

# City of Key West Budget Workshop General Fund Fiscal Year 2022-23

Monday, July 25, 2022

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# Highlights of FY22-23 Budget

## General Fund

- Personnel Services
  - FY 2022-23 \$48,331,524
    - Up 7 Percent (\$45,116,349) from FY 2021-22
    - \$3.2M Increase
  - 75 Percent of General Fund Total Expenditures
- Operating Expenditures
  - FY2022-23 \$12,279,500
    - Up 21 Percent (\$9,758,282) from FY 2021-22
    - \$2.5M Increase
  - 19 Percent of General Fund Total Expenditures
- Transfers
  - Adaptation & Sustainability Fund \$ 533,089
  - Truman Waterfront Fund \$ 251,717
  - Community (AIPP) Fund \$ 22,000



# Ad Valorem

- Growth in Total Taxable Value - 2022 to 2023
  - 2022 Final (VAB) \$8,229,630,855
  - 2023 (July 2022 Estimation) \$8,990,616,159
  - Growth in New Construction & Assessed Valuation \$ 760,985,304
- Increase of 9.24% in Total Taxable Value
  - New Construction \$ 22,566,681
  - Value Growth \$ 738,418,623
- City of Key West Taxes Levied By Property Type
  - Residential Homesteaded Property 17.4%
  - Residential Non-Homesteaded Property 48.5%
  - Vacant Lots .7%
  - Non-Residential Commercial 30.3%
  - Non-Residential Other .7%
  - Tangible Personal Property 2.4%



# Ad Valorem

- FY 2021-22 Adopted Millage Rate 2.1360
  - Residential Home \$800,000 in Taxable Value
    - \$1,709 City Portion
- FY2022-23 Calculated Millage Rate 1.9875
  - 5% Above Rollback Rate
  - Example: Residential Homesteaded Property
    - \$824,000 in Taxable Value
    - Based on Save Our Homes 3% Capped Value Increase
    - \$1,638 City Portion or Decrease of \$5.92 Per Month
  - Example: Residential Non-Homesteaded Property
    - \$873,920 in Taxable Value
    - Based on 9.24% Value Increase
    - \$1,737 City Portion or an Increase of \$2.33 Per Month



# Ad Valorem

- Calculated Millage Rate Collections \$17,955,855
- Each Additional Millage Percent Above/Below Rollback \$ 171,008
  - About One Reserve Day Per Percent
- FY2022-23 Millage Rate Example 2.0822
  - 10% Above Rollback Rate
  - Example: Residential Homesteaded Property
    - \$824,000 in Taxable Value
    - Based on Save Our Homes 3% Capped Value Increase
    - \$1,716 City Portion or an Increase of \$0.58 Per Month
  - Example: Residential Non-Homesteaded Property
    - \$873,920 in Taxable Value
    - Based on 9.24% Value Increase
    - \$1,820 City Portion or an Increase of \$9.25 Per Month
  - Example Millage Rate Collections \$18,810,896



# General Fund Revenue Highlights

•	Federal State, Local, and TDC Grants	\$3,697,804
•	Federal	
•	• Byrne JAG Grant	\$ 7,000
•	• Vests	\$ 11,000
•	• Comprehensive Plan	\$ 50,000
•	• American Rescue Plan Act	\$1,836,960
•	Monroe County School Board & Other Local	
•	• School Resource Officers	\$ 952,344
•	• Fire Academy	\$ 50,000
•	TDC	
•	• Beach Cleaning	\$ 790,500



# General Fund Revenue Highlights

- Parking \$6,956,101
  - General Fund Street Parking Up 12% from FY2019
  - Transaction Counts Decreasing
- Parking Permit Revenue
  - Residential \$ 360,000
  - Commercial \$ 300,000
- Transfer in From Key West Bight \$4,250,000
- Cruise Ship Revenue \$1,085,528
  - 2.5% Disembarkation Increase
  - 65% Arrival Rate
- Ordinary Sales Tax \$5,705,423
  - State Projection
  - Potential to Increase Based on Current Year's Actuals



# General Fund Revenue Highlights

- Building Fees \$2,400,000
- Business Tax Receipts \$1,617,620
- Ambulance Fees \$1,200,000
- Credit Card Fee Recovery Program \$ 325,000
- General Fund Leases \$2,187,665
  - Includes Last 3 Months of COVID Deferment Payments
- Most revenue projections remaining steady and/or decreasing slightly. We need to find ways to increase revenue in order to keep up with the rising cost of personnel, goods, and services throughout the City.





# General Fund Expenditure Highlights

- Homeless Services/KOTS - 24 Hour Operation
  - CRA Management Contract \$ 774,053
  - Utilities and Repairs \$ 20,500
  - Temporary KOTS Setup During Construction \$ 250,000
- Aid to Governmental Organizations \$ 300,000
  - Housing Authority for Poinciana Gardens Support
- Aid to Private Organizations
  - A Positive Step of Monroe County \$ 35,000
  - AHEC \$ 22,500
  - F.I.R.M. \$ 50,000
  - Keys To Be The Change \$ 10,000
  - Police Athletic League \$ 32,500
  - Rotary (Fireworks) \$ 45,000



# General Fund Expenditure Highlights

• Grant Writer Services	\$ 62,500
• Lobbying Services	\$ 75,000
• Parking Pay Station Purchase (8)	\$ 60,000
• Search for New City Manager	\$ 25,000
• Software Module for City Wide Testing and Recording	\$ 35,000
• Fleet Management Software	\$ 31,000
• Facility Generator for Fleet and FMT	\$ 90,000
• FMT Repairs to Facilities	\$591,000
• Community Rating System (CRS)	\$ 36,700
• Commercial Design Standards for Corridor Resiliency Plan	\$200,000
• Comp Plan Evaluation and Appraisal Report	\$150,000



# General Fund Expenditure Highlights

- Property & Liability Insurance \$1,450,000
- City Christmas Lighting \$ 75,000
- Youth Leagues
  - Key West Girl's Softball League \$ 20,000
  - Key West Little Conch Baseball \$ 25,000
  - American Youth Soccer Organization - Region 660 \$ 20,000
  - Key West Youth Football League \$ 25,000
  - Southernmost Hockey Club \$ 15,000
  - Key West Youth Lacrosse League \$ 20,000
- Key West Wild Bird Center \$ 90,000
- Operating expenditures have increased by 12% over a 1-year period. This is mainly due to the rising cost of goods and services paid via vendor contracts, utilities, materials, and insurance costs.



# General Fund Recap

- General Fund IS Balanced
- Revenues are Steady - Revenue Enhancements and New Revenues are Needed to Continue Doing Business
- Expenditures are Increasing Rapidly - Further Expenditure Reductions May Be Necessary
- Any Questions?

