

CRA and Joint City Council Special Meeting
Minutes
August 22, 2022
5:00 p.m.
Council Chambers

1. Call to Order

Mayor Pro-Tem Andrew Rencich called the Special Joint meeting of the City Council and CRA to order at 5:04 p.m. Members present: Mayor Pro Tem Andrew Rencich, Shannon Hayes, Doug Capps, Cynthia Brown, and Joe Blocker, and Vice-Chair Margareth Larose. Also present: City Manager Tim Bolduc, City Clerk Maryanne Schrader, City Attorney Jonathan Holloway, CRA Director Elizabeth Roy, and various staff members. Board member Linda Parker and Chair Nathan Boyles were excused.

2. Open Policy Making and Legislative Session

Mayor Pro-Tem Andrew Rencich explained the process and procedure for the meeting.

3. Action Items

3.1. Presentation by Purvis Gray - Audited Financial Statements

The City's auditing firm, Purvis Gray, represented by Ryan Tucker, presented the results of the September 30, 2021 Audited Financial Statements for the City of Crestview and the Crestview Redevelopment Agency.

Ryan Tucker said they have provided the audit with an unmodified opinion by the June 30th deadline with the highest level of assurance that can be received from an external auditing firm. The report conforms to the Generally Acceptable Accounting Principles (GAAP). He noted the pension plans are pretty strong comparable to other communities.

Mr. Tucker recommended the reconciliation of billing reports to be done on a monthly basis and noted the city is utilizing Excel spreadsheets. They are recommending external software to track external assets. He went over the Management Letter stating there are no issues to report on Investment funding requirements.

Discussion ensued on the software needed, and City Manager T. Bolduc advised that the new CMMS software will assist the Finance department with asset depreciation reports.

Mr. Tucker went over the details of the CRA audit report. He said the report is also in line with GAAP. He compared the 2021 and 2022 fiscal years. There were no internal controls to note. He went over the required disclosures. Regarding the budget submission, he noted that the CRA budget and amendments have to be submitted within ten days of adoption to the Okaloosa County Board of Commissioners. Ryan Tucker added the CRA report also has to be submitted in June, which was submitted on time.

Council commended the staff on the good report.

Next, City Manager Tim Bolduc displayed property that is available across from Desi's. He mentioned options available to utilize CRA funding under downtown improvements or borrow from the general fund. Both lots are estimated at \$135,000. He asked for permission for the city attorney and he to negotiate to purchase the property. He mentioned several rehab options such as rehabbing the building to look like the old post office that had been housed there, as well as place the CRA offices in the building. He would like to protect some of the history on Main Street and added this

purchase is an historical opportunity.

Discussion ensued on what could be done with the vacant lot and the cost of rehabilitation.

City Manager Tim Bolduc said it will be about \$300,000 to rehab the building, as the roof is bad and framing structure is bad. He hopes to search for historical grants and use revenue from the general fund. He added another option is we could rent office space to the Main Street program.

Discussion ensued with the CRA Board and Council regarding the value of nearby properties, and the resell value of the buildings.

City Manager Tim Bolduc said the value is there from an overall investment perspective. He added he does not have an appraisal yet.

Vice-Chair Margareth Larose asked about the safety of the building, and City Manager Tim Bolduc added the roof is in violation of Code and the building would need to be secured, as the back door is broken. CRA Director Elizabeth Roy added everything has to be up to Code.

Discussion ensued on revenue options with the TDC, assessment of the building, rehabbing the building in phases, and pulling the comparables on surrounding purchases, and the use of the building even if the CRA dissolves.

The general consensus was that the purchase is a good investment, but inspections would need to be done. City Manager Tim Bolduc mentioned one option is to do the rehab in phases.

Motion by Council member Cynthia Brown and seconded by Council member Shannon Hayes to approve the City Manager and City Attorney to negotiate to purchase the property not to exceed \$135,000.

Roll Call: Joe Blocker, Cynthia Brown, Shannon Hayes, Andrew Rencich, Douglas Capps, and Margareth Larose. All ayes. Motion carried.

Motion by Council member Shannon Hayes and seconded by Council member Cynthia Brown to accept the 2021/2022 financial statements for the City and the CRA.

Roll Call: Joe Blocker, Cynthia Brown, Shannon Hayes, Andrew Rencich, Douglas Capps. All ayes. Motion carried.

4. Comments from the Mayor and Council

Mayor Pro-Tem Andrew Rencich asked for comment from the Council.

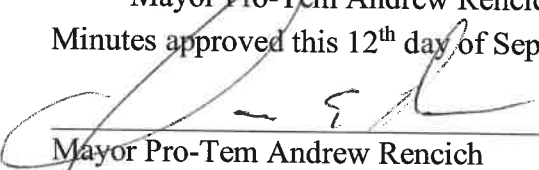
5. Comments from the Audience

Mayor Pro-Tem Andrew Rencich asked for comment from the public, but no one came forward.

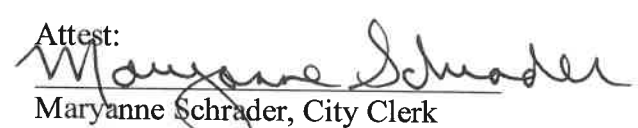
6. Adjournment

Mayor Pro-Tem Andrew Rencich adjourned the meeting at 5:42 p.m.

Minutes approved this 12th day of September 2022.


Mayor Pro-Tem Andrew Rencich

Attest:


Maryanne Schrader, City Clerk

Proper Notice having been duly given

