

TOWN OF PENNEY FARMS

SPECIAL FINANCE COMMITTEE MEETING

MINUTES of August 10, 2020 at 10:00am (Virtual Meeting)

Present: Chairman P. Sabin; Town Manager, David Cooper (TM); Town Clerk, Anita Cooper (TC); B. Brower; T. Ryder; and S. Kimsey;

Absent: None

Additional Audience: NONE

**** According to the Florida Municipal Officials Manual: Although citizens are allowed to attend all meetings of the public body, there is no requirement that citizens be allowed to participate in these meetings. Citizens are permitted to participate at public hearings and legislative meetings, such as the Town Council meetings.**

Start Time: 10:03am

-Chairman Sabin welcomed everyone to the Virtual Finance Committee meeting and verbally acknowledged all of the staff members and committee members attending the virtual meeting.

- Discuss the developments at the previous Town Council Workshop on July 31, 2020.

-Chairman Sabin wanted comments and/or questions from the committee members regarding the presentation of the FY 2020/2021 Budget at the Budget Workshop meeting on July 31, 2020.

-S. Kimsey clarified the truck purchase would be purchased out of the General Fund operating cash.

-TM Cooper confirmed this to be true.

-S. Kimsey asked if the current old truck would be sold?

-TM Cooper stated that the old dump truck; 98 Ford Ranger; and old town car will be sold.

-S. Kimsey asked that the building permit revenues for the 4th Quarter of 2020 be included in the FY 2020/2021 be included on the tracking sheet, even if it is only an estimate.

-TC Cooper stated because the permitting process is complicated and the revenues are based on permits that are totally completed, she did not want to include an estimate. She explained that a permit may have been opened in the previous year and will not be completed until the following year. She stated she will update the tracking after September 30, 2020 with the 4th Quarter building permit revenues, and every quarter thereafter.

-TM Cooper commented he does not see a whole lot of new construction coming from the Penney Retirement Community (PRC) in the upcoming year.

-B. Brower had no major comments about the budget but will have comments about the millage rate.

-T Ryder stated the budget looked great and stated the Town needs to spend the building permit revenue money as quickly as it can.

-TM Cooper stated the renovation of the front office and back office hallway area is on the capital project list to be competed with building permit revenues that will be an expense of another \$50,000.00.

-TC Cooper pointed out that the Town started with about \$281,000.00 and will spend approximately \$150,000.00 of those revenues by the end of 2021. She stated the committee should remember those tracking numbers will change variably throughout the year as the quarterly revenues or losses are being reported.

-Chairman Sabin stated the budget was well thought through and very clear. He had no additional comments.

- Discuss recommendation for a millage rate

-TC Cooper reminded the committee members that this budget was produced using the roll back millage rate of 4.9634.

-Chairman Sabin asked each committee member what their recommendation for a millage rate would be.

-S. Kimsey stated that it is difficult to address the taxation with the coronavirus factor, but she stated her high would be 4.5 as the high and 4.0 as the lowest millage rate.

-B. Brower stated he has done calculations and one of his concerns is when you lower the millage rate, not only will you lower the revenue, it will take a super majority vote to ever raise it again. He stated that new construction can provide new revenues for the Town, but does not see any major construction coming anytime soon. He further stated if you reduce the millage rate to 4 mills, that results in approximately a \$14,000.00 loss of permanent revenue. He stated as he looks at the capital projects list and agreed with the Town Manager to save for the repaving of Caroline Blvd. He stated this road has been a truck route and the road is severely damaged and needs to be repaved soon. He stated it would take years to save up for this project, but could be part of the five year capital plan. He further stated he is in favor of keeping the millage rate at the current roll back rate.

-T. Ryder stated he agrees with Bill Brower, the Town can maintain funds so these infrastructure projects can get competed.

-Chairman Sabin stated he has given this subject a lot of thought and admitted this is a challenge due to the pandemic and he was reminded of the repercussions and responses that came from setting the current millage rate. He stated he would consider a 4.5 millage rate to take into consideration all of the residents challenges with the coronavirus.

-TM Cooper stated he appreciates the previous statements. However, he reminded the committee that the Town gave away \$6,000.00 from the CCUA increase because the Town trying to appease PRC, now you are talking about a 4.5 millage rate, which would constitute another \$7,000.00 loss of revenue to the Town, now you are at a \$13,000.00 loss. He reminded the committee that CCUA will pass another increase this year, and the Town can not afford to pass up on another loss.

--Chairman Sabin stated as a Council Member he does intend to not bypass the upcoming increase from CCUA again.

-TM Cooper stated one of the most common issue that residents have is repairing sidewalks. He stated he has now located and recorded in Diamond Maps, all of the sidewalks within the town and noted which ones need to be repaired or replaced. He proposed \$10,000.00 in sidewalk repairs in the new fiscal year that should appease a lot of residents. He also stated that he has included projects that affect different areas of the Town to help as many residents as possible. TM Cooper state, for the record that he would like to keep the millage rate at the current roll back rate.

-TC Cooper reminded the committee members while making their decision, to please take into consideration the significant impact COVID-19 has had on the Town receiving state revenues; franchise fees; and interest revenues, which have all taken a hit and she does not know how long this impact will last.

-Chairman Sabin asked the Town Clerk to summarize the losses to be available for the Town Council Workshop, later this week. He asked the committee members to take into account all of the information presented today and the comments from the next Town Council Workshop on Friday and come up with a final recommendation on a millage rate by the next Finance Committee meeting on August 17th.

-All committee members agreed to attend the upcoming Workshop and be prepared to make a final recommendation to the Town Council.

-TM Cooper thanked the committee members for their support.

-TM Cooper explained the process and updates, on his research, in regards to who owns the platted streets in Town.

**Reminders: 3rd Quarter 2020 Town Council Workshop on Friday, August 14, 2020 9:00am
Regular Finance Committee Meeting on Monday, August 17, 2020 10:00am
Regular Town Council Meeting on Wednesday, August 19, 2020 at 7:00pm**

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**There being no further questions or concerns, a motion for the meeting to adjourn by B. Brower;
second by T. Ryder. Motion carried without dissent.**

Adjourned Time: 10:37am

The next Finance meeting is scheduled for August 17, 2020 at 10:00am.

Chairman, Paul Sabin