Appraiser used that information to prepare TRIM notices distributed on August 21, 2025.

The current millage rate of 7.5810 has been consistent over the past twelve years.

Since last year, the gross taxable value increased by \$158,113,816, from \$1,678,967,009 to \$1,837,080,825. This year's total tax value revenue of \$13,926,910 represents an increase of 7.21%.

Based on that valuation, the Commission may consider any of the following options in setting a millage rate for the FY 2025/26 Fiscal Year:

1. The Current Millage Rate of 7.5810 mills. This rate would generate revenues sufficient to cover annual increases in normal city operating costs and allow for continuing current service levels. This rate can be approved with a two-thirds vote of the Commission (at least four commissioners) and would be advertised as a tax increase. This proposed millage rate is greater than the Rolled-Back Rate and represents an increase of 7.21%.
2. The Rolled-Back Rate is 7.0709 mills. This rate approximates prior year tax revenues, less allowances for new construction, additions, deletions, annexations, and improvements. This rate can be approved with a majority vote of the

Commission (at least three commissioners) and would not be advertised as a tax increase.

3. The adjusted Rolled-Back Rate is the base Rolled-Back Rate adjusted for Florida per capita personal income. A millage rate between 7.0709 (base Rolled-Back Rate) and 7.3898 (adjusted Rolled-Back Rate) requires a majority vote (three votes).
4. A millage rate between 7.3899 and 7.5810 requires a two-thirds vote (four votes)

For any millage over 7.5810, a revised TRIM notice must be mailed to taxpayers at the City's expense.

Staff recommend setting the FY 2025/26 millage rate at the current rate of 7.5810 mills to support the revenue assumptions of the proposed budget. State Law allows for a rate reduction during either or both public hearings in September. An increase to the proposed rate at the first hearing, per Florida Statutes 200.065, requires first-class mail notice to all taxpayers of the City since TRIM notices have already been mailed by the Lake County Property Appraiser. This would endanger the City's ability to adopt the final millage and budget in time to meet the State-mandated deadlines in September. This could result in the forfeiture of all Ad-Valorem revenue.

Adopting the current rate of 7.5810 mills, the City's share of a home assessed with a taxable value of \$200,000, with homestead exemptions of \$50,000, would equate to an annual tax of \$1,137, or about \$3.12 per day, per Eustis taxpayer. This amount provides Police, Fire, Library, Parks & Recreation, Finance, Administration, Development Services, Human Resources, and Public Works department services. Using the same scenario, the Rolled-Back Rate of 7.0709 mills would equate to an annual tax of \$1,060 or about \$2.93 per day per Eustis taxpayer. The difference of \$77 per household equates to a daily savings of \$0.21 and could possibly result in a reduction of services.

While the City of Eustis has the highest millage rate in the County, the City uses the Functional Millage Rate for comparison with other municipalities. The Functional Rate adds the transfers from the enterprise funds to the general fund, as well as the Fire Assessment Fees. As for this writing, the information for Leesburg, Mount Dora and Tavares is as follows:

<b>Functional Millage Rate</b>											
<b>Fiscal Year September 30, 2025-26</b>											
<b>Millage Rate Comparison Northern Area Cities with One Billion in Property Values</b>											
<b>Include Millage Rate for Transfer and Fire Assessment</b>											
Taxing Authority	2025 Taxable Value as Reported October 1	Taxable Value Per 1,000	Rank High to Low Taxable Value	Millage Rate	Rank Low to High Millage	Transfer to General Fund	Millage Rate to Accommodate Transfer to Gen Fund	Fire Assessment Fees	Millage Value of Fire Assessment	Total Functional Millage	Rank Low to High Functional Millage
Leesburg	3,878,686,576	3,878,687	1	3.4752	1	10,559,237	2.7224	4,085,069	1.0532	7.2508	1
Eustis	1,837,080,825	1,837,081	4	7.5810	4	2,600,000	1.4153	-	-	8.9963	2
Mount Dora	2,168,798,290	2,168,798	2	6.3000	2	6,827,562	3.1481	6,133,652	2.8281	12.2762	4
Tavares	1,896,245,451	1,896,245	3	6.8317	3	3,563,288	1.8791	2,064,182	1.0886	9.7994	3

As presented, the City of Eustis is number two in the lowest to highest ranking of Functional Millage Rate and is nearly the best in the area for cities our size. The City has

maintained lower transfers, which help keep rates low for our residents and the City does not have a Fire Assessment Fee which increases the Functional Millage Rate significantly for the other cities presented.

The Proposed TENTATIVE Budget that will be presented immediately following the adoption of the Tentative Millage Rate was prepared with revenue estimates based on the current millage rate of 7.5810.

State Law requires two public hearings on the millage rate and budget. The first public hearing is on September 4, 2025, and the second is scheduled for September 18, 2025. The new fiscal year begins on October 1, 2025.

**Budget and Staff Impact**

Staff has prepared the FY 2025/26 budget using the current millage rate of 7.5810, resulting in an estimated increase in property taxes of \$ \$1,257,046 compared to the FY 2024/25 proposed tax estimates. If the millage rate is set lower than the 7.5810 proposed, it will require a reduction in proposed General Fund expenditures or use of reserves from Fund Balance. The use of Fund Balance to fund revenue shortages is not considered Best Practices.

**Prepared By:**

Lori Carr, Finance Director

**Reviewed By:**

Mari Leisen, Deputy Finance Director