



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 6, 2018
5:01 PM

ORDER OF
BUSINESS

1 Call to Order – Roll Call

The meeting was called to order by Mayor Rob Marlowe at 5:01 pm. Those in attendance were, Deputy Mayor Jeff Starkey, Councilman Peter Altman and Councilman Matt Murphy. Councilman Chopper Davis arrived at 5:59 pm.

Also in attendance were City Manager Debbie Manns, City Attorney Timothy Driscoll, City Clerk Judy Meyers, Police Chief Kim Bogart, Finance Director Crystal Feast, Fire Chief Chris Fitch, Public Works Director Robert Rivera, Library Director Andi Figart, Parks and Recreation Director Elaine Smith, Development Director George Romagnoli, Technology Solutions Director Bryan Weed and Human Resources Manager Bernie Wharran.

2 Pledge of Allegiance

3 Moment of Silence

4 Business Items

a. First Public Hearing - FY18-19 Operating Budget & Capital Improvement Program - Page 3

City Attorney Driscoll read Resolution 2018-17 adopting the tentative budget by title only. City Manager Manns introduced the item to Council. She stated that the purpose of this agenda item was to conduct a first public hearing on the proposed budget for the upcoming fiscal year. City Manager Manns then highlighted the types of funds in the budget and the budget process. The total proposed budget is \$59,642,680. General Fund revenue is estimated at \$22,350,160 which demonstrates a decrease of 3.94% in expenditures over last year's budget. Revenue growth was 7%. Recommend COLA increase of 2.5% with the exception of department and division heads which are performance based. The proposed budget includes four full-time and one part-time positions to be added. She then introduced Finance Director, Crystal Feast, who made a presentation to Council.

Ms. Feast began her presentation by discussing the General Fund. The General Fund comprises 37% of the total budget. Tentative millage rate is 8.9000 mills. She stated that the millage rate has steadily

gone down over the last five years. The CIP total \$14,414,000. Total expenditures are \$22,350,160 and includes department budgets, reserves and transfers out. Ms. Feast then highlighted each department's budget which was broken down into percentages for personnel costs, operating expenses and capital purchases.

Upon opening the floor to public comment, Bob Smallwood came forward and stated he was disappointed more effort was not made to get the millage rate down. He lost several real estate deals because tax rates are too high. With no one else coming forward Mayor Marlowe returned the floor to Council.

Councilman Altman asked about the rollback rate. City Attorney Driscoll stated the rate was 9.4349 mills. Councilman Altman asked about the calculation of the rollback rate. Ms. Feast stated it does factor in property values and subtracts out what goes to the CRA and new construction values. Ad valorem tax value results in about \$3.57M net. Councilman Altman stated he is looking at a stable general revenue source as long as the whole city remains a CRA. He asked about the FEMA reimbursement of \$450,000 and if that is a receivable to the city. Ms. Feast stated it was from Hurricane Irma and that the City has actually requested closer to \$600k and therefore has conservatively budgeted 75% of that amount.

Councilman Altman asked about the Tampa Bay Water interest and how it has been the same since 2017. Seems to be a rollover interest figure and might be a \$20k change if it occurs.

Councilman Altman reiterated his concerns about county residents relying on city services. He suggested negotiating with the county for payback on some of the services. One option would be elimination fee to rec center for city residents. He looked and compared police and fire budgets to Zephyrhills and ours is about a quarter higher because we have more traffic through our services as we are a more urban city. He suggested to go through with a discussion with the county to provide us with funds to support the services our department provides.

Councilman Altman stated there is no doubt that our property values are lower. He would advocate to go back and bring the millage down to the next quadrant.

Deputy Mayor Starkey stated he would like to see millage rate to come down however we did not get to nine plus overnight and we won't lower it overnight. The City has made good and positive changes over the last five to six years. Cannot slash millage until property values come up. Make strategic decisions that will allow for payout down the road.

Mayor Marlowe stated one of the problems we are facing is the proposed amendment to the Constitution that would drastically change the homestead exemption and would result in a significant hit to us. Not prudent to drop millage this year until we see how this turns out. Concerned if we cut millage this year we will be in an uncomfortable box next year.

Mayor Marlowe asked if it was his understanding that the drop in the firefighting account total by \$300k was because there was no contribution required to the fire pension. Ms. Feast stated yes. He stated that the Central Garage fund had a budgeted \$350k for fuel and encouraged department heads to look at electric vehicles. If any show up on future state pricing lists he encouraged to replace gas vehicles with electric.

Councilman Murphy stated it is good that we have lowered taxes at a steady rate. The Constitutional amendment will affect us. Get the economic machine in the city running.

City Attorney Driscoll then read Resolution 2018-18 tentatively adopting the millage rate. Motion was made to approve Resolution 2018-18 setting the tentative millage rate at 8.9000 mils as presented. Motion made by Deputy Mayor Starkey and seconded by Councilman Murphy. Motion passed 4-0 at 5:56 p.m.

Motion was made to approve Resolution 2018-17 adopting the tentative budget as presented. Motion

made by Councilman Altman and seconded by Deputy Mayor Starkey. Motion passed 4-0 at 5:56 p.m.

5 Communications

Mayor Marlowe stated that he and the City Manager had a very informal meeting with Shawn Foster and at top of the list was the pedestrian overpass. Deputy Mayor Starkey stated he has fought for it with the MPO as well. Councilman Altman forwarded an email earlier today to the City Manager from a land owner on Trouble Creek. Deputy Mayor Starkey thanked staff for their work on the budget. He thanked Councilman Altman for attending the TMA meeting on Friday.

6 Adjournment

There being no further business to consider, upon proper motion, the meeting adjourned at 6:01 pm.

(signed) _____
Judy Meyers, City Clerk

Approved: _____ (date)

Initialed: _____