



City Commission Work Session Minutes

March 13, 2025 at 3:30 PM

City Hall Commission Chambers
401 S. Park Avenue

Present

Mayor Sheila DeCiccio, Commissioners Marty Sullivan, Craig Russell, Kris Cruzada and Todd Weaver; City Manager Randy Knight; Assistant City Manager Michelle del Valle; and City Clerk Rene Cranis.

Also Present:

Commissioner-elect Warren Lindsey, Director of Management and Budget Peter Moore, and Assistant Division Director Economic Development/CRA Kyle Dudgeon.

1. Meeting Called to Order

Mayor DeCiccio called the meeting to order at 3:30 p.m.

2. Discussion Item (s)

a. FY 26 Budget Outlook and 5/25 Year Capital Plan Review

Director of Office of Management and Budget Peter Moore gave a presentation on the budget outlook for FY 26, economic conditions and indicators, and local revenue sources (permitting, sales tax). He spoke about the proposed legislative changes, revenue trends, and cost of doing business (wages and benefits, public safety personnel and equipment, rates, and fees and electric utility). He explained budget flexibility as it relates to changing the millage rate and the difficulties in funding public safety and transportation improvements. He summarized the need to identify priorities and reviewed capital improvements.

The following topics were discussed:

- Increased water/sewer rates to non-resident customers (pending legislation eliminating surcharges for non-residents).
- Reserves (current policy is 30% of budget) - Currently at just over 29%. Increased difficulty achieving 30% because the dollar amount increases as the budget increases.
- Use of reserves (one-time expenses, i.e. purchase of the golf course). Investment of reserve funds/investment policy.
- Sales tax revenue - unknown - does not move dramatically.
- Additional Revenue /Millage rate - 1/4 point increase would generate additional revenue of approximately \$2.2M. Property owners must be presented with details on how additional revenue will be utilized and its impact on services. Need to effectively communicate what will be funded with a millage rate increase and impact on property taxes.
- Capital projects - unfunded projects - transportation plan, CRA projects. Some projects allocated in the general fund capital plan will not be funded.

- Property values/taxes will not be known until mid-summer which could require budget changes at the time of budget adoption.
- Golf course - Break even due to debt service. The cost recovery rate for the Parks and Recreation Department is close to 50%. Parks and Recreation Director Jason Seeley answered questions regarding usage and rates.

3. Adjournment

The meeting adjourned at 4:49 p.m.

Mayor Sheila DeCiccio

ATTEST:

City Clerk Rene Cranis