

CITY COMMISSION  
CITY OF WILDWOOD, FLORIDA  
WORKSHOP  
April 15, 2024 9:00 AM  
CITY HALL COMMISSION CHAMBER

(meeting taped)

**1. Call to Order**

Attendee Name	Title	Status
Ed Wolf	Mayor	Present
Pamala Harrison-Bivins	Mayor Pro Tem/Commissioner	Present
Joe Elliott	Commissioner	Present
Marcos Flores	Commissioner	Present
Julian Green	Commissioner	Present
Jason McHugh	City Manager	Present
Ashley Hunt	City Attorney	Absent
Joshua Bills	City Attorney	Present
Cassandra Smith	Assistant City Manager/CFO	Present
Jessica Barnes	City Clerk	Absent
Randall Parmer	Police Chief	Present
Lynzey McClellan	Assistant CFO	Present
Melissa Tuck	HR Director	Present
Jeremy Hockenbury	Public Works Director	Present
Jason Martin	Assistant Utility Director	Present

Mayor Wolf called the meeting to order, followed by the invocation and the Pledge of Allegiance.

**2. Item(s) for Discussion**

**A. Mid-Year Budget Report**

Assistant CFO Lynzey McClellan came forward to present a mid-year budget report. McClellan provided final details of FY23 for the General Fund and Utility Fund. McClellan stated that General Fund revenues in FY23 exceeded budget in several areas, including utility taxes, franchise fees, interest revenues, and P&R program registration fees. She also noted that all the General Fund departments spent under their budget, with the Police Department underspending the most due to a large number of vacancies in the department throughout the

year.

In the Utility Fund, McClellan noted that revenues exceeded budget by a small margin. The water and sewer departments also spent less than their budget allocations due to vacancies, reallocating projects to impact fee funds, and postponing water line upgrades. McClellan also noted that no transfer opportunities were identified because they had been accounted for in the FY24 budget process.

Assistant City Manager/CFO Cassandra Smith then presented the Commission with an update of the current FY24 budget year. She stated that revenues were running closer to budget than in past years, indicating that projections are getting more accurate in the budgeting cycle. It is now expected that the City will see revenues come in approximately \$830K over budget, which is approximately 2.3% over budget. She noted that this additional revenue can be used for the unexpected expenditures that came up early in the budget year, saving the City from having to reach into reserves.

Smith stated that General Fund departments are running close to budget, with the exception of the Police Department which is lagging on expenditures, primarily due to continuing vacancies, and the Public Works Department, which had unexpected road expenses that could not be predicted. Smith stated that new projections show that overall, General Fund expenditures should come in approximately \$1.5M under budget.

Smith stated that the ending General Fund balance would be approximately \$8.375M, which is equivalent to 40% of the General Fund operating budget and approximately \$3M over the desired 25% reserve level. Staff is recommending that the \$3M be transferred to the Utility Fund to assist with the wastewater treatment plant project.

Smith reviewed items that would be coming up for budget amendment at the next Commission meeting, including funding for a new finance position, increase in minimum pay for police officers, increase in the Public Works Department contractual services budget for unexpected roadway expenditures, and the \$3M transfer from General Fund to the wastewater treatment plant project.

Smith then reviewed the current status of the Utility Revenue Fund (URF). She stated that revenues are currently lagging behind projections by approximately 8.3%. She indicated that the budget was established according to the Utility Revenue Sufficiency Analysis. She stated there could be many reasons for the lag, including slower than anticipated growth, lower usage by customers, and weather. Revenues will be monitored as the year continues.

Smith stated that expenditures in the URF were running close to projected, though overall total expected expenditures are now projected to be approximately \$500K under budget, with the majority of this due to budgeting for a debt payment for the wastewater treatment plant project that did not materialize during the year. She stated that the fund would end the year with a reserve balance equal to approximately 42% of the URF's operating budget.

Smith provided the Commission with a list of items that would be in the upcoming budget amendment for the URF, including increases in the water department to the professional services and operating supplies line items, increase in the Water Connection Fee Fund for the acidizing procedure at the Ashley Well, and an amendment to the Water SDC fund for developer reimbursements, which are expected to be paid before year-end.

Smith also stated that the CIP fund would require a budget amendment for expenditures related to the Municipal Services Complex as well as the purchase of the Worship Center on

Hwy 301 and the purchase of property on St. Clair Street for stormwater improvements.

Smith then discussed the status of capital project planning. She provided a breakdown on current internal and external non-debt funding sources for the wastewater treatment plant. She also provided a revised CIE element that detailed a revised timeline for capital projects that are in the CIP Plan. Smith concluded her presentation with a list of staff recommendations, including the transfer of \$3M from the General Fund and \$9.5M from the CIP fund to the wastewater treatment plant project; approval of the revised CIE as presented, indicating support for the timing of projects as presented in years FY24 and FY25; and a recommendation to update the URF revenue sufficiency analysis based on the revised projections.

#### B. Employee Compensation and Benefits Presentation

HR Director Melissa Tuck presented the employee salary and compensation salary completed by Evergreen. Tuck discussed recruitment and retainment challenges, the compensation philosophy, recommended compensation strategies, and explained career path progression plans. Tuck also noted the city's current medical benefits, and advised that she had conducted an internal study for input on benefit satisfaction. The survey showed that employees considered medical coverage to be in the top 6 of the most important benefits offered, and stated that 55% were dissatisfied with single coverage and 56% were dissatisfied with dependent coverage. The HR Department and Evergreen also conducted two external surveys; the first to compare the city's Plan 47 with comparable cities, and the second to determine a benchmark of employer contributions and plan design for family coverage. The survey showed Wildwood was behind in both categories.

Tuck then discussed the differences in premium amounts (self-funding, plan design, and utilization) and presented three options to the Commission. These options were to take no action or change, provide some level of funding for dependent premiums across all four plans, or introduce sliding scale funding for dependent premiums on Plan 130 and Plan 47, which would be based on years of service. There was a short discussion regarding these options, and the general consensus of the Commission was to move forward with the HR Department providing additional information during the upcoming budget workshops.

#### C. Memo on City Charter Review

City Manager Jason McHugh stated that he had drafted a memo regarding the charter review process. He stated that the charter required review every 5–10 years and must be started at least a year before the election at which any amendment would be considered. McHugh asked the Commission to provide input as to whether they felt the need to begin the review process. After discussion, general consensus was to begin the process. McHugh stated that he would put the wheels in motion to assemble a Charter Review Committee.

### 3. Adjournment

With no further business to attend to, the meeting was adjourned.

<b>RESULT:</b>	<b>Adjourned</b>
<b>MOVER:</b>	Commissioner Elliott
<b>SECONDER:</b>	Commissioner Green

**AYES:** Mayor Wolf, Mayor Pro Tem/Commissioner Harrison-Bivins, Commissioner Elliott, Commissioner Flores, Commissioner Green

CITY COMMISSION  
CITY OF WILDWOOD, FLORIDA

SEAL

ATTEST: Jessica Barnes  
Jessica Barnes, City Clerk

BY: Ed Wolf  
Ed Wolf, Mayor