



**MINUTES OF THE CITY COUNCIL SPECIAL MEETING
CITY OF NEW PORT RICHEY**

NEW PORT RICHEY CITY HALL COUNCIL CHAMBERS

5919 MAIN STREET, NEW PORT RICHEY, FLORIDA

September 25, 2017

6:00 PM

**ORDER OF
BUSINESS**

1 Call to Order – Roll Call

The meeting was called to order by Mayor Rob Marlowe at 6:15 pm. Those in attendance were, Deputy Mayor Jeff Starkey, Councilman Bill Phillips and Councilwoman Judy DeBella Thomas. Councilman Chopper Davis arrived at 6:30 p.m.

Also in attendance were City Manager Debbie Manns, City Attorney Timothy Driscoll, City Clerk Judy Meyers, Finance Director Crystal Feast, Development Director Lisa Fierce, Fire Chief Chris Fitch, Economic Development Director Mario Iezzoni, Public Works Director Robert Rivera, Library Director Andi Figart, Technology Solutions Director Bryan Weed and Human Resources Manager Bernie Wharran.

2 Pledge of Allegiance

3 Moment of Silence

4 Business Items

a. Final Public Hearing - FY18 Operating Budget & Capital Improvement Program - Page 3

City Manager Manns introduced the item to Council. She stated that the purpose of this agenda item was to adopted the proposed operating and CIP budgets for the upcoming fiscal year. The 17/18 budget focuses on strategic initiatives which were goals of the Council. This budget reflects the city's needs to support growth. City Manager Manns then read the following into the record:

"Florida Statute 200.065(2)(C)1 prescribes that Council adopt the millage rate prior to adopting the 2017-2018 budget. A notification regarding the Public Hearing has been provided to every property owner in the City by the Pasco County Property Appraiser's Office. This notification in the form of the Truth in Millage (TRIM) notice was mailed the week of August 24, 2017. Action requested is to adopt Resolution 2017-34. The name of the taxing authority is the City of New Port Richey. The tentative millage rate of 8.9950 mills is 1.09% less than the roll-back rate of 9.0991 mills. Total ad valorem revenues that will be generated are estimated to be \$4,451,030; that is approximately \$231,580 more than what was generated in ad valorem in FY16-17 due to the increase of property

values. The millage rate is 8.9950 and is a decrease from the prior year millage of 9.1500. Although the statute requires discussion regarding the percent increase over the rolled back rate and specific purposes for which ad valorem is being increased, for the record in our case neither apply. At this time, the City's Finance Director, Crystal Feast, will make a presentation regarding the proposed FY2017/2018 Operating Budget. After the close of the presentation, it is requested that the Mayor invite public comment on the millage."

Finance Director Feast summarized key points in the budget including revenues, transfers out and carryover funds. She then highlighted overall expenditures by city departments. City Manager Manns then highlighted the personnel changes for each city department for the upcoming year.

Upon opening the floor to public comment, Joan Nelson Hook came forward and stated that at the last meeting Councilman Phillips had talked about lower taxes and how the millage. Don't want the city to go backwards. With no one else coming forward Mayor Marlowe returned the floor to Council.

Councilwoman DeBella Thomas asked for clarification regarding the code enforcement position. City Manager Manns stated that position was for the code enforcement clerk to the special magistrate there will still be three code officers in the field.

Councilman Phillips began by stating the budget document is a tough document to get through with all the things that are coming in and going out. There are two or three things being proposed in the new version that Council has really not discussed. News to him that eliminating the Assistant to the City Manager positions and library positions. Expanding responsibilities to others in the organization. He stated he doesn't see where we've tried to take the fair and equitable share to bring the millage down. The numbers he asked for today to get the millage down to 7.9950 was \$402,576. Next year in budget there will be a number of things that won't be there including Tyler Technologies and the Allen settlement which equates to \$400k savings. There is one or two recommendations he can make to help reduce the millage. One is who the enterprise fund belong to. Does it belong to Council or the citizens. The only reason the city made it through with less ad valorem and revenue from 2012-2014 was through the enterprise funds. It is part of our overall operations. Last year's budget took funds from the enterprise fund over \$3m and this year is \$3.2m. Mr. Rivera stated that yes the enterprise funds belong to the citizens and that is why we do revenue sufficiency studies frequently. They are five year projections and when the consultant takes the projections it calculates the inflation rate. Every report that has been subsequent to the previous one has been in the ball park where we haven't been the most expensive in our water rates nor the cheapest. The next report is due in December. Councilman Phillips stated that he is just really trying to find ways to balance the addition of the pavement management plan and increased red light camera revenues to get to the 7's and feel like we've balanced the scale. Councilman Phillips stated that there are some monies that will be available in the budget with the current open positions. Another thing that could free up some additional dollars would be to fast track the pavement management plan.

Mayor Marlowe stated that back in 2007 property tax collection was \$5,583,106 with this year's proposed millage tax collection would be \$4,454,827 and in round numbers that is a decrease of \$1.3m and does not calculate inflation. He thinks that staff's recommendation of 8.9950 is fair. We have citizens in NPR that are willing to pay taxes in order to do things to make the city great. The average tax payer in the next fiscal year will be paying less taxes than what they did a decade ago. We have folks that want us to spend money in places including the library and organizations that have requested help such as NPRMS. He stated that the yard debris collection is bringing down our property values. What is it costing to be driving around the city to pick up scraps. If it is significant maybe that can be put towards bringing the millage down. Mr. Rivera stated that the operation overall in real dollars \$100k right off the bat that could be eliminated from the operating budget. Fuel costs would decrease \$12k. Mr. Rivera stated this was a program that could not be stopped cold turkey but

phased out over two or three years.

Councilwoman DeBella Thomas asked how many households pay for this service in the city. Ms. Feast stated just over 7,000. Councilwoman DeBella Thomas stated that this is a program that needs to be tightened up. There are still some streets you cannot get down from the hurricane debris.

Deputy Mayor Starkey stated this is a program that is 100% being taken advantage of. It is mind blowing to him that people just take their debris and dump it wherever they feel like it. He suggested having a work session on the program. It is definitely a broken system. He agrees that it is bringing property values down. The program has spiraled out of control. As far as the budget goes, he appreciated Councilman Phillips' comments especially in regards to the savings with Tyler Technologies and the Allen settlement. Until we can get property values up gradually the millage should be reduced gradually. We are giving incentives which is more than what was done the last two or three years. He wished we could set the millage at 7.9995 but perhaps next year.

Councilman Davis stated that the change in the homestead exemption will effect the homes and we have to compensate for the monies we are not going to receive. We need to sharpen our pencils today not tomorrow. He referenced page 44 and 100 in the budget book and to compare. There is a mix there that is not right. Recreation department is way too top heavy. If we have an aggressive parks director we don't need an assistant. If you can do it in the library you can do it in the rec center.

Councilwoman DeBella Thomas stated we went through a tremendous change after the reopening of Sims Park. She has seen an uptick in the rental properties and renters. She is confident with the residential inspection and code enforcement that we will continue moving in the right direction. Her concerns with the forward motion and reducing the millage by a large degree will slow momentum. Everyone understands and agrees what is needed to improve the city must be done. Perhaps there is an opportunity there to fine tune the manpower in the recreation staff. She believes we have been judicious with our spending. Confident in moving forward we can reduce millage rate. We are in a good place and do not want to go backwards. We can always address that next year.

Mayor Marlowe stated that significant lower millage will impact TIF revenues. He agreed can use the Tyler money towards reducing the millage.

City Attorney Driscoll then read Resolution No. 2017-34 adopting the final millage rate by title only. Motion made by Deputy Mayor Starkey to adopt the tentative millage rate of 8.9950 mills. Motion seconded by Councilwoman DeBella Thomas. Motion passed 3-2. The resolution was adopted at 7:27 p.m.

City Attorney Driscoll then read Resolution No. 2017-35 adopting the final operating and CIP budgets by title only. Motion made by Deputy Mayor Starkey to approve the tentative operating and CIP budgets as presented. Motion seconded by Councilwoman DeBella Thomas. Motion passed 3-2. The resolution was adopted at 7:28 p.m.

Motion made by Jeff Starkey and seconded by Judy DeBella Thomas. The Motion Passed. 3-2.
Ayes: DeBella Thomas, Marlowe, Starkey Nays: Davis, Phillips

Councilman Davis stated that after his discussions with residents that he was labeling the City Manager and staff as the Alamo with the citizens on the outside and that we are shooting at them right now but the citizens are not going to put up with this forever. City employees need to take a hard look and not be happy just sitting inside the Alamo and think they are in a safe spot because if you know the history of the Alamo they weren't in a safe spot. He stated that there were a few things brought up by Councilman Phillips and himself that need to be addressed and not pushed off until next year.

Mayor Marlowe thanked staff for all of their hard work on getting the budget finalized for this year. He stated he would like to see some detailed discussion by Council starting in early summer.

6 Adjournment

There being no further business to consider, upon proper motion, the meeting adjourned at 7:45 pm.

(signed) _____
Judy Meyers, City Clerk

Approved: _____ (date)

Initialed: _____