

**SPECIAL CALL CITY COUNCIL MINUTES
TUESDAY, SEPTEMBER 6, 2022 5:10 P.M.
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA**

PRESENT: Robbie Brackett, Mayor; Rey Neville, Vice Mayor; Honey Minuse, Councilmember; Bob McCabe, Councilmember and John Cotugno, Councilmember (via GoToMeeting) **Also Present:** Monte Falls, City Manager; John Turner, City Attorney and Tammy Bursick, City Clerk

1. CALL TO ORDER

A) Roll Call

The City Clerk performed the roll call.

Mr. John Turner, City Attorney, noted that Mr. Cotugno was present today via GoToMeeting because of a medical condition. He explained that this is allowed and authorized under Florida Law as long as they have a physical quorum present in the Council Chambers, which they do. He explained that Mr. Cotugno is authorized to appear by GoToMeeting as long as everything that he says can be heard and recorded, and the public can see him. He is allowed to be involved in the discussions and to vote.

2. PUBLIC HEARINGS

A) An Ordinance of the City of Vero Beach, Florida, Providing the Levy of Ad Valorem Taxes for the Fiscal Year 2022-2023 at a Millage Rate of 2.6964 which equates to \$2.6964 per \$1,000 of Assessed Property Value.

The City Clerk read the Ordinance by title only.

Ms. Cindy Lawson, Finance Director, explained that this is the first public hearing to adopt a tentative millage rate and a tentative budget and their final public hearing would be held on September 20, 2022. She said the first issue they are to discuss is the percentage increase in the millage rate over the rolled-back rate that is linked to fund the proposed budget and the reason for that increase. She reported that the proposed budget is funded at a millage rate of 2.6964, which is 19.06% greater than the rolled back rate of 2.2648. She explained that the increased tax revenue is primarily to offset a decrease in the amount of residual cash from the electric utility sale proceeds that was used to balance the General Fund, as well as to fund the 5% increase in salaries and insurance. She explained that the millage rate Ordinance has to be adopted before the budget Ordinance. She noted that the millage rate in the proposed budget is slightly lower than the one they adopted in July. What went out in the TRIM notice was 2.7190 and what is before the Council today is 2.6964.

Vice Mayor Neville said that he did some homework over the past few days and compared the City of Vero Beach to the adjacent neighbors. He showed on the screen the 2022-2023 Ad Valorem Tax Comparison (attached to the original minutes). He noted that the City's millage rate

at the present time of 2.6964, which was prior to the adjustment, was significantly lower than Stuart, Port St. Lucie, and Ft. Pierce. He said there were different circumstances for each community, but the one (1) that is closest to us is Stuart, which is operating at a 5% millage rate and when you add the debt service it is 5.2004 mills. He said what he was trying to point out was that he thinks the City of Vero Beach has done an extraordinary job in being able to maintain a level of service that is adequate while keeping the millage rate significantly lower than their neighbors. He said the City had the referendum on the electric system and it was decided by that referendum that the City should sell it. They understood then and still understand today that they have to have several ways to recover the amount of money that they were receiving from the electric system. One (1) was increasing the value of their properties and the other was raising the millage rate to compensate for the difference. He felt that they have done an exceptional job with having the same millage rate for the past four (4) years, with one (1) year where it went down. He said they are at a point where inflation has reached a significant level. In this budget they are giving a 5% raise to employees, which is vital for their families and he feels this is the right thing to do. He said they made a bargain and are now in the process of living with that bargain. He said to keep Vero/Vero, they are going to have to do certain things and among those is maintaining their facilities. Also, an important aspect of the City is their Police Department, which needs to be cared for and equipped properly. He felt that the millage rate needed to stay at the rate they are proposing.

Mrs. Minuse said that she was in total agreement. She said their law enforcement and City workers are vital in keeping the City as safe and beautiful as it is. She said 5% across the board was absolutely warranted.

Mr. McCabe said they have spent a lot of time reviewing the budget. He thanked Ms. Lawson for her effort and activity that she put into making it clear for them. He is strongly in favor of the proposal.

Mr. Cotugno referred to the Millage Rate Trends that he prepared, which was placed on the doc cam (attached to the original minutes). He reported on the TRIM notices back to 2012 within the County, which included the municipalities of Sebastian, Fellsmere, Indian River Shores, and Vero Beach. What he was applying was where they were relative to the rest of the County; how were they managing the millage rate compared to the other taxing entities. He said the City has done a good job, even after they cut the cord with the electric utility. He said they have a police force that is second to none on the Treasure Coast and the employees are finally getting a salary increase that they deserve. He said compared to the other entities in the County, they have done a good job and now they have to face the reality. He said they could discuss ways to mitigate the millage, but taking into account what Ms. Lawson has said in the past in that what they do now they would have to make up in the next year or the year after.

Mr. McCabe said if they don't raise the millage they would be digging the hole deeper in terms of adequately funding activities of the City.

Mayor Brackett said that he has been a big proponent of staff and all the City employees and they are deserving of what is being offered in the budget. He said that he does not believe in raising taxes unless they absolutely have to.

Mayor Brackett opened the public hearing at 5:25 p.m.

Mr. Brian Heady said the question at hand is how much are the taxpayers going to give the City to spend any way they want. He said they are going to put together a statement that tells them (taxpayers) how they are going to spend it, but it changes throughout the year. He said their treatment of a citizen at their last meeting was deplorable and not one Councilmember was willing speak up and say anything. He said this is about money and how they are going to spend it. If they are going to spend money, at least spend money in a sensible way. It wasn't long ago that the Council gave the City Manager money to spend to bring back a plan for the Three Corners. The City Manager came back with a plan, which was called the Standing Ovation Plan, that the citizens liked, but the Council pulled the rug out from under it and never did much of anything. He said they pay the City Attorney to stop people from speaking and to stop ballot initiatives and those were expenditures that they don't have to have. They are spending money on expanding a Marina that doesn't make money. He said the only way the City Marina could show a profit was if the taxpayers chipped in millions of dollars to pay off their debt.

Mayor Brackett thanked Mr. Heady and asked him to please sit down.

Mr. Heady said that he was not done yet. He said they have an election coming up and if Brian was on the ballot and if Brian was sitting at the dais citizens would not be cut off, they would not be told that their time is up and they would be allowed to speak until they were finished.

Mayor Brackett told Mr. Heady that his time was up.

Mr. Heady said they have three Police Officers in the Chambers who were ready to haul him out because he dared to come to the podium and speak out about their expenditures.

Mayor Brackett asked Mr. Heady to please have a seat.

Mr. Heady said that he was not done yet and he keeps getting interrupted.

At this time, a Police Officer approached and asked if Mr. Heady was out of order.

Mayor Brackett answered yes and Mr. Heady was escorted from the podium.

Mayor Brackett closed the public hearing at 5:33 p.m., with no one else wishing to be heard.

Mr. McCabe made a motion to approve the millage rate that they have talked about for some time and debated about. Vice Mayor Neville seconded the motion.

The City Clerk read Section I and Section II of the Ordinance into the record.

On a roll call vote, the motion passed 4-1 with Mr. Cotugno voting yes, Mr. McCabe yes, Mrs. Minuse yes, Vice Mayor Neville yes, and Mayor Brackett no.

- B) An Ordinance of the City of Vero Beach, Florida, Adopting the Annual Budget of the City for the Fiscal Year beginning October 1, 2022 and Ending September 30, 2023; Appropriating funds for the Operating Expenses, Supplies, and Personnel, and otherwise appropriating funds for the Efficient and Effective Operation of the Government of the City of Vero Beach and its Departments; Such appropriations being from anticipated revenue; providing a means to amend the Annual Budget to carry forward the funding of Purchase Orders, Work Orders, and Grants outstanding as of September 30, 2022; Providing a means to amend the Annual Budget to reflect Grants received after September 30, 2022; and authorizing the Transfer of Funds Appropriated so long as the total combined appropriations shall not be increased thereby; Providing an Effective Date.**

The City Clerk read the Ordinance by title only.

Ms. Lawson reported that there were a few minor changes since their Budget Workshop meeting that was to their benefit. The only real significant change is that they advanced the project for the Vero Beach Community Complex into the next fiscal year. The FMIT Insurance renewal quote was higher than expected, but it was not a lot and they were able to even it out. She said the State one-cent sales tax revenue estimate was a little better, but was still a little less than last year so their Five – Year Capital plan is the same as what they saw at their Budget Workshop meeting. She appreciated all the hard work that everyone did throughout the Workshop meetings to understand staff and for their support of staff.

Mr. Monte Falls, City Manager, thanked Council for their hard work and staff for putting the budget together. He said there were no frills in this budget other than necessities.

Mayor Brackett commended staff and all the Department Heads in putting this budget together. He said there is not a lot of fluff in this budget.

Mayor Brackett opened and closed the public hearing at 5:39 p.m., with no one wishing to be heard.

Mr. McCabe made a motion to approve the budget as proposed. Vice Mayor Neville seconded the motion and it passed 5-0 with Mr. Cotugno voting yes, Mr. McCabe yes, Mrs. Minuse yes, Vice Mayor Neville yes, and Mayor Brackett yes.

3. PUBLIC COMMENT

None

4. ADJOURNMENT

Today's meeting adjourned at 5:40 p.m.

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