

City of Clermont, Florida



Fiscal Year 2022 Adopted Budget



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September 15, 2021

Honorable Mayor Tim Murry
and Council Members

Dear Mayor and Council Members:

The annual budget is the most important document the Council adopts each year. Our challenges are to understand the priorities of our residents, define acceptable levels of service, and establish and apply funding sources appropriately. The **Adopted Fiscal Year 2022 Budget** represents the City's financial plan to meet those challenges.

The **City-Wide Budget** totals \$155,901,556, which is \$4,333,607 (or 2.71%) less than the current year budget. The primary reason for the decrease stems from the completion of master plan and utility projects in FY 2021. The **General Fund Budget** totals \$45,426,419, which is \$4,520,568 (or 11.05%) more than the current year budget. The primary reason for the increase is additional state shared revenues, increased utility taxes from new properties in the City, and the increase in property values over the FY 2021 values. The General Fund budget includes bringing reserves back to the pre-pandemic level.

City-Wide Reserves at the end of FY 2022 are projected to be \$52,731,368, which is \$5,716,464 (or 12.16%) more than the current year budgeted ending reserves. The additional reserves are from the revenues associated with the American Rescue Plan funds. **General Fund Reserves** at the end of FY 2022 are projected to be \$9,442,786 or 25.01% of operating expenditures. The City's Reserve Policy Resolution 2020-53R requires specific funds' reserves to be at least 25% of operating expenditures. However, in any year, the City Council as part of the budget adoption may deviate from the 25% target based on unusual or unforeseen circumstances. I am pleased to report the adopted budget as presented shows the reserves in the General Fund to be in compliance with the reserves policy. This is mainly due to the receipt of CARES funds from the County and State Shared revenue collections in excess of FY 2021 budgeted amounts.

Ad Valorem revenue, the City's largest single revenue source, is \$15,406,113 which is \$1,183,863 (or 8.32%) more than the current year budget. The revenue increase is due to an 8.44% increase in property taxable values. The City's millage rate is proposed to remain at 4.2061 for the seventh consecutive year. Clermont's millage rate continues to be among the lowest of comparable cities in the Central Florida region (see page 199). Over the last 5 years we have seen a 45% growth in property taxable values in the City; more than half (53%) of the growth is directly attributable to new construction.

Utility Fees (Water and Sewer) revenues total \$16,198,000 which is \$1,856,000 (or 12.94%) more than the current year budget. The revenue increase is due to expected continued growth in the city, as well as utility

rate increases tied to inflation based indexes. Clermont's utilities charges continue to be among the lowest of other comparable cities in the Central Florida region (see pages 201-208).

City-Wide Personnel Services total \$37,579,696 which is \$2,039,598 (or 5.74%) more than the current year budget. The reasons for the increase are the addition of (4) police officers with staggered start dates in FY 2022, (1) code enforcement officer effective 10/1/2021, and merit pay adjustments (2-4%) based on annual performance evaluations for all eligible employees, including employees at their pay grade maximums.

City-Wide Operating Expenses total \$24,324,796 which is \$2,556,884 (or 11.80%) more than the current year budget. The reason for this increase is the restoration of the departmental reductions made last year when balancing the budget amidst the uncertainties from the pandemic.

City-Wide Capital Outlay totals \$30,319,469, which is \$15,029,298 (or 33.14%) less than the current year budget. The primary reason for the decrease is the completion of projects in the master plan. The highlights of some significant departmental capital outlay items and funding sources in the upcoming budget are as follows:

- **Police Department** capital outlay items totaling \$509,200. Capital items include (4) replacement vehicles and (4) new vehicles and equipment for new police officers. Funding sources include Infrastructure Sales Tax Fund (\$232,000) and Police Impact Fees Fund (\$277,200).
- **Fire Department** capital outlay items totaling \$1,057,410. Capital items include replacement engine and equipment for truck 101, bunker gear sets, vehicle and laptop for reclassified captain positions, replacement inspector vehicle, and associated equipment needed for Trench Rescue. Funding sources include General Fund (\$104,581) and Infrastructure Sales Tax Fund (\$952,829).
- **Other General Government Departments** capital outlay items totaling \$543,233. Capital items include servers, replacement computers, other IT equipment, City Hall generator (mostly grant funded), council chambers HVAC units, City Hall HVAC air purification system, land acquisition for a parking garage, a statue for the art walk and a vehicle and work station for (1) new Code Enforcement Officer. Funding sources include the General Fund (\$289,625), Infrastructure Sales Tax Fund (\$186,000), American Rescue Plan Act Fund (\$22,500) and Community Redevelopment Agency Fund (\$45,108).
- **Public Services Department – Governmental** capital outlay items totaling \$215,000. Capital items include new sidewalks, a columbarium, tennis and shuffleboard court resurfacings and improvements at the Historic Village. Funding sources include the General Fund (\$10,000), Cemetery Fund (\$40,000), and Infrastructure Sales Tax Fund (\$165,000).
- **Economic Development Department** capital outlay items totaling \$3,000,000. Capital items include Phase III of the Downtown Streetscape project. Funding sources include the Master Plan Loan (\$3,000,000).
- **Parks and Recreation Department** capital outlay items totaling \$454,569. Capital items include Hancock Park Multipurpose Field 1 rehabilitation, fitness court at Victory Point, Fiber at Palatka Park, design of dog park at the Arts and Recreation Center (ARC), design of carousel and concession stand at Waterfront Park, lightning protection system at the ARC, equipment for the ARC, restroom expansion at the Performing Arts Center, and equipment for Black Box and Mainstage Theaters. Funding sources include the Infrastructure Sales Tax Fund (\$268,469) and Recreation Impact Fees Fund (\$186,100).
- **Public Services Department - Enterprise** capital outlay items totaling \$24,540,057. Capital items include a new side loader sanitation truck, design of stormwater improvements in the Lake

Minnehaha basin, stormwater main lining at various locations, WWTF expansion and construction, lift station submersible pumps, electrical rehab and upgrades, antenna and cables, spray lining, and pipe and valve upgrades at various lift stations throughout the City, sewer and manhole linings, upsize sewer and water mains in conjunction with the downtown streetscape project, design and construction of lower floridan well (pump, building, controls and well houses) and a 2 MGD storage tank, water main upsizing on Johns Lake Road, East and West water system design and engineering improvements and various equipment items. Funding sources include the Water Fund (\$2,261,150), Water Impact Fees (\$4,620,000), Sewer Fund (\$1,454,000), Sewer Impact Fees (\$15,623,413), and Stormwater Fund (\$231,494) and Sanitation Fund (\$350,000).

The adopted budget represents a sound financial plan for the new fiscal year that continues to provide the exceptional levels of service expected by our residents. While reserves are being used in some funds, adequate reserves are being maintained for adjustments and emergencies that may occur throughout the year.

Thank you for your support and guidance with the budget as we continue to build a bright future for the city together.

Sincerely,



Scott Davidoff
Acting City Manager

City of Clermont

Fiscal Year 2022 Adopted Budget

Budget Summary All Funds

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	15,406,113
Other Taxes	10,273,038
Licenses, Permits & Fees	11,570,000
Intergovernmental Revenues	13,432,106
Charges For Services	30,204,483
Fines & Forfeitures	112,500
Miscellaneous Revenue	1,917,431
Interfund Transfers	6,210,581
Total Estimated Revenues	89,126,252
Beginning Reserves	66,775,304
Total Estimated Revenues and Reserves	155,901,556
Estimated Expenditures	
General Government	14,792,724
Public Safety	26,688,637
Physical Environment	44,042,008
Transportation/Public Works	3,863,282
Economic Environment	3,696,201
Culture/Recreation	3,876,755
Interfund Transfers	6,210,581
Total Estimated Expenditures	103,170,188
Ending Reserves	52,731,368
Total Estimated Expenditures and Reserves	155,901,556

City of Clermont

Fiscal Year 2022 Adopted Budget

Budget Summary by Fund-General Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	14,895,842
Other Taxes	6,322,000
Licenses, Permits & Fees	3,665,000
Intergovernmental Revenues	4,902,106
Charges For Services	2,542,298
Fines & Forfeitures	112,500
Miscellaneous Revenue	1,044,931
Interfund Transfers	2,456,542
Total Estimated Revenues	35,941,219
Beginning Reserves	9,485,200
Total Estimated Revenues and Reserves	45,426,419
Estimated Expenditures	
General Government	5,352,560
Public Safety	22,970,932
Physical Environment	917,495
Transportation/Public Works	2,956,924
Economic Environment	162,768
Culture/Recreation	3,404,487
Interfund Transfers	218,467
Total Estimated Expenditures	35,983,633
Ending Reserves	9,442,786
Total Estimated Expenditures and Reserves	45,426,419

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Budget Summary by Fund-Building Services Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	1,477,000
Intergovernmental Revenues	0
Charges For Services	4,200
Fines & Forfeitures	0
Miscellaneous Revenue	7,000
Interfund Transfers	0
Total Estimated Revenues	1,488,200
Beginning Reserves	1,090,939
Total Estimated Revenues and Reserves	2,579,139
Estimated Expenditures	
General Government	0
Public Safety	1,900,249
Physical Environment	0
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	0
Total Estimated Expenditures	1,900,249
Ending Reserves	678,890
Total Estimated Expenditures and Reserves	2,579,139

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Fiscal Year 2022 Adopted Budget

Budget Summary by Fund-Infrastructure Surtax Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	3,951,038
Licenses, Permits & Fees	0
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	5,000
Interfund Transfers	0
Total Estimated Revenues	3,956,038
Beginning Reserves	307,113
Total Estimated Revenues and Reserves	4,263,151
Estimated Expenditures	
General Government	186,468
Public Safety	1,286,586
Physical Environment	50,000
Transportation/Public Works	441,014
Economic Environment	0
Culture/Recreation	268,469
Interfund Transfers	2,030,614
Total Estimated Expenditures	4,263,151
Ending Reserves	0
Total Estimated Expenditures and Reserves	4,263,151

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Budget Summary by Fund-Cemetery Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	159,000
Interfund Transfers	0
Total Estimated Revenues	159,000
Beginning Reserves	1,404,762
Total Estimated Revenues and Reserves	1,563,762
Estimated Expenditures	
General Government	0
Public Safety	0
Physical Environment	0
Transportation/Public Works	163,272
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	0
Total Estimated Expenditures	163,272
Ending Reserves	1,400,490
Total Estimated Expenditures and Reserves	1,563,762

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Budget Summary by Fund-Recreation Impact Fee Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	1,500,000
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	7,000
Interfund Transfers	0
Total Estimated Revenues	1,507,000
Beginning Reserves	2,340,693
Total Estimated Revenues and Reserves	3,847,693
Estimated Expenditures	
General Government	0
Public Safety	0
Physical Environment	0
Transportation/Public Works	580
Economic Environment	0
Culture/Recreation	186,100
Interfund Transfers	569,618
Total Estimated Expenditures	756,298
Ending Reserves	3,091,395
Total Estimated Expenditures and Reserves	3,847,693

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Budget Summary by Fund-Police Impact Fee Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	340,000
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	4,000
Interfund Transfers	0
Total Estimated Revenues	344,000
Beginning Reserves	301,193
Total Estimated Revenues and Reserves	645,193
Estimated Expenditures	
General Government	0
Public Safety	277,532
Physical Environment	0
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	14,763
Total Estimated Expenditures	292,295
Ending Reserves	352,898
Total Estimated Expenditures and Reserves	645,193

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Budget Summary by Fund-Fire Impact Fee Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	405,000
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	5,000
Interfund Transfers	0
Total Estimated Revenues	410,000
Beginning Reserves	1,387,212
Total Estimated Revenues and Reserves	1,797,212
Estimated Expenditures	
General Government	0
Public Safety	386
Physical Environment	0
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	0
Total Estimated Expenditures	386
Ending Reserves	1,796,826
Total Estimated Expenditures and Reserves	1,797,212

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Budget Summary by Fund-ARPA Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	8,000,000
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	0
Interfund Transfers	0
Total Estimated Revenues	8,000,000
Beginning Reserves	0
Total Estimated Revenues and Reserves	8,000,000
Estimated Expenditures	
General Government	312,340
Public Safety	252,952
Physical Environment	100,576
Transportation/Public Works	301,492
Economic Environment	0
Culture/Recreation	17,699
Interfund Transfers	0
Total Estimated Expenditures	985,059
Ending Reserves	7,014,941
Total Estimated Expenditures and Reserves	8,000,000

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Budget Summary by Fund-Debt Service Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	1,000
Interfund Transfers	2,833,462
Total Estimated Revenues	2,834,462
Beginning Reserves	1,834,280
Total Estimated Revenues and Reserves	4,668,742
Estimated Expenditures	
General Government	2,806,507
Public Safety	0
Physical Environment	0
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	0
Total Estimated Expenditures	2,806,507
Ending Reserves	1,862,235
Total Estimated Expenditures and Reserves	4,668,742

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Budget Summary by Fund-Capital Projects Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	500,000
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	18,000
Interfund Transfers	0
Total Estimated Revenues	518,000
Beginning Reserves	2,576,468
Total Estimated Revenues and Reserves	3,094,468
Estimated Expenditures	
General Government	1,019
Public Safety	0
Physical Environment	0
Transportation/Public Works	0
Economic Environment	3,000,000
Culture/Recreation	0
Interfund Transfers	0
Total Estimated Expenditures	3,001,019
Ending Reserves	93,449
Total Estimated Expenditures and Reserves	3,094,468

City of Clermont

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Budget Summary by Fund-Water Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	0
Charges For Services	7,848,000
Fines & Forfeitures	0
Miscellaneous Revenue	391,500
Interfund Transfers	331,319
Total Estimated Revenues	8,570,819
Beginning Reserves	10,610,378
Total Estimated Revenues and Reserves	19,181,197
Estimated Expenditures	
General Government	0
Public Safety	0
Physical Environment	10,041,634
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	1,196,542
Total Estimated Expenditures	11,240,228
Ending Reserves	7,943,021
Total Estimated Expenditures and Reserves	19,181,197

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Budget Summary by Fund-Water Impact Fee Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	1,367,000
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	23,000
Interfund Transfers	0
Total Estimated Revenues	1,390,000
Beginning Reserves	3,617,291
Total Estimated Revenues and Reserves	5,007,291
Estimated Expenditures	
General Government	0
Public Safety	0
Physical Environment	4,621,825
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	331,319
Total Estimated Expenditures	4,953,144
Ending Reserves	54,147
Total Estimated Expenditures and Reserves	5,007,291

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Budget Summary by Fund-Sewer Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	0
Charges For Services	8,350,000
Fines & Forfeitures	0
Miscellaneous Revenue	61,000
Interfund Transfers	589,258
Total Estimated Revenues	9,000,258
Beginning Reserves	11,503,353
Total Estimated Revenues and Reserves	20,503,611
Estimated Expenditures	
General Government	0
Public Safety	0
Physical Environment	7,501,574
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	1,260,000
Total Estimated Expenditures	8,761,574
Ending Reserves	11,742,037
Total Estimated Expenditures and Reserves	20,503,611

City of Clermont

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Budget Summary by Fund-Sewer Impact Fee Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	2,816,000
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	93,000
Interfund Transfers	0
Total Estimated Revenues	2,909,000
Beginning Reserves	16,283,488
Total Estimated Revenues and Reserves	19,192,488
Estimated Expenditures	
General Government	0
Public Safety	0
Physical Environment	15,631,073
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	589,258
Total Estimated Expenditures	16,220,331
Ending Reserves	2,972,157
Total Estimated Expenditures and Reserves	19,192,488

City of Clermont

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Budget Summary by Fund-Stormwater Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	30,000
Charges For Services	1,734,000
Fines & Forfeitures	0
Miscellaneous Revenue	2,000
Interfund Transfers	0
Total Estimated Revenues	1,766,000
Beginning Reserves	34,174
Total Estimated Revenues and Reserves	1,800,174
Estimated Expenditures	
General Government	0
Public Safety	0
Physical Environment	1,771,218
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	0
Total Estimated Expenditures	1,771,218
Ending Reserves	28,956
Total Estimated Expenditures and Reserves	1,800,174

City of Clermont

Fiscal Year 2022 Adopted Budget

Budget Summary by Fund-Sanitation Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	0
Charges For Services	3,825,000
Fines & Forfeitures	0
Miscellaneous Revenue	30,000
Interfund Transfers	0
Total Estimated Revenues	3,855,000
Beginning Reserves	2,853,350
Total Estimated Revenues and Reserves	6,708,350
Estimated Expenditures	
General Government	0
Public Safety	0
Physical Environment	3,406,613
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	0
Total Estimated Expenditures	3,406,613
Ending Reserves	3,301,737
Total Estimated Expenditures and Reserves	6,708,350

City of Clermont

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Budget Summary by Fund-Group Self Insurance Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	0
Charges For Services	5,900,985
Fines & Forfeitures	0
Miscellaneous Revenue	63,000
Interfund Transfers	0
Total Estimated Revenues	5,963,985
Beginning Reserves	1,125,248
Total Estimated Revenues and Reserves	7,089,233
Estimated Expenditures	
General Government	6,133,830
Public Safety	0
Physical Environment	0
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	0
Total Estimated Expenditures	6,133,830
Ending Reserves	955,403
Total Estimated Expenditures and Reserves	7,089,233

City of Clermont

Fiscal Year 2022 Adopted Budget

Budget Summary by Fund-CRA Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	510,271
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	3,000
Interfund Transfers	0
Total Estimated Revenues	513,271
Beginning Reserves	20,162
Total Estimated Revenues and Reserves	533,433
Estimated Expenditures	
General Government	0
Public Safety	0
Physical Environment	0
Transportation/Public Works	0
Economic Environment	533,433
Culture/Recreation	0
Interfund Transfers	0
Total Estimated Expenditures	533,433
Ending Reserves	0
Total Estimated Expenditures and Reserves	533,433