

MINUTES

FIRST FISCAL YEAR 2020-2021 BUDGET HEARING

Town of Penney Farms, Florida

Tuesday – September 15, 2020

VIRTUAL MEETING

Anyone wishing to address the Council regarding topics on the Agenda are asked to fill out a request form. Present it to the Town Clerk prior to the meeting. The Town Clerk will allow a three minute time limit to speak, unless other arrangements have been made.

Abbreviations:

*CM- Council Member *TA- Town Attorney *TC- Town Clerk *TM- Town Manager *VM- Vice-Mayor

1. OPEN BUDGET HEARING: 6:00PM

Mayor Sabin welcomes all attendees and announces the proposed millage rate of 4.9634 as the rolled back rate for 2020. Thus, there is no proposed tax increase for the 2020 – 2021 fiscal year.

ROLL CALL: Mayor Sabin; VM Ryder; CM Andrews; CM Taylor; CM DeVille; Town Manager Cooper; Town Attorney Quinonez *All present for the record.*

Additional Audience: (Based on Zoom meeting sign on information)

Auditor, Richard Powell; Annette Brooks; Sandy Bue; Karen Rigel; Martha Gale; Bill Brower; Susan Kimsey; Teresa Scott; Betty Thomas; Cooper Murphy; Cathie Parrott; Carolyn Brown; Barbara's PC; Dick Yeager; and Mark Ely

2. Overview of FY 2020-2021 Budget – Town Manager (Based on the rolled back millage rate of 4.9634)

-TM Cooper reviewed the following budget for the new fiscal year:

General Fund Estimated Revenue And Funds Available:

State Revenue	\$ 252,665.
Ad Valorem Taxes	75,818.
Franchise Fees	91,000.
Services	32,800.
Non Governmental Revenue	2,900.
State Grants	562,000.
Local Grant	30,000.
Total Estimated Revenue	1,047,183.
Cash and Reserves	705,556.

TOTAL ESTIMATED REVENUE AND RESERVES – GENERAL FUND \$1,752,739.

General Fund Estimated Expenditures:

Ad Valorem Tax – Capital Projects	\$ 19,000.
Ad Valorem Tax - Future Projects	24,818
General Government/Finance & Administration	273,306.
Public Works	119,596.

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Parks and Recreation	18,463.
State Grants	562,000.
Local Grant	30,000.
Total Estimated Expenditures	<u>1,047,183.</u>
Cash and Reserves	<u>705,556.</u>

TOTAL EXTIMATED EXPENDITURES – GENERAL FUND \$1,752,739.

Utility Fund - Estimated Revenue And Funds Available:

Water	\$ 100,960
Solid Waste	23,450.
Other	20,985.
Total Estimated Revenues	<u>145,395.</u>
Cash Deposits from Customers	22,348.
Cash and Reserves	<u>251,792.</u>

TOTAL ESTIMATED REVENUES AND RESERVES – UTILITY FUND \$419,535.

Utility Fund – Estimated Expenditures

Personnel Services	\$62,314.
Operations	83,081.
Total Estimated Expenditures	<u>145,395.</u>
Cash and Reserves	<u>274,140.</u>

TOTAL ESTIMATED EXPENDITURES – UTILITY FUND \$419,535.

Wastewater/Sewer Fund – Estimated Revenue and Funds Available

Wastewater/Sewer	\$184,900.
Other	20,270.
Total Estimated Revenue	<u>205,170.</u>
Cash and Reserves	<u>68,451.</u>

TOTAL ESTIMATED REVENUES & RESERVES–WASTEWATER/SEWER FUND \$273,621.

Wastewater/Sewer Fund – Estimated Expenditures

Personnel Services	\$40,470.
Operations	129,408.
Debt Service	35,292.
Total Estimated Expenditures	<u>205,170.</u>
Cash and Reserves	<u>68,451.</u>

TOTAL ESTIMATED EXPENDITURES – WASTEWATER/SEWER FUND \$273,621.

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-TM Cooper also reviewed the proposed capital projects for the new fiscal year totaling \$19,000.00:

- 1) \$1,000.00 – New park benches to stop and rest on, for the walkers along the long stretches of Caroline Blvd. and Morton Street*
- 2) \$3,000.00 – New storm drain covers for the New Hope area*
- 3) \$5,000.00 – New sidewalk railings for the bridge on Clark Avenue*
- 4) \$10,000.00 – Sidewalk repairs (Several areas)*

-Mayor Sabin, who is the Finance Committee Chairman, provided the Committees' proposed millage rate recommendation explaining the purpose of the tax is to replace certain prior fuel tax revenues of the Town and to fund capital improvements within the Town. He further explained the Finance committee has been tracking the losses of state revenues and others since the pandemic has become prominent and stated there has been significant losses due to COVID-19 of about \$35,000.00 so far, which were not anticipated. He explained the Finance committee has considered a millage rate, separate from the rolled back rate and were cognizant of the residents having to deal with difficulties, due to the pandemic as well. He reported the Finance committee has had several meetings and discussions on the millage rate and have unanimously agreed to recommend to the Town Council a millage rate of 4.7500. He explained the lower rate gives concessions to the residents affected and accommodates the needs of the Town. He explained if this rate is accepted, the budget numbers for the appropriations will change.

3. Comments and discussion on the proposed millage rate and budget by the Mayor and Town Council.

-Mayor Sabin asked the Town Council for their comments regarding the millage rate since this was the first time the Town Council has heard the Finance committee's recommendation.

-VM Ryder asked how much income loss is there between the rolled back rate and the 4.7500?

-Auditor, Richard Powell stated it is approximately \$3,260.00.

-CM Andrews stated the \$3,260.00 may be insignificant to some, but the recommendation is a good one after taking into account all of the residents and many concerns.

-VM Ryder agreed with the recommendation also.

-CM Taylor thanked the committee for their diligence and all their considerations for the residents.

-CM DeVille thanked the Finance committee for a job well done.

4. Public input on the proposed budget and millage rate.

-Mayor Sabin asked for any comments from the public.

-TC Cooper stated there was one official submission of a request to address the Town Council by Teresa Scott.

-Mayor Sabin invited Mrs. Scott to speak first.

-Teresa Scott stated she participated in the Finance committee meeting yesterday, as a listener, and understands how difficult it is to make these types of decisions. She stated as she represents the Penney Retirement Community (PRC) she recalled last year's process of establishing the millage rate, then came a sewer increase, then a permit fee increase, then a franchise fee increase. She doesn't know what those will be. She stated in comparison to other nearby towns, Penney Farms' millage rate is higher with less services provided. She stated, due to COVID-19, residents have had to endure job loss, lower wages, or had to stay home and care for their children. She further stated the difference between the rolled back rate and the 4.7500 saves the Town \$261.00 per month and

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is not the rate she was hoping for. She further stated when the budget was read, she noted the figures came quickly and stated the capital projects expenditures of \$19,000.00 and the future capital projects total \$43,000.00. She stated last year PRC paid \$53,000.00 in taxes and they will not see much of a decrease this year. She asked the Town Council keep in mind many PRC residents are on fixed incomes or are helping other family members that have experienced financial hardships, due to the COVID-19 epidemic. She stated there are over a hundred PRC residents who are 90 years old and older. She further stated, this tax is extreme for these residents and would like the Town Council to consider a rolled back millage rate of a 3.75 to a 4.0.

-Mayor Sabin thanked Mrs. Scott for her input and asked if there were any other comments by the public.

-TC Cooper suggested to the Mayor she could go down the list of people signed on to the meeting and ask if they had any comments. She stated everyone needs to try and keep their comments limited to three minutes, so everyone who wants to comment, may do so.

-Mayor Sabin agreed.

-Annette Brooks – She stated she was at the meeting last year when the millage rate was discussed and it was fierce. She stated, as she has listened to Mrs. Scott and CM Andrews comments, she agreed the lowered rate is a step in the right direction and she expressed her appreciation for the acknowledgement of the impact COVID-19 has had on residents.

-Karen Rigel – She stated the budget figures were read quickly and asked if there was a written document available?

-TC Cooper stated there is and she would send an electronic copy of the budget to her.

-Karen Rigel asked if there would be extra services provided with this millage rate? She stated for instance, better roads and drainage.

-TM Cooper stated yes, this money would be used for capital projects such as road repairs down the road, such as Caroline Blvd. and these items are listed on the 5- year capital plan. The Town is currently working on a storm water project to address flooding problems on Clark Avenue and Poling Blvd, which should begin in November. He stated the Town has recently replaced a storm water line on the corner of Hoffman Street and Clark Avenue, which has relieved the localized flooding in that area. He stated the affected residents in that area have contacted him to thank him for those efforts.

-TC Cooper stated that in addition to the budget, the capital project list is also available and she will send that list to Mrs. Rigel, as well.

-Annette Brooks also requested a copy of the capital projects included and the new fiscal year budget.

-TC Cooper stated she would send the information to her as well.

-Teresa Scott stated a point of clarification, the storm water project was funded by a grant and PRC has added \$25,000.00 to that, and is not being paid for by ad valorem taxes. She stated that all residents should look at what was spent with the tax money, it is very important.

-TC Cooper clarified that the Town Manager was referring to different types of infrastructure services the Town is providing which are listed on the 5-year capital plan. She stated some of these projects will take some saving of a portion of tax revenues, each year, to complete.

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-TM Cooper confirmed this to be true.

-Carolyn Brown – No comment.

-Barbara's PC – Nothing heard.

-Dick Yeager – No Comment, but appreciated Mrs. Scott's remarks.

-Betty Thomas – No comment.

-Mark Ely – Nothing heard.

-Martha Gale – No comment.

-Sandy Bue – No comment.

-Susan Kimsey – No comment.

-Signed in as "mom" – No comment.

-Cathie Parrott – No comment.

-Bob Rigel – stated this proposed millage rate, even reduced is one of the highest in the County. He stated his concern is that future development may be deterred by the high millage rate. He stated the Town should be thinking long term, not short term. He further stated the millage rate should be in line with the other cities in Clay County.

-Cooper Murphy –stated he agrees with Mr. Rigel, the Town's services are limited in comparison to other parts of the County. He stated he understands the need for the taxes and stated his tax interests are low and are not an issue, but the Town needs to encourage businesses to come into Town.

-Bill Brower – No comment.

There were no further public comments.

-Mayor Sabin commented that because the Town is so small, the taxes are a double-edged sword. He stated that the Finance committee will continue to monitor the ad valorem tax issue for the future. He asked if any other Council Member had any further comments regarding this issue.

-CM Taylor stated she is encouraged that discussions will continue moving forward. She stated that hopefully the rate can be lowered in the future.

There were no further comments from the Town Council Members.

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5. Motion to adopt the Resolution 2020 - 12 setting the millage rate at 4.7500 mills for the 2020 - 2021 fiscal year.

• **RESOLUTION 2020-12 (READ BY TITLE ONLY);**

A RESOLUTION OF THE TOWN OF PENNEY FARMS, FLORIDA ADOPTING THE MILLAGE RATE OF 4.7500 MILLS; TO BE LEVIED FOR THE FISCAL YEAR OF 2020-2021 by Mayor Sabin; second by VM Ryder. Motion approved without dissent.

Roll Call Vote: Mayor Sabin-Aye; VM Ryder-Aye; CM DeVille-Aye; CM Andrews-Aye; CM Taylor-Aye Motion was unanimous.

6. Motion to adopt the first reading of Ordinance 2020-02 adopting the appropriations budgets for the 2020 - 2021 fiscal year as follows:

	(4.9634 Rolled Back Rate)	
	<u>Appropriations</u>	
General Fund	\$1,752,739	<i>*Subject to change</i>
Water Utility Fund	\$ 419,535	
Wastewater/Sewer Fund	<u>\$ 273,621</u>	
TOTAL:	\$2,445,895	

-TC Cooper stated for clarification to the audience, now that the Town Council has approved a millage rate of 4.7500, the General Fund appropriation number will change, because that is where the Ad Valorem taxes will be located. She reported the new appropriation totals as:

	(4.7500 Millage Rate)	
	<u>Appropriations</u>	
General Fund	\$1,749,479	
Water Utility Fund	\$ 419,535	
Wastewater/Sewer Fund	<u>\$ 273,621</u>	
TOTAL:	\$2,442,635	

-Auditor, Richard Powell confirmed the new totals are correct.

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- **ORDINANCE 2020-02 (READ BY TITLE ONLY);**

AN ORDINANCE PROVIDING FOR THE ADOPTION AND ENACTMENT OF A BUDGET OF THE ESTIMATED REVENUES AND EXPENDITURES, MAKING APPROPRIATIONS FOR THE FISCAL YEAR OF THE TOWN OF PENNEY FARMS BEGINNING OCTOBER 01, 2020 THROUGH SEPTEMBER 30, 2021.

Roll Call Vote: Mayor Sabin-Aye; VM Ryder-Aye; CM DeVille-Aye; CM Andrews-Aye; CM Taylor-Aye Motion was unanimous.

7. *Mayor Sabin announced: The Second and Final budget hearing will be held on Tuesday, September 29, 2020 at 6:00 p.m. as a virtual meeting. Please see the Town's website www.penneyfarmsfl.org to participate in this meeting.*
8. **CLOSE BUDGET HEARING: 6:50PM**

There being no further questions or concerns, the public hearing was adjourned by Mayor Sabin.

SEAL

Mayor, Paul E. Sabin, Presiding

ATTEST:

Anita E. Cooper, Town Clerk