

City of Key West

**Summary of Proposed
General Fund Budget
FY 2015-16**



FY 2015 vs. FY 2016 Expenditures

- **\$47.3 million vs. \$49.4 million = \$2.1 million difference** (totals do not include unrestricted reserves)
 - Adopted FY 15 budget included 86 reserve days (5 reserve days used to reduce millage rate)
 - Proposed FY 16 budget includes maximum reserve days (25% of GF budget or 91 $\frac{1}{4}$ days)
- **Over \$1.3 million of difference is for previously committed/incremental expenditures**
- **<1.5% of proposed base budget is due to general operating increases (\$700 K)**

Incremental/Committed GF Expenditures

- **Personnel costs (contractual obligations) \$864,493**
 - **3% General Employees \$328,655**
 - **3% + step Police Employees \$322,790**
 - **3% + step Fire Employees \$213,048**

- **Health insurance estimated increase \$371,848**
 - **10% increase**
 - **Not effective until April 1, 2016**

- **Bicycle Pedestrian Coordinator \$52,196**

- **Election \$82,000**

- **Total \$1,370,537**

General Fund – Other Expenditure Highlights

- **City Manager Operating Contingency** **\$200,000**
- **Homeless Services/KOTS** **\$444,118**
 - Budgeted at same amount as prior 3 fiscal years' level
- **Habana Plaza Lease for 9 months** **\$332,210**
- **Recommended Personnel Reclasses/Additions \$408,472 (GF)**
 - \$116 k – compensation study changes
 - \$292.4 – other staff recommended changes and additions

General Fund – Other Expenditure Highlights

- **AIPP (used CM contingency in prior years)** **\$ 10,000**

- **Donation Requests** **\$ 66,800**
 - Boys and Girls Club \$25,000
 - Positive Step/Idle Hands \$35,000 (increase of \$5,000 from FY15)
 - AARP \$1,800
 - Keys to Change \$5,000

- **Transfer to Capital Funds** **\$ 470,000**
 - Fire truck (1/2 cost)
 - White Street Paving

Proposed Compensation Study Implementation

- **Based on classification analysis, 44 of the 54 study recommended employees will be re-classed to a higher grade (list in budget book)**
 - **Estimated GF incremental cost -- \$116,030**
 - **Estimated Non-GF incremental cost -- \$16,458**
 - **Positions that received tenure increase last year are among the employees who did not get re-classed**

Unassigned Fund Balance

➤ **October 1, 2015 Est. Unassigned Fund Balance \$12,568,164 - Approx. 102.6 Days**

➤ **Non Recurring Uses and Capital Transfers:**

✓ Complete Records Retention	\$ 112,000
✓ Conversion One Solution Training	\$ 120,000
✓ Four 1-ton flatbed trucks	\$ 116,000
✓ 2-ton flatbed truck	\$ 32,000
✓ 14' Equipment trailer	\$ 5,000
✓ Clayton Sterling Complex fence replacement	\$ 40,000
✓ Truck with utility bed/welder	\$ 40,000
✓ Utility bed (HVAC)	\$ 6,500
✓ Monopile Platform Replacement	\$ 75,000
✓ Gator	\$ 14,500
✓ 18' Landscaping Trailer	\$ 4,000
✓ Bayview Park Playground Equipment	\$ 65,000
✓ White Street Pier Paving	\$ 175,000
✓ Fire Truck (1/2 of cost)	\$ 285,000
✓ Evaluate City Pension Program (15)	\$ 100,000
✓ Comprehensive Plan Update (15)	\$ 36,000
✓ Urban Design Plan (15)	\$ 125,000
✓ <u>CRS FEMA Update Study</u>	<u>\$ 40,000</u>
Approximately 11 Days (1 day=\$122,500)	\$1,391,000

➤ **Sept 30, 2016 Est. Unassigned Fund Balance \$11,177,164 – Represents Approx. 91.25 Days Upper - Limit of Fund Balance Policy**

General Fund – Revenue Highlights (increases)

- **Building Fees**
 - ✓ **Budgeted at \$2,600,000 or 8% above at FY2014-15 projected collections**
- **Business Tax Receipts**
 - ✓ **Budgeted at \$1,370,000 or 5% above FY 2014-15 collections**
- **State Shared Revenues budgeted at \$6,057,100 or 6% above FY 2014-15 budget estimates**

General Fund – Revenue Highlights (decreases)

Cruise Ship Disembarkation

- **Total Budgeted Passengers for All Three (3) Port Locations**
 - ✓ **Fiscal Year 2014-15** **742,199**
 - ✓ **Fiscal Year 2015-16** **690,306**
 - ✓ **Approx. 7% Decrease in Projected Passenger Count**
- **\$170,269 Projected loss of Net Income from Prior Year (8% decrease)**
- **Passenger Count Budgeted @ 98 Percent**

General Fund – Revenue Highlights (decreases)

- **Federal, State, Local and TDC Grants** **\$603,827**
 - \$510,000 decrease from FY15
 - ✓ **Federal**
 - \$ 10 K DOJ Grant (bullet proof vests)
 - \$ 13.2K Byrne JAG Grant (Awarded)
 - ✓ **State/Local**
 - \$ 124.6K School Resource Officer (Both KWHS & HOB) (Awarded)
 - \$ 38K Fire Academy
 - ✓ **TDC**
 - \$418K Beach Cleaning (Awarded)

General Fund Revenue Summary

- Fiscal Year 2015-16 Budget - Proposed \$ 60,554,184
 - Less: Budgeted Unrestrictd Operating Resrvs (\$ 11,177,164)
(Approx. 91 Days @ \$122,500 Per Day)
 - Less: Budgeted Restricted Operating Reserves (\$ 75,000)

Fiscal Year 2015-16 Budget - Proposed (Less Reserves) \$ 49,302,020

- Fiscal Year 2014-15 Budget – Adopted \$ 57,029,239
 - Less: Budgeted Unrestricted Operating Reserves (\$ 9,721,305)
(Approx. 86 Days @ \$113,000 Per Day)
 - Less: Budgeted Restricted Operating Reserves (\$ 130,000)

Fiscal Year 2014-15 Budget - Proposed (Less Reserves) \$ 47,177,934

General Fund – Ad Valorem

➤ Growth in Total Taxable Value from 2014 to 2015

✓ 2014 Final	\$5,651,589,601
✓ 2015	\$6,076,764,039

➤ An approximate growth of 7.5 percent in Total Taxable Value

General Fund – Ad Valorem (Cont.)

➤ **FY 2015-16 Proposed Millage Rate** **\$2.8326**
(per \$1,000 property valuation)

- **\$460,000 in Taxable Value** **\$1,303 – City Portion**
- **Or 9.34% above Rollback Rate**
- **\$9.25 Est. Monthly Increase in City Portion of Tax Bill**

➤ **Proposed millage rate produces \$16.1 million**
(96% collection)

❖ **For Reference: 1 Percent above rollback = \$147,549**

General Fund – Ad Valorem (Cont.)

- **FY 2015-16 “Rollback” Millage Rate 2.5908 per \$1,000**
 - **\$460,000 in Taxable Value \$1,192 – City Portion**
 - **Rollback produces \$14.8 million (96% collection)**

- **FY 2014-15 Adopted Millage Rate 2.7743 per \$1,000**