FY27 PRELIMINARY BUDGET

17 July 2026

AGENDA

- REVENUE PROJECTIONS – Fry
  - ❑ Proposed Constitutional Amendment Impacts (FY28 and later)
  - ❑ Comparison of Various Millage Rates
  - ❑ History of Revenue vs Spending
- PAY & BENEFIT COSTS – Fry
  - ❑ Chief's Proposed Pay & Benefit Changes
  - ❑ Board Discussion and Approval
- OPERATING, CAPITAL & DEBT SERVICE COSTS – Chief Cottrell
- APPROVE TENTATIVE TRIM MILLAGE – Chief Cottrell & Fry

PROPOSED CONSTITUTIONAL AMENDMENT

- KEY POINTS (IF APPROVED BY 60%+ VOTERS IN NOV 2026)
    - ❑ FY26 (this year), there are 49 Homesteaded Properties (Source LEEPA.org Apr 2026)
    - ❑ FY27 Homestead number currently unknown (likely minimal/no change)
    - ❑ First Year FY28 Homestead Exemption Increases from $50K to $150K (+ $100K)
    - ❑ Second Year FY29 Homestead Exemption Increases from $150K to $250K (+ $100K)
    - ❑ Non-Homesteaded Property Valuation Increase Cap drops from 10% to 5%, starting in FY28
- PROJECTED IMPACTS (ANNUAL TAXPAYER SAVINGS) IF APPROVED BY VOTERS
    - ❑ FY27: $50K Homestead Exemption (as in recent past) … NO NEW IMPACT
    - ❑ FY28: $100K Increase x 3.75 mils (max millage rate) x 49 homes / 1000 = $18K
    - ❑ FY29 (and later): $200K Increase x 3.75 mils (max millage rate) x 49 homes / 1000 = $35K
    - ❑ FY28 and Later Impacts of Reducing Non-Homestead Increases from 10% to 5%
        - FY26 Assessed Values increased 4% and FY27 increased 15% but NO BUDGET IMPACT
        - FY28 (First Year, if Passed) using FY27 valuation increase, impact about $50K +/- (NO MEANINGFUL IMPACT if ANNUAL VALUATION increase is under 5%)

There will still be up to 3% and 5% valuation increases MOST years; just GROWTH of tax increases slows

CERTIFICATION OF TAXABLE VALUE (DR-420)

Florida Department of Revenue eTRIM Portal

Completed by Property Appraiser

1.	Current year taxable value of real property for operating purposes:	$	386,194,516
2.	Current year taxable value of personal property for operating purposes:	$	549,583
3.	Current year taxable value of centrally assessed property for operating purposes:	$	0
4.	Current year gross taxable value for operating purposes:		$386,744,099
5.	Current year net new taxable value: (Add new construction, additions, rehabilitative improvements increasing assessed value by at least 100%, annexations, and tangible personal property value over 115% of the previous year's value. Subtract deletions.)	$	6,324,670

31 May Appraiser Valuation Estimate: $371,177,000 ($34.8M or 10.3% increase from FY26)

30 June Appraiser Total Final Valuation in eTRIM Portal: $386,744,099 ($50.4M or 15.0% increase from FY26)

MILLAGE RATES (DR-422MMP)
Florida Department of Revenue eTRIM Portal

Calculate Maximum Millage Levy

Max Millage is 3.75 mils

3.3653
(Rolled-back rate from Line 2)

3.7018
(Line 3 multiplied by 1.10)

5. year proposed e:

6. Minimum Vote Required to Levy Proposed Millage:

a. Majority vote of the governing body.
If Line 5 is less than or equal to Line 3.
The maximum millage rate is equal to the rolled-back rate.

3.3653

b. Two-thirds vote of the governing body.
If Line 5 is less than or equal to Line 4, but greater than Line 3.
The maximum millage rate is equal to the proposed rate.

3.7018

c. Unanimous vote of the governing body.

> 3.7018

EXAMPLE TAX REVENUES FOR FY27 BUDGET

		Current FY26 Tax Revenues	Roll Back Millage Rate	Treasurer Proposed Millage Rate (2/3 Majority Vote)	Max Millage Rate (Unanimous Vote)
Property Valuation for FY27 $386,744,099	Required Commissioner Minimum Vote	5-0	3-2	4-1	5-0
	Millage Rate	3.75	3.3653	3.7018	3.75
Valuation for FY26 $336,376,483	Millage Rate Increase (Decrease) %	7.5%	0.0%	10.00%	11.43%
	Tax Increase (Decrease) $		$40,098	$170,237	$188,879
General Fund	Potential General Fund Gross Revenue	$1,261,412	$1,301,510	$1,431,649	$1,450,290
	Revenue After Discounts (Estimated @ 3.25%)	$1,220,416	$1,259,211	$1,385,121	$1,403,156

Current Budgeted Starting Reserve	$530,776	$550,000	$550,000	$550,000
Estimated Reserve Increase (Decrease)	$19,224	($95,389)	$30,521	$48,557
Estimated Ending Reserve	$550,000	$454,611	$580,521	$598,557

NOTES:

1. These are example millage rates, with total tax revenue (and reserve change) estimates, based on Chief's FY27 Spending Proposals
2. Numbers above don't include other possible revenues (FEMA, Insurance Proceeds, Fun Run, Donations, Grants, etc.)

REVENUE AND SPENDING PROJECTIONS

Fiscal Year Budgeted	FY20	FY21	FY22	FY23	FY24	FY25	FY26 (Estimated Revenue)	FY27 (Estimated Revenue)	FY28 (Estimated Revenue)
Ad Valorem Tax Rate (Mils)	3.3120	3.3563	3.5000	3.1000	3.1500	3.6214	3.7500	3.7500	3.7500
Estimated Rollback Rate	3.312 RB	3.3563 RB	3.2029 RB	2.8177 RB	2.8007 RB	2.9114 RB	3.4894 RB	3.3653 RB	3.571
Estimated Total Value (Millions)	$225.199	$227.728	$240.536	$303.52	$299.468	$323.331	$336.376	$386.744	$406.081
Annual Value Increase (Decrease)	$11.365	$2.5295	$12.807	$62.983	($4.051)	$23.863	$13.045	$50.368	$19.337
Annual Increase (Decrease) %	5.3%	1.1%	5.6%	26.2%	-1.3%	8.0%	4.0%	15.0%	5.0%
Gross Ad Valorem Tax	$745,858	$764,324	$841,875	$940,910	$943,325	$1,156,690	$1,261,412	$1,450,290	$1,522,805
Less Tax Discounts	($26,105)	($26,751)	($29,466)	($32,932)	($28,300)	($35,066)	($40,996)	($47,134)	($49,491)
Net Tax Revenue	$719,753	$737,573	$812,409	$907,978	$910,559	$1,121,624	$1,220,416	$1,403,156	$1,473,314
Special Assessment Income	$447,400	$447,400	$447,400	$447,400	$451,346	$0	$0	$0	$0
Total Tax Revenue	**$1,167,153**	**$1,184,973**	**$1,259,809**	**$1,355,378**	**$1,361,905**	**$1,121,624**	**$1,220,416**	**$1,403,156**	**$1,473,314**
Annual Net Tax Increases (Decreases)	$5,382	$17,820	$74,836	$95,568	$6,528	($240,281)	$98,791	$182,740	$70,158
Other Income		$23,150	$318,700	$24,800	$385,657	$718,848	$181,858	$35,000	$35,000
Total Revenue	**$1,167,153**	**$1,208,123**	**$1,578,509**	**$1,380,178**	**$1,747,562**	**$1,840,473**	**$1,402,274**	**$1,438,156**	**$1,508,314**

Expenditures	Actual Expenditures						Budgeted Expenditures		
Total Personnel Expenses	$793,435	$809,526	$826,075	$941,759	$875,661	$945,472	$856,665	$933,522	$976,977
Total Operating Expenses	$306,394	$311,936	$357,953	$270,147	$396,753	$639,681	$402,721	$353,550	$364,157
Total Capital Improvements	$100,500	$113,116	$500,935	$103,365	$264,763	$465,240	$77,700	$27,000	$0
Debt Service	$0	$0	$22,675	$22,675	$22,675	$22,675	$0	$75,473	$75,473
Total Expense & Improvement	**$1,200,329**	**$1,234,578**	**$1,707,638**	**$1,337,946**	**$1,559,852**	**$2,073,068**	**$1,337,087**	**$1,389,545**	**$1,416,607**
Annual Increase (Decrease) in Reserve	**($33,176)**	**($26,455)**	**($129,128)**	**$42,232**	**$187,711**	**($232,594)**	**$65,187**	**$48,611**	**$91,707**
							UNAUDITED ESTIMATES		

Martin/Byrnes (FY20–FY22) | **IAN** (FY23–FY24) | **No Assessments and MILTON** (FY25–FY28)

Higher Spending Requires Higher Donations and Grants (Taxes are Nearly Maxed Out)

ESTIMATE ASSUMPTIONS

1. 3.75 is the max millage that can be approved; requires a 5-0 vote
2. Rollback Rates will not work
3. Ad valorem values increase **5%**
   - Homestead properties have a 3% annual cap
   - Ignores that 90%+ of properties are non-Homestead with a 10% annual increase cap
   - Last 5 years (w/o IAN impacts) were +6%, +26% +8%, +4%, and now 15% (average is 9.6% increase)
4. Costs increase 3.0%
5. Other Income in FY27 doesn't include grants, insurance proceeds, FEMA, etc.
6. NOTE that **FY27 Tax Revenue is $38K more (at max millage) than FY24 was with Assessments**

REVENUE FOR FY27

Revenue	YTD Through 14 July 2026	Approved FY26 Budget	Proposed FY 27 Budget	Proposed Incr (Decr)
311.0 TAX REVENUE	$1,281,351	$1,261,412	$1,450,290	$182,740
311.9 TAXES-DISCOUNTS TAKEN	($39,290)	($40,996)	($47,134)	
334.215 STATE/FEMA GRANTS	$65,283	$65,283	$0	($65,283)
360-000 MISCELLANEOUS REVENUE				
361.1 INTEREST EARNINGS	$14,296	$20,000	$10,000	($10,000)
364.0 PROCEEDS ON SALE OF ASSETS	$0	$0	$0	$0
364.9 INSURANCE PROCEEDS	$5,575	$5,575	$0	($5,575)
366.0 CONTRIBUTIONS-Miscellaneous	$5,427	$0	$0	$0
366.2 CONTRIBUTIONS-Fun Run	$18,905	$30,000	$20,000	($10,000)
366.4 ACCESSWAY DONATIONS	$14,003	$56,000	$0	($56,000)
366.7 GRANTS FROM BUSINESSES	$0	$5,000	$5,000	$0
369.1 REFUND OF PREVIOUS YR'S EXPENDITURES	$500	$0		
Total Revenue	$1,366,050	$1,402,274	$1,438,156	$35,882

NOTES:

1. Net Tax Revenue increases $183K, if the Board votes 5-0 in July & September to raise taxes to the maximum millage rate
2. Reduced Bank Interest (Starting Reserves were higher in FY26 with Unspent Insurance Proceeds)
3. Set Accessway Donations (Tractor), Insurance Proceeds and FEMA Grants to $0
4. Fun Run: Used this year’s revenue rather than FY25’s

PAY & BENEFIT COSTS

- Pay & Benefits for Chief Cottrell (Effective 28 Jul 2026)
  - ❑ **Hourly Raise:**
    - ✓ 3 Year Contract with Stepped Wage Increases ($100K, $110K, and $120K); $13K total increase for FY27
    - ✓ Pay for 53 hours/week (on-island 5 shifts with Hodgepodge House) increases from $36.28 to $39.91/hour
  - ❑ **Benefit Increases:**
    - ✓ Increase $6K in Health, Dental, and Vision Insurance
    - ✓ Increase **$50K+** in housing costs for Hodgepodge purchase **(caused by Safety Harbor Club Board decisions)**
- Pay for Part-Time Staff
  - ❑ **2% - 5% Hourly Raises** (Effective 30 Dec 2026)
    - ✓ 2% for Chiefs ($25.50/hour for Deputy Chief and $25.18/hour for Assistant Chiefs)
    - ✓ 3% for Officer-EMT ($23.37/hour) and Firefighter-Paramedic ($22.77/hour)
    - ✓ 4.5% for Firefighter-EMT ($20.00/hour)
    - ✓ 5% for Officer-Paramedic (new pay grade at $23.83/hour), currently affecting 2 officers
    - ✓ Increases $36K in additional Payroll Costs
  - ❑ **No change in number of paid holidays for Part-Time Firefighting Staff (remains at 8)**

PROPOSED PAY & BENEFITS FOR FY27

Pay and Fringe Benefits Budget Baseline Worksheet for FY27														
General Fund	28 FF Shifts/ Week (Plus "Daytime" Chief)	CY26 Hourly Rate	FY26 Annual Pay Rate	CY27 Proposed Hourly Rate	FY27 Annual Pay Rate	Holiday Pay (24 Hrs x 8 Days)	PTO (Weeks) 2	FICA (7.65%) 7.65%	W/C (4.25%) 4.25%	Housing (Lease/ Purchase)	Health, Dental and Vision	Disability	Retirement Contribution 12.5%	Subtotal Pay & Benefit COSTS
Payments To Chief Cottrell	5.00	$36.28	$100,000	$39.91	$110,000								$13,750	$249,123
Payments FOR Chief Cottrell							$6,000	$8,874	$4,930	$75,500	$30,069			
Payments To DChief Tracy	1.00	$25.00	$31,200	$25.50	$31,668	$4,029							$792	$40,736
Payments FOR Dchief Tracy								$2,731	$1,517					
Payments To Achiefs THREE?	3.00	$24.69	$27,282	$25.180	$93,815								$0	$104,979
Payments FOR Achiefs THREE?								$7,177	$3,987					
Officers	5.00	$22.69	$193,749	$23.37	$144,768	$4,487		$11,418	$6,343					$167,016
Paramedic	7.00	$22.11	$188,745	$22.77	$197,477	$4,372		$15,441	$8,579					$225,869
EMT	7.00	$19.15	$163,040	$20.00	$172,864	$3,840		$13,518	$7,510					$197,731
FY26 Baseline					$704,016		$6,000	$57,853	$32,140	$30,000	$24,000	$0	$13,280	$867,289
Subtotals Fire Response FY27 w/Part-Time Raises					$767,320		$6,000	$59,159	$32,866	$75,500	$30,069	$0	$14,542	$985,455
Road Coordinator	1.50	$45.00	$21,060	$45.00	$21,060	None	None	$1,611	$895				None	$23,566
With Raise for FY27					$788,380		$6,000	$60,770	$33,761	$75,500	$30,069	$0	$14,542	$1,009,022
Proposed Increase (Decrease)					$63,304		$0	$1,306	$726	$45,500	$6,069	$0	$1,262	$118,166

1. **Chief Cottrell proposes adding a new Labor Category for Officer/Paramedic, with a raise from $22.69/hour to $23.83 ($0.46 more than the proposal for Officer/EMT); there is a MINIMAL budget impact with only 2 Officer/Paramedics currently**
2. **Reduces Accessway Maintenance by $25K to cover the Road Coordinator wages (Auditor Required)**

INCREASES FOR FY27

	Through 7 July 2026	Approved FY26 Budget	Proposed FY27 Budget	Proposed Incr (Decr)
Operating Expenses				
522-320 ACCOUNTING & AUDITING	$5,176	$19,000	$27,000	$8,000
522.341 PROPERTY APPRAISER FEES	$6,771	$6,500	$6,800	$300
522-410 COMMUNICATIONS SERV	$2,365	$10,000	$12,000	$2,000
522-430 UTILITY SERVICES	$13,123	$17,080	$20,000	$2,920
522.521 FUEL	$4,673	$0	$20,000	$20,000
522-541 STATION SOFTWARE	$10,009	$14,160	$15,000	$840
522.550 TRAINING & EDUCATION	$2,063	$2,000	$5,000	$3,000
Debt Service				
522.710 PRINCIPAL	$0	$0	$46,997	$46,997
522.720 INTEREST EXPENSE	$0	$0	$28,476	$28,476

MAJOR INCREASES:

1. Accounting & Audit: Added contract bookkeeping service
2. Fuel: Added as a new category, instead of including in Supplies-Other (that decreases)
3. Training: Added for Community Emergency Response Team (CERT) Classes
4. Debt Service: With the purchase of Chief Housing, annual cost goes from $30K to $75.5K (plus insurance & utilities)

DECREASES FOR FY27

	Through 7 July 2026	Approved FY26 Budget	Proposed FY27 Budget	Proposed Incr (Decr)
Operating Expenses				
522-400 TRAVEL & PER DIEM	$3,502	$20,500	$15,000	($5,500)
522-440 RENTALS	$20,800	$41,000	$10,000	($31,000)
522-450 INSURANCE	$40,651	$52,000	$45,000	($7,000)
522-460 REPAIR & MAINTENANCE	$59,844	$53,731	$50,000	($3,731)
522-469 ACCESS POINT MAINTENANCE	$9,130	$50,000	$25,000	($25,000)
522.520 OPERATING SUPPLIES-OTHER	$52,397	$44,000	$30,000	($14,000)
Capital Outlay				
522.620 BUILDING IMPROVEMENTS	$5,000	$0	$0	$0
522-640 MACHINERY & EQUIPMENT	$66,194	$77,700	$27,000	($50,700)

MAJOR DECREASES:

1. Travel & Per Diem: Decreases primarily for barging (higher this year with post-MILTON equipment replacements)
2. Rentals: Deleted Chief's rental housing (2.5x higher cost moved to Debt Service and Insurance)
3. Insurance: Although house insurance is a new requirement, the boat insurance renewal was significantly lower than FY26 cost)
4. Repair & Maintenance: FY25 and FY26 had significantly higher R&M costs, primarily for IAN/MILTON replacement used vehicles
5. Access Point Maintenance: Moving Road Coordinator Wages to Pay & Benefits (auditor recommendation for FY25 and later)
6. Operating Supplies-Other: Moved additional dollars to Fuel
7. Machinery & Equipment: After post-MILTON capital purchases, no major requirements projected in FY27 other than "Jaws of Life" ($15K), Bunker Gear Extractor/Washer ($5K), and Y-Manifold for Engine ($7K)

OVERALL PROPOSED BUDGET FOR FY27 (with 3.3653 Millage Rate if 3-2 Vote)

	Millage Per $1,000	GENERAL FUND	ORIGINAL FY26
SOURCES OF FUNDS			
REVENUES			
Taxes			
Ad Valorem Taxes (net)	3.3653	$ 1,259,211	$ 1,220,416
Miscellaneous		$ 37,000	$ 55,000
Total Revenues		$ 1,296,211	$ 1,275,416
FUND BALANCES/RESERVES-Beginning		$ 550,000	$ 459,533
TOTAL SOURCES OF FUNDS		$ 1,846,211	$ 1,734,949
USES OF FUNDS			
EXPENDITURES			
Public Safety			
Personal Services		$ 933,522	$ 902,396
Operating Expenses		$ 353,550	$ 340,990
Capital Outlay		$ 27,000	$ -
Debt Service		$ 75,473	$ -
Total Expenditures		$ 1,389,545	$ 1,243,386
FUND BALANCES/RESERVES-Ending		$ 456,666	$ 491,562
TOTAL USES OF FUNDS		$ 1,846,211	$ 1,734,949

OVERALL PROPOSED BUDGET FOR FY27 (with 3.7018 Millage Rate if 4-1 Vote)

	Millage Per $1,000	GENERAL FUND	ORIGINAL FY26
SOURCES OF FUNDS			
REVENUES			
Taxes			
Ad Valorem Taxes (net)	3.7018	$ 1,385,121	$ 1,220,416
Miscellaneous		$ 37,000	$ 55,000
Total Revenues		$ 1,422,121	$ 1,275,416
FUND BALANCES/RESERVES-Beginning		$ 550,000	$ 459,533
TOTAL SOURCES OF FUNDS		$ 1,972,121	$ 1,734,949
USES OF FUNDS			
EXPENDITURES			
Public Safety			
Personal Services		$ 933,522	$ 902,396
Operating Expenses		$ 353,550	$ 340,990
Capital Outlay		$ 27,000	$ -
Debt Service		$ 75,473	$ -
Total Expenditures		$ 1,389,545	$ 1,243,386
FUND BALANCES/RESERVES-Ending		$ 582,576	$ 491,562
TOTAL USES OF FUNDS		$ 1,972,121	$ 1,734,949

OVERALL PROPOSED BUDGET FOR FY27
(with 3.75 Millage Rate if 5-0 Vote)

	Millage Per $1,000	GENERAL FUND	ORIGINAL FY26
SOURCES OF FUNDS			
REVENUES			
Taxes			
Ad Valorem Taxes (net)	3.75	$ 1,403,156	$ 1,220,416
Miscellaneous		$ 37,000	$ 55,000
Total Revenues		$ 1,440,156	$ 1,275,416
FUND BALANCES/RESERVES-Beginning		$ 550,000	$ 459,533
TOTAL SOURCES OF FUNDS		$ 1,990,156	$ 1,734,949
USES OF FUNDS			
EXPENDITURES			
Public Safety			
Personal Services		$ 933,522	$ 902,396
Operating Expenses		$ 353,550	$ 340,990
Capital Outlay		$ 27,000	$ -
Debt Service		$ 75,473	$ -
Total Expenditures		$ 1,389,545	$ 1,243,386
FUND BALANCES/RESERVES-Ending		$ 600,611	$ 491,562
TOTAL USES OF FUNDS		$ 1,990,156	$ 1,734,949

EXAMPLE TAX REVENUES FOR FY27 BUDGET

Property Valuation for FY27 $386,744,099		Current FY26 Tax Revenues	Roll Back Millage Rate	Treasurer Proposed Millage Rate (2/3 Majority Vote)	Max Millage Rate (Unanimous Vote)
	Required Commissioner Minimum Vote	5-0	3-2	4-1	5-0
	Millage Rate	3.75	3.3653	3.7018	3.75
Valuation for FY26	Millage Rate Increase (Decrease) %	7.5%	0.0%	10.00%	11.43%
$336,376,483	Tax Increase (Decrease) $		$40,098	$170,237	$188,879
General Fund	Potential General Fund Gross Revenue	$1,261,412	$1,301,510	$1,431,649	$1,450,290
	Revenue After Discounts (Estimated @ 3.25%)	$1,220,416	$1,259,211	$1,385,121	$1,403,156

Current Budgeted Starting Reserve	$530,776	$550,000	$550,000	$550,000
Estimated Reserve Increase (Decrease)	$19,224	($95,389)	$30,521	$48,557
Estimated Ending Reserve	$550,000	$454,611	$580,521	$598,557

NOTE: In June, the Consumer Price Index for All Urban Consumers fell 0.4 percent, seasonally adjusted, and rose 3.5 percent over the last 12 months, not seasonally adjusted. The index for all items less food and energy was unchanged in June (SA); up 2.6 percent over the year (NSA).

Source: https://www.bls.gov/cpi

DECISIONS

- Approve the Tentative Millage Rate
  - ❑ The millage rate that 3 can approve is 3.3653 mils or less
  - ❑ The millage rate that 4 can approve is 3.7018 mils or less
  - ❑ The millage rate that 5 can approve is 3.7500 mils or less
- Set the Date for the First Budget Hearing
  - ❑ Saturday, 5 Sep 2026 @ 10AM (Final Hearing on 19 or 26 Sep)
  - ❑ Saturday, 12 Sep 2026 @ 10AM (Final Hearing on 26 Sep)