



July 20, 2020

Dear Sanford Residents,

Given this time of uncertainty and economic upheaval due to the Coronavirus, I want to provide you with an update on the City of Sanford's solid financial position.

Your City Commission and dedicated City staff work diligently to safeguard the City's finances and keep the City fiscally strong and prepared for the unexpected. Due to COVID-19, we are anticipating a \$1.5 million reduction in general fund revenues for the current fiscal year. However, the City remains strong and has a 25 percent reserve fund available if necessary.

The City's utilities, stormwater, and other accounts also have good cash reserves. Major projects such as the reconstruction of the wastewater treatment plant and the extension of the Riverwalk are continuing.

Sanford's property tax revenue, which accounts for about 45 percent of the total budget revenue, remains robust. Residential property tax revenue represents about 44 percent of our City's property tax revenue. Commercial real estate represents about 56 percent of our property tax revenue. We may see a property tax impact starting in the fall of 2021, and we will prepare for that.

For the budget year starting on October 1, the General Fund will see a \$1.3 million reduction in annual revenues due to COVID-19. This is offset by a \$2.3 million increase in other revenues including property taxes. In the end, the City of Sanford is expecting a slight increase of \$1 million to the overall budget. We also expect a decrease in the gas tax and local option sales tax which fund infrastructure improvements throughout the City.

The City of Sanford has received the Government Finance Officers Association (GFOA) Budget award for the past three years. This international body established the Distinguished Budget Presentation Awards Program to encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and GFOA's best practices on budgeting and then to recognize individual governments that succeed in achieving that goal. Documents submitted to the Budget Awards Program are reviewed by selected members of the GFOA professional staff and by outside reviewers with experience in public-sector budgeting.

Art Woodruff
Mayor

Sheena Britton
District 1

Kerry S. Wiggins, Sr.
District 2

Patrick Austin
District 3

Patty Mahany
District 4

Norton N. Bonaparte, Jr.
City Manager

The GFOA criteria for a distinguished budget revolve around four key principles:

- Act as a Policy document
- Serve as a Financial plan
- Serve as an Operations guide
- Operate as a Communications device

To see the City's Distinguished Budget Presentation Award Letter, learn more about the City budget and overall work of the City of Sanford Finance Department, please visit

<https://www.sanfordfl.gov/departments/finance/budget-information>

As we face this trying time together, the City will continue to work with other government agencies and nonprofit organizations to assist our residents and businesses.

Sincerely,



Art Woodruff
Mayor