

First Budget Hearing

Fiscal Year 2025

September 9, 2024



Budget Adoption Timeline



Taxable Property Values

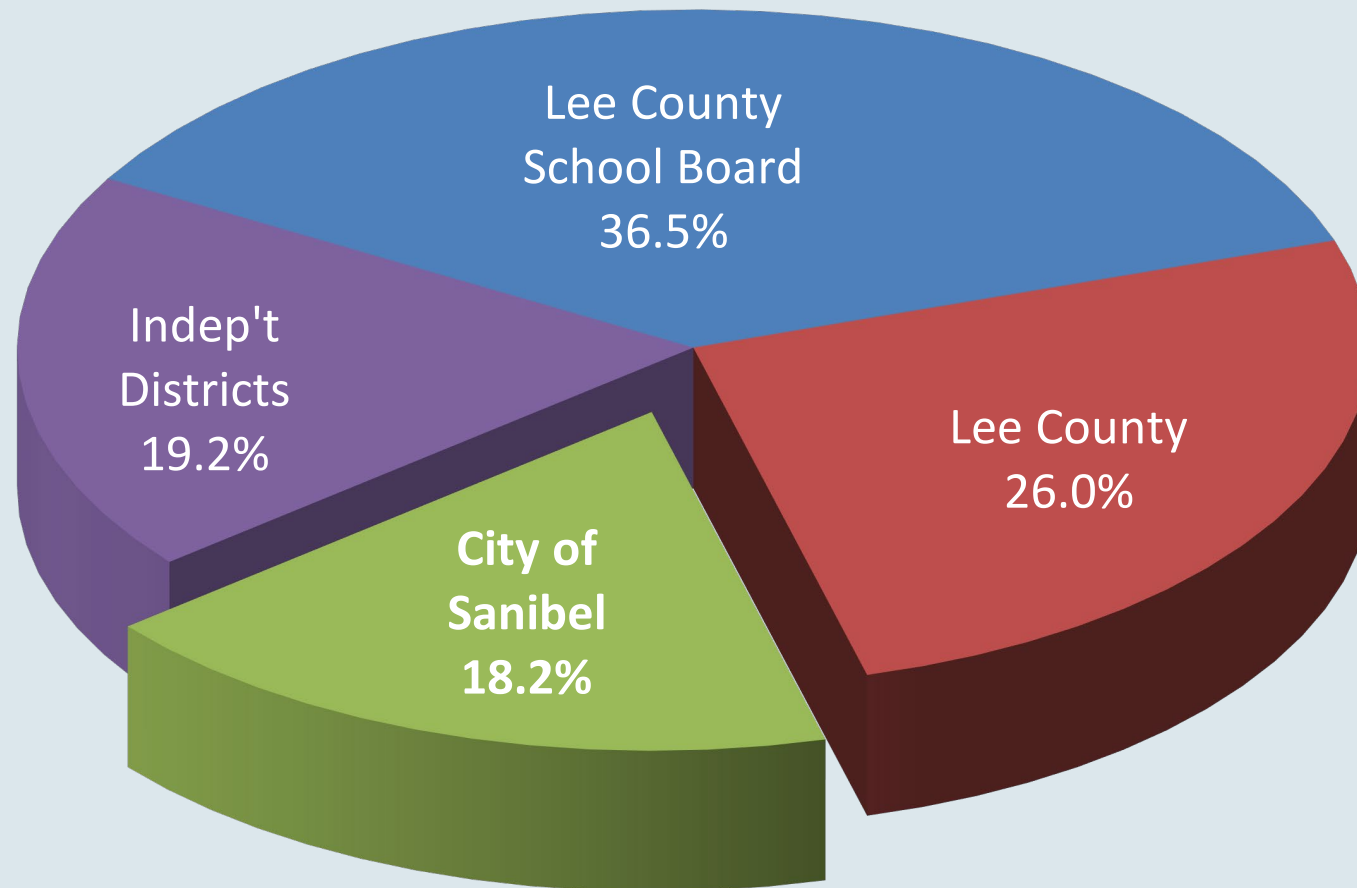
- ▶ Estimate received from Lee County Property Appraiser on July 1
 - ▶ \$4,660,021,567
 - ▶ Pre-storm \$6,357,621,055 (↓ 26.7%)
- ▶ At 2.5000 operating millage rate
 - ▶ \$11,300,552 in revenue (net 3.0% discount)
 - ▶ \$1,073,644 additional ad valorem revenue into General Fund over estimated taxable property values provided on July 1, 2023.



Residential Annual Taxes

Fiscal Year 2024 Adopted Millage Rates

Estimated Fiscal Year 2025 Average Residential Value



Operating Millage Rate

- ▶ Operating millage rate provides most of the funding for general government operations.
- ▶ **2.5000** millage rate adopted for fiscal year 2024 budget
 - ▶ Generated \$10,226,908 in ad valorem tax revenue
- ▶ **2.5000** preliminary millage rate approved at July meeting
 - ▶ Maximum rate that can be levied for FY2025 budget
 - ▶ Will generate \$11,300,552 (net of 3.0% discount)
- ▶ **2.4848** rolled-back millage rate
 - ▶ Would generate \$11,231,845 (net of 3.0% discount)
 - ▶ \$68,707 decrease in tax revenue to General fund



Debt Service Millage Rates

- ▶ Taxes levied annually to pay debt service for voter approved issuances
 - ▶ Recreation Center construction
 - ▶ **0.1200** mills in FY 2025
 - ▶ 0.1305 mills in FY 2024
 - ▶ Sewer System expansion
 - ▶ **0.0169** mills in FY 2025
 - ▶ 0.0624 mills in FY 2024
- ▶ Total debt service levy in FY 2025: **0.1369 mills**
 - ▶ 29.0% decrease from prior year



Total Millage Rate

	Adopted FY 2024	Tentative FY 2025	Rolled-Back FY 2025
Operating Millage Rate	2.5000	2.5000	2.4848
Recreation Voted Debt	0.1305	0.1200	0.1200
Sewer Voted Debt	0.0624	0.0169	0.0169
Total Assessed Millage	2.6929	2.6369	2.6217



How To Calculate Property Tax

[Taxable Value] ÷ \$1,000 x [Millage Rate] = Property Tax

Example:

$\$540,701 \div \$1,000 \times 2.5000 = \$1,351.75$ tax owed

- Based on the tax year 2024 average residential value of \$540,701



Hurricane Ian Fund

- ▶ **\$15,260,511 State of Florida Bridge Loan**
 - ▶ Received in FY 2024
 - ▶ \$5.9 million appropriated in FY 2024
 - ▶ \$9.4 million remaining
- ▶ **\$28,000,000 State of Florida FEMA Project Loan**
 - ▶ Received in FY 2024
- ▶ **\$9,920,000 State of Florida Revenue Replacement Grant**
 - ▶ Budgeted to receive in FY 2025
 - ▶ \$3.8 million appropriated to other funds in FY 2025
 - ▶ \$2.8 million to Transportation Fund
 - ▶ \$1.0 million to Transportation Capital Fund
 - ▶ \$6.1 million remaining



Reserves

- ▶ General Fund

- ▶ FY2024 Adopted Budget

- ▶ \$5.9 million in disaster reserves

- ▶ \$600,000 in operational reserves

- ▶ FY2025 Proposed Budget

- ▶ \$5.9 million in disaster reserves

- ▶ \$2.6 million in operational reserves

- ▶ Sewer Fund

- ▶ \$1.0 million in disaster reserves



Operating Expenditures

- ▶ Wages
- ▶ Health Insurance increases (15.5%)
- ▶ General liability/property/wind insurance (all funds)
 - ▶ FY 2023: \$846,306
 - ▶ FY 2024: \$1.5 million
 - ▶ FY 2025: \$1.9 million budgeted
- ▶ Worker's compensation insurance
 - ▶ FY 2023: \$425,000
 - ▶ FY 2024: \$335,146
 - ▶ FY 2025: \$370,000 budgeted



Operating Expenditures

- ▶ Pension contributions
 - ▶ Defined Benefit Minimum Required Contributions
 - ▶ FY 2023: \$1.5 million
 - ▶ FY 2024: \$1.8 million
 - ▶ FY 2025: \$2.3 million budgeted
 - ▶ Defined Compensation Match
 - ▶ FY 2024: \$440,514 (estimated)
 - ▶ FY 2025: \$587,690 budgeted
- ▶ Storm related expenses all in Hurricane Ian fund
- ▶ CPI index of ~2.9% (July 2024)



Operating Expenditures

- ▶ Personnel vacancies funded in FY 2025
- ▶ Not funded in FY 2024 but FTE remained authorized

Position	Fund	FTE	Total Salary & Benefits
Support Services Assistant	General Fund	0.50	\$ 22,500
TOTAL - GENERAL FUND		0.50	22,500
Deputy Recreation Director	Recreation Fund	1.00	147,292
Recreation Services Assistant	Recreation Fund	1.00	62,710
TOTAL - SPECIAL REVENUE FUNDS		2.00	210,002
Sanibel Rangers	Beach Parking	5.00	320,500
Resilience and Sustainability Coordinator	Beach Parking	1.00	114,000
TOTAL - BEACH PARKING FUND		6.00	434,500
TOTAL - CITY WIDE		8.50	\$ 667,002



Operating Expenditures

► Updated personnel requests for FY 2025 budget

Position	Fund	FTE	Total Salary & Benefits
Human Resources Generalist	General Fund	1.00	\$ 87,350
Executive Assistant to the City Manager	General Fund	(1.00)	(84,000)
Paralegal	General Fund	(1.00)	(90,000)
Executive Assistant to the City Manager & City Attorney	General Fund	1.00	90,000
Code Enforcement Officer *	General Fund	1.00	88,950
Code Enforcement Manager	General Fund	1.00	137,550
Senior Code Enforcement Officer	General Fund	(1.00)	(92,711)
Ombudsman - Community Relations	General Fund	1.00	104,020
TOTAL - GENERAL FUND		1.00	48,189
TOTAL - CITY WIDE		-	\$ 48,189

* Replaced with contractual services in Code Enforcement Department for FY 2025 budget.



Total City Tentative Budget

- ▶ \$233,208,969
 - ▶ \$66,063,351 available ending fund balances
 - ▶ \$105,889,022 external grant funding
 - ▶ \$43,260,511 external loan/grants/reimbursements
- ▶ Storm recovery impact
 - ▶ \$84,059,436 without grants/loans
 - ▶ FY 2024: \$81,246,927 without storm impacts
 - ▶ FY 2023: \$84,029,407



Fund Summary Changes

		FY 2025	FY 2024	Change	
		Total Budget	Total Budget		
General	F001	37,349,704	28,871,646	8,478,058	29.36%
Transportation Operating	F101	6,847,204	4,116,020	2,731,184	66.35%
Hurricane Ian	F115	101,524,879	56,861,481	44,663,398	78.55%
Road Impact Fee	F120	1,650,040	1,557,579	92,461	5.94%
Community Park Impact Fee	F121	83,982	69,930	14,052	20.09%
Shell Harbor Dredging	F129	242,430	172,816	69,614	40.28%
Sanibel Estates Canal Trimming	F141	43,769	45,438	(1,669)	-3.67%
Sanibel Isles/Water Shadows Dredging	F142	221,559	205,071	16,488	8.04%
Building Department	F169	6,267,254	7,731,751	(1,464,497)	-18.94%
Recreation Fund	F170	2,866,188	2,653,715	212,473	8.01%
Recreation Financial Assistance	F171	201,390	201,820	(430)	-0.21%
Ballfield Maintenance	F173	324,974	315,354	9,620	3.05%
2016 \$6.52 M G. O. Recreation	F270	578,321	560,762	17,559	3.13%
2020 \$5.0M Capital Improvement	F271	425,305	425,333	(28)	-0.01%
Capital Asset Acquisition	F300	2,262,189	3,255,786	(993,597)	-30.52%
Transportation Capital Projects	F301	16,640,955	5,334,032	11,306,923	211.98%
2475 Library Way Capital Improvement	F302	3,120,828	3,138,451	(17,623)	-0.56%
Recreation Sinking Fund	F370	588,694	421,269	167,425	39.74%
Sewer Fund	F450	27,968,102	3,790,719	24,177,383	637.80%
Beach Parking Fund	F470	24,001,202	32,409,935	(8,408,733)	-25.94%
		233,208,969	152,138,908	81,070,061	53.29%



What's Next?

- ▶ Final Budget Hearing
- ▶ September 23, 2024 at 5:30 p.m.
- ▶ BIG Arts, 900 Dunlop Road, Sanibel FL 33957



Questions?



Dana Souza

City Manager

dana.souza@mysanibel.com

Steve Chaipel, CPA, CPFO

Deputy City Manager/CFO

steve.chaipel@mysanibel.com

