

**MINUTES**  
KEY COLONY BEACH  
CITY COMMISSION BUDGET WORKSHOP MEETING  
Thursday August 24, 2017 1:30 P.M.  
City Hall Conference Room

1. **Call to Order, Roll Call:** The Budget Workshop of the Key Colony Beach City Commission was called to order by Mayor John DeNeale at 1:30 P.M.

*Present:* Mayor John DeNeale, Vice Mayor Ron Sutton, Secretary/Treasurer Jim Pettorini, Commissioner Jerry Ellis and Commissioner April Tracy. *Also Present:* City Administrator Chris Moonis, City Clerk Kathryn McCullough, Police Chief Kris DiGiovanni. Excused – Building Official Ed Borysiewicz. Public - 1

2. **Final Approval of General Fund Budgets including General Fund, Road Fund, Infrastructure Fund and Impact Fees**

City Administrator Moonis reported there were no appreciable changes from the budget submitted to the Commission at the July 13, 2017 Budget Workshop. City Clerk McCullough reported on the immaterial changes made to the budget since the last workshop. A Planned Use of Reserves, in the amount of \$38,000 was added to offset the approved purchase of a police car from the current year. The vehicle will not be available from Ford Motor until after October. This change documents the purchase of the vehicle from current year reserves. It does not affect the ad valorem tax rate. City Administrator Moonis requested an additional \$1/hour salary increase for the Public Works Assistant 1. Vice Mayor Sutton agreed with the recommendation made by Mr. Moonis. This employee recently completed two sewer lateral repairs which saved the City a significant amount of money. Commissioner Ellis requested input from Building Official Borysiewicz and/or Assistant Building Official Roussin. Mr. Roussin reported the last two sewer laterals repairs were done very well and were much cleaner than those done by the City's contractor. Mr. Roussin has no issue with the suggested salary increase. Mayor DeNeale suggested this issue be addressed at a Commission meeting after Mr. Borysiewicz returns from vacation. Ms. McCullough was asked if this change could be made at the first budget hearing on September 6, 2017. She replied in the affirmative, however, any budget increases must come from reserves. The ad valorem tax rate can be decreased but it cannot be increased. Mayor DeNeale tabled this issue until the September 6, 2017 Budget Hearing.

3. **Presentation of the Utility Budget**

Tom Harding, Utility Board Treasurer, used the 2017 current year expenses, for recurring expenses like telephone, electric, etc., to project the costs for the 2017-2018. He projected the sewer revenues to be the same as the current year. He did not assume any additional revenues from grants. He assumed the full balance of the loan for the upgrades to the Wastewater Treatment Plant (WWTP) would be used this year and next year. He also assumed no overruns in the upgrades to the WWTP. He added \$65,000 to Capital Reserves for zeeweed membrane replacement. He drastically reduced the interest income from CD's. Interest earned last year was approximately \$6,000 however there are fewer CD's this year. He would suggest investing in CD's maturing in different months. He also assumed a 7% increase in US Water contract. After making the assumptions Mr. Harding went over the budget line by line. He received a lot of input for Plant Manager Dave Evans. The bottom line is Revenues minus Expenses will add \$725,000 to the reserves. Reuse is fully funded.

Storm water income versus expenses is \$49,830. Mayor DeNeale thanked Mr. Harding for all his efforts on the Utility Board and on the budget.

Mayor DeNeale asked if there were any questions or any additional input concerning the budgets. There were none. Mayor DeNeale announced "We have a budget."

Meeting adjourned at 2:25 P. M.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Kathryn McCullough".

Kathryn McCullough  
City Clerk

**Note: These minutes are unofficial and have not been formally approved by the Commission. The approval will be at the next scheduled Commission meeting.**

---