

A Workshop Meeting of the Apalachicola City Commission was held on August 12, 2025 at 3:00 PM at the Commission Meeting Room located at 74 6<sup>th</sup> Street, Apalachicola, Florida.

Present: Mayor Brenda Ash, Commissioner Anita Grove, Commissioner Despina George, Commissioner Adriane Elliott, Interim City Manager Chris Holley, Finance Director Lee Mathes, Chief of Police Bobby Varnes, City Clerk Sheneidra Cummings

Commissioner Donna Duncan- absent

Meeting was called to order by Mayor Ash followed by invocation and pledge of allegiance.

### **Agenda Adoption**

Motion was made by Commissioner Grove to adopt the agenda, seconded by Commissioner George. None opposed. Motion carried, 4-0.

### **Public Comment**

Tony McIntosh addressed the Commission with two questions regarding the budget. She inquired about the goals for the city for the 2025-2026 fiscal year and how the budget aligns with the five-year plan referenced by Interim City Manager Chris Holly in a prior meeting.

Ms. Gibson later provided public comments requesting that meetings be scheduled in the evening to allow more citizen participation and advocating for more detailed information on agenda pages in advance of meetings. She specifically noted concerns about capital outlays in the budget, including demolition of the old high school and former city hall, as well as funding for the harbor master building.

### **FY 25/26 Budget DRAFT**

Interim City Manager Chris Holley provided an update on the city manager hiring process before discussing the budget. He proposed conducting interviews for city manager candidates on September 10th. The interview process would include morning one-on-one sessions between commissioners and candidates, a mix-and-mingle lunch with community leaders, and a special meeting in the afternoon for public interviews. The Commission tentatively agreed to this date.

City Manager Holly and Finance Officer Lee Mathes presented the draft 2025-2026 fiscal year budget. Holley explained this was the first time in five years the Commission had a set of financials showing current expenditures, a completed audit, and a draft spending plan. He noted

that he and Mathes did not have enough time to prepare a comprehensive five-year capital improvement plan due to funding uncertainties at the state level and ongoing conversations about stewardship funding.

Holley emphasized the importance of distinguishing between recurring and non-recurring revenue, cautioning against using non-recurring revenue for recurring expenses. He recommended maintaining general fund reserves of at least 5%, noting the city was dangerously low at present.

The budget presentation covered:

**Salary Schedule:**

- Includes a 3% across-the-board increase
- Two new positions proposed: Public Works Director (split between departments) and Development Services Coordinator
- Discussion about properly organizing the code enforcement position
- Questions about the difference between the salary schedule (\$2.9 million) and the total wages in budget sheets (\$3.1 million)

**General Fund Revenues:**

- Three millage rate options presented:
  - 9.0 mills (tentative rate)
  - 8.3457 mills (current rate)
  - 8.7 mills (optional middle rate)
- Commissioners Grove and George expressed opposing views on the millage rate, with Grove advocating against rolling back to build reserves and George supporting maintaining the current rate
- Discussion about \$200,000 of carry-forward funds and concerns about using non-recurring revenues

**Department Budgets:**

- Governing Body: New line item for Public Information Officer (\$30,000)
- Administration: Adjustments to utilities and travel/training
- Building Department: Discussion about potentially reorganizing building inspection services
- Police Department: Includes retirement payout for Chief who is retiring June 2026
- Fire Department: Funding for new bunker gear due to cancer-causing materials in current gear
- Library: Discussion about the librarian position
- Public Works: Concerns about cemetery maintenance, street signs, and need for better departmental leadership
- Facilities: Planning for demolition of Johnson Complex (\$200,000)
- Water/Sewer: Discussions about relocating these departments and infrastructure needs

**Enterprise Funds:**

- Scipio Creek Marina: Discussion about increasing funding from \$130,000 to \$250,000 for repairs, drawing from the SBA fund
- Harbor Master position: \$5,000 allocated for part-time harbor master
- Battery Park Marina: Discussion about using funds for dock and seawall repairs

There was extensive discussion about the SBA fund (approximately \$800,000) and how it should be allocated. Commissioner George requested an analysis from the auditor to verify fund balances before making final decisions.

The Commission agreed to continue budget discussions at the next workshop scheduled for August 19, with Commissioners to provide their questions and concerns to Lee Mathes before that meeting.

Motion to adjourn was made by Commissioner George, seconded by Commissioner Elliott. None opposed. Motion carried, 4-0.

**Meeting adjourned.**

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**Brenda Ash, Mayor**

**ATTEST:**

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**Sheneidra Cummings, City Clerk**