

**DESTIN CITY COUNCIL WORKSHOP
JUNE 9, 2025
ANNEX COUNCIL CHAMBERS
6:00 PM**

*****Core Value of the Month - Integrity*****

CALL TO ORDER

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

WORKSHOP

A. Fiscal Year 2026 Budget Cycle

PUBLIC COMMENTS

****** Any invocation that is offered before the official start of the City Council meeting shall be the voluntary offering of a private person, to and for the benefit of the City Council. The views or beliefs expressed by the invocation speaker have not been previously reviewed or approved by the City Council, or the City staff, and the City is not allowed by law to endorse the religious beliefs or views of this, or any other speaker. Persons in attendance at the City Council meeting are invited to stand during the opening invocation and Pledge of Allegiance. However, such invitation shall not be construed as a demand, order, or any other type of command. No person in attendance at the meeting shall be required to participate in any opening invocation that is offered. A person may exit the City Council Chambers and return upon completion of the opening invocation if a person does not wish to participate in or witness the opening invocation.***

Persons with disabilities who require assistance to participate in City meetings are requested to notify the City Clerk's Office at (850) 837-4242 in advance. Hearing Impaired: TTY: 711. Assistance also available through Human Resources, Title VI Coordinator, at (850) 837-4242.

Personas con discapacidades que necesitan asistencia o personas que necesiten ayuda con un idioma para participar en las reuniones de la ciudad, deberán notificar la oficina de la Secretaria Municipal al (850) 837-4242 antes de la reunión. Discapacidad auditiva: TTY: 711 (Solicitar Espanol CA). La ayuda tambien está disponible por Recursos Humanos, Coordinador del Título VI, al (850) 837-4242.

DESTIN CITY COUNCIL WORKSHOP
JUNE 9, 2025
ANNEX COUNCIL CHAMBERS
6:00 PM

****Core Value of the Month - Integrity****

TO: City Council Special Workshop

THRU:

FROM: Krystal Strickland, Finance Director
Larry Jones , City Manager

DATE: June 6, 2025

SUBJECT: Fiscal Year 2026 Budget Cycle

I. BACKGROUND:

II. DISCUSSION:

Attached, please find a short presentation of the major components of the proposed FY 2026 Operating Budget

FY 2026 PROPOSED BUDGET HIGHLIGHTS:

- Initial estimate of taxable property values increased 5% from January 2024 to January 2025
- FY 2026 Operating Budget proposes operating expenditures of \$27.3 million
- FY 2026 Operating Budget is 2% higher than the FY 2025 Budget:
 - Personnel Cost - increased primarily to request to change the retirement system from Thrift Plan to Florida Retirement System (FRS)
 - Operating Costs - decreased to offset potential move into FRS

- Proposing 1 new position (landscaping & irrigation), however we have decreased labor hours in part-time positions for a net decrease in budgeted FTEs

A. Link to Strategic Goals / Objectives:

B. Effect on Budget (EOB):

C. Level of Service (LOS):

D. Legislative Sponsor:

E. Business Impact Statement:

III. CONCLUSION:

IV. RECOMMENDED MOTION:

Attachments:

1. FY2026 Budget Workshop
1

****** Any invocation that is offered before the official start of the City Council meeting shall be the voluntary offering of a private person, to and for the benefit of the City Council. The views or beliefs expressed by the invocation speaker have not been previously reviewed or approved by the City Council, or the City staff, and the City is not allowed by law to endorse the religious beliefs or views of this, or any other speaker. Persons in attendance at the City Council meeting are invited to stand during the opening invocation and Pledge of Allegiance. However, such invitation shall not be construed as a demand, order, or any other type of command. No person in attendance at the meeting shall be required to participate in any opening invocation that is offered. A person may exit the City Council Chambers and return upon completion of the opening invocation if a person does not wish to participate in or witness the opening invocation.***

Persons with disabilities who require assistance to participate in City meetings are requested to notify the City Clerk's Office at (850) 837-4242 in advance. Hearing Impaired: TTY: 711. Assistance also available through Human Resources, Title VI Coordinator, at (850) 837-4242.

Personas con discapacidades que necesitan asistencia o personas que necesiten ayuda con un idioma para participar en las reuniones de la ciudad, deberán notificar la oficina de la Secretaria Municipal al (850) 837-4242 antes de la reunión. Discapacidad auditiva: TTY: 711 (Solicitar Espanol CA). La ayuda tambien está disponible por Recursos Humanos, Coordinador del Título VI, al (850) 837-4242.



City of Destin 2026 Budget Workshop #1

Operating Budget

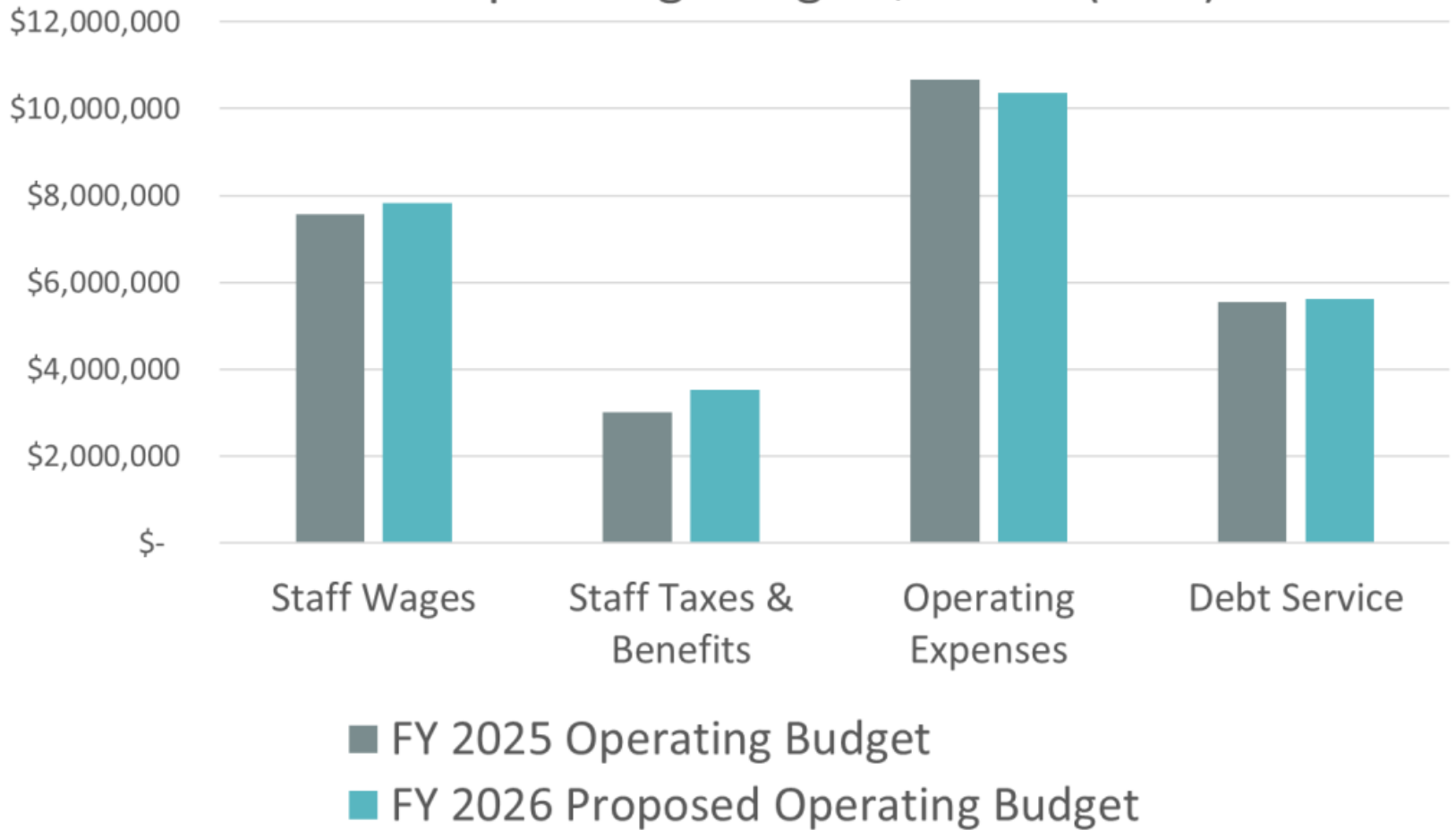
June 9, 2025



**We preserve our heritage
and protect our future
with good decisions today.**

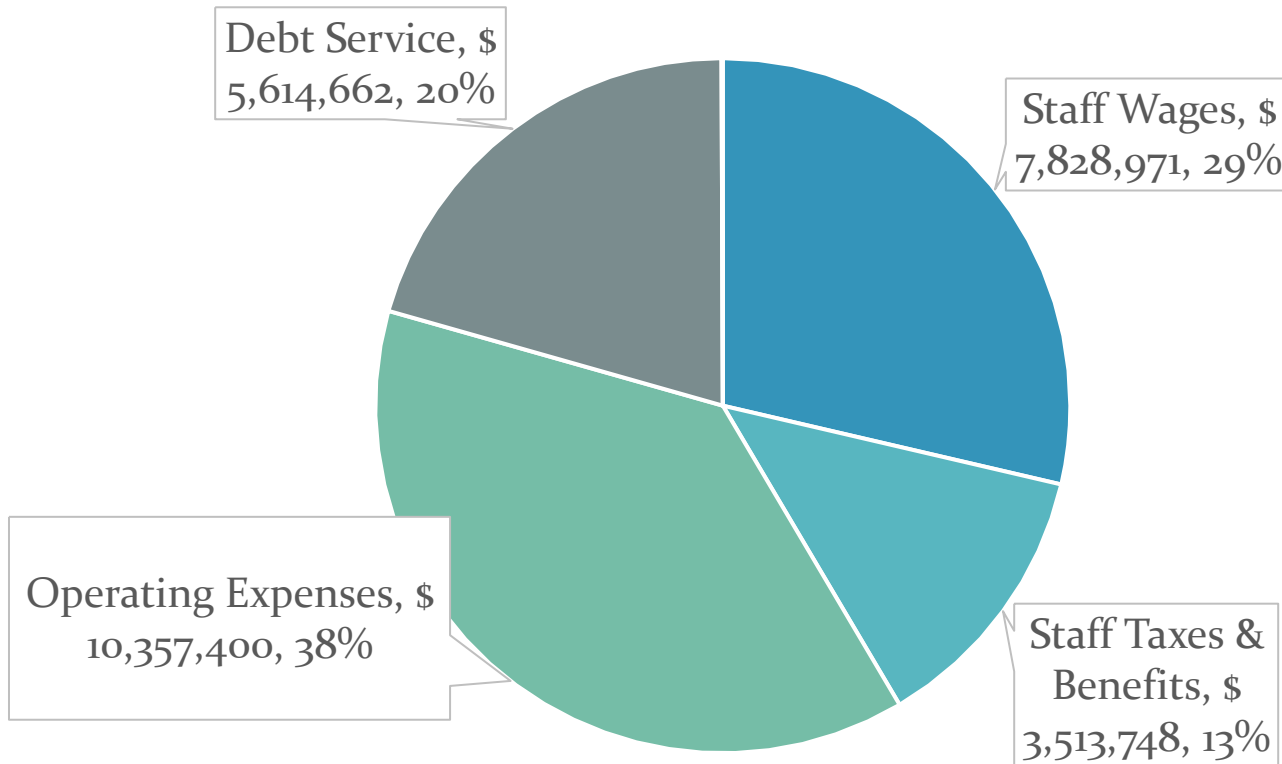


FY 26 Proposed Operating Budget \$27.3m vs FY 25 Operating Budget \$26.8m (+2%)



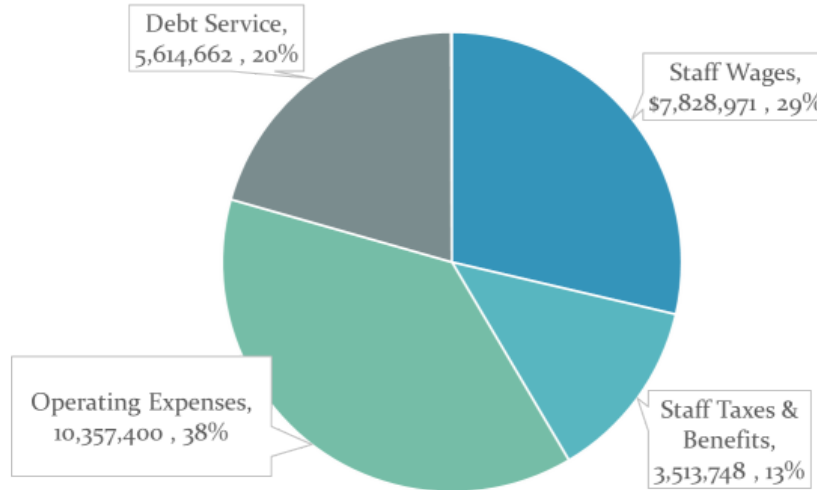


FY 2026 Operating Budget \$27.3m





FY 2026 Operating Budget \$27.3m



Account Character Name	FY 2026 Proposed Operating Budget	FY 2025 Operating Budget	FY26-FY25	% change
Staff Wages	\$ 7,828,971	\$ 7,569,783	\$ 259,187	3%
Staff Taxes & Benefits	3,513,748	2,996,963	516,784	17%
Operating Expenses	10,357,400	10,673,601	(316,201)	-3%
Debt Service	5,614,662	5,552,247	62,415	1%
Grants And Aids	17,000	16,900	100	1%
	\$ 27,331,781	\$ 26,809,495	\$ 522,286	2%

Council Objectives

CRITICAL PRIORITIES:

1.1 Offer livable wages & benefits to attract and maintain high caliber, qualified staff



2026 Budget Highlights

- Ad Valorem:
 - Uncertified taxable values rose 5%
- Operating Expenses – Decreased 3%
- Personnel – 7% Increase
 - Wages – 3% Increase (removed positions, added COLA 3%, Merit 3%)
 - Benefits – 17% Increase (FRS & Social Security)



Retirement

PERSONNEL	FRS	ThriftPlan	\$ variance	% variance
Wages	\$ 7,828,971	\$ 7,828,971	\$ -	0%
FICA (medicare, social security)	594,234	146,021	448,214	307%
Retirement	1,232,851	970,971	261,880	27%
Insurance (health, dental, disability, workers comp, life...)	1,686,663	1,686,663	-	0%
TOTAL	\$ 11,342,719	\$ 10,632,625	\$ 710,093	7%

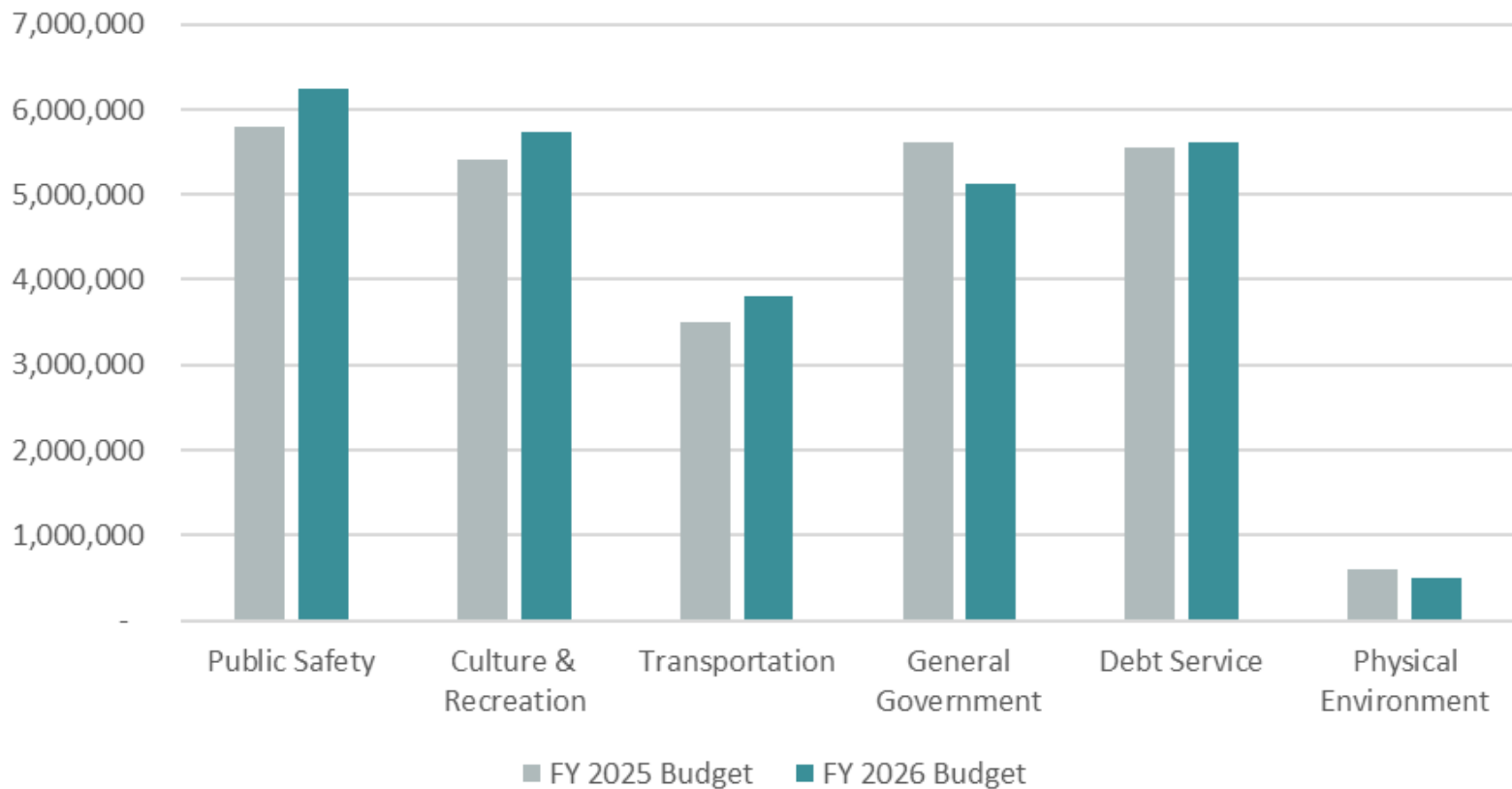
*Florida Retirement System -13.63% FRS + 6.2% Social Security (19.83%)

1 year vest "investment plan"//8 years vest "pension plan"

*Thrift Plan - 7.5% base + 5% match (12.5%) Require 1000 work hours 7.5% no vesting schedule (in lieu of SS)//match on 7-year vesting plan



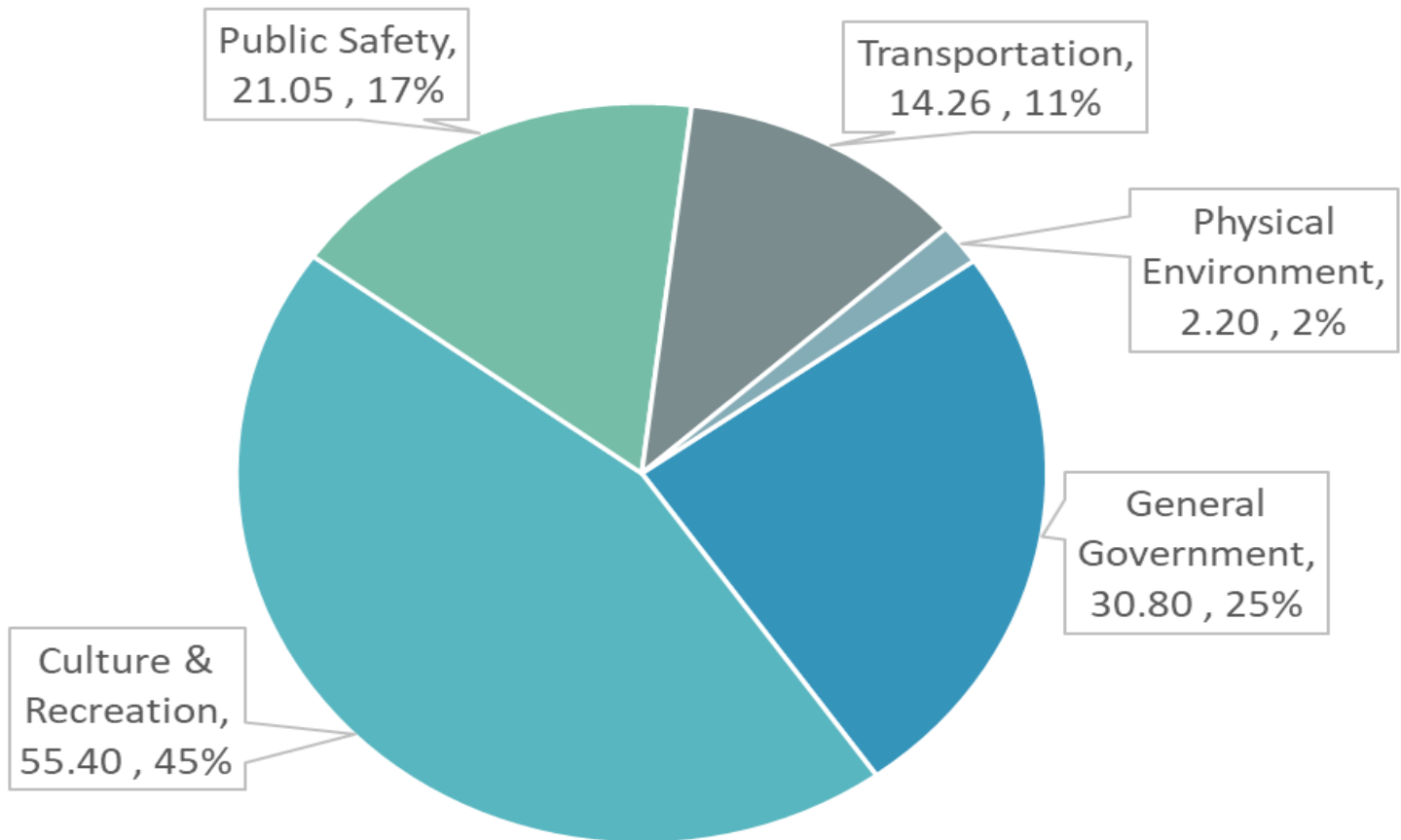
FY26 Proposed Operating Budget Vs FY25 Operating Budget (by Function)





Personnel

2026 Proposed FTEs (124.2)
(2025 budgeted 127.08)





Personnel

	2025 Budgeted FTEs	2026 Proposed FTEs
Full Time Positions	109	110
Part-Time and Seasonal	27	27
Total Positions	136	137



Requesting 1 new position:
 PW Maintenance Tech
 (landscaping & irrigation)

1 FTE = 2080 labor hours

Function	2025 Budgeted FTEs	2026 Proposed FTEs
General Government	31.29	30.80
Culture & Recreation	56.84	55.40
Public Safety	20.78	21.05
Transportation	14.47	14.26
Economic Environment	1.90	0.50
Physical Environment	1.80	2.20
TOTAL FTEs	127.08	124.20



Next Steps:

July 1: Attain certified values from Property Appraiser

July 14: Budget Workshop#2 – Capital Projects

July 21: Council Adopts Tentative Millage Rate

July 25 – 31: Detailed Budget Briefings

September 3 & 15: Budget Hearings



Questions and Discussion