

City of Key West First Public Hearing Fiscal Year 2025-26

Thursday, September 11, 2025

Christina Bernaldi, Finance Director



FY25-26 Proposed Budget at a Glance

FY 2025-2026 Budget - All Funds
\$286,849,467

**Overall Increase of 9.27 Percent
Over FY 2024-2025**

All Funds Budget Comparison

	FY25/26 Tentative Budget	FY24/25 Adopted Budget	Percent Change
ESTIMATED REVENUES:			
Taxes	\$ 38,756,965	\$ 38,605,731	0.392%
Licenses & Permits	7,425,282	6,572,050	12.983%
Intergovernmental Revenue	22,068,234	37,065,622	-40.462%
Charges for Services	63,826,297	61,313,215	4.099%
Fines & Forfeitures	1,476,450	1,222,000	20.822%
Miscellaneous Revenue	28,708,390	27,285,927	5.213%
Other Sources	124,587,849	90,458,623	37.729%
Total Revenues	\$ 286,849,467	\$ 262,523,168	9.266%
EXPENDITURES/EXPENSES:			
Personnel Services	\$ 73,685,504	\$ 69,534,441	5.970%
Operating Expenditures	68,027,901	67,308,365	1.069%
Capital Outlay	58,219,094	42,882,630	35.764%
Debt Service	2,457,963	1,783,983	37.780%
Grants and Aid	1,490,000	1,480,126	0.667%
Transfers	22,167,514	21,738,120	1.975%
Reserves	60,801,491	57,795,503	5.201%
Total Expenditures	\$ 286,849,467	\$ 262,523,168	9.266%



FY25-26 Proposed Budget at a Glance

FY 2025-2026 Budget - General Fund

\$101,637,122

Overall Increase of 2.99 Percent
Over FY 2024-2025

General Fund Budget Comparison

	FY25/26 Tentative Budget	FY24/25 Adopted Budget	Percent Change
ESTIMATED REVENUES:			
Taxes	\$ 25,224,777	\$ 24,131,955	4.529%
Licenses & Permits	6,923,782	6,148,950	12.601%
Intergovernmental Revenue	11,786,717	12,444,238	-5.284%
Charges for Services	12,976,226	12,568,491	3.244%
Fines & Forfeitures	1,132,200	1,087,500	4.110%
Miscellaneous Revenue	4,061,445	3,109,010	30.635%
Other Sources	39,531,975	39,193,980	0.862%
Total Revenues	\$ 101,637,122	\$ 98,684,124	2.992%
EXPENDITURES/EXPENSES:			
Personnel Services	\$ 61,694,870	\$ 58,031,924	6.312%
Operating Expenditures	14,666,026	14,679,561	-0.092%
Capital Outlay	1,203,672	1,835,442	-34.421%
Debt Service	-	-	N/A
Grants and Aid	264,000	518,800	-49.113%
Transfers	2,179,408	3,836,003	-43.185%
Reserves	21,629,146	19,782,394	9.335%
Total Expenditures	\$ 101,637,122	\$ 98,684,124	2.992%



FY25-26 Proposed Budget at a Glance

Personnel - All Funds

•	Budgeted FTE Positions - All Funds	548.80
•	Budgeted FTE Positions - General Fund Only	438.05
•	Proposed FTE New Positions	5.00
•	Proposed FTE Deleted Positions	4.50
•	Total Proposed FTE - All Funds	549.30
•	Total Proposed FTE - General Fund Only	442.05



CITY OF KEY WEST FY 25/26 Budget Staffing Levels

	Full Time Equivalents by Fiscal Year												Budget 25-26	New	Total 25-26
	19-20	19-20 Adj	20-21	20-21 Adj	21-22	21-22 Adj	22-23	23-23 Adj	23-24	23-24 Adj	24-25	24-25 Adj			
General Fund															
City Commission*	1.75	(0.75)	1.00	-	1.00	-	1.00	-	1.00	-	1.00	-	1.00	-	1.00
City Manager	7.00	(1.00)	6.00	1.00	7.00	-	7.00	-	7.00	(1.00)	7.00	-	7.00	-	7.00
City Clerk	4.00	(1.00)	3.00	1.00	4.00	(1.00)	3.00	-	3.00	-	3.00	(1.00)	2.00	-	2.00
Citizens Review Board	1.00	-	1.00	-	1.00	-	1.00	-	1.00	-	1.00	-	1.00	-	1.00
Parking	17.55	(1.00)	16.55	1.50	18.05	1.00	19.05	-	19.05	0.50	19.55	-	19.55	-	19.55
Finance	11.50	(1.00)	10.50	0.50	11.00	1.00	12.00	1.00	13.00	-	13.00	-	13.00	-	13.00
Human Resources	5.50	(1.50)	4.00	-	4.00	1.00	5.00	-	5.00	-	5.00	(1.00)	4.00	-	4.00
Information Technology	7.00	(2.00)	5.00	2.00	7.00	0.25	7.25	-	7.25	(1.00)	6.25	1.00	7.25	-	7.25
City Attorney	5.50	-	5.50	-	5.50	0.50	6.00	-	6.00	-	6.00	-	6.00	-	6.00
City Planner	11.00	(0.50)	10.50	(0.30)	10.20	0.80	11.00	(1.00)	10.00	0.50	11.00	(0.50)	10.50	-	10.50
Fleet Maintenance	7.00	-	7.00	-	7.00	-	7.00	-	7.00	-	7.00	-	7.00	-	7.00
Public Works	52.00	(5.50)	46.50	5.50	52.00	-	52.00	-	52.00	1.00	53.00	1.00	54.00	(1.00)	53.00
Engineering	4.00	-	4.00	(2.00)	2.00	-	2.00	-	2.00	-	2.00	-	2.00	-	2.00
Facilities Maintenance	9.00	-	9.00	-	9.00	-	9.00	-	9.00	-	9.00	-	9.00	1.00	10.00
Disaster Recovery	0.10	-	0.10	-	0.10	-	0.10	(0.10)	-	-	-	-	-	-	-
Police and Marine Div	130.50	(8.50)	122.00	4.50	126.50	1.00	127.50	2.00	129.50	3.00	134.50	-	134.50	2.00	136.50
Fire Department	71.50	(2.00)	69.50	2.00	71.50	-	71.50	6.00	77.50	1.00	78.50	-	78.50	1.00	79.50
Building Services	14.90	(3.00)	11.90	1.30	13.20	0.70	13.90	(2.90)	11.00	-	12.00	-	12.00	-	12.00
Code Compliance	13.00	(2.00)	11.00	1.50	12.50	(0.50)	12.00	1.00	13.00	1.00	14.00	(1.00)	13.00	-	13.00
EMS	17.00	-	17.00	-	17.00	-	17.00	3.00	20.00	1.00	21.00	-	21.00	-	21.00
EOC	0.50	-	0.50	-	0.50	-	0.50	-	0.50	-	0.50	-	0.50	1.00	1.50
Port Operations	4.00	-	4.00	(1.00)	3.00	(1.00)	2.00	-	2.00	-	2.00	-	2.00	-	2.00
Parks and Recreation	31.75	(2.00)	29.75	2.00	31.75	1.00	32.75	(0.50)	32.25	-	32.25	1.00	33.25	-	33.25
Total General Fund	427.05	(31.75)	395.30	19.50	414.80	4.75	419.55	8.50	428.05	6.00	438.55	(0.50)	438.05	4.00	442.05
Other Funds															
Infrastructure Surtax	2.00	-	2.00	-	2.00	1.00	3.00	-	3.00	-	3.00	-	3.00	-	3.00
Internal Improvements	5.00	-	5.00	-	5.00	-	5.00	-	5.00	-	5.00	-	5.00	-	5.00
Affordable Housing	-	-	-	-	-	1.00	1.00	(1.00)	-	-	-	-	-	-	-
Truman Waterfront	6.50	(1.50)	5.00	1.50	6.50	-	6.50	(0.50)	6.00	-	6.00	-	6.00	-	6.00
Adaptation & Sustainability	-	-	-	1.00	1.00	1.00	2.00	-	2.00	-	2.00	-	2.00	-	2.00
Transportation Alternative	8.00	(7.00)	1.00	-	1.00	-	1.00	-	1.00	-	2.00	-	2.00	-	2.00
CDO	-	-	-	-	-	-	-	1.00	1.00	1.00	2.00	(1.00)	1.00	-	1.00
Capital Projects	1.00	-	1.00	-	1.00	-	1.00	-	1.00	-	1.00	(1.00)	-	-	-
Sewer	2.20	-	2.20	0.40	2.60	0.80	3.40	-	3.40	-	3.40	-	3.40	-	3.40
Stormwater Utility	0.60	-	0.60	0.20	0.80	0.40	1.20	-	1.20	-	1.20	-	1.20	-	1.20
Solid Waste	4.20	-	4.20	0.40	4.60	1.80	6.40	-	6.40	-	7.40	-	7.40	-	7.40
Key West Bight	19.50	-	19.50	-	19.50	0.50	20.00	1.00	21.00	0.90	23.15	1.00	24.15	-	24.15
Transit System	32.50	3.00	35.50	4.00	39.50	-	39.50	-	39.50	2.50	42.00	(4.00)	38.00	(3.50)	34.50
Garrison Bight	13.50	(1.00)	12.50	1.00	13.50	0.25	13.75	-	13.75	0.10	14.60	-	14.60	-	14.60
Insurance	2.00	-	2.00	-	2.00	-	2.00	-	2.00	-	2.00	-	2.00	-	2.00
Bahama/Caroline TIF	0.50	-	0.50	-	0.50	0.50	1.00	-	1.00	-	1.00	-	1.00	-	1.00
Total Other Funds	97.50	(6.50)	91.00	8.50	99.50	7.25	106.75	0.50	107.25	4.50	115.75	(5.00)	110.75	(3.50)	107.25
Total All Funds	524.55		486.30		514.30		526.30		535.30		554.30		548.80		549.30



FY25-26 Proposed Budget at a Glance

Personnel - Cost of Living/Merit-Based Adjustments

- Teamsters Local 769 5% COLA/2% Merit
- Police Benevolent Association 5% COLA/Step Plan
- International Association of Firefighters, Local 1424 In Negotiations
- All General/Non-Union Employees 5% COLA/2% Merit

Personnel - Other Employee Benefits

- City Contributes 100% of Health Care Costs for Each FTE
 - \$18,370/Employee
- City Contributes 11.1% of Employee Salary to General Employee Pension
- City Contributes 31% of Employee Salary to Police/Fire Employee Pension



FY25-26 Proposed Budget at a Glance

Personnel Costs By Fund

• General Fund	\$61,694,870
• Infrastructure Fund	\$ 424,804
• Gas Tax Fund	\$ 467,307
• Truman Waterfront Fund	\$ 567,815
• Adaptation & Sustainability Fund	\$ 244,736
• Transportation Alternative Fund	\$ 235,374
• Community Development Office	\$ 177,900
• Sewer Fund	\$ 499,513
• Stormwater Fund	\$ 191,086
• Solid Waste Fund	\$ 1,271,554
• Key West Bight Fund	\$ 2,338,335
• Transit Fund	\$ 3,722,517
• City Marina Fund	\$ 1,477,638
• Insurance Fund	\$ 223,863
• Bahama Village/Caroline Street TIF Funds	<u>\$ 148,192</u>

Total Personnel Services

\$73,685,504

25.69% of Proposed Budget



CITY OF KEY WEST

FY 25/26 TENTATIVE BUDGET SUMMARY BY CATEGORY

As of September 11, 2025

	General Fund	Infrastructure Surtax Fund	Internal Improvement Fund	Fort Taylor Surchage Fund	Affordable Housing Fund	Truman Waterfront Fund	Adaptation & Sustainability Fund	Community Fund	Transportation Alternative Fund	Community Development Office	Law Enforcement Trust Fund
GOVERNMENT FUNDS ESTIMATED REVENUES:											
Taxes	\$ 25,224,777	\$ 11,877,223	\$ 1,654,965	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses & Permits	6,923,782	-	-	-	-	10,000	-	-	-	-	-
Intergovernmental Revenue	11,786,717	2,603,464	-	300,000	-	-	100,000	-	-	500,600	-
Charges for Services	12,976,226	-	-	-	378,347	738,979	940,000	-	738,902	-	-
Fines & Forfeitures	1,132,200	-	-	-	-	3,000	-	-	-	-	-
Miscellaneous Revenue	4,061,445	500,000	250,000	95,000	15,000	28,500	20,000	10,000	55,000	30,000	9,000
Other Sources	39,531,975	29,319,408	1,911,474	2,145,222	339,875	386,515	812,730	211,302	766,181	664,091	277,426
FY 25/26 Total Revenues	\$ 101,637,122	\$ 44,300,095	\$ 3,816,439	\$ 2,540,222	\$ 733,222	\$ 1,166,994	\$ 1,872,730	\$ 221,302	\$ 1,560,083	\$ 1,194,691	\$ 286,426
EXPENDITURES/EXPENSES:											
Personnel Services	\$ 61,694,870	\$ 424,804	\$ 467,307	\$ -	\$ -	\$ 567,815	\$ 244,736	\$ -	\$ 235,374	\$ 177,900	\$ -
Operating Expenditures	14,666,026	11,155	846,452	151,871	75,397	403,656	1,518,454	41,146	804,115	9,665	17,175
Capital Outlay	1,203,672	40,413,922	2,152,500	-	-	60,000	-	-	-	-	-
Debt Service	-	671,822	-	-	-	-	-	-	-	-	-
Grants and Aid	264,000	-	-	-	61,000	-	-	-	-	505,000	10,000
Transfers	2,179,408	2,658,500	276,181	12,163	596,825	127,566	98,906	22,027	20,504	74,155	51,221
Reserves	21,629,146	119,892	73,999	2,376,188	-	7,957	10,634	158,129	500,090	427,971	208,030
FY 25/26 Total Expenditures	\$ 101,637,122	\$ 44,300,095	\$ 3,816,439	\$ 2,540,222	\$ 733,222	\$ 1,166,994	\$ 1,872,730	\$ 221,302	\$ 1,560,083	\$ 1,194,691	\$ 286,426

	Sewer Fund	Stormwater Utility Fund	Solid Waste Fund	Key West Bight Fund	Transit System Fund	Garrison Bight Fund	Capital Projects Fund	Insurance Programs Fund	Bahama Village TIF Fund	Caroline TIF Fund	Total All Funds
PROPRIETARY FUNDS ESTIMATED REVENUES:											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,756,965
Licenses & Permits	-	-	-	385,000	48,000	58,500	-	-	-	-	\$ 7,425,282
Intergovernmental Revenue	500,000	-	-	-	3,141,661	65,000	-	-	2,118,548	952,244	\$ 22,068,234
Charges for Services	14,795,137	3,652,136	13,083,405	10,941,348	1,821,169	3,760,648	-	-	-	-	\$ 63,826,297
Fines & Forfeitures	-	-	-	123,000	218,000	250	-	-	-	-	\$ 1,476,450
Miscellaneous Revenue	300,000	85,000	368,730	5,197,791	52,153	334,647	10,000	17,036,124	100,000	150,000	\$ 28,708,390
Other Sources	5,908,778	1,872,696	12,820,594	17,169,101	871,233	658,492	192,262	3,796,277	1,429,504	3,502,713	\$ 124,587,849
FY 25/26 Total Revenues	\$ 21,503,915	\$ 5,609,832	\$ 26,272,729	\$ 33,816,240	\$ 6,152,216	\$ 4,877,537	\$ 202,262	\$ 20,832,401	\$ 3,648,052	\$ 4,604,957	\$ 286,849,467
EXPENDITURES/EXPENSES:											
Personnel Services	\$ 499,513	\$ 191,086	\$ 1,271,554	\$ 2,338,335	\$ 3,722,517	\$ 1,477,638	\$ -	\$ 223,863	\$ 74,096	\$ 74,096	\$ 73,685,504
Operating Expenditures	10,081,692	2,241,167	10,275,221	6,567,406	1,640,573	1,270,982	298	17,137,732	109,475	158,243	\$ 68,027,901
Capital Outlay	2,001,500	511,500	31,000	5,666,000	-	1,229,000	-	-	2,700,000	2,250,000	\$ 58,219,094
Debt Service	1,786,141	-	-	-	-	-	-	-	-	-	\$ 2,457,963
Grants and Aid	-	-	-	-	-	-	-	-	350,000	300,000	\$ 1,490,000
Transfers	1,261,549	731,875	2,550,013	7,271,428	738,488	693,037	16,283	600,454	367,751	1,819,180	\$ 22,167,514
Reserves	5,873,520	1,934,204	12,144,941	11,973,071	50,638	206,880	185,681	2,870,352	46,730	3,438	\$ 60,801,491
FY 25/26 Total Expenditures	\$ 21,503,915	\$ 5,609,832	\$ 26,272,729	\$ 33,816,240	\$ 6,152,216	\$ 4,877,537	\$ 202,262	\$ 20,832,401	\$ 3,648,052	\$ 4,604,957	\$ 286,849,467



FY25-26 Proposed Budget at a Glance

General Fund

- Operating Budget - General Fund Only \$ 101,637,122
 - Overall Increase of 2.99 Percent Over FY 2024-2025
- Fund Balance/Operating Reserve
 - Policy - 72 to 92 Days
 - FYE 2025 Estimated Unassigned Fund Balance 92 Days
- Value of Reserve Day
 - Fiscal Year 2025-2026 \$ 219,200



FY25-26 Proposed Budget at a Glance

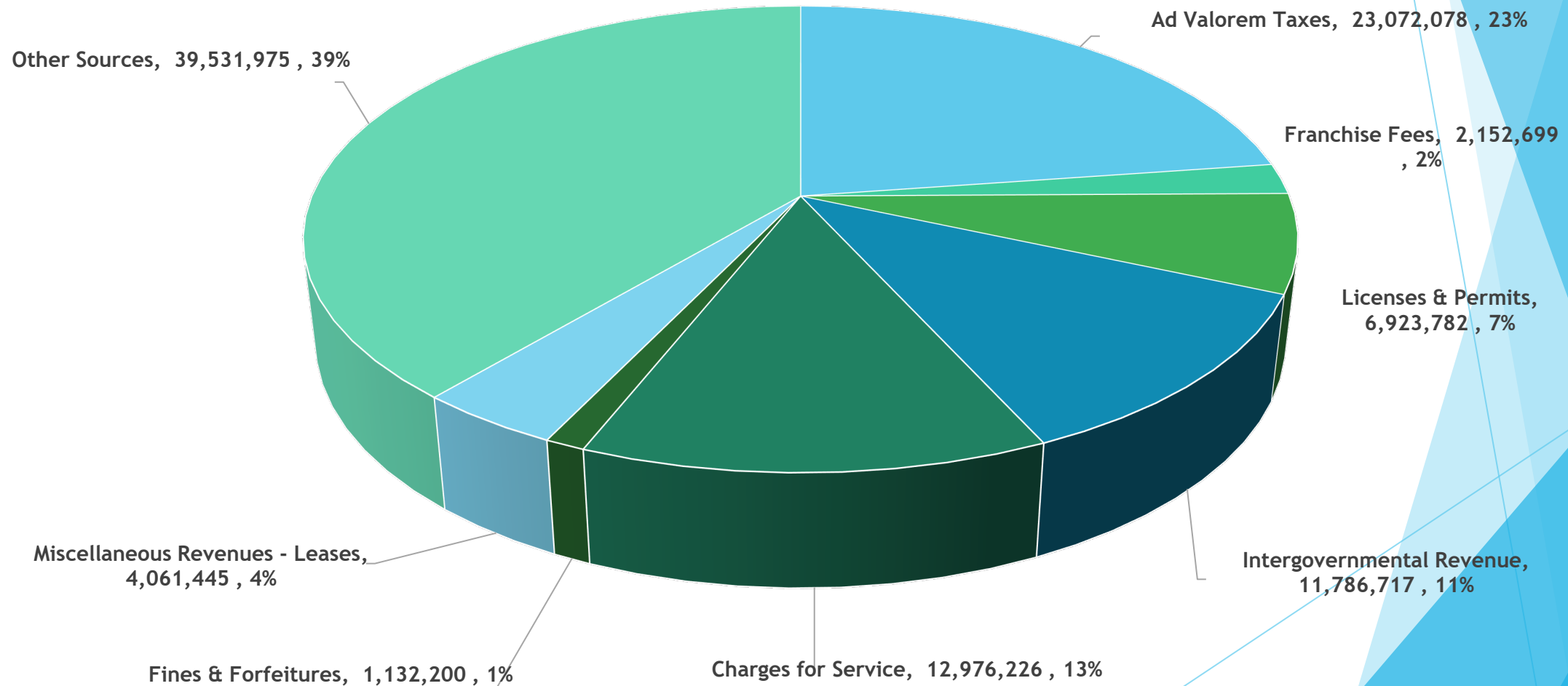
General Fund Revenues

• Ad Valorem Taxes	\$ 23,072,078
• Increase of 4.72 Percent Over FY 2024-2025	
• 22.70 Percent of General Fund Revenue	
• Franchise Fees	\$ 2,152,699
• Licenses and Permits	\$ 6,923,782
• Intergovernmental	\$ 11,786,717
• Charges for Service	\$ 12,976,226
• Fines and Forfeitures	\$ 1,132,200
• Miscellaneous Revenues	\$ 4,061,445
• Other Sources	\$ 39,531,975



FY25-26 Proposed Budget at a Glance

General Fund Revenues



FY25-26 Proposed Budget at a Glance

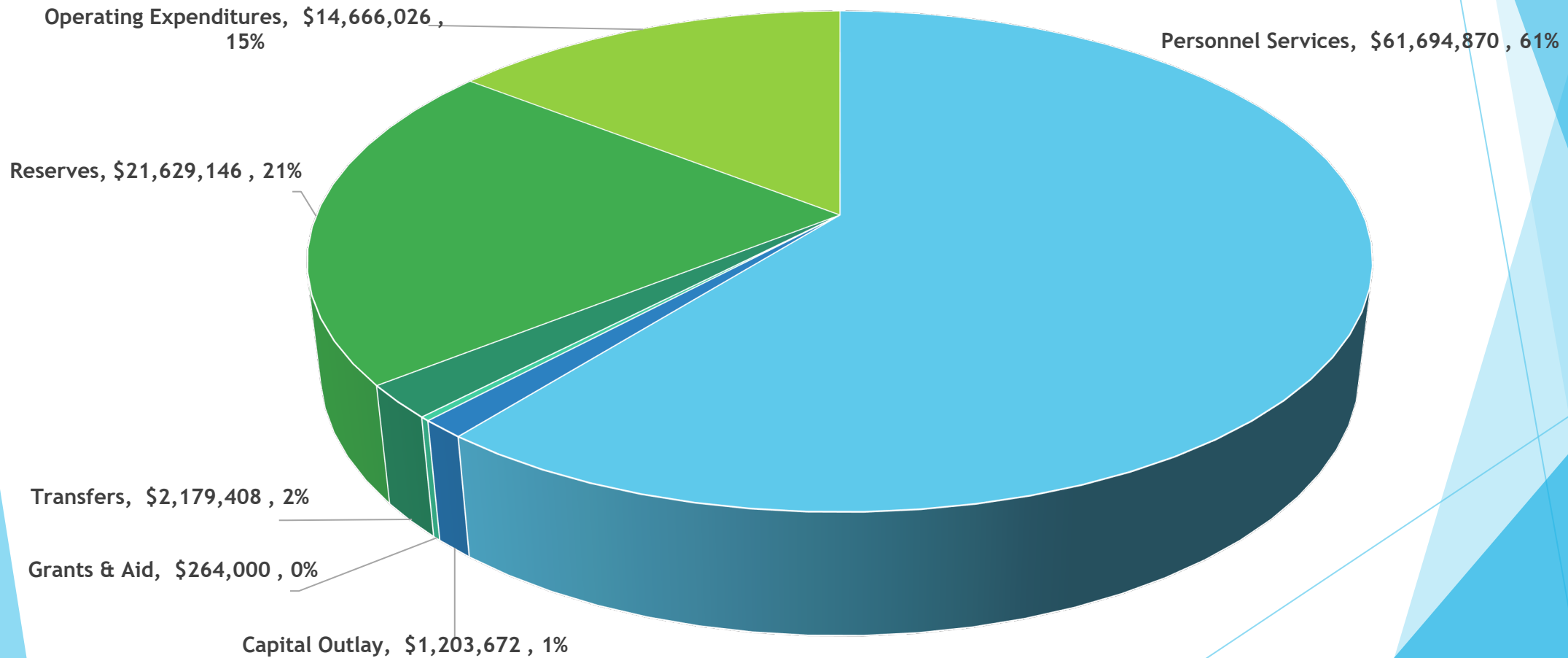
General Fund Expenditures

• Personnel Services	\$ 61,694,870
• Increase of 6.312 Percent Over FY 2024-2025	
• Operating Expenditures	\$ 14,666,026
• Decrease of .092 Percent Over FY 2024-2025	
• Capital Outlay	\$ 1,203,672
• Decrease of 34.4 Percent Over FY 2024-2025	
• Grants and Aid	\$ 264,000
• Transfers	\$ 2,179,408
• Reserves	\$ 21,629,146



FY25-26 Proposed Budget at a Glance

General Fund Expenditures



Changes to General Fund Budget

General Fund

- Changes in Revenue
 - Increase in Ad Valorem Tax Collections
 - Increase in Telecommunications Tax
 - Increase in Other Franchise Fees
 - Decrease in Tree Removal Permit Fees
 - Increase in Occupational Licenses
 - Decrease in Planning Fees
 - Net Decrease in Disembarkation Fees
 - Net Increase in Parking Fees
 - Increase in Miscellaneous Revenues
 - Decrease in Transfers In
 - Decrease to General Fund Cash Carry Forward
 - Increase Tree Fund Carry Forward

Overall Change to General Fund Revenue

\$ 1,308



Changes to General Fund Budget

General Fund

- **Changes in Expenditures**
 - Allocated City Commission Special Pay to be on Reimbursement Basis
 - Increased Allocation for Strategic Planning
 - Increased Employer General Pension Allocation from 8% to 11.1%
 - Added Allocations for the Extensions of TrackIt and Naviline Software Subscriptions
 - Increased Allocation for Outside Legal Counsel
 - Decrease in Non-Departmental
 - Decrease in Lapse Salary Calculation
 - Decrease in Worker's Compensation Insurance Allocation
 - Decrease in General Liability Insurance Allocation
 - Added \$150,000 Allocation for UNESCO Program
 - Increase Bahama Village TIF and Caroline Street Corridor TIF Allocations
 - Increase Truman Waterfront Operating Support Transfer Out
 - Decrease in Operating Reserve
 - Increase in Salary Contingency
 - Added \$61,718 Reserve Allocation for Pension Retiree 2% COLA
 - Added Additional Funding for New Positions
 - **Removed FMT Plan Funding Allocations**
 - Compass Rose Rehabilitation
 - Rainbow Crosswalk
 - Cozumel Park Fence



Changes to General Fund Budget

General Fund

- Changes in Expenditures Continued
 - Increase in Fire Department Salaries
 - Added Funding Allocation for (MCCI) Growth Management Software
 - Adjustments in Tree Commission to Account for Change in Cash Carry Forward
 - Increase Funding Allocations for Youth Leagues
 - Small Changes to Funding Allocations Based on Current Actuals

Overall Change to General Fund Expenditures

\$ 1,308



CITY OF KEY WEST
FY 25/26 General Fund Division Expenditures by Category
with Comparisons to Prior Fiscal Year

GENERAL FUND	Personnel Services	Operating Expenditures	Capital Outlay	Grants and Aids	Transfers	Contingency/ Reserves	FY 25/26 Division Total	FY 24/25 Division Total	FY 25/26 % Change	
General Government										
City Commission	449,513	143,450					\$ 592,963	\$ 565,487	4.86%	0.58%
City Manager	1,394,972	364,210					1,759,182	1,242,915	41.54%	1.73%
City Clerk	359,971	128,985					488,956	531,459	-8.00%	0.48%
Citizens' Review Board	83,568	25,835					109,403	106,335	2.89%	0.11%
Finance	1,707,390	55,845					1,763,235	1,621,372	8.75%	1.73%
Human Resources	574,577	149,791					724,368	722,965	0.19%	0.71%
Information Technology	926,535	1,180,212	9,200				2,115,947	1,855,626	14.03%	2.08%
Key West TV		30,945	12,300				43,245	53,990	-19.90%	0.04%
City Attorney	1,168,721	249,500					1,418,221	1,258,561	12.69%	1.40%
City Planner	1,300,781	143,133					1,443,914	1,513,780	-4.62%	1.42%
Non-Departmental	(1,007,143)	3,224,717		264,000	2,179,408	21,629,146	26,290,128	26,875,975	-2.18%	25.87%
Civil Service Board		7,650					7,650	7,650	0.00%	0.01%
Elections							-	-	0.00%	0.00%
Fleet Service Mgt	739,045	864,670	175,000				1,778,715	1,671,349	6.42%	1.75%
Engineering	364,554	18,700					383,254	379,966	0.87%	0.38%
Disaster Recovery							-	-	N/A	0.00%
Total General Government	8,062,484	6,587,643	196,500	264,000	2,179,408	21,629,146	\$ 38,919,181	\$ 38,407,430	1.33%	
Public Safety										
Police Department	21,531,168	1,097,449	127,572				\$ 22,756,189	\$ 22,019,242	3.35%	22.39%
Law Enforcement Grants	75,000						75,000	75,000	N/A	0.07%
Fire Department	14,188,434	832,244	240,000				15,260,678	14,315,094	6.61%	15.01%
Building Services	1,594,460	264,403	3,600				1,862,463	1,642,182	13.41%	1.83%
Code Compliance	1,451,703	56,019					1,507,722	1,471,665	2.45%	1.48%
Emergency Preparedness	102,712	30,660	5,000				138,372	127,836	8.24%	0.14%
Emergency Medical Service	3,795,097	488,375					4,283,472	4,349,016	-1.51%	4.21%
Total Public Safety	42,738,574	2,769,150	376,172	-	-	-	45,883,896	\$ 44,000,035	4.28%	
Physical Environment										
Parking	1,876,387	148,695	100,000				\$ 2,125,082	\$ 1,848,717	14.95%	2.09%
Public Works	4,733,689	1,123,300	400,000				6,256,989	5,769,888	8.44%	6.16%
Facilities Maintenance	999,207	991,650	6,000				1,996,857	2,137,902	-6.60%	1.96%
Tree Commission		144,602	37,000				181,602	143,035	26.96%	0.18%
Port Operations	401,511	68,250					469,761	544,146	-13.67%	0.46%
Parks & Recreation	2,883,018	1,888,983	88,000				4,860,001	4,930,196	-1.42%	4.78%
Total Physical Environment	10,893,812	4,365,480	631,000	-	-	-	15,890,292	\$ 15,373,884	3.36%	
Human Services										
Homeless Center	-	943,753	-	-	-	-	\$ 943,753	\$ 902,773	4.54%	0.93%
Total Human Services	-	943,753	-	-	-	-	943,753	\$ 902,773	4.54%	
TOTAL GENERAL FUND	\$ 61,694,870	\$ 14,666,026	\$ 1,203,672	\$ 264,000	\$ 2,179,408	\$ 21,629,146	\$ 101,637,122	\$ 98,684,122	2.99%	



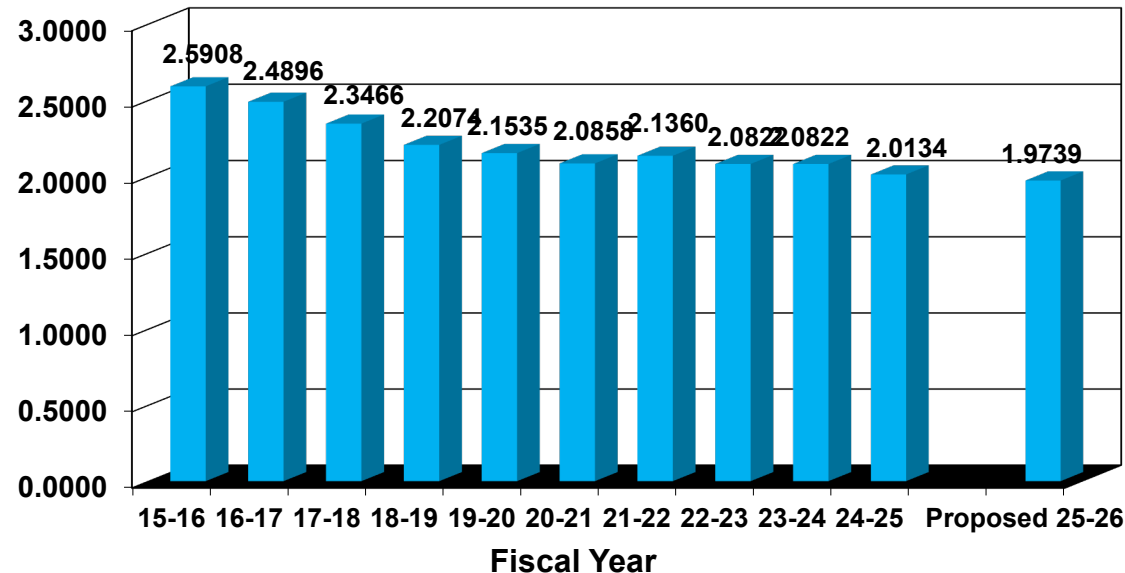
Ad Valorem

- **Ad Valorem Taxes - Property Taxes**
 - **Proposed Tentative Millage Rate**
 - 2.00% Under FY2025 Adopted Millage Rate of 2.0134
 - 5.00% Over Rollback Rate of 1.8799
 - Each 1% Over Rollback

1.9739

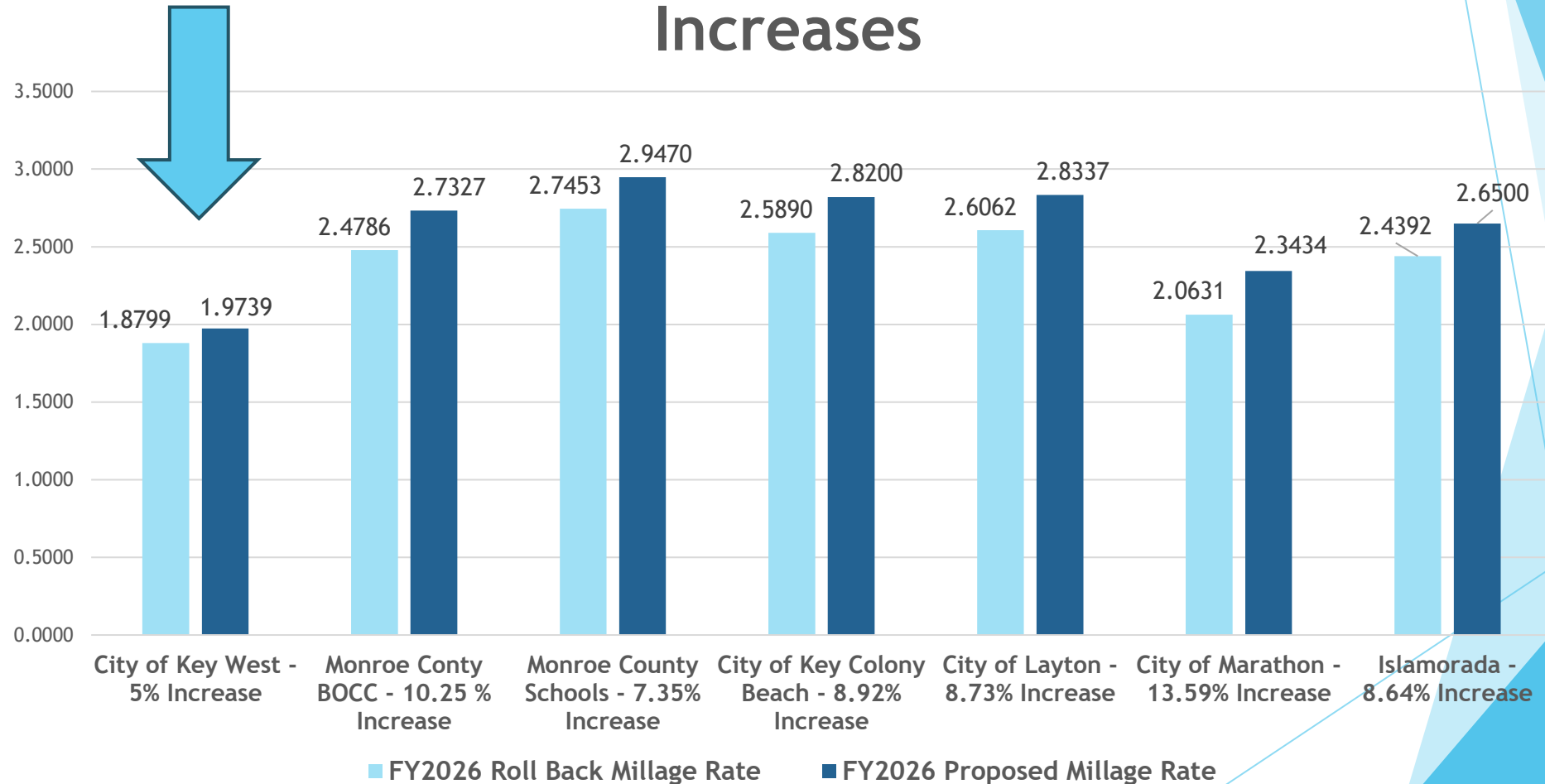
\$219,591

TEN - YEAR MILLAGE HISTORY

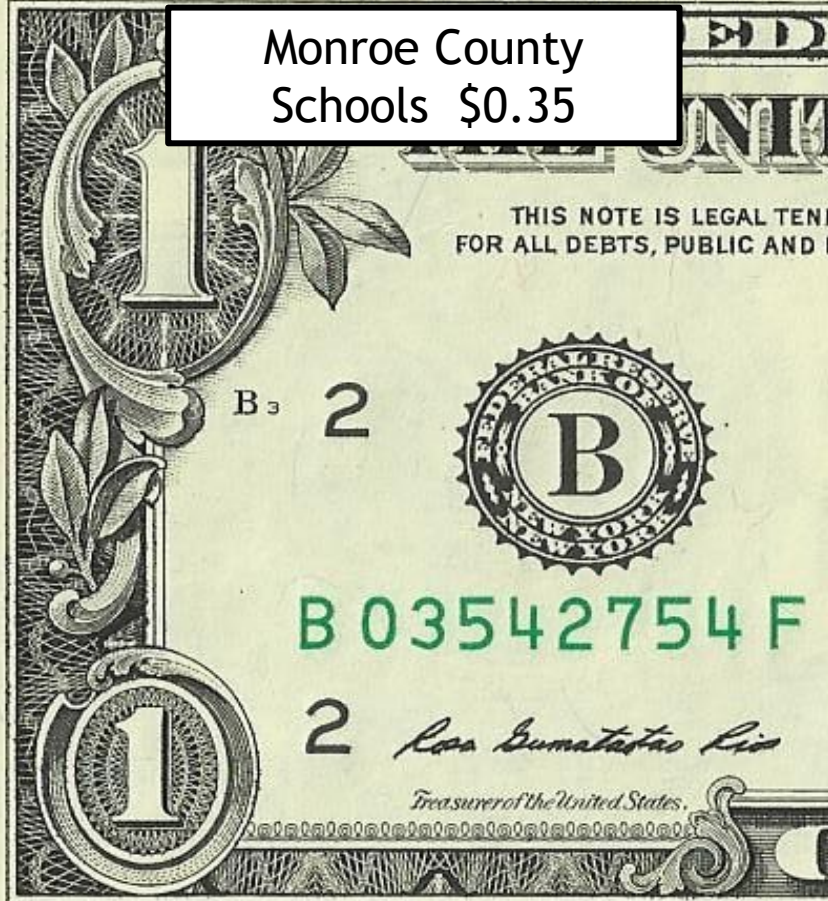


Ad Valorem

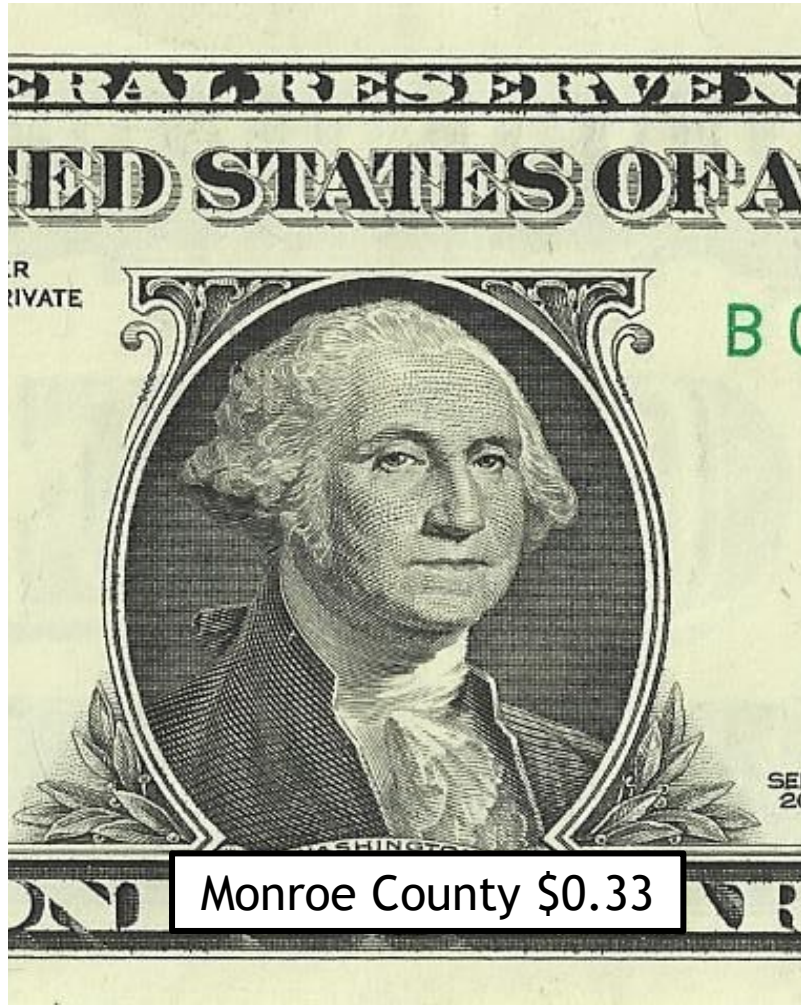
FY2026 Proposed Millage Rates and Increases



Monroe County
Schools \$0.35



Monroe County \$0.33

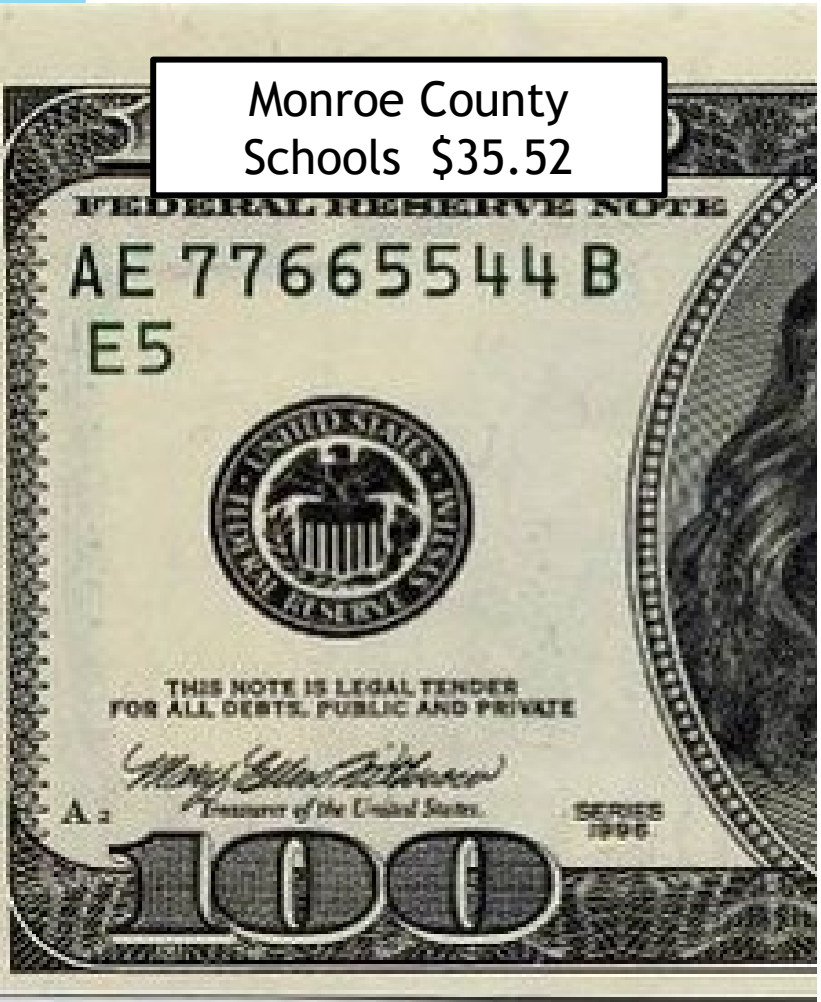


City of Key West
\$0.24



Other
\$0.08







Monroe County
Schools \$35.52



Monroe County \$32.95



Other
\$7.74



City of Key West
\$23.79

Ad Valorem

- **FY 2024-25 Adopted Millage Rate** **2.0134**
- **Average Homesteaded Residential Home Taxable Value**
 - \$576,125 in Taxable Value
 - \$1,159.97 City Portion
- **FY2025-26 Calculated Millage Rate** **1.9739**
- **5.00% Above Rollback Rate**
- **Example: Residential Homesteaded Property**
 - \$592,832 in Taxable Value
 - Based on Save Our Homes 3% Capped Value Increase

	Millage Rate	City Portion of Ad Valorem	Annual Change
FY25 Millage	2.0134	\$ 1,159.97	\$ -
Roll Back	1.8799	\$ 1,114.47	\$ (45.50)
1.00%	1.8987	\$ 1,125.61	\$ (34.36)
2.00%	1.9175	\$ 1,136.76	\$ (23.21)
3.00%	1.9363	\$ 1,147.90	\$ (12.07)
4.00%	1.9551	\$ 1,159.04	\$ (0.93)
5.00%	1.9739	\$ 1,170.19	\$ 10.22
6.00%	1.9927	\$ 1,181.33	\$ 21.36
7.10%	2.0134	\$ 1,193.61	\$ 33.64



Ad Valorem

- **FY 2024-25 Adopted Millage Rate** **2.0134**
- **Average Non-Homesteaded Residential Home Taxable Value**
 - \$1,016,000 in Taxable Value
 - \$2,045.61 City Portion
- **FY2025-26 Calculated Millage Rate** **1.9739**
- **5.00% Above Rollback Rate**
- **Example: Residential Non-Homesteaded Property**
 - \$1,088,136 in Taxable Value
 - Based on Average Value Increase of 7.10%

	Millage Rate	City Portion of Ad Valorem	Annual Change
FY25 Millage	2.0134	\$ 2,045.61	\$ -
Roll Back	1.8799	\$ 2,045.59	\$ (0.03)
1.00%	1.8987	\$ 2,066.04	\$ 20.43
2.00%	1.9175	\$ 2,086.50	\$ 40.88
3.00%	1.9363	\$ 2,106.95	\$ 61.34
4.00%	1.9551	\$ 2,127.41	\$ 81.80
5.00%	1.9739	\$ 2,147.87	\$ 102.25
6.00%	1.9927	\$ 2,168.32	\$ 122.71
7.10%	2.0134	\$ 2,190.85	\$ 145.24



Ad Valorem

- FY 2024-25 Adopted Millage Rate 2.0134
- Average Commercial Property Taxable Value
 - \$1,947,500 in Taxable Value
 - \$3,921.10 City Portion
- FY2025-26 Calculated Millage Rate 1.9739
- 5.00% Above Rollback Rate
- Example: Commercial Property
 - \$2,085,773 in Taxable Value
 - Based on Average Value Increase of 7.10%

	Millage Rate	City Portion of Ad Valorem	Annual Change
FY25 Millage	2.0134	\$ 3,921.10	\$ -
Roll Back	1.8799	\$ 3,921.04	\$ (0.05)
1.00%	1.8987	\$ 3,960.25	\$ 39.16
2.00%	1.9175	\$ 3,999.46	\$ 78.37
3.00%	1.9363	\$ 4,038.68	\$ 117.58
4.00%	1.9551	\$ 4,077.89	\$ 156.79
5.00%	1.9739	\$ 4,117.10	\$ 196.00
6.00%	1.9927	\$ 4,156.31	\$ 235.21
7.10%	2.0134	\$ 4,199.49	\$ 278.40



FY25-26 Proposed Budget at a Glance

Infrastructure Fund

Total Proposed FY25/26 Budget

\$ 44,300,095

Overall Budget Increase

\$ 404,930

- **Revenue**
 - Decrease to Discretionary Sales Surtax Collections
 - Increase to Cash Carry Forward Calculation
- **Expenditures**
 - Increase in Non-Departmental Salaries
 - Decrease Transfer to the Gas Tax Fund
 - Added Transfer Out to Adaptation Fund for Fire Station 1 Wind Retrofit Project
 - Decrease Operating Reserve
 - Increase Merit Increase Salary Reserve
 - Changes to Funding Allocations for Facilities Maintenance Infrastructure Projects
 - Changes to Police Department Equipment Funding Allocations
 - Changes to Fire Department Equipment Funding Allocations
 - Changes to EMS Department Funding Allocations
 - Additional Funding Allocated to White Street Pier Rehabilitation



FY25-26 Proposed Budget at a Glance

Infrastructure Fund

- Current New and In-Process Project Listing

- Bayview Park Renovations
- Cozumel Park Renovations
- Duval Street Revitalization
- Fire Station 3
- Hockey Rink Rehabilitation
- John Jones Navigations Center
- Mallory Square Improvements
- Mallory Square Wharf Rehabilitation
- Mallory T-Pier Extension/Improvements
- MLK Pool Rehabilitation
- Southernmost Point Plaza
- Southernmost Point Seawall
- Waterfront Playhouse Fire Suppression
- White Street Pier Rehabilitation
- Truman Waterfront Splashpad Renovations
- 701 Palm Avenue Seawall
- Amphitheater Venue Enhancements



FY25-26 Proposed Budget at a Glance

Infrastructure Fund

- Machinery & Equipment
 - Phone System Replacement
 - Data Center Colling System
 - EMS Ultrasound Devices and Lucas Devices
 - Fire Apparatus - Replacement for Engine 1
 - Fire Mobile Air Cart
 - Police Pursuit Vehicles
 - Police Prisoner Van and Fleet Camera
 - Police Harley Davidson Motorcycles
 - Police Ford F250 Trucks



FY25-26 Proposed Budget at a Glance

Internal Improvements (Gas Tax) Fund

Total FY25/26 Proposed Budget

\$ 3,816,439

Overall Budget Increase

\$ 57,692

- **Revenue**
 - Decrease in Gas Tax Revenue
 - Decrease Transfer in From Infrastructure
 - Increase in Cash Carry Forward
- **Expenditures**
 - Increase in Operating Reserves
- **Project Listing**
 - Jose Marti Reconstruction
 - ADA Sidewalks
 - Paving
 - Traffic Signalization
 - Atlantic Ave. Reconstruction



FY25-26 Proposed Budget at a Glance

Fort Taylor Surcharge Fund

Total FY25/26 Proposed Budget

\$ 2,540,222

Overall Budget Decrease

\$ 804,645

- Revenue
 - Decrease Cash Carry Forward
- Expenditures
 - Recognized Allocation for Smather's Beach Renourishment Project
 - Decrease in Operating Reserve



FY25-26 Proposed Budget at a Glance

Adaptation & Sustainability Fund

Total FY25/26 Proposed Budget

\$ 1,872,730

Overall Budget Decrease

\$ 360,656

- **Revenue**

- Added Transfer In From Infrastructure Fund for Fire Station 1 Project
- Removed Grant Funding Allocation for Fire Station 1 Project
- Decrease in Cash Carry Forward

- **Expenditures**

- Decrease Funding Allocation for ESCO Implementation
- Decrease Funding Allocation for Fire Station 1 Wind Hardening
- Increase in Operating Reserve

- **Project Listing**

- Adaptation/Resiliency Plan
- Fire Station 1 Wind Retrofit
- Public Service Building Wind Retrofit
- Water Quality Monitoring
- Coral Reef Restoration
- City Building Adaptation Surveys and Improvement Implementation



FY25-26 Proposed Budget at a Glance

Transportation Alternative Fund

Total FY25/26 Proposed Budget

\$ 1,560,083

Overall Budget Increase

\$ 92,626

- **Revenue**
 - Increase in Interest Earnings
 - Increase to Cash Carry Forward
- **Expenditures**
 - Increase Transfer Out to Transit Fund to Support Transit Operations
 - Decrease in Operating Reserve
- **Project Listing**
 - City Wide Safety Action Plan
 - Duval & Eaton Pedestrian Signalization
 - Smather's Beach Overflow Parking
 - Enhanced School Zone Signage, Striping, and Crosswalks
 - Transportation Marketing
 - Flashing Beacons
 - Pedestrian Safety Improvements
 - Commercial Core Parking Signage



FY25-26 Proposed Budget at a Glance

Community Development Office

Total FY25/26 Proposed Budget \$ 1,194,691

Overall Budget Increase \$ 120,342

- **Revenue**
 - Increase Operations Support Transfer In
 - Increase Cash Carry Forward
- **Expenditures**
 - Increase in Reserves
 - Increase in Operating Reserve
 - Down Payment Assistance Reserve \$180,000
 - Move In Assistance Program Reserve \$100,000
 - Increase in Salary Reserve



FY25-26 Proposed Budget at a Glance

Capital Projects Fund

Total FY25/26 Proposed Budget \$ 202,262

Overall Budget Increase \$ 1,679,042

- **Revenue**
 - Increase Interest Earnings
 - Decrease Bahama Village TIF Fund Transfer In
 - Decrease Cash Carry Forward
- **Expenditures**
 - Decrease In Personnel Services
 - Moved FTE to General Fund
 - Decrease In Capital Outlay
 - Moved Deisel Plant Project to Bahama Village TIF Fund
 - Increase In Reserves



FY25-26 Proposed Budget at a Glance

Sewer Fund

Total FY25/26 Proposed Budget

\$ 21,503,915

Overall Budget Decrease

\$ 728,950

- Revenue
 - Decrease in Cash Carry Forward
- Expenditures
 - Increase in Personnel Services
 - Decrease in Reserves
 - Increase in Operating Reserves
 - Increase in Salary Reserves
 - Decrease in Other Uses Reserves



FY25-26 Proposed Budget at a Glance

Stormwater Utility Fund

Total FY25/26 Proposed Budget

\$ 5,609,832

Overall Budget Increase

\$ 642,528

- Revenue
 - Increase in Charges for Service
 - Increase in Cash Carry Forward
- Expenditures
 - Increase in Personnel Services
 - Add Funding for Gravity Well Cleaning
 - Reduce Funding for Catch Basin Repair
 - Increase in Reserves
 - Decrease in Operating Reserves
 - Increase in Salary Contingency
 - Increase in Other Uses Reserves



FY25-26 Proposed Budget at a Glance

Solid Waste Fund

Total FY25/26 Proposed Budget

\$ 26,272,729

Overall Budget Increase

\$ 1,204,543

- **Revenue**
 - Increase Charges for Service
 - Increase in Interest Earnings
 - Increase in Cash Carry Forward
- **Expenditures**
 - Increase to Personnel Services
 - Increase in Reserves
 - Increase in Operating Reserves
 - Increase in Salary Contingency
 - Increase in Other Uses Reserves



FY25-26 Proposed Budget at a Glance

Key West Bight Fund

Total FY25/26 Proposed Budget

\$ 33,816,240

Overall Budget Decrease

\$ 12,025

- Revenue
 - Decrease in Interest Earnings
- Changes in Expenditures
 - Increase to Personnel Services
 - Add Funding Allocation for 201 William Street Spalling Repair
 - Add Funding Allocation for Conch Republic Days
 - Decrease in Reserves
 - Increase in Operating Reserves
 - Increase in Salary Contingency
 - Decrease in Other Uses Reserves



FY25-26 Proposed Budget at a Glance

Transit System Fund

Total FY25/26 Proposed Budget

\$ 6,152,216

Overall Budget Decrease

\$ 1,259,654

- Revenue

- Increase In Grant Revenue Based on Additional 5311 Funding
- Add Revenue Allocation for Park N Ride and Bus Advertising
- Add Revenue Allocation for Parking Revenue Generated from Special Events Surge Pricing
 - Additional Dates Dedicated to Transit Fund (Conch Republic Days, Songwriters Festival, Pride Week, Boat Races, etc.)
- Decrease Revenue Collections for Duval Loop
- Add Revenue Allocation for Citation Fee Dedicated to Transit
 - \$10.00 per Citation Issued
- Increase to Transfer In from Transportation Alternative Fund

- Other Ideas

- Park N Ride Bus Parking Lot - Regular Parking Lot 6 PM to Midnight
- Residential Parking Pass Increase Dedicated to Transit
- Parking Garage at Angela Street
- Possible Increase to Disembarkation Fees Dedicated to Transit
- Lobby for TDC Funding



FY25-26 Proposed Budget at a Glance

Transit System Fund

Total FY25/26 Proposed Budget

\$ 6,152,216

Overall Budget Decrease

\$ 1,259,654

- Expenditures
 - Suspended Duval Loop
 - Decrease Expenditures by \$765,884
 - Plan to Re-Align Drivers to Other Routes and/or Positions in the City
 - Delete all Currently Vacant Positions - 7.50 FTE
 - Decrease in Worker's Compensation Insurance Allocation
 - Decrease to General Liability Insurance Allocation
 - Decrease in Reserves
 - Decrease in Salary Reserves



FY25-26 Proposed Budget at a Glance

Bahama Village TIF Fund

Total FY25/26 Proposed Budget

\$ 3,648,052

Overall Budget Increase

\$ 1,184,851

- **Revenue**

- Increase in Grant Funding Allocation for Douglass Gym Renovation
- Increase in City TIF Allocation - Based on 1.9739 Millage Rate
- Increase Interest Earnings
- Increase in Cash Carry Forward
 - Due to Deisel Plant Project Program Allocation

- **Expenditures**

- Add Funding Allocation for Deisel Plan Project
- Increase Douglass Gym Renovations Project Allocation
- Add Funding Allocation for Misc Grants & Aid
- Decrease in Operating Reserves

- **Project Listing**

- Douglass Gym Improvements
- Deisel Plan Renovations



FY25-26 Proposed Budget at a Glance

Caroline Street TIF Fund

Total FY25/26 Proposed Budget

\$ 4,604,957

Overall Budget Increase

\$ 31,791

- **Revenue**
 - Increase in City TIF Allocation - Based on 1.9739 Millage Rate
 - Increase in Cash Carry Forward
- **Expenditures**
 - Add Funding Allocation for Parking Deck Design/Construction
 - Add Funding Allocation for Misc Grants & Aid
 - Decrease in Operating Reserves
- **Project Listing**
 - Caroline Street Paving
 - Parking Deck Design/Construction



FY25-26 Proposed Budget at a Glance

Funds with Changes Under \$20,000

• Affordable Housing Trust Fund	\$ 733,222
• Truman Waterfront Fund	\$ 1,166,994
• Community (AIPP) Fund	\$ 221,302
• Law Enforcement Trust	\$ 286,426
• Garrison Bight Fund	\$ 4,877,537
• Insurance Fund	\$ 20,832,401



To Conclude

- First Reading of Millage Ordinance
- Adopt Tentative Budget for FY 2025-26 via Resolution
- Final Budget Hearing
 - Thursday, September 25, 2025 5:05 PM

