

CITY OF LABELLE



MINUTES

City Commission Budget Workshop & Special Meeting

Thursday, August 27, 2026, at 3:00 PM

LaBelle Commission Chambers
481 West Hickpochee Ave
LaBelle, FL 33975

CITY COMMISSION:

Julie C. Wilkins., Mayor
Jackie Ratica, Vice Mayor
Kevin Holland, Commissioner
Bobbie Spratt, Commissioner
Hugo Vargas, Commissioner

ADMINISTRATION:

Tijauna Warner, MPA, MMC, Deputy City Clerk
Derek Rooney, Esq., City Attorney
Mitchell Wills, Superintendent PW

Minutes

1. Call to Order

The meeting was called to order by Mayor Wilkins at 3:07 PM.

2. Invocation and Pledge of Allegiance

Commissioner Holland led the invocation. Vice Mayor Ratica led the Pledge of Allegiance.

3. Roll Call

PRESENT

Mayor Julie C. Wilkins

Vice Mayor Jackie Ratica

Commissioner Bobbie Spratt

Commissioner Hugo Vargas

Commissioner Kevin Holland

City Attorney Derek Rooney

City Clerk Tijauna Warner via Teams

4. New Business

A. Proposed FY2026-2027 Budget

Finance Director Lilly Davenport presented a consolidated overview of the proposed FY2026--2027 General Fund and Utility Fund budgets, highlighting significant changes and key assumptions. The Finance Director recommended maintaining the millage rate at 5.0 mills, unchanged from the prior year, which is approximately 6% above the rollback rate. The proposed rate is expected to generate approximately \$280,000 in additional property tax revenue. The Commission discussed the estimated tax impact on various property values.

The Commission discussed potential utility assistance for low-income residents in response to upcoming utility rate increases. Staff noted that existing community assistance programs are available, and the Commission agreed to continue utilizing those resources while ensuring residents are made aware of available assistance.

The proposed budget includes \$100,000 for potential elevator replacement or major restoration at City Hall. Staff also reported a \$33,000 quote for replacement of City Hall windows, which could be accommodated within the existing City Hall capital improvement allocation.

Regarding personnel, the Lilly Davenport reported a 5% COLA for employees, along with changes in insurance and workers' compensation costs. One new Finance Department position was added to assist with grants and growth. Staffing changes were also made within the Water Department and administrative functions.

Fire Chief Stevens provided an overview of Fire Department staffing and expenditures, noting that the department has 22 full-time employees, 9 part-time employees, 2 inspectors, and 4 volunteers. He explained that the increase reflected in the personnel budget was primarily due to consolidation of previously separate line items. The Commission also discussed the County's increased contribution toward Fire Department costs.

Animal Control Director Doug Morgan reported on staffing growth and budget changes within Animal Control, noting that reduced capital and one-time vehicle repair expenditures contributed to the decrease in the proposed budget. Updates were also provided regarding the pending main facility construction and east county substation.

Lilly Davenport reviewed the \$77,000 special events budget, including \$25,000 for Christmas, \$25,000 for the Fourth of July, \$18,000 for the Swamp Cabbage Festival, and \$9,000 for miscellaneous events. The Commission discussed potentially increasing the Swamp Cabbage Festival allocation due to possible costs associated with replacing electrical infrastructure and directed staff to obtain estimates and revisit the allocation. The \$25,000 Christmas allocation was confirmed as necessary due to expanded lighting needs.

By acclamation, the Commission approved the rental of the Christmas tree from the prior-year vendor at the same cost of \$1,800.

Motion made by Mayor Wilkins to approve the purchase of \$1,800 Christmas tree, Seconded by Vice Mayor Ratica. Mayor Wilkins called for the question. Motion passed unanimously.

Voting Yea: Mayor Wilkins, Vice Mayor Ratica, Commissioner Spratt, Commissioner Vargas, Commissioner Holland

Lilly Davenport reviewed proposed discretionary contributions to community organizations, including adjustments to the Housing Authority, Economic Development Council, DAV, Heritage Museum, library, and other community initiatives. The Commission discussed the importance of the library contribution and the value of in-kind contributions provided through city facilities. A \$39,000 increase was also discussed for the Downtown Revitalization project to support a staff position.

Lilly Davenport reported a contingency reserve of approximately \$1.763 million, or 12% of the operating budget. The Commission discussed using approximately \$55,000 from contingency to address the proposed Swamp Cabbage Festival increase and potential City Hall elevator costs, reducing the reserve to approximately \$1.708 million, or 11% of operating expenditures.

City Attorney Rooney discussed the potential fiscal impact of Amendment 3, noting that approval could significantly limit ad valorem revenues and may require the City to consider alternative revenue sources, including special assessments, as well as opportunities for consolidation and regional cooperation.

Lilly Davenport emphasized the need to proceed with an updated utility rate study through Raftelis and discussed a planned utility CPI adjustment of up to 5%, estimated at approximately 4.25%, with implementation anticipated later in the year. City Attorney Rooney provided updates regarding efforts to increase utility customers through developer connections and capacity agreements.

City Attorney Rooney also reported that negotiations with Waste Connections are ongoing and that the parties are no longer at an impasse. The City is evaluating potential service modifications, including recycling services, while continuing efforts to resolve a potential liability exceeding \$1 million.

Lilly Davenport provided an update on the State's transition to a new grant payment processing system and the potential for advance grant payments before the system transition.

Mayor Wilkins announced that the City received a \$60,000 state grant to update the Land Development Code, which is based on a 1969 ordinance. City Clerk Tijauna Warner represented the City at the Governor's press conference to accept the grant. The Commission was advised to proceed with updating the Code while considering pending state preemption legislation.

B. Employee Handbook

The Commission briefly acknowledged the employee handbook as a pending item. It was noted that the incoming mayor-elect had not yet had an opportunity to review and provide input on the document. The item was deferred to the September 10th regular commission meeting to allow for the mayor-elect's participation.

C. Barron Park Pavilion Location

Superintendent of Public Works Mitchell Wills reported that three bids had been received for the replacement of the Barron Park pavilion, with the lowest bid at \$18,901. Insurance proceeds of \$18,000 had been secured toward the cost, and staff are working to obtain reimbursement for demolition costs as well. The demolition was pending removal of electrical power from the existing structure, anticipated by the following day.

Discussion focused on the location of the replacement pavilion. The Commission debated whether to follow the adopted master plan, which placed the pavilion on the annex area, or to instead locate it on the existing concrete pad of the former south tennis courts, which is more centrally located and better suited for public use. Superintendent Wills recommended using the existing concrete to reduce cost and noted the area already has trees planted to provide future shade. Commissioner Vargas expressed concern about making location decisions without a formal updated plan and without considering the full park layout holistically, including potential road vacations and future amphitheater placement. Mayor Wilkins and Superintendent Wills emphasized the need for a functional pavilion before the Christmas in the Park event and noted the existing insurance funding provided an opportunity to proceed without drawing on city reserves. Superintendent Wills also suggested exploring community contractor donations of labor and equipment for moving the gazebo. After discussion, the Commission approved relocating the pavilion to the old south tennis court concrete pad and authorizing demolition of the existing structure.

Motion made by Commissioner Spratt to approve placement of the Barron Park replacement pavilion on the former tennis court concrete pad and proceed with demolition of the existing pavilion , Seconded by Vice Mayor Ratica. Mayor Wilkins called for the question. Motion passed 4-1.

Voting Yea: Mayor Wilkins, Vice Mayor Ratica, Commissioner Spratt, Commissioner Holland

Voting Nay: Commissioner Vargas

D. General Fund Transfer

Finance Director Lilly Davenport presented an urgent cash flow concern in the utility fund. Operating cash in the utility fund currently stands at approximately \$114,000. After accounting for the contingency reserve and upcoming payroll, approximately \$390,000 remains available. A capital project invoice for the Helms Road construction project totaling \$792,000 is due imminently, creating an estimated shortfall of approximately \$403,000. Looking ahead through September, when contractor invoices for August work are anticipated, the projected deficit grows to approximately \$960,000.

Lilly Davenport explained that restricted and advance funds including ARPA grant funds that must be fully expended by December cannot be used to address this shortfall. She outlined several mitigation strategies already underway: requesting 60- to 90-day payment extensions from contractors Tetra Tech and ADS; expediting submissions for four outstanding grant reimbursement requests totaling over \$3 million; engaging the USDA National Office through City Attorney Rooney and a contact at Woodard & Curran to accelerate approval of the pending \$20 million line of credit; and working with the state on potential advance grant payments ahead of the DEP's payment system transition.

Lilly requested Commission authorization to transfer up to \$1,000,000 from the general fund to the utility fund on an as-needed basis, to be treated as an internal loan, to bridge the gap while grant reimbursements and the USDA line of credit are finalized. The general fund currently holds approximately \$4.4 million including contingency, so a \$1 million transfer would leave approximately \$3.4 million available.

Motion made by Commissioner Vargas to approve a transfer of up to \$1,000,000 from the general fund to the utility fund on an as-needed basis, Seconded by Vice Mayor Ratica. Mayor Wilkins called for the question. Motion passed unanimously. Voting Yea: Mayor Wilkins, Vice Mayor Ratica, Commissioner Spratt, Commissioner Vargas, Commissioner Holland

E. RESOLUTION 2026-30 A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LABELLE, FLORIDA, APPROVING TO ADD MAYOR VINCE ROSS AND COMMISSIONER JACKIE RATICA AND REMOVE FORMER MAYOR JULIE C. WILKINS AS SIGNATORIES FOR VARIOUS BANK ACCOUNTS OF THE CITY OF LABELLE AT FIRST BANK; FURTHER AUTHORIZING CITY OFFICIALS TO EXECUTE ALL NECESSARY DOCUMENTS WITH FIRST BANK; PROVIDING AN EFFECTIVE DATE.

Attorney Derek Rooney read Resolution 2026-30 title into the record and gave a brief explanation.

The Commission considered Resolution 2026-30, authorizing changes to bank account signatories at First Bank to reflect the upcoming mayoral transition. The resolution adds incoming Mayor Vince Ross and Commissioner Jackie Ratica as signatories and removes outgoing Mayor Julie C. Wilkins, with the change to take effect upon Mayor Ross being sworn in on the following Tuesday. This was necessary due to the gap between the swearing-in date and the next regular Commission meeting on September 10th. City Clerk Tijauna Warner confirmed the required process. Existing signatories Mitchell Wills, Lisa, and Aubrey were noted as remaining on the accounts, with new signature cards to be executed.

Motion made by Commissioner Spratt to approve Resolution 2026-30, Seconded by Commissioner Holland. Mayor Wilkins called for the question. Motion passed unanimously.

Voting Yea: Mayor Wilkins, Vice Mayor Ratica, Commissioner Spratt, Commissioner Vargas, Commissioner Holland

F. DW2603A0 Task Order SAHM Proposal

Justin deMello of Woodard & Curran presented a task order proposal related to a Storm and Hurricane Mitigation (SAHM) planning assessment for the city's water system. He explained that a grant of approximately \$5.9 million in principal forgiveness funding was secured for the city at the end of 2025, tied to impacts from Hurricanes Helene and Milton. The first step to accessing the full grant is to produce a planning assessment documenting storm impacts and system vulnerabilities. The assessment, expected to be drafted by November with a final version due in May, will then be submitted to DEP for review and approval, leading to subsequent design and construction funding for water system improvements.

The cost of the planning task order is approximately \$112,000, which is 100 percent covered by the grant. deMello noted that documentation of storm impacts including photographs of flooded areas, access disruptions, pressure losses, and infrastructure damage is critical evidence for the grant application and encouraged Commission members and staff to continue capturing and submitting such photos. He also noted that demonstrated vulnerabilities, such as single-point-of-failure lines or inaccessible facilities during floods, could support funding for additional system improvements up to the \$5.9 million grant cap.

Motion made by Commissioner Spratt to approve the DW2603A0 Task Order SAHM Proposal, Seconded by Vice Mayor Ratica. Mayor Wilkins called for the question. Motion passed unanimously.

Voting Yea: Mayor Wilkins, Vice Mayor Ratica, Commissioner Spratt, Commissioner Vargas, Commissioner Holland

5. Adjournment

Motion made by Commissioner Spratt to adjourn the budget workshop & special meeting, Seconded by Commissioner Holland. Mayor Wilkins called for the question. Motion passed unanimously.

Voting Yea: Mayor Wilkins, Vice Mayor Ratica, Commissioner Spratt, Commissioner Vargas, Commissioner Holland

There being no further business to discuss, Mayor Wilkins adjourned the meeting at 5:56 PM.

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A stylized handwritten signature in blue ink, consisting of several sweeping strokes.

Vince Ross, Mayor

A handwritten signature in blue ink, appearing to be "Tijauna Warner", written over a horizontal line.

ATTEST: Tijauna Warner, MPA, MMC, City Clerk