



Fiscal Year 2027 Budget Hearing Final Proposed Budget September 09, 2026

Finance Department

	Adopted(A) 2026	Estimated 2026	Proposed(P) 2027	Fiscal Year 2026(A)-2027(P) Change	Percentage Change
Ad Valorem Tax (Property Taxes)*	\$ 42,698,778	\$ 42,726,062	\$ 45,558,297	\$ 2,859,519	
State Revenues and Other Taxes	9,934,175	10,157,014	10,231,445	297,270	
Permits and Fees	2,770,155	2,679,700	2,614,600	(155,555)	
Fines and Forfeitures	658,183	678,000	678,000	19,817	
Charges for Services	7,514,905	7,919,890	8,050,482	535,577	
Other Revenue	508,231	1,402,863	468,250	(39,981)	
Transfers	1,367,533	1,383,557	1,372,533	5,000	
Appropriated Fund Balance	2,149,435	1,946,492	7,768,310	5,618,875	
Loan Proceeds - Land Purchase	-	-	11,000,000	11,000,000	
Total General Fund Revenue	\$ 67,601,395	\$ 68,893,578	\$ 87,741,917	\$ 20,140,522	29.8%

*2027 Based on Proposed TRIM Rate of 4.1387 and 96% of Taxable Property Values

General Fund Expenditure Summary

	Adopted(A)	Estimated	Proposed(P)	Fiscal Year	Percentage
	2026	2026	2027	2026(A)-2027(P)	Change
				Change	Change
Administrative Services	\$ 6,847,106	\$ 6,870,716	\$ 7,113,947	\$ 266,841	
Construction Management & Engineering	1,482,102	1,483,087	1,368,066	(114,036)	
Economic Development	1,818,365	1,790,796	1,371,452	(446,913)	
Planning	3,917,366	3,833,964	4,021,192	103,826	
Community Compliance - Formerly Code Enforcement	3,812,865	3,862,610	3,693,528	(119,337)	
Business Tax	226,919	225,956	228,655	1,736	
Public Safety - Fire	16,002,655	16,311,696	17,044,960	1,042,305	
Public Safety - Flagler County Sheriff's Contract	11,181,587	11,181,587	12,152,736	971,149	
Public Works Streets Maintenance	10,321,742	10,398,546	11,060,788	739,046	
Parks and Recreation	6,246,842	6,288,736	6,266,208	19,366	
Parks Maintenance	3,916,202	3,939,568	4,090,815	174,613	
Non-Departmental	1,827,644	1,606,316	2,179,570	351,926	
Non-Departmental - Land Purchase, Interest, & Debt	-	1,100,000	17,150,000	17,150,000	
Service Expenses					
Total General Fund Expenses	\$ 67,601,395	\$ 68,893,578	\$ 87,741,917	\$ 20,140,522	29.8%

	Adopted(A) 2026	Estimated 2026	Proposed(P) 2027	Fiscal Year 2026(A)-2027(P) Change	Percentage Change
Water and Wastewater Fund	\$ 88,214,320	\$ 88,415,174	\$ 92,922,561	\$ 4,708,241	5.3%
Water and Wastewater Capital Fund	326,390,581	353,163,263	160,990,766	(165,399,815)	-50.7%
Stormwater Management Fund	42,801,621	33,417,035	32,486,873	(10,314,748)	-24.1%
Building Permits Fund	3,779,254	3,404,193	3,351,919	(427,335)	-11.3%
Collections and Sanitation Fund	19,698,024	19,506,423	20,738,721	1,040,697	5.3%
Information Technology Enterprise Fund	1,576,231	1,342,704	1,120,101	(456,130)	-28.9%
Total Expenditures	\$ 482,460,031	\$ 499,248,792	\$ 311,610,941	\$ (170,849,090)	

New Personnel for FY2027:

Water and Wastewater Fund: 14 FTEs

Stormwater Fund: 1 FTE

Building: Reduction of 2.98 FTEs - Allocation Transfer to Community Development

	Adopted(A) 2026	Estimated 2026	Proposed(P) 2027	Fiscal Year 2026(A)-2027(P) Change	Percentage Change
Transportation Impact Fees	54,173,103	22,913,487	50,755,762	\$ (3,417,341)	-6.3%
Town Center Transportation Impact Fees	660,319	850,000	1,121,018	460,699	100.0%
Recreation Impact Fee	9,291,385	6,503,707	7,289,500	(2,001,885)	-21.5%
Fire Impact Fee	12,326,600	12,934,356	779,487	(11,547,113)	-93.7%
Capital Projects	23,697,976	18,607,276	28,595,468	4,897,492	20.7%
Developer Special Projects Fund	122,275	201,983	50,000	(72,275)	-59.1%
Total Expenditures	\$ 100,271,658	\$ 62,010,809	\$ 88,591,235	\$ (11,680,423)	



CAPITAL PROJECTS FUND

Maintenance Operations Complex	\$23.85 M
Park Renovations	\$1.10 M

STREETS IMPROVEMENT FUND

Street Rehab and Renewal	\$4.41 M
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TRANSPORTATION IMPACT FEE FUND

Matanzas Woods Parkway Extension West	\$22.02 M
OKR North Widening	\$15.65 M
Belle Terre Safety Improvements	\$3.36 M
Palm Coast Parkway Extension Loop Road	\$3.20 M
Loop Road Connector Phase 4	\$3.16 M
Seminole Woods / State Road 100 Intersection	\$1.05 M

RECREATION IMPACT FEE FUND

Community Center Extended Parking	\$4.35 M
Graham Swamp Trail Phase 2	\$1.15 M

STORMWATER MANAGEMENT FUND

Major Canal Crossings	\$3.13 M
Stormwater Storage & Detention Expansion	\$2.94 M
Capacity Improvements	\$2.18 M
System Rehab & Renewal	\$1.98 M

OLD KINGS ROAD SPECIAL ASSESSMENT FUND

Old Kings Road South Design	\$1.13 M
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WATER/WASTEWATER CAPITAL PROJECTS FUND

Wastewater Plant 1 Expansion & Rehabilitation	\$67.78 M
Wells & Wellfields - Brackish	\$5.50 M
Water Plant 1 Wellfield & Wells	\$5.37 M
Water Plant 3 Plant Expansion	\$5.00 M
Old Kings Road North Gravity & Water Main Relocates	\$5.00 M
Wastewater Plant 2 Rib/Exfiltration	\$5.00 M

Special Revenue Funds Budget Summary

	Adopted(A) 2026	Estimated 2026	Proposed (P) 2027	Fiscal Year 2026(A)-2027(P) Change	Percentage Change
Community Development Block Grant Fund	\$ 806,000	\$ 580,492	\$ 761,817	\$ (44,183)	-5.5%
State Road 100 Community Redevelopment Agency	3,336,344	3,375,357	4,003,956	667,612	20.0%
Police Education Fund	12,000	12,000	9,000	(3,000)	-25.0%
Disaster Reserve Fund	-	486,250	-	-	N/A
Special Events Fund	166,660	200,291	179,115	12,455	7.5%
Neighborhood Stabilization Program Fund	121,035	-	121,035	-	0.0%
Old Kings Road Special Assessment Fund	1,233,573	818,000	1,506,674	273,101	22.1%
Streets Improvement Fund	9,632,495	8,632,496	5,135,000	(4,497,495)	-46.7%
Art in Public Places	-	307,725	100,000	100,000	N/A
Total Expenditures	\$ 15,308,107	\$ 14,412,611	\$ 11,816,597	\$ (3,491,510)	

	Adopted(A) 2026	Estimated 2026	Proposed(P) 2027	Fiscal Year 2026(A)-2027(P) Change	Percentage Change
Fleet Management Fund	10,664,763	12,071,895	13,425,511	\$ 2,760,748	25.9%
Facilities Management Fund	2,273,201	2,331,199	2,387,482	114,281	5.0%
Emergency Communications Fund	444,849	469,849	445,595	746	0.2%
Information Technology Fund	6,953,140	6,839,007	7,070,387	117,247	1.7%
Health Insurance Fund	10,467,183	10,708,183	10,593,220	126,037	1.2%
Total Expenditures	\$ 30,803,136	\$ 32,420,133	\$ 33,922,195	\$ 3,119,059	

Personnel:

Fleet Management Fund – 1 FTE



Fiscal Year 2027 Proposed Budget -Summary

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General Fund	\$ 67,601,395	\$ 68,893,578	\$ 87,741,917	\$ 20,140,522	29.8%
Water/Wastewater Fund	88,214,320	88,415,174	92,922,561	4,708,241	5.3%
Water/Wastewater Capital Projects Fund	326,390,581	353,163,263	160,990,766	(165,399,815)	-50.7%
Stormwater Management Fund	42,801,621	33,417,035	32,486,873	(10,314,748)	-24.1%
Fleet Management Fund	10,664,763	12,071,895	13,425,511	2,760,748	25.9%
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Collection and Sanitation Fund	19,698,024	19,506,423	20,738,721	1,040,697	5.3%
IT Enterprise Fund	1,576,231	1,342,704	1,120,101	(456,130)	-28.9%
IT Internal Service Fund	6,953,140	6,839,007	7,070,387	117,247	1.7%
Building Permit Fund	3,779,254	3,404,193	3,351,919	(427,335)	-11.3%
Capital Projects Fund	23,697,976	18,607,276	28,595,468	4,897,492	20.7%
Streets Improvement Fund	9,632,495	8,632,496	5,135,000	(4,497,495)	-46.7%
Recreation Impact Fee Fund	9,291,385	6,503,707	7,289,500	(2,001,885)	-21.5%
Transportation Impact Fee Fund	54,173,103	22,913,487	50,755,762	(3,417,341)	-6.3%
Fire Impact Fee Fund	12,326,600	12,934,356	779,487	(11,547,113)	-93.7%
State Road 100 Community Redevelopment Act Fund	3,336,344	3,375,357	4,003,956	667,612	20.0%
All Other Funds	14,033,894	14,634,773	14,887,474	853,580	6.1%
Total Budget	\$ 696,444,327	\$ 676,985,923	\$ 533,682,885	\$ (162,761,442)	-23.4%



CRA LAND PURCHASE FUNDING

	Estimated 2026	Proposed 2027	Proposed 2028	Proposed 2029	Proposed 2030	Proposed 2031
Revenues						
Intergovernmental Revenue (County Portion)	\$ 2,157,700	\$ 2,705,886	\$ 2,737,565	\$ 2,772,864	\$ 2,856,100	\$ 2,941,800
Tax Exemption on CDD Property	-	(125,000)	(128,800)	(132,700)	(136,700)	(140,800)
Tax Increment (City Portion)	1,121,225	1,423,070	1,438,734	1,457,286	1,501,000	1,546,000
Other Revenue	55,000	-	-	-	-	-
Fund Balance Appropriations	41,432	-	-	-	-	-
Total Revenues	\$ 3,375,357	\$ 4,003,956	\$ 4,047,499	\$ 4,097,450	\$ 4,220,400	\$ 4,347,000
Expenditures						
Operating Expenditures	\$ 259,374	\$ 581,234	\$ 598,175	\$ 617,425	\$ 637,475	\$ 658,325
Debt Service	851,719	1,049,615	1,056,720	190,000	190,000	190,000
YMCA	1,500,000	500,000	500,000	500,000	-	-
Land Acquisition Repayment	-	-	-	2,556,059	3,392,925	3,498,675
Interfund Transfers	764,264	1,873,107	1,892,604	233,966	-	-
Total Expenditures	\$ 3,375,357	\$ 4,003,956	\$ 4,047,499	\$ 4,097,450	\$ 4,220,400	\$ 4,347,000

- ☒ Agreement Approved by City Council
- ☒ Agreement Executed by City Manager
- ☒ Escrow Deposit Payment Made
- ☒ Initiate the process to establish a General Fund Line of Credit up to \$15M



☐ Evaluate Reducing General Fund Reserves

FUND BALANCE AT 25%	FUND BALANCE AT 20% (INCLUDED IN PROPOSED FY 2027 BUDGET)	FUND BALANCE AT 15%
Line of Credit \$14M	Line of Credit \$11M	Line of Credit \$7.5M
Estimated Annual Interest \$700K	Estimated Annual Interest \$550K	Estimated Annual Interest \$390K
Reserves Balance Left \$16.8M	Reserves Balance Left \$13.8M	Reserves Balance Left \$10.3M

BUDGETARY ASSUMPTIONS:

LAND PURCHASE	\$17M
LAND CLOSING COSTS	\$500K
LINE OF CREDIT CLOSING COSTS	\$200K



- ☐ Assign any future General Fund Reserves over the 20% goal to debt repayment
- ☐ Amend CRA Plan to clearly delineate the use of TIF dollars for repayment to the General Fund
- ☐ Assign any Future CRA dollars to the repayment of Line of Credit and Interest as Incurred
- ☐ Initiate Marketing Plan for Sale of Prime Parcels



Millage Rate



Next Steps:

- September 23rd – Adopt the Millage Rate of 4.1387
- Adopt the FY26 Revised Budget and the FY27 Tentative Budget

	Rate	Tax Revenue
Rolled-Back Rate	4.1387	\$45.5M
2027 Majority Vote	4.1387	\$45.5M
2027 Maximum Millage	4.2296	\$46.5M
2026 Adopted Millage	4.0893	\$44.9M
2027 Proposed Millage	4.1387	\$45.5M



Action	Hearing Dates
Adopt Final FY 2027 Budget & Millage Rate	<u>Final Public Hearing:</u> Wednesday, Sept. 23 rd , 5:15PM

