



City of North Port

4970 CITY HALL BLVD
NORTH PORT, FL 34286

Meeting Minutes City Commission Special Meeting

CITY COMMISSIONERS

Jacqueline Moore, Mayor
Rhonda Y. DiFranco, Vice-Mayor
Cheryl Cook, Commissioner
Tom Jones, Commissioner
Linda M. Yates, Commissioner

APPOINTED OFFICIALS

Jonathan R. Lewis, City Manager
Mark Moriarty, City Attorney
Patsy Adkins, Interim City Clerk

Thursday, July 28, 2016

6:00 PM

CITY COMMISSION CHAMBERS

Set Maximum Millage Rate

CALL TO ORDER/ROLL CALL

The North Port City Commission Special Meeting was called to order at 6:00 p.m. in City Chambers by Mayor Moore.

Present: Mayor Moore; Vice-Mayor DiFranco; Commissioner Cook, Commissioner Jones and Commissioner Yates; City Manager Lewis; Assistant City Attorney Slayton; City Clerk Adkins; Recording Secretary Hale and Police Commander King.

The Pledge of Allegiance was led by the Commission.

APPROVAL OF AGENDA – COMMISSION

A motion was made by Commissioner Cook, seconded by Commissioner Jones, to approve the Agenda as presented. The motion carried by the following vote:

Yes: 5 - Mayor Moore, Commissioner Cook, Commissioner Yates, Vice-Mayor DiFranco and Commissioner Jones

- A. [16-0411](#)** Resolution No. 2016-R-20, a Resolution of the City of North Port, Florida, adopting an Economic Stability Policy.

City Clerk Adkins read Resolution No. 2016-R-20 into the record by title only after which City Manager Lewis introduced Finance Director Lear who presented a brief overview of the proposed legislation, which is intended to build reserves to improve the City's bond rating. Public comment was held.

Discussion ensued: (1) following a question, Finance Director Lear reported that Florida Statutes do not state a required amount for the Reserve fund. Government Finance Officers Association puts forth a best practices guideline of 15 - 25% revenue above expenditures, which the City of North Port adopted into a policy. The Solid Waste District Governing Body is at 22%; the Fire Rescue District Governing Body is at 40%; Road and Drainage District Governing Body is at 36% and the General Fund will be at 29% at the end of the Fiscal Year; (2) City Manager Lewis clarified that a Resolution was approved to set minimum and maximum fund balance percentages for certain

funds. The City Commission established a budgetary plan to strategically spend down the fund balance in order to avoid having to reduce services and have a negative impact on the City and is now recommending that the City adopt an Economic Stability Policy to address any reserves above the Fund Balance Policy as well as prepare for the next downturn in the economy; (3) Commissioner Yates: [a] did not support creating another fund into which anything in surplus is allocated; [b] the City has built back up the reserves since the last recession and in all budgets there is now a surplus above the maximum; [c] the City's current policy already has a place for the surplus and therefore, Resolution No. 2016-R-20 is not needed; [d] the surplus could cause an undue burden to residents and should be given back to taxpayers; (4) City Manager Lewis explained the City adopted a Fund Balance Policy that provides a specified reserve fund from which the City could draw without being penalized by the rating agencies; (5) Finance Director Lear reported: [a] the City needed a formal policy that allows planning for more than the next fiscal year, and a designated plan for any amount in excess of the Fund Balance policy; [b] the Sarasota County Property Valuations came in 13.25% higher than last year and only impacts the General Fund side of the City Budget; (6) Mayor Moore articulated concern regarding the perception that the economy is looking better and the City is retaining more surplus funds than necessary.

A motion was made by Commissioner Cook, seconded by Vice-Mayor DiFranco, to approve Resolution No. 2016-R-20 adopting an Economic Stability Policy. The motion carried by the following vote with Mayor Moore and Commissioner Yates dissenting for reasons previously stated:

Yes: 3 - Commissioner Cook, Vice-Mayor DiFranco and Commissioner Jones

No: 2 - Mayor Moore and Commissioner Yates

B. [16-0420](#)

Consideration of 2016 Certification of Taxable Value; Proposed Millage; scheduled dates for budget workshops and public hearings

City Manager Lewis recommended approval of the proposed not-to-exceed millage rate of 3.5974 which is the existing Fiscal Year's millage rate, and explained the rate anticipated additional Commission changes or additions at today's meeting. There was no public comment.

Discussion ensued: (1) Commissioner Cook agreed with the City Manager's recommendation due to the unknown costs for the issues relating to the swimming pool and employee health insurance and cannot support a lower millage rate; (2) City Manager Lewis clarified: [a] that a millage rate of 3.5402 funds today's proposed budget and includes funding for the impinging growth issue and the housing incentive, but does not address employee health insurance; [b] staying with CIGNA instead of UnitedHealthcare creates a shortfall of \$175,000 in either of the not-to-exceed rates.

A motion was made by Commissioner Yates, seconded by Mayor Moore, to authorize the City Manager to sign the 2016 Certification of Taxable Value with the proposed Millage rate amended to 3.5402. The motion carried by the following vote with Commissioner Cook and Commissioner Jones dissenting. Commissioner Cook provided reasons for dissenting and Commissioner Jones did not:

Yes: 3 - Mayor Moore, Commissioner Yates and Vice-Mayor DiFranco

No: 2 - Commissioner Cook and Commissioner Jones

Mayor Moore requested Commission's approval for a letter of support to the annual Sarasota/Manatee Mayor's Feed the Hungry Program.

There was a consensus to send a letter from the Commission endorsing the Mayor's Feed the Hungry Program.

PUBLIC COMMENT:

There was no public comment.

ADJOURNMENT:

Mayor Moore adjourned the Commission Special Meeting at 6:45 p.m.

City of North Port, Florida

By: _____
Jacqueline Moore, Mayor

Attest: _____
Patsy C. Adkins, MMC, City Clerk

Minutes approved at the City Commission Regular Meeting this ____ day of _____, 2016.