



**Minutes of the
Crystal River City Council
Budget Workshop
Wednesday, July 6th, 2016 1:00 p.m.
Council Chamber, City Hall**

1. CALL TO ORDER

Mayor Farley called the meeting to order at 1:00 p.m.

Members present: Mayor Farley, Vice Mayor Gudis, Council member Houston, Council member Brown, Council member Holmes

Staff Present: City Manager Dave Burnell, Finance Director Michelle Russell, Planning and Development Services Director Jackie Gorman, Public Works Director Lou Kneip, Waterfronts and Community Services Manager Ed Call and Special Events Coordinator Leslie Bollin

2. PRESENTATION

A. Presentation of draft budget and goals for Fiscal Year 2017

City Manager Burnell reviewed the workshop goals of reviewing changes and answering questions, and made note of an upcoming Executive Session to discuss labor negotiations and an allocation from F.D.E.P. for cleaning of the bay.

City Manager Burnell then reviewed the Management Memorandum, covering areas including the General Fund, Water and Sewer Fund, Sanitation Fund and Community Redevelopment Agency Fund. He addressed Council questions and comments regarding the slight revenue shortfall, noting a taxable increase of approximately .5% and increased collections efforts and discussed recent expenditure increases for both health insurance and law enforcement services, noting an upcoming meeting with the City of Inverness to discuss some of the newly instituted fees. Discussion also touched on facilities for which the City does not charge and an upcoming agenda item regarding negotiation of some of the fees related to Law Enforcement Services during which Council reached a consensus to move forward with negotiations.

3. COUNCIL DISCUSSION AND QUESTIONS

Mayor Farley inquired about a Services and Supplies line item in the Council budget and Council member Houston inquired about the placement of an expenditure related to the upcoming Comprehensive Plan update process, and placement of records recently moved to an onsite storage area. City Manager Burnell made note of match funds allocated for the Withlacoochee Regional Water Supply Authority Water Conservation Rebate Program and funds set aside to address derelict vessels in the bay. He also clarified that the figure included for Water & Sewer services reflects the highest possible amount, which is likely to decrease upon vendor selection.

Vice Mayor Gudis discussed allocating CRA-eligible funds to the CRA budget and Mayor Farley inquired about the Waterfronts & Community Services budget.

Finance Director Michelle Russell addressed Council member Houston's inquiry regarding the

General Fund reserves level, who clarified that currently revenues are understated and expenses overstated until certain projections have been released.

Council discussion was then held regarding parking fee revenues and details regarding the CRA fund included in the Management Memorandum, as well as a CIP schedule. Staff also addressed Council questions regarding Mayor and Council benefits, funds allocated for the establishment of mooring fields, and expenses related to the upcoming widening of Highway 19, for which staff is working to secure grant funding to cover the cost of utility relocation, and options for relocation of the boat ramp at NW 5th Avenue. *Council member Holmes arrived at 1:48 p.m.*

City Manager Burnell clarified that figures reflected for Three Sisters Springs Refuge were tentative and addressed Council questions and comments regarding the 10% Commission expenditure line items included in draft budget, concerns regarding the level of financial risk associated with operating the property and the conflict between the needs of tourists and the needs of residents. Further discussion was held regarding ways to balance those needs moving forward and potential strategies to reduce costs.

Council member Holmes suggested that financial statements and budgetary information be provided by USFWS if the 10% commission expense remained in the budget, and also requested staff to obtain budgetary information from the CCSO, reflecting expense account detail for the current fiscal year.

Council member Gudis commented on a recent newspaper article that discussed the taxable land value of City of Crystal River being nearly equal to that of the City of Inverness, in spite of the proportionate difference in square miles.

Staff addressed Council questions and comments regarding inclusion of vehicle maintenance and replacement in the Capital Improvements schedule, the upcoming session to discuss salary levels, marketing and sponsorships projections, securing sponsors for next year's fireworks display, and the upcoming closure of the Clerk of the Courts satellite office in Meadowcrest.

4. PUBLIC INPUT

There was none.

5. ADJOURNMENT

Mayor Farley adjourned the meeting at 2:16 p.m.

CITY OF CRYSTAL RIVER

ATTEST:



MIA FINK, CITY CLERK



JIM FARLEY, MAYOR