



City of
Panama City Beach

City Hall
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PCB, FL 32413
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MINUTES of the **August 2, 2022** Special Meeting of the City Council of the City of Panama City Beach, Florida, and when permitted or required by the subject matter, the Panama City Beach Community Redevelopment Agency.

Mayor Mark Sheldon called the August 2, 2022 special meeting / budget workshop to order at 9:00 a.m.

ROLL CALL

MAYOR MARK SHELDON
VICE MAYOR PAUL CASTO
COUNCILMAN PHIL CHESTER
COUNCILMEMBER MARY COBURN
COUNCILMAN MICHAEL JARMAN

A quorum was present with all five members of City Council. Others present were City Manager Drew Whitman, Assistant City Manager Holly White, City Attorney Amy Myers, City Clerk Lynne Fasone, Directors, staff, and members of the public and press.

Councilman Michael Jarman led the invocation and Councilmember Mary Coburn led the Pledge of Allegiance.

BUDGET WORKSHOP AND PUBLIC HEARING

1. DISCUSSION / ACTION ITEM, GENERAL FUND FY 2023 BUDGET, PUBLIC HEARING

Mayor Sheldon called for public comment on the general fund FY 2023 budget. Hearing and seeing none, Mayor Sheldon closed the public hearing. Mayor Sheldon invited Manager Whitman to comment. Manager Whitman thanked the entire finance staff, especially Budget Analyst Ms. Joey St. Germain, for preparing the budget. Manager Whitman reported that Assistant City Manager White would cover the high-level review and Ms. St. Germain was available to answer any questions.

Assistant Manager White thanked Ms. St. Germain and Finance Director Debra Gibson for their assistance with preparing this years' budget, along with every department head.

Assistant Manager White reported the proposed general fund budget was balanced, prudent and responsive to City Council's Strategic Plan and the community's needs. Ms. White added that the proposed FY 2023 General Fund expenditures budget was \$72,622,140, the largest that she can remember, which represented a \$29,230,191 or 67% increase over the FY 2022 amended budget of \$43,391,949. Ms. White reported that the budget was extremely heavy on the capital outlay side.

Ms. White reviewed the proposed 4% cost of living adjustment on page 5. Ms. White briefly discussed the 15 new positions being proposed. Ms. White reviewed, from highest to lowest, the capital projects on page 6 of the budget packet.

Assistant Manager White reviewed **general fund income/revenue and business tax receipts** beginning on pages 6 through 11 of the packet. Mayor Sheldon called for comments/questions from Council on the revenue portion. Hearing and seeing none.

Assistant City Manager White reviewed proposed budgets for each of the **General Fund departments**:

1. **Legislative** on page 12 of the budget packet.
2. **Administrative** beginning on page 14 of the budget packet. Ms. White explained that the items highlighted in yellow were items that had come up since the 5-year plan was developed. Ms. White explained that Council would see funding for the replacement of piece of equipment, Chiller, throughout the budget for several city buildings.
3. **Legal** worksheets beginning on page 15 of the budget packet.
4. **Comp. Planning** budget worksheets beginning on page 17 of the packet. Ms. White discussed personnel changes and briefly explained that all three retirement accounts were in really good shape.
5. **Law Enforcement** worksheets beginning on page 19. Ms. White discussed a "Cops Grant" that, if awarded, would fund the salaries of the six new Officers being proposed. Ms. White added that the Department would hold off on hiring the six Officers until it finds out if the grant is awarded. Assistant Manager White further discussed hiring an additional Communications Officer and an IT Specialist for the PD. Further review of the Police Department budget took place.
6. **Fire Department/Fire Recue/Beach Safety/Lifeguard** budget worksheets beginning on page 22 of the budget packet.
7. **Building Department** review beginning on page 27 of the packet. Ms. White reported that there were no real changes with this department's budget.
8. **Street Department** budget worksheets beginning on page 29 of the packet. Assistant Manager White discussed adding a fleet service mechanic, briefly discussed the Safe Room grant, and the purchase of machinery.
9. **Library** budget worksheets beginning on page 31 of the budget packet. Ms. White reported that the current request/contribution was \$222,000. Ms. White asked for direction from Council on how to handle this request.
10. **Recreation** budget worksheets beginning on page 33 of the packet. Ms. White briefly discussed adding a full-time maintenance worker to this department. Ms. White asked Council for direction on prioritizing capital projects for the Parks department. Ms. White briefly discussed resurfacing projects at the Parks and purchasing a sweeper for the department. Ms. White reported that, with respect to **public art**, it would be appropriate in the future to create a division of this department to track expenditures and possible grants received.
11. **General Fund 5-Year Financial Forecast** worksheets beginning on page 35 of the budget packet were reviewed.

Mayor Sheldon recommended that Council now review the budget department by department. Mayor Sheldon called for comments/questions from Council on the revenue portion. Business Tax receipts were generally discussed. Hearing and seeing no further comments.

Mayor Sheldon called for comments/questions from Council on the **Legislative Department** budget. Hearing and seeing none.

Mayor Sheldon called for comments/questions from Council on the **Administrative Department** budget. Discussion regarding funding the Risk Management Director position being pushed out to 2025 took place. Mayor Sheldon and Councilman Jarman both recommended that the position be funded this year. Discussion took place regarding the conversion of the part-time receptionist moving to a full-time position and that employee assisting with scanning duties, etc.

Vice Mayor Casto inquired about the vehicle expense in account 15-20 and suggested that it may need to be reviewed/adjusted since it had been some time. Discussion took place regarding using a city vehicle versus the City paying a car allowance.

Councilman Chester inquired if there was a warranty left over on the Chiller. Manager Whitman discussed the warranty and reported that the City would go out to bid and disqualify the current company. Mayor Sheldon asked to see a price to construct a second story on this building; functional office space with an elevator, etc. Mayor Sheldon inquired if there was a grant to help with the funding. Mayor Sheldon called for further questions on the Administrative Department budget. Hearing and seeing none.

Mayor Sheldon reviewed Council's direction: 1) the funding of the Risk Manager position would be moved up from 2025 to 2024; and 2) Staff to take a look at what other counties and cities do with respect to car allowance, possibly tie it to the COLA, and bring research back to Council. Councilmembers concurred.

Mayor Sheldon called for comments/questions from Council on the **Legal Department** budget. Hearing and seeing none. **Councilmembers did not recommend any amendments.**

Mayor Sheldon called for comments/questions from Council on the **Planning Department** budget. Hearing and seeing none. Mayor Sheldon complemented Director Leonard on his department's budget. **Councilmembers did not recommend any amendments.**

Mayor Sheldon called for comments/questions from Council on the **Law Enforcement** budget. Mayor Sheldon invited Chief Talamantez to the podium.

Manager Whitman reported that the City did apply for a "Cops Grant" to cover the costs of adding six Officers. Manager Whitman added that those positions would not be filled until January / February, 2023 provided the City is awarded the grant.

Mayor Sheldon reported that he was not a fan of having separation of the Police Department and Administration with respect to IT Department personnel; and hiring an IT Specialist just for the Police Department. Manager Whitman discussed the City working on its CJIS compliance and the IT assessment recommending that eventually all IT personnel would be under one roof. Further discussion about having one IT Department and restructuring that department took place.

Further discussion regarding Police Department personnel and the "Cops Grant" took place. Chief Talamantez discussed call volume being up and added that he wouldn't complain if Council chose to fund an additional six officers now. Mayor Sheldon asked Chief to talk about the Communications Officers/Department. Chief Talamantez explained that the Comms Department was the largest user of overtime. Discussion regarding adding a Communications Officer and decreasing the overtime expense in the budget took place. Ms. White noted that she would make that correction; show that reduction in overtime hours. Manager Whitman recommended funding all six officers, with the "Cops Grant" award, and funding one additional Communications Officer. Discussion regarding mutual aid and Officers filling in in the Communications Room took place.

Mayor Sheldon noted he was in favor of adding a Communications Officer. Chief Talamantez asked Council to consider additional growth in the Communications Room as PCB operates with only 12 Dispatchers and Panama City, for example, operates its room with 25 employees.

Mayor Sheldon recommended moving up the funding of the Crimes Analyst position to 2023. Chief Talamantez concurred and he and Mayor Sheldon discussed the benefits of that position. Councilmembers concurred. Discussion regarding funding weapons, equipment and using some impact fees to pay for certain expenses took place. Councilmembers recommended funding the Flock purchase and all of the

capital items. Councilmembers agreed that they were fine with hiring six officers, provided the grant comes in.

Vice Mayor Casto inquired as to Chief Talamantez' personnel funding preference. Chief Talamantez reported the best bang for the buck would be funding all Canine Officers. Discussion regarding adding a transport van to the budget versus borrowing a transport van took place. Discussion took place regarding the impound yard improvements being funded in the FY22 budget and the funding being rolled over to FY23.

Vice Mayor Casto and Chief Talamantez discussed roadblocks during spring breaks, Flocks, and leveraging technology. Further discussion regarding IT Department staffing, responsibilities, cross training, and structure took place.

Mayor Sheldon reviewed Council's recommendations: 1) fund six officers and fund the IT Specialist, provided that the "Cops Grant" is awarded; 2) if the grant is not received the IT Specialist should be removed; 3) fund the Crimes Analyst and Communications Officer; and 4) fund four Officers if the "Cops Grant" is not awarded. Councilmembers concurred.

Mayor Sheldon called for a brief recess at 10:29 a.m.

Mayor Sheldon reconvened the meeting at 10:39 a.m.

Mayor Sheldon called for comments/questions from Council on the **Fire Department/Fire Recue** budget. Mayor Sheldon invited Chief Morgan to the podium.

Chief Morgan recommended hiring a Fire Inspector based on potential growth. Further discussion regarding Fire Department staffing took place.

Discussion regarding adding a ladder truck, that reaches higher than the current ladder truck, sprinklers and modern-day building standards took place. Chief Morgan discussed the department's ISO ratings and reported that the City maintained its 2 rating, however, the department did not receive much credit in the scoring for ladder because the City only has one ladder and has a number of high rises.

Discussion regarding mutual aid took place. Chief Morgan reported that the mutual aid the City receives is a definite value. Councilmembers requested mutual aid stats from Chief Morgan. Discussion regarding growth outside the city limits and the number of firefighters responding to each call took place. Manager Whitman reported that Chief Ray had done a great job with a Department that he inherited and was planning for the future. Discussion regarding staffing three shifts and staff for a new fire station took place. Discussion regarding 60% of the runs being medical calls. Councilmember Coburn inquired if Chief had a feel for residential versus automobile calls. Chief Morgan stated he would have staff look at that.

Mayor Sheldon called for further comments and/or questions on the **Fire/Fire Rescue/Beach Safety** budgets. Hearing and seeing none, **Councilmembers had no amendments.**

Mayor Sheldon called for comments/questions from Council on the **Building Department** budget. Mayor Sheldon recommended having deliberate conversations about no smoking on the beach and in City Parks, since the legislation passed. Mayor Sheldon reported another Code Enforcement Officer was added to the budget to help with enforcement. Mayor Sheldon recommended that Council have the conversation at its next council meeting. Councilman Jarman recommended that Council also have a conversation about Chapter 7 Beach Services at its next meeting. Discussion regarding the duties of a new Code Enforcement Officer took place. Vice Mayor Casto offered his support for not smoking on the beach and inquired as to how it would be enforced. Mrs. Myers reported that in terms of drafting the regulations, it would be

drafted similar to other Sandy Gulf Beach regulations. Mrs. Myers reported that she would provide a recommendation on enforcement at a later date. Manager Whitman noted he would add it to the next council agenda.

Councilmember Coburn inquired if all of the current Code Enforcement Officers had a truck and/or an ATV at their disposal. Director Leonard explained that it was not one for one, that ATVs were used for Sandy Beach activities. Director Leonard added that it was less expensive and more efficient to operate ATVs and the new Code Enforcement Officer would operate an ATV based on duties assigned. Discussion regarding needing a body camera for the new position took place.

Mayor Sheldon called for further comments/questions on the Building Department budget. Hearing and seeing none, **Councilmembers had no amendments.**

Mayor Sheldon called for comments/questions from Council on the **Street Department** budget. Ms. White reported that she would answer any questions as Kelly and Kathy both had prior planned vacations. Ms. White reported there were not a tremendous number of changes; the changes were a function of increases all over the City. Assistant Manager White reported that the resurfacing previously discussed today would be let out as soon as possible, in the Fall. Mayor Sheldon expressed his disappointment that no resurfacing took place this year. Mayor Sheldon recommended setting the 2023 budget meeting date as soon as possible. Mayor Sheldon called for further comments from Council. Hearing and seeing none, Ms. White recommended revisiting the Street Department budget at the second workshop. Councilmembers concurred. **No changes were recommended to the Street Department budget at this time.**

Mayor Sheldon called for comments/questions from Council on the **Library** budget. Mayor Sheldon asked for statistics on the Library: 1) how many residents of PCB visit the Library each day, each week and each month. Mayor Sheldon explained how Library funding worked in conjunction with the County.

Manager Whitman reported that asked the County Manager for numbers and would bring those stats back to Council. Discussion regarding the City paying for the staffing, cleaning, and the building took place. Manager Whitman reported the Library was part of the Northwest Library System. Mayor Sheldon concurred and added that he would like to see who was visiting the Library.

Councilmember Coburn inquired if the City did not have a library, would Council consider having a book mobile. Councilmember Coburn commented that the Library was a nice amenity, however, she was unsure if the City should fund it entirely. Councilmembers concurred. Discussion regarding Lynn Haven having a small library and Panama City not having a library. Discussion regarding the contracted fee being \$528,000.00

Mayor Sheldon called for further comments/questions on the Library budget. **Councilmembers decided to leave it in the budget and look at the numbers at the next workshop.**

Mayor Sheldon called for comments/questions from Council on the **Recreation** budget. Mayor Sheldon reported that Council was working towards a Master Plan. Mayor Sheldon thanked Cheryl for doing a great job and reported that Council understood that this was not her wish list. Mayor Sheldon recommended looking at the Master Plan before agreeing to some of the capital numbers, such as the restrooms and roof repairs.

Interim Director Joyner reported that she could come down on the seasonal worker numbers, however, she would like to fund a full-time Maintenance Worker. Assistant Manager White reported, based upon

Cheryl's comments, Finance could peel some of the part-time wages off to pay for the Maintenance Worker. Councilmembers concurred.

Discussion regarding the Parks Master Plan possibly being prepared within the next couple of weeks. Councilman Chester recommended that the electronic reader board be moved up before 2025. Mayor Sheldon concurred. Manager Whitman recommended that he bring that back after the 6-laning of Back Beach Road had started. Vice Mayor Casto reported that the TDC may be able to help fund some items such as the lights, etc. Discussion regarding using some impact fees to pay for certain items took place. Discussion took place regarding the saferoom budget and plans, restrooms, and resurfacing Gayle's Trails. Discussion regarding reviewing the Master Plan before deciding on funding capital items took place. Discussion regarding the purpose of the new Park Shop and existing pole barns took place. Discussion took place on how the Multihog Sweeper would be used, rotating/replacing old equipment, leasing versus purchasing equipment and auctioning off City property.

Mayor Sheldon asked Interim Director Joyner to talk about the lighting at the North Complex. Interim Director Joyner reported that she felt that the festival site needed new lighting first, however, both areas were in need of new lighting. Interim Director Joyner talked about using lifts to change the old bulbs versus the new LED bulbs. Mayor Sheldon inquired if the City could get some help from Florida Power & Light with funding new lighting. Assistant Manager White noted staff would research that.

Mayor Sheldon called for further comments/questions on the Recreation budget. Hearing and seeing none. **Councilmembers noted they were good with the budget other than wanting to review the Parks Master Plan.**

Mayor Sheldon called for further comments/questions on the **General Fund 5-Year Financial Forecast**. Assistant Director White reported Joey could run some new models, as Council would like to see. Ms. White added that it was a great tool and the real time data could eventually be posted on the City's website. Mayor Sheldon called for further comments from Council. Hearing and seeing none.

Mayor Sheldon called for final comments on the **General Fund** budget. Mayor Sheldon recommended revisiting the Gulf Coast Guarantee Scholarship Fund. Mayor Sheldon asked Council to consider earmarking scholarship funds only for PCB residents. Vice Mayor Casto noted his support. Councilman Jarman offered his support. Discussion took place regarding whether it would be a one-time budget item at \$200,000 or \$50,000 over 4 years. Councilman Chester stated he was not against this; however, he would like more information on the number of scholarships, the criteria, etc.

Councilmembers asked Staff to find out more information and work the \$200,000 into the budget.

2. DISCUSSION / ACTION ITEM, PIER FUND FY 2023 BUDGET, PUBLIC HEARING

Mayor Sheldon called for public comment on the proposed Pier Fund budget. Hearing and seeing none, Mayor Sheldon closed the public hearing.

Assistant City Manager White began review of the Pier Fund budget on page 39 of the budget packet. Ms. White reported that the budget was status quo, expenditures budgeted were \$1,086,650, a 0% increase over the FY 2022 amended budget of \$1,086,030.

Mayor Sheldon called for comments from Council. Discussion regarding proposed improvements such as handrails, lighting, and a storage facility located at the Pier for Pier workers/Beach Services took place. Discussion took place regarding locating a new trash area for the restaurants to use at the Pier.

Discussion regarding walk-on/spectator Pier fees and whether to increase the fees took place. Discussion regarding the County fees being less than the City fees, sharing Pier Pass fees with the County, the City issuing the passes, Senior, Military and Disabled discounts took place. Interim Director Joyner reported that there was not a local discount. Councilmember Coburn reported that she did not want to penalize residents, however, she was fine with generating more revenue by raising certain fees. Councilman Jarman concurred and recommended a resident discount membership, similar to the Senior discount.

Mayor Sheldon reviewed that Councilmembers were in support of: 1) increasing the walk-on/spectator fee by \$1.00, not the fishing fee; 2) providing a 50% membership discount pass to residents; and 3) Manager Whitman to talk with the County about having consistent fee schedules and report back to Council.

3. DISCUSSION / ACTION ITEM, AQUATIC CENTER FUND FY 2023 BUDGET, PUBLIC HEARING

Mayor Sheldon called for public comment on the proposed Aquatic Center budget. Hearing and seeing none, Mayor Sheldon closed the public hearing.

Interim Manager White began review of the Aquatic Center budget on page 48 of the packet. Ms. White reported the proposed FY 2023 Aquatic Center Fund expenditures budget was \$1,448,270, a \$60,080 or 4% increase over the FY 2022 amended budget of \$1,388,190. Ms. White reported that the increase accounted for adding diving boards, a 4% COLA, and reallocation of people.

Mayor Sheldon called for comments from Council. Vice Mayo Casto inquired if the HVAC for locker rooms could be kicked. Interim Director Joyner discussed the humidity problem and spending money on repairs each year. Assistant Director White suggested that it could possibly be bid out. Interim Director Joyner reported that the diving boards had been replaced, but not the bases/frame. Vice Mayor Casto concurred.

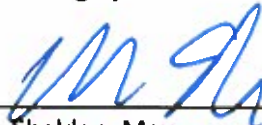
Mayor Sheldon commented that the pool was a great amenity, however, the challenge was the lack of residents using the pool versus the budget. Discussion regarding providing swimming lessons for the residents and the City's first responders training at the pool took place. Further discussion regarding the pricing structure, swim teams using the pool and needing to market the pool better took place. Interim Director Joyner discussed the disadvantage of combining Facebook pages with the City. Interim Director Joyner recommended looking at discount passes and/or Groupon passes.

Councilmembers asked to review fee schedules for the Pier, Pool and Recreation at a future meeting, not the August 9th special meeting.

Mayor Sheldon invited final comments from Council. Hearing and seeing none, Mayor Sheldon recommended setting a date for the next budget workshop. Councilmembers decided to schedule the second workshop on **Tuesday, August 23rd beginning at 9:00 a.m.** Councilmembers also decided to schedule the **2023 budget workshop on Tuesday, August 1, 2023 beginning at 9:00 a.m.**

With nothing further, Mayor Sheldon adjourned the special meeting by unanimous consent at 12:35 p.m.

READ AND APPROVED this 25th day of August, 2022.



Mark Sheldon, Mayor
City of Panama City Beach, Florida

ATTEST:



Lynne Fasone, MMC, City Clerk

* ACTION ITEMS NOTED WITH AN ASTERISK ARE TAKEN BOTH BY THE CITY COUNCIL AND THE PANAMA CITY BEACH REDEVELOPMENT AGENCY JOINTLY AND CONCURRENTLY. IN THE EVENT OF A CONFLICT BETWEEN THE FOREGOING MINUTES AND A VERBATIM TRANSCRIPT OF THESE MINUTES, THE FOREGOING MINUTES SHALL CONTROL.