

**CITY OF PUNTA GORDA, FLORIDA
CITY COUNCIL BUDGET PUBLIC HEARING MINUTES
WEDNESDAY, SEPTEMBER 8, 2021, 5:01 P.M.**

COUNCILMEMBERS PRESENT: Carey, Cummings, Matthews, Miller, Prafke

CITY EMPLOYEES PRESENT: Kristin Simeone, Finance; Rick Keeney, Public Works; Charles Pavlos, Utilities; Jeff Payne, Human Resources; Joan LeBeau, Urban Design; Pamela Davis, Police; Ray Briggs, Fire; City Manager Murray; City Attorney Levin; Deputy Clerk Welch

Mayor Matthews called the meeting to order at 5:01 p.m., followed by the Pledge of Allegiance.

City Manager Murray clarified no 9/11 event had been scheduled at Laishley Park; however, Charlotte County had cancelled their 9/11 event. He noted the Military Heritage Museum would hold a remembrance event on 9/11.

Mayor Matthews reviewed the procedures for public comment.

BUDGET PUBLIC HEARINGS

FY 2022 Budget Hearing Presentation - Millage Rate, All Funds Operating Budget, CRA Operating Budget and Special Assessments

Ms. Kristin Simeone, Finance Director, provided a PowerPoint presentation, as delineated in the agenda material, explaining the State of Florida had increased its Fiscal Year (FY) 2021/2022 revenue projections as of August 24, 2021, noting the proformas for the General Fund and the 1% Sales Tax Fund had been updated to reflect same. She displayed the General Fund Pro Forma Recommended Planning, stating revenues had been updated and would result in increased reserves.

City Manager Murray commented the ending reserves for the operating budget at the end of the five-year period would be approximately \$3.9 million.

Ms. Simeone stated revenues were updated for the 1% Sales Tax Fund, which affected all fiscal years, noting those funds would remain in unfunded balance until City Council decided how to utilize same in January 2022. She stated the FY 2021/2022 General Fund Ad Valorem tax revenue increase better matched current revenues with current expenditures, would ensure revenue sufficiency for the 5-year recommended plan including service level enhancements, funded the City's paving and drainage improvement programs, provided funding for emergency vehicles and fleet/equipment replacements and would improve the general fund operating reserve. She noted the proposed rate of 3.9500 mills would generate revenue of \$13.898 million with a proposed budget for all revenues of \$161,959,899.

City Manager Murray noted the City's operating budget had only increased 2.4% over the past 15 years.

Ms. Simeone next reported the proposed assessments were \$195 for the lot mowing program and \$285.08 per water access unit for the third and final year of the Buckley's Pass assessment. She announced the proposed Community Redevelopment Agency (CRA) budget was approximately \$6 million, noting the proposed operating assessment rate for the Burnt Store Isles Canal Maintenance Fund (CMF) was \$560 and for the Punta Gorda Isles CMF the rate was \$650.

A Resolution adopting a tentative millage rate for the City of Punta Gorda, Florida, for fiscal year 2021/2022 and setting a date, time and place of public hearing to consider the final millage rate.

Mayor Matthews read the resolution by title. She announced the calculated rollback rate for the City was 3.3203 mills, adding the tentative millage rate was 3.9500 mills, which was 18.97% higher than the calculated rollback rate.

Messrs. Jerry Riseley, Randy Vance, Dennis Hartig, Tom Weekes and Chuck Sokolowski spoke against the millage rate increase.

Mr. Bob Fritz opined the City had more than the necessary number of employees, commenting negatively on several financial decisions made by City Council.

Mr. Jim Buick opined Council had not sufficiently discussed the budget.

Mayor Matthews called three times for further public comment.

Councilmember Carey **MOVED** to close the public hearing, **SECONDED** by Councilmember Prafke.

MOTION UNANIMOUSLY CARRIED.

Councilmember Carey indicated the budget had been discussed at every Council meeting since January 2021, pointing out there was little discussion at the last meeting because Council was voting on the end product. She requested residents examine their tax bills more closely to determine what accounted for the overall increase.

Councilmember Cummings stated the increase was essential to the sustainability of the City.

Mayor Matthews noted the City lost more and more money each year when there was no increase to the millage rate, adding use of reserve funds to balance the budget was not sustainable. She noted the recommended reserve level was 16.7% of the annual operating budget. She indicated she did not desire to increase taxes; however, same was unavoidable to keep the City solvent. She reiterated City Council had been discussing the budget for months, pointing out the State required the tentative millage

rate be submitted in early July, which was why some budget discussions were held while seasonal residents were not present.

Councilmember Prafke indicated she too did not like increasing taxes, commenting on the need for the proposed staffing levels. She stressed a very thorough department-by-department, line-by-line review had taken place, noting without the proposed millage rate increase this year, greater increases would be needed in future years.

Councilmember Carey noted the City still had the second-lowest millage rate in Southwest Florida despite the fact that services such as the Police Department were included.

Councilmember Miller stated staff could not be compared between municipalities as other communities did not necessarily account for their staff in the same manner. He noted funds were needed to maintain the City's infrastructure and several projects were being funded through the 1% Local Option Sales Tax, which had been approved by the voters.

City Manager Murray stated he held a question-and-answer session on the budget the week prior, and only one resident had attended. He pointed out .31 mills was required for the City's budget to break even after five years, noting the remaining .2 mills would be utilized to improve the situation that currently existed. He stated the City had lost 23% of its assessable base following the recession in 2007 (\$3.5 billion down to \$2.7 billion). He stated at the same time when parity for homesteaded properties was examined, people were still paying taxes 34% lower than their property values. He stated as of this year, the assessable base had begun to rebound and was back up to \$3.6 billion. He noted the proposed tax increase was considered moderate by the State, pointing out the tax assessor had indicated a \$500,000 home that was homesteaded and received the Save Our Homes tax credit would be taxed at \$309,000 would see a taxable increase of \$148 on the TRIM notice. He reiterated extensive budget discussions were held, briefly reviewing the various venues the City had utilized to make available the rationale for the proposed budget and millage rate increase as well as the many opportunities for the public to provide input. He spoke regarding the comprehensive five-year plan, noting same provided a different perspective on City operations. He commented on staffing levels and services provided as well as infrastructure maintenance needs. He then provided a detailed review of the multitude of issues necessitating the tax increase, concluding even with the increase, the City's rate was below that of surrounding jurisdictions. He stated there were still issues to be addressed in the proforma, including minimum wage rates and a wage

and compensation study; however, staff was confident the increase provided latitude to address these issues as existing priorities shifted as the five-year plan moved forward. He stated the plan would address the City's needs well into the future and put it on solid financial footing. He concluded it would be easier to do nothing, but the task had been to evaluate what was needed to move the City forward, adding it would not be fair to present the needs without also providing a source of funding or a solution for same. He stated the .51 increase was a compromise which put the onus back on City staff to accomplish the City's goals over the next five years and improve what was seen at the end of the proforma by carefully managing the budget and further increasing efficiency.

Councilmember Carey stressed the City took advantage of every opportunity to obtain grant funding with \$10 million in grant applications currently submitted, noting the body cams for the Police Department were obtained with 50% federal grant funds.

Councilmember Prafke stated the City had reached a point where investment in personnel, infrastructure and technology was unavoidable.

Councilmember Prafke **MOVED** approval of the resolution adopting a tentative millage rate of 3.9500 mills, setting the final Budget Public Hearing date for September 22, 2021 at 5:01 p.m., in City Council Chambers, **SECONDED** by Councilmember Carey.

MOTION UNANIMOUSLY CARRIED.

A Resolution adopting a tentative budget for the City of Punta Gorda, Florida, for fiscal year 2021/2022 and setting a date, time, and place of public hearing to consider the final budget.

Mayor Matthews read the resolution by title.

Ms. Simeone stated the resolution adopted the tentative budget for FY 2021/2022 which constituted appropriations and revenue estimates in the amount of \$161,959,899, noting net of interfund eliminations, the amount was \$135,853,172. She stated the final budget hearing would be held on September 22, 2021 at 5:01 p.m. in City Council Chambers.

Ms. Debby Coudray questioned if a drone could evaluate whether the fire apparatus was required to respond to a call.

Mayor Matthews called three times for further public comment.

Councilmember Prafke **MOVED** to close the public hearing, **SECONDED** by Councilmember Carey.

MOTION UNANIMOUSLY CARRIED.

Mayor Matthews noted the ambulances belonged to Charlotte County but were given space in the City's firehouses and were manned by County staff, pointing out they

responded to calls countywide. She stated when a fire truck responded to a call, it likely had staff aboard who were trained in advanced life support (ALS) systems and could assist heart attack and stroke victims quickly if an ambulance did not respond right away.

Mr. Holden Gibbs, Operations Chief, explained each fire truck carried the same ALS equipment as ambulances and included a paramedic onboard. He noted ambulances were only manned by two people, and it could be difficult to manage various situations without assistance; thus, a City staff member might be needed to assist in providing the best patient care. He noted County ambulances had been in high demand during the COVID-19 pandemic; therefore, it had sometimes been necessary to send fire trucks, adding the patient's chance of survival increased the sooner personnel could be on scene to perform lifesaving procedures.

Discussion ensued regarding fire and police apparatus being available to respond quickly to emergencies.

Councilmember Prafke **MOVED** approval of the resolution adopting a tentative budget for FY 2021/2022 of \$161,959,899 and setting the final Budget Public Hearing date of September 22, 2021, at 5:01 p.m. to be held in City Council Chambers, **SECONDED** by Councilmember Carey.

MOTION UNANIMOUSLY CARRIED.

Note: City Council adjourned and reconvened as the Punta Gorda Lot Mowing Assessment District at 6:17 p.m.

A Resolution of the City Council of the City of Punta Gorda, Florida, establishing fiscal year 2021/2022 assessments for program services within the Punta Gorda Lot Mowing Assessment District; finding a special benefit to the owners of lots assessed; providing for collection of such assessments by the tax collector as non- ad valorem assessments; and providing an effective date.

Mayor Matthews read the resolution by title.

Ms. Simeone announced adoption of the resolution would set the City's lot mowing user fee at \$195 per unit, advising no second hearing was required.

Mayor Matthews called three times for public comment.

Councilmember Prafke **MOVED** to close the public hearing, **SECONDED** by Councilmember Cummings.

MOTION UNANIMOUSLY CARRIED.

Councilmember Prafke **MOVED** approval of the resolution adopting a lot mowing user fee of \$195 per mowing unit, **SECONDED** by Councilmember Cummings.

MOTION UNANIMOUSLY CARRIED.

Note: The Punta Gorda Lot Mowing Assessment District adjourned and reconvened as the Buckley's Pass Dredging Assessment Area at 6:19 p.m.

A Resolution of the City Council of the City of Punta Gorda, Florida, establishing fiscal year 2021/2022 annual special assessment for the Buckley's Pass Dredging Assessment Area; providing for collection of such assessments by the tax collector as non- ad valorem assessments; and providing an effective date.

Mayor Matthews read the resolution by title.

Ms. Simeone stated adoption of the resolution would set the assessment at \$285.08 per water access unit for the third and final year for those parcel owners who elected not to pre-pay the assessment.

Mayor Matthews called three times for public comment.

Councilmember Prafke **MOVED** to close the public hearing, **SECONDED** by Councilmember Cummings.

MOTION UNANIMOUSLY CARRIED.

Councilmember Prafke **MOVED** approval of the resolution adopting an assessment of \$285.08 per water access unit for Buckley's Pass, **SECONDED** by Councilmember Cummings.

MOTION UNANIMOUSLY CARRIED.

Note: The Buckley's Pass Dredging Assessment Area adjourned and reconvened as the Community Redevelopment Agency at 6:21 p.m.

COMMUNITY REDEVELOPMENT AGENCY

A Resolution adopting a budget for the City of Punta Gorda, Florida Community Redevelopment Agency for fiscal year 2021/2022.

Chair Matthews read the resolution by title.

Ms. Simeone stated adoption of the resolution set the FY 2021/2022 CRA budget at \$5,999,797; however, when the internal fund transfers were eliminated, the budget amount was \$4,961,732.

Chair Matthews called three times for public comment.

Commissioner Prafke **MOVED** to close the public hearing, **SECONDED** by Commissioner Cummings.

MOTION UNANIMOUSLY CARRIED.

Commissioner Prafke **MOVED** approval of the resolution adopting the FY 2021/2022 CRA budget in the amount of \$5,999,797, **SECONDED** by Commissioner Cummings.

MOTION UNANIMOUSLY CARRIED.

Note: The Community Redevelopment Agency adjourned and reconvened as the Burnt Store Isles Canal Maintenance Assessment District (CMAD) at 6:23 p.m.

BURNT STORE ISLES CANAL MAINTENANCE ASSESSMENT DISTRICT

A Resolution of the City Council of the City of Punta Gorda, Florida, as the governing body of the Burnt Store Isles Canal Maintenance District, establishing fiscal year 2021/2022 assessments for canal maintenance and repairs; finding a special benefit to the owners of lots assessed; providing for collection of such assessments by the tax collector as non- ad valorem assessments; and providing an effective date.

Mayor Matthews read the resolution by title.

Ms. Simeone stated the resolution set the FY 2021/2022 annual assessment rate for the Burnt Store Isles CMAD at \$560 on each single-family lot or zoned multi-family with single-family residences, and \$0.59 per square foot for other than single-family lots except lots zoned multi-family with single-family residences.

Mayor Matthews called three times for public comment.

Councilmember Prafke **MOVED** to close the public hearing, **SECONDED** by Councilmember Cummings.

MOTION UNANIMOUSLY CARRIED.

Councilmember Prafke **MOVED** approval of the resolution adopting an assessment rate of \$560 for the Burnt Store Isles CMAD, **SECONDED** by Councilmember Cummings.

MOTION UNANIMOUSLY CARRIED.

Note: The Burnt Store Isles CMAD adjourned and reconvened as the Punta Gorda Isles CMAD at 6:25 p.m.

PUNTA GORDA ISLES CANAL MAINTENANCE ASSESSMENT DISTRICT

A Resolution of the City Council of the City of Punta Gorda, Florida, as the governing body of the Punta Gorda Isles Canal Maintenance Assessment District, establishing fiscal year 2021/2022 assessments for canal maintenance and repairs; finding a special benefit to the owners of lots assessed; providing for collection of such assessments by the tax collector as non- ad valorem assessments; and providing an effective date.

Mayor Matthews read the resolution by title.

Ms. Simeone stated the resolution set the FY 2021/2022 annual assessment for the Punta Gorda Isles CMAD at \$650 for each single-family lot or lots zoned multi-family with single-family residences, and \$0.68 per square foot for other than single-family lots except lots zoned multi-family with single-family residences.

Ms. Karen Turnbull objected to the seawall assessment methodology for her lot, speaking in favor of a frontage-based assessment methodology.

Mayor Matthews called three times for further public comment.

Councilmember Prafke **MOVED** to close the public hearing, **SECONDED** by Councilmember Cummings.

MOTION CARRIED UNANIMOUSLY.

Councilmember Prafke **MOVED** approval of the resolution adopting an assessment rate for the Punta Gorda Isles CMAD of \$650 for each single-family lot or lots zoned multi-family with single-family residences and \$0.68 for per square foot for other than single-family lots except lots zoned multi-family with single-family residences, **SECONDED** by Councilmember Cummings.

MOTION UNANIMOUSLY CARRIED.

The meeting was adjourned at 6:32 p.m.

Mayor

Deputy Clerk