





## MEMORANDUM

---

Date: September 18, 2023

To: Honorable Mayor and Commissioners

Via: Albert P. Childress   
City Manager

From: Christina Bervaldi   
Finance Director

Subject: **Resolution Adopting the Final Budget for FY 2023-2024**

---

Each year, the City Manager and staff develop a budget which is guided by the operational needs of City staff and the City Commission's key priorities and initiatives which are determined through months of planning and strategic plan development.

Beginning in March 2023, City departments began to compile their operational and capital needs for Fiscal Year 2023-2024 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 2023.

On July 24, 25, and 26, 2023 the City Manager held budget workshops in which the City Manager, Finance Director, and City Departmental Directors presented a proposed \$249M Fiscal Year 2023-2024 operating and capital budget to the City Commission and citizens of the City of Key West. The budget proposed addressed departmental needs including increasing personnel costs and the rising operational costs the City is facing, including the cost of vendor contracts, materials and supplies, and property insurance while also investing in City initiatives including investments in the City's sustainability and affordable housing efforts, our parks, roadways, marinas, and public safety needs.

At the end of the July workshops, a tentative millage of 2.0822 mills was set, which is equal to the millage rate set in Fiscal Year 2022-2023 and is 9.96% above the roll-back millage rate of 1.8936 mills. Each percent over roll-back increases City revenue by \$189,265, for a total of increased ad-valorem revenue of \$1,885,079.

Staff took the direction received at the City's July workshops and further refined the budget increasing the overall proposed budget from \$249M to \$252M, an increase of \$2.6M. These changes reflect the City

Commission's strategic goals 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 7, 2023, the Mayor and City Commissioners heard the tentative budget and the resolution to adopt the tentative budget was approved without changes with a vote of 4 – 3. The final public hearing was then scheduled to adopt the final Fiscal Year 2023-2024 budget to be held on September 18, 2023.

**Recommendation**

Approve the resolution for the adoption of the final budget in the amount of \$252,048,018 for the City of Key West's Fiscal Year beginning October 1, 2023 and ending September 30, 2024 presented herein.