

RESOLUTION NO. 24-232

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY
OF KEY WEST, FLORIDA, ADOPTING THE FINAL
BUDGET FOR FY 2024-2025; PROVIDING FOR AN
EFFECTIVE DATE**

WHEREAS, a public hearing to consider the final budget was conducted on September 17, 2024.

NOW THEREFORE BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AS FOLLOWS:

Section 1: That the final budget for FY 2024-2025 is currently set at \$262,523,168 and hereby adopted by fund and by major category.

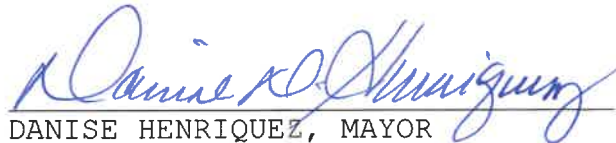
Section 2: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the presiding officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held
this 17 day of September 2024.

Authenticated by the presiding officer and Clerk of the
Commission on September 18, 2024.

Filed with the Clerk September 18, 2024.

Mayor Danise Henriquez	<u>Yes</u>
Vice Mayor Sam Kaufman	<u>No</u>
Commissioner Lissette Carey	<u>No</u>
Commissioner Monica Haskell	<u>Absent</u>
Commissioner Mary Lou Hoover	<u>Yes</u>
Commissioner Donie Lee	<u>Yes</u>
Commissioner Clayton Lopez	<u>Yes</u>


DANISE HENRIQUEZ, MAYOR

ATTEST:


KERI O'BRIEN, CITY CLERK



MEMORANDUM

Date: September 17, 2024

To: Honorable Mayor and Commissioners

Via: Todd Stoughton
Interim City Manager

From: Christina Bervaldi
Finance Director

Subject: **Resolution Adopting the Final Budget for FY 2024-2025**

Each year, the City Manager and staff develop a budget guided by the City Commission and staff's key priorities and initiatives as determined through planning and strategic plan developments along with operational departmental needs.

Beginning in March 2024, City departments began to compile their operational and capital needs for Fiscal Year 2024-2025 in order to submit to the City Manager and Finance Director for consideration for the proposed budget. Numerous department and inter-departmental meetings occurred during the months of April, May, and June to present a proposed budget to the City Commission and citizens of Key West in July of 2024.

On July 16th and 17th, City staff held budget workshops which presented a proposed \$260M operating and capital budget to the City Commission and citizens of Key West. The proposed budget addressed departmental needs including increased personnel and operational costs. In addition to addressing the operational funding commitments outlined in the July budget workshops, the FY 2025 budget will allow for several new positions, increased funding dedicated to the City's affordable housing efforts, as well as investments in our Infrastructure and capital needs. The proposed budget was presented with an ad valorem millage set to 2.0822 mills, which is 8.59% above the roll-back rate of 1.9175 mills.

At the end of the July workshops, a tentative millage of 2.1452 was set, which was 11.87% over the roll-back millage of 1.9175 mills. This tentative rate was set in efforts to account for any unforeseen challenges that the City may have experienced between the July workshops and the September budget hearings with the understanding that City staff would continue to make changes to the proposed budget in efforts to lower the ad-valorem millage rate.

Staff took the direction received from the City's July workshops and further refined the budget which resulted in increasing the overall proposed budget from \$260M to \$261M and lowering the ad-valorem millage to 2.0326, which is 6% over the roll-back millage rate of 1.9175. These changes reflected the City Commission's input and direction as well as City staff's commitment to sound financial and operational practices ,which continue to provide for our community's needs and expectations of exceptional services.

On September 5, 2024, the Mayor and City Commissioners heard the tentative budget and gave some additional direction for City staff to once again continue to refine the proposed budget in order to further lower the ad-valorem millage rate to 2.0134, which is 5% over the roll-back millage rate of 1.9175 mills.

As requested, the proposed final budget for Fiscal Year 2024-2025 which is presented this evening is in the amount of \$262.5M. This proposed final budget reflects an ad-valorem millage rate of 2.0134, which is 5% over the roll-back millage rate of 1.9175 mills.

Recommendation

Approve the resolution for the adoption of the final budget in the amount of \$262,523,168 for the City of Key West's Fiscal Year beginning October 1, 2024 and ending September 30, 2025 presented herein.

CITY OF KEY WEST

FY 24/25 TENTATIVE BUDGET SUMMARY BY CATEGORY

As of September 17, 2024

GOVERNMENT FUNDS ESTIMATED REVENUES:

	General Fund	Infrastructure Surtax Fund	Internal Improvement Fund	Fort Taylor Surcharge Fund	Affordable Housing Fund	Truman Waterfront Fund	Adaptation & Sustainability Fund	Community Fund	Transportation Alternative Fund	Community Development Office	Law Enforcement Trust Fund
Taxes	\$ 24,131,955	\$ 12,732,426	\$ 1,741,350	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses & Permits	6,148,950	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	12,444,238	2,975,177	-	300,000	-	-	802,734	-	-	506,521	-
Charges for Services	12,568,491	-	-	-	495,946	840,972	1,000,000	-	785,493	-	-
Fines & Forfeitures	1,087,500	-	-	-	-	3,000	-	-	-	-	-
Miscellaneous Revenue	3,109,010	300,000	50,000	20,000	1,000	33,500	20,000	1,200	10,000	20,000	-
Other Sources	39,193,980	2,055,165	3,198,954	2,709,679	146,672	255,933	551,450	178,519	732,753	1,035,858	282,611
FY 24/25 Total Revenues	\$ 98,684,124	\$ 18,062,768	\$ 4,990,304	\$ 3,029,679	\$ 643,618	\$ 1,143,405	\$ 2,374,184	\$ 179,719	\$ 1,628,246	\$ 1,562,379	\$ 282,611

EXPENDITURES/EXPENSES:

Personnel Services	\$ 58,031,924	\$ 397,628	\$ 433,908	\$ -	\$ -	\$ 512,201	\$ 231,380	\$ -	\$ 106,284	\$ 154,538	\$ -
Operating Expenditures	14,679,591	10,632	889,634	151,651	75,580	467,051	2,035,596	39,140	624,065	17,545	36,735
Capital Outlay	1,835,442	13,223,282	3,020,000	-	-	24,000	1,800	-	350,000	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-	-
Grants and Aid	518,800	-	-	-	55,000	-	-	-	-	491,326	5,000
Transfers	3,836,003	3,623,275	306,602	11,106	448,667	132,759	55,635	12,958	47,974	11,162	16,046
Reserves	19,782,394	807,951	340,160	2,866,922	64,371	7,394	49,773	127,621	399,923	887,808	224,830
FY 24/25 Total Expenditures	\$ 98,684,124	\$ 18,062,768	\$ 4,990,304	\$ 3,029,679	\$ 643,618	\$ 1,143,405	\$ 2,374,184	\$ 179,719	\$ 1,628,246	\$ 1,562,379	\$ 282,611

PROPRIETARY FUNDS ESTIMATED REVENUES:

	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
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,605,731
Licenses & Permits	-	-	-	310,000	48,000	55,000	-	100	-	-	\$ 6,572,050
Intergovernmental Revenue	6,874,910	3,657,418	-	-	7,535,693	85,000	-	-	-	873,505	\$ 37,066,622
Charges for Services	14,373,224	2,600,188	12,177,008	11,390,311	1,782,782	3,298,800	-	-	1,010,526	-	\$ 61,313,215
Fines & Forfeitures	-	-	-	123,000	8,000	500	-	-	-	-	\$ 1,222,000
Miscellaneous Revenue	306,567	74,551	409,559	5,283,853	39,653	355,517	4,000	17,212,517	15,000	20,000	\$ 27,286,927
Other Sources	9,148,401	2,819,896	10,330,968	9,486,615	-	1,527,528	478,032	3,124,887	1,568,786	1,631,936	\$ 90,458,623
FY 24/25 Total Revenues	\$ 30,703,102	\$ 9,162,053	\$ 22,917,636	\$ 26,693,779	\$ 9,414,028	\$ 5,322,346	\$ 482,032	\$ 20,337,604	\$ 2,594,312	\$ 2,525,441	\$ 262,623,168

EXPENDITURES/EXPENSES:

Personnel Services	\$ 456,900	\$ 174,276	\$ 1,076,299	\$ 1,986,923	\$ 4,185,515	\$ 1,304,183	\$ 136,121	\$ 208,523	\$ 68,919	\$ 68,919	\$ 69,534,441
Operating Expenditures	9,721,526	2,321,493	8,961,959	6,816,086	2,066,104	1,446,245	117	16,660,895	270,972	15,778	\$ 67,308,366
Capital Outlay	11,208,244	4,917,418	65,000	1,736,250	2,164,444	1,830,750	300,000	-	1,006,000	1,200,000	\$ 42,882,630
Debt Service	1,783,983	-	-	-	-	-	-	-	-	-	\$ 1,783,983
Grants and Aid	-	-	-	-	-	-	-	-	-	-	\$ 1,470,126
Transfers	980,254	753,813	2,155,306	6,816,315	659,781	577,484	17,601	546,150	676,808	52,421	\$ 21,738,120
Reserves	6,552,195	985,053	10,558,971	9,238,205	338,184	163,683	28,193	2,921,936	171,613	1,188,323	\$ 57,806,503
FY 24/25 Total Expenditures	\$ 30,703,102	\$ 9,162,053	\$ 22,917,636	\$ 26,693,779	\$ 9,414,028	\$ 5,322,346	\$ 482,032	\$ 20,337,604	\$ 2,594,312	\$ 2,525,441	\$ 262,623,168