City Council held a Budget Workshop on August 10, 2026 at 4:30 PM in the Council Chambers of City Hall and Via GoToMeeting (646) 749-3122 - Access Code: 855-960-693. Council President Steven F. Spina, Ph.D., called the meeting to order at 4:33 PM

Roll call was taken. Present were members Lance Smith, Kenneth Burgess, Charles Proctor, Jodi Wilkeson, Steven Spina and Mayor Melonie Bahr Monson. City Manager William Poe was also present. City Attorney Matthew Maggard arrived at 5:11 PM.

Staff present: Chief of Police Derek Brewer, Public Works Director Shane LeBlanc, Building Official Kalvin Switzer, Code Enforcement Officer Joel Bacon, Airport Manager Nathan Coleman, Library Director Peggy Panak, CRA Director Gail Hamilton, Human Resources & Risk Management Director Sandra Amerson, Utilities Director John Bostic Ill, Water Superintendent CJ Funnel, Water Operator A Eric Martin, Planning Director Rodney Corriveau, Historic Preservation Specialist Will McCaw, GIS/Community Planner Hansel Rodriguez, Finance Director Ted Beason, Assistant Finance Director Jessica Carter, Public Information Officer Kevin Weiss, IT System Administrator Barry Lilly, IT Specialist Tony Burns, Assistant City Clerk Eileen Mercado and City Clerk Ricardo Quiñones.

1. BUDGET WORKSHOP ITEMS

1. FY 2027 Draft Budget

City Manager William Poe presented the proposed Fiscal Year 2026-2027 budget and noted that responses to Council's previously submitted questions were included in the meeting packet. Discussion focused on the City's revenue assumptions, reserves, capital projects, personnel requests, and items requiring additional Council direction.

Property Values, Millage and Reserves

Staff reviewed a projected taxable value of approximately $1.8 billion and a tentative millage rate of 6.2375 mills, representing the rollback rate previously approved by Council. The proposed rate was projected to generate approximately $10.9 million in ad valorem revenue. Council also reviewed assigned and unassigned reserves, including approximately $16.4 million in unassigned reserves, and noted that the proposed budget maintained reserves above the City's 25 percent policy requirement.

Revenue Projections

Because the State had not yet released its annual revenue estimates, Finance used current collection trends to project several shared revenues. Council discussed anticipated declines in gas tax and Penny for Pasco revenues, including the long-term effect of electric vehicles on fuel-tax collections.

Library

Council reviewed funding for library materials and clarified that purchases are supported through both the General Fund and a separate Library Reserve funded by donations. Council also noted the Library's strong results in the recent citizen satisfaction survey and discussed continued promotion of library programs and services.

Zephyr Park and Alice Hall

City Manager Poe reviewed the Zephyr Park redevelopment budget, including approximately $19.3 million for park improvements and $5 million designated for Alice Hall, and advised that current construction estimates exceeded available funding. Funding sources included bond proceeds, CRA funding, state appropriations, ARPA interest, impact fees, and Recreation Reserve funds.

Council expressed concern with the escalation in project costs and emphasized that improvements to Alice Hall should not be eliminated or indefinitely delayed to fund additional park amenities. Discussion centered on reducing scope, phasing improvements, prioritizing stormwater work, and removing higher-cost features where appropriate. Staff explained that flooding associated with Hurricane Milton added significant stormwater needs that were not contemplated in the original project scope and that the plans were approximately 65 percent complete.

Council requested a dedicated workshop with the design consultants to review revised plans, updated cost estimates, proposed reductions, visual renderings, and the future of Alice Hall before final project decisions are made.

CAPITAL IMPROVEMENT PROGRAM

Stormwater

Staff reviewed proposed stormwater capital projects, including development of recently acquired pond sites, drainage improvements, and system maintenance. Council emphasized that stormwater should remain a priority because of repeated flooding impacts and agreed that grant opportunities should be pursued without relying on outside funding as the sole means of completing critical projects.

Transportation and Roadways

Council reviewed roadway, resurfacing, sidewalk, and transportation projects funded through a combination of grants, impact fees, and transportation revenues. Discussion emphasized directing available funding toward projects with the greatest public benefit and safety impact.

Utilities

Staff reviewed planned water, wastewater, and reclaimed-water capital improvements needed for system reliability, regulatory compliance, infrastructure replacement, and future service demands. Council discussed monitoring project costs and potential rate impacts while continuing necessary investment in the utility systems.

Gateway and Economic Development

Council reviewed Gateway District and other economic development projects intended to support commercial investment, improve infrastructure, and enhance major entrances into the City. Discussion also included continued CRA investment in downtown redevelopment.

PERSONNEL AND OPERATING REQUESTS

Staffing and Engineering

Council reviewed proposed personnel requests and the operational need for additional positions. Council asked staff to consider workload, existing staffing capacity, and long-term financial impacts before adding positions. Particular discussion was given to Engineering, where the volume of capital projects has increased demands for project oversight, consultant coordination, and construction management.

Compensation and Recruitment

Council discussed employee recruitment and retention and the need to remain competitive with surrounding local governments. Staff reviewed compensation assumptions in the proposed budget, and Council supported continued use of market comparisons when evaluating future compensation needs.

Marketing and Communications

Council reviewed proposed marketing and communications expenditures and discussed whether certain promotional costs could be reduced or deferred while maintaining effective public outreach. Staff was asked to identify potential savings for consideration in the next budget revision.

OTHER BUDGET ITEMS

Fleet and Information Technology

Council reviewed planned vehicle and equipment replacements and discussed extending useful life where practical without creating excessive maintenance costs or service disruptions. The Information Technology budget included continued investment in cybersecurity, software, hardware replacement, and network infrastructure necessary to maintain secure and reliable City operations.

Recreation and Community Services

Staff reviewed recreation funding, including the Free Summer Recreation Program, special events, and park maintenance. Council recognized the value of these programs and discussed continuing to leverage partnerships and sponsorships where possible.

Long-Term Financial Planning

Council discussed maintaining adequate reserves and a sustainable budget while continuing investment in infrastructure and public services. Potential statewide changes to property taxes remained a significant concern because of the possible effect on future municipal revenues. Staff advised that the budget was prepared conservatively and could be adjusted as additional state revenue and legislative information became available.

COUNCIL DIRECTION TO STAFF

Following discussion, Council provided the following direction for continued development of the Fiscal Year 2026-2027 budget:

- Continue refining the Zephyr Park project and return with updated cost estimates and design options.
- Schedule a dedicated workshop to review revised Zephyr Park plans and the future of Alice Hall.
- Review proposed staffing requests and provide additional justification where appropriate.
- Identify opportunities to reduce the proposed marketing and communications budget.
- Continue prioritizing stormwater and other critical infrastructure while maintaining long-term fiscal sustainability.

- Prepare updated budget information reflecting Council's discussion for consideration during subsequent budget meetings and hearings.

CITIZEN COMMENTS - NONE

The meeting was adjourned at 6:02 PM.
Submitted by Ricardo Quiñones