

On Monday, July 17, 2023 at 4:00 p.m., the City of Wauchula Commission met for its regular scheduled Budget Workshop in the Commission Chambers at 225 East Main Street, Suite 105, Wauchula.

Nadaskay called the workshop to order.

Commissioners present were Mayor Pro-Tem Neda Cobb, Russell Smith, Mayor Keith Nadaskay, Sherri Albritton and Gary Smith.

Also present were City Manager Olivia Minshew, Deputy City Manager John Eason, Finance Director Martha Felix, Police Chief Brandon Ball, Director of Project Management and Procurement Ward Grimes, Community Development Director Kyle Long and City Clerk Stephanie Camacho.

Discuss the 2023/2024 Proposed Budget

Minshew addressed the Commission and gave a brief introduction of the budget planning process.

Minshew discussed the Contributing Budget Factors, which summarize the entire budget proposal.

Personnel Services

While not the largest expenditure type, personnel expenditures do make up a significant portion of the City of Wauchula's overall budget. Therefore, staff spends considerable time each year reviewing personnel expenses. A quick recap of the factors relating to personnel impacting this proposed budget include:

- Continuing to implement the New Step Plan for all employees to prepare for \$15 minimum wage requirement by 2026. Overall salaries for the proposed budget are \$3.7 million which is a 3.72% increase from current budget.
- Individual step raises for employees who are expected to or have achieved certain milestones.
- Health insurance premiums increasing 10%.
- Maintaining current Health Savings Account (HSA) contribution levels at \$3200 for family and \$1600 for individuals.
- Continued funding of the Employee Wellness Program.
- Property and Casualty Insurance & Workers' compensation premiums increasing 25%.
- The required contribution to the Pension Fund for FY 23-24 is 13.06% of payroll. The proposed budget contributes 10% for general pension with the remaining 3.06% being covered by Advance Employer Contribution.
- The City continues to contribute to OPEB, in an effort to cover distributions. This is budgeted at 3.66% of FY 23-24 payroll.

Operating Expenses

Every department is carefully reviewed each year to ensure sufficient funds are budgeted to maintain city & utility operations, while being prudent with taxpayer and rate payer dollars. The following factors are worth noting in operating expenses:

- The budget includes an increase of 25% for automobile liability, and property and casualty liability premiums. This change can be seen across all Funds
- Continuation of the Employee Recognition Program and related funding for such can be seen in both the General Fund (Dept 519-54920) and Utility Fund (Dept 539-54925) at \$2500 each.

- Continuation of the workstation replacement schedule produced the need for 5 computers in 5 departments. The departments include 503, 519, 535, 539 and 593.
- Training for all employees to help identify spam and fraudulent emails and avoid cyber-attacks. \$5,468 is budgeted in dept 519/539.
- The city continues the replacement of street name signs throughout the city-limits. This will be done in several phases, and we continue to budget \$10,000 in 541-54600.
- Credit Card Fees continue to rise, as this form of payment has steadily increased since the implementation of online payments in 2014. A 29% projected increase in credit card fees can be seen in Dept 503-54900.

Capital Expenditures

The City continues to invest in our facilities, equipment, vehicles & existing infrastructure. Proposed capital expenditures are approximately \$4.9 million for FY 23-24. The following items are representative of this commitment:

- As a continuation of our established fleet replacement program, we have several truck replacements budgeted for this fiscal year. These can be found in:
 - General Fund
 - Dept 521- 3 Police Vehicles
 - Dept 572- 1 Pick-up Truck for Parks & Grounds
 - Utility Fund
 - Dept 532- 1 Pick-up Truck for Water Plant
 - Dept 593- 1 Pick-up Truck for Electric Distribution
 - Sanitation Fund
 - Dept 534- 1 Side Arm Truck
- Air conditioner replacements continue for the administration building. One unit, budgeted at \$12,000, split between Dept 519 & 539.
- A new Kubota mower (\$18,500) is planned for the Recreation department (Dept 572-56400) in the General Fund.
 - The CRA's proposed budget includes several projects to include the following:
 - In support of the need for housing in Wauchula and the success of our first project, the CRA is proposing three in-fill housing projects for \$568,245. This can be seen in Dept 584-56220.
 - Historic City Hall Auditorium- Completion to Upgrades to audio-visual equipment, replace exterior windows, repair the ceiling, create ADA accessibility to the stage area, and complete backstage renovations totaling \$437,992
 - Replace Heritage Park Water Fountain
 - Auditorium Parking lot expansion and paving at \$733,000
 - Crane Park and Diana St Sidewalks
 - Crews Park Project final stage \$598,401
- The Waste Water Treatment Plant has a number of scheduled improvements for FY 23-24. These include painting clarifier #1, a lawnmower, 2 chart recorders, a lift station motor replacement, a chlorine analyzer, a 5hp discharge pump, the purchase of SCADA equipment and the continuation of lift station lining projects. These items can be found in Dept 535.
- The sewer department will replace the 8-inch gravity sewer line between Knollwood Circle and lift station #3. This project total \$345,000 and can be found in Dept 536-56300.
- A new acoustic leak detector device to assist in the water leak detection of underground utilities has been budgeted for \$6,000.

- Improvements to the warehouse storage area are still in process and proposed in Dept 539 for \$20,000. This includes engineering of paved parking and additional covered storage for inventory and equipment.
- The Electric Department is proposing the purchase of a reel trailer, replacement and installation of circuit switch and reclosers which totals \$45,000. These are proposed in 593-56400.
- A spare breaker and relay for the substation can be found in Dept 593-56205 (\$51,000).
- Continued upgrades to the electrical system. These projects, totaling \$100,000, are budgeted in Dept 593-56335.
- Phase 2 of reconductoring the electric distribution line from Florida Avenue to Hightower Road is budgeted at \$975,000 in 593-56345.

Debt Service

- The city acquired a new loan from the Department of Environmental Protection totaling \$149,700 with principal forgiveness of \$74,850 for the Waterline Replacement Project, increasing annual payments by \$8,817.
- The City paid off a loan with BB & T during FY 22-23, reducing annual payments by \$58,570.

Grants & Aids

The Wauchula CRA continues to seek public/private partnerships in order to maximize the impact of the Tax Increment Financing funds. In addition, the CRA will set aside \$200,000 in additional funds for new commercial grants in FY 23-24. This can be seen in Dept 584-58110. Another partnership which is equally vital to the CRA is with the Main Street Wauchula organization. The CRA's support of the Main Street program is seen in Dept 584-58220.

Other Uses

Transfers & Contingency

The city makes an effort each year to build contingency into the budget for unexpected expenses. The proposed budget includes \$145,027 in contingency in the General Fund and \$53,583 in the Utility Fund.

The total transfer to the General Fund from the Utility & Sanitation Funds increased by \$206,521. The General Fund supports the enterprise funds and expenses continue to increase. However, the transfer to General Fund as a percentage of its overall budget remains roughly at 40%.

Grant Funded & Potential Projects (Not in proposed budget)

Staff has found it more efficient to match grant funded project expenses with their relative revenue as they occur. The following projects are in process, funded with grant funds during FY 22-23 will continue through FY 23-24.

Project	Purpose	Grant Agency	Amount
Melendy Street Roadway and Stormwater Improvements	Construction roadway and stormwater improvements along Melendy Street from 7 th Avenue to 10 th Avenue	Florida Department of Transportation (FDOT)- Coronavirus State and Local Fiscal Recovery Funds	\$899,923

10 th Avenue Pedestrian & Roadway Improvements	Design and construction to improve drainage, pavement condition, and pedestrian safety along South and North 10 th Ave.	Florida Department of Transportation (FDOT)-Small Counties Outreach Program (SCOP)	\$915,871
Alabama Street Roadway Improvements	Resurfacing of Alabama Street between N. Ohio Avenue and N. Florida Avenue, approximately .243 miles.	Florida Department of Transportation (FDOT)-Small Counties Outreach Program (SCOP)	\$161,203
Turner Avenue Roadway Improvements	Resurfacing of Turner Avenue between E. Oak Street and E. Townsend Street, approximately .221 miles associated safety improvements will also be addressed, as appropriate.	Florida Department of Transportation (FDOT)-Small Counties Outreach Program (SCOP)	\$125,758
Court Street Roadway Improvements	Resurfacing of Court Street, between S. 9 th Avenue and S. 8 th Avenue, approximately 375 feet. Associated safety improvements will also be addressed, as appropriate.	Florida Department of Transportation (FDOT)-Small Counties Outreach Program (SCOP)	\$49,414
Tennessee Street Roadway Improvements	Resurfacing of Tennessee St, between N. Ohio Avenue and North Florida Ave, approximately .243 miles associated safety improvements will also be addressed, as appropriate.	Florida Department of Transportation (FDOT)-Small Counties Outreach Program (SCOP)	\$140,645
Airport Taxiway Rehabilitation	Complete taxiway rehabilitation, including new lighting, signage & electrical vault	Federal Aviation Administration (FAA) Florida Department of Transportation (FDOT)	\$4,678,327
Airport Terminal and T-Hangar	Design and construct a new airport terminal/pilot's lounge and additional T-Hangars	Legislative Appropriation (LP)	\$2,500,000
Water Mainlines Project	New water mainlines from the Water Treatment Plant to both elevated storage tanks and in between both tanks	Economic Development Agency (EDA) And Legislative Appropriation (LP)	EDA #1- \$501,400 EDA #2- \$732,478 LP- \$1,000,000 LP-\$2,500,000
Southwest Area Elevated Water Tower	Design and Construction of a third elevated water tower in the southwest area of the county.	Legislative Appropriation (LP)	\$8,212,789
Service Area 3 Waterline Replacement	Replace existing water lines in the northwest quadrant of the city.	Legislative Appropriation (LP)	\$2,040,162

Waste Water Treatment Plant Digester	Construction of an additional digester at the Waste Water Treatment Plant	Department of Environmental Protection	\$376,000
Wauchula Municipal Airport Runway & Taxiway Extension	Design and construction of a runway and taxiway extension to allow for safe landing & take-off of medium size jet aircraft	Florida Department of Transportation (FDOT)	\$4,000,000
Advance Metering Infrastructure	Purchase, install and replace existing water and electric meters for commercial and residential users with a radio read metering system including software, hardware & training.	Department of Environmental Protection (DEP)	\$4,750,000
Farr Field Improvements	Improved/new baseball fields, dug-outs, fencing, parking, splash pad, playground, bleacher seating and landscaping.	Legislative Appropriation (LP)	\$2,867,458

Felix reviewed the overall City-Wide Budget.

Felix began by stating the 2023/2024 proposed budget was just \$22.6 million.

Felix discussed expenditure types, personnel salaries/benefits, fund balance, debt service and ad valorem tax.

Felix stated the budget presented for ad valorem tax is based on the rollback rate of 5.2042.

Eason discussed the general fund and community redevelopment agency fund.

Grimes discussed the airport fund, utility fund and sanitation fund.

The Commission commended city staff and the presenters for a job well done.

With no further business to discuss, Nadaskay adjourned the Budget Workshop at 6:54 p.m.

Mayor Richard K. Nadaskay, Jr.

City Clerk Stephanie Camacho