FINAL COPY

FISCAL YEAR BUDGET REVIEWS

2023 PROPOSED BUDGET

JULY 14, 2022

*All estimates are preliminary & subject to change

The City of Palm Bay Florida

Down to Earth And Up To Great Things

AGENDA

- General Fund - Funding Accomplishments & Goals
  - Revenue/Expenditure Data Review
- Enterprise & Other Funds - Funding Accomplishments & Goals
  - Revenue/Expenditure Data Review
- Taxable Value & Ad Valorem Updates Since Mid-Year Budget Workshop
- Ad Valorem Millage Rate Options & Taxable Values
- Tax Bill Breakdown
- G.O. Bond Debt Millage Overview
- Important Upcoming Dates

FY 2023 GENERAL FUND ACCOMPLISHMENTS & GOALS

PROPOSED FUNDED REQUESTS @ 7.5995 MILLAGE RATE

Department	FY 2023 Added Budget Requests
Citywide Impact – Non-Departmental	3,500,000
Fire	738,695
IT	463,422
Legislative	36,185
Parks & Facilities	756,477
Police	2,187,851
Public Works	683,472
Recreation	228,165
Total Added Requests	**8,594,267**

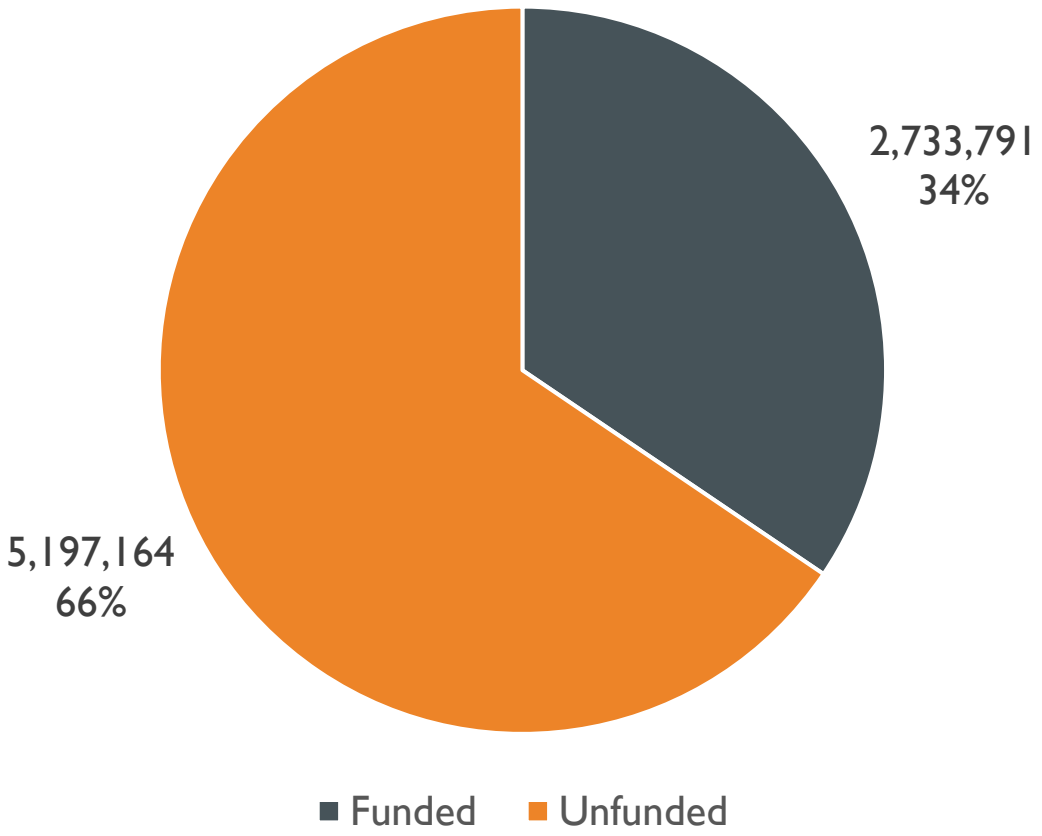
Type	FY 2023 Added Budget Requests
Personnel	950,356
Operating	4,910,120
Capital	2,733,791
Total Added Requests	**8,594,267**

Funding Highlights

- 1.7 million in overall high priority needs
- 1.0 million in Road Maintenance funding
- 2.5 million set aside for Salary Study & NAGE White/Blue contract negotiations
- 1.1 million in Personnel adjustments including four (4) Firefighters & six (6) Police Officers
- 2.7 million in Capital funding

FY 2023 GENERAL FUND CAPITAL ACCOMPLISHMENTS

TOTAL PROPOSED BUDGET FUNDED CAPITAL -2,733,791



Capital Funding Highlights

Total Requested – 7,930,955

Total Funded – 2,733,791

- Fire air packs & regulators
- Police radio replacements
- 14 new Police vehicles
- Two (2) truck & three (3) van replacements for Parks & Facilities + Recreation
- Two (2) mowers, two (2) truck & one (1) dump truck replacements for Public Works
- 170,000 to traffic signal respans & cabinets

GENERAL FUND REVENUES

STATUS & ANNUAL COMPARISON AS OF JULY 5, 2022

Description	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted Budget	FY 2022 Amended Budget	FY 2022 Year-End Estimates	FY 2023 Preliminary Proposed Budget
Property Taxes	31,754,316	33,692,765	35,683,300	38,013,418	38,013,418	38,820,540	46,501,681
Sales, Use & Fuel Tax	4,147,267	3,706,202	3,817,013	3,796,230	3,796,230	3,500,000	3,800,000
Franchise Fees	5,811,171	5,691,226	6,186,091	5,944,250	5,944,250	6,112,450	6,248,250
Utility Taxes	9,111,670	9,347,939	9,814,780	9,385,000	9,385,000	9,556,900	9,699,000
Communications Service Tax	2,540,717	2,613,855	2,559,292	2,500,000	2,633,283	2,617,000	2,635,000
Licenses & Permits	629,397	610,401	658,667	669,080	669,080	722,237	701,300
Intergovernmental	14,924,478	12,127,080	14,055,516	12,997,108	13,840,028	13,403,878	14,315,629
Charges for Service	4,423,201	4,533,860	6,178,837	5,368,330	5,372,580	5,978,628	5,876,418
Fines & Forfeitures	501,339	399,764	475,189	491,400	491,400	493,896	493,500
Miscellaneous	1,044,631	884,055	898,230	945,390	945,390	868,573	961,900
Transfers	2,182,654	4,514,095	2,400,533	3,125,843	3,080,839	2,383,711	2,142,538
Capital Contributions	0	1,939,884	0	0	0	0	0
Property Sales	713,075	134,185	779,611	0	169,274	187,977	0
Fund Balance	0	0	0	0	7,812,217	0	0
Total Revenues	**77,783,916**	**80,195,311**	**83,507,059**	**83,236,049**	**92,152,989**	**84,645,790**	**93,375,216**

GENERAL FUND EXPENDITURES

STATUS & ANNUAL COMPARISON AS OF JULY 5, 2022 – BY DEPARTMENT

Department	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted Budget	FY 2022 Amended Budget	FY 2022 Year-End Estimates	FY 2023 Preliminary Proposed Budget
Legislative	762,995	804,908	822,985	785,169	1,113,120	1,007,522	852,942
City Manager	706,986	969,570	514,523	1,248,759	1,375,255	1,264,170	1,443,559
City Attorney	334,796	349,722	331,260	479,656	539,748	753,457	510,762
Procurement	546,846	518,269	629,168	684,440	691,561	665,191	695,229
Finance	1,471,749	1,627,835	1,627,345	1,444,502	1,498,269	1,347,578	1,488,502
Information Technology	3,337,067	3,269,922	3,199,934	3,535,552	4,073,945	4,073,945	4,315,048
Human Resources	865,578	639,479	566,070	783,564	779,134	756,542	746,388
Growth Management	1,498,623	1,456,786	1,617,354	1,869,016	2,163,056	1,556,778	2,101,177
Community & Economic Development	725,432	353,668	943,838	1,248,518	1,320,317	815,387	961,950
Parks & Recreation - *Inactive*	4,227,946	4,770,433	4,687,897	0	0	0	0
Recreation	0	0	13,703	2,187,335	2,199,276	2,198,997	2,295,275
Parks & Facilities	5,224,681	2,552,324	2,727,344	5,804,426	7,871,084	5,950,373	6,880,320
Police	20,576,711	20,754,526	21,598,077	24,977,290	25,675,346	22,348,913	28,364,544
Fire	15,073,662	15,525,586	16,462,908	16,947,389	17,578,049	17,716,208	18,591,233
Public Works	5,026,290	5,569,182	6,094,993	7,406,242	8,484,696	6,701,724	7,830,002
General Government	13,314,520	15,591,870	15,585,861	13,834,191	16,790,133	16,898,842	16,298,285
Total Expenditures	**73,693,882**	**74,754,080**	**77,423,260**	**83,236,049**	**92,152,989**	**84,055,627**	**93,375,216**

GENERAL FUND EXPENDITURES

STATUS & ANNUAL COMPARISON AS OF JULY 5, 2022 – BY TYPE

Department	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted Budget	FY 2022 Amended Budget	FY 2022 Year-End Estimates	FY 2023 Preliminary Proposed Budget
Personnel Services	50,859,211	53,894,051	52,735,587	58,614,122	59,565,437	54,663,418	62,137,982
Operating Expenditures	13,593,803	13,817,880	13,446,679	16,922,425	19,122,809	18,364,022	20,713,934
Capital Expenditures	432,000	82,112	891,381	0	2,621,252	184,696	2,723,791
Debt Service	6,340,531	6,347,627	6,410,470	6,413,145	6,413,145	6,413,145	6,422,681
Contributions	201,500	0	0	0	0	0	0
Transfers - Road Maintenance	200,000	833,684	1,510,577	750,000	919,274	919,274	1,000,000
Transfers - Other	940,801	687,474	2,428,566	536,357	3,511,072	3,511,072	376,828
Total Expenditures	**72,567,846**	**75,662,828**	**77,423,260**	**83,236,049**	**92,152,989**	**84,055,627**	**93,375,216**

GENERAL FUND – FY 2023 PROPOSED BUDGET

AS OF JULY 5, 2021

	FY 2023 Preliminary Proposed Budget
Estimated Revenues	93,375,216
Estimated Expenditures	93,375,216
Revenues Over/(Under) Expenditures	**0**

Balanced Budget

FY 2023 Proposed Budget Highlights

- Property Millage Rate maintaining @ 7.5995
- Preliminary overall estimated increase of 3.8% in State-Shared Revenues – Final pending mid-July publication
- Salary Increase for General Employees, Council & Union Contracts (3.0% or Contracted Amount)
- Health Insurance Benefit Associated Increases of 7.0%
- Mandatory Police & Fire Retirement
- 8.5 million added in Personnel, Operating & Capital needs as outlined in Slide 3

FY 2023 OTHER FUND ACCOMPLISHMENTS & GOALS

PROPOSED FUNDED REQUESTS

Department/Type	Added Budget Requests - *Personnel*	Added Budget Requests - *Operating*	Added Budget Requests - *Capital*	FY 2023 Added Budget Requests - *TOTAL*
Utilities Operating Fund	327,046	395,499	6,605,400	7,327,945
Utilities Other Funds/Capital	0	0	13,023,484	13,023,484
Building	0	11,220	771,815	783,035
G.O. Road Program Fund	0	0	14,010,134	14,010,134
Stormwater Utility Fund	160,850	83,035	11,271,569	11,515,454
Solid Waste Fund	0	233,338	0	233,338
Total Added Requests	**487,896**	**723,092**	**45,682,402**	**46,893,390**

Funding Highlights

- 97.4% of funding accomplishments are Capital Investments including projects and capital assets/outlay
- Continued investments into water/wastewater facility construction & expansion
- Increase in Meter Installations and Lift Station Rehabilitations/Relocations
- Five (5) new G.O. Road Program projects built into the Proposed Budget vs. mid-year appropriations
- Five (5) new Culvert Replacement projects & one (1) new Road Drainage project built into the Proposed Budget

ENTERPRISE FUNDS HIGHLIGHTS

AS OF JULY 5, 2022

Revenues

Enterprise Fund *Excluding Fund Balance*	FY 2023 Preliminary Proposed Budget
Utilities Operating Fund	35,683,753
Building Fund	4,921,000
Stormwater Utility Fund*	9,339,786
Solid Waste Fund	12,417,600

* Pending Stormwater Utility Rate Approval → Base Budget Built on Rate of $131.00/ERU

Expenditures

Enterprise Fund *Excluding Reserves*	FY 2023 Preliminary Proposed Budget
Utilities Operating Fund	43,002,110
Building Fund	5,516,984
Stormwater Utility Fund	16,985,293
Solid Waste Fund	13,482,670

FY 2023 Preliminary Proposed Budget by Type

Personnel Services	Operating Expenditures	Capital Expenditures	Transfers
12,531,483	9,479,635	6,605,400	14,385,592
3,072,221	1,672,948	771,815	0
2,765,618	2,948,106	11,271,569	0
55,988	13,426,682	0	0

TAXABLE VALUE & AD VALOREM UPDATES

CHANGES SINCE THE MID-YEAR WORKSHOP HELD JUNE 21, 2022

- Final taxable valuations were received from the Brevard County Property Appraiser's Office on June 28, 2022
- 0.4% increase in Gross Taxable Values & 3.2% increase in New Construction

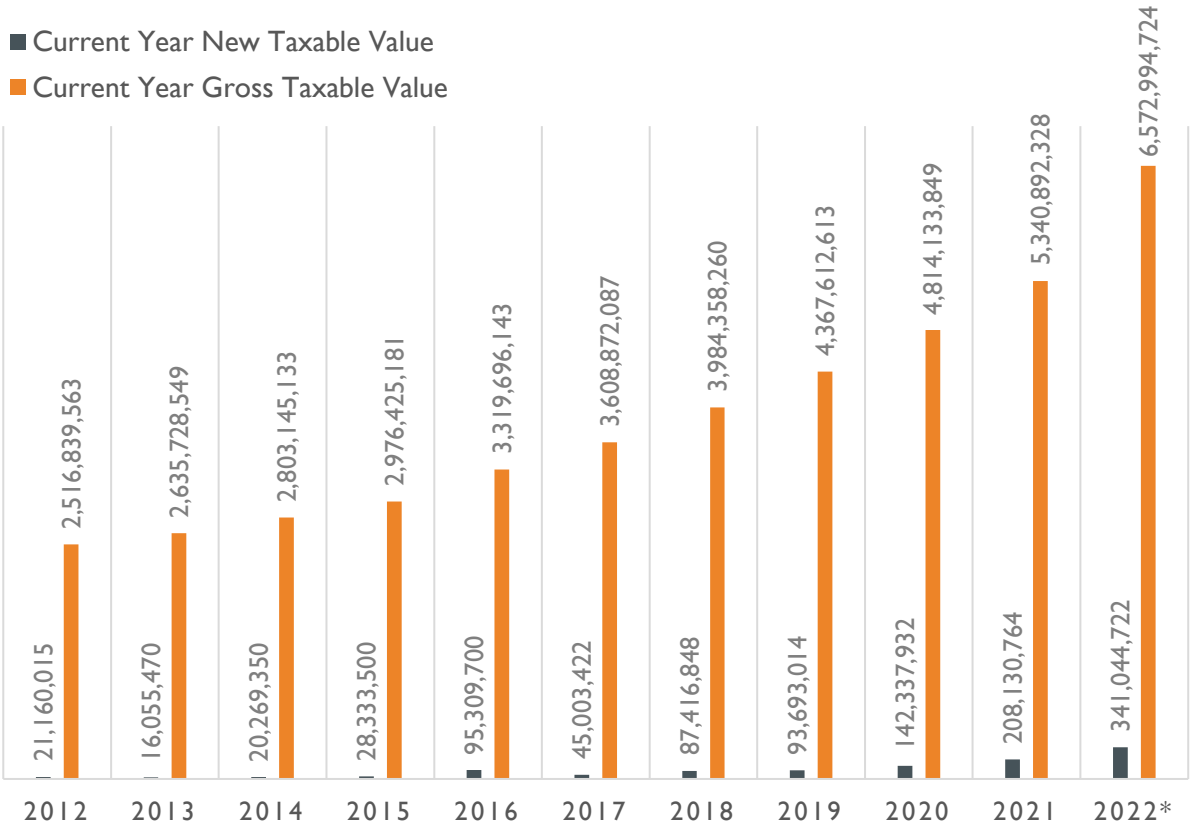
Description	Rates	Mid-Year Budget Workshop *June 21, 2022*	Rates	Budget Workshop *July 5, 2022*	Difference
Current Year Adjusted Taxable Value		6,214,677,583		6,231,950,002	17,272,419
New Construction Value		330,518,125		341,044,722	10,526,597
Gross Taxable Value		6,545,195,708		6,572,994,724	27,799,016
Maintain @ Current FY 2022 Rate	7.5995	46,187,874	7.5995	46,381,681	193,807
3% CAP Rate	6.7947	41,296,499	6.7770	41,361,755	65,256
Roll Back Rate	6.6060	40,149,628	6.5887	40,212,739	63,111
Debt Service Rate	1.0992	6,977,878	1.0931	6,977,575	(303)

PALM BAY TAXABLE VALUES

A 10-YEAR HISTORY OF NEW TAXABLE VALUES VS. GROSS TAXABLE VALUES

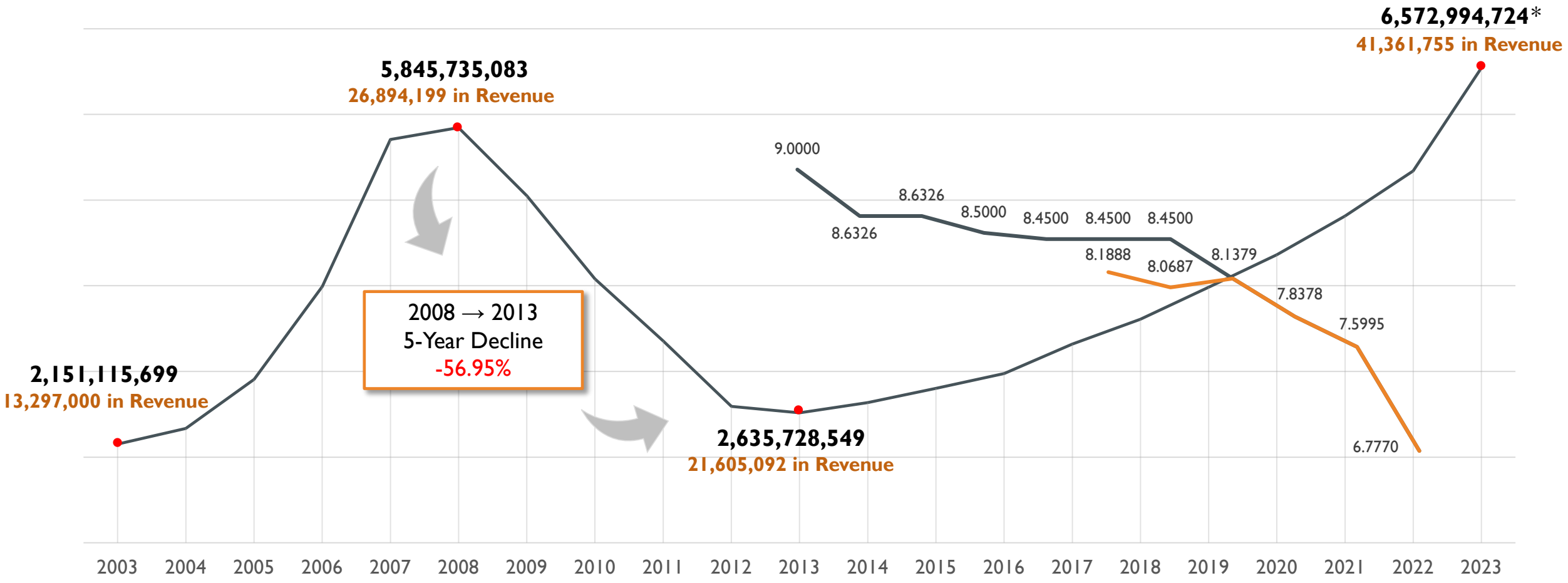
	Current Year Adjusted Taxable	Current Year New Taxable Value	Current Year Gross Taxable Value
2012	2,495,679,548	21,160,015	2,516,839,563
2013	2,619,673,079	16,055,470	2,635,728,549
2014	2,782,875,783	20,269,350	2,803,145,133
2015	2,948,091,681	28,333,500	2,976,425,181
2016	3,224,386,443	95,309,700	3,319,696,143
2017	3,563,868,665	45,003,422	3,608,872,087
2018	3,896,941,412	87,416,848	3,984,358,260
2019	4,273,919,599	93,693,014	4,367,612,613
2020	4,671,795,917	142,337,932	4,814,133,849
2021	5,132,761,564	208,130,764	5,340,892,328
2022*	6,231,950,002	341,044,722	6,572,994,724

*Final Values as of June 28, 2022



GROSS TAXABLE VALUE, MILLAGE RATES & REVENUE

20-YEAR HISTORY + MAINTAINING CAP



*Final Taxable Values as of June 28, 2022

FY 2023 AD VALOREM RATE OPTIONS

BASED ON FINAL VALUES AS OF JUNE 28, 2022

Description	Millage Rate Options	FY 2022 Revenue*	FY 2023 Revenue*	FY 2023 Increase in Revenue From Current Fiscal Year	FY 2023 % Increase in Revenue From FY 2022
FY 2022 - Current	7.5995	37,913,418			
FY 2023 - Maintain Current	7.5995		46,381,681	8,468,263	22.34%
	7.3000		44,553,757	6,640,339	17.51%
	7.1000		43,333,106	5,419,688	14.29%
	6.9000		42,112,455	4,199,037	11.08%
FY 2023 - 3% CAP	6.7770		41,361,755	3,448,337	9.10%
FY 2023 - Roll Back	6.5887		40,212,739	2,299,321	6.06%

*Revenue amounts include new construction revenue, net of BCRA ad valorem taxes, and assumes 96% collection rate.

- FY 2022 new construction of $208 million now falls under 3% CAP limitations contributing to a 0.8225 rate reduction in FY 2023
- FY 2023 new construction preliminary estimates valued at $341 million → potential FY 2024 rate reduction > than 1.0000 & possibly below Roll Back rate

IMPACT ON FY 2023 AD VALOREM TAX REVENUES

BASED ON FINAL VALUES AS OF JUNE 28, 2022

Description	Millage Rate Options	FY 2023 Increase in Revenue From Current Fiscal Year	Reduction in Available FY 2023 Revenue if Millage Rate is Under 7.5995 mils (FY 2022 Rate)	Additional Revenue Available in FY 2023 if Millage Rate is Above 6.7770 mils (3% CAP)
FY 2023 - Maintain Current	7.5995	8,468,263	0	5,019,926
	7.3000	6,640,339	(1,827,924)	3,192,002
	7.1000	5,419,688	(3,048,575)	1,971,351
	6.9000	4,199,037	(4,269,226)	750,700
FY 2023 - 3% CAP	6.7770	3,448,337	(5,019,926)	0
FY 2023 - Roll Back	6.5887	2,299,321	(6,168,942)	(6,168,942)

- Per FL Statute 200.065 – Method of Fixing Millage – annual increases in millage rates cannot exceed current year adjusted roll back rate adjusted for per capita Florida personal income as determined by the State; rates are based on either a majority or 2/3 vote
- FY 2022 example → FY 2021 adjusted roll back rate of 8.2204 means majority vote maximum rate is 8.5846 & 2/3 vote maximum rate is 9.4431
- Continued decreases in adopted millage rates restricts future needs for increases as outlined by the State

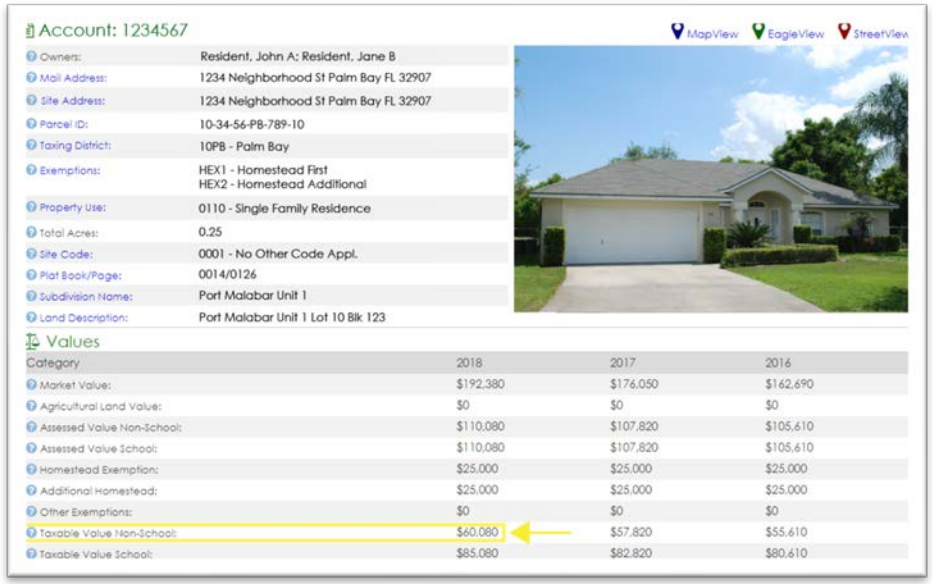
TAX BILL MILLAGE RATE IMPACT

HOW DOES THE MILLAGE RATE IMPACT YOUR ANNUAL PROPERTY TAX BILL & THE CITY OF PALM BAY?

Property's Assessed Value* x Millage Rate

1,000

* Your home's Taxable Value Non-School amount is the assessed value of the property less exemptions



Account: 1234567

MapView EagleView StreetView

Owners:	Resident, John A; Resident, Jane B
Mail Address:	1234 Neighborhood St Palm Bay FL 32907
Site Address:	1234 Neighborhood St Palm Bay FL 32907
Parcel ID:	10-34-56-PB-789-10
Taxing District:	10PB - Palm Bay
Exemptions:	HEX1 - Homestead First HEX2 - Homestead Additional
Property Use:	0110 - Single Family Residence
Total Acres:	0.25
Site Code:	0001 - No Other Code Appl.
Plat Book/Page:	0014/0126
Subdivision Name:	Port Malabar Unit 1
Land Description:	Port Malabar Unit 1 Lot 10 Blk 123

Values

Category	2018	2017	2016
Market Value:	$192,380	$176,050	$162,690
Agricultural Land Value:	$0	$0	$0
Assessed Value Non-School:	$110,080	$107,820	$105,610
Assessed Value School:	$110,080	$107,820	$105,610
Homestead Exemption:	$25,000	$25,000	$25,000
Additional Homestead:	$25,000	$25,000	$25,000
Other Exemptions:	$0	$0	$0
Taxable Value Non-School:	$60,080	$57,820	$55,610
Taxable Value School:	$85,080	$82,820	$80,610

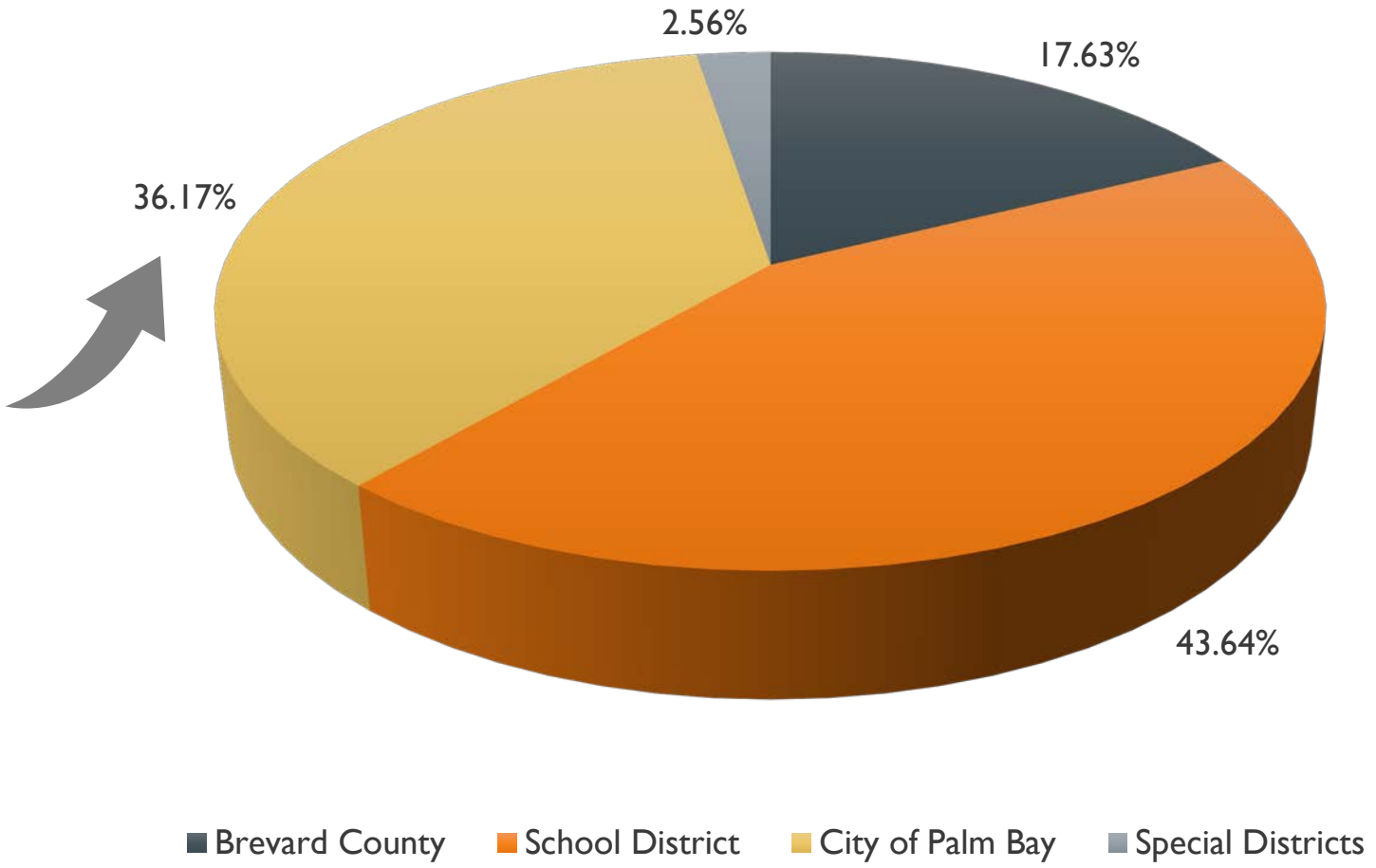
	FY 2023 Est. 3.0% CAP @ 6.7770	FY 2023 Mid-Range @ 7.1000	Maintain FY 2022 Adopted Rate @ 7.5995
Property Valuation Amounts	*Annual Cost*	*Annual Cost*	*Annual Cost*
10,000	67.77	71.00	76.00
25,000	169.43	177.50	189.99
50,000	338.85	355.00	379.98
75,000	508.28	532.50	569.96
100,000	677.70	710.00	759.95
125,000	847.13	887.50	949.94
150,000	1,016.55	1,065.00	1,139.93
200,000	1,355.40	1,420.00	1,519.90

City of Palm Bay Revenue Impact	*Annual Revenue*	*Annual Revenue*	*Annual Revenue*
Total Ad Valorem	41,361,755	43,333,106	46,381,681

TAX BILL BREAKDOWN

HOW MUCH OF MY TAX BILL IS DIRECTED TO THE CITY OF PALM BAY?

Taxing Authorities	*Portion*
Brevard County	125.21
School District	310.00
City of Palm Bay *Municipal Services* *Voter Approved Debt G.O. Bonds*	**256.95** 219.38 +37.57
Special Districts	18.22
Total Tax Bill	**710.38**



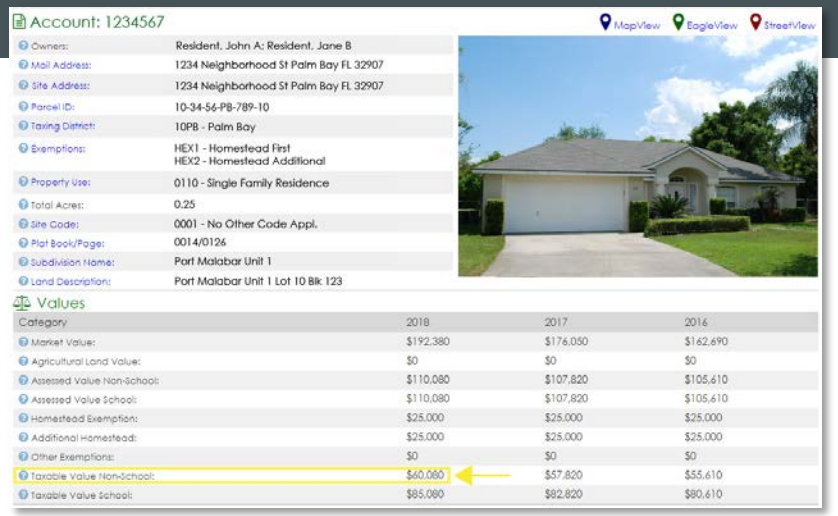
G.O. BOND DEBT MILLAGE RATES

	Annual Debt Payment Requirement	Voted Debt Millage Rate	Estimated Annual Revenues Generated
FY 2022	6,972,376	1.3424	6,972,036
FY 2023	6,977,900	1.0931	6,977,575

Estimated Annual Costs:

Annual Tax Levy Amount* (Exemptions Deducted)	FY 2022	FY 2023	*Decrease*
On **$10,000** Taxable Value Non-School	13.55	10.93	(2.62)
On **$50,000** Taxable Value Non-School	67.75	54.66	(13.10)
On **$75,000** Taxable Value Non-School	101.63	81.98	(19.65)
On **$100,000** Taxable Value Non-School	135.50	109.31	(26.19)
On **$200,000** Taxable Value Non-School	271.00	218.62	(52.38)

*Assuming no change in taxable value from the previous year.



Account: 1234567

MapView EagleView StreetView

Owners:	Resident, John A; Resident, Jane B
Mail Address:	1234 Neighborhood St Palm Bay FL 32907
Site Address:	1234 Neighborhood St Palm Bay FL 32907
Parcel ID:	10-34-56-PB-789-10
Taxing District:	10PB - Palm Bay
Exemptions:	HEX1 - Homestead First HEX2 - Homestead Additional
Property Use:	0110 - Single Family Residence
Total Acres:	0.25
Site Code:	0001 - No Other Code Appl.
Plat Book/Page:	0014/0126
Subdivision Name:	Port Malabar Unit 1
Land Description:	Port Malabar Unit 1 Lot 10 Blk 123

Values

Category	2018	2017	2016
Market Value:	$192,380	$176,050	$162,690
Agricultural Land Value:	$0	$0	$0
Assessed Value Non-School:	$110,080	$107,820	$105,610
Assessed Value School:	$110,080	$107,820	$105,610
Homestead Exemption:	$25,000	$25,000	$25,000
Additional Homestead:	$25,000	$25,000	$25,000
Other Exemptions:	$0	$0	$0
Taxable Value Non-School:	$60,080	$57,820	$55,610
Taxable Value School:	$85,080	$82,820	$80,610

You Can Find Your Taxable Value Non-School Amount By

Visiting The Brevard County Property Appraiser's Office Website

OR

Reviewing Your Latest Tax Bill

THE DOLLAR SPLIT

FY 2022 APPROVED BUDGET

	Total Allocated
Legislative	0.01
City Attorney	0.01
Procurement	0.01
Human Resources	0.01
Community & Economic Development	0.01
City Manager	0.02
Finance	0.02
Growth Management	0.02
Recreation	0.03
Information Technology	0.04
Parks & Facilities	0.07
Non-Departmental	0.07
Public Works	0.09
Transfers	0.09
Fire	0.20
Police	0.30
	1.00

FY 2023 PROPOSED BUDGET

PENDING ITEMS IMPACTING THE AVAILABILITY OF FUNDS

- Department of Revenue (DOR) Office of Tax Research Municipal Estimates – Expected Mid-July Timeframe
  - Includes State-Shared Revenues
  - 1st Local Option Fuel Tax (LOGT)
  - Communications Service Tax (CST)
  - Half Cent Sales Tax

IMPORTANT UPCOMING DATES

Date	Meeting Topic/Discussion
July 21, 2022	RCM: Certification of Taxable Value – Proposed Millage Rate Decision – Set Public Hearing Dates
July 28, 2022	FY 2023 Proposed Budget Distribution
August 2, 2022	Optional - Budget Workshop (Final) – FY 2023 Discussion Starting @ 6:00 p.m.
September 7, 2022 - Tentative	1st Public Hearing (Based on July 21, 2022 RCM Motion)
September 16, 2022 - Tentative	FloridaToday Publication – Must Occur With 15 Calendar Days of 1st Public Hearing
September 21, 2022 - Tentative	2nd Public Hearing – Must Be Held Two (2) to Five (5) Calendar Days After Advertisement
October 21, 2022 - Tentative	30-Day Deadline From Budget Adoption (2nd Public Hearing) • FY 2023 Adopted Budget Website Publication • Department of Revenue TRIM Compliance Package

- Questions/Comments ?

THANK YOU FOR YOUR TIME!