

**MINUTES  
SPECIAL MEETING  
DESTIN CITY COUNCIL  
THURSDAY  
SEPTEMBER 9, 2021  
DESTIN CITY HALL  
ANNEX COUNCIL CHAMBERS  
5:30 PM**

The Council of the City of Destin met in special session with the following members and staff present:

**Destin City Council**

Mayor Gary Jarvis  
Councilmember Johnny King  
Councilmember Kevin Schmidt

Councilmember Dewey Destin  
Councilmember Terésa Hebert  
Councilmember Jim Bagby

**Destin City Staff**

City Manager Lance Johnson  
IT Manager Matthew Pace  
Finance Director Krystal Strickland  
City Attorney Associate Steve Bauman

HR Manager Nichole DeVito  
City Clerk Rey Bailey  
IT Specialist James Lauria

**CALL TO ORDER**

Mayor Gary Jarvis called the meeting to order at 5:30 PM; followed by the recitation of the Pledge of Allegiance.

**PUBLIC COMMENTS**

**NEW BUSINESS**

- A. First reading of Ordinance 21-17-CN – Adopting the Fiscal Year 2022 Millage Rate

The City Attorney read proposed Ordinance 21-17-CN by title, and then presented it to the City Council on first reading.

AN ORDINANCE OF THE CITY OF DESTIN OF OKALOOSA COUNTY, FLORIDA, ADOPTING THE FINAL LEVYING OF AD VALOREM TAXES FOR THE CITY OF DESTIN FOR FISCAL YEAR 2022; AND PROVIDING FOR AN EFFECTIVE DATE.

The mayor opened a public hearing to receive comments for or against the proposed ordinance. Having none, the mayor closed the public hearing portion and turned the matter over to the city council for their discussion and consideration.

**Councilmember Schmidt moved to adopt Ordinance 21-17-CN on first reading adopting a proposed Fiscal Year 2022 millage rate of 1.6150 mills which is more than the rollback rate of 1.5566 by 3.75%; seconded by Councilmember Hebert. Motion passed 5-0 (Council members Schmidt, King, Hebert, Bagby and Destin voted "yes").**

B. First reading of Ordinance 21-18-CN – Adopting the Fiscal Year 2022 Budget

The City Attorney read proposed Ordinance 21-18-CN by title, and then presented it to the City Council on first reading.

AN ORDINANCE OF THE CITY OF DESTIN MAKING APPROPRIATIONS FOR CERTAIN EXPENDITURES, EXPENSES, CAPITAL IMPROVEMENTS AND CERTAIN INDEBTEDNESS OF THE CITY OF DESTIN, FLORIDA, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021 AND ENDING SEPTEMBER 30, 2022; AND PROVIDING FOR AN EFFECTIVE DATE.

The mayor opened a public hearing to receive comments for or against the proposed ordinance. Having none, the mayor closed the public hearing portion and turned the matter over to the city council for their discussion and consideration.

**Councilmember Bagby moved to adopt Ordinance 21-18-CN on first reading to provide for a balanced budget for Fiscal Year 2022 and schedule the second reading for September 20, 2021, at the regular city council meeting scheduled to commence at 6:00 PM. Councilmember Hebert provided a second to the motion.**

Councilmember Schmidt noted that a few citizens have reached out to him questioning the city's proposed \$34 million budget. He asked the Finance Director to briefly explain how they came up with that total.

Finance Director Krystal Strickland referenced below Budget Summary in describing the details of the budget. She explained that the Budget Summary is currently posted on the city's website. It is tentative pending any changes council will make tonight; and that it will be advertised in the newspaper prior to the second budget hearing.

## BUDGET SUMMARY

City of Destin - Fiscal Year 2021-2022

\* THE PROPOSED OPERATING BUDGET EXPENDITURES OF THE CITY OF DESTIN ARE  
-3.3% Less THAN LAST YEAR'S TOTAL OPERATING EXPENDITURES.

|                                                                            |                     |                                         |                           |                   |                                 |                        |                     |
|----------------------------------------------------------------------------|---------------------|-----------------------------------------|---------------------------|-------------------|---------------------------------|------------------------|---------------------|
| General Fund                                                               | 1.6150              | 01, 122, 125, 129<br>300, 305, 315, 700 | 102<br>Town<br>Center CRA | 110<br>Harbor CRA | 111<br>Florida<br>Building Code | 200<br>Debt<br>Service | Total<br>All Funds  |
| <b>ESTIMATED REVENUES:</b>                                                 |                     |                                         |                           |                   |                                 |                        |                     |
| Taxes:                                                                     | Millage Per \$1000: |                                         |                           |                   |                                 |                        |                     |
| Ad Valorem Taxes                                                           | 1.6150              | \$8,231,657                             | \$402,452                 | \$356,309         | \$0                             |                        | \$8,990,418         |
| Tax Increment Financing (TIF) / County                                     |                     |                                         | 954,620                   | 356,309           | 0                               |                        | 1,310,929           |
| Delinquent Ad Valorem Taxes                                                |                     | \$5,000                                 |                           |                   |                                 |                        | 5,000               |
| Sales and Use Taxes                                                        |                     | 3,230,855                               |                           |                   |                                 |                        | 3,230,855           |
| Licenses & Permits                                                         |                     | 2,826,871                               |                           |                   | 636,608                         |                        | 3,463,479           |
| Intergovernmental Revenue                                                  |                     | 11,483,372                              |                           |                   |                                 |                        | 11,483,372          |
| Charges For Services                                                       |                     | 749,897                                 |                           |                   |                                 |                        | 749,897             |
| Fines & Forfeitures                                                        |                     | 59,957                                  |                           |                   |                                 |                        | 59,957              |
| Miscellaneous Revenue                                                      |                     | 142,960                                 | 1,301                     | 300               | 60                              | \$200                  | 144,822             |
| Special Assessment/Impact Fees                                             |                     | 116,000                                 |                           |                   |                                 |                        | 116,000             |
| <b>TOTAL SOURCES</b>                                                       |                     | <b>26,846,570</b>                       | <b>1,358,373</b>          | <b>712,918</b>    | <b>636,668</b>                  | <b>200</b>             | <b>29,554,729</b>   |
| Transfers In                                                               |                     | 13,098,159                              | 0                         | 0                 | 328,507                         | 2,588,740              | 16,015,406          |
| Beginning Fund Balances/Reserves/Net Assets                                |                     | 33,005,215                              | (2,226,891)               | 273,244           | 250,397                         | 340,790                | 31,642,754          |
| <b>TOTAL REVENUES, TRANSFERS &amp; BALANCES</b>                            |                     | <b>\$72,949,944</b>                     | <b>(\$868,518)</b>        | <b>\$986,162</b>  | <b>\$1,215,572</b>              | <b>\$2,929,730</b>     | <b>\$77,212,890</b> |
| <b>EXPENDITURES</b>                                                        |                     |                                         |                           |                   |                                 |                        |                     |
| General Government                                                         |                     | \$3,911,828                             |                           |                   |                                 |                        | 3,911,828           |
| Public Safety                                                              |                     | 3,374,901                               |                           |                   | 1,152,362                       |                        | 4,527,263           |
| Physical Environment                                                       |                     | 196,421                                 |                           |                   |                                 |                        | 196,421             |
| Transportation                                                             |                     | 2,061,212                               |                           |                   |                                 |                        | 2,061,212           |
| Economic Environment                                                       |                     | 14,200                                  | 151,257                   | 157,979           |                                 |                        | 323,436             |
| Health and Human Services                                                  |                     | 101,254                                 |                           |                   |                                 |                        | 101,254             |
| Culture & Recreation                                                       |                     | 3,708,739                               |                           |                   |                                 |                        | 3,708,739           |
| Debt Services                                                              |                     | 80,916                                  |                           |                   |                                 | 2,588,740              | 2,669,656           |
| Capital Outlay                                                             |                     | 16,536,376                              |                           |                   |                                 |                        | 16,536,376          |
| <b>TOTAL USES</b>                                                          |                     | <b>29,985,848</b>                       | <b>151,257</b>            | <b>157,979</b>    | <b>1,152,362</b>                | <b>2,588,740</b>       | <b>34,036,186</b>   |
| Transfers Out                                                              |                     | 14,739,720                              | 731,418                   | 481,057           | 63,210                          | 0                      | 16,015,406          |
| Ending Fund Balances/Reserves/Net Assets                                   |                     | 28,224,375                              | (1,751,193)               | 347,125           | (0)                             | 340,990                | 27,161,297          |
| <b>TOTAL APPROPRIATED EXPENDITURES, TRANSFERS, RESERVES &amp; BALANCES</b> |                     | <b>\$72,949,944</b>                     | <b>(\$868,518)</b>        | <b>\$986,162</b>  | <b>\$1,215,572</b>              | <b>\$2,929,730</b>     | <b>\$77,212,890</b> |

THE TENTATIVE, ADOPTED, AND / OR FINAL BUDGETS ARE ON FILE IN THE OFFICE OF THE CITY CLERK AS A PUBLIC RECORD.

Motion passed 5-0 (Council members Schmidt, King, Hebert, Bagby and Destin voted "yes").

Councilmember Destin noted they are reducing their reserved fund balance by approximately \$5 million. He asked how they intend to spend the money.

Ms. Strickland explained that most of that money is either restricted or committed by motions of prior council, or by the grantors. Approximately \$2 million is Okaloosa Half-Cent Sales Tax revenue, a new revenue that started in January 2019, will be spent purchasing another beach parcel. She continued there is approximately one million dollars' worth of unexpended renewal and replacement funds which have not been formalized with a resolution.

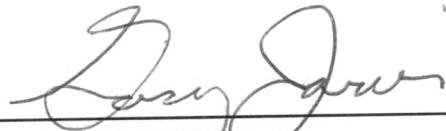
Ms. Strickland also pointed out there is approximately \$1 million worth of impact fees, which are considered restricted fund balance, that they plan to use this coming year. These are Road Impact Fees and Park Impact Fees that have come in over the past years that would be spent on certain projects related to growth in the city. She added there is a time limit on impact fees. They either use the impact fees collected or give them back; and that it seemed they have not been using much of the impact fees over the past 10 years.

Councilmember Destin stated that he would support the motion on the floor, but he would also like to see more analysis done before the next budget hearing to show exactly which funds have to be spent soon.

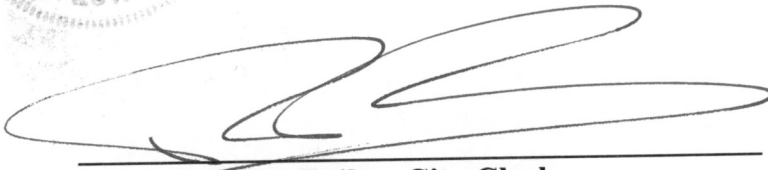
## **PUBLIC COMMENTS**

## **ADJOURNMENT**

Having no further business at this time, the meeting was adjourned at 5:55 PM

  
\_\_\_\_\_  
**Gary Jarvis, Mayor**

**ATTEST:**

  
\_\_\_\_\_  
**Rey Bailey, City Clerk**