



City of Sanibel Fiscal Year 2026 Budget Hearing

RECOVERY, RESILIENCE, AND FISCAL RESPONSIBILITY



STORM RECOVERY



RESILIENCE



FISCAL STEWARDSHIP

City of Sanibel Online Budget



SANIBEL
Florida

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Fiscal Year 2026 Budget

TENTATIVE Fiscal Year 2026 Operating and Capital Budget

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Budget Adoption Milestones



Taxable Property Values

- ▶ Estimate from Lee County Property Appraiser on July 1
 - ▶ \$5,634,817,483 preliminary valuations
 - ▶ Pre-storm (FY23) \$6,357,621,055 – ↓ 11.4%
 - ▶ Last year (FY25) \$4,687,992,704 Post VAB – ↑ 20.2%
- ▶ At 2.5000 operating millage rate (same at current year)
 - ▶ \$13,664,432 in revenue (net 3.0% discount)
 - ▶ \$2,363,880 additional ad valorem revenue into General Fund



Operating Millage Rate

- ▶ Operating millage rate provides most of the funding for general government operations.
- ▶ **2.5000** preliminary rate included in tentative fiscal year 2026 budget
 - ▶ Would generate \$13,664,432 million (net of discount)
 - ▶ Maximum millage rate that can be assessed for fiscal year 2026
 - ▶ Maximum set in July 2025
- ▶ Rolled-back millage rate
 - ▶ **2.0930** mills (would generate \$11,439,863 million (net of discount)
- ▶ **2.5000** millage rate adopted for fiscal year 2025 budget
 - ▶ Generated \$11,300,552 in ad valorem tax revenue (net of discount)



Debt Service Millage Rates

- ▶ Taxes levied annually to pay debt service for voter approved issuances
 - ▶ Recreation Center construction
 - ▶ **0.1011** mills in FY 2026
 - ▶ 0.1200 mills in FY 2025
 - ▶ Sewer System expansion
 - ▶ **0.0140** mills in FY 2026
 - ▶ 0.0169 mills in FY 2025
- ▶ Total debt service levy in FY 2026: **0.1151 mills**
 - ▶ 15.9% decrease from prior year



Residential Taxable Valuations

► 2025 Preliminary Compared to 2024 Final Values

	2025	2024		
	Taxable Value	Taxable Value	Change	
00 Vacant Residential	\$ 260,580,203	\$ 277,739,508	\$ (17,159,305)	(6.18%)
01 Single Family Residential	1,908,687,066	1,873,876,016	34,811,050	1.86%
01 Single Family Res Homestead	1,550,051,596	1,502,448,499	47,603,097	3.17%
04 Condominium	1,225,758,972	440,809,154	784,949,818	178.07%
04 Condo Homestead	147,960,934	69,650,223	78,310,711	112.43%
07 Misc Residential	745,535	279,418	466,117	166.82%
08 Multi Family < 10	47,287,756	45,960,742	1,327,014	2.89%
09 Residential Common Areas	-	-	-	0.00%
	<u>\$ 5,141,072,062</u>	<u>\$ 4,210,763,560</u>	<u>\$ 930,308,502</u>	<u>22.09%</u>

*Information obtained from the Lee County Property Appraiser



Residential Annual Taxes

Fiscal Year 2026 Proposed Millage Rates

Calendar Year 2025 Average Residential Value



Lee County School
Board
37.5%

Lee County
26.5%

Other
3.7%

Sanibel Ind
Districts
13.8%

City of Sanibel
18.4%



Residential Taxpayer - All

City of Sanibel Amounts Only	Fiscal Year 2025	Proposed Fiscal Year 2026	Annual Change
Property Taxes			
Average Residential Value (Calendar Year)	\$ 549,421.00	\$ 670,196.00	\$ 120,775.00
Operating - Millage rate of <u>2.5000</u>	\$ 1,373.55	\$ 1,675.49	\$ 301.94
Voted Debt - Sewer System	9.29	9.38	0.10
Voted Debt - Recreation Center	65.93	67.76	1.83
	1,448.77	1,752.63	303.86
Solid Waste			
Residential Curbside (Annual)	495.14	525.66	30.52
Sewer Service (3.0% Increase)			
Residential (Per Quarter)	216.87	223.38	
Residential (Annual)	867.48	893.52	26.04
Total Average Household Annual Change	\$ 2,811.39	\$ 3,171.81	\$ 360.42



Residential Taxpayer – Single Family

City of Sanibel Amounts Only	Fiscal Year 2025	Proposed Fiscal Year 2026	Annual Change
Property Taxes			
Average Residential Value (Calendar Year)	\$ 886,640.00	\$ 905,192.00	\$ 18,552.00
Operating - Millage rate of <u>2.5000</u>	\$ 2,216.60	\$ 2,262.98	\$ 46.38
Voted Debt - Sewer System	9.29	9.38	0.10
Voted Debt - Recreation Center	65.93	67.76	1.83
	2,291.82	2,340.12	48.30
Solid Waste			
Residential Curbside (Annual)	495.14	525.66	30.52
Sewer Service (3.0% Increase)			
Residential (Per Quarter)	216.87	223.38	
Residential (Annual)	867.48	893.52	26.04
Total Average Household Annual Change	\$ 3,654.44	\$ 3,759.30	\$ 104.86



Strategic Goals and Objectives

- ▶ City Council Strategic Goals
 - ▶ The City Council discussed and approved updated Strategic Goals for FY 2026 at the May 2025 City Council Meeting
- ▶ Strategic Goal Linkage to Proposed Budget
 - ▶ Presented during June 12, 2025, Budget Workshop
- ▶ Budget Objectives
 - ▶ Strategic budget objectives presented at Council meeting earlier today
 - ▶ Key performance indicators will be presented to Council at a later date
- ▶ All the above will be incorporated into the online budget platform



City Council Strategic Goals

- ▶ Hurricanes Ian, Debby, Helene, Milton Recovery
- ▶ Infrastructure
- ▶ Community Resiliency
- ▶ Quality of Life
- ▶ Environmental Stewardship
- ▶ Fiscal Health
- ▶ Customer Service
- ▶ Affordable Housing



Total City Tentative Budget

- ▶ **\$216,061,886** (total sources & total uses)
 - ▶ Decrease of \$102,277 from draft budget
 - ▶ 7.35% decrease from adopted FY 2025 budget
 - ▶ \$66.7 million available in ending fund balances
 - ▶ \$409,532 increase from draft due to expenditure reductions
 - ▶ \$46.4 million of this total is Hurricane Ian related
- ▶ \$124.7 million in total revenues
- ▶ \$149.4 million in total appropriations



Changes from Draft Budget

- ▶ Added stormwater project per Council discussion
 - ▶ \$150,000 for feasibility study on pump automation
 - ▶ \$130,000 for weir flap gate modifications
- ▶ Other adjustments
 - ▶ Estimated revenues in fiscal year 2025
 - ▶ Personnel expenditures
 - ▶ Insurance: health, workers compensation
 - ▶ General property/liability insurance



Discussions From Workshop

- ▶ Council discussion on future stormwater project and maintenance funding mechanisms
 - ▶ Grants
 - ▶ Stormwater assessment
- ▶ Federal Lobbyist (Vice Mayor Smith)
 - ▶ Consider appropriating \$75,000 for legislative support in fiscal year 2026



Total City Budgeted Revenues

- ▶ \$216.0 million total sources of funds
 - ▶ \$87.5 million in beginning fund balance
 - ▶ \$124.7 million in total revenue
 - ▶ \$32.6 million related to Hurricane Ian
 - ▶ \$33.1 million in capital projects related to storm recovery
 - ▶ \$14.0 million in Sewer fund related to storm recovery
- ▶ \$3.8 million in transfers between funds



Total City Budgeted Expenses

- ▶ \$216.0 million total uses of funds
 - ▶ \$44.1 million total operating expenses
 - ▶ 1.6% increase from prior year
 - ▶ \$86.3 million total capital improvement plan
 - ▶ 9.7% decrease from prior year
 - ▶ \$18,442,050 total other uses of funds
 - ▶ 31.9% decrease from prior year
- ▶ \$66,058,086 total ending fund balance
 - ▶ Consistent with prior year



Total City Reserves

	FY 25 BUDGET	FY 26 BUDGET		
	FY2025	FY2026	\$ Variance	% Variance
Fund Reserves				
RESERVE FOR 17% CASH FLOW	\$3,086,922	\$4,481,237	\$1,394,315	45.2%
RESERVE FOR FUTURE CAPITAL	\$1,000,000	\$0	(\$1,000,000)	(100.0%)
RESERVE FOR CONTINGENCIES	\$1,000,000	\$0	(\$1,000,000)	(100.0%)
RESERVE FOR OPERATIONAL SUPPORT	\$4,910,000	\$920,000	(\$3,990,000)	(81.3%)
RESERVE FOR DISASTERS	\$6,900,000	\$6,900,000	\$0	0.0%
FUND RESERVES TOTAL	\$16,896,922	\$12,301,237	(\$4,595,685)	(27.2%)
ENDING FUND BALANCES	\$66,633,888	\$66,708,589	\$74,701	0.1%
TOTAL	\$83,530,810	\$79,009,826	—	—

Data Updated Sep 05, 2025, 8:19 AM

Note: Rows with 0s are hidden.



Personnel Expenditures

- ▶ Personnel Expenses – down 1.6% from last year
 - ▶ Pension Defined Benefit Minimum Required Contributions
 - ▶ FY 2024: \$1.8 million
 - ▶ FY 2025: \$2.3 million
 - ▶ FY 2026: \$1.5 million
 - ▶ Defined Compensation Match
 - ▶ FY 2024: \$441,636
 - ▶ FY 2025: \$550,000 estimated
 - ▶ FY 2026: \$668,245 budgeted
 - ▶ Expense is before any wage increases



Operating Expenditures

- ▶ Operating Expenses – up 5.0% from last year
 - ▶ CPI index of ~2.3% (July 2025)
- ▶ Storm related expenses in Hurricane Ian fund
- ▶ \$800,000 in professional fees in Planning Dept
 - ▶ \$200,000 for transportation master plan (Grant)
 - ▶ \$250,000 for update to Sanibel Plan (Grant)
 - ▶ \$350,000 to implement changes to Sanibel Plan



What's Next?

Final Budget Hearing

September 25, 2025 at 5:30 p.m.

City Hall, 800 Dunlop Road, Sanibel FL



Discussion



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