

CITY OF APOPKA

Minutes of a City Council Special meeting held on July 22, 2015, immediately following the Budget Workshop, in the City of Apopka Council Chambers.

PRESENT: Mayor Joe Kilsheimer
Commissioner Bill Arrowsmith
Commissioner Billie Dean
Commissioner Diane Velazquez
Commissioner Sam Ruth

PRESS PRESENT: John Peery - The Apopka Chief

CALL TO ORDER - Mayor Kilsheimer called the Special Council meeting to order at 4:05 p.m.

SPECIAL REPORTS AND PUBLIC HEARINGS

Mayor Kilsheimer thanked the Commissioners, staff, Mr. Glenn Irby, Ms. Pam Barclay, for all of the work they put in to preparing the proposed budget. He said he feels they have had an extraordinary discussion over the last three days on the preliminary budget. The budget documentation has been placed online for the public to have access to it and members of the public have attended the Budget Workshops. He stated the budget would not be finalized for two months. Public comment will be taken today, but there will be two required public hearings set in September.

1. Approve and set the FY 2015-2016 proposed millage rate

Mayor Kilsheimer said \$1,819,994 has been identified by staff as must haves in order to accomplish what is needed this next year that is above and beyond what the City Administrator and Finance Director have agreed to in their deliberations. He affirmed that before July 31, 2015 they need to set the tentative millage rate. He recommended setting the tentative millage rate half a mill above the current millage rate of 3.2876 stating a millage rate of 3.7876 would produce ad valorem revenue of an additional \$1,015,827. He said to make up the additional funds needed he would recommend taking that from the reserves.

Commissioner Ruth inquired when the millage was last set at 3 and Mayor Kilsheimer said we have been above 3.7 before. He stated with the dip in the economy the city tightened its budget and lowered the millage rate, and as the economy has somewhat recovered, the city has held the millage rate. He reviewed the history reporting in 2006 we were at 3.7619, 2007 at 3.7619, 2008 down to 3.17838, 2009 and 2010 at 3.5168, 2011 at 3.5166, 2012 at 3.5164, 2013 at 3.5161, in 2014 it was 3.4727, and in 2015 we went with the roll back rate of 3.2876. He affirmed today at 3.2876 we are at the second lowest millage over the last 9 years. He went on to state by staying where we are revenue is increasing by 12% because of increased real estate values.

Ms. Barclay stated the tax base increased, but that also includes new construction. So, to state the all tax values went up 12% is not a fair statement.

Mayor Kilsheimer said as a result of the discussions over the past three days, they have heard of some must haves, but there some things that are questionable, such as can we build a fire station less expensively than talked about, can there be a savings with the Wi-Fi, and there is a grant in the works for AED machines. He stated that between now and the next 60 days we may find that we can come in at a lower millage rate. At this point, in order to give the staff the flexibility they need to take this bottom line number and come back with additional cuts he would suggest setting the tentative millage rate so that they can work and come back with as low a number as possible.

Commissioner Arrowsmith said there were still some unanswered questions and he realizes we have to do something, but he was more prone to go along with where we are with the current rate. He stated listening to staff, we have issues in this city that need to be addressed and it would require more than half a mill increase. He said something that drastic, then the constituents need to be heard, we need a referendum, and leave it up to them.

Commissioner Velazquez said in looking at the history, there have actually been higher millage rates in the past the they have been lowered and many of these items were not budgeted for over the past 9 years and she questioned why these things weren't budgeted for on a regular basis. She stated if we remain at 3.28 we are going to be operating in a big deficit and by adding half a mill will provide a little cushion. She said come September we can always lower it, but we cannot raise it then. We are now at a point of needing a new roof on City Hall, a new fire station, and police officers, to a point that she feels this Commission is being bombarded with these needs and it is not fair to the residents that these items were not budgeted on a regular basis.

Commissioner Dean said we cannot keep the millage rate that we have now and do all of the things that is needed. He stated we have to be realistic about the millage.

Mayor Kilsheimer opened the meeting to public input.

Dale Fenwick spoke with regards to the millage rate and stated there was too much focus on the millage rate over the past 10 years. He said it was not the proper role of government to supply free Wi-Fi and it was time to stop this service. He suggested the new growth should be who pays for a new fire station, not the current residents and recommended imposing a moratorium on new subdivisions beyond our ability to serve until they determine how to finance the building, equipment, and staff without taxing the current residents. He also expressed concerns regarding the Old Florida Outdoor Festival losing money and taking over the community center.

Tenita Reid said the Mayor was doing a good job and she appreciates the workshops, but she was against raising the millage. She stated there was town pride in keeping it down and a lot of residents were on fixed incomes. She suggested looking at impact fees on new developments coming in.

Suzanne Kidd said she was appreciative of being able to take part of this and stated she didn't realize the public had access to the proposed budget. She declared if you don't do maintenance for a long time, then at some point you have to deal with the burden of these issues. She stated a half a mill increase would be very minimal to the residents and if the citizens want a certain level of service, then it has to be expected. She said this seems very reasonable to her and she is proud to be here with good service.

Tenita Reid spoke with regards to the festival operating at a loss and suggested not having the big tents as they are expensive.

No others wishing to speak, Mayor Kilsheimer closed the public input.

Mayor Kilsheimer said he would like the flexibility over the next two months so staff can work with this and they can come back at a lower rate. He suggested setting the tentative millage rate at 3.5376 stating he would like a unanimous vote on this.

Commissioner Arrowsmith said if doing that, they may as well go with the half a mill increase and give staff the opportunity to work with the numbers. He stated this is not a final decision and hopes more will speak in the next 60 days.

MOTION by Commissioner Velazquez, and seconded by Commissioner Dean to set the tentative millage rate at 3.7876. Motion carried unanimously with Mayor Kilsheimer, and Commissioners Arrowsmith, Dean, Velazquez, and Ruth voting aye.

ADJOURNMENT - There being no further business, the meeting adjourned at 5:25 p.m.

ATTEST:

Joseph E. Kilsheimer, Mayor

Linda F. Goff, CMC, City Clerk