

**MINUTES
WORKSHOP
DESTIN CITY COUNCIL
JUNE 8, 2026
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 Councilmembers Present

Mayor Bobby Wagner
Mayor Pro-Tem Teresa Herbert
Councilmember Dewey Destin

Councilmember Chatham Morgan
Councilmember Sandy Trammell
Councilmember Kevin Schmidt

City of Destin Staff Present

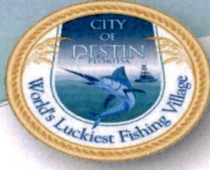
City Manager Larry Jones
Dep. Parks and Recreation Director Ryan Reed
Public Information Director Tamara Young
Dep. Public Works Director Joe Bodi
Community Development Director Tina Deater
Projects and Grants Manager Jeff Cozadd
Kyle Bauman for Kim Kopp

City Clerk Lisa Wallace
Building Official Noell Bell
City Engineer Robert Tomesek
Finance Director Krystal Strickland
Systems & Network Spec. Antonio Payne
HR Director Jamie Haynes
Library Director Wen Livingston

WORKSHOP

A. Fiscal Year 2027 Budget Cycle

The City Manager began the workshop by presenting the preliminary FY27 operating budget. He emphasized the city's guiding principle of preserving its heritage while protecting its future through sound decision-making. He expressed appreciation for participants' involvement and stated that he hopes the discussions and actions taken would reflect responsible choices that move the city forward while maintaining fiscal responsibility. The following information was presented.



City of Destin 2027 Budget Workshop #1

Operating Budget June 8, 2026

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HIGHLIGHTS –



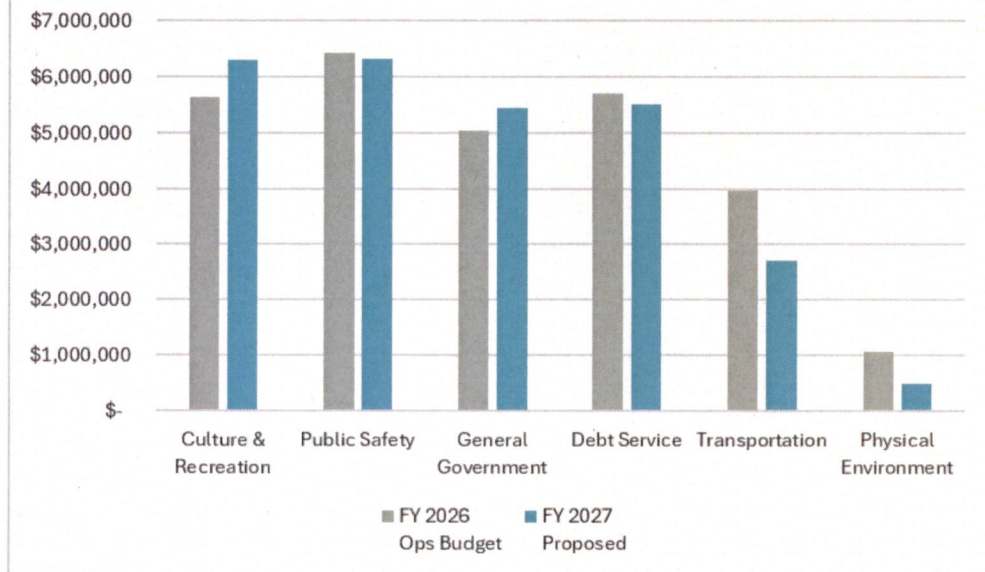
Property values increased approximately 2%

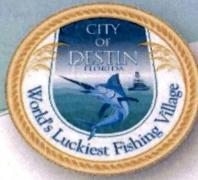


FY 2027 Proposed Operating Budget is **4%** **lower** than the FY 2026 Adopted Budget

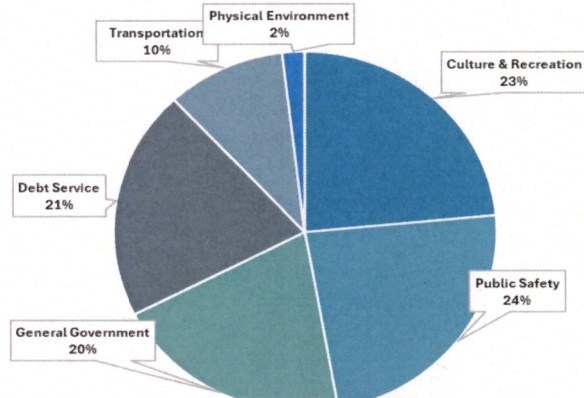


FY27 Proposed Operating Budget \$27.1m vs FY26 Operating Budget \$28.3m (-4% \$1.1m)





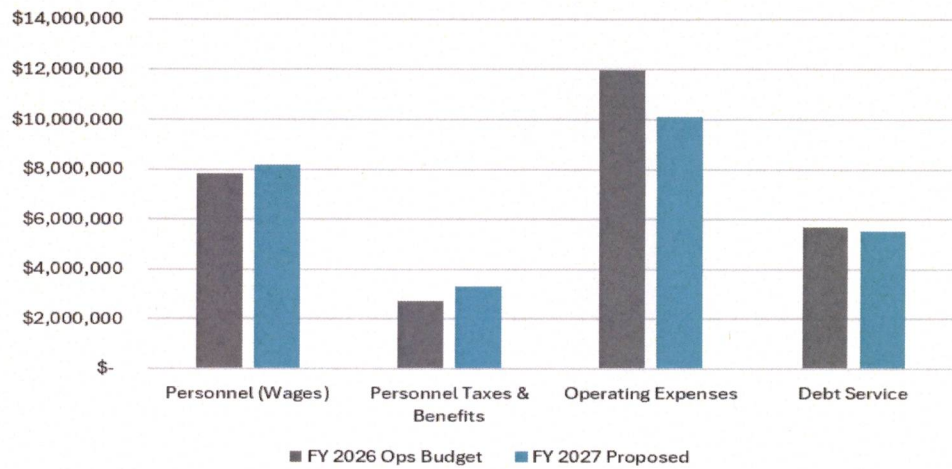
FY 2027 Proposed Operating Budget

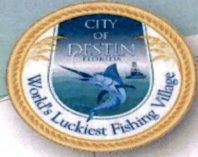


	FY 2026	FY 2027	FY27-FY26	% change
	Ops Budget	Proposed		
Culture & Recreation	\$ 5,641,253	\$ 6,312,280	\$ 671,028	12%
Public Safety	6,425,454	6,326,841	\$ (98,613)	-2%
General Government	5,052,761	5,449,274	\$ 396,513	8%
Debt Service	5,704,731	5,522,892	\$ (181,840)	-3%
Transportation	3,983,133	2,700,408	\$ (1,282,725)	-32%
Physical Environment	1,064,017	501,949	\$ (562,068)	-53%
Human Services	98,312	97,600	\$ (712)	-1%
Economic Environment	315,961	235,060	\$ (80,902)	-26%
\$	28,285,622	\$ 27,146,304	\$ (1,139,318)	-4%

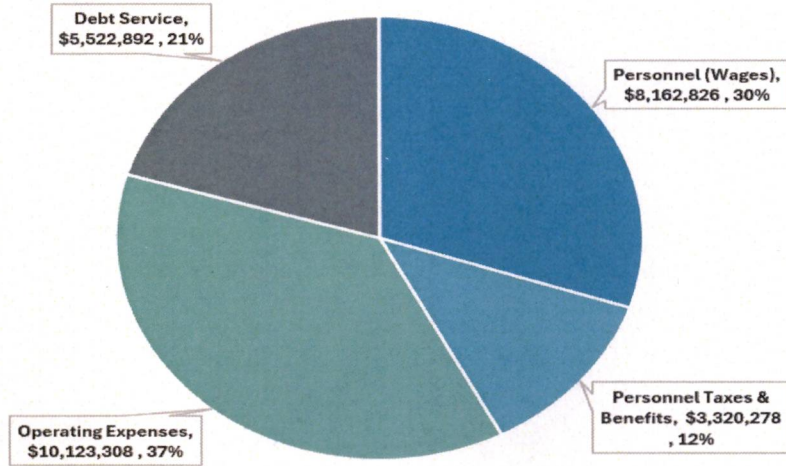


FY 27 Proposed Operating Budget \$27.1m vs FY26 Operating Budget \$28.3m (-4% \$1.1m)





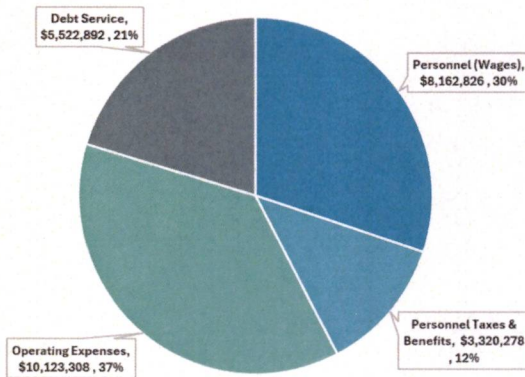
FY 2027 Ops Budget \$27.1m



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FY 2027 Ops Budget \$27.1m



		FY 2026	FY 2027	FY27-FY26	% change
	Ops Budget	Proposed			
Personnel (Wages)	\$	7,828,971	\$ 8,162,826	\$ 333,856	4%
Personnel Taxes & Benefits		2,741,831	3,320,278	578,447	21%
Operating Expenses		11,993,089	10,123,308	(1,869,781)	-16%
Debt Service		5,704,731	5,522,892	(181,840)	-3%
Grants & Aids		17,000	17,000	-	0%
	\$	28,285,622	\$ 27,146,304	\$ (1,139,318)	-4%

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2027 Budget Highlights

- TOTAL Personnel increased 9%
- Personnel – Wages 4% (COLA + merit)
- Taxes & Benefits:

	FY26 Budget	FY 2027 Proposed	\$ change	% change
Fica Taxes (7.65%)	146,021	632,391	486,371	FY26 excluded SS
Life & Health Insurance	1,555,551	1,512,711	(42,840)	
Retirement Contributions (14.03%)	942,386	1,081,181	138,795	
Taxable Benefits i.e. Clothing	-	24,785	24,785	
Workers' Compensation	97,874	69,210	(28,664)	
21 Personnel Taxes & Benefits	2,741,831	3,320,278	578,447	21%

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2027 Budget Highlights

- Operating Expenses – Decreased 16% (\$1.9m)
 - Transportation Ops budget down \$1m
 - FY26 completed dredging Harbor Channel
 - FY26 completed implementation of new parking system (prof svc start-up fees)
 - Physical Environment Ops budget down \$470k – FY26 FDEP vulnerability study

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2027 Budget Highlights

- Operating Ex Decreases - continued
 - Code Enforcement – doing STR billing and collections in house (\$300k)

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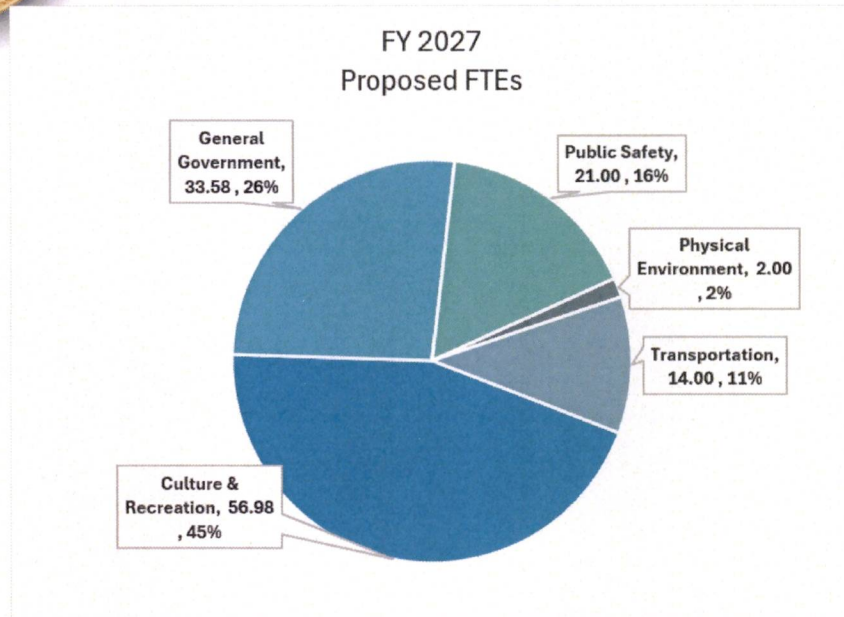
2027 Budget Highlights

- DRAFT Budget Book
 - Fund Balance Trend Summary FY25-30 starts page 10
 - Line Item comparisons FY25-28 starts page 80
 - Operating details and draft CIP plans by Director/Department starts page 21
 - 5-Year DRAFT RR/CIP plan starts page 66

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Personnel



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Personnel

Requesting 2 new positions:
Waterfront Parks Maintenance
Technicians (Paid by TDC)



1 FTE = 2080 labor hours

	FTEs	
	FY 2026	FY 2027
Culture & Recreation	54.98	56.98
General Government	33.58	33.58
Public Safety	21.00	21.00
Physical Environment	2.00	2.00
Transportation	14.00	14.00
	125.56	127.56

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Next Steps:

July 1: Attain certified values from Property Appraiser

July 13: Budget Workshop#2 – Capital Projects

July 20: Council Adopts Tentative Millage Rate

September 8 & 21: Budget Hearings

Detailed Budget Briefings Available by Appointment

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2026 CIP Highlights

- Completed
 - Dredged Harbor Channel
 - Norriego Point Park
 - MSC Playground
 - MSC Athletic Field Lighting
 - MSC Batting Cages
 - DLL artificial turf

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2026 CIP Highlights

- Completed
 - Purchased land to expand DLL parking
 - Mattie Kelly Outfall (in prep for Joe's Bayou Park Improvements)
 - Resurfaced Buck Destin Basketball Courts w/new fencing
 - Repaved 11.6 lane miles of roadways (16 segments) including Airport Road

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2026 CIP Highlights

- In Process
 - 9.6 more lane miles of roads are scheduled FY 2026
 - Undergrounding Overhead Utilities
 - Crosstown Connector Roadway (Beach to Benning)

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2026 CIP Highlights

- In Process
 - Pickleball Courts
 - Tarpon Beach Park
 - Clement Taylor Park renovations
 - Community Center Roof

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2027 CIP Highlights

- Projects in development/design phase:
 - 36 roadways to be repaved (last paved 1960s, 1970's, 1980's)
 - Sibert-Zerbe parking lot consolidation/paving
 - Shores at Crystal Beach Park
 - Replace boardwalks at beach access points (TDC)

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2027 CIP Highlights

- Projects in development/design phase:
 - Community Center – doors, windows, stucco
 - MSC field equipment shed
 - MSC fencing
 - Buck Destin Playground
 - DLL field lighting to be discussed

More to be planned/discussed at July 13 workshop

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Questions and Discussion



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Council discussed the proposed budget, seeking clarification on numbers in physical environment expenditures, the FEMA flood vulnerability study, TDC-funded positions, and overall budget decreases. Councilmembers commended staff for maintaining a fiscally conservative budget, reducing operating expenses, and holding the millage rate steady.

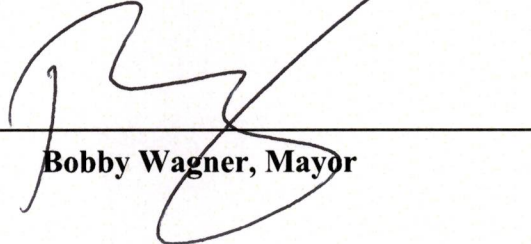
Discussion also included the importance of preserving reserves in anticipation of future revenue impacts, concerns about potential reductions in library funding from the county library cooperative and, improving employee time-tracking to better allocate costs across parks and recreation activities. Staff noted that additional budget details, revenue projections, capital projects, and replacement needs would be presented at the July workshop for further Council guidance.

PUBLIC COMMENT


Mayor Wagner called for any comments from the public. There being none offered, the Mayor closed the public comments.

ADJOURNMENT

Having no further business at this time, the meeting was adjourned at 6:06 PM.



Bobby Wagner, Mayor



ATTEST:
Lisa Wallace
Lisa Wallace, City Clerk