LONGWOOD CITY COMMISSION
Longwood City Commission Chambers
175 West Warren Avenue
Longwood, Florida

WORK SESSION MINUTES
June 17, 2026
1:00 PM

Present:

Mayor Tony Boni
Deputy Mayor Abby Shoemaker
Commissioner Brian D. Sackett
Commissioner Matthew McMillan
Commissioner Matt Morgan
Dan Langley, City Attorney
William Watts, City Manager
Liane Cartagena, City Clerk
David Dowda, Police Chief
Troy Feist, Fire Chief
Dustin Woolbright, Financial Services Director
Chris Kintner, Community Development Director
Chris Capizzi, Leisure Services Director
Shad Smith, Public Works Director
Magdala Ridore, Human Resources Director
Craig Dunn, Information Technology Director
Cuong Tran, Finance Operations & Budget Manager
Carlos Escobar, Purchasing Manager
Matthew Hockenberry, Deputy Public Works Director
Jammie Tackett, Utilities Division Manager
Deputy Police Chief Adam Bryant
Deputy Fire Chief Brian Amberg
Jacqueline Aubrey, Community & Media Relations Manager

1. **CALL TO ORDER.** Mayor Boni called the meeting to order at 1:01 p.m.

Commissioner Morgan moved to suspend the rules. Seconded by Deputy Mayor Shoemaker and carried by a unanimous voice vote.

2. **ITEMS FOR DISCUSSION**

A. Discuss funding strategies towards the development of the FY2026-2027 budget.

Mr. Watts provided an overview of the workshop's purpose, which was to review the City's financial position, discuss millage rate options for FY 2026-2027, review financial reserve levels, and evaluate the impacts of state legislative proposals on the City's fiscal sustainability. He clarified that the workshop's focus was on the General Fund, which is primarily funded by property taxes, and not on enterprise or utility funds. He reported that staff adjustments to the proposed budget project the General Fund reserve to increase from approximately 14% to nearly 17%, approaching the City's target. He noted this was the second consecutive year department directors were asked to reduce their budgets, and they had done so while maintaining current service levels. He stated that further cuts would likely reduce service levels.

Mr. Woolbright presented the financial outlook. He explained that initial department budget requests resulted in a projected fund balance reserve of approximately 13%. Following a request for cost-cutting measures, department directors identified approximately $670,000 in expense reductions and $23,500 in additional revenues. These adjustments increased the projected fund balance reserve for FY 2026-2027 to 15.8%. He noted this was still short of the City's 17% policy goal, creating a 1.2% gap that required Commission direction. In response to a question from the

Mayor, Mr. Woolbright confirmed that the staff-adjusted budget projected a deficit of approximately $240,000, with expenses of $27.38 million exceeding revenues of $27.14 million.

City staff presented a detailed analysis of the upcoming fiscal year budget, focusing on millage rate scenarios and their impact on the City's fund balance and ability to fund Capital Improvement Projects (CIP). Finance staff explained the implications of pending state legislation (SB 4-F) that would alter the voting requirements for adopting millage rates. Under the proposed law, any rate above the rollback rate would require a supermajority (4-1) vote from the Commission, and rates exceeding 110% of the rollback rate would require a unanimous vote or public referendum. Staff presented three scenarios based on the previous year's 5.1489 rollback rate:

1. **Adopt Rollback Rate (5.1489):** This would result in a projected fund balance of 12.9%, falling below the City's internal policy of maintaining a 17% fund balance.
2. **Adopt Millage Rate of 5.648:** This would achieve the 17% fund balance target and would require a supermajority vote.
3. **Adopt Millage Rate of 5.960:** This would provide a fund balance cushion at 19.8% and would require a unanimous vote or referendum.

It was noted that if the fund balance drops below the 17% policy level, the Commission is required to adopt a plan to replenish it. The last millage rate increase occurred between 2011 and 2013. The presented scenarios include a proposed 4% salary increase for all City employees but do not include funding for new CIP (Capital Improvement Program) items.

Commission Deliberation and Strategic Discussion
The Commission engaged in a detailed discussion regarding the City's budget, potential revenue shortfalls, and strategies to address financial challenges, particularly in light of a proposed statewide constitutional amendment affecting property taxes. Key discussion points included:

- **Financial Projections:** Staff presented figures indicating that a $2 million loan for capital projects would result in annual payments of approximately $250,000 over a ten-year term. It was noted that if the proposed property tax amendment passes, the City's fund balance reserves are projected to decrease to 9.8% in the next fiscal year and to 6.3% by 2028, which is significantly below the City's 17% benchmark. This projection does not account for any potential millage rate increases in the current year.
- **Cost-Saving and Revenue Options:** Mr. Watts outlined current and future cost-saving measures, including evaluating every open staff position, considering reductions in non-essential services such as community events, and exploring new revenue sources. The City is evaluating impact fees, with results expected in the next fiscal year, as state law permits a review only every four years. Other potential revenue options discussed included special assessments for services like fire, solid waste, and streetlights. A police assessment was noted as legally risky based on case law.
- **Impact of Proposed Constitutional Amendment:** A significant portion of the discussion centered on the strategic implications of the upcoming statewide vote on a new homestead exemption. Commissioner McMillan advocated for a cautious approach, suggesting the City should use its reserves to manage any temporary shortfall and wait for the election's outcome before considering a millage rate increase. He argued that raising taxes now could influence voters to approve the amendment and create confusion, as the full impact on taxpayers would be unclear. He stressed the importance of allowing residents to make an

informed decision and for municipal leaders to engage with state representatives about how potential state-level revenue gaps would be filled.

- **Commission Deliberation on Millage Rate:** Commissioners discussed maintaining the current millage rate while utilizing reserves in the short term, citing uncertainty surrounding the proposed constitutional amendment affecting property taxes. Several Commissioners expressed concern about making significant tax decisions before voters have the opportunity to decide the issue in November.

Direction to Staff

The Commission held a budget strategy workshop and provided direction to staff on multiple items:

- **Fund Balance Policy:** Direction favored temporarily drawing down reserves to approximately 15.8% to maintain operations. Staff was asked to provide guidance on the process to change the fund balance target by resolution.
- **Capital Improvement Financing:** Commissioners discussed utilizing a loan to fund capital improvement program (CIP) projects.
- **Assessments and Revenue Options:** Commissioners requested that each department identify potential fee or assessment increases. Staff reported that establishing a fire assessment for the next fiscal year is feasible but time-constrained, with a tentative data deadline of September 1. The City had engaged legal counsel and a consultant, with a meeting scheduled for Friday, June 20, 2026, to advance the fire assessment.
- **Operational Efficiency:** Commissioners reiterated the requirement to demonstrate internal cost reductions prior to seeking additional revenues. Staff affirmed ongoing efforts to cut expenses.
- **Inflationary Pressures:** Fire Chief Feist reported that costs for specialized equipment have risen faster than ad valorem revenue growth. The Commission noted the projected cost for Fire Station 15 had increased from approximately $4.5 million to about $9.8 million.
- **Labor Contracts:** Mr. Watts highlighted pending police union contract negotiations and anticipated fire union negotiations for the next fiscal year.

Unfunded Capital Improvement Projects (CIP)

Staff presented a list of critical, unfunded CIP items deferred from the previous fiscal year, totaling approximately $1.8 million, excluding Fire Station 15 which has a separate funding plan. Key projects included:

- **Fire Rescue Vehicle Replacement ($400,000):** For a new ambulance. Fire Chief Feist explained that sourcing from a different manufacturer reduced the cost from an initial $550,000 quote. He noted that due to manufacturing delays, a vehicle ordered in October 2026 would not arrive until late 2028, by which time the vehicle it is replacing will be 8-9 years old.
- **Police Vehicle Replacement ($350,000):** For approximately six vehicles. Police Chief Dowda stated the take-home vehicle program extends vehicle life and that leasing patrol vehicles was found to be cost-prohibitive.
- **Police Laptop Computers ($245,000):** To replace outdated in-car laptops, which pose an officer safety risk. Chief Dowda noted the quote for these computers increased by $36,000 in one year. IT Director Craig Dunn explained that the rapid price increase is driven by global demand for components from AI data centers.

Staff advised that financing the $1.8 million in CIP items through a loan was an option. Staff also presented the City's five-year CIP list, totaling just over $1.6 million for the current year and approximately $12.234 million over five years, excluding major public safety facilities to be addressed by a separate General Obligation (Geo) bond referendum. Staff noted that if the proposed public safety General Obligation Bond referendum is approved by voters, approximately $4.5 million currently reserved for Fire Station 15 could potentially be redirected to other capital needs, significantly improving the City's financial position.

Lewis House Project Discussion
Mr. Watts initiated a discussion regarding the Lewis House relocation project, noting the budgeted $150,000 and the likelihood of costs exceeding this amount. Staff presented an alternative relocation site at Magnolia Park, which would offer cost savings on utilities but require the permanent removal of an underutilized playground.

Commissioners discussed the proposal, with Mayor Boni expressing frustration with the project's long history and financial implications. Mr. Kintner clarified that the project would likely be a reconstruction, not a rehabilitation, as little of the original structure is salvageable. A consensus was reached to abandon the plan to move the Lewis House to Reiter Park due to high costs. Staff was directed to evaluate the feasibility and total cost of relocating and reconstructing the house at Magnolia Park and to return with a definitive plan for a final decision. The discussion also revisited an earlier proposal to create a commemorative gazebo using salvaged materials, with staff directed to bring back information on that option as well. It was noted a prior Commission had made a commitment to care for the structure.

No formal motions or votes were recorded for these items.

Mr. Watts summarized direction received: (1) proceed with plans to draw down fund reserves to maintain operations; (2) evaluate loan options for CIP funding; and (3) develop assessments, including a fire assessment, subject to statutory and timing requirements. He reported active engagement with legal counsel and a consultant, with a meeting scheduled for Friday, June 20, 2026, regarding the fire assessment. He noted ongoing police union negotiations and anticipated fire union negotiations next fiscal year. He also introduced the Lewis House project update and associated constraints.

3. **ADJOURN.** Mayor Boni adjourned the meeting at 2:43 pm.

Minutes approved by City Commission: July 20, 2026.

SEAL

Tony Boni

Tony Boni, Mayor

ATTEST:

Liane Cartagena, City Clerk