

**CITY OF LABELLE
BUDGET WORKSHOP/SPECIAL MEETING**

Mayor Lyons called the budget workshop/special meeting to order at 4:05 p.m. A roll call was taken, and all Commissioners were present with the exception of Commissioner Kelley.

Ron Zimmerly, Finance Director, presented the Commission with the draft 2020-2021 budget. He provided an overview of the four (4) CDBG grant applications the City is in the process of applying for, including the generator installations at all the lift stations, a water master plan, wastewater master plan, and stormwater master plan. He noted the posting of the required notices on the website and in the newspaper.

He noted the Property Appraiser draft certification of taxable value is \$235,151,497 for the City, which should generate \$847,000 in revenue based upon the current millage. He noted he used the current millage rate to achieve a balanced budget for 2020-2021. He stated it would be a “bare bones” budget due to COVID-19. There was discussion on the tentative millage and roll back rate.

He asked for a motion to set the first public hearing on the budget for Thursday, September 10, 2019 at 5:30 p.m. This is the date that would be advertised on the TRIM notices.

A motion was made by Commissioner Wilkins to set the first public hearing on the budget on Thursday, September 10, 2019 at 5:30 p.m. at City Hall. Commissioner Akin seconded the motion. The motion carried 4-0.

There was discussion on the health insurance through PRM and proposed 7.5% increase in costs, which is built into the proposed budget. He noted the coverages and deductibles are not changing. He noted that information in the package provided a comparison of all plans offered through PRM. There was further discussion on health plans and employee options. He noted he needed a motion on the health insurance as the deadline to confirm with PRM is the following day. There was discussion on the increase in costs and family coverage.

There was discussion on property insurance and an increase in costs of 23%. Commissioner Wilkins asked Staff to look at other options and noted that PRM requires a year’s notice to cancel. She asked Staff to look into other options so it can be discussed next year.

A motion was made by Commissioner Smith to accept Staff’s health insurance plan recommendation. Commissioner Wilkins seconded the motion. The motion carried 4-0.

There was further discussion on the increase in property insurance but also the corresponding increase in value of city property. Ron noted that the value of city property increased 35% in covered value, so the 23% increase is less than the value increase. There was discussion on improvements that increased the property values. Ron confirmed that Rural Risk Management is the City’s insurer and there was further discussion. Derek Rooney, City Attorney, discuss re-insurers and insurance brokers. He also noted in his experience that PRM is very proactive in advising their clients of potential liability. Mayor Lyons asked for a motion on the property insurance.

A motion was made by Commissioner Akin to accept Staff’s property insurance recommendation. Commissioner Wilkins seconded the motion. The motion carried 4-0.

Next Ron presented the police rate assessment, noting he was not proposing any increase. He noted last year the rate increased by 5%.

A motion was made by Commissioner Wilkins to approve Resolution 2020-32, Police Rate Assessment. Commissioner Akin seconded the motion. The motion carried 4-0.

There was discussion using the additional police funds, totaling \$4,000-\$5,000, to Hendry County Sheriff's Office for purchasing specific equipment for their use, such as a sound meter.

The next item discussed was the Fire Department budget, Resolution 2020-31, which was the same rate as fiscal year 2019-2020. Commissioner Wilkins asked how to fund a ladder truck, or other apparatus needed for the multi-story buildings that were being proposed in the City. There was discussion on capital funding for fire protection and creative solutions to address fire needs.

A motion was made by Commissioner Akin to approve Resolution 2020-31, Fire Rate Assessment. Commissioner Smith seconded the motion. The motion carried 4-0.

The next item discussed was the Animal Control budget under Tab 4. Ron noted it was identical to last year, and the only item that was changed was the insurance. It was noted the County pays for 50% of the cost. There was discussion on Staffing and that the new staff person is completing their certification. Ron noted that the City is in the process of getting a new truck for Animal Control.

The next item discussed was the streetlighting assessment. He noted there was a slight increase per Resolution 2020-34. Commissioner Wilkins noted that the City pays for estimated usage, and FP&L should be able to provide services for the Christmas lights by incorporating their use into the estimate. Ron noted some of the lights are metered. There was discussion on bringing this to FP&L's attention to make progress on this item. Mayor Lyons asked for a motion.

A motion was made by Commissioner Akin to approve Resolution 2020-34, streetlighting assessment. Commissioner Smith seconded the motion. The motion carried 4-0.

The last assessment that Ron presented was the Parks Assessment. City Attorney, Derek Rooney, explained the assessment was based upon the recent study conducted by the City's consultant to assess transient uses such as RVs. He noted that the hotel/motel unit needs to be added to the assessment that Ron presented. There was discussion on the City's study conducted to be able to assess RVs, hotels, and motels for parks.

A motion was made by Commissioner Wilkins to approve Resolution 2020-33, Park Assessment, with the amendment of adding hotel rooms consistent with Resolution 2020-04. Commissioner Akin seconded the motion. The motion carried 4-0.

Ron presented some minor improvements still needed at the Civic Center reflected in the budget. He noted the final payment from USDA was received the previous week. Mayor asked if the room divider was purchased. Ron noted the divider was in the Civic Center and can divide the room for two (2) separate events, or to create a more comfortable area for smaller meetings. There was discussion on sound and acoustics. Ron also noted that the Wi-Fi box was purchased.

Ron presented the tentative millage for the DR-420 form. He asked for a motion to accept the proposed millage rate of 3.6 to provide to the Property Appraiser, adding this is the current adopted millage rate. There was discussion from the Commission on whether or not the current millage rate would be sufficient to cover the City's costs, considering the potential shortfalls due to COVID-19. Commissioner Akin noted concern about a shortfall if the current millage rate is maintained. It was discussed that the adopted budget can always

be a lesser amount than advertised but cannot go up. There was discussion on financing options, such as special assessments, for capital expenses, such as a ladder truck.

Commissioner Wilkins noted she would like to see an assessment for local roadway, sidewalk and sewer improvements. Derek explained that neighborhoods can ask the City to set up a Municipal Services Benefit Unit (MSBU) to fund improvements. There was discussion on this funding option. Ron noted the annual budget includes \$50,000 for paving improvements. Derek also explained other financing options as alternative to increasing the millage rate. Ron discussed the grants that the City has applied for to help fund these types of improvements.

Ron then directed the Commission to COVID-19 related expenses, other than Human Resources expenses, including sick leave time. He noted the total is \$15,000. He also noted the City should receive federal funding under the CARES Act through Hendry County. He suggested the City can use the funding to purchase laptops instead of the planned desktop computers for Staff to allow for remote working, which is covered under the available funding. The funds need to be spent by December 31st, 2020. Gary Hull, Superintendent of Public Works, asked if the weekly testing is covered by the funding and Ron confirmed it is.

Ramiro Rodriguez with the Hendry LaBelle Recreation Board noted that the funding could be used to cover city employee time used for deep cleaning, as well as foggers. Ron noted adding “air scrubbers” to the HVAC systems of all city buildings as an improvement that could be covered by the funding. It was noted the County is responsible for creating the plan of how to spend the federal monies. Gary Hull, Superintendent of Public Works, noted the COVID testing that would be occurring the following day.

Ron summarized that he was comfortable with the millage rate at 3.6 considering the additional COVID funding. Commissioner Wilkins asked about potential emergency funding for upcoming needs that Staff may be aware of. There was discussion by the Commission.

Commissioner Akin made a motion to set the tentative millage rate at 4.0. Wilkins seconded the motion. Commissioner Akin noted that the millage could be reduced at the upcoming public hearings. Commissioner Wilkins agreed. There was discussion on the motion. Motion passed 5-0.

Mayor Lyons acknowledged Commissioner Kelley arrived at the meeting at approximately 5:00 p.m.

Ron then presented several items in the 2019-2020 audit. He noted that there was an unbudgeted expenditure related to Hurricane Irma totaling \$13,600 without contingency funding planned. He noted this was the only unbudgeted expenditure found in the audit. He also noted he increased the contingency funding for FY 2020-2021 to avoid this potential situation in the coming fiscal year.

Ron then discussed the sewer plant and unintended expenses related to maintenance and repairs. Ron recommended adjusting the sewer rates in the coming year to off-set these continued costs and suggested a 5% increase. He also noted that the consultant recommended that the City make regular small adjustments, rather than wait until a large increase is needed. Gary Hull discussed the ongoing and completed sewer plant repairs.

Ron Zimmerly noted there is no Cost of Living Adjustment (COLA) for salaries in the budget for the upcoming fiscal year. Commissioner Wilkins asked what the COLA is, and it was confirmed last year was 3%. Ron offered to provide numbers for 1, 2 & 3% COLAs and how these would impact the budget.

It was reiterated the first public hearing will occur on September 10th at 5:30 p.m. and the proposed final public hearing is tentatively scheduled for September 24, 2020 at 5:05 p.m. There was discussion on setting the meeting at 5:30 instead of 5:05 p.m. The Commissioners thanked Ron for his work.

As there was no further business, the meeting was adjourned at 5:20 p.m.

APPROVED:



David A. Lyons, Mayor-Commissioner

Attest:



Thomas A. Smith, Clerk-Commissioner