

BUDGET COMMITTEE MEETING MINUTES
5/16/2025 at 3:00 pm

Budget Committee Members Present

Nash Shook-Chairman, Kevin Pierre, Nate Davenport (via phone), John Evertson, Chad Rocheford

Absent

Jackie Hoevenaar and Kirk Leff

Also present: City Manager Rick Rudometkin, Finance Manager Tracy Richardson, Chief of Police Travis Grim, Public Works Supervisor Philip Price, Clerk Heidi Peacock

The Budget Committee meeting discussed the need for revenue enhancements due to a \$605,000 unfunded mandate from the fire department. Proposed solutions include a 0.6 millage increase and a \$4/month stormwater fee increase, estimated to generate \$160,000 annually and the feasibility of a unanimous council vote versus a referendum, considering the city's 25% reserve target. They also discussed the importance of transparency and community engagement, noting the need for a balanced approach to tax increases. The next meeting is scheduled for June 13 to discuss and finalize officer roles, including the vice chair, despite some members' absences. The audit proposal is expected on June 11th, with a selection meeting scheduled for June 13th. The committee emphasized the need for a revenue increase, possibly through a millage rate adjustment, and discussed the challenges of annexation. They noted the importance of educating council members and planned to present budget options at upcoming council workshops in July.

1. Call to Order and Confirmation of Quorum

Chairman Shook called the meeting to order at 3:05pm. Chairman Shook reminds the committee's role is to make recommendations, not decisions. CM Rudometkin confirmed quorum.

**A motion was made by Committee Member Pierre to excuse Committee Member Leff.
The motion was seconded by Committee Member Rocheford and passed unanimously**

**A motion was made by Chairman Shook to excuse Committee Member Hoevenaar.
The motion was seconded by Committee Member Rocheford and passed unanimously**

2. Citizen Comments – no citizen comments

3. Approval of Minutes – March 14, 2025

**A motion was made by Vice Chairman Evertsen to approve the minutes as presented.
The motion was seconded by Committee Member Pierre and passed unanimously**

4. Agenda Items

a. Selection of Officers: Chairman, Vice Chairman, and Secretary

CM Rudometkin suggested postponing the selection of officers due to the absence of key members. Committee agreed or to defer the item until the end of the meeting, if necessary.

b. Road Show to Residents

CM Rudometkin discussed a recent roadshow in the Lake Conway HOA, noting low engagement and the distribution of handouts. Concerns are raised about the effectiveness of roadshows and the need for better communication strategies.

c. Intro to FY 25/26 Budget

City Manager Rudometkin provided a Budget Calendar for the Fiscal Year 2025-2026 budget.

City Manager Rudometkin opened discussion about several upcoming items for the budget. He outlined two revenue enhancement items: a 0.6 millage increase and a \$4 per month stormwater fee increase. Explanation of the impact of the 0.6 millage increase due to the fire fee increase, including a \$605,000 increase in the city revenue. Discussion on the need for a unanimous council vote or a referendum to implement and adopt

the millage increase. Discussion ensued. CM Rudometkin suggested a two-year plan to incrementally increase taxes to avoid a large initial hit and noted this is the city's 16th year of not raising taxes.

CM Rudometkin shared his concerns and discussed the challenges of raising taxes and the need for a balanced approach. Board member Evertsen suggested considering a non-ad valorem fee as an alternative to a millage increase and emphasized the importance of transparency and clear communication with residents. Board member Evertsen asked if the County was willing to direct charge for the fire fees. CM Rudometkin said no. CM Rudometkin said he will research the non ad valorem for fire similar to Winter Haven for board review at the next meeting. The Board spoke about the needed CIP projects and other matching grants. Discussion ensued on the fire fees and options to cover the cost of the unfunded mandate and Council concerns on how it will affect the fixed income residents.

Board member Evertsen said the staff should highlight the importance of getting the ball rolling and understanding the council's diverse views and suggests educating council members to help them make informed decisions.

CM Rudometkin said he is in discussion with the City and County Attorneys to discuss the potential impact of annexation and the need for strategic planning. Discussion ensued on the potential impact of annexation and the need for strategic planning.

The Board discussed and asked for further information on the following,

- Determine if a non ad-valorem fee can be used to cover the fire service expense instead of a millage rate increase.
- Provide information on the vote required for a non ad-valorem fee versus a millage rate increase. The Board discussed the importance of presenting the millage rate increase recommendation to the council.
- Encourage other council members to hold "road show" meetings in their districts to educate residents about the need for revenue increases.
- Determine if the committee should pursue a referendum for a larger millage rate increase versus a smaller increase through the council.
- Determine whether the staff can shave 10% across the board to include (staff layoffs, reducing core services and contracting some services) – how does that look.

d. Audit Committee Information

CM Rudometkin introduced the RFP for the annual audit and the transition of the Budget Committee to the Audit Committee. The Council appoint Comm Jim Partin as the Audit Committee member. Chad Rocheford is introduced as the new committee member, and the process for selecting the audit firm is explained. Discussion on the meeting schedule for June, with a preference for Fridays but flexibility for other days. Confirmation of the next meeting date as June 13, with potential adjustments based on availability.

5. Next Meeting Schedule

- The next Budget Committee meeting will be June 13, 2025

6. Adjournment

Committee Member Evertsen made a motion to adjourn the meeting, which was seconded by Committee Member Rocheford, and the meeting unanimously adjourned at 4:09pm