



BOARD MEMBERS

Bubba Peters  
Chairman  
Brigette Brooks  
Vice Chairman  
Jeremy Johnson  
Secretary Treasurer  
Charles D. Thornton  
Acting Secretary Treasurer  
Jerry Watson  
Board Member  
Liz Callahan  
Board Member

SANTA ROSA ISLAND AUTHORITY  
BUDGET WORKSHOP  
JUNE 28, 2023

MEMORANDUM

TO: Authority Members  
FROM: Executive Director  
DATE: June 29, 2023  
RE: Minutes of June 28, 2023 Budget Workshop

A Budget Workshop was held on Wednesday June 28, 2023, immediately following the Committee Meetings at 6:29pm, to discuss the 2023/2024 SRIA Budget. Those present were Chair- Mr. Bubba Peters, Vice Chair- Ms. Brigette Brooks, Secretary Treasurer- Mr. Jeremy Johnson, Acting Secretary Treasurer- Mr. Charles D. Thornton, Board Member- Mr. Jerry Watson, Board Member- Ms. Leigh Davis, Attorney- Ms. Mary Jane Bass, Executive Director- Ms. Leigh Davis, Director of Administration- Ms. Robbie Schrock, Director of Development Services- Mr. Juan C. Lemos, and Director of Finance- Ms. Vickie Johnson. Mr. Bubba Peters, Chair, called the meeting to order, and presented the following item.

Item #1- Budget FY 2023/2024

Ms. Leigh Davis the following updated executive summary in writing:

Executive Summary:

This workshop seeks Board guidance on the development of the FY 2023/2024 Santa Rosa Island Authority operating budget and proposed capital improvement projects. The budget has been developed with the goal of providing quality administration, communication, and technology; meeting the Authority's mission of preserving our natural resources, managing growth and promoting eco-friendly tourism in a clean, safe community environment; and considering the Board's Tier 1 funding priorities platform.

Revenue Budget Highlights -

SANTA ROSA ISLAND AUTHORITY  
BUDGET WORKSHOP  
JUNE 28, 2023

- In the first seven months of FY23, Pensacola Beach has seen a leveling-off of the double-digit increases that were experienced coming out of the pandemic. To date, SRIA lease fees/income revenues are up only 0.2% over FY22. However, income revenues are up 26.76% over 2019 pre-pandemic numbers. In preparing the FY24 budget, Finance staff did a five-year trend analysis (2018-2022) to gain a better picture of the over-all growth. Armed with that data and recognizing several years of very conservative revenue estimates, Working Capital has been budgeted at a 23.09% increase and commercial revenues have been budgeted at a 15% increase.
- Operating revenues, as a whole, are projected to see a 10.45% increase.

Operating Budget Highlights -

- Within the Administration and Leasing budget, the need for an Architect Retainer was reevaluated. Given that the Authority currently has no on-going architectural needs, the dollars previously allocated for that line item have been reallocated to Contract Services. Should the Authority have a special project requiring such services, funding would be available, but no longer will it be an on-going monthly expenditure.
- A 5% increase in the hourly rate of compensation for legal services was contemplated in the FY23/24 budget, pursuant to the Legal Services Contract. The dollar amount budgeted anticipates the need to address defaults, policy reviews and updates, defense for litigation, assistance in Quasi-Judicial hearings, review and drafting of contracts, assistance with lease issues, and other miscellaneous legal matters.
- The Finance Department budget includes a proposed increase of \$76,924 in Contract Services to enhance funding for IT improvements and additional audit services for year-end closeout. Twenty thousand of those dollars were realigned from the Data Processing line item which is no longer applicable.
- During the May 24, 2023, Board meeting, the Board expressed their desire for SRIA to take a proactive role to better identify and address invasive control on public property on the Island. Based on that discussion, \$30,000 has been added to Contractual Services within the Environmental and Developmental Services budget for that purpose.
- As a result of attending the ICAS (International Council of Air Shows) Annual Conference, staff gained an understanding of the increasing costs associated with civilian acts/performers and professional announcers. Additional dollars are being proposed to position SRIA to secure new and/or additional civilian acts in FY24. It should be noted that staff continue to actively pursue sponsorships for the Air Show as well. Not included in the SRIA costs are significant in-kind contributions

SANTA ROSA ISLAND AUTHORITY  
BUDGET WORKSHOP  
JUNE 28, 2023

of the County through the provision of additional Public Works staffing, Public Safety lifeguards, up-staffing in fire personnel, and Emergency Operations resources provided through THOR.

- New programming within the Human Resources and Marketing budget has been included in the FY23/24 budget. To foster the revitalization of the Boardwalk, staff is recommending the return of acoustic-type entertainment on the Boardwalk. The entertainment will be marketed as the "Sounds of Summer" and will be scheduled for three days a week, from 6:00 to 8:00 pm at the Shell.

Capital Improvement Program Highlights -

- Funding for Beach Nourishment is proposed to be \$1.6 million, up from last year's \$1 million.
- Per the budget workshop on June 14, 2024, construction dollars in the amount of \$500,000 for new bathrooms at the Pensacola Beach Boardwalk were removed from the FY24 budget with the intent to reinsert in the FY25 budget. This is due to the fact that the construction is pending until the new FEMA flood insurance rate maps are adopted. The expected timeline for adoption of those maps is fall of 2024. The Board directed staff to reallocate the \$500,000 to Tier 1 funding priority projects.
- Projects anticipated in FY24 for Administration & VIC Building Maintenance and Repair are renovations to the SRIA public restrooms in the foyer and carpet replacement throughout the building.
- Budget dollars for Lafitte Cove dredging have been increased based on the actual cost to perform the dredging function this past year. Typically, Lafitte Cove must be dredged one to two times per year. Conversely, dollars for Little Sabine dredging have been removed given that this project is anticipated to occur only every 3 to 5 years.
- Funding for Trolley Replacement has been budgeted at \$550,000. Operating expenditures that are proposed to be offset by TDT grant funding were reallocated to this line item. The three island trolleys are reaching their end-of-life, and ideally all three could now be purchased at the same time. The estimate received for trolley replacement is \$175,000 to \$200,000.

The proposed budget, along with the continued leadership of the Board, the dedication of staff, and the active engagement of beach residents and business owners, positions the SRIA to continue to meet the current and foreseeable challenges and opportunities facing the island.

Staff recommendation:

SANTA ROSA ISLAND AUTHORITY  
BUDGET WORKSHOP  
JUNE 28, 2023

Staff recommends adoption of the FY 2023/2024 Proposed Budget as presented.

**There being no further business before the Board, the meeting was adjourned at 6:31pm.**



Leigh Davis  
Executive Director

LD:kg

(Please note that the Santa Rosa Island Authority does not make verbatim transcripts of its meetings, although the meetings are recorded. Any person desiring a verbatim transcript of a meeting of the Santa Rosa Island Authority will need to independently secure such verbatim transcript.)