City Council Budget Workshop and Special Meeting
Minutes
July 20, 2022
9:00 a.m.
Crestview Public Library Conference Room

1. **Call to Order**
The Workshop of the Crestview City Council was called to order at 9:00 a.m. by Mayor Pro-Tem Andrew Rencich. Board members present: Council members: Shannon Hayes, Doug Capps, and Cynthia Brown. Also present: City Manager Tim Bolduc, City Clerk Maryanne Schrader, City Attorney Jonathan Holloway, and Department Directors. Mayor JB Whitten and Councilmember Joe Blocker were excused.

2. **Pledge of Allegiance**
Mayor Pro-Tem Andrew Rencich led the Council in the Pledge of Allegiance.

3. **Open Workshop**

4. **Approve Agenda**
Mayor Pro-Tem Andrew Rencich called for action.

Motion by Councilmember Cynthia Brown and seconded by Councilmember Shannon Hayes to approve the agenda, as presented.
Roll Call: Cynthia Brown, Shannon Hayes, Andrew Rencich, and Douglas Capps. All ayes. Motion carried.

5. **Action Items**

5.1. Budget Review
City Manager T. Bolduc explained that each department director will detail the individual budget of their department and present their department needs. He mentioned he will provide an overview of the budget and millage rate and how to lower the rate by providing alternative options.

Elizabeth Roy, CRA Director, went over Community Redevelopment Agency funding stating $250,000 is expected this year, but it is dependent on the millage rate. She went over the accomplishments this past year, the Downtown Mobility Study, the Leonard Bush House renovation completion, the Wilson Street Park Splash Pad ribbon cutting, the $274,000 in grants awarded, and the office in the new location.

She went over the needs for the future with the downtown renovations, adding they will coordinate community events with Main Street Association. She mentioned the strategic plan is five years old, so she will be adding some updates.

CRA Director E. Roy added that the CRA will be sunset in 2028, however, she believes the State may extend the CRA.

City Manager T. Bolduc said the key to success is the increase in the growth and property values. He explained increment financing is used to determine the investments in the CRA and value of the market rate. We are seeing improvement in the property values, as we work on code enforcement

After several questions from the Council, City Manager T. Bolduc explained that City Hall will be improved. Regarding Main Street improvements, staff has encouraged businesses to extend hours in the downtown area. They plan to meet with the businesses to assist the small businesses to be successful.

Maryanne Schrader, City Clerk, mentioned, as a Charter level position, the office provides support to the City Council, administers various processes such as public information access to city records, all legislative actions and is the keeper of the official city seal. The office of the City Clerk acts as a compliance officer for federal, state, and local statutes, thus ensuring transparency to the public. The City Clerk serves as a facilitator for all departments. She went over the Strategic Plan for the office, which included a succession plan. She went over the accomplishments over the year and the needs for the future, as the city continues to grow.

Mayor Pro-Tem A. Rencich called for a break at 10 a.m.

Mayor Pro-Tem A. Rencich resumed the meeting at 10:10 a.m., and Park and Recreation Director, Chuck Powell, went over their needs stating the department serves over 30,000 residents, as well as County residents. He mentioned over 2,247 participants are registered in the programs and provided program statistics.

Discussion ensued on the target audience and revenue generated.

Mr. Powell went over the recent upgrades in facilities and parks adding his department maintains 17 buildings and 188 acres of grounds. The department provides logistical support for the City and Main Street Association. He reviewed the construction projects that are on-going to include the Blackwater Golf Club. He mentioned the upcoming projects, such as the pickleball court. Regarding expansion of services, he added funding and space are always considerations. He added software is needed to maintain the facilities. We are facing challenges with the age of our equipment. Mr. Powell mentioned that we have to be mindful of growth, as we need to consider an acquisition of a recreational sports complex. He said we have an immediate need of additional workforce, as we continue to grow.

City Manager T. Bolduc went over the facility needs and went over the need to address the concerns of ADA compliance. He mentioned we require recreational greenspace with the developers. He said we are working on plans adding they will hold a workshop at a future date.

Jean McCarthy, Librarian, spoke on the services of the Crestview Library. She went over the monthly statistics, the new systems, and the various programs they offer.

Discussion ensued on the need for an annex or lockers on the south end.

The Council applauded Ms. McCarthy on the improvements made at the library and the value of service that the library provides to the citizens.

Mayor Pro-Tem A. Rencich recessed at 11:43 a.m. and opened the meeting at 12:13 p.m.

City Manager T. Bolduc went over the Community Development Services. He said everything can be handled on-line with the recent upgrades. He went over the sources of revenue stating that we generated $435,130 in building permits. We are working on a strategy on utilizing the funds in reserves. We bring in over $100,000 in business tax receipts. We received over $22,000 in plan review. The lien search revenue is $53,105.

City Manager T. Bolduc stated the Animal Control department has garnered $3,128 to date. We are providing a service that our client base is much happier about. We also are developing a stronger relationship with P.A.W.S. In Code Enforcement, we have collected $12,220, however, the number does not reflect the returns we have gained in Code Enforcement. We will have two facilities operating by the end of the month.

City Manager T. Bolduc went over the reduction in Code Enforcement cases stating the statistics show a return on investment. He went over the goal of future land annexations to incorporate areas into the city that will add additional tax base, as part of our smart planning. He analyzed the staffing positions, as well as future considerations for remodeling and vehicles. He added we are doing conceptual lay outs to the new Public Services facilities.

Discussion ensued on Affordable Housing needs and grant opportunities.

Next, Michael Criddle, Director of Public Services went over the recent upgrades. He went over staffing and equipment concerns. He reviewed the current fleet status highlighting the age of the equipment and concerns on maintenance challenges. He went over the areas of the department and the cost burden of upkeep and maintenance on the sewer, wells, tanks, ponds, and stormwater. He compared the population and workforce for neighboring communities. He mentioned the need for a standardized process, the need to keep up with technology, and automated processes. He stated training and certifications are critical. He provided information on the 86 future projects that are anticipated, such as becoming a Tree City USA. He went over the need to have our critical assets in GIS.

Council agreed on the critical needs in order to provide services to the citizens.

City Attorney Jon Holloway applauded Mr. Criddle and the processes and procedures he has put in place mentioning a situation involving the Department of Environmental Protection (DEP) violation for an opportunity to respond in-kind. The DEP stated they will use our proposal as a model throughout the state.

Mayor Pro-Tem A. Rencich recessed at 1:37 p.m. and resumed at 1:46 p.m.

Next, Chief Stephen McCosker went over the recent upgrades on vehicles, computers, Records Management System, equipment, and uniforms at the police department. He reviewed the recruitment enhancements, explaining the programs and incentives offered. He added he has seven employees going through the recruitment program. He went over the revenues, grants, and donations garnered to emphasize good stewardship of funding. He went over the four geographical locations of the city that the department has to cover, which impacts the response times. He reviewed the special considerations regarding additional population concerns, noting the hospital, schools, homeless shelter, and large retail impacts. As well as the impact of jobs generated from Shoal River Ranch, issues in relation to the visitors arriving at the courthouse, tax collector's office and inmate population. The department also monitors the hotels, response times, and easy access to I-10, the increased population growth, and the need for a new building. He went over staffing issues and the expenses incurred in relation to Cultural Services events.

Fire Chief Tony Holland came forward and acknowledged the support of his team. He mentioned he has over sixty employees with three openings. He reviewed the stations, mentioning Station 1 is the headquarters. He detailed the public outreach events, and various programs the department supports. He reviewed the incident response data mentioning the volume increased by 5% over the previous year, which included the outside city limits calls. He has seen a reduction in certain calls because of the code enforcement clean up. He advised the Council on the improvements and modernization of equipment. He expanded on the future developments that will impact fire protection. Future goals and a timeline to achieve them were mentioned adding the goal is to rise to a 3 ISO rating and eventually a rating of two.

Discussion ensued on the need for expanded ambulance service. Chief Holland mentioned the high alert systems and pre-emptive systems.

Mayor Pro-Tem A. Rencich recessed at 3:07 p.m. resumed at 3:12 p.m.

Jessica Leavins, Administrative Services Director, stated she her department encompasses HR and IT. She went over the advances in the IT department to include planning operations and maintenance. She went over the recent projects in cybersecurity, and the IT infrastructure. She mentioned that in the past year, HR has implemented an Employee Appreciation program, training, and development with the LEAD leadership program, which is part of our succession plan. She advised Council on the staffing situation stating inflation is at 9.1%, which impacts our place in the market. Health Insurance is costly, and as a smaller agency, our rates are based on the panhandle as a whole, not just our agency. She mentioned we have to continually monitor our services in order to maintain exceptional municipal services. The city has an increase of 30% in our technological needs. She discussed the need for cybersecurity, as national security is a consideration due to hacking. Water and sewer treatment centers are also at risk. We have to comply with state mandates, so our budget needs include audits to ensure we are in compliance. Regarding growth, we have an estimated population at 27,800. Our matrix study stated our staffing will depend on what level of services we want to provide. We are 45% under in staffing. She went over the partnerships with Florida Blue mentioning with Blue Value solutions, we have received $20,000 in incentive funding. We also received a premium credit. We have strong sponsorships which supports the Employee Christmas Party and All In Credit Union sponsors our employee recognition program. She went over new benefits such as the Juneteenth holiday, US Law Shield, and Mission Square, the new 457 retirement program.

She said the budget includes a request for Office 365 migration to Government Cloud at $75,000. This investment will place our data on a US guaranteed Cloud server. We also need to have managed network switches at either $65,000 at City Hall, or option 2 to include Public Services for over $40,000. She went over the cybersecurity goals, which includes security, upgrades, and training.

She went over salary projections at $18.5 million which includes personnel costs, with the impact of adding a holiday, a 3% base wage increase, merit pay, succession planning, and a leave sell back program.

City Manager T. Bolduc added the balanced sheet is 3% and the budget is projected at $20 million dollars.

Next, Wendy Butzke, Accountant, came forward to go over financial services. She went over the restructuring in the department, funding sources for the budget, which include grant and revenue sources, and the expenditure reports they provide. She said they have secured fraud protection. Looking forward, we are researching a computerized maintenance management system to track financial sources. We are going to work on fixed asset policy, and fraud prevention. We also want to add training opportunities to maintain GASB regulations.

City Manager, T. Bolduc, reviewed project management depicting 21 million dollars in projects that are on-going and went over the funding process to implement the projects.

He reviewed the general fund year to date, quantifying the adopted budget, the actual, the expected revenue and the funds that are projected. We are over $454,616.00 collected currently. He reviewed our utility fund year to date mentioning storm water revenue will roll into capital projects. He went over the building permit revenue stating the fund has the money to build a facility. He gave several options for building and locations to place the building. He added the budget currently has a zero balance. We have over the $7 million dollar reserve in our budget. He mentioned the cash carry forward number stating the budget is at a little lower millage rate. Cybersecurity is not included in the presented budget stating the total budget is $40 million.

City Manager T. Bolduc went over the millage rate and alternative options. He said the current rate is 6.94 at $10,274.734 projected. He suggested alternatives of either 6.9 or 6.8466.

Council discussed the reduction with the inflation rate consideration and concurred with the alternate 2 rate.

Motion by Councilmember Douglas Capps and seconded by Councilmember Cynthia Brown to set the rate at 6.8466.
Roll Call: Cynthia Brown, Shannon Hayes, Andrew Rencich, and Douglas Capps. All ayes. Motion carried.

Discussion ensued on staffing and infrastructure needs.

6. **Comments from the Audience**
No one came forward.

7. **Comments from the Mayor and Council**
Council applauded the staff on the presentations.

8. **Adjournment**
Mayor Pro-Tem Rencich adjourned the meeting at 4:37 p.m.

Minutes approved this 22nd day of August 2022.

Mayor Pro-Tem Andrew Rencich

Maryanne Schrader
City Clerk
Proper notice having been duly given

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