

MINUTES
CITY COMMISSION MEETING
September 14, 2021

The City Commission met this date for a special meeting in the Commission Chambers. A quorum being present, the meeting was called to order at 6:00 PM with the following in attendance.

Mayor	:	Hubert B. Smith
Commissioners	:	Christine Wasdin
	:	Edward Crosby
	:	Kay Hamilton
	:	Jay Denney
City Clerk	:	Tammy Johnson
Police Chief	:	Joe Hart
Library Director	:	Hope Willis
VBCS General Mgr	:	James Butler (camera)

Others in Attendance: (Not Inclusive) Fred Benedick, Hunter Morrison (Bay Beacon), Brenda Dial, Terry Griffin, J.R. Curry (fire department representative)

Mayor Smith welcomed everyone this evening, turned the meeting over to Mrs. Johnson. Mrs. Johnson said the budget hearing was advertised for tonight via the tax notice that was sent out by the county.

1. Tentative Budget Hearing

Mrs. Johnson said on the first page is a summary budget for FY2022. This budget contains both the 6.3% tax rate and the rate of 5.024 that was budgeted for FY2021. The draft budget for this year is \$10,770,105. Mrs. Johnson said on page 2 we have the reserve balances and possible carry forward. In the General Fund the carry forward includes the CARES act \$530,000 that we can use. She said a lot of carry forward is also because we haven't been able to hire people. Mrs. Johnson said this budget also includes 3% health insurance increase, 10% increase for auto, general liability, property and workers' comp insurance. She said still to be determined is the final ad valorem rate, COLA and merit raises, and to set final budget within 15 days after the tentative hearing. Mrs. Johnson said if the Commission voted on a 6.3% millage or a 6% millage all Commissioners would have to be present and vote unanimously for that rate. She said if the Commission wanted to use the current rate 5.024% the vote is required to be a 2/3s vote.

Mrs. Johnson said in this draft budget she has three columns. One column for 2022 proposed budget 6.3% millage, 2022 proposed budget 5.024% millage and 2021 year to date final budget numbers. She said any changes were in purple. Mrs. Johnson said the \$8,000 for senior center roof is the donation from Ms. Shirley. She said the municipal revenue sharing increased as did the half cent sales tax. Mrs. Johnson said she wanted to see if the Commission wanted to go forward with the new roof for the senior center as there had been discussion on closing the building. Comm. Hamilton said we just got \$8,000 donation for a roof, Mayor Smith said that money was actually donated a year or

1 two ago. Mayor Smith said it is an aged building, with not much interest anymore. Comm. Denney
2 said since the county now handles the meals on wheels, the building isn't used much anymore. Comm.
3 Hamilton said what do we do with the \$8,000 donation? Mayor Smith said we could return the money
4 to Ms. Shirley or see if she would like for us to transfer the money to the Niceville Senior Center.
5 Comm. Denney said it is no longer on the historical registry. Mayor Smith said no it was at one time
6 but when we had to have repairs done on the inside it was removed from the registry. Mayor Smith
7 said he didn't think we should put any more money into it.

8 **ADMINISTRATION**

9 Mrs. Johnson said no changes in the administration budget. Total admin expenses \$484,850.

10 **LIBRARY**

11 Mrs. Johnson said the only changes here was to the capital items. She said if we go forward
12 with the bank building then she didn't believe we would go forward on remodeling the bathroom,
13 carpet replacement, handicap door opener, covered sitting area with table. Comm. Hamilton said some
14 of those things needed regardless of move, could see holding up on the carpet replacement but some of
15 the other items might be needed in the bank building.

16 **POLICE DEPARTMENT**

17 Mrs. Johnson said if the police station was to move and need to remodel that expense would be
18 approximately \$100,000. Mayor Smith said he thinks it is a good idea to keep that money in there
19 whether we go forward with the bank building or not.

20 **FIRE DEPARTMENT**

21 Mrs. Johnson said she didn't receive any numbers from the fire department the proposed salary
22 adjustment until today those numbers are now included. Everything else is what has been in previous
23 drafts.

24 **PARKS & STREET DEPARTMENTS**

25 No changes in those departments.

26 **CEMETERY**

27 No changes in the proposed budget.

28 **NON-DEPARTMENTAL**

29 Mrs. Johnson has included \$120,000 for the lease payment on the bank building. Mayor Smith
30 said he thinks that the bank building is big enough that we could have space for rentals within the
31 building. Mrs. Johnson said she will remove the money for the senior center roof, Mayor Smith said
32 he agrees with that. Mrs. Johnson asked if we had any idea when we will get the prison squad to
33 return. Mayor Smith said he spoke with the warden, and they are still short guards, so we don't have a

specific date yet, hopefully by next fiscal year. Mayor Smith said we do have a signed contract with the DOC to return the squad as soon as they can.

Mrs. Johnson said we will remove \$8,000 in revenue regarding the roof on the senior center building.

HALF CENT SALES TAX

Mrs. Johnson said it looks like \$603,500 for this fund with no projects set as of yet. Comm. Wasdin said the city engineer is making a list of streets that need to be resurfaced.

STORMWATER

Mrs. Johnson said we take from reserves \$38,150 will receive a CDBG grant of \$390,000, expenses are \$31,200 for grant administration, \$64,800 CDBG engineering expenses \$325,200 CDBG flood and drainage. Stormwater is a balanced budget.

STREETS

Mrs. Johnson said we take from reserves \$82,265 will receive a CDBG grant of \$260,000, expenses are \$20,800 for grant administration, \$43,200 CDBG engineering expenses \$216,800 CDBG/street Improvements. We also added 14,600 for street striping and we have unknown for Street Improvements and it will be removed, Streets is a balanced budget.

UTILITY FUND

Mrs. Johnson said the added revenue from reserves for the utility fund \$11,720, other than that no changes to this fund.

COMMUNICATION FUND

Mrs. Johnson said two changes in this fund, the reserve expense Mayor went down just a little to \$164,450 because the department needs a new AC split unit. Budgeted \$6,000 for the AC split unit, that total is for two units. Mrs. Johnson said even with that change Communications maintains a balanced budget.

SANITATION FUND

Mrs. Johnson said carry forward will be \$53,750, that is the only change to the fund. This fund is balanced.

Comm. Hamilton said she had wondered if we could look at combining some departments with the City of Niceville. Mayor Smith said that would be something he could entertain. Comm. Hamilton said we could do that for water sewer. Mayor Smith said we do work with the City of Niceville already. Comm. Denney said Niceville is compartmentalized differently than we are.

Comm. Wasdin asked about the study for personnel. Mrs. Johnson said probably October before we have back.

1 Mrs. Johnson said we need to set a tax rate so that it can be advertised. Comm. Hamilton said
2 she thought we'd already done that. Mrs. Johnson said this is the rate we have to have for the paper.
3 Comm. Denney said we are due \$400,000 from the CARES act, getting the paperwork together. That
4 money would be infrastructure and we have projects to go toward that. Comm. Denney said even if
5 money had to be taken from reserves, we do have money coming in to replace it. Comm. Wasdin said
6 set 5.024% as the ceiling, Mayor Smith agrees. Mayor Smith said that tax rate has not been increased
7 by this City Commission.

8 Mr. Fred Benedick, 54 Hidden Cove, said he came to this meeting because he was concerned
9 that the city was going to go from 5.024% to 6.3% in city taxes alone. Mayor Smith said we have to
10 set a rate in the beginning to get started with, that was the 6.3% but this evening in reviewing the
11 budget we will go forward with 5.024%.

12 Mr. Terry Griffin, 253 Grandview Avenue, said he is concerned about the city leasing the old
13 bank building for city offices, he thinks it is a bad idea. He said that bank building is a 61-year-old
14 building, in looking at the lease, according to what is in the lease there is no way for the city to lease
15 part of it out because in the lease it states for city business only. Mayor Smith said do you think that
16 AC unit is 60 years old or the windows, many updates have been completed on the building. Mr.
17 Griffin said city hall already has a building, Mayor Smith said an old bowling alley, Mr. Griffin said
18 no it is the city hall and has been for many years. He asked if we were more worried about looks that
19 making sound business decision. A brief discussion followed, Comm. Wasdin said she appreciates his
20 opinion and coming to the meeting tonight to express it, but his is one opinion and the Commission
21 represents five members who have been voted in to do what they think is best for the city, so they
22 would do what they thought was best for all. Comm. Wasdin said if you don't like it feel free not to
23 vote for me, Mr. Griffin said that would not be a problem, he would see to it that she was voted out.

24 **a. RESOLUTION NO. 05-09-14-21 Tentative Mileage**

25 Mayor Smith read Resolution NO. 05-09-14-21. **COMM. WASDIN MADE A MOTION TO**
26 **ACCEPT RESOLUTION NO. 05-09-14-21 AS READ. A RESOLUTION OF THE CITY OF**
27 **VALPARAISO, ADOPTING THE TENTATIVE LEVYING OF AD VALOREM TAXES FOR**
28 **FISCAL YEAR 2022, PROVIDING FOR AN EFFECTIVE DATE. COMM. HAMILTON**
29 **SECONDED THE MOTION, WHICH PASSED BY UNANIMOUS VOTE OF THE**
30 **COMMISSION 5 TO 0.**

31 **b. ORDINANCE NO. 712 ADOPT FY 2022 BUDGET – First Reading**

32 Mayor Smith read the first reading of Ordinance No. 712, an ordinance
33 adopting the budget for the City of Valparaiso, for the fiscal year commencing 1 October 2021;

1 repealing conflicting ordinances; and providing for an effective date. Mrs. Johnson stated that the final
2 reading will be at our final budget hearing. Comm. Crosby said he would not be able to make the final
3 budget meeting on the 28th the final budget hearing will be rescheduled to 27 September 2021 at 6PM.

4 **ADJOURN**

5 With no further business to discuss, the special meeting adjourned at 6:54PM.

6
7
8 _____
9 Hubert B. Smith
10 Mayor

11 _____
12 Catherine Hamilton
13 Chair, VCA

14 ATTEST:

15 _____
16 Tammy Johnson, CMC
17 City Clerk
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23 ***A recording of the September 14, 2021, Commission meeting will be kept on the City's secure file
24 server as a permanent part of these minutes.***