



CITY OF BELLE ISLE, FL CITY COUNCIL 2ND BUDGET WORKSHOP & COUNCIL MEETING

Tuesday, August 19, 2025 * 6:00 PM

MINUTES

Present was:

Mayor – Jason Carson
District 1 Commissioner – Frank Vertolli
District 2 Commissioner – Holly Bobrowski
District 3 Commissioner – Karl Shuck
District 4 Commissioner – Bobby Lance
District 5 Commissioner – Beth Lowell
District 6 Commissioner – Stan Smith
District 7 Commissioner – Jim Partin (conf)

Absent was:

1. Call to Order

City Manager Rudometkin called the workshop to order at 6:00 p.m.

City Manager Rudometkin, Attorney Langley, Chief Grimm, DC Millis, Public Works Director Phil Price, and City Clerk Yolanda Quiceno were also present.

City Manager Rudometkin announced that Mayor Carson will be joining the meeting shortly and that Vice Mayor Partin is attending via telephone. He said that since the mayor is not present, he asked for a motion to appoint a Council member who is present to run the meeting.

Comm Smith moved to appoint Comm Beth Lowell.

Comm Lance seconded the motion, which passed unanimously 7:0.

The Clerk confirmed the presence of a quorum.

2. 2nd Budget Discussion FY 2025-2026 – V3.081425

Vice Mayor Lowell opened the Budget presentation and discussion.

City Manager Rudometkin provided the updated draft budget V3.081425 for discussion.

CM Rudometkin said he and some of the Council recently attended the Florida League of Cities (FLC) Conference, where one of the main topics was property tax reform. The handout provided outlines five initial proposals currently being discussed at the state level. Governor DeSantis and his administration are exploring significant changes to Florida's property tax structure, including increasing or replacing the homestead exemption, and possibly eliminating property taxes altogether. The Florida League of Cities strongly opposes eliminating property taxes due to the heavy impact it would have on municipal and county revenues, especially ad valorem taxes, which are vital to cities like Belle Isle. These changes are not expected to reduce funding for local governments. While no decisions have been made yet, something is likely to happen in the upcoming legislative session sometime in January. We'll need to closely monitor how these proposals evolve, as they could significantly impact Belle Isle's financial stability and budget planning.

CM Rudometkin stated the city is facing a potential shortfall in revenue, which may require drastic budget cuts or a significant increase in the ad valorem millage rate if not addressed. Given the ongoing risk of state-level property tax reform, he spoke on the importance of staying ahead of potential financial impacts from the state, including the 0.6 millage rate for fire services, which is for replacing existing services, not adding new ones. The Budget Committee's recommendation stands. He spoke on the changes reflected in the latest draft budget, which include an increase of \$577,000 due to updated actuals, a revised fund balance from \$3 million to \$3.9 million, and an increase in healthcare premiums of nearly 20%. The staff proposes that the city cover the \$11,000 increase in employee premiums to offset the burden, ensuring staff still see the benefit of their 4% COLA. Other Additions are the \$7,000 for migrating Laserfiche records management to the cloud and the \$1,500 to cover costs for hosting an upcoming Tri-County meeting in October.

Mayor Carson joined the meeting.

Comm Vertolli raised concerns about the proposed 19% increase in employee healthcare costs. He acknowledged the importance of supporting staff and providing healthcare, but questioned whether the city is responsible for covering the full increase, especially since there was a recent bump in employee benefits. Comm Vertolli said he is not opposed to helping employees but suggested the city may need to be more cautious with spending, as all costs ultimately come from taxpayers. He said he has a hard time explaining to the residents why we have this surplus that brings us over 25% which he believes is too much. Now we're asking for an increase. Discussion ensued.

Commissioner Lowell asked if the city could go out for bid for new healthcare options. City Manager Rudometkin responded that while it's possible and they are open to exploring alternatives, switching providers can be risky. New plans lack historical data, which may lead to low initial rates but significant increases in the second year. For now, they plan to review options and go out for bid for the following year. CM Rudometkin said that some cities are considering increasing the city's contribution toward dependent coverage as a way to retain employees, especially if budget constraints are tightened due to potential property tax reforms.

Commissioner Bobrowski acknowledged that covering the 19% healthcare increase is a good employee retention tool, but suggested a more balanced approach. She proposed reducing the COLA (cost-of-living adjustment) from 4% to 3%, aligning it with the Social Security increase, to help offset the healthcare cost without significantly impacting the budget. She said that while the Budget Committee focuses on city operations, commissioners are accountable to the citizens and must be cautious with tax-funded expenditures, especially if a millage rate increase is being considered. She said she was seen as nitpicking for scrutiny of small expenses, noting that even minor savings matter to taxpayers and reflect real-life impacts. She supports healthcare coverage but would like to see a more conservative budget approach.

CM Rudometkin explained that the city has been fiscally conservative, budgeting revenue cautiously and often ending the year with surpluses, which are returned to the unrestricted fund balance. This approach helps avoid annual millage increases, unlike other municipalities that raise rates yearly to cover rising costs. He said that maintaining a 20–25% unrestricted fund balance is not excessive, especially considering unexpected expenses like the \$650,000 fire services increase from Orange County, which the city had to cover from savings. While he understands resident concerns, he emphasized that maintaining a healthy reserve provides financial flexibility for future capital improvement projects and emergencies.

Maor Carson said the city needs to stop delaying essential infrastructure projects, particularly road paving, citing repeated concerns from residents in deteriorating neighborhoods. He acknowledged the importance of being sensitive to taxpayers; however, he stressed that putting off capital improvements only makes them more expensive over time. He said that investing in infrastructure like roads and sidewalks not only benefits residents but is necessary to maintain the city's livability and safety. He noted that without external funding like ARPA or a willingness to consider modest increases, the city risks falling behind on essential needs. He further expressed support for the residents and the importance of being proactive in the city's needs.

Vice Mayor Partin said it is challenging to decide on a tax increase, but believes some level of increase is necessary, especially after not raising rates for over 16 years, which was a disservice to the people because now we are trying to make up for something that we just got hit out of nowhere. He agreed that the changes were housekeeping updates and thanked staff for clarifying his questions.

Comm Lance noted that he believes the city needs to increase somewhat until we see what the State is going to do, then we can readdress next year and be ready and go a little further. However, he does not want to be the city that increases its budget every year.

Comm Smith thanked the Budget Committee and city staff for their hard work, noting that revenues have exceeded expectations. However, he acknowledged that the city has done a disservice by not gradually increasing rates over time, which has now put them in a difficult financial position. While he is unsure if a 5–6% increase is the right number, he supports some level of increase, warning that continued delays will eventually require a much larger hike at a worse time. Despite being on a fixed income, he is willing to contribute more for the long-term benefit of the city.

Discussion ensued, and CM Rudometkin said the city's fire service costs have increased significantly, rising from \$1.6 million five years ago to nearly \$3 million now, an increase of about \$1.3 million. This increase is tied to the city's appraised property values and represents a substantial growth in expenses over the past several years.

In conclusion, Mayor Carson asked Council to have an open discussion and seek consensus before the first public hearing on September 16, which will help streamline the process and avoid delays; Council consensus was between 4.78 and 5.0. CM Rudometkin said the current proposed budget is based on a 5.000 millage rate, which provides the necessary revenue to replace the fire increase. Any reduction below this rate would result in a revenue shortfall that our unrestricted fund balance must cover and could impact our budget moving forward. He noted that at the second budget hearing, the final millage rate and budget do require a unanimous vote. Council discussed that they do not believe it is necessary to send this matter back to the Budget Committee.

3. Adjournment of Budget Workshop

There being no further business, Mayor Carson called for a motion to adjourn the Budget Workshop, which passed unanimously at 6:57 pm.

1. Call to Order

Mayor Carson called the meeting to order at 7:00 p.m., and the Clerk confirmed the presence of a quorum. City Manager Rudometkin, Chief Travis Grimm, Attorney Langley, DC Millis, Public Works Director Phil Price, and City Clerk Yolanda Quiceno were also present.

2. Invocation and Pledge to Flag

Comm Vertolli gave the Invocation and led the Pledge to the Flag.

3. Public Comments & Announcements - na

4. Presentations

The Mayor opened for presentation by Tammy Campbell from McDirmit Davis on the FY2024/2025 Financial report. Ms. Campbell provided a summary of the Fiscal Year 2024/2025 Financial Statement Audit. She reported that the audit resulted in an unmodified opinion, indicating that the financial statements present fairly, in all material respects, the financial position of the entity. She reviewed the Report on Internal Control and Compliance as well as the Management Letter, noting that no current-year management comments were issued, and a new disclosure required by state regulations regarding PACE programs was included in the Management Letter. Ms. Campbell also gave a brief overview of the City's compliance with Florida Statutes on investment practices and summarized the required communications from the auditors. She concluded by stating that no issues were identified during audit testing.

5. Consent Items

- A. Approval of the City Council Meeting Minutes – August 5, 2025
- B. Approval of McDirmit Davis Engagement Letter – September 30, 2025
- C. July 2025 Monthly Reports

Mayor Carson called for a motion to approve the consent items

Comm Vertolli moved to approve items A and C as presented.

Comm Lance seconded the motion, which passed unanimously 7:0.

6. Unfinished Business

a. 3904 Arajo Condemnation Update

City Manager Rudometkin provided an update regarding the property 3904 Arajo Court, which is currently under consideration for condemnation due to ongoing maintenance and code compliance issues. CM Rudometkin reported that no significant progress has been made on the property. The lawn remains overgrown, and the roof is still in poor condition. He has made multiple outreach attempts to involved parties, including Jeff Giles, Bernard, a volunteer assisting with yard maintenance. Ms. Lizar, the property owner, was reached by phone and shared that she is experiencing personal and financial hardships, including a reported theft from her bank account and difficulties accessing retirement funds. She attempted to pay \$2,700 in property taxes, but the payment was returned because it was insufficient. The total amount owed, including penalties and fees, is estimated at \$7,000–\$8,000. She expressed concern that the property might be subject to demolition due to a potential tax lien sale; however, CM Rudometkin clarified that the City's condemnation process remains in place and is not being overridden. Ms. Lizar has committed to attending the September 2, 2025, Council meeting to address the Council directly. CM Rudometkin requested that the Council postpone further action for two weeks to allow the owner the opportunity to appear and present her plans. City Council shared their concerns with safety liability and time already granted to the homeowner.

After discussion, Council made a consensus vote as requested, which passed 6:1 with Comm Shuck nay.

7. New Business

a. Discussion on Potential Cost Savings to Align Belle Isle Elections with Orange County

City Manager Rudometkin opened the discussion on the potential for aligning Belle Isle's municipal elections with Orange County's election cycle, primarily as a cost-savings. He thanked the City Clerk for providing background research and distributed information to Council in advance. Currently, Belle Isle holds and funds its own municipal elections. For this year, the City budgeted \$30,000 for elections. While the actual cost was lower last year due to the use of only one polling place, costs could increase in the future. Aligning Orange County could reduce or eliminate many expenses, as the County would provide election machines, staff, and polling locations. However, several important challenges and considerations were discussed, including aligning with the County would require changes to the City Charter, including the timing of elections and the term lengths from three years and staggered to four-year terms and non-staggered elections; Redistricting impact to realign voting precincts with those used by Orange County; Ballot placement and turnout concerns. Some council members pointed out that Belle Isle voter turnout is already low, and those who do vote tend to be informed and engaged, regardless of ballot position. Some members supported moving forward to avoid increasing election costs in future years; however, discussion ensued on the caution that Orange County could later introduce charges for administering municipal elections, negating any initial savings. Currently, three-year terms are difficult to fill; longer commitments may further discourage candidates from applying. Council discussed achieving long-term savings, suggesting the City "pull the band-aid off" now and make the change despite the initial effort required, and in opposition, that the benefits do not outweigh the downsides, citing the need for charter changes, potential costs from the County, and reduced local control. Following the discussion, the City Manager recommended that, before significant time and resources are invested into further research, the Council take a formal vote to determine whether there is consensus to pursue the alignment initiative further.

After discussion, Comm Lance moved that this may be revisited in the future, but would like to be prudent and leave the election cycle as it is currently.

Comm Smith seconded the motion, which passed 6:1 with Comm Bobrowski, nay.

b. Discussion on Reducing the Number of Voting Memembrs from 7 to 5 Commissioners

City Manager Rudometkin introduced the discussion requested by Commissioner Bobrowski, regarding a potential charter amendment to reduce the number of city commissioners from seven to five. Staff outlined procedural requirements, including legal review, redistricting, public notification, and a voter referendum. City Attorney Langley explained that any change would need to take effect after April 2027 to avoid shortening current commissioners' terms. Commissioner Bobrowski supported the reduction, citing low civic participation, potential cost savings, and the desire for broader candidate eligibility. She also suggested switching to at-large representation rather than district-based seats. Commissioners Smith, Lance, and Vertolli expressed concerns about losing geographic representation due to the city's unique layout. They noted that seven commissioners offer broader perspectives and oversight, with the necessary additional cost.

Council members discussed pros and cons, including voter turnout, representation, cost savings, and administrative impacts. The City Manager requested direction from Council on whether staff should develop a more detailed plan for potential consideration.

After discussion, Comm Smith moved to leave the districts as it is currently.

Comm Lance seconded the motion, which passed 6:1 with Comm Bobrowski, nay.

8. Attorney's Report

Attorney Langley provided an update on the ongoing Quevedo litigation, noting that two related cases remain pending. The matter stems from a denied lot split application, which led to multiple filings by the petitioner. The City filed motions to dismiss each time, and the courts have rejected all complaints to date, with some granted leave to amend. The petitioner has also filed a second lawsuit in the same county, which is likely to be dismissed. The appellate court previously agreed with the City's position, indicating that the petitioner's legal approach was improper and that the appropriate remedy would be through an appeal. No proper appeal has yet been filed, and the case remains open. Commissioner Partin questioned whether the repeated filings were to pressure the City and if we were able to recover attorney fees. The City Attorney declined to speculate on motive but confirmed the litigation has not advanced substantively. Attorney Langley said this type of lawsuit does not allow for recovery of attorney's fees by either party.

9. City Manager's Report

a. City Manager's Report

City Manager Rudometkin provided the City Manager Work Plan. He thanked the Council for their support during his leave of absence. He reported that he continues to discuss with KPMG the Hurricane Ian reimbursement, stating they are still requesting new documentation. He is working with the City Attorney to update a contract for the Lancaster House lease and

continues discussions with our Lobbyists, Gray Robinson, on contract renewal. The staff will be re-submitting the grant to Governor Soto's office.

b. Chief's Report

Chief Grimm provided and reported the agency's Stats. He noted the following,

- 90 boating citations, 1 Baker Act, five parking violations, 72 traffic warnings, 262 traffic citations, eight trespassing reports, and 27 supplemental reports.

c. Public Works Report

Phil Price reported the following,

- Provided a brief update on Public Works activities, including sidewalk repairs and hurricane prep
- Spoke with HOA regarding Lake Conway Lift Station project starting September 1.

10. Mayor's Report

Mayor Carson provided an update on the Florida League of Cities (FLC) Annual Conference, noting that the sessions covered a range of topics, including regulation of e-bikes and scooters, with many cities seeking effective solutions. Some smaller municipalities are shifting funding from lobbying to grant writing to better secure project funding, including a course at UCF, to help support potential city initiatives.

11. Commissioners' Report

- Commissioner Smith and Comm Vertolli also spoke of the FLC Annual conference and shared that other cities are struggling with volunteers on the commission and boards.
- Council thanked their fellow commissioners and staff for their appreciation of being able to work together.

12. Adjournment

There being no further business, Mayor Carson called for a motion to adjourn the meeting, which passed unanimously at 8:00 pm.