



CITY OF CRESTVIEW

OFFICE OF THE CITY CLERK

P.O. DRAWER 1209, CRESTVIEW, FLORIDA 32536

Phone # (850) 1560 Fax # (850) 682-8077

July 30, 2020

4:00 PM

Council Chambers

City Council Special Budget Meeting

The Public is invited to view our meetings on the City of Crestview Live stream a at <https://www.cityofcrestview.org> or the City of Crestview Facebook Page. You may submit questions on any agenda item in advance (by 3:00 PM the day of the meeting, please) to cityclerk@cityofcrestview.org.

1. **Call to Order**
2. **Invocation, Pledge of Allegiance**
3. **Open Policy Making and Legislative Session**
4. **Approve Agenda**
5. **Action Items**
 - 5.1. Discussion/Approval of Budget items
6. **Comments from the Mayor and Council**
7. **Comments from the Audience**
8. **Adjournment**

Note: The Presentations section is for items that were submitted by a citizen or group of Citizens no later than the Wednesday 2 weeks prior to the meeting to the Clerk's office for approval. These items will be scheduled under the section titles Presentations and Reports. Supporting documents must be submitted at this time to be on the regular agenda. All Action Item are for staff and elected officials only and must be submitted for approval no later than the Wednesday 10 days prior to the meeting. Those not listed on the regular agenda who wish to address the council should fill out a yellow card. The Card must be submitted to the City Clerk. Speaking time should be three minutes or less, large groups may designate a spokesperson. All remarks should be addressed to the Council as a whole and not to individual members. All meeting procedures are outlined in the Meeting Rules and Procedures brochure available outside the Chambers. If any person decides to appeal any decision made by the City Council with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. The City Council of the City of Crestview, Florida does not discriminate upon the basis of any individual's disability status. Anyone requiring

reasonable accommodation as provided for in the American With Disabilities Act to insure access to and participation in the meeting should contact the Office of the City Clerk at (850)682-1560 prior to the meeting to make appropriate arrangements.

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.



Staff Report

CITY COUNCIL MEETING DATE: July 30, 2020

TYPE OF AGENDA ITEM: Action Item

TO: Mayor and City Council
CC: City Manager, City Clerk, Staff and Attorney
FROM: Tim Bolduc, City Manager
DATE:
SUBJECT: Discussion/Approval of Budget items

BACKGROUND:

DISCUSSION:

GOALS & OBJECTIVES

This item is consistent with the goals in A New View Strategic Plan 2020 as follows;

Foundational- these are the areas of focus that make up the necessary foundation of a successful local government.

Financial Sustainability- Achieve long term financial sustainability

Organizational Capacity, Effectiveness & Efficiency- To efficiently & effectively provide the highest quality of public services

Infrastructure- Satisfy current and future infrastructure needs

Communication- To engage, inform and educate public and staff

Quality of Life- these areas focus on the overall experience when provided by the city.

Community Character- Promote desirable growth with a hometown atmosphere

Safety- Ensure the continuous safety of citizens and visitors

Mobility- Provide safe, efficient and accessible means for mobility

Opportunity- Promote an environment that encourages economic and educational opportunity

Play- Expand recreational and entertainment activities within the City

Community Culture- Develop a specific identity for Crestview

FINANCIAL IMPACT

RECOMMENDED ACTION

Staff respectfully requests

Attachments

1. 20.07.30 Utility Budget Workshop pptTB (002)

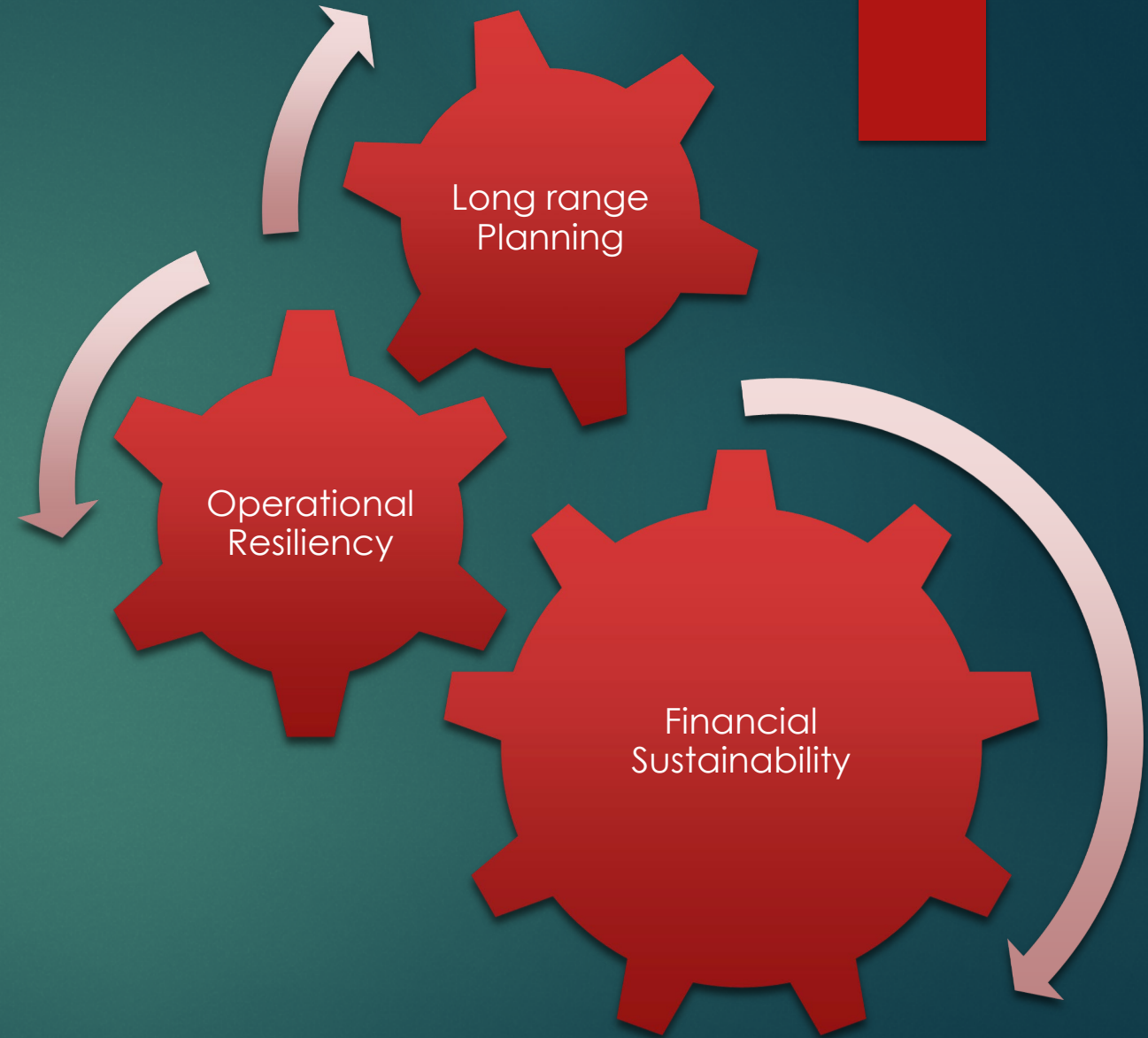
City of Crestview

BUDGET SPECIAL MEETING
JULY 30, 2020



2021 Budget Focus Areas

- **Establish a Reserve Policy**
- **Move Forward with the Next Steps of Salary Study**
- **Create Stormwater Utility**
- **Address Wastewater capacity**
- **Look to expand service areas**





Part 1 Reserve Policy

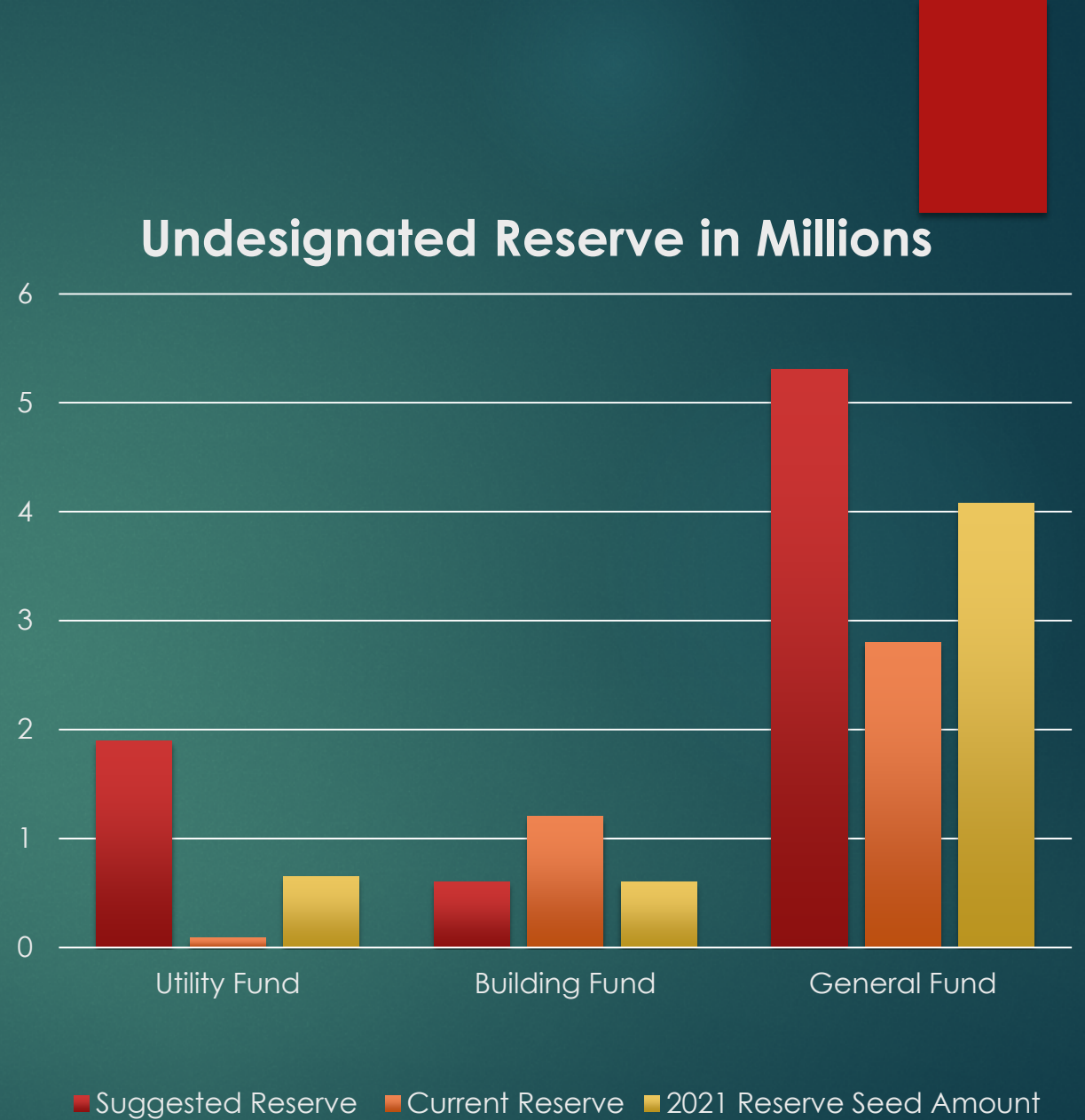
Proposed Utility Reserve Policy

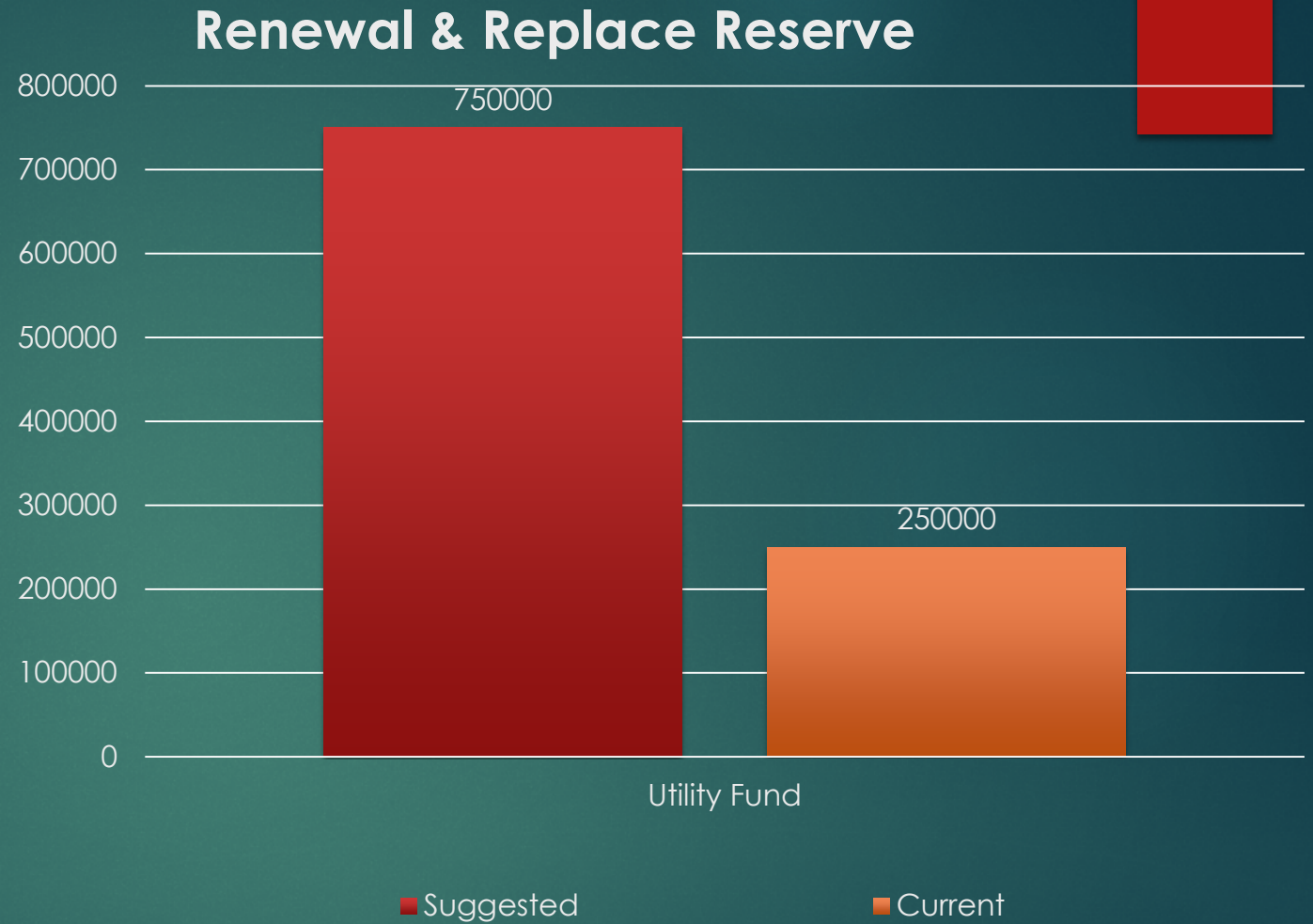
- ▶ **Government Finance Officers Association Recommends 2 Months of Regular Operating Expenditures**
- ▶ **Communities at Risk of Natural Disasters are Recommended to have 25%-30%**
- ▶ **Utility Funds are Recommended to Maintain a Renewal & Replacement fund of 10%**





- **Utility Fund Undesignated Reserves**
 - **Proposed 25%**
 - **Current 1.1%**
- **General Fund Undesignated Reserves**
 - **Proposed 25%**
 - **Current 7%**
- **Building Fund Undesignated Reserves**
 - **Proposed 100%**
 - **Current 200%**



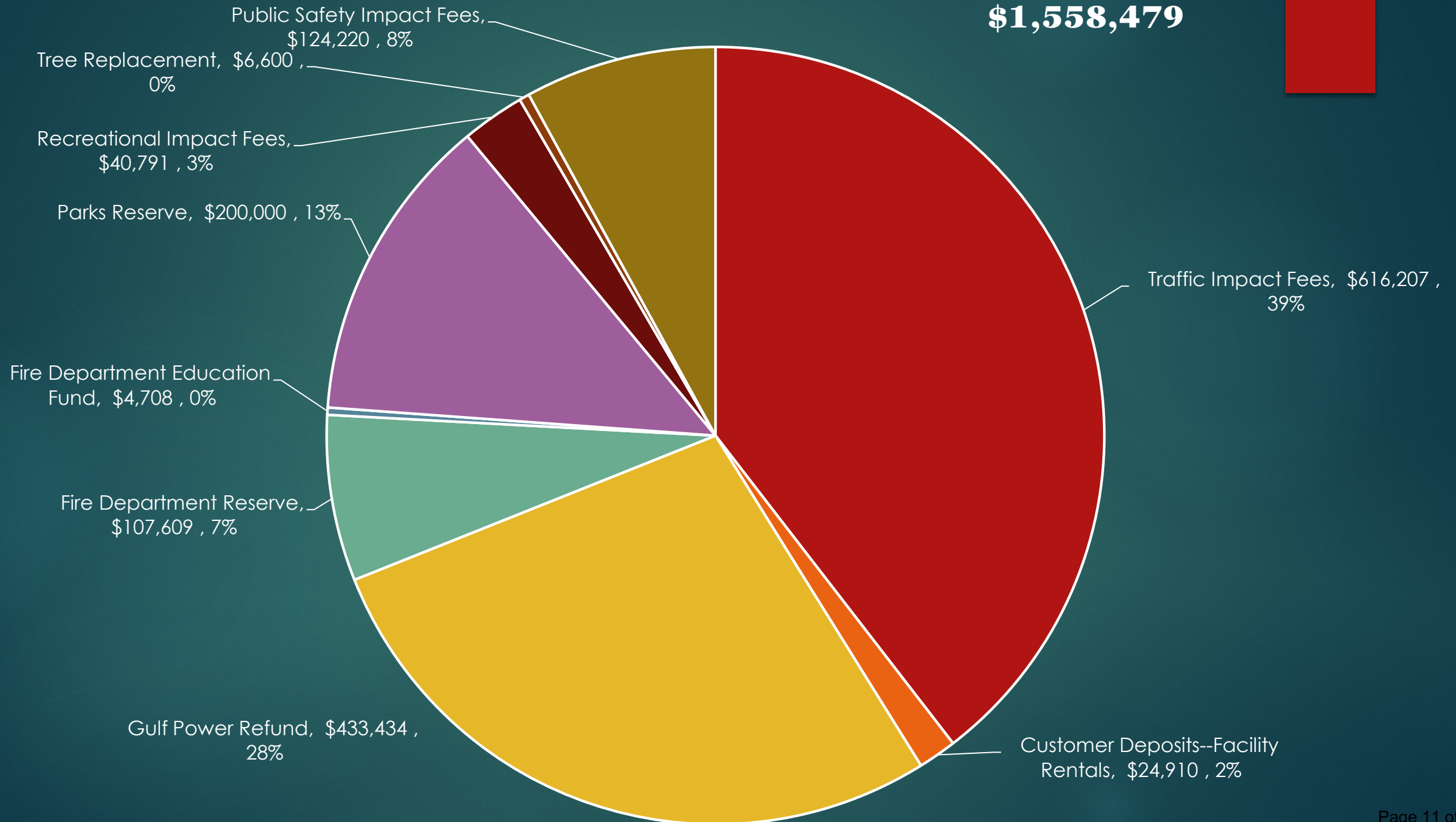


- **Utility Fund Renewal & Replacement Policy**

- **Recommended** **10%**
- **Current** **3%**

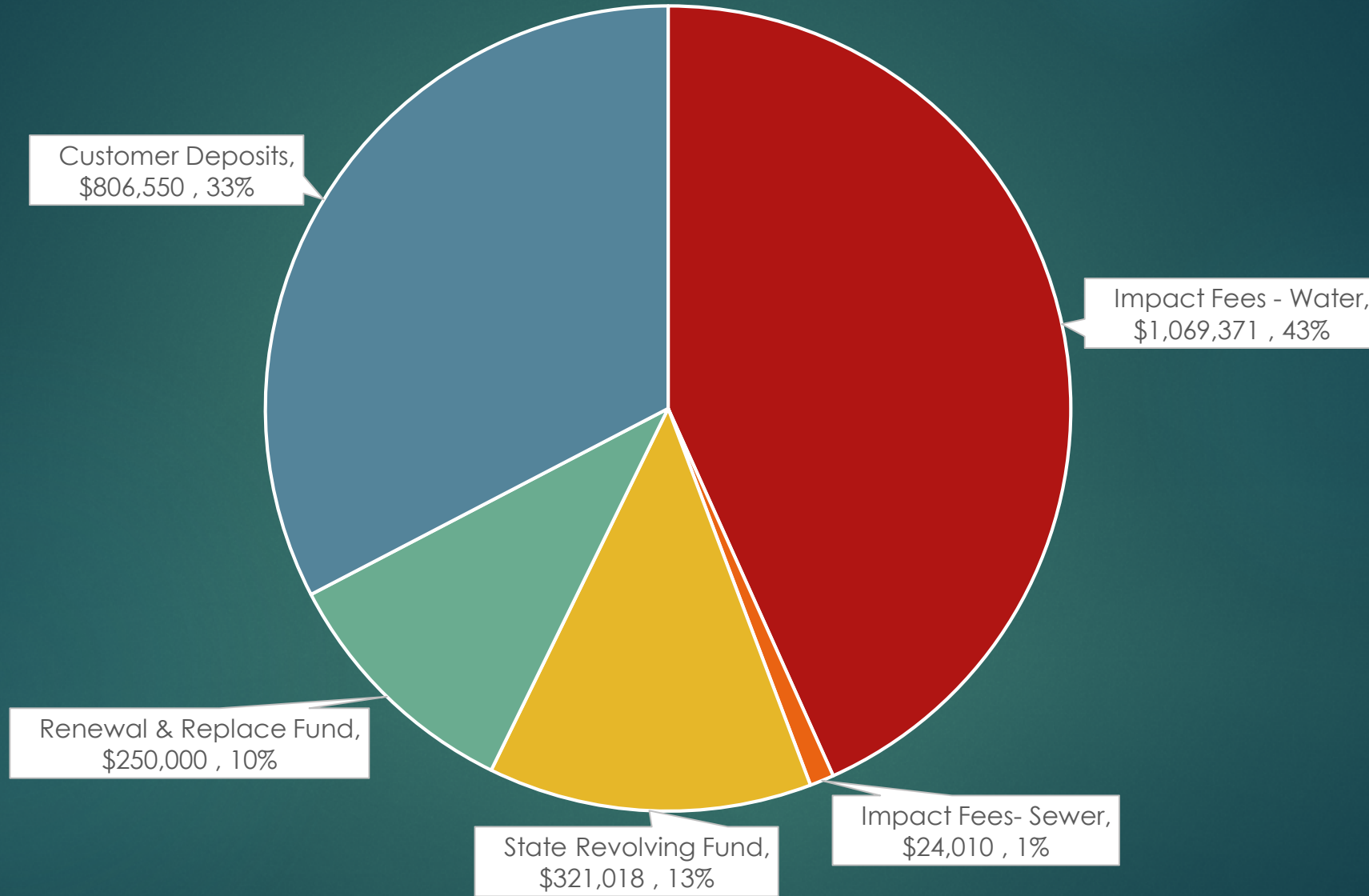
Restricted GF Pooled Cash 5/30/2020

\$1,558,479



Restricted Utility Fund Pooled Cash 5/30/2020

\$2,470,949



Report Date	7/29/2020		Days Complete		298.00		% Year Complete	83%		
General Fund										
Classification	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020 Adopted Budget	FY2020 YTD Actual	Current % YTD	Expected % YTD Revenue	Revenue Position
Ad valorem Taxes	\$ 5,296,350.52	\$ 6,404,106.83	\$ 6,610,593.72	\$ 6,862,226.17	\$ 7,436,393.89	\$ 7,890,000.00	\$ 8,011,568.18	101.54%	98%	254,387.90
Penalties	\$ 6,790.19	\$ 6,167.66	\$ 7,769.11	\$ 4,138.85	\$ 3,709.10	\$ 3,000.00	\$ 2,831.90	94.40%	81%	405.23
Local Option Gas Tax	\$ 431,011.23	\$ 656,195.89	\$ 661,090.56	\$ 689,548.47	\$ 710,261.98	\$ 701,000.00	\$ 519,683.35	74.13%	72%	14,733.16
Services Taxes	\$ 2,945,405.16	\$ 2,920,729.68	\$ 2,960,479.58	\$ 3,178,864.77	\$ 3,157,973.14	\$ 3,165,500.00	\$ 2,230,350.14	70.46%	72%	(37,618.03)
Business Tax	\$ 126,965.32	\$ 121,841.18	\$ 133,156.71	\$ 126,813.35	\$ 126,122.56	\$ 131,500.00	\$ 32,416.27	24.65%	51%	(34,038.33)
Franchise fees	\$ -	\$ 1,795,247.90	\$ 1,690,550.33	\$ 1,820,703.09	\$ 1,825,970.26	\$ 1,432,408.00	\$ 1,218,860.32	85.09%	71%	203,772.39
Revenue Sharing	\$ 2,856,647.58	\$ 3,025,763.84	\$ 3,219,685.14	\$ 3,698,484.42	\$ 3,727,947.39	\$ 3,022,000.00	\$ 2,390,853.82	79.11%	79%	(2,543.09)
Discretionary Tax	\$ -	\$ -	\$ -	\$ -	\$ 1,720,731.48	\$ 2,000,000.00	\$ 1,666,215.73	83.31%	72%	223,267.46
Fire Department Income	\$ 9,093.25	\$ 9,185.42	\$ 20,912.96	\$ 18,754.93	\$ 15,726.61	\$ 13,795.00	\$ 11,934.76	86.52%	67%	2,732.74
Payment in Lieu of Tax	\$ -	\$ 132,475.68	\$ 55,536.79	\$ 49,583.81	\$ 52,468.78	\$ 52,000.00	\$ -	0.00%	0%	0.00
FDOT Lighting Contracts	\$ 62,788.46	\$ 94,098.11	\$ 113,137.95	\$ 156,229.42	\$ 133,281.05	\$ 115,000.00	\$ 10,055.96	8.74%	13%	(4,803.29)
Recreation Fees & Revenue	\$ 293,930.50	\$ 279,486.35	\$ 305,604.57	\$ 293,905.23	\$ 313,659.48	\$ 306,000.00	\$ 180,791.43	59.08%	74%	(45,209.97)
Police Fees	\$ 70,118.26	\$ 35,936.65	\$ 30,268.60	\$ 31,983.42	\$ 193,526.57	\$ 248,000.00	\$ 151,780.73	61.20%	66%	(12,305.83)
Misc GF Revenues	\$ 257,528.79	\$ 328,892.97	\$ 304,577.01	\$ 821,286.59	\$ 333,448.57	\$ 188,000.00	\$ 217,446.42	115.66%	53%	118,743.64
Impacts Fees	\$ 30,800.00	\$ 38,400.00	\$ 53,400.00	\$ 51,000.00	\$ 44,600.00	\$ 40,000.00	\$ 28,400.00	69.00%	61%	3,255.36
										684,779.34
						\$ 19,308,203.00	\$ 16,673,189.01			

General Fund Projections through June

Report Date	7/20/2020		Days Complete		289		% Year Complete	80%		
Utility Fund										
Classification	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020 Adopted Budget	FY2020 YTD Actual	Current % YTD	Expected % YTD Revenue	Revenue Position
Water Revenue	\$2,364,535.00	\$2,433,321.00	\$2,563,645.00	\$2,532,502.00	\$2,734,319.12	\$2,629,585.00	\$2,105,117.53	80.06%	73%	193,905.67
Sewer Revenue	\$3,332,374.00	\$3,502,709.00	\$3,616,427.00	\$3,574,085.00	\$3,902,516.00	\$3,782,931.00	\$2,937,478.49	77.65%	73%	163,968.73
Impact Fees	\$732,600.00	\$499,502.00	\$613,569.00	\$722,987.00	\$599,501.00	\$490,000.00	\$589,401.00	120.29%	64%	274,988.51
Connection Fees	\$281,663.70	\$155,819.96	\$279,906.73	\$358,284.08	\$323,452.50	\$177,000.00	\$272,751.50	154.10%	69%	150,876.17
Special Fees & Penalties	\$218,723.31	\$197,633.70	\$205,818.73	\$200,414.76	\$204,961.32	\$184,926.00	\$113,107.86	61.16%	84%	(42,633.15)
Misc. UF Revenues	\$37,325.09	\$181,226.40	\$42,033.49	\$33,232.00	\$324,331.40	\$12,600.00	\$11,497.80	91.25%	31%	7,536.79
Totals	\$6,967,221.10	\$6,970,212.06	\$7,321,399.95	\$7,421,504.84	\$8,089,081.34	\$7,277,042.00	\$6,029,354.18			748,642.72

Utility Fund Projections through June

Projected Cash Carry Forward September 30, 2020

September 30, 2020

	General Fund	Building & Permitting Special Revenue	Debt Service Fund	Utility Fund	Sanitation Fund	LETF Fund	Escrow Fund	CRA Fund	Investment Fund	Total
Fund Balance Projections for FYE 9/30/20										
Unrestricted Cash as of 5/31/2020	\$ 9,661,787	\$ 1,135,723		\$ 2,090,946	\$ 2,608,377	\$ -	\$ 2,913	\$ 1,083,237	\$ 755,635	\$ 17,338,618
Projected Revenues	\$ 3,327,025	\$ 228,533		\$ 2,644,186	\$ 1,246,687			\$ 61,152		\$ 7,507,583
Projected Expenditures	\$ (6,995,268)	\$ (231,086)		\$ (4,023,807)	\$ (1,226,944)			\$ (916,152)		\$ (13,393,257)
CM Recommended Purchases	\$ (456,200)			\$ (28,000)						\$ (484,200)
ESTIMATED UNRESTRICTED CASH AT 9/	\$ 5,537,344	\$ 1,133,170	\$ -	\$ 683,325	\$ 2,628,120	\$ -	\$ 2,913	\$ 228,237	\$ 755,635	\$ 10,968,744
Additional potential expenditures:										
Smart Cop (including annual fee)	\$ (383,000)									\$ (383,000)
SWAT	\$ (7,500)									\$ (7,500)
Timeclock Plus	\$ (50,000)									\$ (50,000)
Door Security Upgrade	\$ (25,000)									\$ (25,000)
PD Rifles & Upfitting	\$ 9,300									\$ 9,300
Lift Station #11				\$ (28,000)						\$ (28,000)
Total additional potential expenditures	\$ (456,200)		\$ -	\$ (28,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (484,200)
Projected Unrestricted Fund Balance	\$ 5,081,144	\$ 1,133,170	\$ -	\$ 655,325	\$ 2,628,120	\$ -	\$ 2,913	\$ 228,237	\$ 755,635	\$ 10,484,544
Distribution of Projected Unrestricted Funds										
Cash Carry Forward 2021	\$ 1,125,000	\$ 96,107					\$ 2,913	\$ 228,237		
Reserve Policy Transfer	\$ 4,081,144	\$ 600,000		\$ 655,325	\$ 2,628,120	\$ -			\$ 755,635	

Policy Decisions

- ▶ **Set the Reserve %**
 - ▶ **General Fund 25%**
 - ▶ **Utility Fund 25%**
 - ▶ **Building Fund 100%**
- ▶ **Use Cash Carry Forward to Seed Fund Reserves**
- ▶ **Establish a Renewal & Reserve Amount at 10% of Operating Expenses**
- ▶ **Provide a Deadline of 2023 to Reach Established Reserve Goals**



Part 2 Operational Resiliency



Proposed Changes Included in the Proposed Budget

- ▶ **Implementation of Year-2 of the 3-year Salary Study.**
- ▶ **3% Cost of Living Increase for all employees**
- ▶ **Additional Salary Adjustment for Police Officers (2.5%)**
- ▶ **Additional Salary Adjustment for Dispatchers (7%)**
- ▶ **Equipment Replacement**
- ▶ **Evaluation of Additional Family Options for Employee Insurance**



Additional Proposed Organizational Changes

- ▶ **Reorganization of Crestview Recreation & Enrichment Services**
 - ▶ **Appointment of Chuck Powell as Department Head**
 - ▶ **Moving of Facilities Maintenance to CRES**
- ▶ **Creation of Administrative Services Department**
 - ▶ **Appointment of Jessica Leavins as Administrative Services Director**
- ▶ **Budget & Grants Manager Position**
- ▶ **Special Projects Manager Position**

Policy Decisions

- ▶ **Reorganization & Department Head Appointments**
- ▶ **Employee Cost of Living**
- ▶ **Police & Dispatch Adjustment**



Part 3 Stormwater Utility

Why a Stormwater Utility

- ▶ **The expenses are currently funded with water and sewer revenue.**
- ▶ **By establishing a fee so that we can better track expenses and ensure that the monies collected for stormwater management are used for that purpose.**
- ▶ **Current Budget for Stormwater**
 - ▶ **Approximately- \$575,000**
 - ▶ **Needed Capital Improvement total**
 - ▶ **City Maintains over 180 ponds throughout the City**
- ▶ **Failure to maintain the ponds will result in residential flooding.**

Projected Stormwater Capital Projects

Stormwater Division										
W WALNUT AVE STORM SEWER RELINE	\$125,000	\$150,000								
JAMES ST STORM SEWER RELINE			\$120,000							
SMITH ST STORM SEWER RELINE				\$190,000						
OLD SOUTH DR STORM SEWER RELINE					\$120,000					
Budget Line Item: Equipment										
Budget Line Item: Improvements										
Future Costs						\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Stormwater CIP Budget (assume Stormwater Utility implemented by 10/1/2025)	\$125,000	\$150,000	\$120,000	\$190,000	\$120,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000

Determining the calculation

- ▶ **Residential Property:** will be required to pay a single ERU fee unless the maximum of 40% impervious area is exceeded.
- ▶ **Commercial / Industrial Property:** will be required to pay a single ERU fee unless the maximum of 10,000 square feet of impervious area is exceeded. If this limit is exceeded, an additional ERU fee will be added for every 2,200 square feet over the maximum.
- ▶ **An impervious surface of 70% of the property** will be used to determine the initial ERU until the actual ERU can be established.

ERU- Equivalent Residential Unit = \$2.50

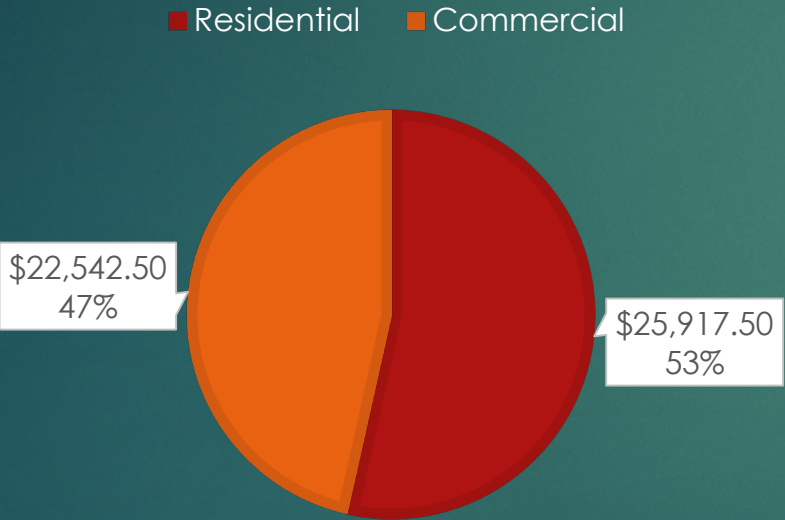


Examples

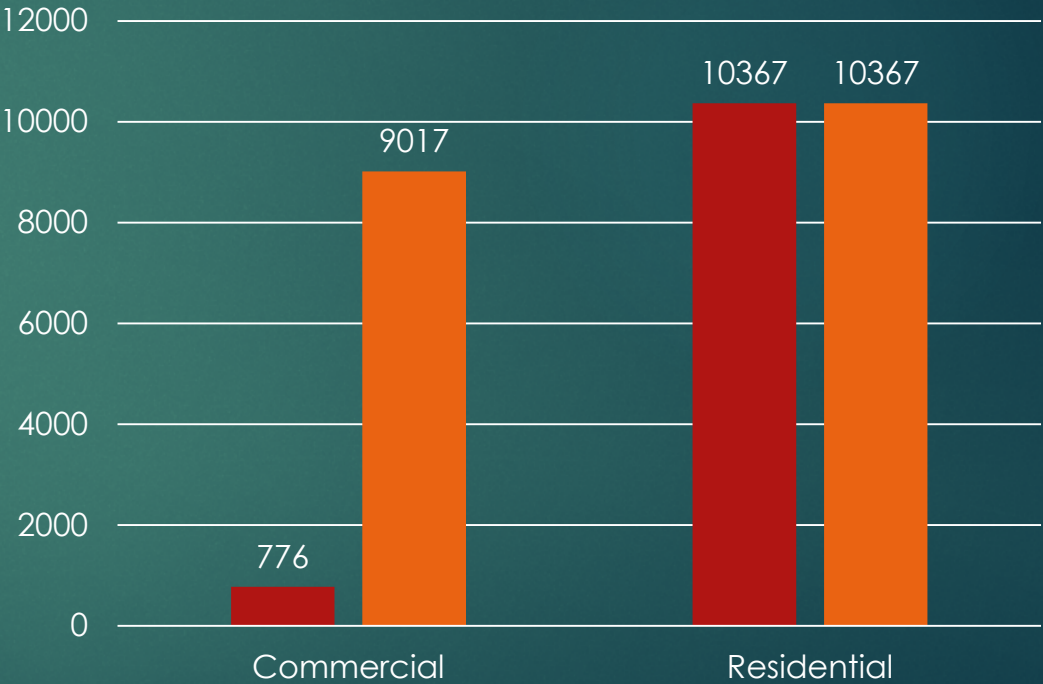
Address	Business	Total Area (Acres)	Total Area (SqFt)	Impervious Area (Acres)	Impervious Area (SqFt)	Percent Impervious	Commerical?	ERUs	Monthly Bill
196 W Pine Ave	Casbah Coffee	0.06	2613.6	0.042	1829.52	70%	yes	1.0	\$ 2.50
1505 S Ferdon Blvd	Crestview Mini Storage	1.27	55321.2	0.889	38724.84	70%	yes	15.0	\$ 37.50
332 Medcrest Dr	Crestview Pediatrics	0.44	19166.4	0.308	13416.48	70%	yes	3.0	\$ 7.50
318 James Lee Blvd E	CVS	1.54	67082.4	1.078	46957.68	70%	yes	18.0	\$ 45.00
130 Oakdale Ave	Gordon Martial Arts	0.49	21344.4	0.343	14941.08	70%	yes	4.0	\$ 10.00
496 N Ferdon Blvd	Hot Kim Chi Cafe	0.38	16552.8	0.266	11586.96	70%	yes	2.0	\$ 5.00
3200 S Ferdon Blvd	Mobil Gas Station	0.95	41382	0.665	28967.4	70%	yes	10.0	\$ 25.00
550 W Redstone Ave	Sacred Heart	5.65	246114	3.955	172279.8	70%	yes	75.0	\$ 187.50
318 James Lee Blvd W	Tractor Supply Shopping Center	6.69	291416.4	4.683	203991.48	70%	yes	90.0	\$ 225.00

Revenue Projections, ERU Distribution & Start-up plans

TOTAL FUNDS COLLECTED



ERU Distribution



Seed Funding will Come from General Fund Undesignated Fund Balance

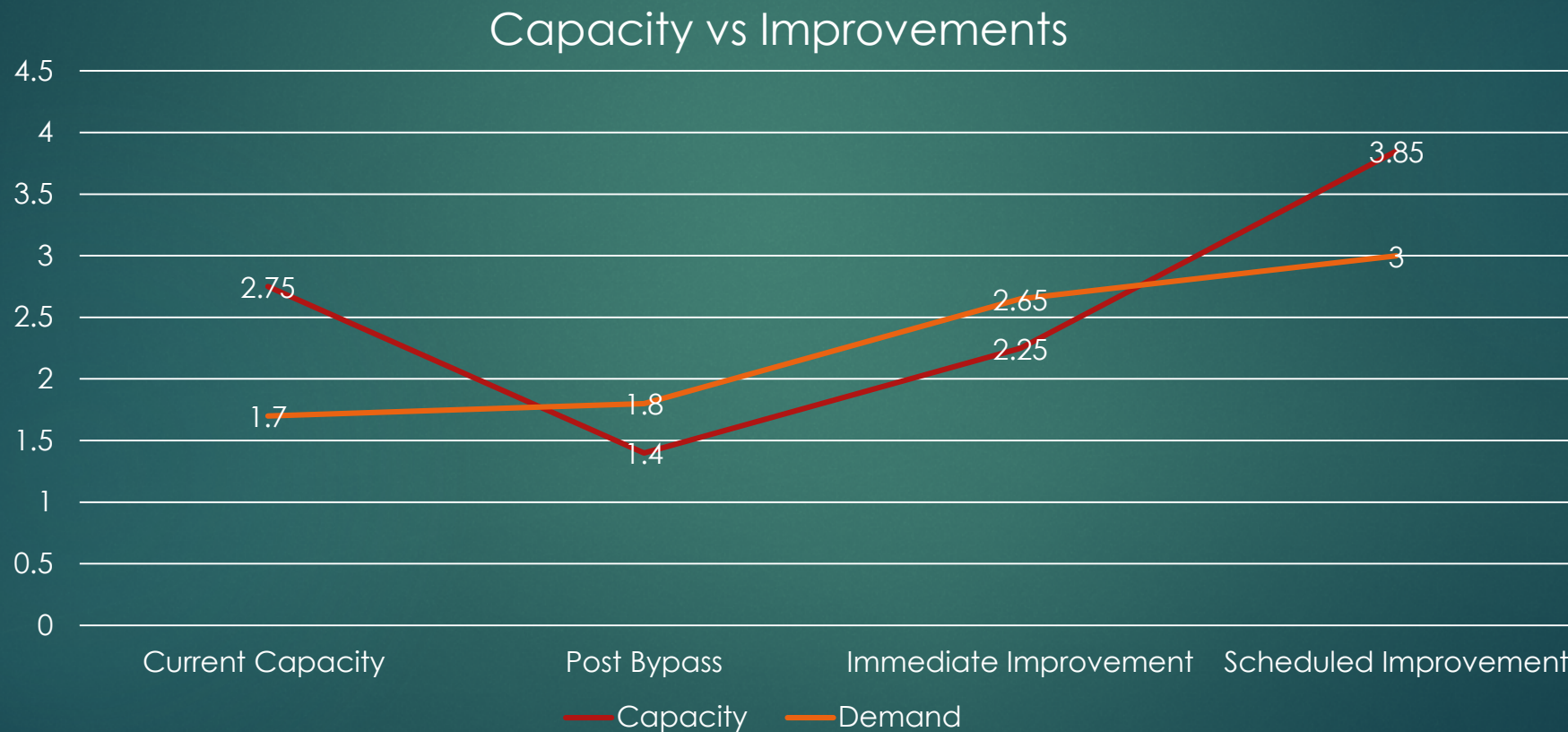
Policy Decisions

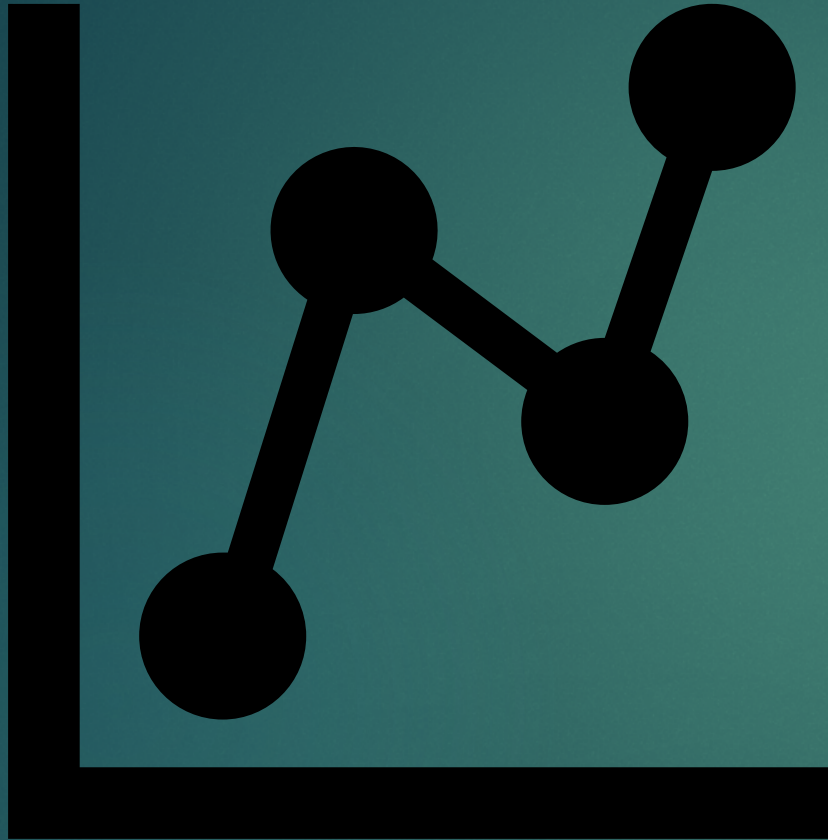
- ▶ **Creating the Utility**
- ▶ **Determining the Appropriate Fee**
- ▶ **Should all Residential Single Family Properties have a Single ERU**



Part 3 Wastewater Capacity & Rate Study

Current Wastewater Capacity





Rate Study Results

Capital Improvement Program

Wastewater

Wastewater System CIP Summary (Maintenance, Sewer)										
Wastewater % Funding Mix										
% Pay Go	0%	20%	20%	20%	20%	100%	100%	100%	100%	100%
% SRF	100%	80%	80%	80%	80%	0%	0%	0%	0%	0%
Growth Related Capital Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%
Estimated Impact Fees (from Revenues sheet)	\$571,000	\$571,000	\$571,000	\$571,000	\$571,000	\$571,000	\$571,000	\$571,000	\$571,000	\$571,000
Cumulative Impact Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wastewater (includes 50% G&A, Public Service, and Customer)	\$8,210,757	\$5,630,500	\$936,500	\$3,974,000	\$26,800,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Impact Fees	\$571,000	\$571,000	\$571,000	\$571,000	\$571,000	\$571,000	\$571,000	\$571,000	\$571,000	\$571,000
Wastewater CIP less Impact Fees	\$7,639,757	\$5,059,500	\$365,500	\$3,403,000	\$26,229,000	\$429,000	\$429,000	\$429,000	\$429,000	\$429,000
\$ Pay Go	\$0	\$1,011,900	\$73,100	\$680,600	\$5,245,800	\$429,000	\$429,000	\$429,000	\$429,000	\$429,000
\$ SRF	\$7,639,757	\$4,047,600	\$292,400	\$2,722,400	\$20,983,200	\$0	\$0	\$0	\$0	\$0
Total	\$7,639,757	\$5,059,500	\$365,500	\$3,403,000	\$26,229,000	\$429,000	\$429,000	\$429,000	\$429,000	\$429,000

Total 10 yr. Capital Project Funding
\$15,685,357 or \$35,685,357

Capital Improvement Program

Water

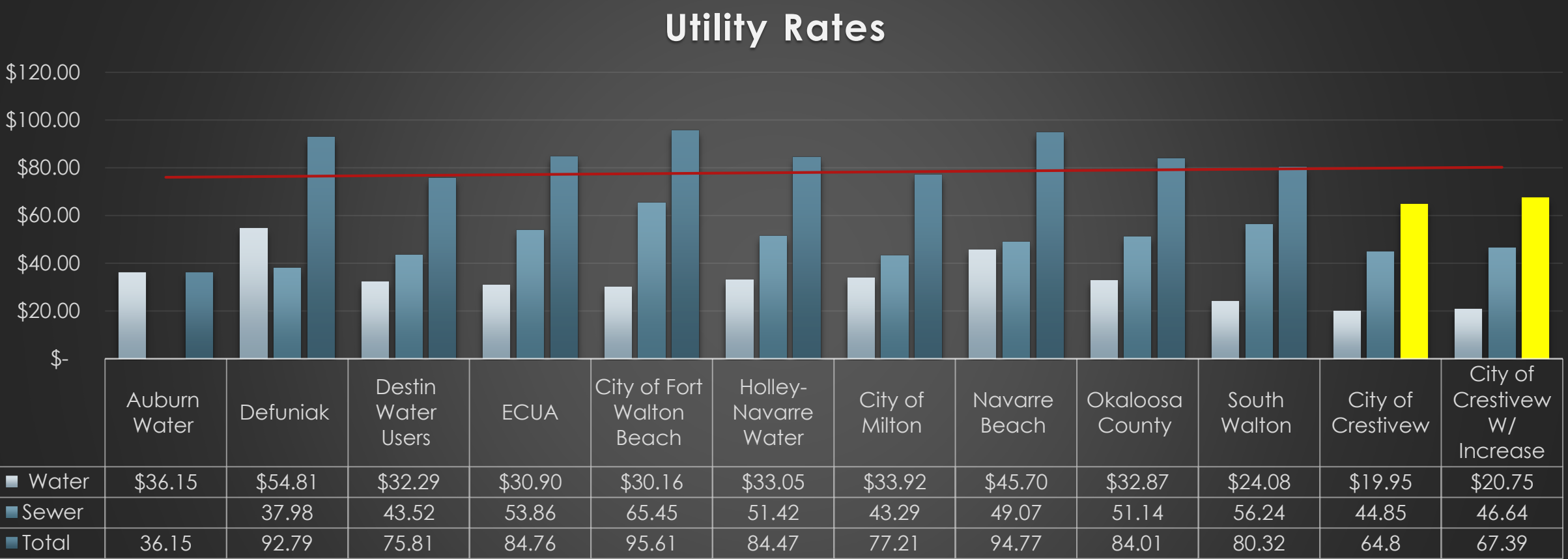
Water System CIP Summary										
Water % Funding Mix										
% Pay Go	100%	100%	100%	100%	100%	20%	100%	100%	100%	100%
% SRF	0%	0%	0%	0%	0%	80%	0%	0%	0%	0%
Growth Related Capital Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Estimated Impact Fees (from Revenues sheet)	\$211,000	\$211,000	\$211,000	\$211,000	\$211,000	\$211,000	\$211,000	\$211,000	\$211,000	\$211,000
Cumulative Impact Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water (includes 50% G&A, Public Service, and Customer Impact Fees)	\$4,336,000	\$1,086,000	\$963,500	\$466,000	\$1,336,000	\$4,336,000	\$1,086,000	\$3,586,000	\$1,086,000	\$1,086,000
Water CIP less Impact Fees	\$4,125,000	\$875,000	\$752,500	\$255,000	\$1,125,000	\$4,125,000	\$875,000	\$3,375,000	\$875,000	\$875,000
\$ Pay Go	\$4,125,000	\$875,000	\$752,500	\$255,000	\$1,125,000	\$825,000	\$875,000	\$3,375,000	\$875,000	\$875,000
\$ SRF	\$0	\$0	\$0	\$0	\$0	\$3,300,000	\$0	\$0	\$0	\$0
	\$4,125,000	\$875,000	\$752,500	\$255,000	\$1,125,000	\$4,125,000	\$875,000	\$3,375,000	\$875,000	\$875,000

Total 10 yr. Capital Project Funding
\$3,300,000

Water and Sewer Rates for Surrounding Utilities			
Area	Monthly Water Bill	Monthly Sewer Bill	Combined Monthly Bill
Auburn Water System	\$ 36.15		\$ 36.15
City of Defuniak Springs	\$ 54.81	\$ 37.98	\$ 92.79
Destin Water Users	\$ 32.29	\$ 43.52	\$ 75.81
ECUA	\$ 30.90	\$ 53.86	\$ 84.76
City of Fort Walton Beach	\$ 30.16	\$ 65.45	\$ 95.61
Holley-Navarre Water System	\$ 33.05	\$ 51.42	\$ 84.47
City of Milton	\$ 33.92	\$ 43.29	\$ 77.21
Navarre Beach Utilities	\$ 45.70	\$ 49.07	\$ 94.77
Okaloosa County Water & Sewer	\$ 32.87	\$ 51.14	\$ 84.01
South Walton Utility Company, Inc.	\$ 24.08	\$ 56.24	\$ 80.32
Average Monthly Billing	\$ 35.39	\$ 50.22	\$ 80.59
City of Crestview - FY20 Rates	\$ 19.95	\$ 44.85	\$ 64.80
City of Crestview with 4% Increase	\$ 20.75	\$ 46.64	\$ 67.39
Notes:			
Assumed 7,000 gallons of water, 5/8" meter, existing residential customer, and inside city			
Defuniak Spring rates are exclusive to a 3/4" meter			
Excludes tax			
Based on information found on Utility's Website			

How do we stack up on monthly rates?

How do we stack up on monthly rates?





Water Impact Fee Comparison			Sewer Impact Fee Comparison			Total Cost Comparison		
City of Defuniak Springs	\$	275.00	City of Defuniak Springs	\$	450.00	Auburn Water System	\$	2,425.00 *
City of Fort Walton Beach	\$	700.00	City of Ft Walton Beach	\$	807.00	City of Defuniak Springs	\$	2,825.00
City of Crestview	\$	1,000.00	ECUA	\$	2,743.00	City of Ft Walton Beach	\$	3,307.00
City of Milton	\$	1,383.28	City of Crestview	\$	2,900.00	City of Crestview	\$	3,900.00
ECUA	\$	1,447.00	Okaloosa County	\$	3,200.00	Okaloosa County	\$	4,800.00
Okaloosa County	\$	1,600.00	Navarre Beach Utilities	\$	3,600.00	Navarre Beach Utilities	\$	6,100.00
Holly-Navarre Water System	\$	2,250.00	City of Milton	\$	3,867.86	ECUA	\$	6,345.00
Auburn Water System	\$	2,425.00	Holly-Navarre	\$	4,200.00	City of Milton	\$	6,351.14
Navarre Beach Utilities	\$	2,500.00	South Walton Utility	\$	4,283.00	Holly-Navarre	\$	6,450.00
South Walton Utility Company, Inc	\$	3,320.00				South Walton Utility	\$	7,603.00

Impact Fees?

Water and Sewer Impact Fees for Surrounding Utilities

Area	Water Impact Fee	Water Connection Fee	Sewer Impact Fee	Sewer Connection Fee	Total Impact Fee
Auburn Water System	\$ 2,425.00	N/ A	N/ A	N/ A	\$ 2,425.00
City of Defuniak Springs	\$ 275.00	\$ 1,100.00	\$ 450.00	\$ 1,000.00	\$ 725.00
ECUA	\$ 1,447.00	\$ 655.00	\$ 2,743.00	\$ 1,500.00	\$ 4,190.00
City of Fort Walton Beach	\$ 700.00	\$ 800.00	\$ 807.00	\$ 1,000.00	\$ 1,507.00
Holley-Navarre Water System	\$ 2,250.00	N/ A	\$ 4,200.00	N/ A	\$ 6,450.00
City of Milton	\$ 1,383.28	\$ 600.00	\$ 3,867.86	\$ 500.00	\$ 5,251.14
Navarre Beach Utilities	\$ 2,500.00	N/ A	\$ 3,600.00	N/ A	\$ 6,100.00
South Walton Utility Company, Inc.	\$ 3,320.00		\$ 4,283.00		\$ 7,603.00
Average Impact Fees	\$ 1,787.54	\$ 788.75	\$ 2,850.12	\$ 1,000.00	\$ 4,637.66
City of Crestview	\$ 1,000.00	\$ 800.00	\$ 2,900.00	\$ 1,020.00	\$ 3,900.00
Difference in Average Fees and City of Crestview Impact Fee	\$ 787.54		\$ (49.88)		\$ 737.66

Notes:

Assumed new residential customer, new connections, and inside city limits. (Excludes tax)

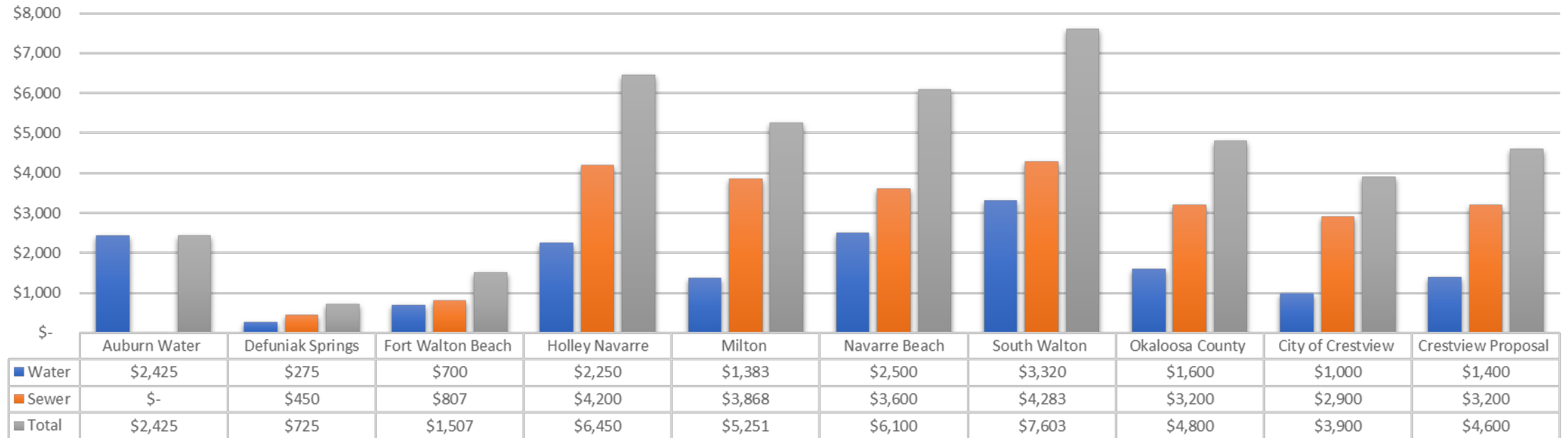
Auburn Water System does not provide Sewer Service

Highlighted Fees are listed as "Cost of Construction". Value is estimation.

Based on information found on Utility's Website

How do we stack up Impact Fees?

Impact Fees



Water Sewer Total

Policy Decisions

- ▶ **Secure the funding for 10-year CIP (\$18,386,500)**
- ▶ **Approve %4 rate increase for monthly rates and implement 5-year rate study (4% per year each September with annual rate reviews)**
- ▶ **Approve Increases in Impact Fees**
 - ▶ **New Water Impact Fee\$1,400**
 - ▶ **New Sewer Impact Fee\$3,200**
- ▶ **Approve Capital Improvement Schedule**

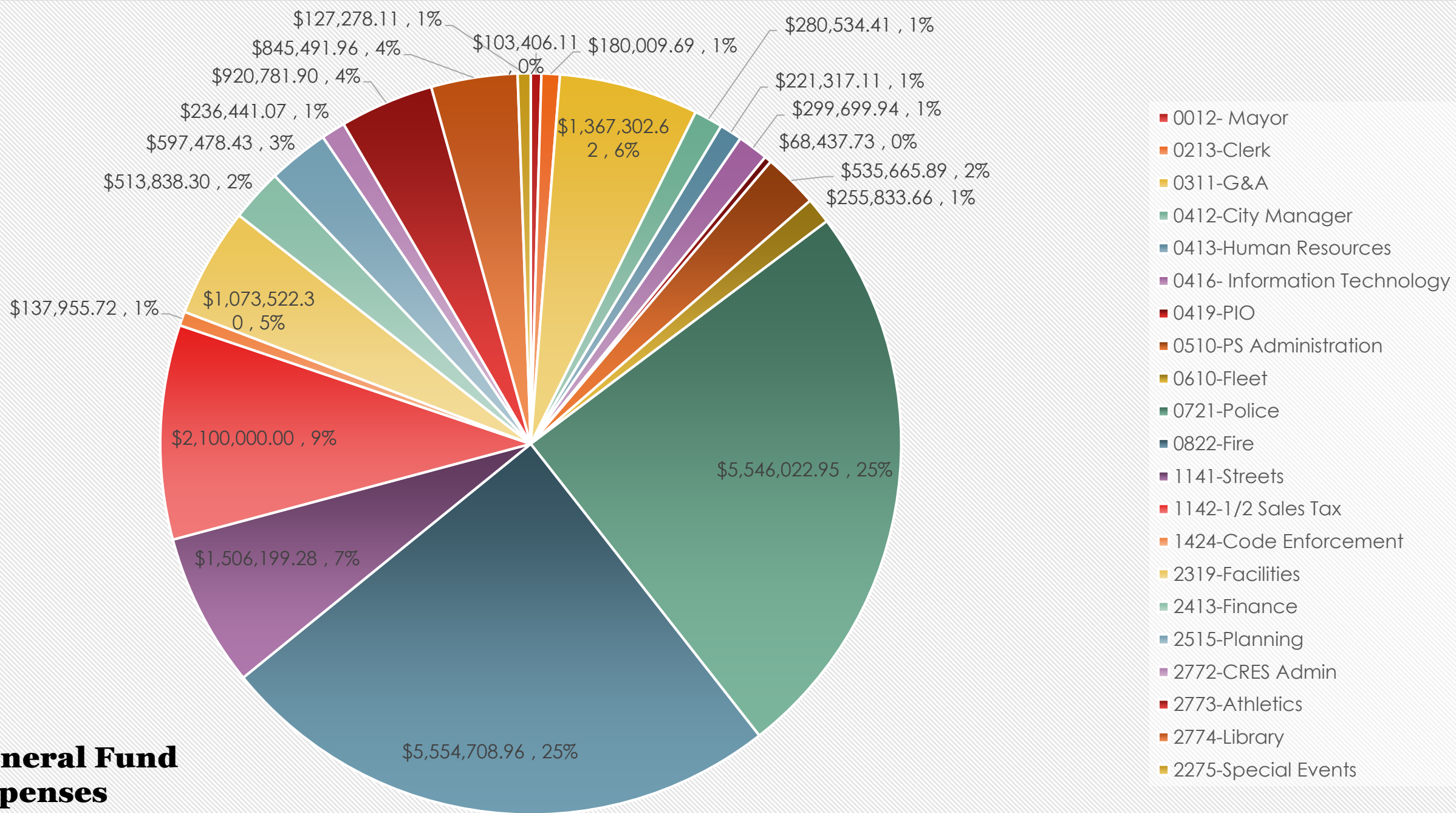


Part 3 Budget Review

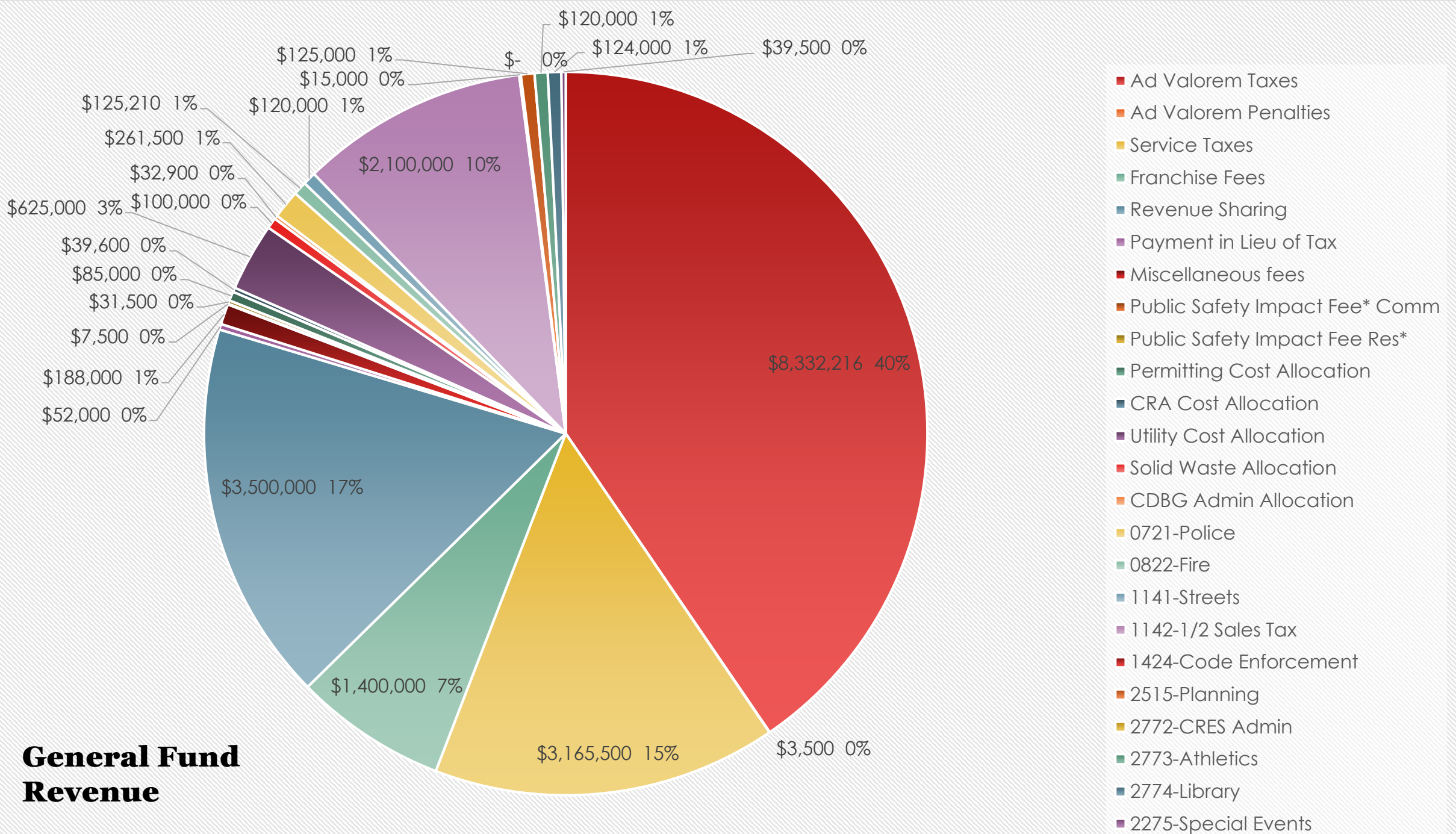
General Fund

- ▶ **Maintain A Millage rate of 6.9466**
- ▶ **New Administrative Services Department**
- ▶ **Establishment of Undesignated Reserve Policy with Initial Funding**
- ▶ **Realignment of Facilities Division within Crestview Recreation & Enrichment Services**
- ▶ **Foxwood Master Plan**
- ▶ **22 Police Vehicles (11 from 2020 & 11 from 2021)**
- ▶ **Fiber Net Installation**
- ▶ **Community Center Hardening for Natural Disaster Emergency Operations**

General Fund Expenses



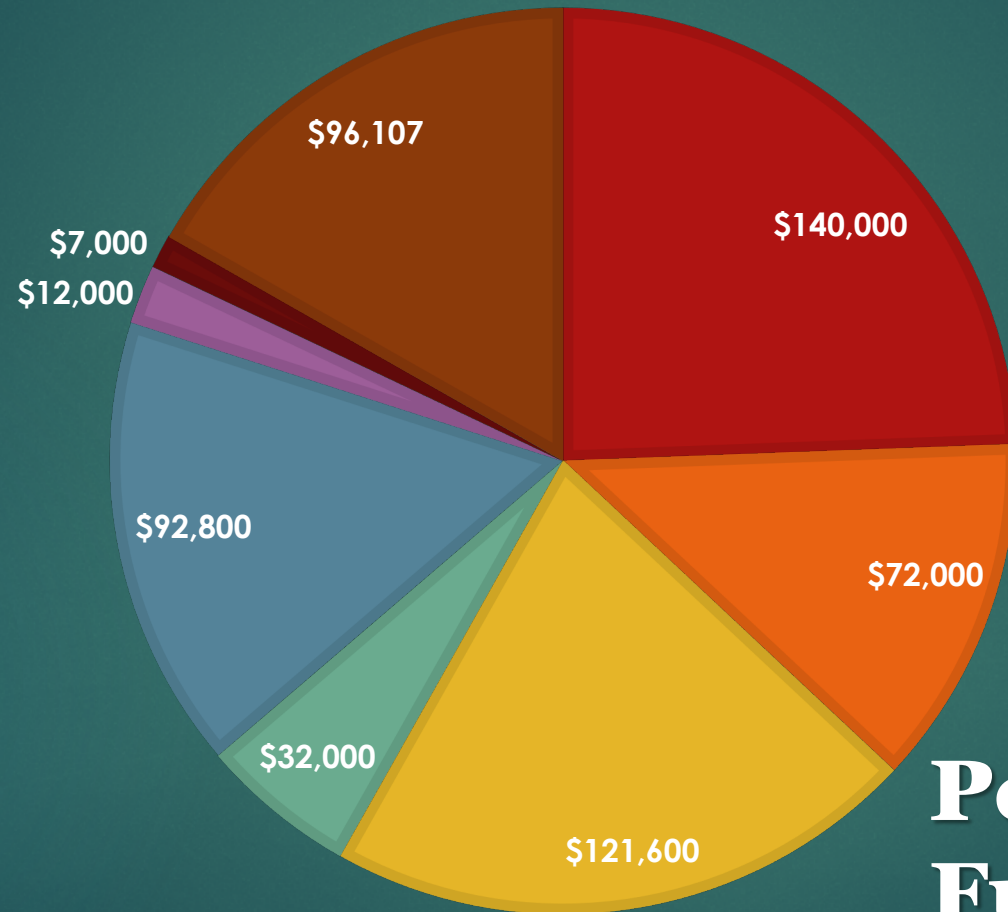
General Fund Revenue



Permitting Special Fund

- ▶ **Trading 2 vehicles in the new lease program**
- ▶ **Recommending a temporary 20% reduction in all permitting fees for 2021**
- ▶ **Will evaluate the fund at the end of 2021 to determine permanent changes to fee structure**

- Building Permits Fee
- Application Fees
- Subcontractor Permits
- Misc Permits
- Misc Fees
- Surcharge
- Interfund Transfer
- Transfer From Reserve



Permitting Special Fund Revenue

Community Development Block Grant

- ▶ **Two Sources of Funding**
 - ▶ **Entitlement Funds** **\$164,610**
 - ▶ **Coronavirus Allocation** **\$96,835**
- ▶ **HHA Housing Stabilization** **\$12,000**
- ▶ **Small Business Grant** **\$96,835**
- ▶ **Nuisance Abatement** **\$75,688**
- ▶ **Admin** **\$32,900**
- ▶ **Benjamin Sewer Project** **\$44,000**

Building Better Neighborhood

Utility Fund

- ▶ **Implementation of rate study**
- ▶ **Secure Capital Improvement Debt**
- ▶ **Completes Capacity and sustainability Capital Improvement Projects**
- ▶ **Combined Utility Maintenance & Sewer Divisions**

Capital Improvement Projects



Meter & MXU Replacement	\$100,000
Garret Pit Road Water tower	\$1,300,000
PJ Phase 4 Utility relocates	\$800,000
CIPP Lining Program	\$50,000
Low-Pressure Sewer Program	\$25,000
Benjaman Sewer Exansion*	\$105,000
Manhole Lining Program	\$50,000
Split Creek Engineering Study*	\$50,000
New Control Panel for LS #19	\$59,228
New Control Panel for LS #29	\$59,228
New Control Panel for LS #38	\$20,000
LS#15 Upgrade*	\$250,000
Foxwood Country Club	\$830,000
PD&E & Construction Sewer Lines	\$150,000
PJ phase 4 Relocate	\$800,000
LS 61 Pump Replacement	\$90,000
Spare 75hp electric motor for oxidation ditch	\$12,000
New influent composite sampler	\$8,000
Master lift station pump	\$15,000
Influent flow meter replacement	\$26,000
Solids handling upgrade	\$2,560,000
Phase 1 PD&E	\$100,000
Rapid Infiltration (RIB)	\$500,000
Phase 2 PD&E	\$590,000
Irrigation Relocation	\$120,000
Total	\$8,669,456

Stormwater Fund

- ▶ **Adopt Stormwater Utility Ordinance**
- ▶ **Complete Rate Assessment by Properties**
- ▶ **Complete West Walnut Avenue Relining Improvement**

Stormwater Division										
W WALNUT AVE STORM SEWER RELINE	\$125,000	\$150,000								
JAMES ST STORM SEWER RELINE			\$120,000							
SMITH ST STORM SEWER RELINE				\$190,000						
OLD SOUTH DR STORM SEWER RELINE					\$120,000					
Budget Line Item: Equipment										
Budget Line Item: Improvements										
Future Costs						\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Stormwater CIP Budget	\$125,000	\$150,000	\$120,000	\$190,000	\$120,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
(assume Stormwater Utility implemented by 10/1/2025)										

An aerial night photograph of a city. In the lower-left foreground, a large church with a prominent white steeple and red brick walls is illuminated. To its right, a parking lot contains several vehicles. In the background, a tall, slender water tower stands out against the dark sky. The city streets are lit up, showing traffic and surrounding buildings.

Community Redevelopment Agency

- ▶ **Complete a Mobility Plan**
- ▶ **Downtown Design Implementation of Mobility Plan**
- ▶ **Restripe parking downtown**
- ▶ **Complete Segue**
- ▶ **Downtown Beatification**
- ▶ **Bush House Improvements**
- ▶ **Complete Sign Project**



Important Dates

- ▶ **First reading of Stormwater Utility – August 10th**
- ▶ **Second Reading of the Fee Schedule Ordinance- August 10th**
- ▶ **Second Reading of Stormwater Ordinance August 31st (Special Meeting)**
- ▶ **Fee Schedule Resolution August 31st**
- ▶ **Tentative Milliage/ Budget Hearing September 8th 5:15pm**
- ▶ **Final Milliage/ Budget Hearing September 28th 5:30pm**

