



MINUTES

BOARD OF COMMISSIONERS BUDGET WORKSHOP MEETING AUGUST 23, 2023 4:00 P.M.

The City of Madeira Beach Board of Commissioners held a budget workshop meeting at 4:00 p.m. on August 23, 2023, in the Patricia Shontz Commission Chambers at City Hall, located at 300 Municipal Drive, Madeira Beach, Florida.

MEMBERS PRESENT:

James "Jim" Rostek, Mayor
Ray Kerr, Vice Mayor/Commissioner District 2
David Tagliarini, Commissioner District 1
Eddie McGeehen, Commissioner District 3
Anne-Marie Brooks, Commissioner District 4

MEMBERS ABSENT:

CITY STAFF PRESENT:

Robin Gomez, City Manager
Clara VanBlargan, City Clerk
Thomas Trask, City Attorney

1. CALL TO ORDER

Mayor Rostek called the meeting to order at 4:00 p.m.

2. ROLL CALL

City Clerk Clara VanBlargan called the roll. All were present.

3. PUBLIC COMMENT

There were no public comments.

4. DISCUSSION ITEMS

A. Draft FY 2024 Operating & Capital Budget – 8-23-2023 Budget Workshop

The City Manager said they will review the final draft operating and capital budget for FY 2024 following a series of budget workshop meetings from April. They will go over most of the documents that are attached. The draft document includes more detail, including narratives for certain areas and an introductory letter summarizing what they want to do over the next year. The overall budget for FY 2024 is over \$47 million. Nearly half the total budget is for capital projects, from road projects to building a parking garage, a public works building, refurbishing of the beach

groins, and dredging John's Pass, which is not a capital project. There is minimum new equipment and minimum additional personnel. They are adding three new firefighter/paramedic positions to comply with NFPA, recent standards he discussed with each Commissioner. The funding is similar to prior years except for next year. They did not receive any additional distribution or appropriation from the state legislature. Some revenues steadily increase from property taxes and other taxes and fees, including taxes on communication services, etc. They are looking to spend money in 2024 carried over from the current year, particularly from capital projects. The millage rate, which is part of the General Fund, stays the same at 2.75 mills. There are no significant changes in the General Fund. They see increased revenues from the previous year, such as in sanitation. The fees were increased last year and in the current year. They are not proposing an increase in the FY 2024 budget.

Finance Director Andrew Laflin said on Page 20 it tells the tale. It shows all the sources and uses of each fund of the City. He explained the following:

- They allocated administrative services that the General Fund charges to other funds shown in the other sources and uses line.
- They updated the percentages and balances based on input factors such as the usage of Finance, City Manager, or other employees in the General Fund providing services.
- The General Fund provides transfers to other funds to cover the deficit, the budgeted shortfall. The most significant shortfall is in the Archibald Park Fund because of big capital projects such as the beach renourishment project. Some projects are grant-funded, and others are not, so they need assistance from the General Fund to help fulfill the deficit from the Archibald Park Fund.
- The Local Option Sales Tax Fund also has a large deficit it will absorb because they had a good accumulation of fund balance in the Local Options Sales Tax Fund.
- This is a more aggressive year, with capital outlay projects totaling \$2.78 million compared to revenues of \$746,000. There are unspent debt proceeds in the Stormwater Fund of almost \$6 million from that 2019 issuance to cover the Area 3 and Area 5 projects they anticipate spending out in Fiscal Year 2024. They have that cash available, which is why there is a large fund balance and that position carryover for \$6.7 million. The big difference they had was the General Fund making transfers out to a couple of other funds that needed assistance based on just a capital-intensive budget for those particular funds, Archibald Park Fund being the biggest one.
- The Impact Fee Fund is new this year. They have \$125,000 budgeted for the impact fee collections. They are trying to accumulate those balances and determine which projects make sense for expansion-type projects that are permissible to spend the impact fee proceeds on. If they want to spend that in FY 2024, they can present a budget amendment to the Board for any project initiatives they want to spend impact fee dollars on. Nothing is budgeted yet for 2024 because they want the revenues to accumulate.
- For the Parking Fund, they have a big capital outlay of \$3 million, the parking garage they are endeavored to instruct. The Parking Fund will absorb all that, and there will not be a transfer of leftovers from the Parking Fund to the General Fund because they are holding those funds from all the parking revenues received to help self-fund the engineering and construction of the parking garage.

- They are sticking with the 2.75 millage rate, so the anticipated ad valorem tax revenue reflects the budget revenue for under 2.75 mills.
- They increased the cost of living from 5% to 6% based on the Board's recommendation from the last budget meeting. That had a small impact on the personnel services budget line for the applicable funds.

Vice Mayor Kerr said they had gone through it extensively over the months, line item by line item. In the future, it would be helpful to highlight anything that jumps out as different. It is not necessary to go through line item by line item and rehash the same meetings they had since April.

The City Manager said other changes made to personnel are covering 50% of the premium for dependent care. They will be able to provide a better number as to how many employees choose that option. They are in the open enrollment period for benefits that closes on August 28. They also are switching from the current retirement to the Florida Retirement System. The deadline for that is also on August 28. They will have better numbers to provide. They are looking to stay competitive with other cities and will look at that every year during the budget process to know the increases from year to year and come up with suggestions on what to do.

Mr. Laflin said he would list in his agenda memo for the first public hearing of the budget any changes made to numbers from what was reviewed in August.

Vice Mayor Kerr said he wants to see the biggest differences from one year on any particular line item and why it is there.

The City Manager said the first public hearing for the FY 2024 Millage Rate and the FY 2024 Budget ordinances is at 5:45 p.m. on September 13, 2023. The second reading and public hearing is at 5:45 p.m. on September 27, 2023. FY 2024 starts on October 1, 2023.

The City Manager reviewed Funded Positions by Department beginning on Page 71.

The City Manager and Mr. Laflin responded to questions and comments by the Board.

5. ADJOURNMENT

Mayor Rostek adjourned the meeting at 4:44 p.m.

James "Jim" Rostek, Mayor

ATTEST:

Clara VanBlargan, MMC, MSM, City Clerk