

MINUTES

KEY COLONY BEACH CITY COMMISSION BUDGET WORKSHOP #1

Thursday, July 10th, 2025 - 9:30 A.M.

City Hall Auditorium – Marble Hall

600 W. Ocean Drive, Key Colony Beach

& via Zoom Conferencing

1. **Call to Order, Pledge of Allegiance, Prayer & Roll Call:** The Key Colony Beach City Commission Budget Workshop No. 1 was called to order by Secretary-Treasurer Tom Harding at 9:30 AM followed by the Pledge of Allegiance, Prayer, and Rollcall. **Present:** Mayor Freddie Foster (via Zoom), Commissioner Tom Harding, Commissioner Tom DiFransico, Commissioner Doug Colonell. **Also present:** Public Works Department Head Mike Guarino, Building Official Tom Loreno, City Administrator John Bartus, Assistant City Clerk Danielle Spinola, City Clerk Silvia Roussin.

2. FY2025/2026 Budget Proposals

Commissioner Harding summarized the draft Budget for Fiscal Year 25/26, including details on expected CPI increases, and provided an overview of his budget for Stormwater, Wastewater, and General Funds. Commissioner Harding also shared information on funding for upcoming Engineering projects, anticipated Wastewater Capital Projects, proposed increases for Wastewater and Stormwater, and grant expectations.

The Commission discussed increases in wastewater fees, rising expenses, and yearly hikes. Further discussion included a suitable percentage increase, available and anticipated grant funds, and interest on state loans.

- a. **FY25/26 Draft General Budget**
- b. **FY25/26 Draft Utility Board Budget**
 1. **Proposed Sewer Rate Increases**

Commissioner Harding provided details on taxable value and a proposed millage increase of 2.17%, raising it from the current 2.76% to 2.82%, along with additional information on average increases for residents. He noted that he has reviewed most Department Head requests and is waiting for updates on health and Fire/EMS expenditures. Commissioner Harding also discussed expected funding through Impact and Grant programs, as well as increased funds for Parks and Recreation.

Commissioner Harding presented his estimates for City Hall building costs and project funding. Additionally, he talked about expenditures and reimbursements through grants. The Commission discussed the possibility of a loan or line of credit and reviewed the overall scope of the project.

Commissioner Harding further discussed a comprehensive insurance review and proposed cost-saving ideas from staff. The discussion included increasing funds for the Recreation and Beautification Committee, as well as the Parks and Recreation Budget, along with defining costs and planning for future Committee projects.

Further budget discussions included funding for the Golf Course maintenance and equipment, and the ability for the Recreation and Beautification Committee to work on projects in a combined effort.

Commissioner Harding further referred to the proposed Ordinance for the Wastewater fee change and the budget summary, having been included in the worksheet.

3. Commission Discussion

- a. Mayor Foster
- b. Secretary/Treasurer Harding
- c. Commissioner DiFransico
- d. Commissioner Colonell

Commissioner DiFransico commented on a high millage compared to other municipalities in the county,

Mayor Foster explained the differences in fee structures and the inability to generate income from tourism compared to other cities, as well as the need for state funding to support the city. Commissioner Harding recalled discussions regarding license fees and the capacity to generate revenue from business taxes, and mentioned dependency on grants and rising costs for the city. The discussion continued around calculations of fees, revenue, expenditures, and cost recovery, with plans to review license fees for the upcoming fiscal year.

Commissioner Harding provided additional comments on rising costs and the need for adjustments through cost savings and potential fee increases. Building Official Loreno discussed staff time spent on maintaining rental licenses and inspections, including cancellations. Commissioner Harding also commented on the costs of Fire/EMS services and ongoing grant reimbursements. The Commission continued discussing the use of reserves, cash flow capabilities, and the expected schedule of payments for contractors and grants, along with potential cost savings to offset the increased expenses.

Commissioner Harding asked the Commission to send comments to City Clerk Roussin to make any edits if needed.

The Commission further discussed the Hardening Grant, reimbursement requests, project costs, the ability to accept donations, and questions about the outstanding brick contract and attorney's costs on the matter.

4. Adjournment: The meeting adjourned at 10:36 AM.

Respectfully submitted,

Silvia Roussin

City Clerk

ADOPTED: September 18, 2025

Silvia Roussin

City Clerk