



TO : Mayor and City Commissioners

FROM : Johnna S. Morris, Director of Finance

THRU : Nicholas C. Mimms, P.E., ICMA-CM, City Manager *ncm*

RE : **Proposed General Fund FY 2023 Budget Transmittal Letter**

DATE : July 11, 2022

The FY 2023 Proposed General Fund Budget of \$52,412,646 is presented, which is \$4,899,150, or 10.3% more than the previous fiscal year. It is balanced and prepared to ensure that the City's ongoing operations can be carried out and financed for the specified period, as well as to provide the customary level of services that the community has come to expect.

The significant elements that formulate the General Fund budget are as follows:

1. The City's FY 2023 tax base is \$3,317,296,532 an increase of \$39.9M or 14.8%. Because we have several imminent financial requirements and not many revenue streams, the presented budget is using the current millage rate of 6.9000, which provides an additional \$2.87M in ad valorem tax revenue and reflects a 9.73% increase over the rolled-back rate of 6.2883.
2. Various revenue line items are increased to reflect prior year actuals and projected economic trends.
3. There is no appropriation from fund balance; however, we continue to include a \$600,000 appropriation from restricted fund balance, which was designated from FY 2022 for capital expenditures with \$400,000 for capital improvement projects and \$200,000 for the inter-fund loan payment.
4. An appropriation of \$600,000 is restricted to fund capital expenditures in FY 2024.

A comparison of the revenue from 2022 to 2023 is displayed in the chart on the following page.

CATEGORY	FISCAL 2022	FISCAL 2023	DIFFERENCE
Taxes	25,524,838	29,065,162	3,540,324
Licenses and Permits	445,400	619,700	174,300
Intergovernmental Revenue	7,052,186	7,519,000	466,814
Charges for Service	384,200	572,150	187,950
Fines and Forfeitures	335,000	244,000	(91,000)
Miscellaneous Revenue	2,644,431	2,859,606	215,175
Interfund Transfers	4,033,483	4,513,914	480,431
Contribution from Enterprise Funds	7,693,958	7,619,114	(74,844)
Appropriated Fund Balance	0	0	0
Restricted Revenue	(600,000)	(600,000)	0
TOTALS	\$47,513,496	\$52,412,646	\$4,899,150

- There is an appropriation from the American Rescue Plan funds of \$500,000 to be used to fund salary increases in Code Enforcement, Public Works, and the Police Department. There are also pay increases of \$1.22/hour or 5%, whichever is greater, for all Non-Bargaining and Teamsters represented employees.
- There are 11 positions added to the FY'23 General Fund's Personnel Roster at \$516,357.

DEPARTMENT	NUMBER	JOB TITLE
City Manager	1	(1) Redevelopment Specialist
IT	3	(1) Network Administrator; (1) Systems Administrator; & (1) Systems Analyst I
Code Enforcement	2	(1) Animal Control Officer; (1) Animal Shelter Administrator
Police	1	(1) IT Information Systems Analyst I
Public Works	3	(1) Parks & Grounds Foreman I; (1) Streets Equipment Operator III; (1) Recreation Specialist
Engineering	1	(1) Engineering Services Specialist

7. The retirement contribution rate **decreased** 0.10% for general members and **increased** 0.93% for police officers.
8. There is an 8% **increase** in the insurance premiums for health coverage.
9. There is a 10.6% **decrease** in the dental insurance premium costs and a change in provider.
10. \$2,825,000 is budgeted for capital projects: \$2,300,000 Infrastructure Sales Tax Projects and \$525,000 to be used for other capital projects.

A comparison of the expenditures from 2022 to 2023 is displayed in the chart below.

CATEGORY	FISCAL 2022	FISCAL 2023	DIFFERENCE
Personnel Services	26,177,077	29,330,903	3,175,185
Operating Expenses	12,731,361	14,248,258	1,513,040
Capital Outlay	2,460,000	2,825,000	365,000
Grants & Aids	184,000	343,000	141,500
Non-Oper. Transfer	5,961,058	5,665,485	(295,575)
TOTALS	\$47,513,496	\$52,412,646	\$4,899,150

The spending plans for all Enterprise funds are included with the Personnel count increasing by 9: Building 5, Police Grants 2, Sunrise Theatre 1, and CBDG 1.

A comparison of the spending plans from 2022 to 2023 is shown on page 4.

CATEGORY	FISCAL 2022	FISCAL 2023	DIFFERENCE
Police Grants	3,757,618	3,332,674	(424,944)
Police Grants/FPRA	400,459	387,233	(13,226)
FPRA	7,631,705	9,388,680	1,756,975
CDBG	1,007,173	1,077,388	70,215
SHIP	485,869	461,227	(24,642)
Grants Administration	301,500	431,885	130,385
Marina	4,395,739	4,812,987	417,248
Solid Waste	8,014,072	8,253,500	239,428
Stormwater	3,407,980	3,819,483	411,503
Golf Course	1,353,462	1,431,192	77,730
Sunrise	3,594,035	3,355,250	(238,785)
Building	4,654,368	5,220,500	566,132