Revised

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

City Manager Introduction

July 23, 2026

City Manager's Budget Message

- **We are facing one of the most challenging years in PSL history with the budget.**

- Looming state legislative actions created significant uncertainty.

- There are so many uncertainties, we have updated the budget several times in the past three months.

    - Key pressures included uncertain revenues, rising operating costs, infrastructure needs, and public safety commitments.

    - Every expenditure was carefully reviewed.

CITY OF PORT ST. LUCIE
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Why So Many Uncertainties?

Senate Bill 4F

- The **maximum** property tax rate approved by a **simple majority** is now limited to the **true rolled-back rate**.
- Effective June 24, 2026.

House Joint Resolution 1F: Amendment 3 – Property Tax

- Increase homestead exemption to $150K beginning Jan. 1, 2027, and $250K beginning Jan. 1, 2028.
- Non-homestead property assessment growth cap reduced from 10% to 5%.
- **Property Tax Amendment on November 3rd ballot for voters to decide.**

CITY OF PORT ST. LUCIE
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Fiscal Impact of Property Tax Amendment

- **Reduces the largest City revenue source.**
- Property taxes are collected for the General Fund, Road & Bridge, and Crosstown Debt Service.

$26.3 Million	**$22.1 Million**	**$48.4 Million**
Lost revenue in year 1 **Includes GF, RB, & CD*	Lost revenue in year 2 **Includes GF, RB, & CD*	2-Year Total Revenue Loss **Includes GF, RB, & CD*
20% Reduction	17% Reduction	37% Reduction

Fiscal 2026-27 is a Balanced Budget

- **We are focused on fiscal responsibility by:**
  - Maintaining current funding level, accounting for inflation and contractual obligations.
  - Prioritizing core services.
  - Not approving 184.2 requested positions, $28.3M.
    - Unable to authorize 25 forecasted positions($2.7M) for FY27 for police officers and parks staff to address growing community needs and Torino Regional Park.

Fiscal 2026-27 is a Balanced Budget

- **We are focused on fiscal responsibility by:**
  - Deferring projects, including Public Works Admin Building

Deferred (10 projects totaling $7.8M) - due to potential property tax amendment

- Marshall Parkway & I-95 Interchange PD&E Study $2M
- Community Center Interior Renovation $500K
- Community Center Retractable Walls $300K *(moved to FY26)*
- McChesney Park Inclusive Playground Replacement $1.6M
- Port St. Lucie Elementary Renovations $250K
- Riverland Paseo Park Parking Lot Expansion $1.3M
- Sportsman's Park Sports Lighting $807K *(moved to FY26)*
- MIDFLORIDA Event Center Garage Roof Deck Lighting $200K
- Saints Golf Course Training Center $350K
- City Council Chambers Renovation $500K

CITY OF PORT ST. LUCIE
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Looking Ahead

Together, we will continue to:

- Be efficient fiscal stewards of taxpayer dollars,
- Address fiscal impacts of 2026 State legislative mandates, and
- Monitor proposed Constitutional Property Tax Amendment #3.

FISCAL 2026-27 PROPOSED BUDGET:

**PRESENTED BY
OFFICE OF MANAGEMENT & BUDGET**

JULY 23, 2026

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

121 SW Port St. Lucie Blvd.
Port St. Lucie, FL 34984
www.CityofPSL.com

CAROLINE STURGIS

Director, Office of Management and Budget

29
PROFESSIONAL YEARS

25
GOVERNMENT YEARS

CERTIFICATIONS/HONORS

- Certified Public Finance Officer
- Certified Government Finance Officer
- President, Florida Government Finance Officers Association – Treasure Coast

DEGREES

- Master of Business Administration

Navigating Growth & Challenges

- **FY26-27 Proposed Budget, most challenging in recent years.**

- Port St. Lucie continues to **grow**:
  - Over **55,000 new residents** in past 5 years
  - Florida's sixth-largest city
  - Second largest in South Florida
  - 86th-largest U.S. city (Census Bureau)

- Progress achieved amid **economic uncertainty**.
  - Local, state, and national levels
  - FY 26-27 is a balanced-budget
  - Fiscals 2028 and beyond are forecasted with structural deficits

- City remains committed to **fiscal responsibility** and the continued delivery of essential services.

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

Commitment to Excellence & Investment

- ✓ Historic commitment to quality and **efficient government** drives budget decisions.
- ✓ **Lowered property tax rates** for 10 consecutive years for a total of 25%.
  - ✓ (**3rd lowest** among Florida's 20 largest cities).
- ✓ **Reduced** City **debt by $400 million** (from over $1 billion).
- ✓ **Improved bond ratings** through strong financial performance and sound fiscal management.
- ✓ **Completed 50+ infrastructure projects** with Half-Cent Sales Tax Funding.
- ✓ **Continued investment** in infrastructure: roads, water, drainage, and public safety.
- ✓ **Expanded services** for a growing population while **decreasing staffing ratios**.
- ✓ **Building** the foundation to keep Port St. Lucie **safe and connected**.

City Manager’s Goals

THE CITY MANAGER’S FY 26/27

PROPOSED BUDGET IN BRIEF

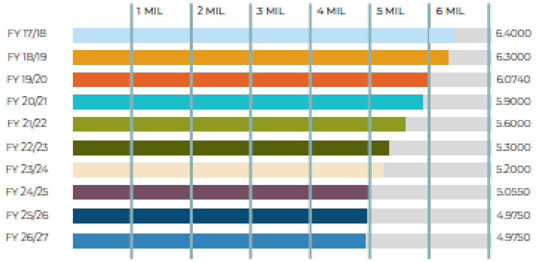
The Fiscal Year 26/27 Proposed Budget allocates resources to support Port St. Lucie’s Strategic Plan goals.

TAX BASE INCREASE

The estimated 2026 certified taxable value increased by 5.45% over 2025 certified value, because of increased growth and property appreciation, from $25.5 billion (FY25/26) to $26.9 billion (FY26/27) as of May’s preliminary certification.

MILLAGE RATE

Millage rate is the tax rate per $1,000 of taxable property value. The City’s proposed Operating Millage rate is 4.6607 per thousand for FY 26/27. The proposed total millage rate is 4.9750.



	FY 25/26 Tax Year City Taxes	FY 26/27 Assessed Value	FY 26/27 Tax Year City Taxes
Assessed Value	$250,026	$254,788	$254,788
Exemption Amount	$50,722	$50,722	$50,722
Taxable Amount	$204,066	$204,066	$204,066
City Total Millage Rate (per $1,000 of value)	4.9750	4.9750	4.9750
Total City Taxes per Year	$991.54	$1,015.23	$1,015.23
Difference with Proposed Millage Reduction			($0.00)

Although the median market value of an average single-family home in PSL is $356,563, the median assessed value by the County Property Appraiser is $254,788. The assessed value is used to determine the annual property tax.

121 SW Port St. Lucie Blvd., Port St. Lucie, FL 34984 | CityofPSL.com/Budget

FISCAL YEAR 26/27

12.12%
increase from FY 25/26 due to inflation and capital projects.

$975,299,561
All Funds Total Budget

GENERAL FUND

8.48%
$18 million increase from FY 25/26.

$230,551,950
General Fund Total Budget

CROSSTOWN VOTER DEBT

The voter-approved debt service millage for Crosstown Parkway remains at 0.3143

OPERATING MILLAGE

Operating Millage remains at 4.6607.

STORMWATER

Stormwater Fee will increase by $6 for a total of $195 for residential and $147.75 for vacant property.

SOLID WASTE

The Solid Waste Assessment Fee will increase to $482.16 per contractual obligations with the City’s solid waste vendor. Qualified residential homeowners are receiving a one-time credit of $364 or $64; thereby reducing the net assessment to $118 for longtime owners or $418.16 for newer owners.

UTILITY SYSTEMS

The Utility Operating System is increasing the water rate by 3.5%, while sewer rate remains the same.

$356,563
Median market value for a single-family home in Port St. Lucie.

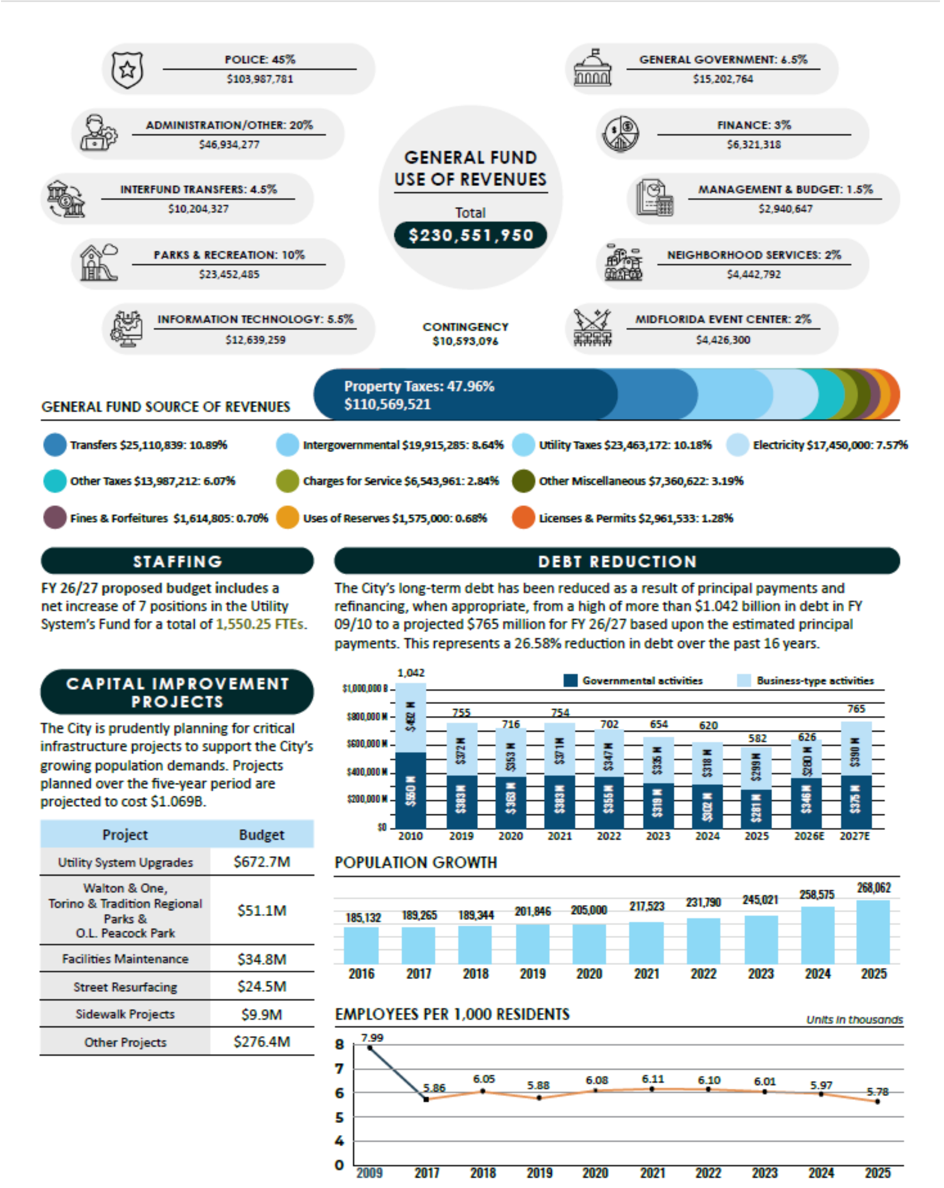
CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

- ✓ Advance City Council’s long-term Strategic Plan.
- ✓ Maintain ranking as the safest large city in Florida.
- ✓ Maintain current service levels – while meeting growing demands of residents and businesses.
- ✓ Maintain the City’s infrastructure, equipment, facilities, services and programs.

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

City Manager’s Goals



GENERAL FUND USE OF REVENUES
Total
$230,551,950

POLICE: 45% $103,987,781
ADMINISTRATION/OTHER: 20% $46,934,277
INTERFUND TRANSFERS: 4.5% $10,204,327
PARKS & RECREATION: 10% $23,452,485
INFORMATION TECHNOLOGY: 5.5% $12,639,259
CONTINGENCY $10,593,096
GENERAL GOVERNMENT: 6.5% $15,202,764
FINANCE: 3% $6,321,318
MANAGEMENT & BUDGET: 1.5% $2,940,647
NEIGHBORHOOD SERVICES: 2% $4,442,792
MIDFLORIDA EVENT CENTER: 2% $4,426,300

GENERAL FUND SOURCE OF REVENUES

Property Taxes: 47.96% $110,569,521
Transfers $25,110,839: 10.89%
Intergovernmental $19,915,285: 8.64%
Utility Taxes $23,463,172: 10.18%
Electricity $17,450,000: 7.57%
Other Taxes $13,987,212: 6.07%
Charges for Service $6,543,961: 2.84%
Other Miscellaneous $7,360,622: 3.19%
Fines & Forfeitures $1,614,805: 0.70%
Uses of Reserves $1,575,000: 0.68%
Licenses & Permits $2,961,533: 1.28%

STAFFING

FY 26/27 proposed budget includes a net increase of 7 positions in the Utility System’s Fund for a total of 1,550.25 FTEs.

CAPITAL IMPROVEMENT PROJECTS

The City is prudently planning for critical infrastructure projects to support the City’s growing population demands. Projects planned over the five-year period are projected to cost $1.069B.

Project	Budget
Utility System Upgrades	$672.7M
Walton & One, Torino & Tradition Regional Parks & O.L. Peacock Park	$51.1M
Facilities Maintenance	$34.8M
Street Resurfacing	$24.5M
Sidewalk Projects	$9.9M
Other Projects	$276.4M

DEBT REDUCTION

The City’s long-term debt has been reduced as a result of principal payments and refinancing, when appropriate, from a high of more than $1.042 billion in debt in FY 09/10 to a projected $765 million for FY 26/27 based upon the estimated principal payments. This represents a 26.58% reduction in debt over the past 16 years.

POPULATION GROWTH

EMPLOYEES PER 1,000 RESIDENTS

Units in thousands

- ✓ Focus on retaining valued staff and attracting highly skilled employees to enhance customer service.
- ✓ Meet City Council’s targeted General Fund Emergency Reserve levels of 20%, ($37.9M).
- ✓ Utilize one-time revenues for one-time expenses.
- ✓ Plan prudently and prepare the City to meet potential emergencies.

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

Agenda

Introduction
- Budget Strategy
- Proposed Budget Overview

Proposed Operating Budget
- Departmental Budgets

Proposed Capital Budget

City Manager Recommendations

INTRODUCTION

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

Budget Strategy

Aligns with the Adopted Strategic Plan.

Budget Approach:

Economic Considerations

Inflation

Prices for gas, food, supplies and materials still elevated.

City Capital Projects

Advance City Council Goals: safety, mobility, roadways, parks, recreation, job opportunities, public facilities, etc.

Since 2020:

- The cost for repaving a centerline mile has increased 58% - from $89,000 to $141,000.
- The cost for concrete has increased 30% from $160 per cubic yard to $180 per cubic yard.
- The cost for sidewalk projects has increased 140% from $625,000 to $1.5 million.

Interest Rates

Expected to remain or decrease.

Unemployment

Unemployment as of April 2026:
US - 4.3% ,
Florida - 4.8% ,
PSL - 5.2% .
(Source: U.S. Bureau of Labor Statistics).

Budget Approach:

Economic Considerations

Population Growth

Increased population requires additional public services for Police, Parks, Public Works, Building, Utilities and other departments.

Property Values

Proposed Budget – 5.45% increase.

Final Certified Value from Property Appraiser = 8.36% increase.

Existing property values = 4.66%

New construction/growth = 3.70%

Housing Market

Housing market has cooled in recent months. After steady gains during the pandemic, activity has slowed.

New housing decreased by 8% from 2024 to 2025.

Ad valorem taxable value increases expected to continue at a slower trend.

Homesteaded Property

Value increase is capped at 3% or CPI (2.7% for FY 26-27).

Proposed Budget

FISCAL YEAR 26/27

12.12%

Increase from FY 25/26 is due to inflation and new capital projects.

TOTAL FISCAL 2026-27 PROPOSED BUDGET $975,299,561

FY 2025-26 Adopted Budget $869,811,393

Most of the 12.12% increase is supported by the enterprise funds – not property tax dollars.

GENERAL FUND

8.48%

Increase from FY 25/26 is **$18M**.

TOTAL GENERAL FUND BUDGET $230,551,950

FY 2025-26 Adopted Budget $212,526,706

The General Fund $18M increase includes a $10M transfer from Government Finance Corporation for Sundance (North/South A) road construction and $8M in new revenue, which will be set aside in reserves to offset a potential revenue reduction from Amendment #3.

What's Driving the 12.12% Increase?

The main drivers are because of inflation and capital projects. Below is a list, but not all inclusive, of the capital projects moving forward in Fiscal 2026-27:

- Gatlin/Savona Phase II Widening *(Mobility Fees & Reserves)*
- California Widening *(Half-Cent Sales Tax)*
- Gatlin Resurfacing *(Half-Cent Sales Tax)*
- Sundance (North/South A) *(Government Finance Corporation)*
- Port St. Lucie Blvd. South Segment 1 (Becker to Paar) improvements *(Federal Dept of Transportation reimbursement)*
- Paar, Darwin, and Savona Roundabouts *(Gas Tax and Mobility Fees)*
- Oak Hammock Watershed Improvements *(Stormwater)*
- E-8 Downstream Repairs *(Stormwater)*
- Discovery Reverse Osmosis Water Treatment Plant *(Water & Sewer Fees)*
- Glades Wastewater Treatment Plant Expansion *(Water & Sewer Fees)*
- MIDFlorida Event Center Roof *(Tax Increment Financing)*

What's Driving the 12.12% Increase?

Capital & Infrastructure Projects
$78M

Ad Valorem Revenue
$6.4M

Inflation & Contractual Obligations
$11.1M

Personnel Services
$10M

- 7 New positions for USD
- Police salaries and overtime
- Health insurance, 9%

$105.5M Increase
FY27 vs FY26

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Revenue Assumptions

MILLAGE (TAX) RATE

- Maintain Debt Millage Rate to current Millage of 0.3143.
- Maintain Operating Millage Rate to current Millage of 4.6807.

TAXABLE VALUE

- 8.36% increase for FY 2026-27.

ECONOMIC REVENUES

- Slowdown in growth
- Conservative budgeting

PROPOSED RATE INCREASES

- A 3.5% increase in water rates is proposed, with no change to sewer rates. This would result in an average monthly bill increase of approximately $1.98.
- Stormwater Fees – $6 increase, to support new projects to mitigate flooding and maintenance costs.
- Solid Waste – $14.83 increase per contractual obligations with the City's solid waste vendor and County land disposal agreement. Qualified residential homeowners are receiving a one-time credit of $364 or $64; thereby reducing the net assessment to $118 for longtime owners or $418.16 for newer owners.

Expenditure Assumptions

CAPITAL COSTS:
- Maintaining inflationary costs.

HEALTH INSURANCE PROGRAM:
- Claims costs are rising.

SALARY COSTS:
- Contractual increase for Police sworn personnel only.

OPERATING COSTS:
- Inflation plus maintenance.

STAFFING LEVELS:
- FY 26/27= 7 New Enterprise funded FTEs for the Utility Systems Dept.

DEBT STRATEGY:
- Proactively pay down legacy obligations.
- Issue new debt for Paar Drive Intersection Improvements (Savona Blvd. & Darwin Blvd).

FUEL COSTS:
- Gas & Oil are based on fluctuating market values.

CITY OF PORT ST. LUCIE
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Proposed Property Tax Reform

City of Port St. Lucie to Lose **$48.4** Million in Revenue

2-Year Total Impact
$48.4M
Revenue Loss
37% Reduction

What's Being Proposed

- Increase homestead exemption from $50K to $150K January 2027
- Further increase exemption to $250K January 2028
- Reduces the largest City revenue source
- Reduces cap on annual assessment for non-homestead properties from 10% to 5%

PSL Year 1 (FY 27/28) Impact

- Annual Property Tax
  $131.5M to $105.2M
- **56%** of General Fund spending is **Public Safety**
- Projected **Revenue Loss**
  $26.3M
  20% Reduction
- Options to Address **Reduction**
  Increase millage, Increase fees, Use reserves, Eliminate capital projects, and/or Reduce level of service

PSL Year 2 (FY 28/29) Impact

- Annual Property Tax
  $105.2M to $83.1M
- **56%** of General Fund spending is **Public Safety**
- Projected **Revenue Loss**
  $22.1M
  17% Reduction
- Options to Address **Reduction**
  Increase millage, Increase fees, Use reserves, Eliminate capital projects, and/or Reduce level of service

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

Proposed Property Tax Reform

Year 1 Impact in Public Services

FISCAL YEAR 2027
Total Funds Supported By Property Tax
$268,537,151
(General Fund, Road & Bridge, and Debt Service Fund)

Current Proposed 2027

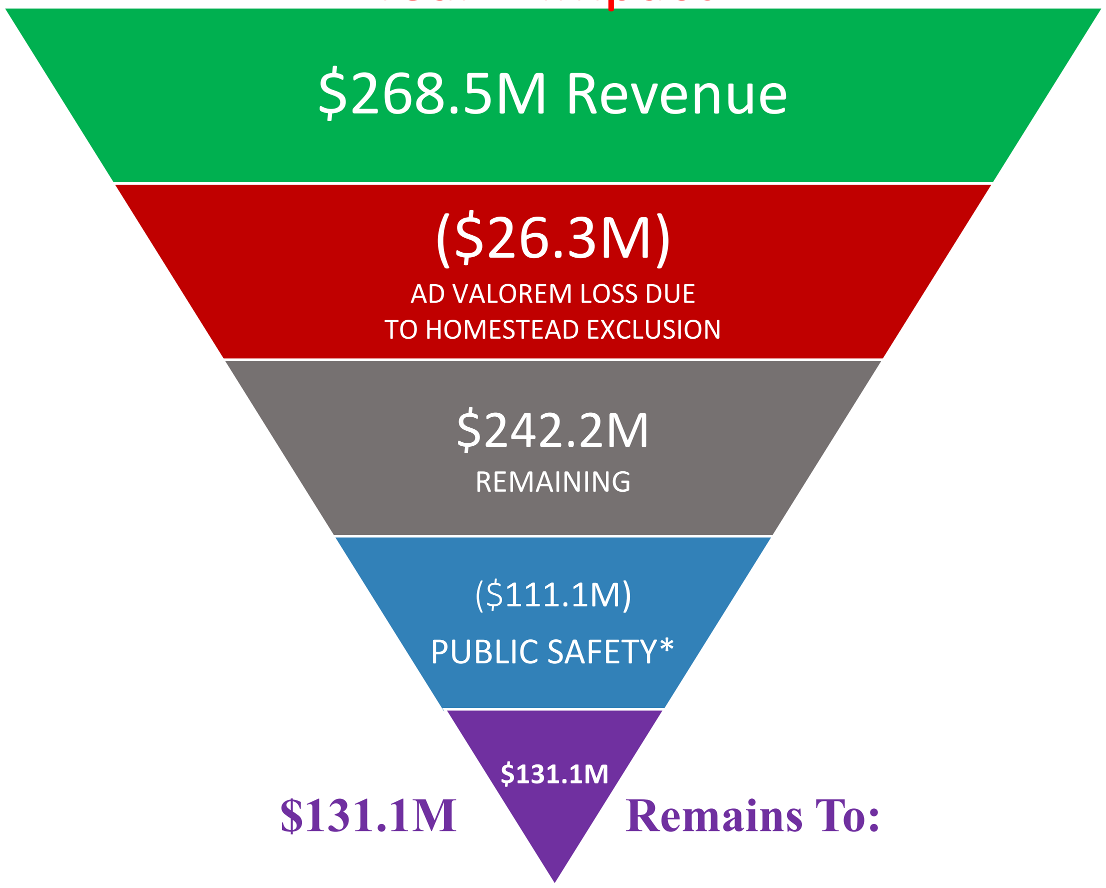
$268.5M Revenue

($111.1M) PUBLIC SAFETY*

$157.4M REMAINS

- **Operating and maintain parks, playgrounds and community centers**
- **Maintain Streets, sidewalks and buildings**
- **Maintain right of ways and landscaping**
- **Fund City Events**
- **Fund Capital projects**
- **Fund Debt Service**
- **All City Departments, staff & their operations**

Year 1 Impact



$131.1M Remains To:

- Operate and maintain parks, playgrounds and community centers
- Maintain streets, sidewalks and buildings
- Maintain right of ways and landscaping
- Fund capital projects
- Fund City events
- Fund debt service
- All City Departments, staff and their operations

***Public Safety includes law enforcement, code enforcement, and emergency management.**

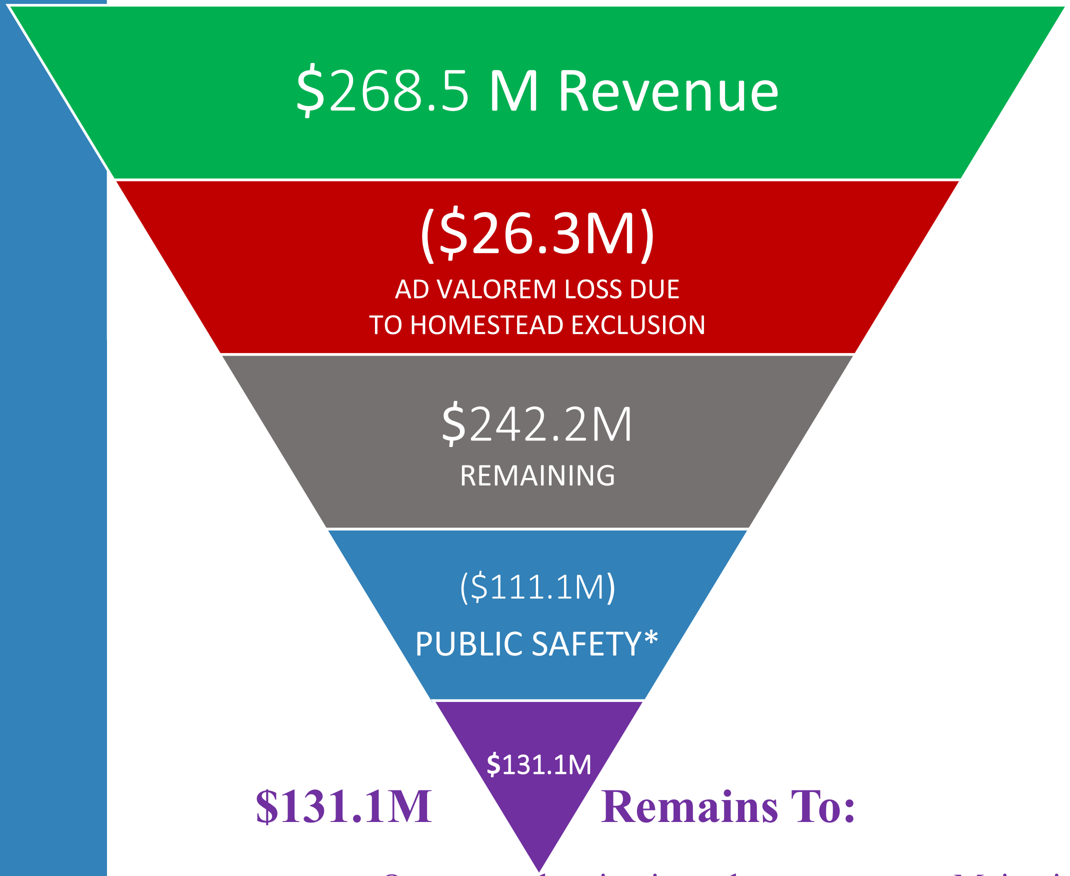
CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

Proposed Property Tax Reform

Two-Year Impact in Public Services

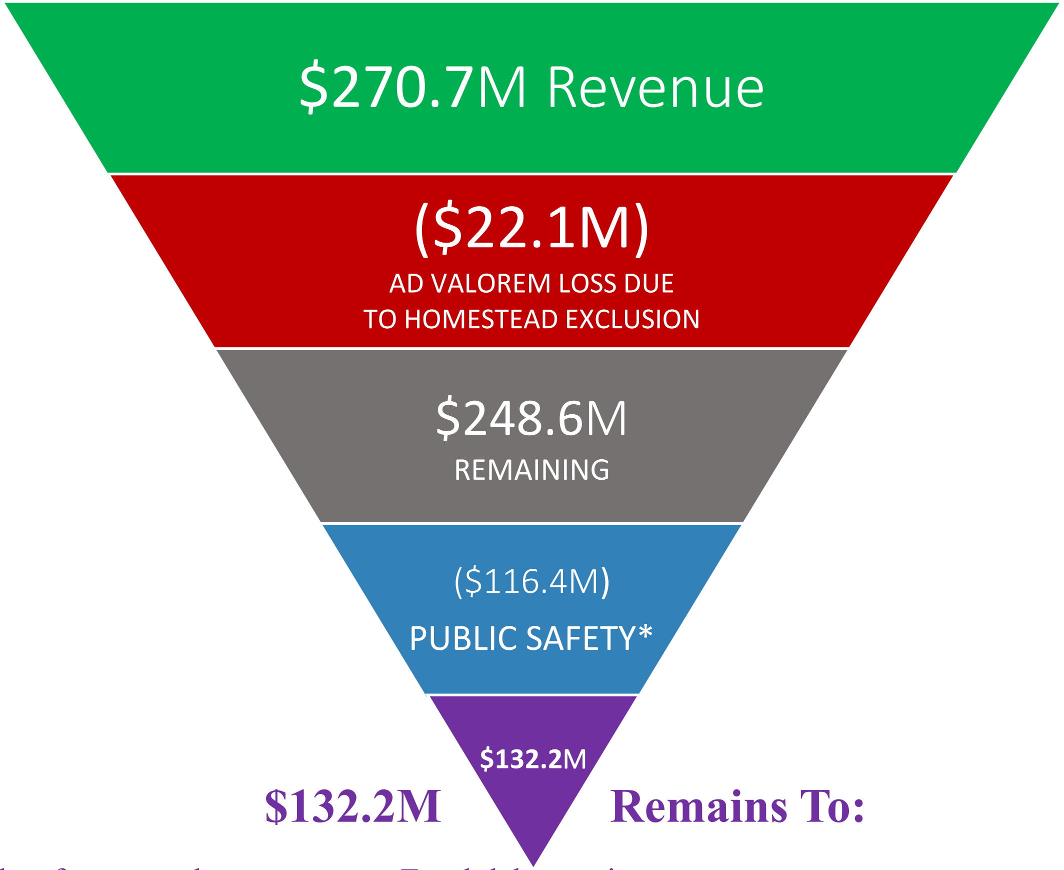
Year 1 Impact



$131.1M Remains To:

- Operate and maintain parks, playgrounds and community centers
- Maintain streets, sidewalks and buildings
- Maintain right of ways and landscaping
- Fund capital projects
- Fund City events

Year 2 Impact



$132.2M Remains To:

- Fund debt service
- All City Departments, staff and their operations

*** Public Safety includes law enforcement, code enforcement, and emergency management.**

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

PSL Prepares for a Potential Property Tax Reform

In preparation for potential property tax reform should Amendment #3 pass in November, the City of Port St. Lucie has already adjusted its budget. Steps taken include:

- ✓ Not allocating new revenue and set aside in reserves to help offset potential ad valorem revenue reduction.
- ✓ Maintaining current funding levels, except for the Utility Systems, and increases due to inflation and contractual obligations.
- ✓ Not adding new forecasted police officers and new parks staffing for Torino and Tradition BMX.
- ✓ Not offering cost of living adjustments for employees.
- ✓ Deferring capital projects – listed on slide #6.
- ✓ Deferring construction of the Public Works Admin Building.
- ✓ Deferring City Hall renovations and parking garage construction.
- ✓ Exploring increasing user fees to cover 90-95% cost of service.
- ✓ Prioritizing funding for core public safety and essential City services.
- ✓ Continuing to evaluate vacant positions before authorizing recruitment.
- ✓ Considering additional service level changes.
- ✓ Maintaining reserve levels in accordance with City policy to support long-term financial stability.

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

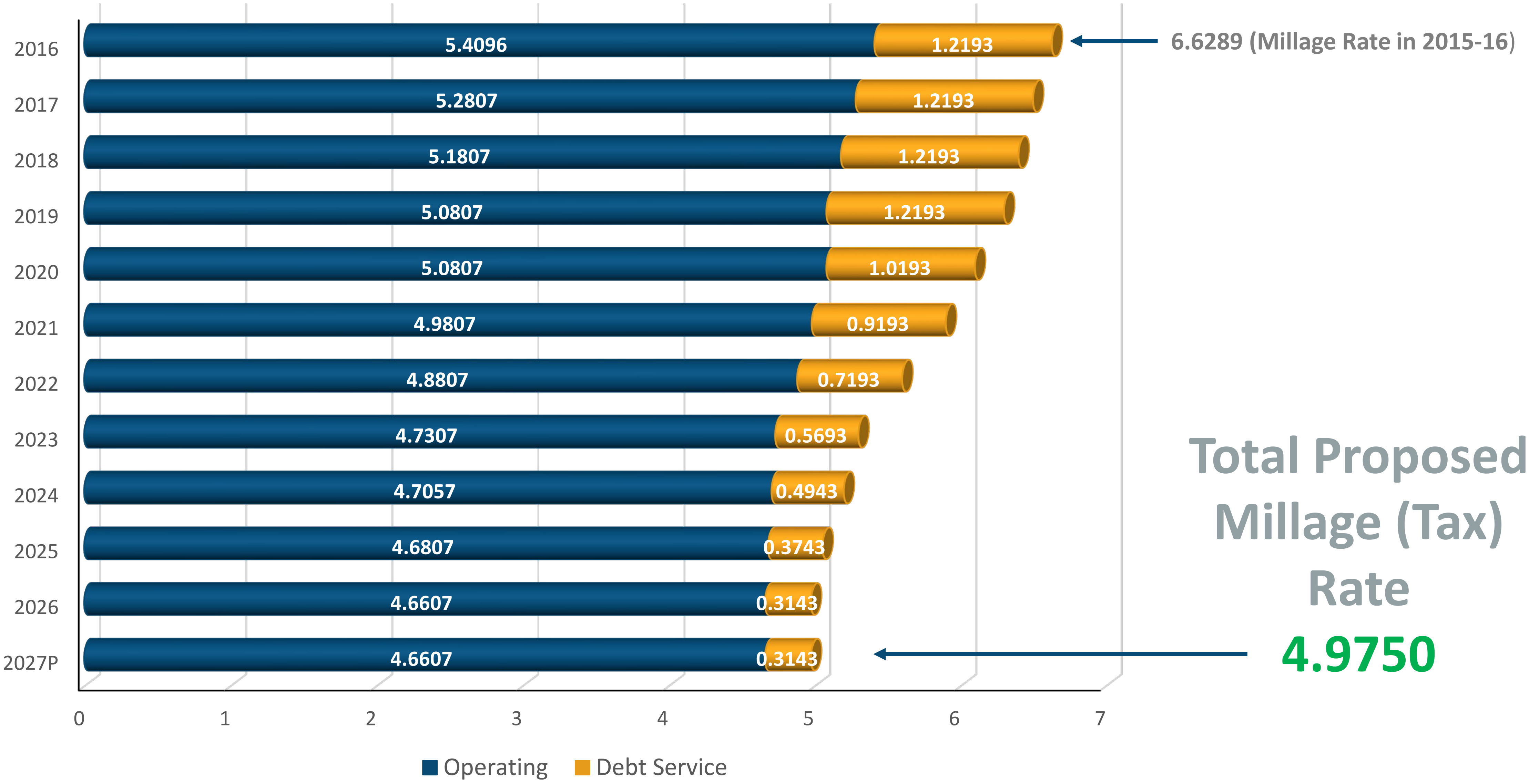
FY 26/27

Tax Base Increase

The Tax Base for 2026 increased by **8.36%** over the final adjusted value of 2025, due to increased growth and property appreciation.

City's final taxable value for 2026 is $27.7 Billion.

PSL Millage (Tax) Rate History



Total Proposed Millage (Tax) Rate

4.9750

Proposed Operating & Crosstown Voter Debt Millage (Tax) Reduced

Proposed millage (tax rate) would remain unchanged.

Proposed Operating Millage (Tax)	
Current	Proposed
4.6607	4.6607
No Reduction	

Proposed Crosstown Voter Approved Debt	
Current	Proposed
0.3143	0.3143
No Reduction	

Millage rate is the rate of tax per $1,000 of taxable property value. The Proposed City's Operating Millage rate is **4.6607** per thousand for **FY 26/27**. The Proposed City's Voter Approved Debt Millage rate is **0.3143** per thousand for **FY26/27**. The proposed overall total millage is **4.9750**.

11-Year Cumulative Taxpayer Savings ($1,974.40)

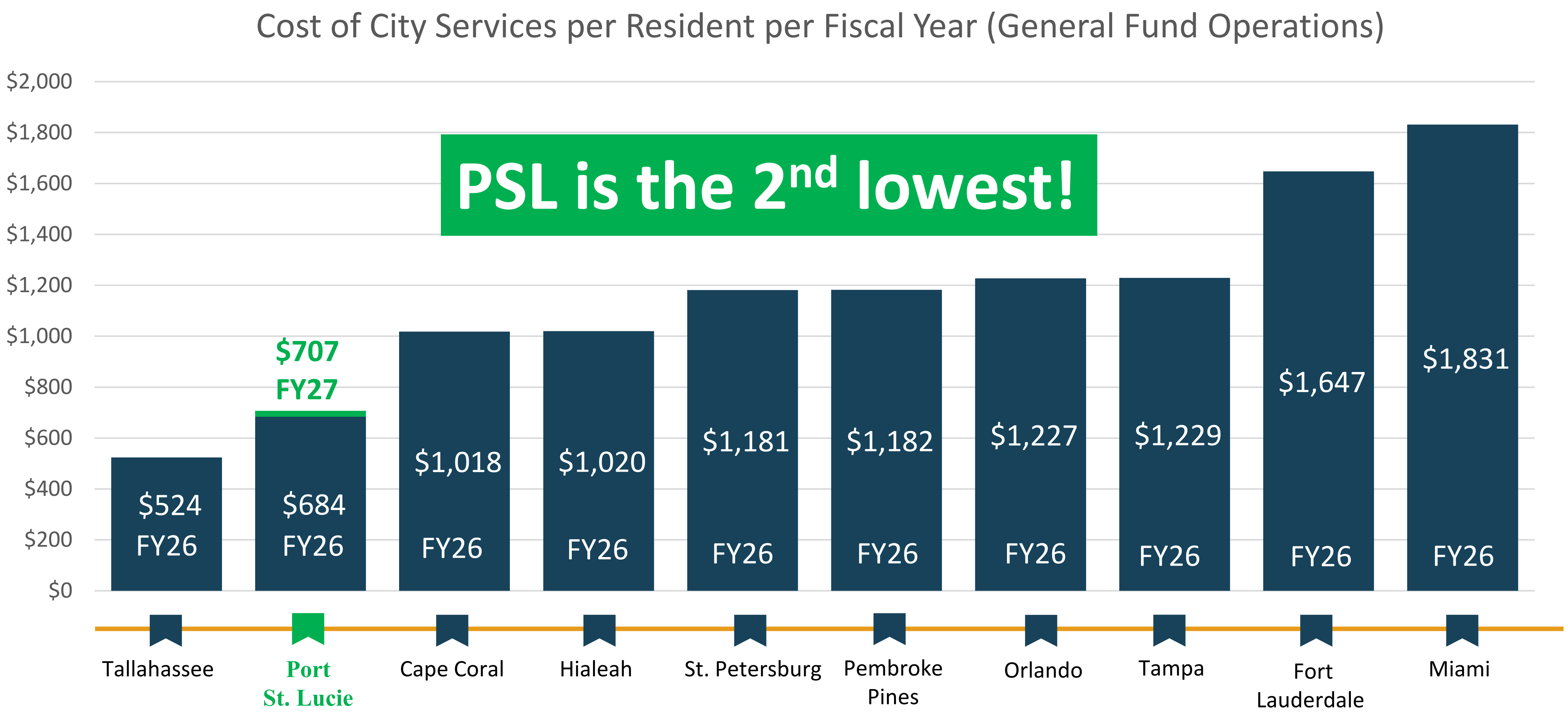
Impact of Incremental Millage Reduction

Compared to 2015-16 Millage of 6.6289 vs. Fiscal 2025-26 millage of 4.9750.

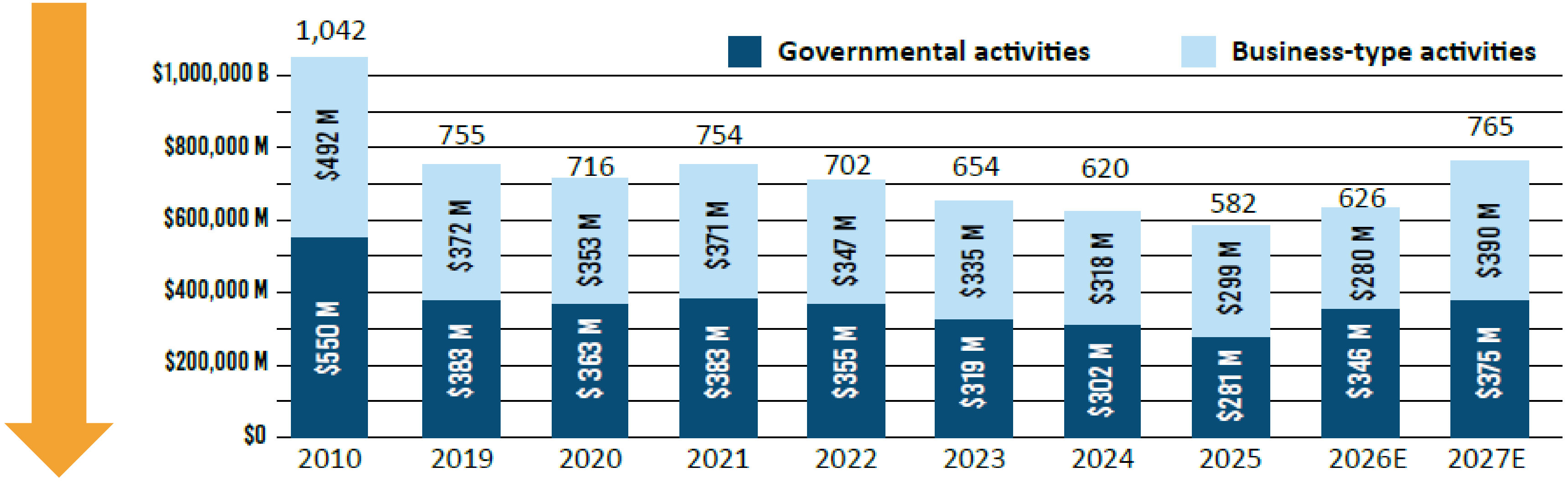
Year	Assessed Value	Homestead Exemption	Taxable Value	PSL Millage Rate	PSL Taxes	Year over Year Change	PSL Taxes @ 6.6289	Savings vs 2016 millage (6.6289)
2016	$200,402	$50,000	$150,402	6.6289	$997.00			
2017	$201,804	$50,000	$151,804	6.5000	$986.73	**($10.27)**	$1,006.29	**($19.57)**
2018	$206,041	$50,000	$156,041	6.4000	$998.66	**$11.94**	$1,034.38	**($35.72)**
2019	$210,367	$50,000	$160,367	6.3000	$1,010.31	**$11.65**	$1,063.06	**($52.74)**
2020	$214,363	$50,000	$164,363	6.0740	$998.34	**($11.97)**	$1,089.55	**($91.21)**
2021	$219,293	$50,000	$169,293	5.9000	$998.83	**$0.49**	$1,122.23	**($123.40)**
2022	$222,363	$50,000	$172,363	5.6000	$965.23	**($33.60)**	$1,142.58	**($177.34)**
2023	$229,033	$50,000	$179,033	5.3000	$948.87	**($16.36)**	$1,186.79	**($237.92)**
2024	$235,903	$50,000	$185,903	5.2000	$966.70	**$17.82**	$1,232.33	**($265.64)**
2025	$242,980	$50,000	$192,980	5.0550	$975.51	**$8.82**	$1,279.25	**($303.73)**
2026	$250,026	$50,722	$199,304	4.9750	$991.54	**$16.02**	$1,321.17	**($329.63)**
2027	$254,788	$50,722	$204,066	4.9750	$1,015.23	**$23.69**	$1,352.73	**($337.50)**
						11-Year Savings Total --->>		**($1,974.40)**

City Services – Cost Per Resident

Top Ten Cities



Long-Term Debt



City's long-term debt; $277M (27%) lower than high of 2010.

- Reduction of $277M - due to regular principal payments and refinancing, when appropriate.
- New debt is being planned for issuance in FY27 for Road and Bridge, Stormwater, and Utilities projects.

- Government Activities: (Parks, Road & Bridge, Public Facilities, Special Assessments, CRA, etc.).
- Business **(Enterprise)** Type: (Utility System and Stormwater).

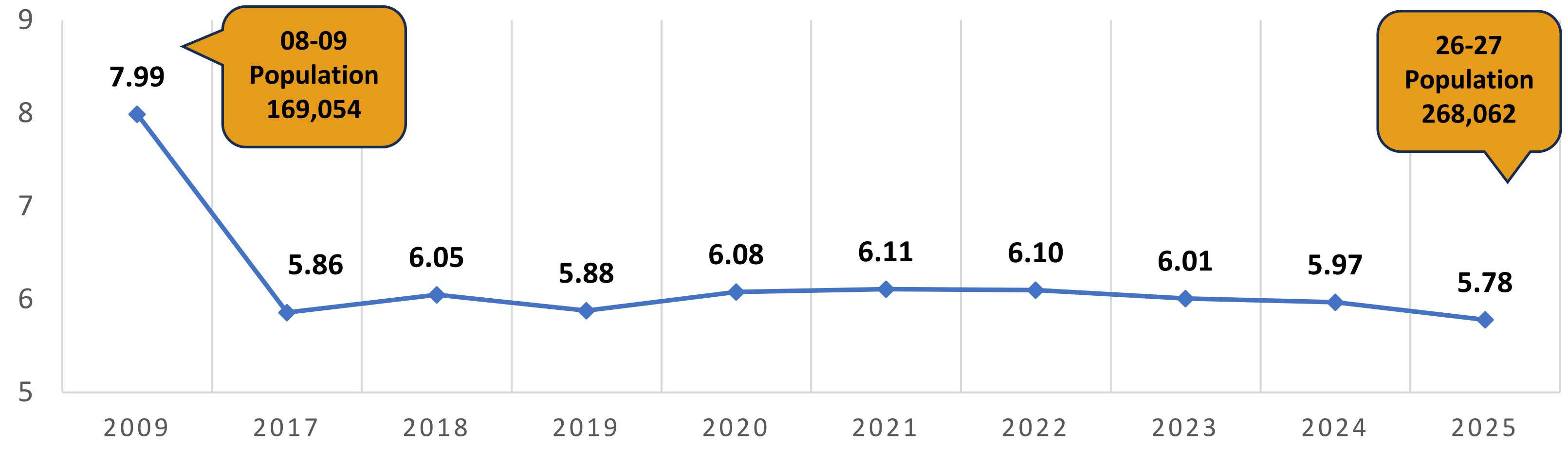
CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

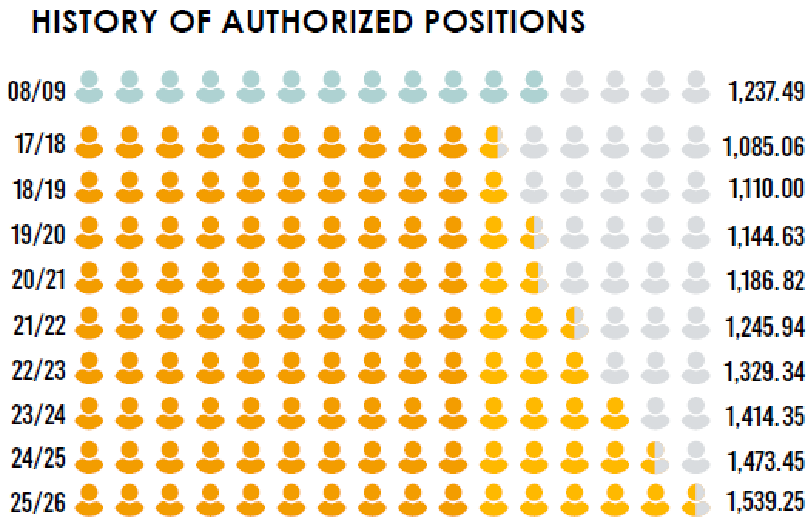
FY 26/27

PROPOSED STAFFING CHANGES

Staffing

Employees per 1,000 residents *Units in thousands*



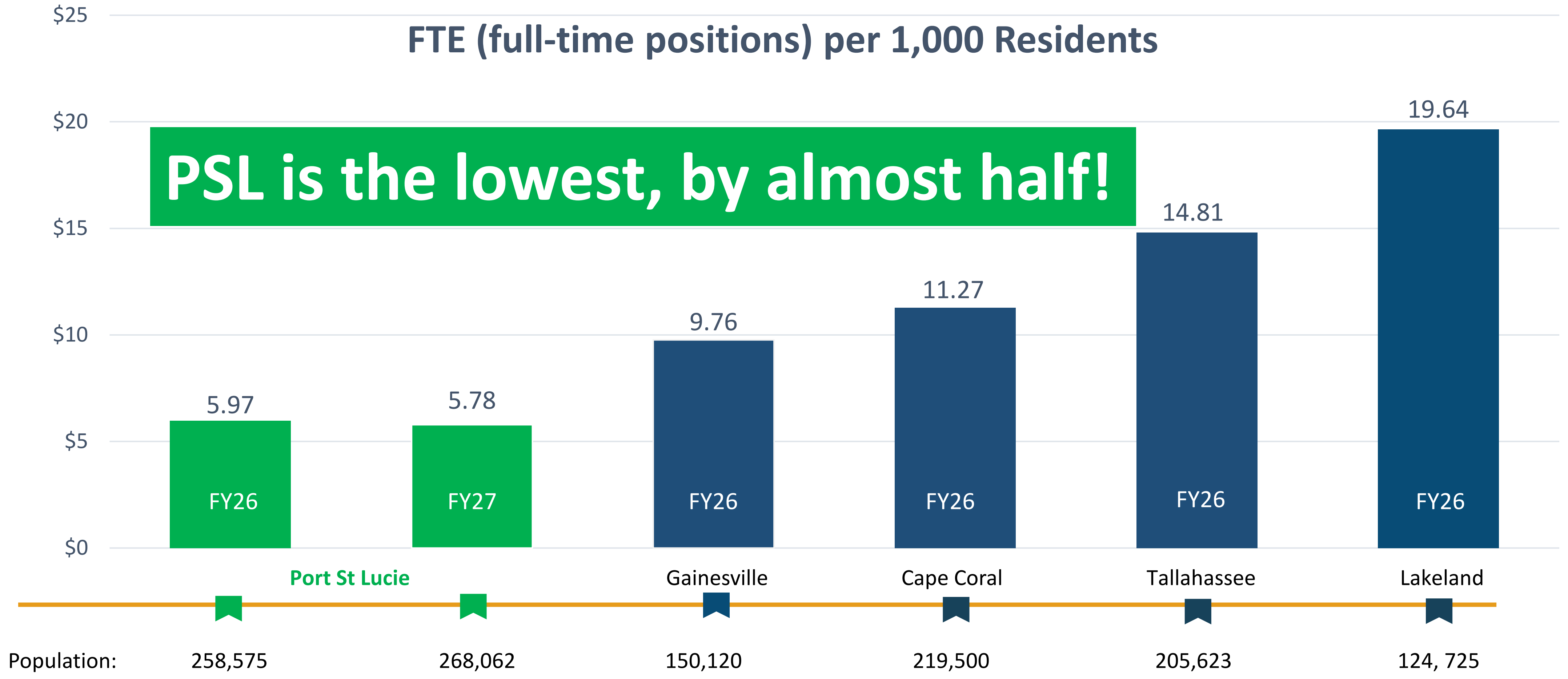


FY 26/27

- Full-time employees is proposed at 1,550.25.
- No new FTEs for the General Fund.
- 7 Enterprise-funded positions for Utility Systems Dept.

City Services – FTE per 1,000 Residents

PSL and Benchmark Cities



Opportunities

- New commercial and economic development.
- The Port District – commencement of construction on waterfront restaurants and food venues and increased use.
- Enhancements to the parks systems, the opening of Tradition and Torino Regional Parks.
- Expansion of commercial and industrial development across Port St. Lucie.
- Acquisition of grant funding resulting from advocacy efforts at the state and federal level.

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

Threats

- Accelerated demands on our traffic system to accommodate our changing City.
- Impact of development in our county and in counties adjacent to our City boundaries.
- Limited commercial resources to keep up with residents' needs.
- Changes in federal and state grant priorities.
- State legislation that could impact home rule and create unfunded mandates, as well as the proposed property tax reform.
- Inflation and rising costs for construction projects, goods and services.
- Potential impacts to the City's bond rating, increasing the cost of future capital projects.
- Rising fuel prices.

Outcomes

Responsible, fiscally conservative budget:

- Implement Strategic Plan priorities.
- Prudently manage debt strategies.
- Sustain positive bond ratings:
  - General Obligation, Moody's ratings upgraded to "Aa2" from "Aa3".
  - Utility Systems Revenue, Fitch's ratings maintained @ "AA".
- Maintain a high-quality service level.

City Staff is committed to:

- Being an efficient & effective government.
- Improving the quality of life for all citizens.
- Being an award-winning organization.

Port St. Lucie Florida All-America City NATIONAL CIVIC LEAGUE 2025

What Works Cities Certification SILVER

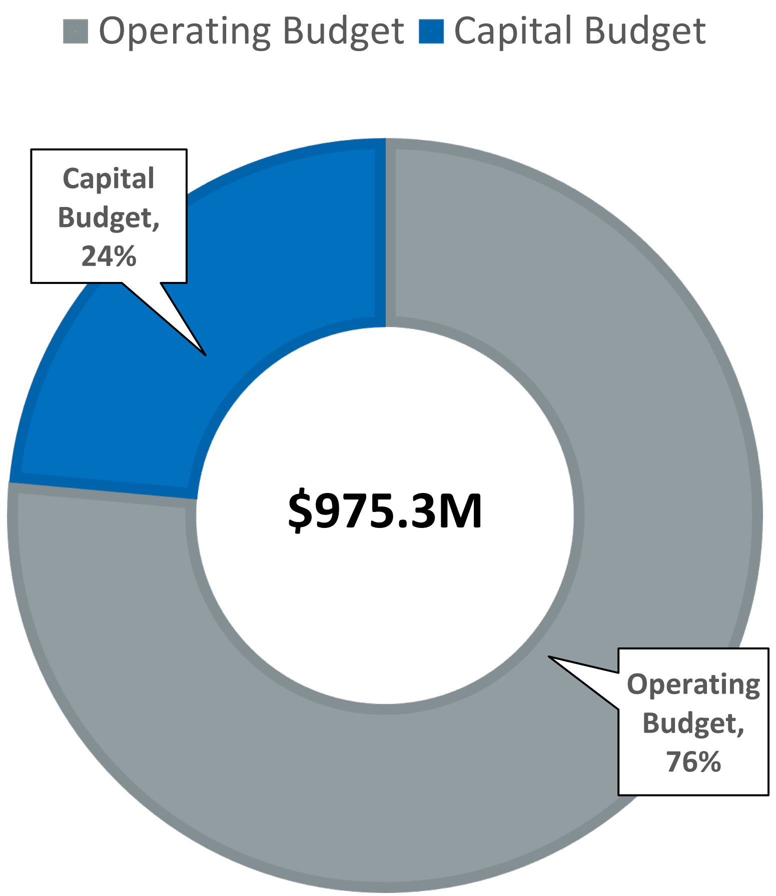
BUDGET OVERVIEW

Budget Overview

Fiscal Year 2026-27

- The City adopts one budget every year, which includes an Operating Budget and a Capital Budget.

- The City's Proposed **Operating** Budget for FY 2026-27 is **$745.5 million.**
- The City's Proposed **Capital** Budget for FY 2026-27 is **$229.8 million.**



CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

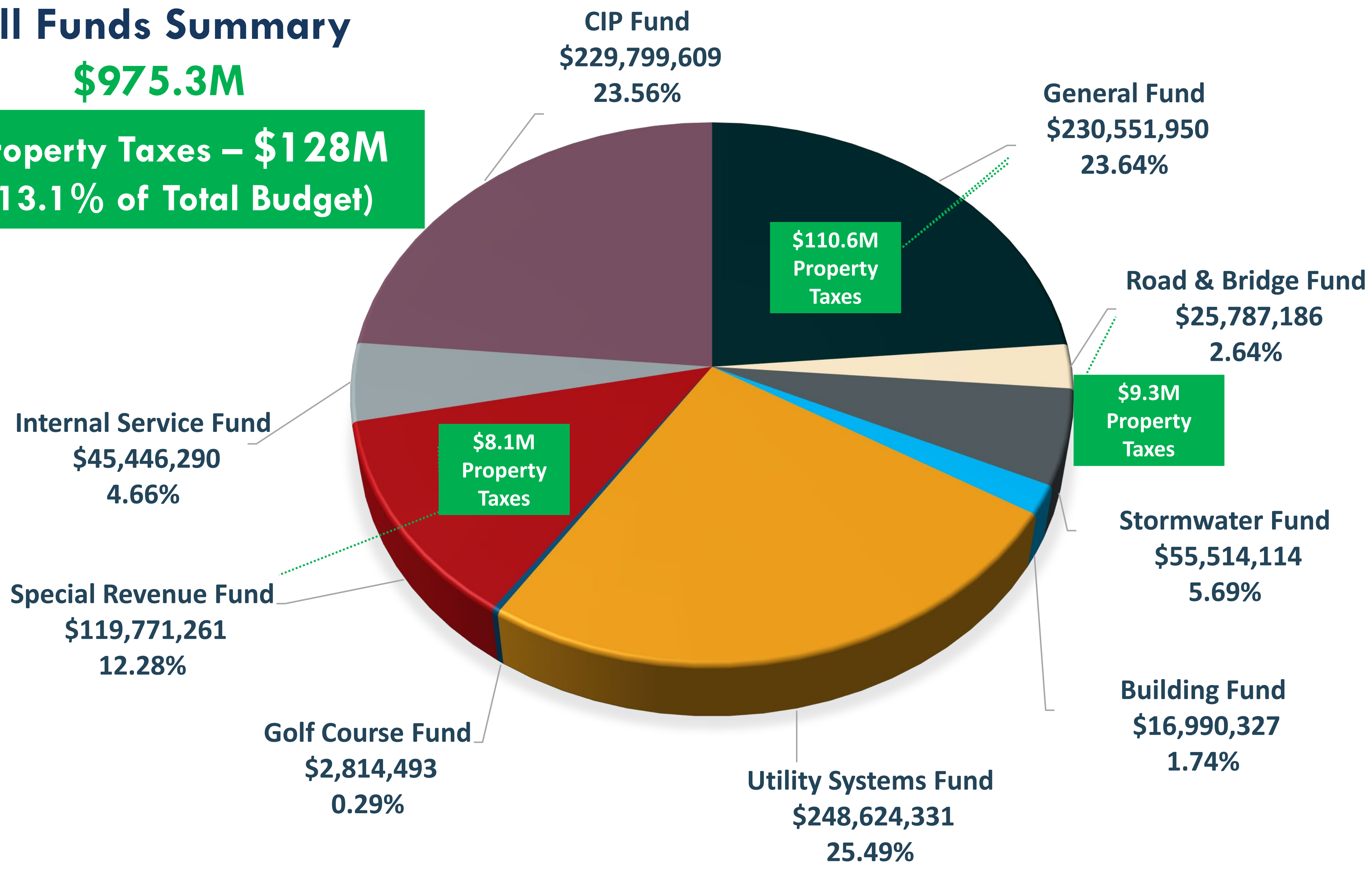
FY 26/27

Budget at-a-Glance

All Funds Summary

$975.3M

Property Taxes – $128M
(13.1% of Total Budget)



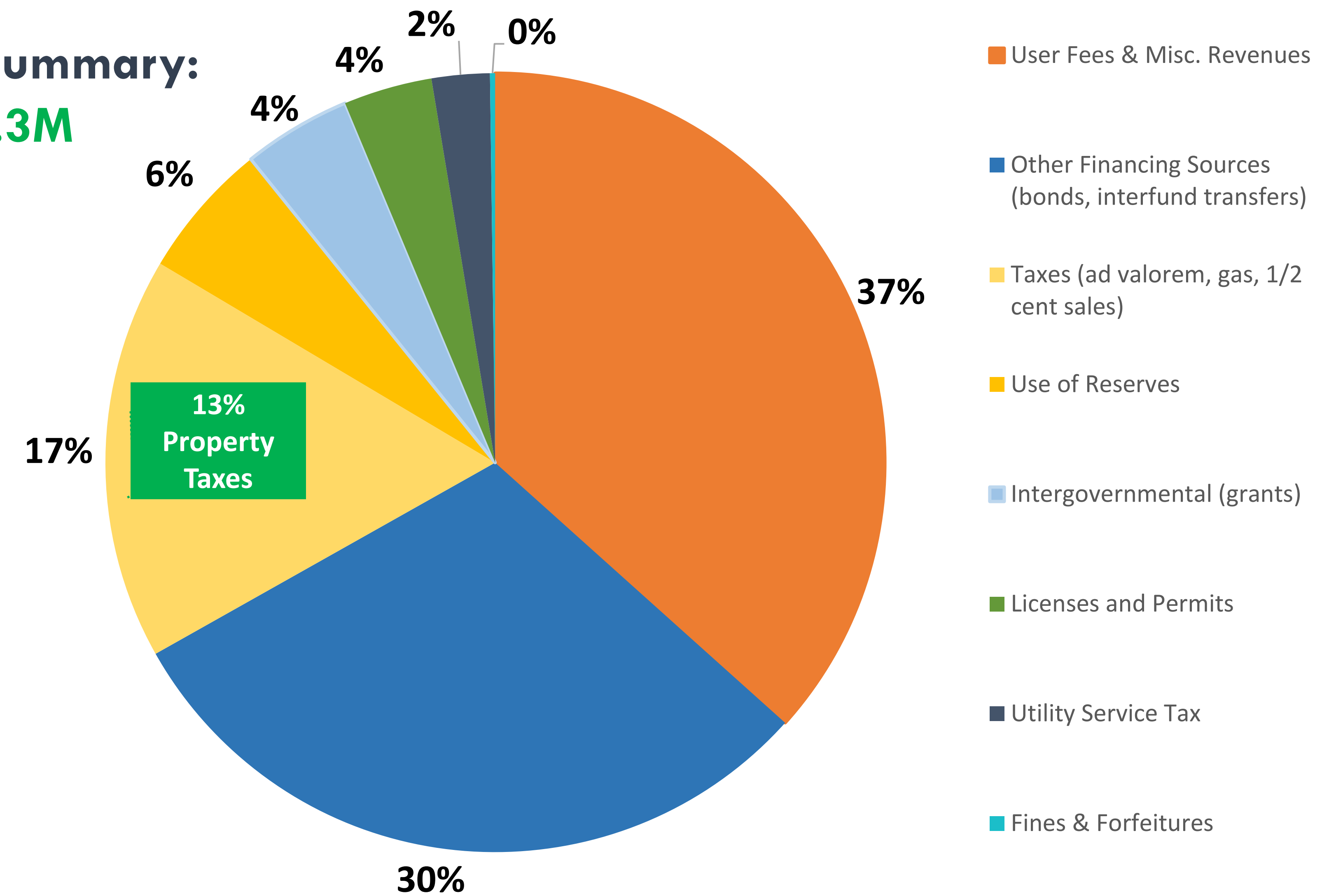
CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

Where Does the Money Come From?

All Funds Summary:

$975.3M

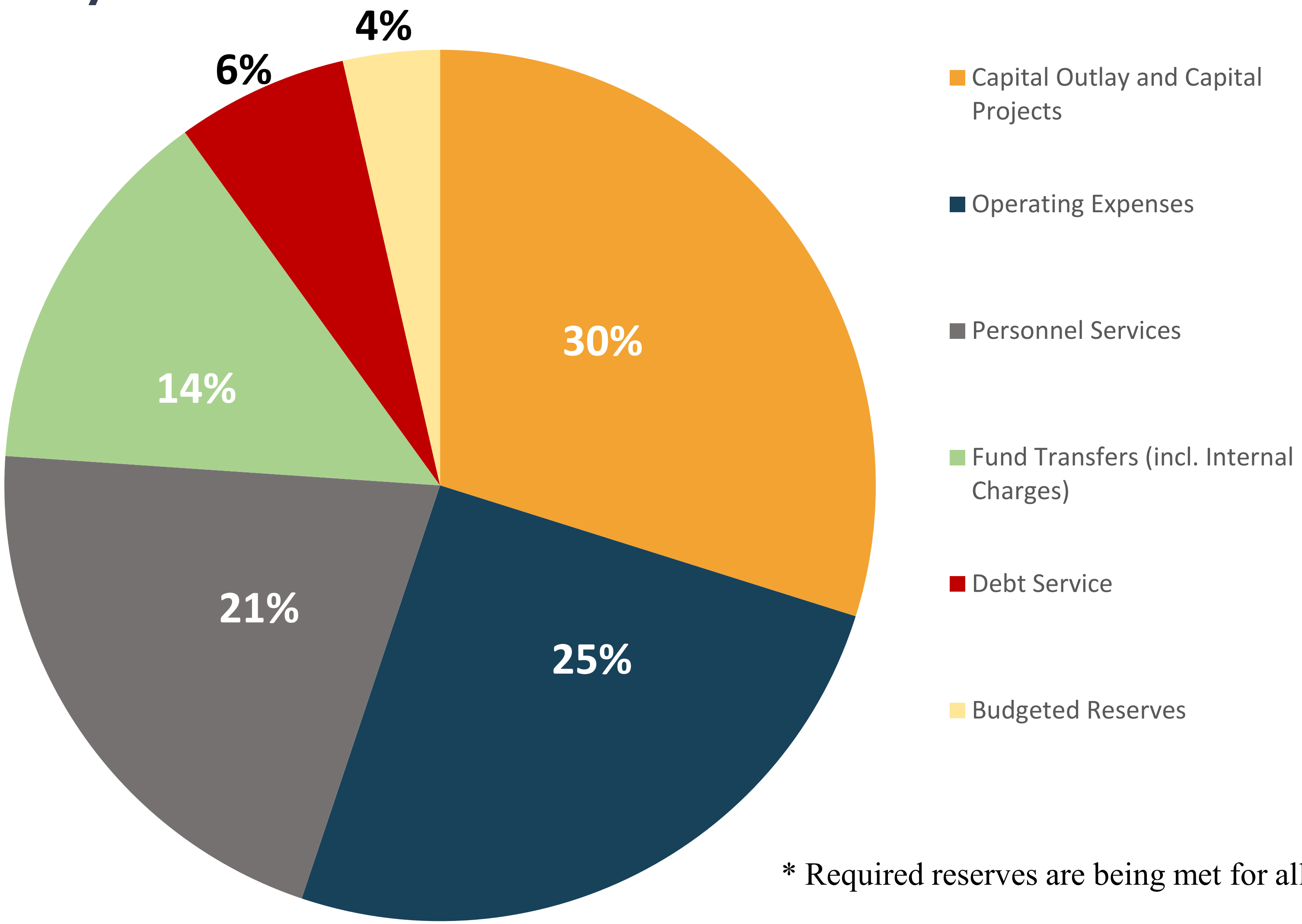


CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

Where Does the Money Go?

All Funds Summary:
$975.3M



* Required reserves are being met for all funds.

OPERATING PROPOSED BUDGET

Fund Types

- General Fund
- Special Revenue Funds
- Debt Service Fund
- Capital Project Funds
- Enterprise Funds
- Internal Service Funds (Medical)
- Trust Funds (OPEB)

Budget Constraints

- City funds are highly regulated by state laws & federal/state regulations over grants.
- General Fund can support other funds.
- Other funds can only support their specific operations / purposes.
- Emergency reserves policy.
- City's financial reports show cash committed for specific purposes.
- Some funds save money from year-to-year to complete large capital projects: parks, roads, stormwater, and utility improvements.
- Internal transfers may occur in different funds.

Proposed Budget

Items impacting most funds and departments:

- Operating costs are based on inflation, plus maintenance and repairs.
- Capital (outlay) spending fluctuates based upon needs of the departments.
- Liability insurance (general, auto, property) increases.
- Compensation adjustments, including healthcare.

Abbreviations

FY = Fiscal Year

A = Prior Fiscal Year Actuals
B = Current Fiscal Year Budget

E = Current Year Estimated Actuals

P = City Manager's Proposed Budget

N/A = Not Applicable

FTE = Full-Time Equivalent Employee(s)

For this presentation FTEs are rounded to whole #s.

Proposed Budget

- Recommends a spending plan of **$975.3** million.
- Maintains the total millage rate, unchanged.
- Maintains emergency reserves throughout all funds.
  - Including a set aside of new revenue to offset potential impact of Amendment #3.
- Advances critical infrastructure projects including:
  - Port St. Lucie Boulevard improvements ($26M).
  - Paar, Savona, and Darwin intersection improvements ($9M).
  - Road construction of Sundance North/South A ($10M).
  - Stormwater quality improvements ($18M).
  - Utility Systems renovations, upgrades, and expansions ($141M) – necessary to meet increased users' demands.
- Includes seven (7) new positions in the Utility Systems Fund to meet increase demands for City services.

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

DEPARTMENT BUDGETS

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

City Council

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$1,103,980	$1,133,920	2.71%
Operating Expenses	173,333	175,333	1.15%
Totals	$1,277,313	$1,309,253	2.50%
FTEs	3.00	3.00	
Highlights & Enhancements:			

- *Note: The five (5) City Council Members are not counted as FTE's.*

Proposed Budget
Book pages
107-112

City Manager

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$2,118,259	$2,209,219	4.29%
Operating Expenses	110,628	114,708	3.69%
Totals	$2,228,887	$2,323,927	4.26%
FTEs	9.00	9.00	
Highlights & Enhancements:			

*Two positions are vacant.

Proposed Budget
Book pages
113-118

Strategic Initiatives & Innovation

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$376,339	$391,087	3.92%
Operating Expenses	7,484	53,188	610.69%
Totals	$383,823	$444,275	15.75%
FTEs	3.00	3.00	
Highlights & Enhancements:			

* Adjusted operational funding to secure professional services that strengthen the City's capacity in innovation, data driven decision making, and strategic planning.

*SII division delivers high value, generating over $16.5 million in FY 2025 through grants and appropriations and driving cost saving efficiencies that reduce taxpayer burden.

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

Proposed Budget
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119-123

City Clerk

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$1,092,414	$1,111,378	1.74%
Operating Expenses	184,072	198,238	7.70%
Totals	$1,276,486	$1,309,616	2.60%
FTEs	9.00	9.00	
Highlights & Enhancements:			

* The Legistar expense, previously in IT's budget, has been shifted to the Clerk's Office.

City of Port St. Lucie
Heart of the Treasure Coast

Finance

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$5,344,573	$5,424,447	1.49%
Operating Expenses	704,911	896,871	27.23%
Totals	$6,049,484	$6,321,318	4.49%
FTEs	42.00	42.00	
Highlights & Enhancements:			

* Technology system migration to a Software-as-a-Service (SaaS) platform, a cloud-based model that reduces operational and cybersecurity liability.

Proposed Budget
Book pages
135-140

Human Resources

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$2,076,002	$2,194,616	5.71%
Operating Expenses	957,225	981,347	2.52%
Totals	$3,033,227	$3,175,963	4.71%
FTEs	16.825	16.825	
Highlights & Enhancements:			

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

Proposed Budget
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457-461

Medical Insurance Fund

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$404,296	$392,714	-2.86%
Operating Expenses	39,032,908	44,953,970	15.17%
Other Non-Operating Exp	90,551	99,606	10.00%
Totals	$39,527,755	$45,446,290	14.97%
FTEs	3.00	3.00	

Highlights & Enhancements:

* Increase reflects costs for wellness program payouts, contractual obligations, and rising health insurance claims.

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

Communications

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$1,819,873	$1,888,001	3.74%
Operating Expenses	968,847	980,283	1.18%
Totals	$2,788,720	$2,868,284	2.85%
FTEs	14.20	14.20	

Highlights & Enhancements:

Proposed Budget
Book pages
149-153

Neighborhood Services

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$3,536,931	$3,554,110	0.49%
Operating Expenses	830,958	888,682	6.95%
Totals	$4,367,889	$4,442,792	1.71%
FTEs	31.80	31.80	
Highlights & Enhancements:			

* Operational expense increase is driven by fuel cost and required technology replacements.

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

Community Development Block Grant

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$301,872	$361,840	19.87%
Operating Expenses	1,462,193	600,226	-58.95%
Totals	$1,764,065	$962,066	-45.46%
FTEs	3.20	3.20	

Highlights & Enhancements:

* Major decrease in Operating Expenses due to a reduction of Grant-funded projects.

Proposed Budget
Book pages
443-445

State Housing Initiative Partnership

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$212,327	$261,401	23.11%
Operating Expenses	2,005,363	2,005,363	0.00%
Totals	$2,217,690	$2,266,764	2.21%
FTEs	2.20	2.20	
Highlights & Enhancements:			

Proposed Budget
Book pages
155-159

Risk Management

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$637,059	$666,822	4.67%
Operating Expenses	73,016	74,792	2.43%
Totals	$710,075	$741,614	4.44%
FTEs	4.00	4.00	
Highlights & Enhancements:			

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

Information Technology

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$6,076,417	$6,257,735	2.98%
Operating Expenses	5,166,628	5,873,474	13.68%
Capital Outlay	1,067,674	508,050	-52.42%
Totals	$12,310,719	$12,639,259	2.67%
FTEs	43.00	43.00	

Highlights & Enhancements:

* Increase in operating expenses driven by enhanced physical security, required technology replacements, expanded dashboard reporting, added satellite and phone services for emergency operations, higher cabling costs, and additional repairs and maintenance for IT infrastructure.

* Reduction in capital outlay reflects the reclassification of IT purchases to operating expenses, as these items do not meet the City's capitalization criteria.

Proposed Budget
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175-180

Office of Management & Budget

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$2,379,819	$2,521,859	5.97%
Operating Expenses	428,982	418,788	-2.38%
Totals	$2,808,801	$2,940,647	4.69%
FTEs	16.00	17.00	

Highlights & Enhancements:

* The Fleet Manager position was transferred from Facilities Maintenance to the Office of Management & Budget Department.

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

General Government

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Operating Services	$5,232,624	$5,202,764	-0.57%
Capital Outlay	-	10,000,000	100.00%
Totals	$5,232,624	$15,202,764	190.54%
FTEs	0.00	0.00	

Highlights & Enhancements:

* Capital Outlay includes the North South A (Sundance) road construction project. Funds supported by a transfer to the General Fund from the Government Finance Corporation.

Fleet Management

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Operating Expenses	$251,403	$258,183	2.70%
Capital Outlay	42,000	-	-100.00%
Totals	$293,403	$258,183	-12.00%
FTEs	0.00	0.00	

Highlights & Enhancements:

* Reduction in Capital Outlay due to a one-time replacement of a fleet vehicle in FY25/26.

Proposed Budget
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185-188

City Attorney

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$2,850,428	$2,907,861	2.01%
Operating Expenses	664,793	664,793	0.00%
Totals	$3,515,221	$3,572,654	1.63%
FTEs	17.00	17.00	
Highlights & Enhancements:			

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

Proposed Budget
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189-194

Planning & Zoning

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$2,207,612	$2,267,017	2.69%
Operating Expenses	860,724	789,447	-8.28%
Totals	$3,068,336	$3,056,464	-0.39%
FTEs	17.30	17.30	

Highlights & Enhancements:

* Decrease in operating expenses reflects the elimination of one-time consulting services and recording scanning costs incurred in FY26.

Police

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$74,295,664	$81,307,943	9.44%
Operating Expenses	18,191,556	20,773,358	14.19%
Capital Outlay	2,192,900	1,906,480	-13.06%
Totals	$94,680,120	$103,987,781	9.83%
FTEs	468.23	468.23	

Highlights & Enhancements:

* Personnel Services include a contractual 5% salary increase for sworn officers.

* Operating increases due to new equipment leases, protective gear replacements, ammunition and training needs, expanded operational supplies, added technology and software services, including intelligence tools and radio applications. Also includes Real Time Intelligence Center and mandated system enhancements.

* Decrease in Capital Outlay due to one-time purchases last fiscal year.

Proposed Budget
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221-225

Emergency Management

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$455,445	$477,731	4.89%
Operating Expenses	216,225	218,958	1.26%
Totals	$671,670	$696,689	3.72%
FTEs	3.20	3.20	

Highlights & Enhancements:

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

Office of Solid Waste

Operating Fund #106	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$1,112,171	$1,091,453	-1.86%
Operating Expenses	2,023,313	552,588	-72.69%
Other Non-Operating Exp	-	874,023	N/A
Totals	$3,135,484	$2,518,064	-19.69%
FTEs	11.50	11.50	

Highlights & Enhancements:

* Major reduction in operating expenses due to the convenient drop-off center closure.

* Increase in Other Non-Operating Expenses reflects the transfer to the General Fund for reimbursement of prior support provided for the convenience drop-off center, as well as ongoing administrative support, including Information Technology, Human Resources, Finance, and Procurement.

Office of Solid Waste

Keep Port St. Lucie Beautiful	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$759,637	$738,044	-2.84%
Operating Expenses	244,677	241,590	-1.26%
Totals	$1,004,314	$979,634	-2.46%
FTEs	7.50	7.50	
Highlights & Enhancements:			

Proposed Budget
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239-246

Facilities Maintenance

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$2,402,736	$2,361,695	-1.71%
Operating Expenses	1,641,667	1,737,204	5.82%
Capital Outlay	120,000	120,000	0.00%
Totals	$4,164,403	$4,218,899	1.31%
FTEs	21.00	20.00	

Highlights & Enhancements:

* Personnel Services reflect the transfer of the Fleet Manager position to OMB.

* Increase in operational expenses to support the annual asset management software used to track facilities, equipment, work orders, and preventative maintenance.

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

Proposed Budget
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247-251

Office of Economic Development

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$194,946	$178,731	-8.32%
Operating Expenses	451,067	453,067	0.44%
Totals	$646,013	$631,798	-2.20%
FTEs	1.00	1.00	
Highlights & Enhancements:			

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

Parks & Recreation

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$12,592,249	$12,848,001	2.03%
Operating Expenses	9,074,645	10,413,384	14.75%
Capital Outlay	716,300	191,100	-73.32%
Totals	$22,383,194	$23,452,485	4.78%
FTEs	142.475	142.475	

Highlights & Enhancements:

* Increase reflects operational costs associated with the opening of the new Torino Regional Park and the BMX Facility at Tradition Regional Park.
* Decrease in Capital Outlay due to one-time funding for upgrades that are not required this year.

Saints Golf Course

PSL Saints Golf Course Fund #421	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$948,179	$909,469	-4.08%
Operating Expenses	1,325,745	1,437,350	8.42%
Capital Outlay	609,358	314,330	-48.42%
Other Non-Operating Exp	198,538	153,344	0.00%
Totals	$3,081,820	$2,814,493	-8.67%
FTEs	10.175	10.175	

Highlights & Enhancements:

* Increase in operational expenses driven by minimum wage adjustments for contractual services, swale maintenance contract, added crew member, and HVAC controller replacements.

* Decrease in Capital Outlay due to a one-time expense purchased in prior year.

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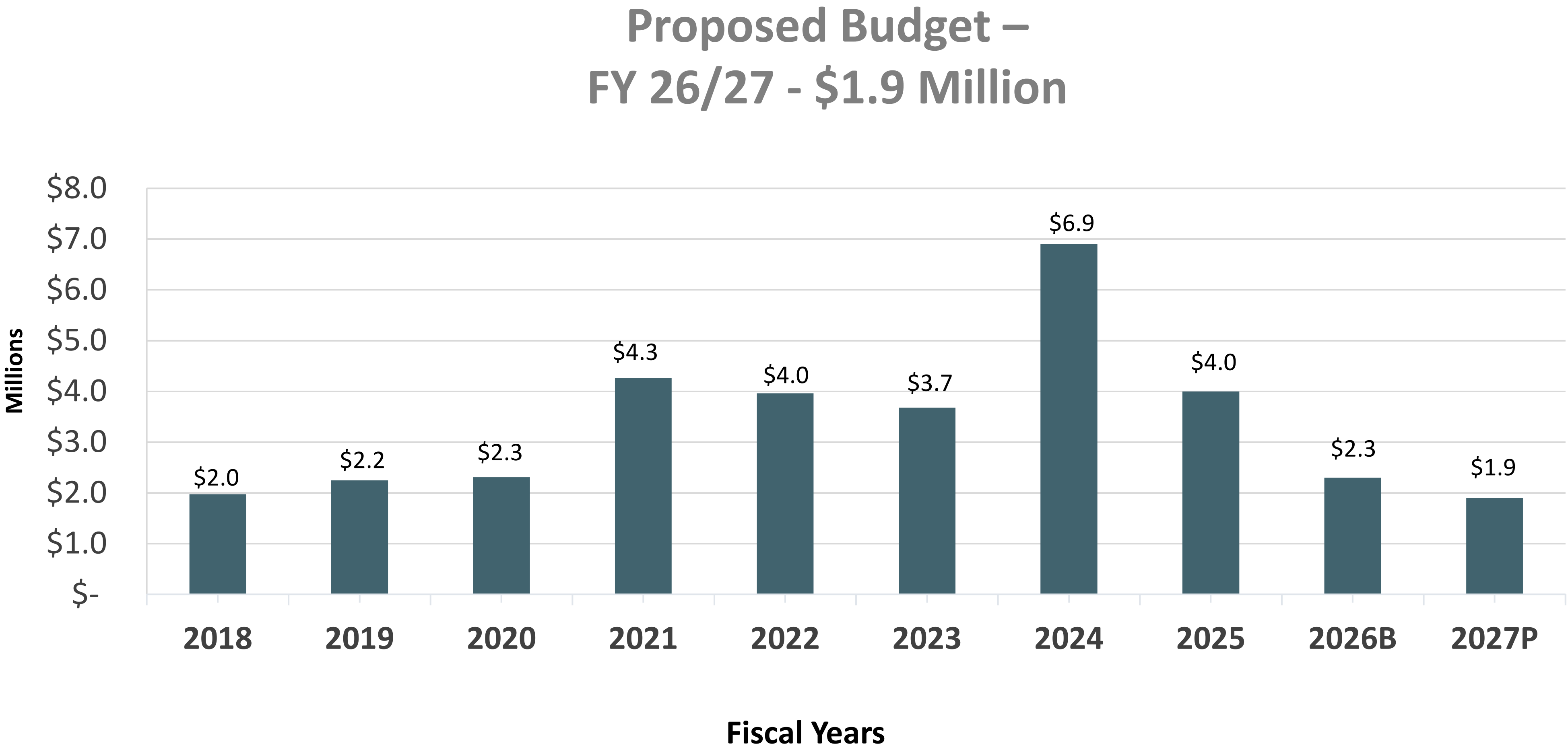
Parks Impact Fee Fund



Special Events

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$844,370	$757,338	-10.31%
Operating Expenses	1,271,738	1,316,846	3.55%
Totals	$2,116,108	$2,074,184	-1.98%
FTEs	6.00	6.00	
Highlights & Enhancements:			

* Increase in Operating Expenses due to needed vehicle-related repairs, including a cargo van, truck, and trailers.

MIDFLORIDA Event Center

	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$2,463,928	$2,486,241	0.91%
Operating Expenses	1,986,400	1,892,059	-4.75%
Capital Outlay	52,000	48,000	-7.69%
Totals	$4,502,328	$4,426,300	-1.69%
FTEs	25.12	25.12	
Highlights & Enhancements:			

Community Redevelopment Agency

CRA Fund #175	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$383,442	$428,387	11.72%
Operating Expenses	371,871	371,013	-0.23%
Debt Services	5,857,875	1,515,348	-74.13%
Other Non-Operating Exp	54,397	59,837	10.00%
Contingency	106,702	5,421,798	4981.25%
Totals	$6,774,287	$7,796,383	15.09%
FTEs	2.00	2.00	

Highlights & Enhancements:

* The proposed budget includes the bond payments for the MIDFLORIDA Event Center Exterior Painting, Front Plaza Upgrades, and Roof Restoration projects.

* Increase in Other Non-Operating Expenses due to internal service transfer to the General Fund for administrative support, including Information Technology, Human Resources, Finance, and Procurement.

* Reserves set aside in contingency for new debt in the CRA Fund.

Community Redevelopment Agency

Southern Grove CRA Fund #178	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Operating Expenses	5,041,606	6,190,002	22.78%
Other Non-Operating Exp	1,976	26,759	1254.20%
Totals	$5,043,582	$6,216,761	23.26%
FTEs	0.00	0.00	
Highlights & Enhancements:			

* The City collects the Tax Increment Financing (TIF) revenue from the General Fund, St. Lucie County, and the Road & Bridge Fund. Of this amount, 95% is returned to property owners to offset their Special Assessment Districts (SAD) payments.

Public Works

Road & Bridge Fund #104	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$9,517,397	$9,725,850	2.19%
Operating Expenses	14,686,151	13,651,182	-7.05%
Capital Outlay	818,000	100,000	-87.78%
Other Non-Operating Exp	2,066,316	2,310,154	11.80%
Totals	$27,087,864	$25,787,186	-4.80%
FTEs	80.00	80.00	

Highlights & Enhancements:

* Significant decreases in Operating and Capital Outlay are primarily due to one-time project-related expenses not required this year.

* Increase in Other Non-Operating Expenses due to internal service transfer to the General Fund for administrative support, including Information Technology, Human Resources, Finance, and Procurement.

Proposed Budget
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Public Works

Stormwater Utility Fund #401	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$6,858,986	$6,925,324	0.97%
Operating Expenses	21,977,024	25,051,963	13.99%
Capital Outlay	9,890,000	17,894,600	80.94%
Debt Services	2,685,380	3,452,743	28.58%
Other Non-Operating Exp	1,792,123	2,189,484	22.17%
Totals	$43,203,513	$55,514,114	28.49%
FTEs	68.50	68.50	

Highlights & Enhancements:

* Major increases driven by expected construction expenses for several projects, including Oak Hammock Watershed improvements, the Swale Liner/Culvert program, and Elkcam Basin upgrades.

* Increase in Other Non-Operating Expenses due to internal service transfer to the General Fund for administrative support, including Information Technology, Human Resources, Finance, and Procurement. This also includes a transfer to National Pollution Discharge Elimination System Fund for Personnel Services support.

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

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Public Works

Urban Beautification	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$291,606	$263,187	-9.75%
Operating Expenses	339,766	341,751	0.58%
Totals	$631,372	$604,938	-4.19%
FTEs	3.50	3.50	
Highlights & Enhancements:			

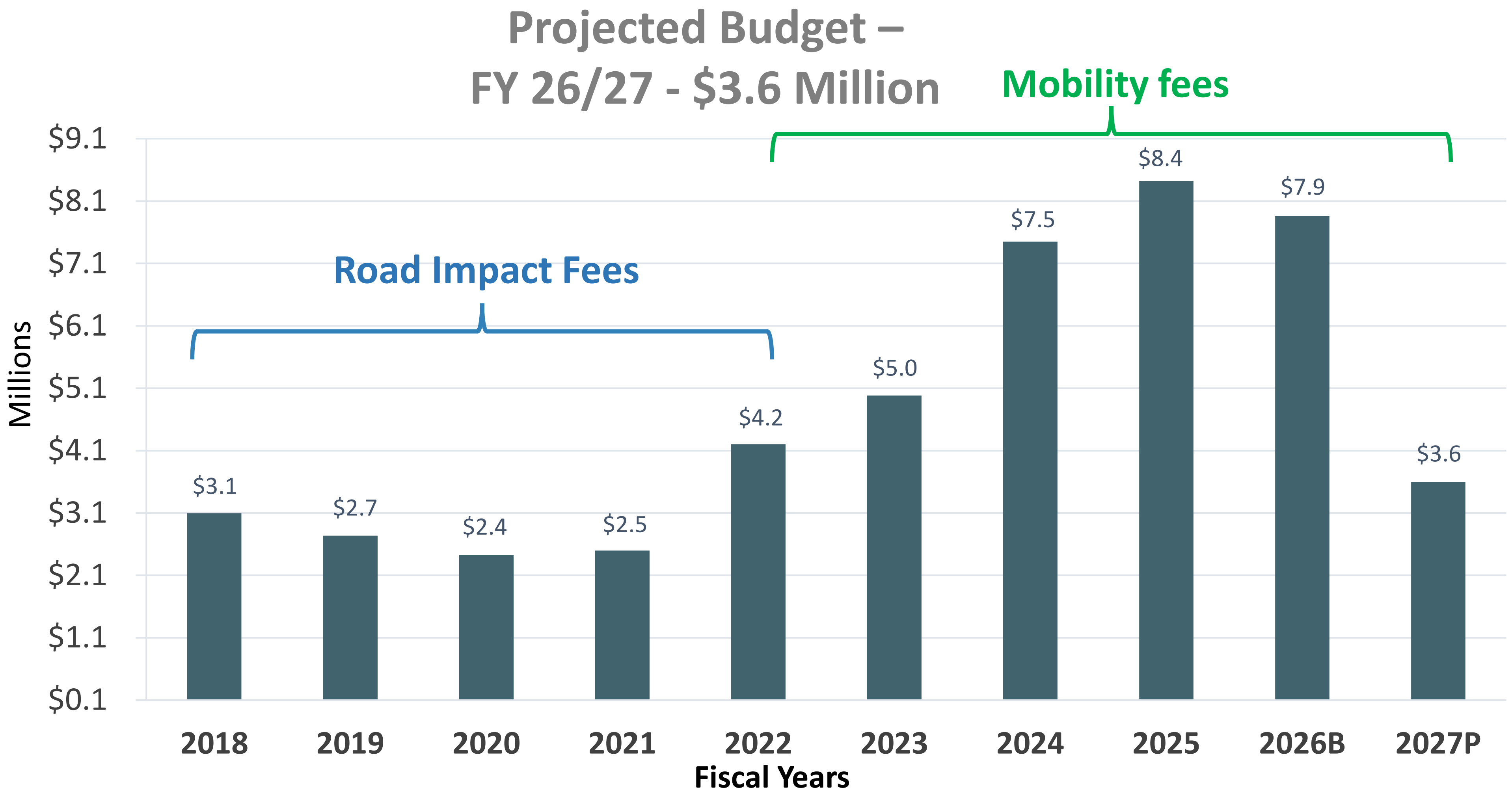
CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

Public Works

National Pollution – NPDES Fund #112	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$216,267	$225,911	4.46%
Operating Expenses	95,871	93,951	-2.00%
Other Non-Operating Exp	25,209	27,730	10.00%
Totals	$337,347	$347,592	3.04%
FTEs	2.00	2.00	
Highlights & Enhancements:			

* Increase in Other Non-Operating Expenses due to internal service transfer to the General Fund for administrative support, including Information Technology, Human Resources, Finance, and Procurement.

Public Works – Mobility Fees



*** In FY 21-22 Mobility fees replaced City road impact fees.**

Building Department

Building Fund #110	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$12,182,897	$12,619,949	3.59%
Operating Expenses	2,457,445	2,443,618	-0.56%
Capital Outlay	80,000	500,000	525.00%
Other Non-Operating Exp	1,300,731	1,426,760	9.69%
Totals	$16,021,073	$16,990,327	6.05%
FTEs	101.50	101.50	
Highlights & Enhancements:			

* Increase in Captial Outlay due to the needed replacement of 10 trucks that have reached 8–10 years of service life.
* Increase in Other Non-Operating Expenses due to internal service transfer to the General Fund for administrative support, including Information Technology, Human Resources, Finance, and Procurement.

Utility Systems

Operating Fund #431	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$34,946,871	$36,257,375	3.75%
Operating Expenses	28,239,583	32,105,269	13.69%
Capital Outlay	3,814,186	3,103,000	-18.65%
Debt Services	29,608,536	29,515,433	-0.31%
Other Non-Operating Exp	38,523,365	53,610,591	39.16%
Totals	$135,132,541	$154,591,668	14.40%
FTEs	339.20	346.20	

Highlights & Enhancements:

* 7 New FTEs: 1 Network Administrator, 3 Connection Support Specialists, 1 Plant Operator Trainee, 1 Financial Specialist, and 1 Cross Connection Technician.
* Operational expense increase driven by major factors such as sewer control panel upgrades, insurance costs, float disposal, sod restoration, plant and well field maintenance services, doubled sludge contract pricing, and the Korterra locate ticket system.
* New hydro-excavator, crane truck, and portable pump.
* Increase in Other Non-Operating Expenses are primarily attributable to transfers to the CIP Fund for capital improvement projects and internal service transfers to the General Fund for administrative support, including Information Technology, Human Resources, Finance, and Procurement.

Utility Systems

Water & Sewer Connection Fees Fund #439	FY 2025-26 Budget	FY 2026-27 Proposed	% Change
Personnel Services	$1,022,163	$1,023,415	0.12%
Operating Expenses	13,470,877	10,203,381	-24.26%
Capital Outlay	442,000	-	-100.00%
Other Non-Operating Exp	190,948	210,043	10.00%
Contingency	2,542,385	-	-100.00%
Totals	$17,668,373	$11,436,839	-35.27%
FTEs	7.00	7.00	

Highlights & Enhancements:

* Decrease in operating expenses due to the reduction in new water and sewer connection installations from 1,840 to 1,000.

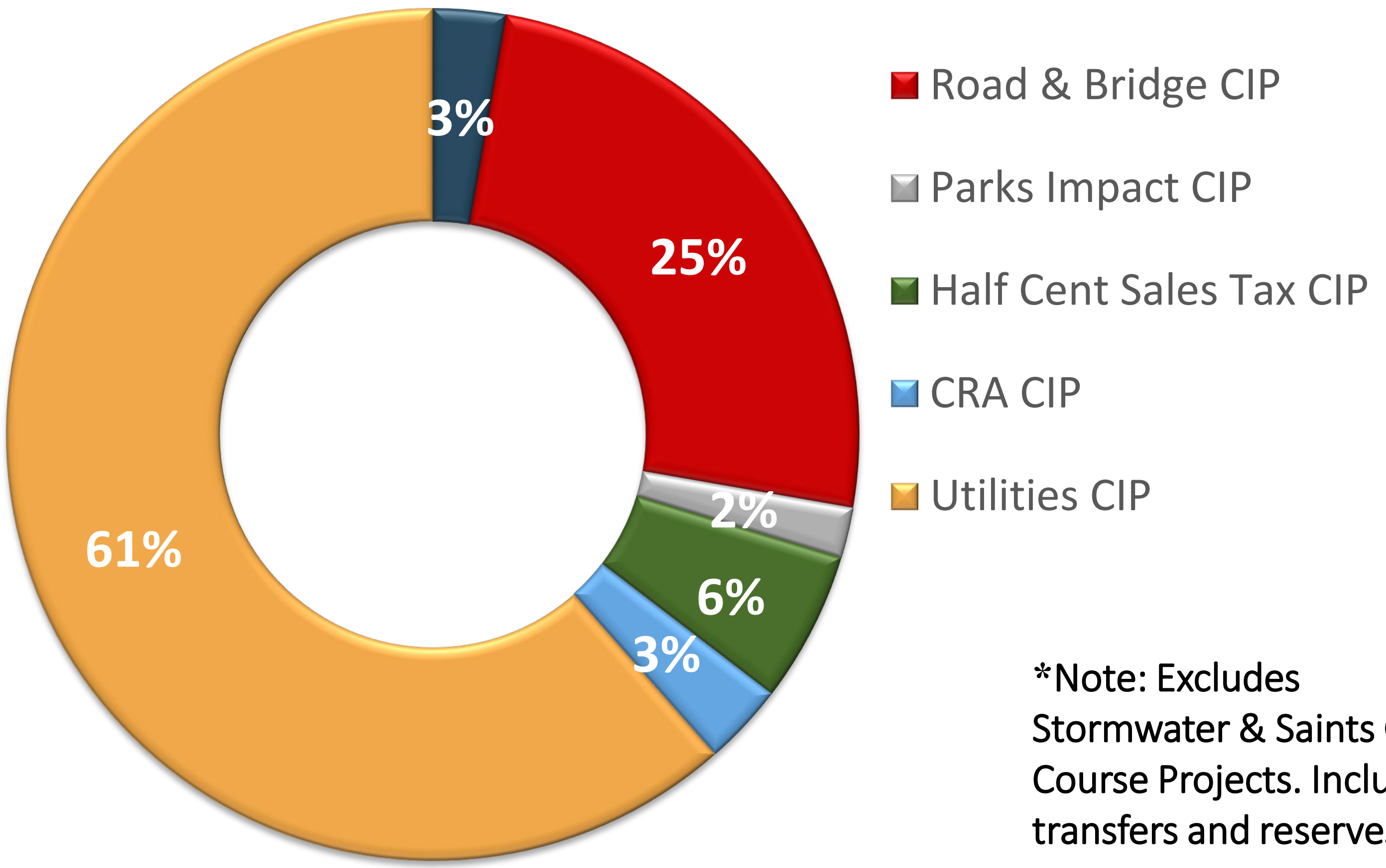
* Increase in Other Non-Operating Expenses due to internal service transfer to the General Fund for administrative support, including Information Technology, Human Resources, Finance, and Procurement.

CAPITAL BUDGET RECOMMENDATIONS

Proposed Budget
Book pages
465-617

FY 2026-27 Capital Budget

Recommended
One-Year Capital Expenditure Plan
$229,799,609



*Note: Excludes Stormwater & Saints Golf Course Projects. Includes transfers and reserves.

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

FY 26/27

Capital Budget Updates

- The City's Proposed **Capital Budget** for FY 2026-27 is **$245,756,526**
  - **Total includes Golf Course and Stormwater projects** funded by operating revenues, and reserves for future projects and does not include transfers.

- Proposed Capital Improvement Plan, including One-Year Capital Expenditure Plan **presented to City Council on April 20, 2026, and tentatively approved**.
  - **$244,528,641** (total includes Golf Course and Stormwater projects – excludes transfers).

- The difference from the April 20, 2026, tentatively approved CIP and **changes** total **$1.2M**.
  - 10 projects deferred
  - 1 project added

Capital Budget Updates, cont'd.

Deferred (10 projects totaling $7.8M) - due to potential property tax amendment

- Marshall Parkway & I-95 Interchange PD&E Study $2M
- Community Center Interior Renovation $500K
- Community Center Retractable Walls $300K *(moved to FY26)*
- McChesney Park Inclusive Playground Replacement $1.6M
- Port St. Lucie Elementary Renovations $250K
- Riverland Paseo Park Parking Lot Expansion $1.3M
- Sportsman's Park Sports Lighting $807K *(moved to FY26)*
- MIDFLORIDA Event Center Garage Roof Deck Lighting $200K
- Saints Golf Course Training Center $350K
- City Council Chambers Renovation $500K

Added (1 project totaling $9M)

- Paar, Savona, and Darwin Intersection Improvements $9M

Revised Proposed Budget

- City Taxable Value is increased by **8.36%** from 2025 based on final certification from the County Property Appraiser.
- The ad valorem revenue is **increased** by **$3.5 million**. Proposed Budget is amended as follows:
  - General Fund increase by $3.0M.
    - The general operating millage remains at 4.2991.
  - Road & Bridge Fund increase by $257K.
    - Millage remains at 0.3616.
  - Crosstown Debt Service Fund increase by $222K.
    - Millage remains at 0.3143.
- **The total proposed millage rate is maintained at 4.9750.**
- Additional revenue is set aside into reserves.
  - Total in Reserves is $13.5M. This will help offset a possible reduction in FY28 due Amendment #3.
  - Spending allocation will be decided after the outcome of Nov's election on Amendment #3.

CITY OF PORT ST. LUCIE
HEART OF THE TREASURE COAST

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Key Dates

❑ City Council Budget Hearings

- September 14 at City Hall @ 5:30 p.m.
- September 28 at City Hall @ 5:30 p.m.

Recommendations

- Action 1 - Formally set the preliminary millage rates. This is the millage rate that the City cannot exceed:
  - Operating millage rate of 4.6607 which is the same as the current year's rate.
  - Debt Service millage of 0.3143 which is the same as the current year's rate.
  - For a total millage of 4.9750.

- Action 2 - Tentatively approve additional staffing level recommendations for Utility Systems Department.

- Action 3 - Tentatively approve the proposed operating and amended capital budgets for the next fiscal year.
  - This recommendation includes a set aside of $10.4M in the reserves to offset a potential revenue reduction from Amendment #3.

CITY OF PORT ST. LUCIE
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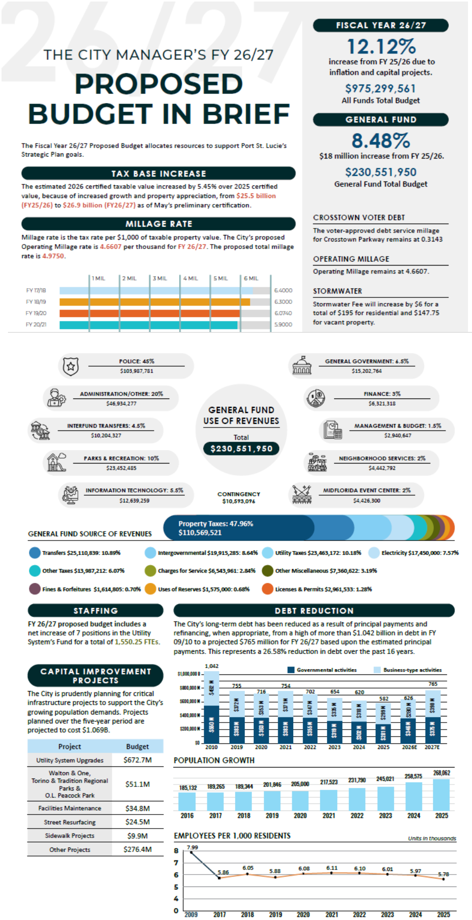
Recommendations, cont'd.

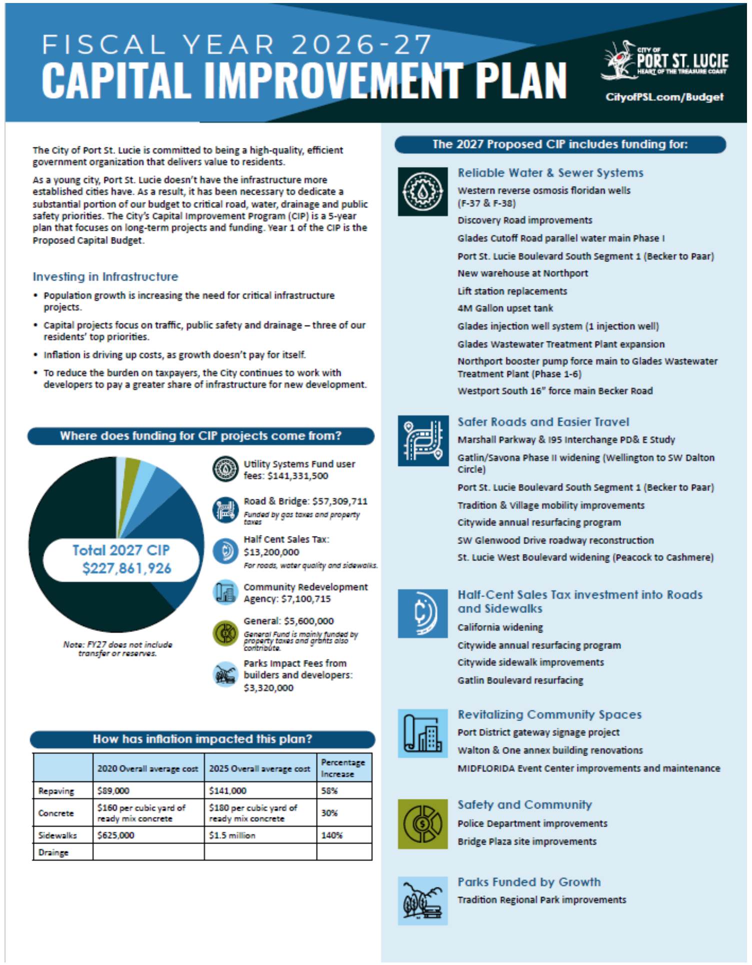
Authorize preparation and advertising for resolution/ordinance to adopt FY 2026/27 Fee Schedules for:

- **Action 4**
  - Water Rate – 3.5% increase, $1.98/mo. for an average user.
  - Sewer Rate – no increase.
- **Action 5**
  - Solid Waste Rate - increase of $14.83/yr. for a new annual rate of $482.16.
  - One-time credit of $364 or $64 for eligible property owners.
- **Action 6**
  - Stormwater Rate – increase of $6 for a new annual rate of $195 for improved lots and $147.75 for vacant lots.
- **Action 7**
  - Street Lighting – no increase (FPL controls rate).

Availability of Budget

- City Clerk’s Office for review
- Posted on City Website
  - http://www.cityofpsl.com/budget
- Presentation on PSL TV-20
- Archived Council Mtgs. on Website





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