

# MEMORANDUM

**To:** Town Commission  
**From:** Tom Harmer, Town Manager  
**Report date:** August 24, 2022  
**Meeting date:** September 12, 2022  
**Subject:** FY23 Recommended Budget and Public Hearing

## Recommended Action

Forward Resolution 2022-14, and Resolution 2022-15, to the September 27, 2022 Special Meeting at 5:01 PM for second public hearing and adoption.

## Background

In accordance with Town Charter Article V, Section 3, the Town Manager submitted a Recommended Budget and accompanying message for the ensuing fiscal year on August 1, 2022. Since the release of that document, we received the final numbers for Communication Service Tax, completed performance evaluations, implemented the compensation study adjustments and recorded a Federal Grant for Norton Street design work. The resulting budget changes are highlighted in this memo and will be discussed at the September 12, 2022 Special Meeting.

At the July 1, 2022 Regular Meeting, we presented certified values, which were 14.39% higher than the prior year, which produced an increase in revenue of \$999,819 using a recommended mill rate of 1.9900. This is a 5.88% decrease from the current Mill Rate of 2.1144. The Commission set the maximum millage rates as shown below, which were submitted to the Counties for Truth in Millage (TRIM) notices. The Maximum Millage Rate is the highest millage rate that the Town Commission may levy in September. The final millage rates could be lower, but not higher, than the maximum millage rate set on July 1, 2022, including the millage rates for debt.

- 1.9900 Operating (Maximum)
- 0.0494 Facility (Fire Stations) Debt
- 0.7115 Beach Gulfside
- 0.1779 Beach Bayside

Save Our Homes legislation limits homestead property value increases to 3.0%. The cap in the prior year was 1.4%. This memo provides the Revised Recommended General Fund Operating Budget, Capital Improvement Plan and All Other Fund budgets. A summary of changes made since the release of the August 1, 2022 Recommended Budget have been highlighted below.

## Budget modifications made since the August 1, 2022 Recommended Budget

### General Fund Revenues (Decrease \$28,775):

- Increase in Communications Services Tax of \$22,500.
- The indirect cost allocations for both Enterprise Funds (Building and Water/Sewer), were recalculated after merits were applied, including an adjustment for prior year actuals. Due to prior year actuals coming in lower than budget, the budgeted transfer from the Building Fund to the General Fund decreased \$24,219 and the transfer from the Utility Fund to the General Fund decreased \$27,056.

- The Manatee Interlocal Agreement for Greer Island Patrol, \$60,000, is still pending approval at the County, and has been included in General Fund Revenue.
- We are keeping investment income flat at \$86,500 for FY23. As of July 31, 2022, the General Fund year to date investment earnings is \$141,769. This is offset by a negative \$307,029 in unrealized losses caused by rising interest rates. The net loss as of July 31, 2022 is \$165,260. We expect unrealized losses to continue through a portion of next fiscal year but is largely dependent on actions of the Federal Reserve Board.

### **General Fund Expenditures (Decrease \$52,976):**

- Budgeted Expenditures decreased by \$52,976 since the August 1, 2022 Recommended Budget.
- Health insurance was reduced \$17,320 based on staff and plan election changes
- FRS reduced \$5,994 due to changes in staffing
- Regular wages and related overheads decreased \$29,662 for changes in staffing.

### **Fund Balance (Increase \$24,201):**

- Due to the above changes the estimated increase to Fund Balance changed from \$682,873 to \$707,074 (increase of \$24,201).
- The FY23 Budget maintains 60 days of reserves for each of the three categories: Unassigned, Economic Uncertainty/Pension, and Extreme Events/Natural Disasters, in accordance with Town Policy. The Town Manager's assignment of \$750,000 for Future Capital remains intact and the remaining Unassigned Reserves greater than 60 days is \$1,894,098 (40 days). This amount excludes any projected surplus expected in FY22 and is subject to change pending the outcome of the FY22 Budget and Audit.

### **Capital Improvement Plan and Other Funds:**

- A Budget Amendment (Resolution 2022-22) proposed at the September 12, 2022 Regular Meeting for the transfer of the \$1,827,114 of ARPA funds to the Streets Fund (#301), to be used for Stormwater Management Projects, was incorporated into the carryovers in the FY23 Streets Fund Budget.
- A Federal earmark grant of \$350,000 that was originally meant for Lyons Lane, was deemed an ineligible use of project funds, because the project was already completed by the time funding was approved. The Town, instead asked FEMA to redirect those funds for design work for Norton Street in Sleepy Lagoon and was recently approved by FEMA. The total project cost of \$467,000 has been added to the Streets Fund (#301), which includes the \$350,000 Grant and a partial match requirement of \$117,000 funded with gas tax money from the Road & Bridge Fund (#101).
- The Miscellaneous Grant Fund (#113) was updated for amounts spent down on grants since the June 20, 2022 Special Workshop (Budget). The Five-Year Capital Plan carryover amount was updated for the Artificial Turf Project created from a donation of \$123,000 received during the year and approved by Resolution 2022-08. The WCIND approved the use of current grant funds to be used to purchase a 17 FT Zodiac vessel.
- Minor reductions were made to assessment revenues in the GMD (#134) and Neighborhood (#137) Assessment Funds based on the preliminary tax rolls submitted to both Counties.
- The Five-Year Capital Improvement Plan was adjusted accordingly and all carryover balances were adjusted based on current unexpended balances measured on August 23, 2022.

In accordance with F.S. 166.241, the Tentative Budget must be posted on the municipality's official website at least 2 days before the Budget hearing, to consider such Budget and must remain on the website for at least 45 days. The Budget Summary below is an ADA compliant document which satisfies this requirement and represents what is being tentatively adopted at the public hearing.

**Town of Longboat Key**  
**Recommended Budget October 1, 2022 – September 30, 2023**

I am pleased to present the recommended spending plan for the Fiscal Year 2022-2023 (FY23) Operating Budget and Capital Improvement Plan (Budget). The Budget advances the Town's strategic priorities in a fiscally responsible manner, taking into consideration the newest economic challenges which includes elevated gas prices, persistent inflation, supply chain issues, the resultant increased cost of goods and services, and a tightened labor market. This in combination with rising interest rates could trigger a potential recession, however, the very active housing market with increasing home values should mitigate the impacts somewhat. Longboat Key, along with the rest of Southwest Florida, has property values increasing in double digits, due to the influx of new people moving to Florida, lack of inventory and new construction. Demand for new housing will likely continue but perhaps at a slower growth rate, due to rising mortgage rates. Longboat Key is a bit unique in Florida due to our tax base adjustments being more associated with value changes than growth.

The County Property Appraiser's July 1 certified property values increased 14.39% (14.13% Manatee County and 14.51% Sarasota County). At our current mill rate of 2.1144, the increase in property values would have produced additional revenue of \$1,883,675. Due to our reduction in pension contribution costs and the pre-funding of capital requests through FY25, our expenditures are decreasing \$35,972, creating essentially a flat Budget.

In deciding upon a recommended mill rate we looked at various scenarios and potential impacts looking forward over the next 12-24 months. Those scenarios included the possibility of a recession, using flattening property values or slower growth in FY24 and FY25, moderate increases in non-ad valorem revenues, and modest increases in operational costs. Based on this analysis and feedback from the Commission at the June 20, 2022 Special Workshop (Budget), I am recommending a mill rate of 1.9900, which will provide an operating surplus of \$707,074. This additional surplus will be used to balance the Budget in the following year (FY24) with a goal to keep the mill rate as flat as possible for the next two to three years. A mill rate of 1.9900 is a 5.88% decrease from the current mill rate of 2.1144. While the average property value increase is 14.4%, homestead properties will be limited to a property value increase of 3%, the cap allowed by the Save Our Homes legislation. The recommended millage rate will result in a lower overall tax bill for the Town's portion of the property taxes.

The Recommended FY23 Expenditure Budget government-wide totals \$85,386,967 which is a 21.9% decrease from the FY22 Adopted Budget. Funding for activities supported by the General Fund is \$17,796,774, and represents a \$35,972 (0.2%) decrease in spending.

There have also been some significant events affecting our current FY22 Budget. The Town received \$3.6 million from the American Rescue Plan Act (ARPA). The Town Commission has committed and transferred the first payment of \$1.8 million to help subsidize the Subaqueous Force Main Replacement Project. The second payment received on August 16, 2022, has been committed to street drainage and flood mitigation efforts. The projected FY22 Budget also includes a one-time \$2.7 million payment from FPL for access to our underground distribution feeders and laterals for testing of new systems. The recommended use of the FPL grant funding is for future expenses related to the goals of the undergrounding project including GMD multi-purpose path lighting, smart city technology, etc. In addition, the Commission used \$703,500 of surplus to pre-fund a number of capital projects planned for FY23-FY25, eliminating the need to fund capital outlay in the FY23 Budget.

## **Budget Approach**

My Budget approach and safeguards for FY23 are as follows:

- The General Fund operating millage rate is to be reduced due to the increase in property values.
- Under all foreseeable circumstances, the Town plans to maintain funds in excess of the requirements of its Fund Balance Policy at all times.
- We are maintaining 60 days each for each of the three categories: Unassigned, Economic Uncertainty/Revenue Stabilization, and Extreme Events/Natural Disasters. The Town Manager's assignment of \$750,000 for Future Capital Outlay remains intact.
- We have kept most operating budgets flat, where possible, while maintaining current staffing and publicly visible service levels.
- We have incorporated fixed costs and inflationary costs for technology, insurances, fuel, utilities and pensions.
- We have built in costs for performance-based wage increases and compensation study adjustments.
- We will continue to pursue and maximize all eligible Federal, State and local grants.
- We have carefully considered new project initiative impacts while continuing general support for the 5-year Capital Improvement Plan (CIP) for scheduled vehicle replacement, facility and infrastructure improvements.
- We will continue to seek more efficient methods of accomplishing the mission and monitor and/or evaluate rate and fee structures during the upcoming year.

## **Budget Highlights**

As previously mentioned, this year's increase in property values was approximately 14.4%. The current assessed value of \$7.4 billion, which was measured by the County Property Appraiser on January 1, 2022, is now 12% above the pre-recession peak in 2008. The recommended reduction in the operating mill rate from 2.1144 to 1.9900 will increase tax revenue by \$999,819.

Some of the FY23 Budget highlights include continued funding and close out of the Utilities Undergrounding Project construction, close out of the renovation and construction of the Fire Stations, and construction of Town Center Phase 2 Site Work, including a donor funded permanent stage. The Town's green initiatives includes funding for three hybrid vehicles, and an energy audit of Town public facilities. The Town continues to seek interested bidders for the installation of a new permanent generator, replace the windows and harden the roof at Town Hall, which is partially Federally funded. The Utility Department will continue work for replacing the asbestos cement pipe in Country Club Shores, continue rehabilitation of sewer lines and lift stations, and look for opportunities to advance the installation of a redundant subaqueous pipe across Sarasota Bay to Manatee County Wastewater Treatment Facility. The initial phase of the subaqueous pipe project includes a relining effort at the mainland portion of the pipe. The relining project is offset by two State grants that have been awarded to the Town in 2021 and 2022.

FY23 is year two of a multi-year rate increase for the Water and Wastewater System, in order to fund critical capital needs, which includes the Asbestos Cement Pipe and the replacement of Subaqueous Force Main in FY24-FY25. The long-term plan assumes a bond issue of \$27.1 million with the remainder being funded with cash reserves and user rate collections. The Utility Fund also includes continued funding for the DEP Consent Order. The Utility Budget includes the \$1.25 million original State grant award and a \$800,000 subsequent State grant award for the Subaqueous Pipeline Project. Additional Federal Appropriation Requests are pending for the Subaqueous and Asbestos Pipe Replacement Projects.

The Recommended Budget includes costs for external budget impacts, negotiated and anticipated wage increases for Fire and Police, and merit-based compensation and market-based pay plan adjustments for General Employees. A compensation study for non-bargaining unit employees is complete and is

incorporated into the department budgets. The Town received a premium renewal of 3% for health insurance and is expecting 10% blended increase for Property, Liability and Workers' Compensation coverage renewals. Flood is expected to increase 15%-20%.

This past year Town staff worked with the Commission to update our Strategic Plan. The Plan recognizes five main goals:

- Community Character
- Fiscal Sustainability
- Environmental Resiliency
- Infrastructure
- Services.

There are 45 Strategic Initiatives that fall under the five goals and they become the workplan for Town staff over the next several years. In addition, the Commission meets bi-annually for Strategic Planning Retreats to discuss longer-term initiatives to help guide future planning.

As part of the 2023 Strategic Plan, the following initiatives were prioritized based on the importance of the benefits provided to the community and were given consideration when developing the Budget and Capital Improvement Plan:

1. Establish a funding methodology for canals and develop a long-range navigational maintenance program.
2. Complete outdoor Town Center venue Phase 2 improvements, including stage.
3. Advance the concept of a community center with a public library, adult education and a multipurpose space on the South parcel at the Town Center.
4. Advance planning with Sarasota County for Library Services.
5. Advance GMD Corridor Plan concept. As part of the study, evaluate future plans for pedestrian crossings and a roundabout on the South end of the island at Longboat Club Road.
6. Seek a unified Public Transit System on the island.
7. Improve conditions of the multi-use trail along GMD.
8. Seek State and Federal appropriations to offset costs for a subaqueous wastewater line and other major capital projects.

Through a feasibility study performed in 2016, the Town had identified sixteen (16) canals that required dredging to meet the three-foot design criteria. The project was re-assessed in 2019 which scaled the project back to fourteen (14) canals and segregated Canal 1A Greer Island which is being addressed through the beach project. The Town plans on developing a long-term Dredge Management Program, utilizing an assessment approach. An assessment consultant has been engaged during FY22 to move the program forward.

In the goal of providing quality island-based recreational and educational opportunities, the Town is continuing the development of the 4.8-acre Town owned site located at 600 Bay Isles Road into an outdoor venue to support a variety of Town and community events. Phase 1 activated the site as an outdoor venue and preserves a buildable area for a future community facility. Phase 2 uses the preliminary concepts as a basis for designs that provides improvements such as hard surface walkways, fixed location for a performance structure to support a permanent stage, public restrooms, landscaping, locations for tents and space for food trucks with provisions for power and water. During a recent bid process, both site work and the stage construction came in over budget. A Budget amendment in FY22 provided the additional funds needed to continue the project which included community supported donations for the stage.

The Town Commission's vision for the Town Center Phase 3 includes the concept of a community center with a Sarasota County funded public library with classrooms and meeting space to support an educational component, as well as a multipurpose space. The County has agreed to fund initial planning and design.

The Town has also been in communication with Manatee County, and both School Boards about opportunities to design, construct, and program the planned facility. The County has budgeted \$1M in FY23 to advance the initial planning and design. The design effort will be done in partnership with the Town and include a public process for other stakeholders.

The Town has also engaged a consultant to develop a long-range plan for Gulf of Mexico Drive using the "complete streets" approach. The planned improvements would enhance the multi-use pathway, bike lines, add turn lanes, landscaping, and other improvements to better the functionality and safety of the corridor. As part of the study, the consultant will also be developing a cost estimate and phasing plan that can be used in discussions with FDOT to seek construction dollars.

The Five-Year Capital Improvement Plan has identified \$42.8 million in critical capital needs to the Water and Wastewater System including the Asbestos Cement Pipe Replacement (Design and Construction) for County Club Shores scheduled for FY22 through FY25 and the Subaqueous Force Main Replacement in FY24 through FY25. Assuming a financing of approximately \$27 million with the remainder funded through cash reserves and user rate revenues, the Commission is moving forward with a multi-year rate plan increase. The Town will proactively seek all grant opportunities and revisit the rate plan increases minimally every three years or as needed.

This FY23 Recommended Budget provides the Town the resources it needs to accomplish major projects over the next fiscal year. The capital initiatives will be discussed in more detail throughout the Recommended Budget. The Town will continue to monitor COVID-19 impacts and revisit the services we provide to determine if the most efficient models are being employed, while meeting our citizens' expectations. This proposal represents a balanced Budget for the Town of Longboat Key for FY23 and is prepared in compliance with Town Charter and applicable State and local laws.

The Budget was prepared to fulfil the Town Commission's continued expectations of project and service delivery to our citizens in the upcoming year. This Budget will accomplish a number of significant capital improvements, provide for ongoing maintenance programs, and work toward protecting our natural environment and keeping our infrastructure in good repair in pursuit of the Town Commission's strategic priorities.

This Budget also reflects a strong continued investment in our employees who continue to strive for a high level of public service and meeting the demands of the community and visitors. The management team and employees have made it their highest priority to concentrate on our service delivery being of the highest quality.

### **General Fund Budget**

The recommended General Fund operating expenditure budget (without capital) for FY23 is \$17,796,774. The increase to the operating and personnel expenses from the current fiscal year is 2.8%. There are no required capital transfers to Miscellaneous Capital Projects or any other Capital Funds for FY23, due to a mid-year prefunding Miscellaneous Capital Projects through FY25 using unassigned surplus funds. Revenues currently exceed expenses by \$707,074. The Recommended Budget of \$17,796,774 represents a \$35,972 decrease (0.2)% in spending from the current fiscal year's Adopted Budget of \$17,832,746.

Below is a summary of Revenues and Expenditures in the Preliminary Budget using a proposed millage rate of 1.9900.

<b>Description</b>	<b>Amount</b>
Total Revenue	\$18,503,848
Total Operating Expenditures	<u>(17,796,774)</u>
Net income before capital outlay	707,074
Total Capital Expenditures	<u>0</u>
Increase to Fund Balance	\$707,074

The 5-Year Capital Improvement Plan was reviewed during the May 16, 2022 Special Workshop. The prefunded schedule of Miscellaneous Capital Expenditures (excluding FY22 Capital Carryovers) are follows:

<b>Project Name</b>	<b>Amount</b>
Facilities – Floor covering	\$25,000
Facilities – Portable Generator (Public Works)	75,000
Tennis - Court resurfacing	18,000
Parks/Recreation - Mowing Trailer	7,500
Police – Records Management Upgrades	5,000
Police – Chief’s vehicle	<u>50,000</u>
Total General Fund Capital	<u>\$180,500</u>

The FY22 General Fund Amended Budget includes a revenue transfer of American Rescue Plan Act (ARPA) funds from the Special Revenue ARPA Fund (#116) in the amount of \$3,654,228. The second payment, received in August 2022, was transferred to the General Fund and then re-appropriated to Flood Mitigation efforts by Resolution 2022-22. The ARPA Fund (#116) was closed at the time of that transfer in FY22.

### **Fund Balance**

The FY22 Budget was originally passed with a use of Fund Balance Reserves of \$412,368. Several factors are likely to contribute to some positive variances for the year.

- Planning & Zoning staff review fees in excess of \$160,000 have been collected due to St. Regis billed work.
- Manatee County has agreed to reimburse 50% of the Broadway Roundabout design up to \$150,000, eliminating the need to transfer that money from the General Fund.
- Contingency funds of \$300,000, including Red Tide Contingency, remain unspent.
- We expect various departmental budgets to produce operating surpluses.
- We received \$2.7 million from the FPL Innovation Agreement.

The Town has the following Reserves of Fund Balance in accordance with the new Fund Balance Policy using a cost per day of \$48,758 for FY23

• Unassigned 16% (60 Days)	\$2,925,000
• Economic Uncertainty/Revenue Stabilization 16% (60 days)	\$2,925,000
• Extreme Events/Natural disasters 16% (60 days)	\$2,925,000

An additional Reserve of \$750,000 for Future Capital remains in place for FY23.



## **All Other Fund Budgets**

The Town maintains twenty-nine (29) other funds in addition to the General Fund. These funds were legally established for a specific purpose. Each fund has a self-balancing set of accounts and often have relationships to each other. The table contained in this memo summarizes the Recommended Budget totals by fund type, revenue classification, and functional category of expenditures. These budgets include estimates of carryover amounts for encumbrances and multi-year project balances previously authorized in prior fiscal years. The carryover amounts have been updated as of August 23, 2022.

### **Special Revenue Funds**

There are twelve (12) special revenue funds that are used to account for and report the proceeds of specific revenue sources that are legally restricted or committed for specific purpose other than debt and capital projects. Some of the major funds include Sarasota and Manatee Infrastructure Surtaxes, Tourist Development Taxes, the Tennis Center operations, Miscellaneous Grant Fund, Road and Bridge Fund, and the Undergrounding Assessment Funds. Total revenues are estimated at \$6,650,883 and total expenditures are \$5,820,520. The projected ending Fund Balance for September 30, 2023, for all special revenue funds is \$6,967,362.

### **Capital Project Funds**

The Town has nine (9) Capital Project Funds, which are multi-year project budgets used to account for the construction of major infrastructure improvements or for the purchase of other capital assets greater than \$5,000 having a useful life of three or more years. Capital Project Funds may include bond proceeds or other financing sources used to fund the project such as the Undergrounding Projects and Fire Stations. Some of the major fund projects include GMD and Neighborhood Undergrounding, Beach Nourishment, Canal Dredging, and Land Acquisition. Total revenues in FY23 are estimated at \$3,061,780 and total expenditures are \$29,565,586. The projected ending Fund Balance for September 30, 2023, for all Capital Project Funds is \$11,463,625.

### **Debt Service Funds**

The Town's five (5) Debt Service Funds account for financial resources, such as ad valorem taxes or assessment revenues, that are levied to pay for scheduled principal and interest payments on borrowed money. The Town debt payments for FY23 is \$5,928,189. Using the July certified assessed values the calculated mill rate for Facilities (Fire Stations) Debt is 0.0494, Beach Nourishment Gulf Side District Debt Millage is 0.7115, and for Bay Side District Debt 0.1779.

### **Enterprise Funds**

The Town has two (2) Enterprise funds, the Water and Wastewater Utility Fund and the Building Fund. The Utility fund uses two (2) funds for accounting purposes, one for operations and one for capital, which are combined for financial reporting purposes. Enterprise Funds are business-type activities generally used for services for which the Town charges a fee. Total combined revenues for the two Enterprise Funds are estimated at \$16,145,983 and total expenditures are \$26,273,628. The projected ending Fund Balance for September 30, 2023, for all Enterprise Funds is \$24,957,879.

The tables on the following page contain the Summary Recommended Budget for All Funds for FY23.

**FY23 RECOMMENDED BUDGET  
Revenues**

ESTIMATED REVENUES	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECT FUNDS	ENTERPRISE FUNDS	TOTAL ALL FUNDS
Ad Valorem Tax	14,138,870		3,750,132			17,889,002
Other Taxes	145,000	2,444,874				2,589,874
Franchise Fees	752,973		304,027			1,057,000
Licenses and Permits	23,200				1,389,050	1,412,250
Special Assessments		2,569,645				2,569,645
Intergovernmental Revenues	1,465,678	86,689				1,552,367
Charges for Services	386,300	806,102		118,000	9,175,900	10,486,302
Grants		706,161		1,978,716	2,050,000	4,734,877
Fines & Forfeitures	46,750	1,750			30,000	78,500
Investment Earnings	86,500	27,162	9,057	140,064	64,533	327,316
Miscellaneous	96,300	8,500			36,500	141,300
Transfers In	1,362,277		1,692,630	825,000	3,400,000	7,279,907
<b>TOTAL ESTIMATED REVENUES</b>	<b>18,503,848</b>	<b>6,650,883</b>	<b>5,755,846</b>	<b>3,061,780</b>	<b>16,145,983</b>	<b>50,118,340</b>

**Expenditures**

ESTIMATED EXPENDITURES	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECT FUNDS	ENTERPRISE FUNDS	TOTAL ALL FUNDS
Town Commission	40,400					40,400
Legal Counsel	463,925					463,925
Town Manager	558,267					558,267
Town Clerk	450,702					450,702
Finance	774,499					774,499
Information Technology	932,504					932,504
Support Services	599,297					599,297
Facilities	161,336					161,336
Police	3,225,414	484,520				3,709,934
Fire/Rescue	7,250,731	4,961	350,982			7,606,674
Emergency Management	46,900					46,900
Public Works (Includes Undergrounding)	690,362	81,250	1,997,657			2,769,269
Parks/Recreation (Includes Beach and Canals)	313,345	59,093	3,579,850	607,288		4,559,576
Planning and Zoning	676,596					676,596
Streets	621,607	57,900				679,507
Tennis		736,166				736,166
Water					2,589,934	2,589,934
Wastewater					3,261,635	3,261,635
Building					1,345,776	1,345,776
General Services	690,889	2,604	1,970	6,125	3,180,601	3,882,189
Contingencies	300,000			2,182,641	250,000	2,732,641
Capital Outlay	0	1,876,396		26,769,532	10,883,405	39,529,333
Transfers Out		2,517,630			4,762,277	7,279,907
<b>TOTAL RECOMMENDED EXPENDITURES</b>	<b>17,796,774</b>	<b>5,820,520</b>	<b>5,930,459</b>	<b>29,565,586</b>	<b>26,273,628</b>	<b>85,386,967</b>

**Fund Balances**

SUMMARY	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECT FUNDS	ENTERPRISE FUNDS	TOTAL ALL FUNDS
REVENUES	18,503,848	6,650,883	5,755,846	3,061,780	16,145,983	50,118,340
EXPENDITURES	(17,796,774)	(5,820,520)	(5,930,459)	(29,565,586)	(26,273,628)	(85,386,967)
BEGINNING FUND BALANCE	10,808,024	6,136,999	260,048	37,967,431	35,085,524	90,258,026
ENDING FUND BALANCE	<b>11,515,098</b>	<b>6,967,362</b>	<b>85,435</b>	<b>11,463,625</b>	<b>24,957,879</b>	<b>54,989,399</b>

## Capital Improvement Plan.

A list of changes to the Five-Year Capital Improvement Plan can be found in the accompanied introductory memo above. The revised Five-Year Capital Improvement Plan is \$94,148,950 with \$42,121,150 to be funded in FY23 shown below:

### Capital Improvement Plan FY 2023 – FY 2027

Description	FY22 Carryforward	New Spending	FY23 Budget	FY24	FY25	FY26	FY27	Total
General Fund Ad Valorem Tax	\$1,270,961	\$180,500	\$1,451,461	\$240,000	\$64,000	\$643,000	\$85,000	\$2,483,461
Road & Bridge Fund	8,112	50,000	8,112	155,000	45,000	-	164,000	\$422,112
Sarasota Infrastructure Fund	392,287	730,000	1,122,287	191,000	880,000	491,000	419,500	\$3,103,787
Misc. Grant Fund	248,587	25,000	273,587	40,000	-	155,000	81,000	\$549,587
Manatee Infrastructure Fund	254,810	167,600	422,410	225,000	50,000	326,800	512,000	\$1,536,210
Facilities (Fire station) Capital Fund	38,154	-	38,154	-	-	-	-	\$38,154
Streets Capital Fund	2,419,502	727,000	3,146,502	1,260,000	260,000	250,000	300,000	\$5,216,502
Land Acquisition Fund	2,328,785	-	2,328,785	-	-	-	-	\$2,328,785
Beach Capital Fund	3,552,685	710,000	4,262,685	2,090,000	945,000	845,000	5,285,000	\$13,427,685
Canal Fund	359,176	50,000	409,176	1,130,000	3,280,000	1,130,000	1,130,000	\$7,079,176
Parks & Recreation Capital Fund	50,487	-	50,487	-	-	-	15,000	\$65,487
Building Fund	32,000	75,000	107,000	-	-	27,000	35,000	\$169,000
Utility Capital Fund	7,149,905	3,626,500	10,776,405	3,523,500	22,455,000	1,605,000	1,695,000	\$40,054,905
GMD Undergrounding	10,770,748	-	10,770,748	-	-	-	-	\$10,770,748
Neighborhood Undergrounding	6,903,351	-	6,903,351	-	-	-	-	\$6,903,351
<b>Total</b>	<b>\$35,779,550</b>	<b>\$6,341,600</b>	<b>\$42,121,150</b>	<b>\$8,854,500</b>	<b>\$27,979,000</b>	<b>\$5,472,800</b>	<b>\$9,721,500</b>	<b>\$94,148,950</b>

An overview of the FY23 Budget, highlighting any changes since the August 1, 2022 Recommended Budget was released, will be presented at the first public hearing in September. There are two hearings on the budget scheduled as follows:

- September 12, 2022 5:01 PM - first reading and public hearing
- September 27, 2022 5:01 PM - second reading, public hearing and Budget adoption

Public hearings are also required on September 12, 2022 for the Capital Improvements Element of the Comprehensive Plan (CIE) Update being held at 5:01 PM and for the Certification of the Annual Assessment Tax Rolls for both GMD and Neighborhood Undergrounding Projects being held at 1:00 PM.

Please feel free to contact me if you have any questions.

## Staff Recommendation

Forward Resolution 2022-14, and Resolution 2022-15, to the September 27, 2022 Special Meeting at 5:01 PM for second public hearing and adoption.

## Attachments (Available in the Town Clerk's Office)

- Resolution 2022-14, FY23 Millage
- Resolution 2022-15, FY23 Budget
- PowerPoint Presentation

**End of Agenda Item**