FY27 Budget Workshop

September 3, 2026

Welcome & Introduction

FY27 First Budget Workshop	July 23, 2026
FY27 Second Budget Workshop	September 3, 2026
FY27 First Budget Adoption Hearing	September 10, 2026
FY27 Second Budget Adoption Hearing	September 24, 2026
Start of New Fiscal Year	October 1, 2026

Agenda

- FY27 Budget Recommendations
- FY27 Personnel and Non-Personnel Modifications
- General Fund Forecast & FY 27 Days Cash Estimate
- FY27 Millage Discussion and Authorization
- Budget Adoption Hearing Dates

FY27 Budget Recommendations

Shawn Sherrouse, City Manager

FY 2027 Budget Recommendations

- 4.96% Property Value Growth in FY27 (final was 6.48% for FY26)
  - 5.00% in FY28
  - 5.00% in FY29

- 9.9% Increase in Health Insurance Premiums for employees and the City
- Comprehensive Plan Changes to Lessen Premium Increases

FY 2027 Budget Recommendations

- General Employees Wages and Benefits
  - General Employees: 2.00% ATB
  - 2.50% or 3.00% Merit (per the City Pay Structure)

- Wage Study
  - Wage Study final review is underway
  - **$1,244,641** has been included in the FY 2027 Budget to fund market adjustments
  - Budget estimates include **$315,530** from the **General Fund** and **$929,111** from **all other** funds

FY 2027 Budget Recommendations

- Wage Study Continued
  - 1,290 positions were evaluated; 445 positions indicate a need for market adjustments
  - In FY 2024, 1,040 positions received market adjustments
  - 148 of those employees are UWUA-Water employees, transitioning to General employees, representing 33% of employees under consideration

FY 2027 Budget Recommendations

- Wage Study Continued

Salaried Positions Versus Hourly Positions Comparison			
Positions Included in the Wage Study	452 Salaried Positions	838 Hourly Positions	1,290 Total Positions
Positions Under Consideration for Market Adjustments	39 Salaried Positions	406 Hourly Positions	445 Total Positions

- **$1,244,641** has been included in the FY 2027 Budget to fund market adjustments
- Budget estimates include **$315,530** from the **General Fund** and **$929,111** from **all other funds**

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FY 2027 Budget Recommendations

- Collective Bargaining Wages and Benefits
  - UWUA-Electric
    - Average salary adjustment increase of 8.97% for 162 of the 189 collective bargaining positions in Lakeland Electric totaling $1,382,512

FY 2027 Budget Recommendations

- Collective Bargaining Wages and Benefits
  - IAFF = 1.5% ATB & 2.5% Merit

FY 2027 Budget Recommendations

- Collective Bargaining Wages and Benefits
  - FOP "Wage Reopener" set to expire September 30, 2027, previously approved by the City Commission
    - Police Officers: 6.1% Salary Adjustment
    - Sergeants: 7.9% Salary Adjustment
    - Lieutenants: 7.6% Salary Adjustment
    - FOP Salary Adjustment Estimate: $1,543,000
    - 1% ATB for All
    - 3% up to Step 8 or 2.5% from Step 8 to Maximum Merit Increase

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FY27 Personnel & Non-Personnel Modifications

Shawn Sherrouse, City Manager

FY 2027 Personnel & Non-Personnel Modifications

Funding Requests

Lakeland Electric, Costs Above Target	$3,919,043
Radio Replacements	$28,362,618
DoIT, Costs Above Target & Required Technology	$4,581,121
Total Required Requests	**$36,862,782**

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FY 2027 Personnel & Non-Personnel Modifications

Radio Replacement Debt Service

	Total Amount	Borrowed Amount	Appropriated	Debt Service
General Fund	$18,484,270	$5,484,270	$13,000,000	**$601,439**
All Other Funds	$9,878,348	$9,878,348		**$1,083,320**
Total	$28,362,618	$15,362,618		**$1,684,759***

*FY 2027 Budget includes $1,684,759 in debt service, with a total annual rate of 4.5% over 12 years.

FY 2027 Personnel & Non-Personnel Modifications

Budget Summary

Total Submitted Other Funding Requests	$7,325,587
Total **Not** Recommended Other Funding Requests	$5,918,194
Total Recommended Other Funding Requests	**$1,391,894**

- Total Recommended Other Funding Requests include $1,066,320 in Enterprise Funds, $260,333 in Internal Service Funds, and $65,241 in General Funds.

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General Fund Forecast & FY 27 Days Cash Estimate

Mike Brossart, Finance Director
Deidra Joseph, Assistant Finance Director

General Fund Forecast & FY 27 Days Cash Estimate

Day's Cash Estimate as of 7/22/2026 (current millage)

GENERAL FUND BUDGET

5.4323 mills

	FY'26	FY'27	FY'28	FY'29
FY Starting Surplus	46,450,337	42,113,071	30,208,085	16,321,343
Budgeted revenues	170,928,326	178,737,404	184,265,855	190,002,559
Budgeted expenses	183,993,592	200,224,390	207,605,597	214,093,065
Budgeted Surplus Generated / (Used)	(13,065,266)	(21,486,986)	(23,339,742)	(24,090,506)
Budgeted Ending Surplus	33,385,071	20,626,085	6,868,343	(7,769,163)
Forecasted Revenue Savings	3,443,000	3,575,000	3,225,000	2,850,000
Forecasted Expense Savings	5,285,000	6,007,000	6,228,000	6,423,000
***NET Budgeted* Surplus Generated / (Used)**	**(4,337,266)**	**(11,904,986)**	**(13,886,742)**	**(14,817,506)**
Total GF Ending Surplus	42,113,071	30,208,085	16,321,343	1,503,837
Days Cash	85	56	29	3
Budget Adoption Projections	**79**	**64**	**46**	
Cost per day	**489,613**	**532,102**	**551,719**	**568,959**
Millage rate	**5.4323**	**5.4323**	**5.4323**	**5.4323**
% increase - property values	**6.84%**	**4.96%**	**5.00%**	**5.00%**
Additional (reduction in) revenue	**3,967,000**	**3,079,000**	**3,256,000**	**3,419,000**
Millage Increase (Decrease)		**-**	**-**	**-**

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General Fund Forecast & FY 27 Days Cash Estimate

GENERAL FUND BUDGET

5.4323 mills

	FY'26	FY'27	FY'28	FY'29
FY Starting Surplus	46,450,337	44,904,071	35,716,658	24,540,335
Budgeted revenues	170,928,326	179,203,180	184,740,946	190,487,152
Budgeted expenses	183,993,592	197,911,593	205,309,269	213,386,888
Budgeted Surplus Generated / (Used)	(13,065,266)	(18,708,413)	(20,568,323)	(22,899,736)
Budgeted Ending Surplus	33,385,071	26,195,658	15,148,335	1,640,599
Forecasted Revenue Savings	5,079,000	3,584,000	3,233,000	2,857,000
Forecasted Expense Savings	6,440,000	5,937,000	6,159,000	6,402,000
***NET Budgeted* Surplus Generated / (Used)**	**(1,546,266)**	**(9,187,413)**	**(11,176,323)**	**(13,640,736)**
Total GF Ending Surplus	44,904,071	35,716,658	24,540,335	10,899,599
Days Cash	91	67	44	19
Budget Adoption Projections	**79**	**64**	**46**	
Cost per day	**486,448**	**525,958**	**545,617**	**567,082**
Millage rate	**5.4323**	**5.4323**	**5.4323**	**5.4323**
% increase - property values	**6.84%**	**4.96%**	**5.00%**	**5.00%**
Additional (reduction in) revenue	**3,967,000**	**3,079,000**	**3,256,000**	**3,419,000**
Millage Increase (Decrease)		-	-	-

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FY27 Millage Discussion and Authorization

Shawn Sherrouse, City Manager
Mike Brossart, Finance Director
Deidra Joseph, Assistant Finance Director

FY 27 Millage Discussion & Authorization

Millage Comparisons

	Total Millage
Population Peers	
West Palm Beach	8.1888
Hollywood	7.9606
Palm Bay	7.6993
Miami Gardens	7.3694
Miramar	7.1172
Gainesville	6.7297
Coral Springs	6.1891
Clearwater	5.8850
Davie	5.7975
Pompano Beach	5.7181
Lakeland	5.4323

	Total Millage
I-4 Cities	
Haines City	7.3395
Sanford	7.3250
Davenport	7.2500
Deltona	6.7500
Orlando	6.6500
Winter Haven	6.5900
St. Petersburg	6.4525
Tampa	6.2076
Deland	6.1841
Daytona Beach	5.9300
Plant City	5.7157
Lakeland	5.4323
Kissimmee	4.6253
Altamonte Springs	4.0000

	Total Millage
Polk County	
Highland Park	9.9759
Fort Meade	8.4403
Lake Wales	8.0462
Lake Hamilton	7.9900
Dundee	7.9000
Eagle Lake	7.6516
Haines City	7.3395
Davenport	7.2500
Lake Alfred	6.7500
Winter Haven	6.5900
Frostproof	6.5530
Mulberry	6.3900
Bartow	6.1080
Lakeland	5.4323
Polk City	5.2500
Auburndale	4.2515

	Total Millage
Electric Utilities	
Jacksonville	11.1919
Gainesville	6.7297
Orlando	6.6500
Tampa	6.2076
Lakeland	5.4323
Kissimmee	4.6253
Tallahassee	4.4072

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FY 27 Millage Discussion & Authorization

Taxable Values and Millage

- Gross taxable value is expected to increase 4.96% to $12.6B in FY27, according to the Property Appraiser's July 1, 2026, report.

- This will provide the General Fund approximately $913K in new construction revenues and $2.32M in increased taxable value revenues at the current millage rate of 5.4323.

- The rolled-back rate would be 5.2572.
(Adjusted prior-year ad valorem proceeds/adjusted current year taxable values *1,000).

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FY 27 Millage Discussion & Authorization

Millage Adoption

- To adopt a 5.4323 millage rate, it will require a *supermajority* vote of the Commission during the budget hearings on September 10 and 24

Rolled-back Millage/Threshold for Simple Majority	Proposed Millage Rate	Millage Threshold for Super Majority
5.2572	5.4323	5.7829
Simple Majority Required	Super Majority Required	Super Majority Required

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Commission Discussion

Budget Adoption Hearing Dates

Thursday, September 10, 2026
Thursday, September 24, 2026

6:00 PM - City Commission Chambers