



**CITY OF OKEECHOBEE, FLORIDA
AUGUST 11, 2021, BUDGET WORKSHOP
SUMMARY OF DISCUSSION**

I. CALL TO ORDER

Mayor Watford called the Workshop of the City Council for the City of Okeechobee to order on Wednesday, August 11, 2021, at 5:00 P.M. in the City Council Chambers, located at 55 Southeast 3rd Avenue, Room 200, Okeechobee, Florida.

II. ATTENDANCE

Roll was taken by City Clerk Lane Gamiotea to establish a quorum. Members present: Mayor Dowling R. Watford, Jr., Council Members Noel Chandler, Monica Clark, Bob Jarriel, and Bobby Keefe.

III. AGENDA AND PUBLIC COMMENTS

A. There were no agenda item forms or comment cards submitted for public participation for any issues not on the agenda.

IV. OPEN BUDGET WORKSHOP

A. The purpose of the Workshop was to review and discuss the proposed budget for Fiscal Year (FY) October 1, 2021, to September 30, 2022, as presented by Interim Administrator Ritter. To assist with the presentation, he deferred to Finance Director Riedel who distributed a complete budget revised as of August 11, 2021, to replace the version published with the agenda dated as August 4, 2021, 6:44 P.M. Six additional pages of information were distributed to assist during discussions, all of which have been incorporated into the minute file.

Budget page one provided a recapitulation of the estimated General Fund revenue and expenses, presented using a millage rate of 7.6018 for ad valorem revenues. The proposal included a list comparing the increases/decreases of the current to the proposed budget detail. The proposed Beginning Fund Balance Total is \$4,342,501.00. Estimated Revenues are \$7,628,201.00 (\$2,537,990.00 Ad Valorem, \$748,800.00 Other Fees, \$1,773,450.00 Intergovernmental, \$1,099,300.00 Charges for Services, \$21,450.00 Fines/Forfeitures/Penalties, \$8,500.00 Uses of Money and Property, and \$39,240.00 Other Revenues; \$350,000.00 Transferred-In from Public Facilities Improvement Fund; \$1,049,471.00 Transferred-In from Capital Improvement Projects Fund). Total Projected Expenditures are \$7,628,201.00; leaving a Fund Balance of \$4,342,501.00. Pages three and four provided detail Line Item breakdown (or sources) of the revenues including transfers-in from other Funds.

Each Department's projected budget within the General Fund was presented and included the assumption that each position would receive their appropriate step increase (1.5 percent) within the Salary Step Plan [This is not an automatic salary increase. A minimum satisfactory score is required on the employee evaluation.], and increases to Communications and Freight (Line Item 4100) regarding the Fiber Optic Change Out Project for all Departments.

511-Legislative/City Council (pages 5 and 6)

Total Personnel Costs:	\$114,135.00
Total Supplies and Other Services:	\$ 80,800.00
FY 2021-22 Proposed Total:	\$194,935.00

512-Executive/Administration (pages 7 and 8)

Total Personnel Costs:	\$212,825.00
Total Supplies and Other Services:	\$ 53,375.00
FY 2021-22 Proposed Total:	\$266,200.00

2512-Executive/City Clerk (pages 9 and 10)

Total Personnel Costs:	\$207,307.00
Total Supplies and Other Services:	\$ 91,300.00
FY 2021-22 Proposed Total:	\$298,607.00

IV. BUDGET WORKSHOP CONTINUED

514-Legal Services (page 11)	
FY 2021-22 Proposed Total:	\$190,400.00
513-Finance (pages 12 and 13)	
Total Personnel Costs:	\$216,750.00
Total Supplies and Other Services:	\$122,525.00
FY 2021-22 Proposed Total:	\$339,275.00
519-General Services (pages 14 and 15)	
Total Personnel Costs:	\$176,412.00
Total Supplies and Other Services:	\$479,864.00
FY 2021-22 Proposed Total:	\$656,276.00
521-Police Department (pages 16 and 17)	
Total Personnel Costs:	\$2,665,775.00
Total Supplies and Other Services:	\$ 470,648.00
FY 2021-22 Proposed Total:	\$3,136,423.00
522-Fire Department (pages 18 and 19)	
Total Personnel Costs:	\$ 251,900.00
Total Supplies and Other Services:	\$ 903,160.00
FY 2021-22 Proposed Total:	\$1,155,060.00
541-Public Works (pages 20 and 21)	
Total Personnel Costs:	\$ 716,700.00
Total Supplies and Other Services:	\$ 674,325.00
FY 2021-22 Proposed Total:	\$1,391,025.00

Information was distributed to identify revenues listed within the General Fund budget to offset operational costs, totaling \$703,400.00; a list of specific projects and additional/new services with their proposed costs was included. Interim Administrator Ritter asked the Council to prioritize the projects listed within General Services Line Item 3100 Professional Services budget. **The consensus of the Council was to focus on the Future Land Use and Zoning Map changes, and the Evaluation and Appraisal Report (EAR) of the Comprehensive Plan.**

MAYOR WATFORD RECESSED THE WORKSHOP AT 6:59 P.M. AND RECONVENED AT 7:06 P.M.

The next proposed budget to review was the **Public Facility Improvement (Transportation 301) Fund** (pages 23 and 24). It was prepared in coordination with Interim Administrator Ritter and Public Works Director Allen, and was presented with a Beginning Fund Balance of \$923,970.00; Total Revenue Estimates of \$2,218,701.00; Total Expenditures Projected of \$2,215,701.00, plus \$350,000.00 to be Transferred-Out to General Fund; leaving a Fund Balance of \$576,970.00. Supplemental information was distributed that included additional discussion items broken down by Department with focus on the funds the City has been awarded from the American Rescue Plan totaling \$2,400,000.00 to be spent over two years. Items identified in this budget year totaled \$1,185,000.00.

The third proposed budget to review was the **Capital Improvements Projects (304) Fund** (pages 26 and 27) and was prepared by Interim Administrator Ritter in coordination with each Department Head, and the Five-Year Capital Improvement Element of the Comprehensive Plan. Total Beginning Fund Balance of \$3,685,061.00; Total Revenues of \$121,000.00; Total Projected Expenditures are \$278,800.00, plus \$1,049,471.00 Transferred-Out to General Fund; leaving a Fund Balance \$2,477,790.00. As noted in the Public Facility Improvement Fund budget regarding the American Rescue Plan funding, one expenditure is included in this budget year for \$15,000.00.

IV. BUDGET WORKSHOP CONTINUED

The fourth proposed budget to review was the **Other Grant (302) Funds** (page 29) prepared in coordination with Interim Administrator Ritter and Public Works Director Allen. Total Beginning Fund Balance of \$260,000.00; Total Revenues Estimates of \$300,000.00; Total Projected Expenditures are \$430,000.00; leaving a Fund Balance \$130,000.00. The activity in this Fund is directly related to the Taylor Creek Southeast 4th Street Project (Contract No LPQ0007).

The fifth budget with no proposed activity was the **Appropriations Grant (307) Funds** (page 30). The Fund is directly related to the Taylor Creek Southeast 8th Avenue Project Grant (Contract No. LP47020) that was finalized in the current FY.

The sixth and final proposed budget for review was the **Law Enforcement Special (601) Fund** (page 31), presented in coordination with Assistant Chief Hagan. Beginning Fund Balance of \$15,600.00; Total Estimated Revenues of \$1,000.00; Total Projected Expenditures as \$11,500.00; leaving a Fund Balance of \$5,100.00.

Supplemental information was distributed containing four millage rate options for the Council to consider. Option One: prior year millage rate of 7.6018, generates \$2,537,990.00 in ad valorem revenue, requiring \$1,049,471.00 of reserve funds to balance the budget. Option Two: prior year millage rate with a consumer price index of 4.43 percent equaling 7.9386, generates \$2,650,436.00 in ad valorem revenue, requiring the use of \$937,025.00 from reserves. Option Three: decrease prior year millage rate by 0.25 equaling 7.3518, generates \$2,454,523.00, requiring the use of \$1,132,923.00 from reserves. Option Four: utilize the rollback rate of 7.3317, generates \$2,447,812.00, requiring \$1,139,649.00 from reserves. **The consensus of the Council was to continue with the current millage rate, Option One: rate of 7.6018.**

Salary options and the budget impact were provided for a proposed Cost of Living Allowance. Option One: 1.5 percent; Option Two: 2.0 percent; and Option Three: 3.0 percent. Salary increases excluded the Mayor, Council, and City Administrator positions who are not included in the Salary Step Plan. **The consensus of the Council was to incorporate Option One: 1.5 percent into the salaries.**

Mayor Watford opened the floor for public comment. Mrs. Jennifer Tewksbury expressed her thoughts on the positive impact investing in the FLAGLER PARK project would have on economic development in the City and asked the Council to consider budgeting more than \$50,000.00.

The discussion was mainly focused on reducing the overall expenditures. **The Council tasked each Department Head with going back over their budgets to review what expenditures can be deferred or reduced. Council member Clark requested that staff actually present a revised budget that would decrease expenditures by at least \$500,000.00.** A second budget Workshop will be held on August 17, 2021.

V. ADJOURN: Mayor Watford adjourned the Workshop at 8:59 P.M.

Submitted By:



Lane Gamiotea, CMC, City Clerk

Please take notice and be advised that when a person decides to appeal any decision made by the City Council with respect to any matter considered at this meeting, s/he may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based. City Clerk media are for the sole purpose of backup for official records of the Clerk.