

CITY OF APOPKA

Minutes of the City Council Final Budget Hearing held on September 15, 2021, 6:00 p.m., in the City of Apopka Council Chambers.

PRESENT: Mayor Bryan Nelson
Commissioner Doug Bankson
Commissioner Kyle Becker
Commissioner Alexander Smith
Commissioner Diane Velazquez
City Administrator Edward Bass
City Attorney Michael Rodriguez

PRESS PRESENT: John Peery - The Apopka Chief

INVOCATION /PLEDGE OF ALLEGIANCE:

BUDGET SUMMARY:

Edward Bass said tonight is the Final Budget Hearing as required through the TRIM process and under the Florida Statute. He said in this Budget Hearing we're required to set the millage rate, which will be the Final Millage Rate for the Fiscal Year 2021-2022. He said we'll also Adopt the Final Budget this evening. He said this presentation is very similar to the first Public Hearing and said we'll go through this a little quicker however, we'll cover the same types of areas for the benefit of the Public. He said we'll go back over the major infrastructure improvements; major capital items; grant applications that are still outstanding; substantial items that were excluded in last years budget. He said we'll also do a budget overview of the Citywide budget and discuss some General Fund budgets, that as you know is the major fund that runs most of the City services. We can discuss any questions you may have at the end.

He said with the budget process starts with a budget calendar, which is part of the TRIM process, which is a State Statute that we have to follow all of the guidelines for the process also known as the Truth in Millage Process. He said this process typically begins in March and April and said the Property Appraiser, on June 1st, has to deliver an estimated taxable value to each Jurisdiction. He said we held meetings with each of the Departments during this time and on July 1st, the Property Appraiser has to give us the Certified Taxable Values, which are the values that we use when we set the Millage rate. He said we've held Public Workshops on July 19th, 20th & the 21st, here at City Council at a Public Meeting. He said the Proposed Budget was submitted to City Council following those Workshops and said the Proposed Millage Rate and the Proposed Budget was set on July 21st, 2021 at 7:00 p.m., here at City Hall. He said we had our First Public Hearing on September 8, 2021 at 5:15 p.m. and at that time, we set the Tentative Millage and the Tentative Budget. He said tonight we're in the Final Public Hearing and said that tonight we must set the Final Millage Rate and Adopt the Final Budget for the new Fiscal Year that will begin on October 1, 2021. He said the Public Hearing for tonight is required to be advertised and

was advertised in the Orlando Sentinel on Sunday, September 12, 2021 so all of the advertising requirements have been met.

Edward said that some highlights in this Budget are that the Millage Rate currently sits at 4.1876, which is a decrease of a tenth of a mil and represents about \$400,000. He said the tax base for the City has increased \$397 million dollars, providing an additional \$1.1 million dollars in ad-valorem revenue. He said the Utility Service Tax (Public Service Tax), if you recall, we had to make a change based on Statutes to our Utility Service Tax and how it's calculated. He said it used to be capped and can no longer be capped, so this provides the additional \$1.1 million dollars. He said you'll see on the General Fund, that we've used almost \$1.4 million dollars of reserves and said that most of these dollars were held over from FY-20, due to the Pandemic. He said there are 16 new positions funded in this budget and there's 1 eliminated position. He said some of the additional highlights include a performance-based merit pay, which is up to 6%. He said you'll recall, last year, that percentage had been reduced to 3% due to revenue issues and shortfalls that we faced in that budget year. He said the Workers Comp Insurance has increased approximately 11% and Health Insurance has increased approximately 6.4%. He said as you know, Camp Wewa, recently purchased, is included in this Budget in the Parks and Recreation Department and carries its own separate cost center. He said other highlights in this Budget include a lot of street improvements; new traffic signals; new sidewalks; sidewalk repairs; contract mowing; speed hump program; lighting improvements; street sweeping program and a lot of stormwater improvements. He said there are also a lot of water; waste-water; and reclaimed water infrastructure improvements, most of which are in the Kelly Park area. He said our Sanitation Fund includes a 3% increase for residential and commercial service, beginning on October 1, 2021.

He said as you recall, we've included 16 new positions in this Budget including two Communications positions; a Code Enforcement Officer position; a Records Clerk in the City Clerk's office; a Multi-Code Inspector and a Permit Clerk for the Building Department; a Sanitation Equipment Operator; an Electrician; a Camp Wewa Manager; an Outdoor Recreation Specialist and a Maintenance Worker II; and said those three positions are to help fund and run Camp Wewa. He said there are two Recreation Leader positions; three Park Workers. He said that one Accounting Specialist position has been eliminated. He said the Park Workers will work under Parks and Grounds and will take the place of the inmate crew as we no longer have the Inmate Program.

He said infrastructure improvements include the Harmon Road extension and the traffic signal. He said this is also where Station 6 will be built. He said we have Kelly Park Road and Jason Dwelley Parkway that will get a new traffic signal including design and construction in the area where the school will go. He said we have Vick and Lester and said we've already done the design for this so this is construction portion of that traffic light. We will be doing some significant traffic improvements for the signal at Errol Parkway and 441 and Bradshaw and 441 as well. He said if you recall, with road resurfacing, we took an additional \$1 million dollars

from our rescue monies and put it into our street resurfacing program and said this is an area that we've struggled with so we've supplemented that with some of those dollars. He said the stormwater pipe lining funding is included and said we have the south road extension of the Northwest Recreation Complex which includes funding for design and construction of the south road access road. He said we also have the Grossenbacher Water Plant well replacement and rehabilitation and said this is a big water project. In addition, we have the Plymouth Regional Water Plant well upgrade; a 16" water main at West Kelly Park Road; a 16" water main at Golden Gem Road; a 16" water main at Effie Drive; and a 16" water main on U.S. 441.

He said on the sewer side, we have lift station upgrades including: a 12" sewer main at West Kelly Park Road; 12" sewer main at Golden Gem Road; the Golden Gem Road water treatment plan is also funded in this budget and said keep in mind that this has a match of funds from SJRWMD and we have a 30" reclaimed water main at Golden Gem Road. In addition, this budget includes a 16" reclaim water main on Plymouth Sorrento Road; a 16" reclaim water main on West Kelly Park Road; and on Effie Drive, we have a reclaim water main as well. He said as you can see there are a lot of water, sewer and reclaim infrastructure projects in the Kelly Park area.

He said Major Capital Projects that are funded in this budget include: Fire Station No. 6 is funded and will be constructed along with the Harmon Road extension and the traffic light. He said there's also funding for Fire Engine No. 11's new engine and a new ambulance. He said the Brush Truck pump replacement are included in this budget as are 21 Police vehicles. He said there's funding for a dispatch console for an additional dispatch position station. He said there are Motorola system upgrades for our radio systems. He said there are also desktops and laptop replacements as well as funding of replacement a/c units, He said we also have City Hall parking lot resurfacing; Building and ADA improvements for several of our buildings. He said we also have field lighting at the Northwest Recreational Complex and said that request came from the citizens. He said we have dollars for funding the playground at Camp Wewa as well as mowers; recreation and field equipment; a new tractor with an arm so we can get into the stormwater areas and mow them; and a new automated side load garbage truck.

He said we have grant applications outstanding and said one of which is for 10 new Police Officer positions that we're waiting to hear from; he said there's also a Police officer body-cameras grant that we've also applied for as well. He said in addition, we've applied for grants for 6 firefighter positions and a fume system to remove the fumes for the bays of the five fire stations as well as a fire safety educational trailer that we've also applied for. He said we haven't heard back on any of these grant applications but as soon as we hear back, we'll bring them forward.

He said items that were excluded in our FY 2021 budget included Fire Station 6, which is in this year's budget. He said the Fire District Chief are 3 of the positions that we've applied for with the grant. He said the Police officers, as you know, we're applied for 10 Police officers. The Audio and Video in the Council Chambers is funded and that process has begun. The computer

servers will be funded through their current budget. He said the additional fields and improvements at the Northwest Recreation Complex will be brought back before you once the consultant has completed the process of going through the survey that we did with our citizens. He said the Amphitheater bathrooms are funded in part with some of the Duke Energy dollars and we've signed the agreement for that and construction should be taking place soon. He said the storage building for Recreation and Cemetery is also funded with Duke energy dollars. He said there's money in the budget design the new building for Fleet & Streets Division this year so we can determine what size building we need. City Hall and Public Services fiber optics replacement is not funded in this budget however we're looking at grant opportunities for that.

Rob Hippler, IT Director, stated that the fiber that runs to Public Services is a direct buried and there is no marker for us to find it and it's usually found by Public Services on a back-hoe and has been cut many times. He said the going rate if we subcontracted this out would be approximately \$160,000 per mile. He said we're roughly 1 ¾ miles down to Public Services so close to \$250,000 to get this accomplished.

Commissioner Velazquez asked if the American Rescue Act money would be able to help with this as there was a clause that talked about broadband.

Edward said it's not very clear on that and we're working on getting some information together and said this is one of those items that we think may qualify but we're in the process of clarifying this.

He said Property Taxes represent 13%; other taxes including municipal service tax represent almost 7%; permits and fees and special assessments represent 5.5%; intergovernmental revenues consist of sales tax dollars and dollars that come from other governments such as the State represent 9%; charges for services are about 25% and include charges for water, sewer, recreation; ambulance transport and said you can see the other revenues and where they come from. He said reserves represent almost 21% and said if you recall from the first public hearing, we're using some of the impact fee monies that we've collected for those big infrastructure capital projects in this current budget.

He said by fund you can see the General Fund is 45% of the overall City revenue; Utility impact fees are 14%; Utility operations are 20%; Streets improvement represents about 4%; and said you can see the other funds and their percentages. He said on the expenditure side, you can see by type, 38% is personnel; 21% goes to operating expenses; 28% goes to capital outlay; debt service represents about 5.4%; transfers represent a little over 7%. By function, Public Safety represents 28%; Transportation represents about 10%; Utility system represents about 25% of the budget ; sanitation is about 4%. He said you can see that the General Fund is 45% of the overall City revenue; Utility impact fees are 14%; Utility operations are 20%; Streets improvement represents about 4%; and said you can see the other funds and their percentages. He said on the expenditure side, Public Safety represents 59% of the total General Fund expenditures. Recreation represents 11.5%; Administration is 11.6%; you can see Community Development represents about 4.6% so

you can see where those dollars go to. He said that as you can see, the budget is balanced at just over \$130 million dollars.

He said tonight you have to set a Final Millage Rate and you have to Set a Final Budget and we have to notify the Department of Revenue; the Property Appraiser and the Tax Collector within 3 days of what those final numbers are. He said he's here to answer any questions and said all of the requirements have been met from the TRIM process.

Mayor Nelson asked if anyone had any questions or Edward.

Commissioner Becker said he had a quick presentation to breeze through. He said between the two sessions, he rode around and looked at the general shape of the City of Apopka. He said he's not trying to place blame on anyone but said some of the items show either a lack of execution or a lack of funding. He said we can't say we're benefiting taxpayers by reducing our millage rate when we're not tackling the most basic of things.

Commissioner Velazquez said this is an interesting observation and said we need to address this.

Commissioner Smith said he believes 80% of these things are not due to lack of funding but that the employees need to get this done. He said he's not sure who else rides around and looks at things that need to be done such as the pressure washing and said he saw more areas yesterday that need to be addressed. He said those who are responsible for getting this done, should get them done.

Commissioner Bankson said this would've been a great presentation at the beginning of our budgeting process to look at this and say why aren't these items getting done. He said the curb appeal is so important to development and things like that. He asked if there's an estimate of what needs to be done. He said he believes the funding is there but we need to be more diligent in getting this done. He said we've done an incredible amount in two back to back very difficult years.

Mayor Nelson said we have a sign going in at Ponkan and another at Kit Land Nelson Park and said it's great to grandstand in front of City Council but we've made a lot of progress. He said as far as the streets go, we have the survey coming in to see what streets need to be done first. He said before school started, he got with Pam and Paul and made sure that all of the cross-walks at the schools have been repainted. He said our landscape guy has struggled with keeping people and tries to keep up with everything he has to mow and said some of these small fixes could've been handled by sending an email to Edward.

Commissioner Becker said he appreciates Edward and said he didn't include sidewalks in this as every time I send an email for sidewalk repairs, it's quickly done and he appreciates that. He said he didn't view this as grandstanding as these are all critical needs. He said he's presented things like this to the Council before and emailed as residents put their requests forward. He said if this is an execution issue lets manage it.

Commissioner Velazquez said Commissioner Becker is right about that house on 429 and said it's an eyesore and said she's hoping we can get a sign on the 429 that says Welcome to Apopka. She said we should've done something with that house years ago and said perhaps we can paint it so it looks better. She said also, we're putting 2 firefighters on a truck that we paid over \$1 million dollars for and she'd like a commitment that the firefighters can secure a 3-man truck.

Commissioner Bankson said they're in a good position and said we're getting hit on all sides and this isn't against our firefighters. He said his understanding is that we've applied for the 6 firefighters and if we don't get the grant, we will still fund this. He said we had to shift our focus back to our Police Department as we can't do both at once. He said if we do raise the millage rate, we can use the same argument. He said costs are rising and including insurance and food.

Commissioner Smith said when he looked at the \$400,000 we're talking about keeping or not keeping, we would only be able to hire 4 firefighters and not the 6 that the Chief is asking for. He said a few residents saw some of the rhetoric that people were making about how it'll only save \$15. He said their comment was \$15 may not sound like a lot to us but to them, that means a lot.

PUBLIC COMMENT

Chris Rodriguez, said he'd like to start by reiterating the email he sent to you. He said he loves the Apopka Fire Department and said some of the best years of his life have been within the walls of Station 1. He said he's developed life-long friendships and has extreme confidence in this departments ability to protect his home from the threat of fire. He said he has this confidence as he knows the culture of the Apopka Fire Department and the aggressiveness and selflessness that they have. He said firefighters are among the best humans in society and said he knows as he's seen this first hand. He said the AFD should be supported 150% by the City Administration and the Fire Department Administration. He said the most important way we can show support is by providing adequate and appropriate staffing. He said the first priority is the units responding to 911 calls. He said we drop everything when the bell goes off and we give 150% to the citizens we serve. He praised the City and Fire Department Administrations for providing incredible equipment and a beautiful training facility.

PUBLIC HEARINGS

1. Resolution No. 2021-45 - Setting the millage levy for the fiscal year 2021-2022 at 4.1876

Mayor Nelson then asked for a Motion to Adopt Resolution No. 2021-45 – Setting the millage levy for the fiscal year 2021-2022 at 4.1876.

Mayor Nelson read the following, into the record:

In accordance with the Truth in Millage (TRIM) Statutory requirements, the City must adopt a millage rate, prior to adopting the Annual Budget. He said the recommended millage rate is 4.1876 mil, which is a 2.57% increase over the roll-back rate of 4.0825. He said a millage rate of 4.1876 generates approximately \$17,658,255 in property tax revenues for the upcoming Fiscal Year 2021-2022.

MOTION by Commissioner Bankson and seconded by Commissioner Smith to Adopt Resolution No. 2021-45 – Setting the millage levy for the fiscal year 2021-2022 at 4.1876. Motion carried 4-1 with Mayor Nelson and Commissioners Bankson, Smith and Velazquez, voting aye and Commissioner Becker voting nay.

2. Resolution No. 2021-46 - Adopting the annual budget for the fiscal year 2021-2022.

Mayor Nelson then asked for a Motion to Adopt Resolution No. 2021-46 – Adopting the Annual Budget for the Fiscal year 2021-2022. .

MOTION by Commissioner Smith and seconded by Commissioner Bankson to Adopt Resolution No. 2021-46 – Adopting the Annual Budget for the Fiscal Year 2021-2022. Motion carried 4-1 with Mayor Nelson and Commissioners Bankson, Smith and Velazquez, voting aye and Commissioner Becker voting nay.

ADJOURNMENT: There being no further business, the meeting adjourned at 7:29 p.m.

ATTEST:

Bryan Nelson, Mayor

Susan M. Bone, City Clerk