

CITY OF CLEWISTON
Special Commission Meeting
September 7, 2021

The City of Clewiston City Commission held a Special Commission Meeting in the City Hall Commission Chambers on Tuesday, September 7, 2021. The meeting was called to order at 5:00 p.m. by Mayor Petersen. Mayor Petersen led the audience in the Lord's Prayer and the Pledge of Allegiance.

Commissioners Present: Mayor Kristine Petersen, Vice Mayor Greg Thompson, Commissioner Hillary Hyslope and Commissioner James Pittman. Commissioner Mali Gardner was absent.

Personnel Present: City Manager Randy Martin, City Clerk Kathy Combass, Finance Director Shari Howell, Fire Chief Travis Reese and Interim Police Chief Tom Lewis. City Attorney Gary Brandenburg attended via telephone.

Visitors Present: Kevin McCarthy

Additions/Deletions/Changes and Approval of the Agenda

Commissioner Hyslope made a motion, seconded by Commissioner Pittman, to approve the agenda. Vote 4 yeas, 0 nays (Commissioner Gardner was absent.)

Public Comments - none

- 1. Ordinance No. 2021-04 – First Reading** – Ordinance No. 2021-04 levies and imposes upon all insurers, now or hereafter engaging in or carrying on the business of insuring with respect to property insurance, an excise or license tax in addition to any tax now levied, of 1.85% of the gross amount of receipts of all premiums collected from property insurance policies insuring property within the corporate limits of the City of Clewiston and provides when said tax shall be due and payable.

Mayor Petersen summarized and read Ordinance No. 2021-04 by title. Manager Martin reported that Fire Chief Travis Reese contacted the State today and is prepared to summarize the information he received. Chief Reese explained that a statewide tax of 1.85% is levied by Florida Statute and this ordinance, if approved, will allow the City to tax and receive that same amount. The amount collected within the City's corporate limits by the insurance companies will continue to be submitted to the State, but then when the City meets the criteria, the State will remit the money to the City instead of retaining it. He clarified that this is not an additional tax on the community or any citizen; it is a tax that is collected statewide and the City would be giving notice that the City would now like to share in the money collected by the State for use as a benefit to local firefighters by creating a pension fund. Commissioner Pittman asked if the City were to become its own fire district, would the City still be able to levy that same amount in areas served outside the City. Chief Reese stated that currently the tax being collected is just in the municipal limits. Manager Martin stated that if he was referring to the special assessment for Fire Services that the City is also discussing, this action will have no direct impact on the municipal assessment or County MSBU. This would be direct funding from the State to offset part of the cost to create the pension fund but the MSBU County equivalent City assessment will be a separate action for the Commission to consider for future cumulative fire services funding needs once the study which is currently underway is completed. He added that City staff has advised county officials of this action and are researching options for locally capturing the same funds from the State for properties served outside the city limits to further support funding the firefighter pension expenditures. Based upon the city attorney's opinion at this point, it is clear that the City cannot levy this tax outside the City, but the County may be able to do so on behalf of the balance of the East Fire Service area. Chief Reese confirmed that the City of LaBelle is collecting the tax and Manager Martin stated that Hendry County has not yet exercised what would be necessary to collect such funding for the West Fire Service area either. The

Manager further stated that he feels the amount the City would receive would be more than the consultant estimated \$50,000 but the City will not know for certain until the calculation of funds collected within the City is completed at the state level. He explained that if this ordinance is approved on first reading, it will come back to the Commission for second reading on September 27 for an effective date of October 1, 2021. Based on conversations and research to date, Chief Reese has been advised that the earliest the City would receive any funding from the State would be August of 2022. The Manager confirmed that approval of the first reading of the ordinance would not obligate the City. If the ordinance is adopted on September 27th, going forward any funds subsequently received from the State would be required to be applied toward funding a firefighter pension or he assumed they would have to be returned. Chief Reese added that it is his understanding that, as in past years, failure to use the funding locally would result in the funds being remitted to the Florida Retirement System (FRS) for firefighters only. He noted there is a very similar state administered program at a much lower tax rate for police, but the benefits are far less than the currently available FRS pension plan for law enforcement officers. Manager Martin added that the police would not be eligible for continuing in FRS if they participated in this lower benefit option program.

Commissioner Pittman made a motion, seconded by Commissioner Hyslope, to approve Ordinance No. 2021-04 on first reading and set the public hearing for September 27, 2021. Vote 4 yeas, 0 nays (Commissioner Gardner was absent.)

Adjournment

Vice Mayor Thompson made a motion, seconded by Commissioner Pittman, to adjourn the meeting at 5:12 p.m. Vote 4 yeas, 0 nays (Commissioner Gardner was absent.)

Kristine Petersen, Mayor

Mary K. Combass, City Clerk