

BUDGET COMMITTEE MEETING MINUTES

3/14/2025 at 3:00 pm

Budget Committee Members Present

Nash Shook, Chairman

Nate Davenport, Jackie Hoevenaar, Kirk Leff, John Evertsen

Absent

Kevin Pierre

Also present: City Manager Rick Rudometkin, Finance Technician Heidi Peacock, Chief of Police Travis Grim

1. Call to Order and Confirmation of Quorum

Committee Member Shook called the meeting to order at 3:06pm

Finance Technician Heidi Peacock confirmed a quorum

- 2. Citizen Comments** – no citizen comments; Committee Member Shook made a statement that the Budget Committee’s job is to make recommendations to the Council based on the information provided. And if there isn’t enough information available, it is the committee’s responsibility to request or acquire more.

3. Approval of Minutes – January 17th, 2025

City Manager Rick Rudometkin stated that the minutes had already been approved at the previous meeting

4. Agenda Items

a. Discussion on Millage Increases

- City Manager Rudometkin stated that the main point of the millage increase is to replace the \$630,000 increase from the fire department.
- A Millage Rate Comparison form was provided. The current millage rate is 4.4018, the Comparison breaks down the Ad Valorem Revenue by incremental increases of 0.10-1.5 mil to the millage rate, as well as the vote required for each increase
- City Manager Rudometkin used an example of the 0.5982 mil increase. This increase would raise the millage rate to an even 5.000. Based on approximate budget values, the budgeted Ad Valorem Revenue would increase from the current \$4,639,731 to \$5,270,266 in 2025-2026. Thus, producing approximately \$630,000 in additional revenue, which would cover the Orange County Fire Department increase of approximately \$622,000
- City Manager Rudometkin suggested that this increase could be too high and the 0.50 mil increase may be the better option. It would increase the Ad Valorem by approximately \$527,000, which doesn’t cover the OC Fire Department increase, but is better for the residents.
- Committee Member Leff questioned what the 2023-2024 Ad Valorem revenue was to compare to the 2024-2025 Ad Valorem. The 2023-2024 actual was \$4,079,655. The original budgeted revenue was \$4,372,891, the current is \$4,639,731, a difference of \$266,840 due to an increase in Orange County appraised values. This amount covers annual cost increases.
- Committee Member Evertsen suggested to make the fire increase a separate line item on the tax bill.
- Committee Member Evertsen also suggested adding Belle Isle Police Department as a separate line item on the tax bill for transparency. Committee Member Leff thought it to be too much to break out both and another taxing authority can’t be created. However, the Fire Department separation would be acceptable. Committee Member Davenport agreed that only the Fire Department should be a separate line item.
- City Manager Rudometkin reminded the Committee that the 25% reserve has a deficit of 5% and is currently at 20% due to unforeseen hurricane costs that have not been reimbursed. The reserve could remain at 20% and allow the 5% to be put into the General Fund.

- City Manager Rudometkin stated that the millage rate increase would not provide additional revenue for CIP.
 - Chief of Police Travis Grimm spoke of his trip to Tallahassee during Session to highlight the City of Belle Isle to representatives to assist with acquiring future appropriations. The trip will be attended annually.
- b. Discussion on Revenue Stream Options
- Nothing was discussed, except for the possibility of acquiring grants from the State.
- c. Discussion on Storm Water Fee Increase
- City Manager Rudometkin gave a reminder that the previous 5-year agreement was for a \$5 per household increase each year for a 5-yr period. The 5-yr period is ending. The current rate is \$140 per ERU
 - A stormwater rate study will be completed in April 2025 to determine the percentage of the current rate. Since the study results have not been provided, there are tentative options that can be considered to move forward.
 - There is a current Stormwater Fund deficit of \$147,000. To correct the deficit, the idea could be an increase of \$4/month, which would be approximately \$50/yr.
 - City Manager Rudometkin suggested a tentative incremental increase option for council to consider – for example, there would be an increase to \$190 per ERU, which is the approximate \$4/month. This \$50 increase would be implemented for the next 2 years. Then, depending on the study results, there could be a hold for Year 3, then another increase in Years 4 & 5 to avoid overburdening the residents.
 - Every \$50 equals approximately \$160,000 for stormwater improvements
 - The plan can cover anything with drainage
- d. Road Show to Residents
- City Manager Rudometkin Manager Rick Rudometkin stated that the Road Shows will be scheduled in the next few months to inform residents of the possible millage rate increase and allow residents to ask questions or state any concerns. They will be simple and consist of information about the Millage Rate Comparison, the Stormwater deficit, the rate study, details of expenditures, and CIP flyer
 - Committee Member Shook suggested to emphasize that taxes haven't been raised
 - District 6 Road Show will be March 22nd by Committee Member Shook. Committee members are welcome to attend and assist with informing the community
- e. Audit Committee Information and Schedule First Meeting
- The Financial Audit contract is expiring
 - RFP is in progress
 - Committee Member Davenport stated there could be a possible rate increase from auditors

Committee Member Pierre was absent from the meeting

Committee Member Hoevenaar made a motion to excuse the absences of Committee Member Pierre

Committee Member Leff seconded the motion, which passed unanimously

5. Adjournment

Committee member Evertsen made a motion to adjourn the meeting, which was seconded by Committee member Davenport, and the meeting unanimously adjourned at 4:14pm