

September 4th , 2014
5:01 PM

The City Council of the City of Inverness met on the above date for the Tentative Budget Public Hearing at 212 W. Main Street with the following members present:

President Hinkle
Vice President Hepfer
Councilwoman Bega
Councilman McBride
Councilman Ryan
Mayor Plaisted

Also present were City Manager DiGiovanni, Finance Director Chiodo, and City Clerk Davis.

The following Notice was served to all Council, Mayor, Media, publicly posted, and TRIM'S were mailed to each City of Inverness property owner by the Property Appraiser's Office.

NOTICE

DATE: March 20th, 2014

PLEASE BE ADVISED **BUDGET RELATED WORKSHOPS** ARE CALLED FOR THE CITY COUNCIL OF THE CITY OF INVERNESS, AT 212 W. MAIN STREET, INVERNESS, FLORIDA, AS FOLLOWS:

April 3 rd	5:30pm	Overview of Projects & Goals
May 1st	5:30pm	City-Wide Five-Year Capital Improvement Plan (CIP)
May 8 th	5:30pm	CIP Workshop (if necessary)
July 22 nd	5:30pm	City-Wide Council Budget Workshop
July 24 th	5:30pm	City –Wide Budget Workshop (if necessary)
Sept 4 th	5:01pm	Tentative Budget Adoption - 1 st Public Hearing
Sept. 18 th	5:01pm	Final Budget Adoption - Final Public Hearing

/s/ Ken Hinkle
President of City Council

Council President Hinkle stated the purpose of this hearing was to tentatively adopt a property tax rate (or millage) and budget for the 2014-2015 fiscal year for the City of Inverness. A proposed property tax rate was advertised on the TRIM notices of 6.9949 mills. The City Budget has been finalized using the rate 6.9949 mills. The Tentative millage rate is greater than the rolled back rate of 6.4949 mills by 7.7%.

Council input:

Councilman McBride stated that with this increase it was actually costing himself as a citizen an additional \$5.00 in addition what he paid last year. He spoke of a pending

MSBU, which is to keep the people and small businesses from being impacted. He stated his support of the budget and how it services our city.

Councilwoman Hepfer concurred with Councilman McBride and with the unknowns and variables facing us, it would be foolish to go with the roll back rate hoping that things will change. She is supportive of it.

Councilman Ryan agreed this is a necessary evil. It's significantly less than other areas being taxed in the County.

Councilwoman Bega stated that no increase would be her choice, but we have been able to not increase the mill and use the roll-back rate for so many years, with assessments still dropping, she could see why it is necessary.

Mayor Plaisted stated that this was opportunity to continue with our city progress. Maybe with things being up in the air now with the MSBU and the Hospital, maybe next year we could roll it back.

Council President Hinkle asked if there was anyone present who wished to address the council as to any item within the Budget or millage levy.

Gustavo Fonseca, 920 Turner Camp Road, Inverness, and business owner addressed Council. He noted that all spoke to his concerns and appreciates it. He mentioned the fact that HCA will start paying taxes in the near future (2015), and prefers to keep the taxes as they are until that time. He hoped they reconsider what was stated today.

Councilwoman Bega questioned Dr. Fonseca's comment regarding the hospital coming onto the tax roll. Our budget starts October 1, 2014, and if the Hospital is billed this next year those taxes won't come due until November 2015, which will be in the 2016-17 Budget year.

Sophia Fonseco, 920 Turner Camp Road, Inverness, and business owner addressed council listing seven concerns: **1)** She spoke of personnel cost allocations with regard to the Theatre, and the second floor of City Hall being leased, and is undo competition to her business.. **2)** The decline (30% loss) in valuations since 2008, and how it affects all the markets across the line. Not a good time to raise taxes, hurting small businesses and causing vacancies. **3)** Spoke to the increase of Special Event Visitors Bureau, and the road closure and loss of parking creating loss in revenue for downtown merchants, and loss of merchants from the downtown. (Her) Ballroom rentals have gone down because people can't drop off food and equipment to rent the Ballroom. **4)** The Valerie Theatre is allocated in this budget as 4.4% of personnel cost for 2015, and a potential 2.5 million on top of the ½ million grant that the project may cost. She suggested that the City create a public/private enterprise to run these type outlets and have them lease from the City, creating revenue, which makes more sense than the City paying for someone to staff that. **5)** She had concerns with Valerie Theatre rentals, which will become competition for the Old Courthouse and her Ballroom, and will financially impact her business. Auxiliary catering by Valerie Theatre operations will also impact local restaurants and catering companies in the downtown.

6) She spoke to City purchasing properties to fit into a conceptual design and her concern with historic buildings being torn down. It would be better the public or enterprises to

buy those properties and keep them on the tax rolls. 7) She spoke to the Hospital and how it will impact 2016, and hopes the tax will come down. She hears people complaining about how difficult it is to conduct business downtown.

Councilman Hinkle spoke of having staff speak to business' downtown regarding their concern with events and noted the loss of population is a problem throughout the County.

Councilman McBride spoke to how he attends events and how restaurants are packed as well as large groups of people enjoying the events and downtown. We need to get snapshot of businesses that have closed down and are opened to give us a better picture.

Mayor Plaisted noted how we have maintained the budget line pretty well over the years and that we are a fiscally responsible city. Spoke to properties the city is purchasing, past millage rates, and the comment on people leaving the city. We intend to move forward and make it the best we can, and stated that probably next year things will roll back quite a bit.

City Manager DiGiovanni stated that we should not predict next year's budget. We are dealing with pressures for increased cost for fire services, the expansion of the Community Redevelopment Area (CRA), and the materialization of HCA. We need to invest heavily and make changes to protect the investments of the community to remain here. It is difficult to predict what next year is going to look like with all the outside issues you are facing, and what we are spending is not going to remain as it is currently. Staff levels are insufficient and there have been no raises in over 5 years.

President Hinkle advised that proposed budget was developed using the rate of 6.9949 mills. The next motion must be to adopt the tentative millage rate. Any budget amendments may be made after adoption of the tentative millage rate. He asked if there was motion to read the Tentative Mill Levy Resolution by title only.

Councilwoman Ryan motioned to read the Resolution by title only. Seconded by Councilwoman Hepfer. The motion carried.

RESOLUTION 2014 - 21

A RESOLUTION OF THE CITY OF INVERNESS OF CITRUS COUNTY, FLORIDA, ADOPTING THE TENTATIVE LEVYING OF AD VALOREM TAXES FOR THE CITY OF INVERNESS FOR FISCAL YEAR COMMENCING ON OCTOBER 1, 2014 AND ENDING ON SEPTEMBER 30, 2015; AND PROVIDING FOR AN EFFECTIVE DATE.

Councilman McBride moved to adopt the Resolution, tentatively adopting the millage rate. Seconded by Councilwoman Bega. Roll call vote was as follows: Councilman Ryan, yes; Councilwoman Bega, yes; Councilman McBride, yes; Councilwoman Hepfer, yes; President Hinkle, yes. The motion carried

President Hinkle then stated the next item for consideration was the Ordinance to adopt the City Budget for fiscal year 2014/2015. He asked if there was a motion to read the Ordinance by title only. **Councilwoman Hepfer motioned to read the Ordinance by title only. Seconded by Councilman Ryan. The motion carried.**

ORDINANCE NO. 2014-706

AN ORDINANCE OF THE CITY OF INVERNESS, FLORIDA ADOPTING A FINAL BUDGET COMMENCING OCTOBER 1, 2014 AND ENDING SEPTEMBER 30, 2015; PROVIDING FOR PROPOSED EXPENDITURES; PROVIDING TAXABLE VALUES; PROVIDING FOR OPERATIVE FISCAL YEAR; PROVIDING FOR EXPENDITURES DURING FISCAL YEAR AND SUBSEQUENT HOLD OVER FUNDS; PROVIDING FOR AMENDMENTS TO BUDGET; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR EFFECTIVE DATE.

President Hinkle asked if there was a motion to tentatively adopt the Budget Ordinance for 2014-2015 fiscal year as proposed on the first reading. **Councilman McBride motioned to tentatively adopt the Budget Ordinance for 2014/2015 Fiscal year as proposed by roll call vote. Seconded by Councilwoman Bega. Roll call vote was as follows: Roll call vote was as follows: Councilman Ryan, yes; Councilwoman Bega, yes; Councilman McBride, yes; Councilwoman Hepfer, yes; President Hinkle, yes. The motion carried unanimously.**

President Hinkle then stated a final hearing to adopt the budget on final vote is scheduled for Thursday, September 18th, 2014, 5:01pm in the Inverness City Government Center, 212 West Main Street, Inverness, FL.

The meeting adjourned @ 5:34 pm.

City Clerk

Council President